

CITY OF WEST TORRENS



Notice of Special Committee Meeting

NOTICE IS HEREBY GIVEN in accordance with Section 83, 87, and 88 of the Local Government Act 1999, that a

SPECIAL FINANCE AND REGULATORY PRESCRIBED STANDING COMMITTEE MEETING

of the

CITY OF WEST TORRENS

will be held in the Civic Centre
165 Sir Donald Bradman Drive, Hilton

on

TUESDAY, 5 APRIL 2016
at the conclusion of the Council Meeting

Terry Buss
Chief Executive Officer

City of West Torrens Disclaimer

Please note that the contents of this Committee Agenda have yet to be considered by Council and officer recommendations may be altered or changed by the Council in the process of making the formal Council decision.

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1. MEETING OPENED

1.1 Evacuation Procedure

2. PRESENT

3. APOLOGIES

4. DISCLOSURE STATEMENTS

Elected Members are required to:

1. Consider Section 73 and 75 of the *Local Government Act 1999* and determine whether they have a material, actual or perceived conflict of interest in any matter to be considered in this Agenda; and
2. Disclose these interests in accordance with the requirements of Sections 74 and 75A of the *Local Government Act 1999* on the approved form.

The following disclosures of interest have been made in relation to:

Item	Type of Conflict	Elected Member
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5. CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the meeting of the Finance and Regulatory Prescribed Standing Committee held on 15 March 2016 be confirmed as a true and correct record.

6. COMMUNICATIONS BY THE CHAIRPERSON

7. QUESTIONS WITHOUT NOTICE

8. MOTIONS WITHOUT NOTICE

9. REPORTS OF GENERAL MANAGER

9.1 Budget and Annual Business Plan 2016/17

Brief

The first draft of the 2016/17 budget and annual business plan is tabled for Council review and consideration.

RECOMMENDATION(S)

The Committee recommends to Council that the proposed 2016/17 budget and annual business plan be released for public consultation.

Introduction

The first draft of the budget and annual business plan for 2016/17 is included with this agenda under separate cover for review and consideration. The document has been prepared in a form adopted by Council on 8 December 2015. Key aspects of what is now a combined budget and annual business plan include:

- An 'executive summary' to explain key aspects of the document and a 'glossary of terms';
- Strategic fundamentals that underpin the budget, including information from Council's community plan;
- Forward estimates and the ten year financial plan of the Council;
- A capital budget, including commentary and detailed information on the full capital works program;
- Operational budget information at a divisional level, including commentary, financial details and information on objectives, key activities, performance measures and budget highlights;
- Information on rates and rate modelling;
- Summary financial statements, including those specified in Regulation 5 of the *Local Government (Financial Management) Regulations 1999*.

Also included under separate cover with the draft budget and annual business plan is a more detailed breakdown of the divisional operational budgets included in section 6. This is supplementary to assist in the understanding of budget information, but does not form part of the budget and annual business plan.

Discussion

The form of the budget and annual business plan is based on the divisional structure of the Council and meets all requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. It is made up of the following sections:

- | | |
|---------------------------|--|
| 1. Executive Summary | Provides highlights and an overview of the draft budget and annual business plan. |
| 2. Strategic Fundamentals | Provides details on the strategic fundamentals that underpin the budget and long term financial plan. |
| 3. Forward Estimates | Provides details on Council's forward estimates and long term financial plan. |
| 4. Capital Budget | Contains detailed capital expenditure information. |
| 5. Operational Budget | Provides commentary on the operational expenditure budget, including income. An operating surplus is budgeted. |

- | | |
|-----------------------------------|--|
| 6. Divisional Operational Budgets | Provides detailed financial and business plan information. |
| 7. Rating | Contains detailed information on rating arrangements. Rate modelling is still to be undertaken and results will be tabled at a future meeting. |
| 8. Summary Financial Statements | Provides financial statements required under the <i>Local Government Act 1999</i> and related regulations. |
| 9. Ten Year Financial Plan | A ten year financial plan is provided pursuant to Local Government Act requirements. Related financial statements are still to be prepared and will be tabled at a future meeting. |
| 10. Glossary of Terms | Lists definitions of key terms used. |

It is proposed that the Committee work progressively through the draft document in the order presented.

A list of items not included in the first draft of the budget is included with this agenda as **Attachment 1**.

It is anticipated that a number of meetings will be required to work through the budget fully prior to adoption being possible. Further meetings are therefore scheduled, as earlier advised, as follows:

- Thursday 7 April 2016 (a special meeting)
- Thursday 14 April 2016 (a special meeting)
- Tuesday 19 April 2016 (following the Council meeting)
- Thursday 21 April 2016 (a special meeting)
- Tuesday 7 June 2016 (Council meeting - community consultation)
- Tuesday 21 June 2016 (Council meeting - community feedback)
- Tuesday 5 July 2016 (Council meeting - budget adoption)

Other meeting dates will be scheduled, if required.

Time will be set aside in the Council meeting on Tuesday 7 June 2016 for members of the public to ask questions and make submissions on what is proposed in the budget and annual business plan.

The meeting on Tuesday 21 June 2016 follows a three week consultation period and provides the opportunity for Council to consider consultation feedback received and finalise its budget position.

The CEO will present a final budget document, along with an annual business plan and a long term financial plan, for adoption on Tuesday 5 July 2016. The rates will then be declared.

Conclusion

The first budget and annual business plan draft for 2016/17 is tabled for Council consideration.

ATTACHMENT 1

Supplementary List
Items not included in the 2016/17 Budget

Capital Budget

1	Upgrade of Richmond Oval Toilets	\$ 500,000
2	Upgrade of former Jaguar's Club Building - Kesmond Reserve	\$ 500,000
3	Replace / Upgrade Solar Energy System - Hamra Centre	\$ 150,000
4	Purchase Portable CCTV Equipment	\$ 100,000
		<hr/>
		\$ 1,250,000
		<hr/> <hr/>

Capital Works Budget

1	Upgrade of West Beach Road	\$ 1,875,000
2	Greening the city	\$ 500,000
		<hr/>
		\$ 2,375,000
		<hr/> <hr/>
	<u>Total</u>	<u>\$ 3,625,000</u>

10 MEETING CLOSE



2016/17

Proposed budget and annual business plan
1st draft

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Executive Summary

Introduction

This Budget and Annual Business Plan for 2016/17 is in a form adopted by Council on 8 December 2015. Key aspects of the combined budget and annual business plan include:

- An 'executive summary' to explain key aspects of the document and a 'glossary of terms';
- Strategic fundamentals that underpin the budget, including information from Council's community plan;
- Forward estimates and the ten year financial plan of the Council;
- A capital budget, including commentary and detailed information on the full capital works program;
- Operational budget information, including divisional level commentary, financial details and information on objectives, key activities, performance measures and budget highlights;
- Information on rates and rate modelling;
- Summary financial statements, including those specified in Regulation 5 of the Local Government (Financial Management) Regulations 2011.

The document is based on the divisional structure of the Council and meets all requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

Comparatives throughout this document have been adjusted following the sale of the St Martins aged care facility so that meaningful budget to budget comparisons are provided.

Strategic Fundamentals

The *Towards 2025 Community Plan* was adopted in September 2014, and it provides the strategic focus for the budget, annual business plan and long term financial plan of the Council. It has six broad themes, as follows:

- Community life;
- Natural environment;
- Built environment;
- City prosperity;
- Financial sustainability;
- Organisational strength.

Key influences on this budget and annual business plan of the Council are the themes of financial sustainability and the built environment, in particular:

- Sustainability;
- Asset management;
- Stormwater flood mitigation.

These strategic fundamentals provide the basis for forward estimates and Council's long term financial management plan which show:

- An ongoing operating surplus and a positive operating surplus ratio;
- A projected sustainability ratio which is favourable;
- A manageable level of debt;
- Favourable cash and cash reserve projections.

Rate increases of 2.7 per cent are projected from 2018/19 to address fully Council's strategic priorities, in particular sustainability, asset management and stormwater flood mitigation.

A Balanced Budget

Council's operating statement in the proposed 2016/17 budget projects a surplus from operations of \$10,870,169 as follows, based on a 2.6 per cent rate increase:

	\$
Income	62,261,741
Expenditure	51,391,572
	<hr/>
Operating Surplus	10,870,169
	<hr/>

The proposed rate increase is marginally lower than projected in last year's budget, and is proposed on the basis of forward estimates and the strategic fundamentals of the Council.

After adjusting for reserve movements, a nominal cash surplus of \$27,168 is also projected.

Debt Free

No loan repayments of principal or interest are being budgeted in 2016/17, following a Council decision to use part proceeds from the sale of St Martins to pay out all debt.

Operational Expenditure

Costs have been contained across all areas of the Council to achieve the increase of 1.0 per cent, but notwithstanding that:

- Employment costs have increased by \$799,020 or 3.8 per cent over the original budget estimates for 2015/16 (\$646,752 or 3.2 per cent last budget), with FTE's increasing net by 3.8. This is further explained later in this commentary under the heading "Employment Costs".
- Waste disposal and collection costs have been increased by \$213,000 or 4.8 per cent.
- IT costs are increasing by \$56,500 or 6.7 per cent, largely because of one-off additional costs associated with replacement of Council's electronic records management system.
- The NRM levy is budgeted to increase by \$34,747 or 2.8 per cent to \$1,260,136.

Interest payable is reducing by \$598,669 to zero, reflecting the impact of loans being paid out in the 2015/16 financial year.

The cost increase proposed in the budget compares favourably with both the consumer price index (currently 1.0 per cent for Adelaide) and the local government price index (currently 0.9 per cent).

Staff numbers have been increased by 3.8 full time equivalents (FTE's), reflecting two new positions in Compliance, both Council approved and both fully funded from additional parking income, along with new FTE's in lean / continuous improvement (two year appointment) and economic development. FTE numbers were reduced in 2012/13 and 2013/14 by 9.1 and 0.9 respectively, but an increase of 2.7 FTE occurred in 2014/15, with 2.0 FTE's budgeted to establish a rapid response team at the depot, and an increase of 0.9 FTE occurred last budget.

Capital Expenditure

Key aspects of the budget include:

- The capital budget for 2016/17 totals \$25,914,137, with rate funded capital expenditure increasing by \$4,326,332 or 26.5 per cent to \$20,670,274. The increase includes a rate funded capital works increase of \$1,553,797, or 11.5 per cent, to \$15,074,774, along with a capital budget increase of \$272,535 or 9.7 per cent to \$3,095,500. Funding of \$2.5 million is also proposed for hub and related development.
- An amount of \$3.448 million being committed to drainage and related construction, with \$2.322 million budgeted to undertake detailed design / documentation and construction of Lockleys catchment drainage and \$0.581 million budgeted for Brown Hill Keswick Creek (both being loan program items).
- \$3.55 million for the recreation program (\$2.72 million in 2015/16), an increase of 30.5 per cent. It includes including \$665,000 for the ongoing playground upgrade program, \$640,000 for reserve irrigation, \$600,000 for additional open space amenity initiatives and \$595,000 for the Linear Park.
- Transport program expenditure, including expenditure on roads and footpaths, is increasing by \$1.358 million or 11.6 per cent to \$13.021 million.
- An amount of \$677,359 for the replacement, remediation and construction of footpaths and pathways (\$891,853 in 2015/16).
- Rate funded capital expenditure on building works of \$4.08 million (\$1.5 million in 2015/16), as a further commitment toward meeting maintenance and remediation requirements identified by GHD in an independent assessment of work that needed to be undertaken. The amount budgeted includes \$2.5 million for upgrade of Lockleys Oval / Apex Park - Stage 1.
- Rate funded expenditure on plant, equipment and furniture of \$1.516 million (\$1.323 million in 2015/16).
- Capital funded by grants of \$2.341 million (\$2.026 million in 2015/16).

Rating in 2016/17

An overall average rate increase of 2.6 per cent excluding growth is proposed for 2016/17, marginally lower than foreshadowed in the forward estimates of last year’s budget. It is not proposed that more of the rate burden be moved to minimum rated and non-residential ratepayers this year, with the following movements recommended:

Residential	:	Up 2.6%
Non-Residential	:	Up 2.6%
Minimum Rate	:	Up 2.6%
Overall Increase	:	Up 2.6%

Valuation volatility is relatively low again this year, reflecting current economic circumstances, and this will result in much lower rating volatility. Rate rebate and remission policies are in place to assist ratepayers affected by hardship or disproportionate rate increases, and rate postponement for seniors is now mandatory in certain circumstances under Local Government Act provisions.

Strategic Fundamentals

Introduction

The *Towards 2025 Community Plan* was adopted in September 2014, and it provides the strategic focus for the budget, annual business plan and long term financial plan of the Council.

The community plan is structured into six broad themes, four community focused and two corporate focused, as follows:

- Community life;
- Natural environment;
- Built environment;
- City prosperity;
- Financial sustainability;
- Organisational strength.

Community Life

Long term strategies for community life are as follows:

- Aspiration: A community that embraces diversity
 - Encourage recognition and celebration of our community's cultural diversity.
 - Facilitate opportunities for people from diverse social backgrounds to come together.
 - Foster a sense of identity and pride within the West Torrens community.
- Aspiration: Active, healthy and learning communities
 - Encourage all members of the community to pursue active and creative lifestyles.
 - Support community involvement and intergenerational connection.
 - Facilitate life-long learning through equitable access to a range of education and training opportunities.
 - Encourage community awareness of services and resources so they can make informed life choices.
 - Foster health, wellbeing and safety within the community.
- Aspiration: An engaged community
 - Encourage the community to participate in opportunities to influence Council's decision making framework.

Natural Environment

Long term strategies for the natural environment are as follows:

- Aspiration: Environmentally sustainable development
 - Encourage new and existing development to incorporate environmentally sustainable designs and practices.

- Aspiration: Reduction of our ecological impact
 - Facilitate the minimisation of waste production and disposal to landfill and productive utilisation of waste.
 - Create a water-sensitive city.
 - Manage current water resources efficiently.
 - Respond to the challenges of a changing climate.
- Aspiration: Enhanced natural environment
 - Create green streetscapes and open spaces.
 - Protect and enrich local biodiversity, waterways and the coast.

Built Environment

Long term strategies for the built environment are as follows:

- Aspiration: A well-designed built environment
 - Facilitate residential development that meets the demographic and socio-economic needs and expectations of the community.
 - Promote retail, commercial and industrial activity that is compatible with neighbouring land uses.
- Aspiration: An attractive and functional open space network
 - Facilitate equitable access to open spaces.
- Aspiration: Effective stormwater infrastructure
 - Manage the quantity and quality of stormwater flows.
 - Minimise the risk of flooding to existing communities and future developments.
- Aspiration: Accessible and reliable transport infrastructure
 - Facilitate the healthy, safe and effective movement of people through the city.

City Prosperity

Long term strategies for city prosperity are as follows:

- Aspiration: A thriving business environment
 - Support the development and growth of local business and jobs.
 - Encourage economic growth and productivity.
 - Support education and training pathways.
- Aspiration: A vibrant city
 - Foster a vibrant and inviting city.

- Aspiration: Sustainable population growth
 - Promote sustainable population growth, attracting people from diverse backgrounds.

Financial Sustainability

Long term strategies for financial sustainability are as follows:

- Aspiration: Sustainable financial management
 - Employ sustainable financial management principles.
- Aspiration: Proactive asset management
 - Ensure assets are utilised to their optimal capacity and maintained at acceptable standards.

Organisational Strength

Long term strategies for organisational strength are as follows:

- Aspiration: Strong partnerships and working relationships
 - Develop and maintain strong partnerships and working relationships with other organisations and within Council.
- Aspiration: Leading governance and administration practices
 - Regularly review, update and adopt leading governance and administrative practices.

Key Influences

Key influences on the budget and annual business plan of the Council are the themes of financial sustainability and the built environment, in particular:

- Sustainability;
- Asset Management; and
- Stormwater Flood Mitigation.

Sustainability refers to Council's ability to manage its finances so it can meet spending commitments, both now and in the future, and ensure future generations of taxpayers do not face an unmanageable bill for services provided to the current generation.

Asset management refers to a systematic, structured approach to the maintenance, upgrade and operation of assets, on a whole of life basis, combining engineering principles with sound business practice and economic rationale, and providing the tools to facilitate a more organised and flexible approach to making decisions necessary to meet community expectations.

Stormwater flood mitigation refers to measures aimed at minimising the impact of floods in the West Torrens' community, including mitigation works associated with Brown Hill and Keswick Creeks.

Rationale for the Focus on Asset Management and Sustainability

Concerns continue to be raised in local government circles about the capacity of councils to be financially sustainable. It has been reported that:

- The financial sustainability of councils is vital to the interests of ratepayers, the community and the state, and is an important pillar of efficient and effective local government;
- Not all councils have the types of policies and practices in place that lock-in their financial sustainability;
- Not all councils in South Australia are financially sustainable, as evidenced by their high operating deficits and substantial infrastructure renewal and replacement backlogs;
- Unless the spending of unsustainable councils is cut or other governments come to the rescue, substantial rates increases are inevitable. The current or prospective financial performance and position of councils has been assessed as being not strong enough to absorb likely future developments and unanticipated financial shocks;
- More strategic expenditure decisions by local government – and more rigorous funding policies – must be pursued by local government.

Being a financially viable and sustainable Council received the strongest of all responses in a budget related Community Panel survey in December 2012 involving 181 respondents.

Rationale for the Focus on Flood Mitigation

The Stormwater Management Plan (SMP) for the Brown Hill Keswick Creek (BHKC) catchment was approved by the Stormwater Management Authority (SMA) in February 2013 and then gazetted on 5 March 2013. A further updated version of the SMP has been prepared and submitted to the SMA for approval and will become the BHKC Catchment Stormwater Management Plan 2016. Based on the current modelling associated with this plan, it is estimated that damage from a 100 year average recurrence interval flood will cost \$122 million and affect 2,089 properties in the absence of flood mitigation action being taken.

Cost estimates associated with the flood mitigation required have recently reduced from an estimate of \$160 million to \$142 million, with the City of West Torrens' share now being in the vicinity of \$34.8 million.

There are a number of other flooding risks that exist within the city that are not associated with the BHKC catchment. These are the subject of ongoing assessment, with the implementation of flood mitigation systems intended.

Implications for the City of West Torrens

The key influences of sustainability, asset management and stormwater flood mitigation need to be viewed in terms of the following:

- Council has management responsibility for community assets valued at \$878 million;
- Accumulated depreciation on Council assets totals \$325 million, being 49.3 per cent of all depreciable assets, and it is not funded by specific cash reserves;
- West Torrens has asset renewal and maintenance backlogs, most recently demonstrated to Council in reports on the condition of Council owned buildings;
- West Torrens Council has significant new capital expenditure needs, particularly in relation to drainage infrastructure;
- The most recent cost estimates associated with the BHKC system mitigation works are in the region of \$142 million;
- A capital renewal expenditure spike could occur sometime into the future, possibly around the year 2050.

Legislative Changes

Legislative changes followed reports on financial sustainability in local government, and they incorporated the need for councils to:

- Address issues of sustainability, and prepare long-term asset and financial management plans;
- Prepare annual business plans that report on budget parameters, rating structures and policies, strategic plans, and Council's long-term asset and financial management plans;
- Report on financial indicators, including indicators of financial sustainability;
- Establish Audit Committees, and more rigorous and transparent processes of internal review;
- Consult with the community on budget and rating proposals prior to budgets being adopted and rates being declared.

The Local Government (Stormwater Management) Amendment Act 2007 has also passed through the parliament, and it has established a Stormwater Management Authority with responsibilities that include planning and undertaking stormwater management works on behalf of councils.

Emerging Financial Issues

Council has responded strongly to the asset management and sustainability agenda, with work undertaken to revisit and update asset data, including condition assessment information, particularly in relation to infrastructure assets. This work is substantially completed for Council's road and footpath network, and building assets, with work in progress on drainage and land improvements.

Emerging issues for Council to consider from this and other work undertaken include:

- Drainage mitigation, including the need to commit up to \$34.8 million to BHKC drainage works within the next 13 years;
- Projections in the asset management plans of the Council that \$99.7 million needs to be committed over the next ten years to road, kerbing and footpath maintenance and remediation works;
- Projections that up to \$24.3 million needs to be committed by Council to building maintenance and remediation works over the next ten years, based on current property holdings;
- Community hub and related developments totalling \$7.5 million from the 2016/17 to the 2018/19 financial year;
- Local drainage works, still being assessed by Council's asset management staff, may require expenditure totalling \$80 million over the next 30 years;
- The need to commit increasingly to initiatives associated with water management, renewable energy, energy efficiency and reducing carbon emissions.

Forward Estimates

Introduction

The strategic fundamentals described in this document provide the basis for the forward estimates and Council's long term financial plan. They are prepared pursuant to the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

Key assumptions made in compiling these forward estimates and Council's long term financial plan are discussed in this section, along with summary projections and key financial indicators.

Detailed information, including long term financial statements, is provided in the 'Ten Year Financial Plan' section of this document.

Forward Capital Expenditure Estimates

Key assumptions made in relation to capital budget estimates include the following:

- \$24.9 million is committed to drainage works for the Brown Hill Keswick Creek (BHKC) over a ten year period from the 2016/17 financial year, in addition to \$3.1 million committed in 2015/16, most of which is to be funded from the loan program.
- Council commits to rate funded capital works totalling \$99.7 million over a ten year period commencing in 2016/17 to fund road and footpath works identified in the infrastructure and asset management plans of the Council.
- Council commits to rate funded capital works for road construction and other capital works, totalling \$6.7 million in the 2016/17 budget, and that a level of funding is to be continued into the future.
- Council has rate funded local drainage commitments of \$545,000 from the 2016/17 financial year, with indexed increases annually thereafter.
- Loan funded capital drainage works, excluding BHKC, will be \$2.3 million in the 2016/17 budget, and \$2.0 million indexed per annum thereafter.
- Roads to recovery funding will be continued at \$436,688 per annum until 2018/19 (\$1.442 million in 2016/17).
- Capital expenditure on Council owned buildings, excluding hub and related developments, will be \$1.33 million in the 2016/17 budget, and \$1.75 million indexed per annum thereafter.
- Past asset sale proceeds and part interest savings from the discharge of loans will be used to fund community hub and related developments.
- The capital budget for the replacement of plant, furniture and equipment will be \$1.77 million in 2016/17, and it has been indexed to cover estimated depreciation levels into the future.

Expenditure projections for 2016/17 and each of the next three years based on these assumptions are as follows:

	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$
Rate Funded Infrastructure	14,529,774	14,821,088	15,219,620	15,634,166
Rate Funded Local Drainage	545,000	555,900	567,018	578,358
Loan - Local Drainage	2,322,000	2,000,000	2,040,000	2,080,800
Loan - BHKC	581,000	2,544,605	2,582,774	2,621,516
Grants	2,041,553	1,048,178	1,060,408	636,194
Hub Developments	2,500,000	2,500,000	2,500,000	0
Building Other	1,330,000	1,750,000	1,910,967	2,086,740
Plant, Furniture & Equipment	1,765,500	1,800,810	1,836,826	1,873,563
Library Capital	299,310	305,296	305,296	311,402
Total	25,914,137	27,325,877	28,022,910	25,822,739

Forward Revenue Estimates

Forward revenue estimates have been extrapolated from an assessment of historical revenue movements, and what is expected to arise into the future. Key assumptions include the following:

- Council is prepared to increase rate revenue by 2.6 per cent plus growth in 2016/17 and 2017/18, then by 2.7 per cent plus growth annually thereafter.
- Rate equivalent payments by Adelaide Airport Limited will increase in line with the above rate increases.
- Statutory charges, which include parking, animal management and Development Act income, will increase by 2.0 per cent each year.
- User charges, which include property related income and transfer station royalties, will increase by 2.0 per cent each year.
- Grant income will increase by 2.0 per cent, with the exception of roads to recovery funding by the Commonwealth Government, which is expected to be \$1.442 million in 2016/17 and \$436,688 in the following two years.
- Other income, excluding investment income, will increase by 1.8 per cent each year from 2016/17.

Forward revenue estimates are as follows:

	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$
Rates	48,370,136	50,236,831	52,225,803	54,292,938
Rate Equivalents	5,020,000	5,176,273	5,342,612	5,514,297
Statutory Charges	2,199,580	2,243,572	2,288,443	2,334,212
User Charges	1,285,357	1,311,064	1,337,285	1,364,031
Grant & Subsidies	4,182,023	3,231,457	3,287,353	2,907,678
Other Income	1,204,645	1,227,138	1,240,999	1,264,171
Total	62,261,741	63,426,334	65,722,495	67,677,327

Forward Operational Expenditure Estimates

Operational expenditure increases have been extrapolated from an assessment of historical cost movements, and what is expected to arise into the future. Key assumptions include:

- Employee cost increases of 3.8 per cent in 2016/17 and 3.5 per cent thereafter, with a modest allowance for the addition of new staff.
- Contract and material expenditure increases of 2.9 per cent each year in support of Council's maintenance works program, including building and infrastructure maintenance. This includes an allowance for an increase in waste related charges.
- A depreciation expense increase of 3.0 per cent based on projected asset value movements.
- Finance charges largely involve interest repayments on loans taken, and are estimated on the basis of loans projected to be taken using borrowing rates ranging between 4.7 and 5.2 per cent.

Forward operational expenditure estimates are as follows:

	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$
Employee Costs	21,624,251	22,381,100	23,164,438	23,975,194
Contractual Services	7,008,400	7,260,760	7,469,367	7,684,537
Materials	945,000	963,900	983,178	1,002,842
Finance Charges	153,900	281,560	480,838	673,544
Depreciation	10,941,490	11,264,236	11,596,669	11,939,083
Other Expenses	10,718,531	10,975,654	11,240,713	11,514,010
Total	51,391,572	53,127,210	54,935,204	56,789,209

Forward Loan Estimates

A loan program of \$44.75 million is projected in future dollar terms over the next ten years, as follows:

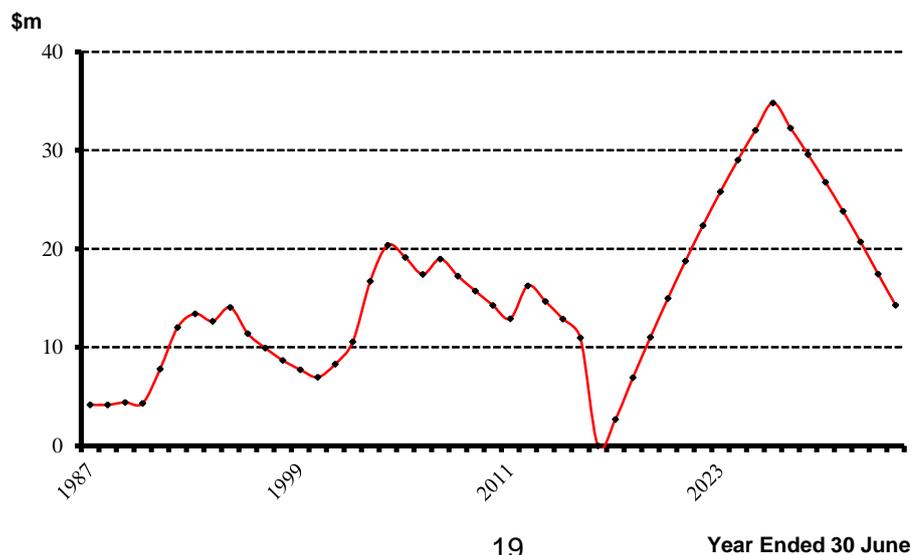
	\$m
Local drainage	\$21.83
BHKC project	24.90
Works overhead	(1.98)

Total	\$44.75

This comprises the following:

Financial Year	Local Drainage \$	BHKC Drainage \$	Works Overhead \$	Total Loans \$
2016/17	2,322,000	581,000	(211,091)	2,691,909
2017/18	2,000,000	2,544,605	(181,818)	4,362,787
2018/19	2,040,000	2,582,774	(185,455)	4,437,320
2019/20	2,080,800	2,621,516	(189,164)	4,513,152
2020/21	2,122,416	2,660,838	(192,947)	4,590,308
2021/22	2,164,864	2,700,751	(196,806)	4,668,809
2022/23	2,208,162	2,741,262	(200,742)	4,748,682
2023/24	2,252,325	2,782,381	(204,757)	4,829,949
2024/25	2,297,371	2,824,117	(208,852)	4,912,636
2025/26	2,343,319	2,866,479	(213,029)	4,996,768
Total	21,831,257	24,905,723	(1,984,660)	44,752,320

It is anticipated that cash reserves of the Council will be used in lieu of loans being taken in the 2016/17 financial year. The indebtedness trend of the Council is projected on the basis of this information as follows:



Council will be debt free at end of the current financial year, but indebtedness is projected to increase subsequently, peaking at \$34.8 million in 2025/26 then declining thereafter. This scenario will obviously change if loans taken from 2016/17 are other than those currently planned.

Loan Repayments

Loan repayments to service projected loans, based on borrowing rates of 4.7 per cent until 2020/21 and 5.2 per cent thereafter, will be as follows:

Year	Projected Repayments \$	Increase/ (Decrease) \$
2016/17	0	(2,679,771)
2017/18	252,109	252,109
2018/19	660,704	408,594
2019/20	1,076,278	415,575
2020/21	1,498,955	422,677
2021/22	1,928,858	429,903
2022/23	2,380,957	452,099
2023/24	2,840,790	459,833
2024/25	3,308,493	467,703
2025/26	3,784,203	475,710

Council's current and projected loan program will impact loan repayments most after the 2017/18 financial year, but these increases are manageable within the framework of the ten year financial plan.

Loan repayments as a percentage of rates is the industry accepted benchmark to assess a Council's relative indebtedness. The percentages for West Torrens based on the actual and projected loan program are as follows:

Year	Loans % of Rates
2016/17	0.0
2017/18	0.5
2018/19	1.3
2019/20	2.6
2020/21	2.7
2021/22	3.3
2022/23	3.9
2023/24	4.5
2024/25	5.0
2025/26	5.5

These percentages are extremely low by local government standards, with up to 25 per cent considered manageable.

Key Financial Indicators

The forward financial estimates of the Council have provided the basis of key financial indicator projections in relation to Council's:

- Operating result;
- Sustainability;
- Loan servicing capacity;
- Liquidity.

(a) Operating Result

An operating surplus represents the extent to which operating income exceeds operating expenditure, including depreciation, and is projected each year, as follows:

Financial Year	Operating Surplus \$	Operating Surplus Ratio %
2016/17	10,870,169	20.4
2017/18	10,299,124	18.6
2018/19	10,787,291	18.7
2019/20	10,888,118	18.2
2020/21	11,460,482	18.4
2021/22	12,086,730	18.7
2022/23	12,729,094	19.0
2023/24	13,430,591	19.3
2024/25	14,176,663	19.6
2025/26	14,989,281	19.9

A strong ongoing operating result is a positive indicator of financial viability for the City of West Torrens. LGA Information Paper 9 *Financial Indicators* (May 2015) suggests an operating break even position, or better, over time and an operating surplus ratio of between zero and 10 per cent on average. It is a positive that West Torrens is projected to operate beyond this range, demonstrating a strength in capital expenditure programs.

(b) Sustainability

The sustainability ratio shows the extent to which capital expenditure on the renewal and replacement of assets matches the rate at which these assets are used or consumed, with the amount spent divided by the total depreciation expense. Achieving a break even result of 100 per cent or better demonstrates that the cost of consumption of assets in any one year is being met by current rates and current ratepayers.

Financial Year	Capital Expenditure \$	Depreciation Expense \$	Sustainability Ratio %
2012/13	10,455,759	10,238,565	102.1
2013/14	11,140,894	10,860,076	102.6
2014/15	11,999,041	11,065,000	108.4
2015/16	11,352,737	10,917,187	104.0
2016/17	11,302,737	10,941,490	103.3
2017/18	11,673,632	11,264,236	103.6
2018/19	12,021,289	11,596,669	103.7
2019/20	11,979,682	11,939,083	100.3
2020/21	12,434,258	12,291,781	101.2
2021/22	12,953,729	12,655,076	102.4
2022/23	13,544,137	13,029,290	104.0
2023/24	14,137,232	13,414,754	105.4
2024/25	14,387,926	13,811,811	104.2
2025/26	15,222,160	14,220,814	107.0

A sustainability ratio which is greater than 90 per cent but less than 110 per cent is the benchmark used in local government. This was achieved or is projected to be achieved in all years.

LGA Information Paper 9 suggests the same ratio range when benchmarking capital expenditure incurred against capital expenditure outlays in Infrastructure and Asset Management Plans (IAMP's), rather than depreciation. Forward capital estimates are matched over the ten year forecast period to the IAMP's adopted by Council, as shown in the table that follows.

Program	IAMP Amount \$m	10 Year Plan \$m	% Met
Roads Program			
Reseal / Maintenance	31.355	31.355	100
Reconstruction Renewal	26.153	26.153	100
Kerb & Gutter	29.994	29.994	100
Footpath Program			
Renewal	4.187	4.187	100
Construction	7.999	7.999	100
Building Program			
Renewal Expenditure	24.306	24.306	100

Additional amounts are included in the ten year financial plan to cover drainage and other infrastructure renewal works, along with new capital works. There is little need for renewal expenditure on stormwater assets over the next ten years, although there is a requirement for capital expenditure to build new and upgrade existing stormwater infrastructure. More detailed information on this expenditure will be compiled after the completion of a condition assessment audit of Council's underground stormwater network anticipated to be undertaken in 2016/17. More detailed work is also planned for other Council assets, including those covered by the recreation program.

(c) Loan Servicing Capacity

To meet a structured long term asset renewal and replacement program, Council will need to commit to a loan program that will result in loan liabilities increasing from zero to \$34.8 million - a significant but manageable increase as demonstrated below. Borrowing interest rates ranging from 4.7 to 5.2 per cent have been estimated, along with a 15 year borrowing term.

Loan repayments as a percentage of rates is the industry accepted benchmark to assess a Council's relative indebtedness. The percentages for West Torrens based on the actual and projected loan program are as follows:

Financial Year	Projected Loan Repayments	Loans to Rates
	\$	%
2016/17	0	0.0
2017/18	252,109	0.5
2018/19	660,704	1.3
2019/20	1,076,278	2.0
2020/21	1,498,955	2.7
2021/22	1,928,858	3.3
2022/23	2,380,957	3.9
2023/24	2,840,790	4.5
2024/25	3,308,493	5.0
2025/26	3,784,203	5.5

A percentage between zero and 25 per cent would normally be considered as being reasonable.

(d) Liquidity

Based on the assumptions used, a relatively balanced budget is achieved in each year for the next ten years in terms of the projected cash flow of the Council, net of cash reserves, as follows:

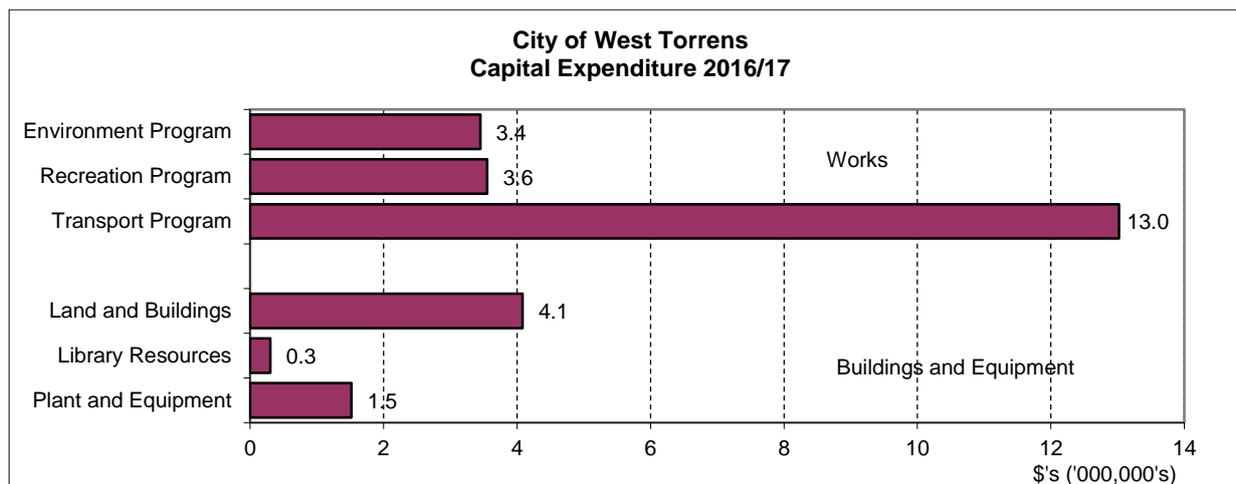
Financial Year	EOY Cash Estimate	Net Reserves	Surplus/ (Deficit)
	\$	\$	\$
2016/17	10,464,935	10,437,766	27,168
2017/18	10,674,267	10,594,842	79,425
2018/19	10,913,849	10,753,309	160,540
2019/20	13,653,175	13,480,418	172,756
2020/21	16,385,483	16,209,202	176,281
2021/22	19,059,906	18,948,095	111,811
2022/23	21,595,485	21,688,969	(93,485)
2023/24	24,371,829	24,440,481	(68,651)
2024/25	27,309,507	27,194,307	115,200
2025/26	29,855,310	29,959,330	(104,020)

Capital Budget

Introduction

The capital budget for 2016/17 totals \$25,914,137 as follows:

\$	
Capital Works	
Environmental Program	3,448,000
Recreation Program	3,550,000
Transport Program	13,021,327
Sub Total	20,019,327
Capital	
Land and Building Works	4,080,000
Library Resources	299,310
Plant, Equipment & Furniture	1,515,500
Sub Total	5,894,810
Total	25,914,137



Rate funded capital expenditure has been increased by \$4,326,332 to \$20,670,274, an increase of 26.5 per cent, as shown in the table that follows. The increase includes a capital works increase of \$1,553,797, or 11.5 per cent, to \$15,074,774.

	Budget 2015/16 \$	Budget 2016/17 \$	Variance \$
Rate Funded			
City Works Funds	13,520,977	15,074,774	1,553,797
Plant and Equipment	1,322,965	1,515,500	192,535
Land and Buildings	1,500,000	4,080,000	2,580,000
Sub Total	16,343,942	20,670,274	4,326,332

Other Funded

Grants	2,025,609	2,340,863	315,254
Reserves / Asset Sales	6,000,000	0	(6,000,000)
Loans	5,142,250	2,903,000	(2,239,250)
Sub Total	13,167,859	5,243,863	(7,923,996)
Total Capital Budget	29,511,800	25,914,137	(3,597,663)

Capital funding from other than rates totals \$5,243,863, as shown in the following table:

	\$
Lockleys catchment drainage stage 3 (loan)	2,322,000
Brown Hill Keswick Creek (loan)	581,000
Roads to recovery grant	1,442,053
Urban local road grant	599,500
Library grant	299,310
Total	5,243,863

Environment Program

The drainage budget comprises the following:

- \$365,000 for minor drainage upgrades and replacement works, including the following:
 - Replacement / upgrade of side entry pits and junction boxes, minor pipe replacements and upgrades due to damage and/or failure;
 - Stormwater pump station improvements;
 - Asset conditioning and minor investigations and planning into the current drainage network;
 - Brown Hill Creek, Gray Street, Channel Bend, Marleston / Kurralta Park;
 - Open drainage channel sediment removal (West Beach);
 - Stormwater basin swale reconstruction - Penong Ave, Camden Park.
- \$2,322,000 in loan funding to undertake detailed design / documentation and construction for Lockleys catchment drainage - stage 3 (Henley Beach Rd and Lockleys North catchment);
- \$100,000 to upgrade drainage for the Hayward Avenue / Ashley Street intersection, Torrensville.

- \$80,000 for an underground drainage installation - Henley Street, Mile End.
- \$581,000 in loan funding as Council's contribution toward various works associated with the Brown Hill Keswick Creek project.

Recreation Program

Recreation works include the following:

- \$665,000 for new, replacement and upgraded playgrounds, based on a program developed in response to an audit report undertaken in 2013 for playground safety. Nominated playgrounds for 2016/17 are:
 - Lyons Street Reserve, Brooklyn Park;
 - Memorial Gardens, Hilton, (additional funds for current project);
 - Joe Wells Reserve, Netley;
 - Kings Reserve, Torrensville;
 - Shade sail shelters (sites to be confirmed);
 - Additional gym equipment, selected locations (linear parks / bikeways);
 - Minor playground equipment;
 - Playground (safety) barrier fencing.
- \$350,000 for reserve upgrades, including:
 - Golflands Reserve (western side), Glenelg North;
 - Joe Wells Reserve, Netley;
 - St Georges Avenue Reserve, Glandore;
 - Oakmont Crescent, Novar Gardens, (stage 2);
 - Streetscape upgrade - Morphett Road, Novar Gardens;
 - Upgrades to pedestrian lighting on reserves;
 - Minor reserves upgrades;
 - Ongoing gazebo upgrades and replacements;
 - Various fencing and bollard replacements on reserves;
 - Turf replacement and sundry reserve pathway upgrades.
- \$565,000 for projects along the River Torrens Linear Park, including:
 - Continuation of a staged pedestrian upgrade / replacement lighting project (LED) to meet Australian standards and improve safety for users;
 - Selected areas of re-vegetation;
 - Path upgrades / reconstruction;
 - General fencing and the installation of retaining walls and barrier protection.
- \$30,000 for the ongoing reseal of various pathway sections along the River Torrens Linear Park in order to meet the current path width standard.
- \$640,000 for irrigation system upgrades for the following reserves:
 - Westside Bikeway, Marleston / Plympton (staged project, selected areas within the linear park);
 - Richmond Oval, Richmond;
 - Frank Norton Reserve, Torrensville;

- East Parkway Reserve, Fulham;
 - Golflands Reserve, (westerns section), Glenelg North;
 - Joe Wells Reserve, Netley;
 - Tyson Avenue (wide verge area), Ashford;
 - Camden Oval, Novar Gardens (staged projects);
 - General irrigation equipment, including controllers with upgrade to network and backflow meter equipment.
- \$600,000 new budget funding for open space initiatives to develop parks and reserves that include;
 - Kings Reserve, Torrensville (staged project, including skate park option);
 - Streetscapes, Henley Beach Rd and Sir Donald Bradman Drive (staged);
 - River Torrens Linear Park - upgrade of pedestrian lighting (stage 7);
 - Playground shade structures (installation on existing playgrounds);
 - Kesmond Reserve, Keswick (reserve upgrade);
 - Staged yearly program to install new (wheelie bin) surrounds to litter bins;
 - Upgrade to reserve and shelter furniture - various locations.
 - \$60,000 for the staged resealing and reconstruction of various sections of city bikeways, a program that will be ongoing, subject to annual funding provision.
 - \$40,000 for the general upgrade of tennis courts, works including fencing.
 - \$500,000 for Apex Park Reserve, West Beach, to upgrade and improve the wetlands and landscaping. This is part of the sport facilities project and will continue into 2017/18.
 - \$50,000 to develop and upgrade the centre median of Airport Road, Brooklyn Park. Funding is to develop preliminary design options from initial concept level investigations.
 - \$50,000 for the Civic Centre street frontage onto Sir Donald Bradman Drive / Brooker Terrace, Hilton. The project is to commence and develop landscape design concepts and design options. Project is to continue in 2017/18.

Transport Program

Funding totals \$13,021,327 (\$11,663,685 in 2015/16) as follows:

	\$
Road maintenance program	5,464,416
Road reconstruction program	5,289,552
Other road works	1,590,000
Footpath program	677,359
	<hr/>
Total	13,021,327
	<hr/>

Road Maintenance Program

In order to ensure that the Council manages its road (surface, pavement and kerb and gutter) assets in a manner most appropriate for the community, a commitment has been made to a road Infrastructure Asset Management Plan which ensures adequate provisions are made for existing and future infrastructure so that assets are fully utilised, i.e. their design life is achieved in a cost effective manner.

This year's capital works program for roads has been based on an updated and Council adopted Infrastructure and Asset Management Plan for roads, which took into consideration the strategic report *City of West Torrens Transport Strategy - Transportation for the next Generation 2025*. The schedule of capital works for roads is based on the principles / methodologies developed in the implementation of a ten year capital works program following a condition audit of Council's network undertaken in 2015 upon which Council's current long term financial plan is based. The schedule of works also considers customer requests.

This year Council has modelled a 10 year renewal program that includes road surface rejuvenation treatments and a kerbing program that provides for kerb and gutter to be undertaken the year prior to the seal resurfacing.

This year's capital works program for road maintenance totals \$5,464,416 as follows:

	\$
Reseal / road maintenance program	1,809,877
Kerb and gutter program	3,654,539
	<hr/>
Total	5,464,416
	<hr/>

Details are provided on pages 36 to 37, and include works from customer requests and a recent reconditioning audit of the road network.

Road Reconstruction Program

Council's road reconstruction program totals \$5,289,552 and comprises the following:

- Aldridge Terrace, Marleston (Richmond Road to St Anton Street);
- Beauchamp Street, Kurralta Park (Barwell Avenue to Hare Street);
- Birdwood Terrace, North Plympton (Keith Avenue to Murdoch Avenue);
- George Street, Thebarton (South Road to Dew Street);
- May Terrace, Brooklyn Park (Henley Beach Road to Sir Donald Bradman Drive);
- Mortimer St, Kurralta Park (Gray Street to Grassmere Street);
- North Parade, Torrensville (Clifford Street to Stephens Avenue);
- West Thebarton Road, Thebarton (South Road to James Street);
- Localised road failure and rehabilitation work.

This schedule of works provides a balanced approach to assist renewal and maintain strategic roads to an acceptable level whilst managing the expectations of the community and road users.

Other Road Works

Other road works total \$1,590,000 and comprise:

- \$200,000 for the ongoing installation and upgrade of public bus shelters at identified sites.
- \$505,000 for the implementation of local area traffic management in precincts 9 and 10, Thebarton / Torrensville, and stage 2, Jenkins Street, Cowandilla - Wombat Crossing, along with minor traffic management work at identified locations, including pavement bar layouts, pedestrian kerb ramps, and stop and give way signage with associated line marking.
- \$115,000 for bicycle management schemes, including the continuation of the Adelaide Airport ring route shared path from Watson Avenue along Beare Avenue, Netley, and the installation of safety barriers along the Anna Meares shared path.
- \$100,000 for ancillary works identified in the 2015 bridge audit to be undertaken.
- \$200,000 for the Westside Bikeway to continue with the staged upgrade of the pedestrian lighting on the pathway on the linear park through Marleston / Plympton.
- \$270,000 for the final stage of new pedestrian (solar) lighting for the Anna Meares shared pathway.
- \$150,000 for the upgrade of the pedestrian lighting on Coast Watchers Reserve, on the pathway from Henley Beach Road to Ashburn Avenue, Fulham.
- \$50,000 for minor street lighting upgrades throughout the city.

Footpath Program

A condition assessment of Council's 626 kilometres of footpaths was undertaken in mid-2011 and it provided the basis for a new forward renewal and maintenance program.

Concurrently with this assessment, Council developed an *Installation of New Footpath Priority System* report to determine the order in which new footpaths are installed within Council. The installation of new footpaths applies to:

- Local roads that do not have a footpath on either side of the road;
- Collector and arterial roads that do not have footpaths on both sides of the road; and
- Local roads when a footpath is required on both sides of the road due to high pedestrian demand such as a bus route, school, shopping centre or nursing home.

It is a Disability Discrimination Act requirement that there be a footpath on one side of all roads, for the safety and accessibility of pedestrians. Local and major collector roads which carry over 3,000 vehicles per day and are defined in Council's transport's strategy should have a footpath on both sides of the road for the safety of pedestrians, along with areas that have high pedestrian demand.

The findings of the above formed the basis of the updated *Footpath Infrastructure and Asset Management Plan* that was last adopted in November 2012. The objective of the plan is to provide a safe and practically manageable footpath and cycle / shared path network with an

emphasis on the reduction in risk as opposed to aesthetics, and set priorities for the renewal and provision of new footpaths and cycle / shared paths. The functional level of service for footpaths has and will continue to consider community expectations, legislative compliance and future demand needs.

A further review of the risks associated with our footpath assets was undertaken in 2013/14 and confirmed a high risk along arterial roads. Council in past budgets has allocated funds to commence risk mitigation works, and it is proposed that this be continued with a budget allocation to city wide footpaths for upgrades to occur at various locations.

The footpath schedule of works this year is made up of \$239,508 for footpath renewal, \$237,851 for new footpath construction and \$200,000 for footpath remediation. The following work is proposed:

Footpath Renewal Program \$239,508

- Augusta Street, Cowandilla (Francis Street to Sir Donald Bradman Drive);
- Hare Street, Kurralta Park (Beauchamp Street to South Road);
- Brian Street, Lockleys (Pierson Street to Rowells Road);
- Bonython Avenue, Novar Gardens (Nagle Crescent to Morphett Road);
- Crawford Court, Richmond (Apollo Circuit to End);
- Anderson Street, Thebarton (Stirling Street to Holland Street);
- Brown Street, Thebarton (West Thebarton Road to Ballantyne Street);
- Ashley Street, Torrensville (Huntriss Street to South Road);

New Footpath Construction Program \$237,851

- Wakefield Place, Brooklyn Park (Bedford Street to End);
- Orana Avenue, Glenelg North (Iluka Street to City Boundary);
- Horsley Street, Lockleys (Frontage Road to Durham Avenue);
- Eringa Avenue, Lockleys (Fulham Park Drive to End);
- Rostrata Street, Lockleys (End to Willingale Avenue);
- Rostrata Street, Lockleys (Willingale Avenue to End);
- Willingale Avenue, Lockleys (Henley Beach Road to Acacia Avenue);
- Reese Avenue, Richmond (Deacon Avenue to Kingston Avenue);
- Hayward Avenue, Torrensville (End to Ashwin Parade);
- Neptune Crescent, West Beach (Ingerson Street to End);
- Walter Street, West Richmond (Ralph Street to Trennery Street);

Footpath Remediation Program \$200,000

- City wide footpath remediation - upgrade to arterial road footpaths at street tree locations.

This footpath program is subject to change, but details will be provided to Council if this occurs.

Land and Buildings

The capital expenditure budget for land and buildings totals \$4,080,000 (\$7,500,000 in 2015/16) and comprises:

- \$25,000 for upgrades of Council owned facilities to meet Disability Discrimination Act (DDA) requirements, as identified in Council's Building Asset Management Plan (2013).
- \$120,000 to fund building upgrades at the Reedbeds Community Centre, which includes improved building access from the eastern side. The funding will also provide for internal building modifications to provide a suitable change area for facility users.
- \$110,000 to fund the upgrade of the existing clubrooms at Golflands Reserve, Glenelg North, to provide an all-access toilet facility for the building and the reserve.
- \$25,000 for asbestos removal as part of an on-going program of minor works involving Council owned buildings that have been identified in Council's Building Asset Management Plan (2013).
- \$25,000 for fire system upgrades, as part of an on-going program of minor works to bring Council owned buildings up to current building rules standards, as identified in Council's Building Asset Management Plan (2013).
- \$25,000 for ongoing electrical compliance minor upgrades of Council owned facilities in accordance with current electrical compliance regulations, as identified in Council's Building Asset Management Plan (2013).
- \$215,000 for on-going building compliance upgrades of Council owned facilities as identified in Council's Building Asset Management Plan (2013), with projects to include:
 - Peake Gardens building complex - development of a master plan to upgrade / replace the existing site building for the club, including rationalisation of the remaining site building on the reserve;
 - RSL Hilton complex - development of maintenance plan to schedule a works program for the remaining lease period;
 - Airport Over 50's building - replacement of the existing solar system;
 - Building energy system plan and maintenance report;
 - Other building and compliance works as identified.
- \$150,000 to fund Thebarton Theatre fire safety upgrades (stage 4), which includes additional structural works to the building and the review of electrical upgrades. These additional works have been identified as part of the fire compliance upgrade and will continue into 2017/18.
- \$100,000 to fund the replacement of an existing roof mounted air-conditioning system with a wall mounted system, along with replacement of the existing roof sheeting - Camden Hall, Camden Park.
- \$150,000 to fund a new portable toilet facility for use at Richmond Oval and at Council events.
- \$85,000 to improve access within the Civic Centre entrance foyer.

- \$25,000 to fund upgrade work at the Council depot on Marion Road, Brooklyn Park.
- \$200,000 to fund the upgrade of the Star Theatre complex, as identified in the Forward Maintenance Plan report presented to Council on 2 February 2016. Works are as detailed in the ten year maintenance plan.
- \$2.5 million to fund work associated with the upgrade of Lockleys Oval and Apex Park Stage 1, as resolved by the Community Facilities Committee on 24 March 2015, and subsequently endorsed by Council.
- \$325,000 for upgrade work associated with the Thebarton Community Centre.

Plant, Equipment and Furniture

The capital budget for plant, equipment and furniture totals \$1,515,500 (\$1,322,965 in 2015/16) and comprises:

- \$214,500 for the replacement of 19 motor vehicles in the Council fleet, including light commercial vehicles.
- \$226,600 for furniture and equipment, including \$206,100 to facilitate the post-radio frequency identification system changes in the Hamra Centre, including changes to the front desk.
- \$270,000 for IT hardware and infrastructure replacement (\$350,000 in 2015/16), including PC's, desktops and laptops (\$140,000), scanners in City Development (\$20,000), Compliance mobile equipment (\$20,000), multi-function devices in the Civic Centre (\$40,000) and telephony equipment (\$50,000).
- \$73,000 to complete implementation of the library radio frequency identification system (\$111,465 in funding provided in 2015/16). This system supports the processing and tracking of library resources.
- \$154,500 for the programmed replacement of two specialised turf ride-on mowers (\$138,000) and two mowing trailers (\$16,500). These are high use operational machines that require regular replacement to ensure a suitable residual value and low yearly maintenance costs.
- \$103,900 for various items of City Works' plant and equipment, including two self-propelled line marking units with trailers (\$62,000), a vacuum unit for concrete cutting (\$13,500), a mechanical workshop testing unit (\$9,000), and road cutting equipment and minor power and mechanical tools (\$19,400).
- \$332,000 to replace / purchase five tipper trucks, all of which are used in the general civil, horticultural and city clean maintenance areas. The trucks being replaced range in loading capacity from three to ten tonne and age from eight to ten years.
- \$141,000 for the programmed replacement of the wood chipper unit (\$70,000) and the cherry picker / elevated work platform (\$71,000) used by the arboriculture team.

Library Resources

An amount of \$299,310 is being budgeted (\$312,900 in 2015/16) and it comprises the following:

- State resources \$185,110;
- Local resources \$114,200.

Road Reseal / Rehabilitation and Kerb and Gutter Program

Street Name	Suburb
Alexander Av - (Marleston Av to Day Av)	Ashford
Bedford St - (Property No 13 to End)	Brooklyn Park
Cleo Ct - (Clifford St to End)	Brooklyn Park
Frank St - (Property No 1 to Airport Rd)	Brooklyn Park
James Av - (Western Pd to Press Rd)	Brooklyn Park
Pine St - (Allen Av to Bedford St)	Brooklyn Park
Rushworth Av - (Lipsett Ter to Sir Donald Bradman Dr)	Brooklyn Park
Stott Cr - (Marshall Ter to End)	Brooklyn Park
Western Pd - (Carnarvon Av to Everett St)	Brooklyn Park
Clifton St - (Stonehouse Av to Carlton Rd)	Camden Park
Cromer St - (Bourlang Av to Patricia Av)	Camden Park
Patricia Av - (Clifton St to Whelan Av)	Camden Park
Fitch Rd - (Halsey Rd to Good St)	Fulham
Good St - (Good St to Good St)	Fulham
Hadley St - (Ashburn Av to Henley Beach Rd)	Fulham
Halsey Rd - (Halsey Rd to City Boundary)	Fulham
Halsey Rd - (Halsey Rd to End)	Fulham
Huntington Av - (Henley Beach Rd to Riverside Dr)	Fulham
Layton St - (Henley Beach Rd to Ashburn Av)	Fulham
Raikoff Ct - (Kandy St to End)	Fulham
Samuel St - (Mackirdy St to Weetunga St)	Fulham
Sherwin Ct - (Henley Beach Rd to Henley Beach Rd)	Fulham
Susan St - (Ayton Av to Henley Beach Rd)	Fulham
Warramunga St - (Halsey Rd to End)	Fulham
Mallen St - (Sir Donald Bradman Dr to Burt Av)	Hilton
Somerset Av - (Davenport Ter to Sir Donald Bradman Dr)	Hilton
Verran Av - (Sir Donald Bradman Dr to Davenport Ter)	Hilton
Warwick Av - (Daphne St to Cross Ter)	Kurralta Park
Acacia Av - (End to Willingale Av)	Lockleys
Acacia Av - (Willingale Av to End)	Lockleys
Franciscan Av - (Property No 5 to Arcoona Av)	Lockleys
Fulham Park Dr - (Arcoona Av to Corona Av)	Lockleys
Noble Av - (Torrens Av to Kenton St)	Lockleys
Rostrata St - (End to Willingale Av)	Lockleys
Torrens Av - (End to Dartmoor St)	Lockleys
Anstey Cres - (Barwell Av to Coneybeer St)	Marleston

Road Reseal / Rehabilitation and Kerb and Gutter Program

Darebin St - (Ebor Av to Falcon Av)	Mile End
Dew St - (Rose St to George St)	Mile End
Ebor Av - (Tarragon St to Cowra St)	Mile End
Lurline St - (Bagot Av to Ebor Av)	Mile End
Mccarthy Ln - (Victoria L to Henley Beach Rd)	Mile End
Norma St - (South Rd to Falcon Av)	Mile End
Rankine Rd - (Property 31 to Hounslow Av)	Mile End
School L - (Taylors L to Rose St)	Mile End
Victoria St - (Henley Beach Rd to Hughes St)	Mile End
Coulter St - (Allchurch Av to Galway Av)	North Plympton
Mackay Av - (Edward Davies St to Laverack Rd)	North Plympton
Mackay Av - (Mackay Av to Mackay Av)	North Plympton
Packard St - (Dudley Av to End)	North Plympton
Park Ter - (Allchurch Av to Talbot Av)	North Plympton
Talbot Av - (Marion Rd to Birdwood Ter)	North Plympton
Amy St - (Willoughby Av to Cummins St)	Novar Gardens
Albert St - (Milner Rd to Martin Av)	Richmond
Arthur St - (Brooker Ter to Shaw Av)	Richmond
Davenport Ter - (South Rd to Milner Rd)	Richmond
Lucas St - (Marion Rd to Chambers Av)	Richmond
Cawthorne St - (End to Smith St)	Thebarton
James St - (Phillips St to Smith St)	Thebarton
Smith St - (Dew St to Holland St)	Thebarton
Walsh St - (Anderson St to Phillips St)	Thebarton
Clifford St - (North Pde to Carlton Pde)	Torrensville
East St - (Carlton Pde to Henley Beach Rd)	Torrensville
Hayward Av - (End to North Pde)	Torrensville
Jervois St - (Henley Beach Rd to North Pde)	Torrensville
Northcote St - (Henley Beach Rd to Carlton Pde)	Torrensville
Oakington St - (Elizabeth St to Henley Beach Rd)	Torrensville
Torrens St - (Wilton Ter to Ferris St)	Torrensville
Wilton Ter - (Elizabeth St to Property 19)	Torrensville
Sherriff Ct - (Sherriff St to End)	Underdale
Burbridge Rd (Service Road) - (Davis St to City Boundary)	West Beach
Charles Veale Dr - (Windsor Ter to Tapleys Hill Rd)	West Beach
Toledo Av - (Property No 27 to Property No 43)	West Beach

ORIGINAL BUDGET 2015/16	REVISED BUDGET 2015/16	DESCRIPTION	2016/17 BUDGET
<u>CAPITAL WORKS</u>			
<u>Environment Program</u>			
		<i>Stormwater & Drainage</i>	
200,000	206,994	Minor Drainage Upgrades and Replacement Work	365,000
100,000	157,532	Mile End Cowandilla Catchment	0
2,042,250	3,567,923	Lockleys Catchment	2,322,000
0	299,699	Ashley St (West St to Hayward Ave)	100,000
0	0	Henley St Drainage	80,000
250,000	250,000	Maria Street Drainage	0
		<i>Other Environment</i>	
3,100,000	70,344	Brown Hill and Keswick Creeks	581,000
0	40,000	Kings Reserve Water Supply	0
300,000	300,000	Glenelg Adelaide Pipeline (GAP)	0
5,992,250	4,892,492	Program Total	3,448,000
<u>Recreation Program</u>			
		<i>Parks & Gardens</i>	
710,000	963,503	Playground Upgrade	665,000
385,000	790,288	Reserve Developments - Various	350,000
745,000	951,714	River Torrens Upgrade	565,000
30,000	30,000	River Torrens Path Upgrades	30,000
540,000	760,354	Reserve Irrigation Upgrades	640,000
0	0	Additional Open Space Amenity Initiatives	600,000
175,000	186,253	Urban Forest James Congdon Drive	0
60,000	60,000	Bikeway Path Upgrade and Reseal	60,000
		<i>Sports Facilities</i>	
75,000	168,697	Tennis Court Upgrades	40,000
0	0	Apex Park	500,000
0	0	Airport Road	50,000
0	0	Memorial Gardens	50,000
0	100,000	Brickworks Interface Works	0
2,720,000	4,010,809	Program Total	3,550,000

ORIGINAL BUDGET 2015/16	REVISED BUDGET 2015/16	DESCRIPTION	2016/17 BUDGET
<u>Transport Program</u>			
		<i>Roads Sealed</i>	
8,441,124	10,801,073	City Funds/ULRG Funds/Carryovers	9,311,915
873,376	1,248,046	Roads to Recovery Grant Funds	1,442,053
		<i>Other Transport</i>	
200,000	254,436	Roundabouts / Minor Road Rehabilitation	0
200,000	225,303	Bus Shelters	200,000
353,333	616,582	Traffic Management	505,000
124,000	239,822	Bicycle Management Schemes	115,000
480,000	494,820	Public Lighting	670,000
0	31,546	Corporate Branding - Signage	0
0	474,194	Bio-Science Precinct Works	0
		<i>Bridges</i>	
100,000	113,961	Bridge Ancillary Works (as per Bridge Audit)	100,000
		<i>Footpaths</i>	
311,489	357,219	Footpath Renewal Program	239,508
280,363	280,363	Footpath Construction Program	237,851
300,000	350,037	Footpath Remediation Program	200,000
11,663,685	15,487,402	Program Total	13,021,327
20,375,935	24,390,703	TOTAL - CAPITAL WORKS	20,019,327

ORIGINAL BUDGET 2015/16	REVISED BUDGET 2015/16	DESCRIPTION	2016/17 BUDGET
<u>OTHER CAPITAL EXPENDITURE</u>			
<u>Land and Buildings</u>			
25,000	25,000	DDA Upgrade Program	25,000
100,000	100,000	DDA Upgrade Program - Reedbeds Community Centre	120,000
185,000	185,000	DDA Upgrade Program - Lockleys Oval Satterly Hall	0
220,000	220,000	DDA Upgrade Program - Linear Park Toilet Facilities	0
0	0	DDA Golflands Complex Building	110,000
25,000	25,000	Asbestos Removal Program	25,000
25,000	81,205	Fire Systems Upgrade	25,000
25,000	51,678	Electrical Compliance Upgrade	25,000
0	9,297	Weigall Oval (Shed structure)	0
0	6,136	Roof Access safety systems	0
200,000	252,467	Building Compliance Upgrade	215,000
0	50,000	Western Youth Centre (Timber floor replacement)	0
0	511,090	Lockleys Oval Concept Design	0
600,000	1,089,566	Thebarton Theatre fire safety	150,000
0	0	Camden Hall- Roof & Airconditioning replacement	100,000
0	0	Portable Toilet Facilities	150,000
0	250,000	Camden Oval - Public Toilet Facilities (DDA)	0
0	0	Civic Centre - Internal Foyer Access	85,000
0	351,650	Cottage at 185-187 Sir Donald Bradman Drive upgrade	0
20,000	20,000	Demolition of Jaguars Club Buildings	0
75,000	75,000	Security Key System - Council Buildings	0
0	1,535,947	Brickworks' kiln upgrade	0
0	0	Depot modifications - Marion Rd, Brooklyn Park	25,000
0	130,000	Novar Gardens Bowling Club Shed structure	0
0	417,850	Civic Office - Upgrade 173 Sir Donald Bradman	0
0	20,000	Demolition of 10 Somerset Ave	0
0	50,000	Star Theatre - Building Compliance work	200,000
0	120,000	Purchase of Gray St Land	0
0	0	Upgrade Lockleys oval/Apex Park - Stage 1	2,500,000
6,000,000	6,579,914	Community Hub & Related Facilities (Thebarton)	325,000
0	-14,288,311	Sale of Land and Buildings	0
7,500,000	-2,131,511	Total Land and Buildings	4,080,000

ORIGINAL REVISED

BUDGET 2015/16	BUDGET 2015/16	DESCRIPTION	2016/17 BUDGET
<u>Plant, Equipment and Furniture</u>			
175,000	208,081	Motor Vehicle Replacements	214,500
91,000	102,000	Furniture and Equipment	226,600
350,000	350,000	IT Hardware & Infrastructure Replacement	270,000
111,465	111,465	Library Radio Frequency Identification System	73,000
40,500	301,784	Minor Depot Plant and Equipment	41,900
95,500	95,500	Replace Mowers (2015/16 x 4; 2016/17 x 2)	138,000
0	16,500	Replace Linemarker (2016/17 x2; 1 x trailer)	62,000
164,000	751,450	Replace Trucks / Tippers (2015/16 x 2; 2016/17 x 4)	332,000
0	381,716	Replace Footpath Sweeper (2 x sweepers)	0
114,000	0	Replace Backhoe Loader	0
67,000	0	Replace Woodchipper	70,000
21,000	0	Replace Mowing Trailers	16,500
10,000	0	Replace Cherry Picker	71,000
12,500	0	Replace Tipper Body	0
21,000	0	Replace Heavy Duty Cab Chassis Utility	0
50,000	0	Replace Existing Depot and Workshop Facilities	0
1,322,965	2,318,496	Total Plant, Equipment and Furniture	1,515,500
<u>Library Resources</u>			
200,000	200,000	Library Resources - Central	185,110
112,900	112,900	Library Resources - Local	114,200
312,900	312,900	Program Total	299,310
9,135,865	499,885	TOTAL - OTHER CAPITAL	5,894,810
29,511,800	24,890,588	TOTAL ALL CAPITAL EXPENDITURE	25,914,137

Operational Budget

Summary

Council's operating statement in the 2016/17 budget projects a surplus from operations of \$10,870,169, as shown below, based on a 2.6 per cent rate increase. This rate increase is marginally lower than the increase endorsed in the long term financial plan of the Council in 2015/16.

Income	\$
Rates and Rate Equivalents	53,390,136
Statutory Charges	2,199,580
User Charges	1,285,357
Grants and Subsidies	4,182,023
Sundry Income	1,204,645
	<hr/>
Total Income	62,261,741
	<hr/>
Expenditure	
Employee and Related	21,624,251
Material and Contract	7,953,400
Finance Costs	153,900
NRM Levy	1,260,136
Depreciation	10,941,490
Other	9,458,395
	<hr/>
Total Expenditure	51,391,572
	<hr/>
Operating Surplus	10,870,169
	<hr/>

Note that the surplus above is an indicator of operating performance, including the funding of asset depreciation, but is not an indicator of the cash surplus of the Council. Capital expenditure covered in the previous section of this document is not included in the expenditure above.

After adjusting for reserve movements, a small cash surplus of \$27,168 is projected.

Operational Expenditure

Operational expenditure has increased by \$499,026 or 1.0 per cent, relative to the original 2015/16 budget (excluding St Martins).

All other operational expenditure, before depreciation, has increased by \$455,108 or 1.1 per cent, relative to the original 2015/16 budget (\$476,770 or 1.2 per cent last budget), as follows:

	Budget 2015/16	Budget 2016/17	Variance	Variance
	\$	\$	\$	%
Employee Costs	20,825,231	21,624,251	799,020	3.8
Building, Equipment and Related	1,758,530	1,842,070	83,540	4.8
General Expenses	4,146,386	4,035,339	-111,047	-2.7
Bank and Finance Charges	725,469	153,900	-571,569	-78.8
Council Related Expenses	2,101,218	2,099,347	-1,871	-0.1
Contract and Material Expenses	7,741,000	7,953,400	212,400	2.7
NRM Levy	1,225,389	1,260,136	34,747	2.8
Occupancy and Property Costs	1,556,751	1,566,639	9,888	0.6
Internal Charges / Recoveries	-85,000	-85,000	0	0
Sub Total	39,994,974	40,450,082	455,108	1.1
Depreciation	10,897,572	10,941,490	43,918	0.4
Total	50,892,546	51,391,572	499,026	1.0

Notable Cost Containment

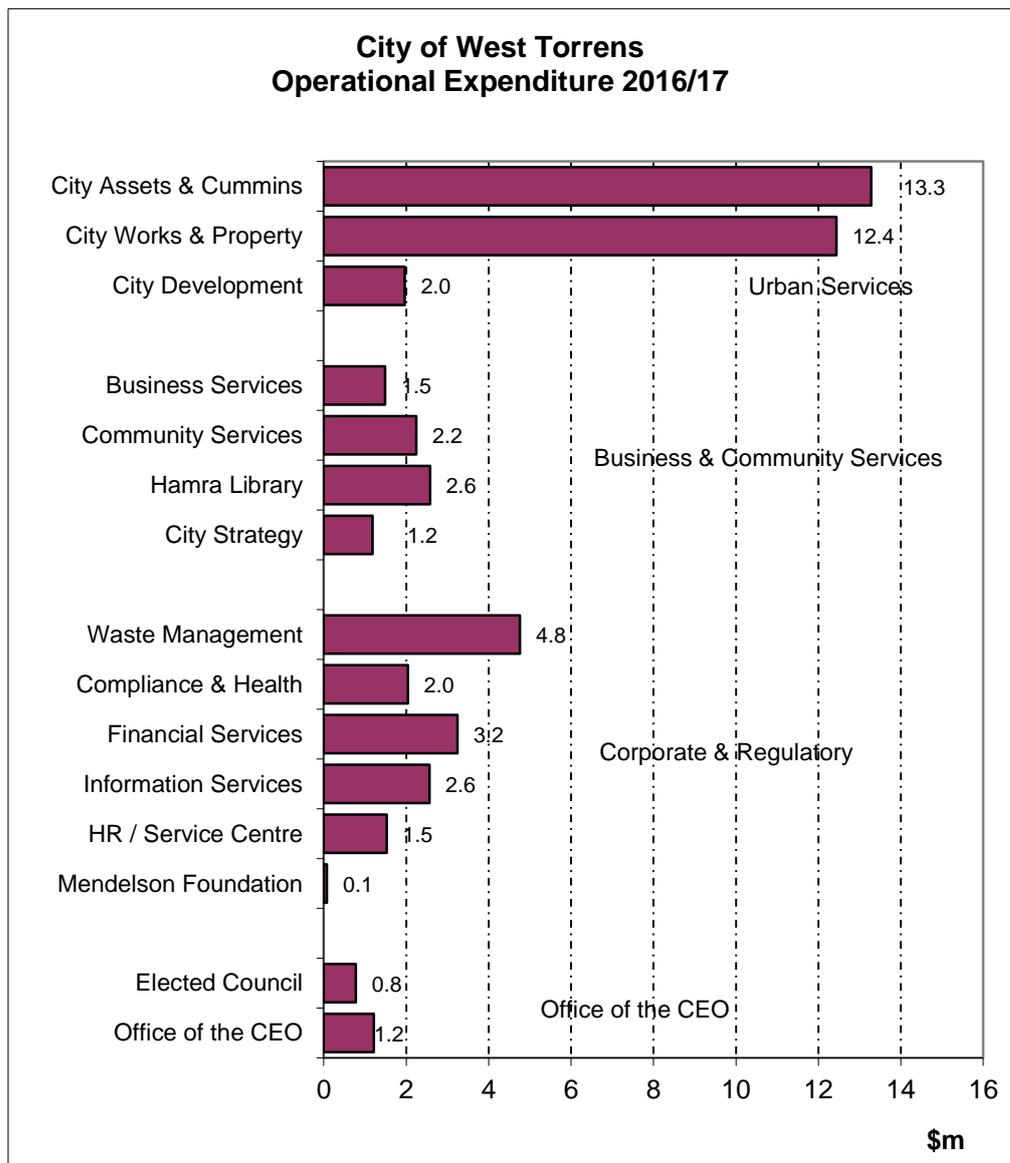
Costs have been contained across all areas of the Council to achieve the increase of 1.0 per cent that is shown above, notwithstanding that:

- Employment costs have increased by \$799,020 or 3.8 per cent over the original budget estimates for 2015/16 (\$646,752 or 3.2 per cent last budget), with FTE's increasing net by 3.8. This is further explained later in this commentary under the heading "Employment Costs";
- Waste disposal and collection costs have been increased by \$213,000 or 4.8 per cent;
- Interest payable is decreasing by \$598,669 or 100 per cent over what was budgeted in 2015/16, reflecting the impact of loans being paid out;
- IT costs are increasing by \$56,500 or 6.7 per cent, largely because of one-off additional costs associated with replacement of Council's electronic records management system.
- The NRM levy is budgeted to increase by \$34,747 or 2.8 per cent to \$1,260,136.

Interest payable is decreasing by \$598,669 or 100 per cent over what was budgeted in 2015/16, reflecting the impact of loans being paid out.

The cost increase proposed in the budget compares favourably with both the consumer price index (currently 1.0 per cent for Adelaide) and the local government price index (currently 0.9 per cent).

Operational expenditure, based on business functions of the Council, is as follows:



Employment Costs

Employment costs have increased by \$799,020 or 3.8 per cent over the original budget estimates for 2015/16 (\$646,752 or 3.2 per cent last budget), with the increase attributable to the following:

- An estimated \$570,000 in negotiated enterprise bargaining increases;
- An estimated additional cost of \$160,000 for two new positions in Compliance, both Council approved and both fully funded from additional parking income;
- An estimated cost of \$150,000 for additional resourcing in lean / continuous improvement (two year appointment) and economic development.

These increases are partly offset by an increase of \$75,000 in the allowance being made for unfilled vacancies expected to occur throughout 2016/17. An amount of \$225,000 has been budgeted (\$150,000 in 2015/16).

The replacement of staff on leave is largely unfunded in the budget, apart from direct service providers such as the library and the Service Centre. A sufficient level of saving during the course of the year is expected to occur within the budget to fund any staff replacements that may be required.

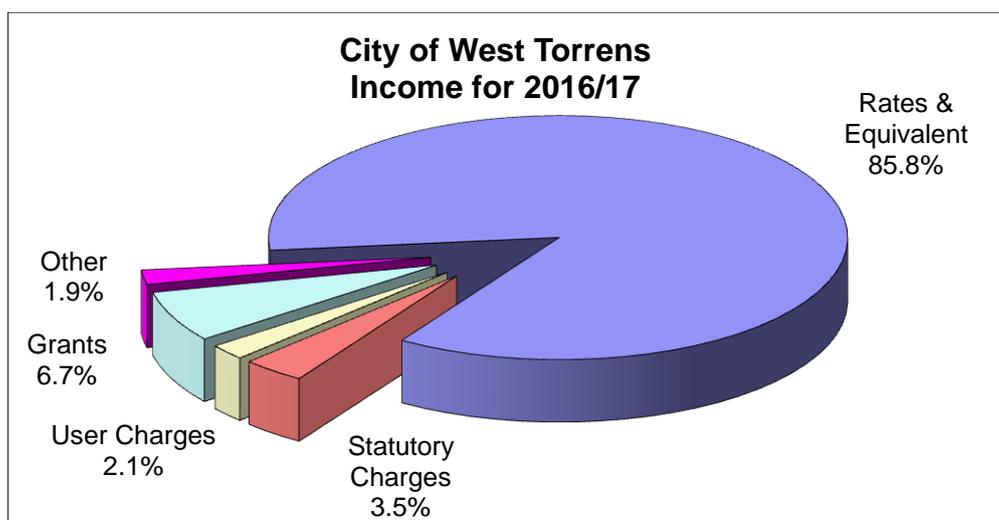
Income

All income is budgeted to increase by \$3,382,149 or 5.7 per cent over 2015/16 budget as follows:

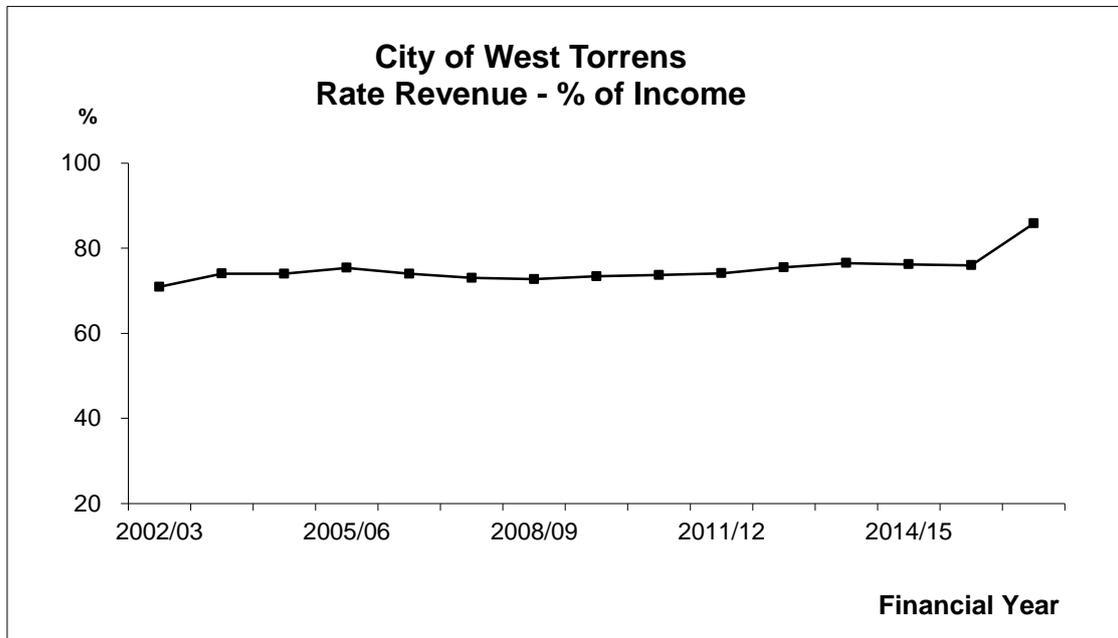
	Budget 2015/16	Budget 2016/17	Variance
	\$	\$	\$
Rates & Rate Equivalents Payments	51,019,989	53,390,136	2,370,147
Statutory Charges	1,752,380	2,199,580	447,200
User Charges	1,263,633	1,285,357	21,724
Grants - General Purpose Grant	1,217,638	1,200,000	-17,638
Grants - Other	2,632,909	2,982,023	349,114
Sundry Income	993,043	1,204,645	211,602
Total	58,879,592	62,261,741	3,382,149

Rate Income

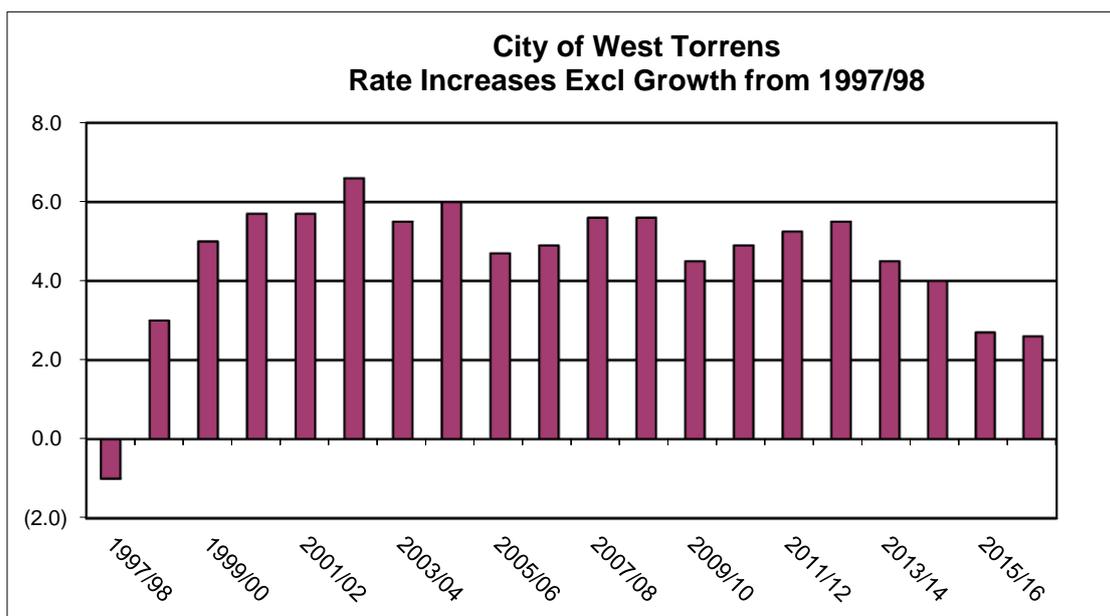
85.8 per cent of the income budgeted by Council is derived from rates and rate equivalent payments, as follows:



As can be seen in the following graph, Council's dependency on rate revenue continues to be significant due to the reduction in other forms of income, notably the general purpose grants (refer next section). While Council can obtain grants for specific purposes, substantially increased general purpose grants are unlikely to be obtained in the foreseeable future.



Council has endeavoured to limit increases in rates and since 1997/98 has achieved an average increase of 4.6 per cent (excluding natural growth), as shown in the chart that follows:



Rate Calculation

Rates in 2016/17 are determined on the following basis:

	\$
Rate Income 2015/16	45,757,911
Add Natural Growth @ Net 1.5%	686,369
	<hr/>
Rates Prior to Rate Increase	46,444,280
	<hr/>
Add Net Rate Increase @ 2.6%	1,205,720
	<hr/>
Rates Raised (excluding fines)	47,650,000
	<hr/>

Rate equivalent payments by Adelaide Airport Limited are excluded from the above rate calculations, along with NRM levies, rebates, remissions and discounts.

Minimum Rates

A minimum rate of \$870 is proposed for 2016/17 (\$848 in 2015/16), an increase of \$22 or 2.6 per cent.

This rate is expected to result in substantially less than 35 per cent of West Torrens Council properties being minimum rated and ensure compliance with Section 158 of the Local Government Act 1999.

West Torrens had the third lowest minimum rate in metropolitan Adelaide in 2015/16 at \$848. Minimum rates in metropolitan Adelaide average \$936 and range between \$741 (Unley) and \$1,101 (Walkerville).

Rate Movements

It is proposed that rates be increased as follows:

Minimum Rate	:	Up 2.6%
Non-Residential	:	Up 2.6%
Residential	:	Up 2.6%
Overall Increase	:	Up 2.6%

Rates Comparison with Other Councils

A comparison of rates with other metropolitan councils reveals that West Torrens Council's average rates of \$1,594 are low. The information is based on an LGA survey and is considered a reliable indicator of Council's rating effort.

Using West Torrens as the base, the ratio indicates the factor by which other council rates compare. For example, the average rates of Walkerville Council are 1.3 times higher than those of West Torrens.

Rates per Rateable Assessment 2015/16

Council	Average	
	Rates	Ratio
	\$	%
Walkerville	2,023	1.3
Unley	1,979	1.2
Prospect	1,902	1.2
Playford	1,833	1.1
Charles Sturt	1,729	1.1
Mitcham	1,724	1.1
Tea Tree Gully	1,710	1.1
Marion	1,656	1.0
Norwood, Payneham	1,634	1.0
West Torrens	1,594	1.0
Holdfast Bay	1,550	1.0
Onkaparinga	1,515	1.0
Pt Adelaide Enfield	1,501	0.9
Salisbury	1,485	0.9
Campbelltown	1,431	0.9
Average	1,684	1.1

Source: LGA Survey

Another view of Council's rating is based on average residential rates, details which follow. It is worth noting that generally councils with differential rates, like West Torrens, move to a lower range to reflect the lower residential rate in the dollar charged.

Council	Average	
	Rates	Ratio
	\$	%
Walkerville	1,926	1.7
Prospect	1,684	1.5
Unley	1,683	1.5
Mitcham	1,574	1.4
Tea Tree Gully	1,498	1.3
Norwood, Payneham	1,461	1.3
Gawler	1,457	1.3
Holdfast Bay	1,453	1.3
Onkaparinga	1,425	1.3
Playford	1,421	1.3
Campbelltown	1,406	1.3
Marion	1,399	1.3

Charles Sturt	1,291	1.2
Salisbury	1,226	1.0
West Torrens	1,112	1.0
Pt Adelaide Enfield	967	0.9
Average	1,436	1.4

Source: LGA Survey

Rate Modelling

More detailed rate modelling information, prepared pursuant to the requirements of Section 123 of the Local Government Act 1999, is included in section 7 of this document which deals with rating 2015/16.

Grant Income

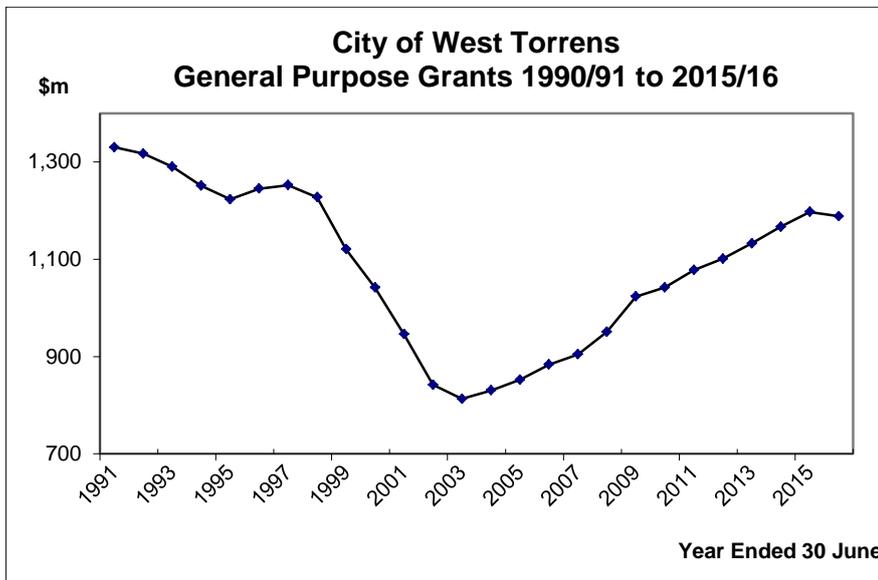
Grant income budgeted in 2016/17 totals \$4,182,023 (\$3,850,547 in 2015/16) as follows:

	Budget 2015/16	Budget 2016/17	Variance
	\$	\$	\$
General Purpose Grant	1,217,638	1,200,000	-17,638
Road Grants	616,000	599,500	-16,500
Library	412,500	416,500	4,000
HACC / CHSP	453,700	468,700	15,000
Special Road Grants	1,096,709	1,442,053	345,344
Sundry Grants	54,000	55,270	1,270
	<hr/>		
Total	3,850,547	4,182,023	331,476
	<hr/>		

General Purpose Grant

The following table shows Council’s general purpose grants from the South Australian Grants Commission since 1997/98. The decline reflects the impact of a methodology review by the Commission.

Year	Grant \$
1997/98	1,227,343
1998/99	1,120,333
1999/00	1,041,549
2000/01	945,960
2001/02	841,960
2002/03	812,887
2003/04	830,499
2004/05	852,368
2005/06	883,464
2006/07	904,395
2007/08	950,786
2008/09	1,023,275
2009/10	1,042,136
2010/11	1,077,916
2011/12	1,101,163
2012/13	1,132,555
2013/14	1,166,532
2014/15	1,197,284
2015/16	1,188,191



User Charges

User charges can be distinguished from taxes because they can be avoided by a ratepayer's decision not to use the good or service in question. The basis for raising general rates from ratepayers is to pay for the goods and services that a local government provides to its community. However, there are certain goods and services that the Council provides which are available specifically to individuals or groups and for which a user charge is appropriate. Councils already have a number of user charges e.g. library charges, hall hire, tennis court hire, community centre fees, etc.

User charges can help to reduce the rate burden on ratepayers.

User charges budgeted in the 2016/17 financial year totals \$1.285 million (or 2.1 per cent of all Council's income). They comprise the following:

	Budget 2015/16	Budget 2016/17	Variance
	\$	\$	\$
Waste Royalties / Lease Fees	210,000	177,757	-32,243
Hall and Theatre Hire / Rent	221,507	228,401	6,894
Library Income	40,000	40,000	0
Ovals Rents, Fees & Related	145,511	144,777	-734
Home Support Charges	112,000	139,300	27,300
House Rent & Related	33,781	32,764	-1,017
Sundry User Charges	509,284	522,358	13,074
Total	1,272,083	1,285,357	13,274

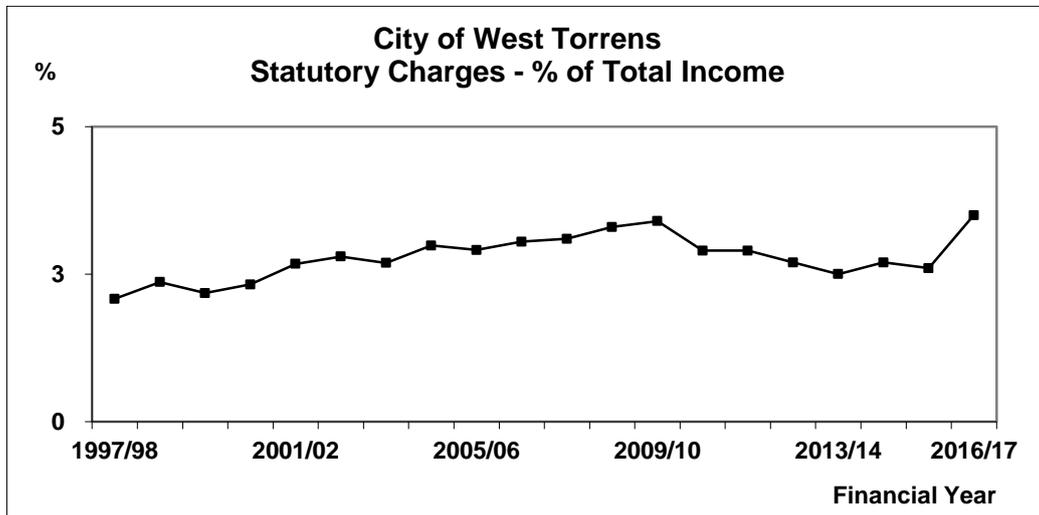
All user charges are reviewed annually by Council.

Statutory Charges

Statutory charges are substantially set by the State Government on regulatory services provided by local government, such as dog registration fees, building and planning fees, and parking fines. They comprise the following:

	Budget 2015/16	Budget 2016/17	Variance
	\$	\$	\$
Parking Income	675,000	1,045,000	370,000
Development Act Fees	600,000	650,000	50,000
Animal Control Income	289,980	289,980	0
Property Search Fees	100,000	110,000	10,000
Sundry Statutory Charges	87,400	104,600	17,200
Total	1,752,380	2,199,580	447,200

Statutory fees play an important role in enabling Council to provide a range of specific services and community facilities. However, these fees and charges make a relatively modest contribution to the overall budget. In the 2016/17 budget, statutory charges total \$2.2 million or 3.5 per cent of all Council income (excluding capital revenues). The trend since 1997/98 has been as follows:



Other Income

Other income of the Council includes investment income, an insurance bonus and reimbursements, and comprises 1.9 per cent of all income budgeted in 2016/17 (excluding capital revenues).

	Budget 2015/16	Budget 2016/17	Variance
	\$	\$	\$
Investment & Related Income	286,000	444,000	158,000
Reimbursement Income	260,243	247,345	-12,898
Insurance Bonus	295,000	302,227	7,227
Sundry Income	151,800	211,073	59,273
Total	993,043	1,204,645	211,602

Loan Program 2016/17

Council's loan program for 2016/17 totals \$2,691,909 (\$4,956,591 in the 2015/16 original budget). The loan is to fund Lockleys catchment drainage (\$2,110,909 excluding overhead) and the Brown Hill Keswick Creek project (\$581,000).

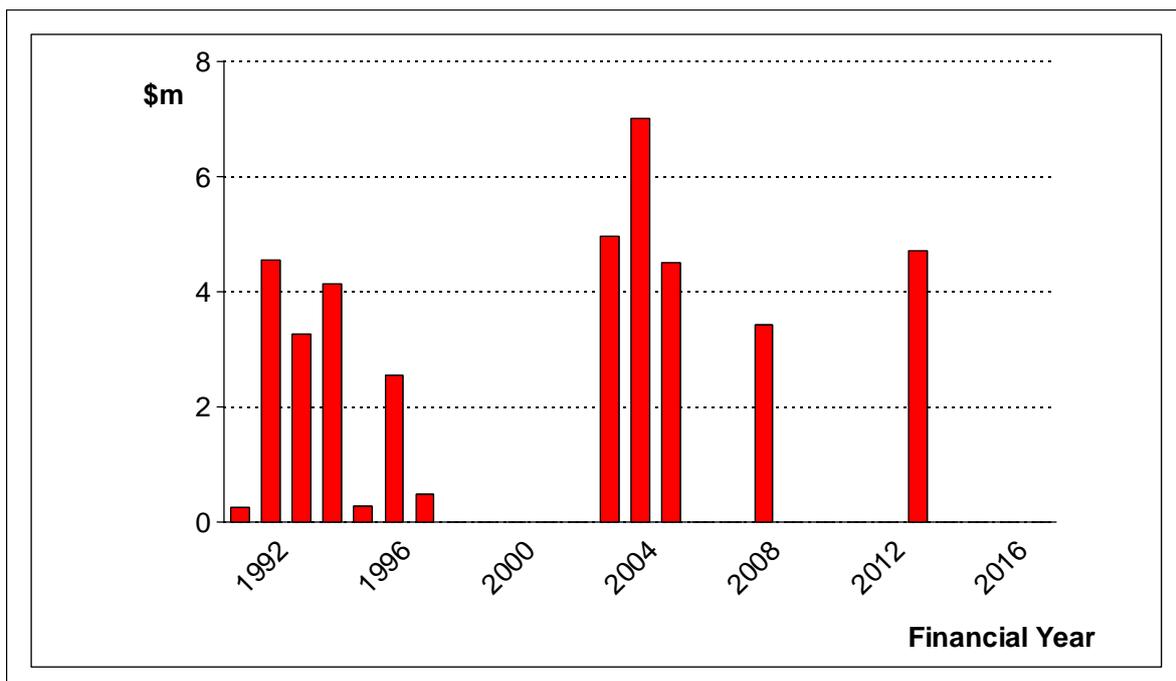
Historical Perspective on Loans

New loans taken by the Council since 1 July 1989, including those of both Thebarton and West Torrens Councils prior to amalgamation in 1997, are as follows:

Year Ended 30th June	Loans Taken	Year Ended 30th June	Loans Taken
1990	265,000	2003	7,000,000
1991	4,549,390	2004	4,497,337
1992	3,260,000	2005	0
1993	4,135,600	2006	0
1994	281,550	2007	3,430,000
1995	2,557,965	2008	0
1996	500,000	2009	0
1997	0	2010	0
1998	0	2011	0
1999	0	2012	4,721,455
2000	0	2013	0
2001	0	2014	0
2002	4,964,000	2015	0

Council has opted for some years now to use cash reserves, rather than borrow, given the margin between borrowing and investment interest rates, and this has progressively reduced its level of indebtedness.

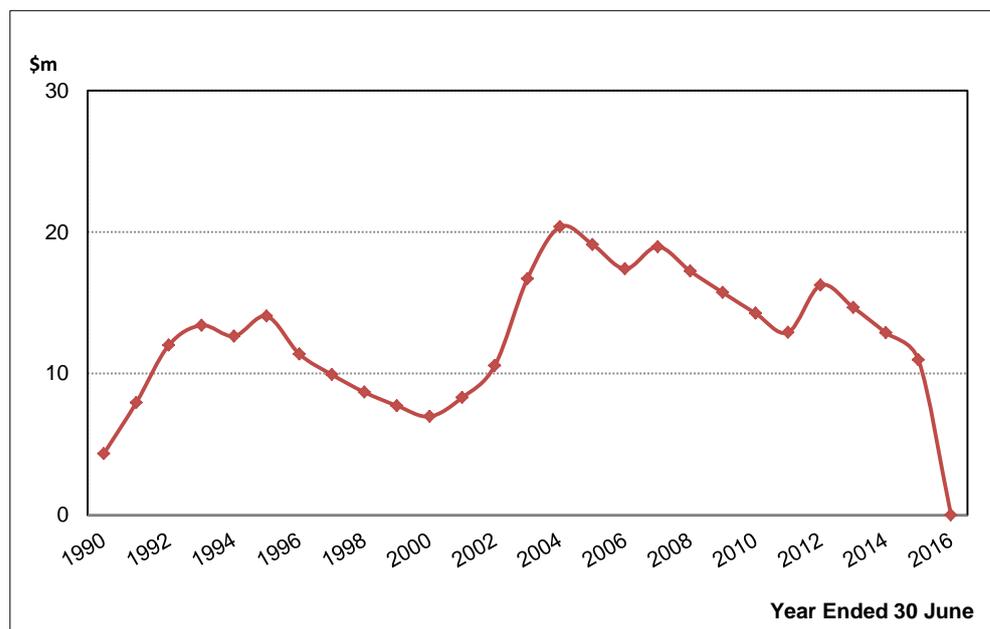
Loans taken are shown graphically as follows:



The indebtedness of the Council over the same period has been as follows:

Year ended 30 June	Loan Liability		Year ended 30 June	Loan Liability
1990	4,332,500		2004	20,374,509
1991	7,952,591		2005	19,129,976
1992	12,016,976		2006	17,411,955
1993	13,409,421		2007	18,969,367
1994	12,649,808		2008	17,236,975
1995	14,057,519		2009	15,723,125
1996	11,387,771		2010	14,264,992
1997	9,927,527		2011	12,913,277
1998	8,683,170		2012	16,252,653
1999	7,728,295		2013	14,672,077
2000	6,968,412		2014	12,878,229
2001	8,302,536		2015	10,966,005
2002	10,561,826		2016	0
2003	16,709,425			

This is shown graphically as follows:



Increased borrowings in the 1991 to 1993 period were largely due to the redevelopment of the Hilton Civic Centre and property acquisitions associated with the Hilton Shopping Centre site.

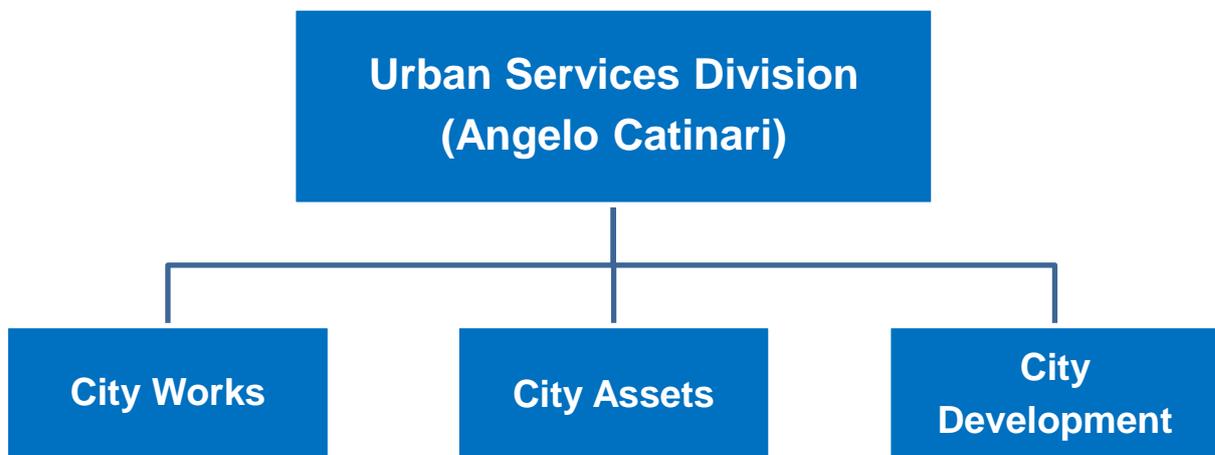
A sizeable reduction of Council's indebtedness in the 1995 to 2001 period occurred because Council elected to use cash reserves rather than borrowings to fund the budgeted loan program. This has resulted in interest and principal repayments being avoided.

More recent loans have been taken to finance redevelopment of the Hilton Library, drainage works, Sir Donald Bradman Drive drainage, and other upgrade and general works.

No loan liability in 2016 reflects action taken to pay out loans using proceeds from the sale of St Martins.

Operational Budgets by Division

Urban Services Division



The Urban Services Division covers a range of service areas responsible for the city's infrastructure as well as the built and natural environment. The division is responsible for the provision of services and resources that enhance life in the city and it plans, manages and reviews the delivery of Council's works, infrastructure, property, land use, planning and building services.

The Urban Services Division comprises the following:

- City Works (including operational property management);
- City Assets (including strategic property management);
- Property Services (including Cummins House) ;
- City Development.

Urban Services Division 2016/17 Business Plan and Budget Statement

Objective(s)

Support Council with the provision of a range of urban services, which aim to maintain and improve the city's public infrastructure, amenity and built environment.

Key Activities 2016/17

Key activities include the following:

- Discharge functions and duties under the Development Act 1993 and the Development Regulations 2008;
- Civil construction and maintenance;
- Building and property administration, construction and maintenance;
- Asset management;
- Stormwater management;
- Horticultural services;
- Fleet management;
- Traffic management.

Performance Measures

Performance measures, both financial and non-financial, against which the Urban Services Division will be assessed, are:

- Legal planning obligations are met in an efficient and timely fashion, consistent with the planning framework and policies of the Council;
- Projects are completed on time, on budget and with quality outcomes;
- Stormwater flood mitigation measures are effective throughout the city and meet community expectations;
- Asset management plans are in place and support asset maintenance requirements of the city;
- Traffic management measures that demonstrate safety improvements while providing increased levels of community satisfaction;
- Asset maintenance is timely, cost effective, of a high quality and meets community expectations;
- Service frequencies that meet community expectations, including street sweeping and parks and landscape maintenance;
- High service levels are maintained and key performance indicators are met.

2016/17 Budget Highlights

1. Income

- Urban Services' income is budgeted to increase by \$366,095 or 10.5 per cent to \$3,854,755;
- Roads to recovery funding of \$1,442,053 is budgeted in 2016/17, up from \$873,376 in 2015/16;
- Council's urban local road grant has been budgeted at \$599,500, based on the grant received for 2015/16 plus a CPI allowance (\$616,000 budgeted originally in 2015/16);

- Royalty payments and lease income associated with the waste transfer station have decreased by \$32,243 or 15.4 per cent to \$177,757;
- Income from sporting facilities of \$144,777 has been budgeted (\$145,511 in 2015/16);
- Thebarton Theatre income of \$68,682 has been budgeted (\$70,000 in 2015/16);
- Property related reimbursements for utility and related charges (such as water and electricity) of \$185,345 have been budgeted (\$192,693 in 2015/16).
- City Works' income of \$114,000 has been budgeted (\$106,500 in 2015/16) which includes \$35,000 for maintaining selected highway medians on Sir Donald Bradman Drive, Airport Road and Henley Beach Road for the Department of Planning, Transport and Infrastructure.
- Development application fees of \$650,000 have been budgeted (up 8.3 per cent from \$600,000 in 2015/16), based on an increase in development application numbers;
- Property search fees have been budgeted at \$110,000, based on an increase over 2015/16 in property sales (up \$10,000 or 10 per cent on 2015/16).

2. Operational Expenditure

- Operational expenditure (excluding depreciation) has decreased by \$162,663 or 0.9 per cent to \$17,653,590. Excluding interest, expenditure has increased by \$312,847 or 1.8 per cent.
- Employment expenses have increased by \$301,928 or 3.1 per cent, to \$10,013,545;
- Street lighting expenditure of \$942,000 has been budgeted, which is the same as that budgeted in 2015/16.
- Professional fees have decreased by \$108,000 or 15.2 per cent to \$601,000, to fund the following:
 - \$80,000 for specialist engineering advice;
 - \$75,000 for the Brown Hill Keswick Creek project;
 - \$60,000 for footpath audit work to be undertaken;
 - \$60,000 for various consultancy advice;
 - \$60,000 for property and open space related repairs and maintenance activities, inspections, minor audits and professional advice, including design investigations and heritage assessments;
 - \$50,000 for support in City Development, including arboriculture advice;
 - \$45,000 for Lands Titles Office and topographical surveys;
 - \$25,000 for stormwater asset condition database support;
 - \$20,000 for transport strategy implementation;
 - \$20,000 in property related fees;
 - \$20,000 for asset management development;
 - \$20,000 for the Kings Reserve Open Space Plan - preliminary and detailed design / layout;
 - \$20,000 for the upgrade of Airport Road median / Sir Donald Bradman Drive - preliminary and detailed design / layout;
 - \$20,000 for risk assessments, auditing and compliance projects and activities;
 - \$20,000 for the development of tree strategy and policy, including a partial tree survey;
 - \$6,000 for geotechnical testing.
- An interest expense reduction on infrastructure related loans of \$475,510 is budgeted, following a decision by Council to pay out all loans using part proceeds from the sale of St Martins;
- Depreciation costs have been budgeted to increase by \$69,540 or 0.7 per cent to \$10,031,050;

-
- Contract maintenance expenditure has increased by \$16,000 or 0.7 per cent to \$2,203,000 and includes:
 - \$718,000 for property and facilities related maintenance, servicing and cleaning;
 - \$490,000 for road and footpath maintenance;
 - \$270,000 for tree pruning;
 - \$200,000 for weed control;
 - \$225,000 for inspection, cleaning and maintaining the drainage network and stormwater pump stations;
 - \$105,000 for graffiti removal;
 - \$108,000 in waste disposal costs, which includes illegally dumped rubbish;
 - \$50,000 for irrigation and compliance testing;
 - \$25,000 for Cummins House;
 - \$12,000 in sundry expenditure.

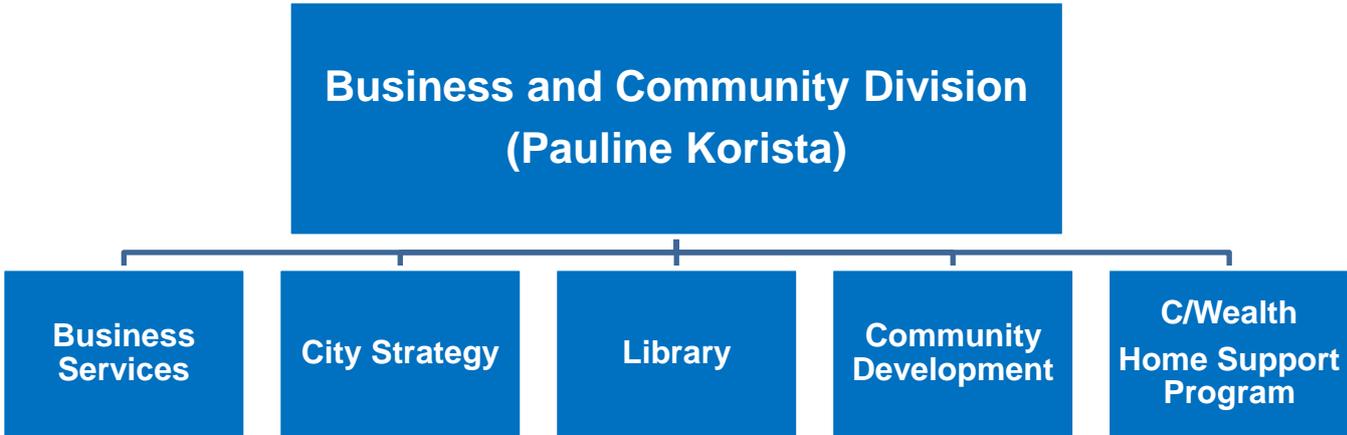
 - Material costs for maintenance works have increased by \$33,500 or 3.8 per cent to \$915,000, and include:
 - \$210,000 for road maintenance and concrete material;
 - \$225,000 for the greening program (tree replacement, plantings and biodiversity WSUD plantings);
 - \$145,000 for line marking and signage.

 - Levies and charges of \$42,000, which includes EPA licence fees for the waste transfer station, have been budgeted (\$42,000 in 2015/16).
 - Plant and equipment costs (excluding plant hire and depreciation) are budgeted to increase by \$21,744 or 3.9 per cent to \$575,320.
 - Water rates have been increased by \$26,796 or 4.4 per cent to \$641,118, in anticipation of increased usage and fee increases occurring. This includes additional irrigated areas being accommodated.
 - \$50,000 has been budgeted to cover building and planning fees that are subject to a 5 to 8 per cent fee payable to the State Government, along with referral fees and CITB levies;
 - Sitting fees for independent members of the Development Assessment Panel of \$27,825 have been factored into the budget, based on allowances set by the SA Remuneration Tribunal.

BUDGET 2016/17 URBAN SERVICES DIVISION OPERATIONAL EXPENDITURE & INCOME
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2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO 2015/16 ORIGINAL	
ORIGINAL	REVISED				
Income					
705,000	740,700	Statutory Charges	765,000	60,000	8.5%
791,258	749,846	User Charges	774,857	(16,401)	-2.1%
1,748,209	2,352,639	Grants & Subsidies	2,077,053	328,844	18.8%
218,193	216,924	Reimbursements	207,845	(10,348)	-4.7%
26,000	29,201	Other Income	30,000	4,000	15.4%
3,488,660	4,089,310	Total Income	3,854,755	366,095	10.5%
<i>Less</i>					
Operational Expenditure					
9,081,386	9,125,735	Staff Costs	9,346,422	265,036	2.9%
630,231	633,639	Staff Related Costs	667,123	36,892	5.9%
1,901,770	1,892,230	Buildings Furniture & Fittings	1,815,160	(86,610)	-4.6%
1,227,996	1,260,576	Plant & Equipment	1,278,540	50,544	4.1%
6,320	6,320	Computer Expenditure	6,170	(150)	-2.4%
7,567,000	7,567,000	Community Assets	7,700,000	133,000	1.8%
1,669,719	2,081,826	General	1,605,829	(63,890)	-3.8%
475,510	475,510	Bank & Finance	0	(475,510)	-100.0%
1,061,825	1,087,325	Council Expenditure	1,036,825	(25,000)	-2.4%
2,187,000	2,187,000	Contract Expenditure	2,203,000	16,000	0.7%
881,500	881,500	Materials	915,000	33,500	3.8%
1,172,506	1,207,295	Occupancy & Property	1,195,571	23,065	2.0%
(85,000)	(87,094)	Internal - Expenditure Recovered	(85,000)	0	0.0%
27,777,763	28,318,862	Total Operational Costs	27,684,640	(93,123)	-0.3%
(24,289,103)	(24,229,552)	Operational Surplus/(Deficit)	(23,829,885)	459,218	-1.9%

Business and Community Division



The Business and Community Division is primarily responsible for governance and risk management, media and events, procurement, internal audit, the development of policy and the provision of services to the community as approved in Council’s strategic directions and annual budget.

The Business and Community Division comprises the following:

- Business Services;
- City Strategy;
- Community Services.

Business and Community Division 2016/17 Business Plan and Budget Statement

Objective(s)

- Influence the implementation of departmental strategies that are consistent with the aspirations and principles detailed in Council's Community Plan;
- Provide high level strategic policy development and professional advice, on community and business planning, environmental outcomes and land use planning;
- Build stronger relationships between Council and our community, and partnerships with state and other local governments, to build the social capital of our local community;
- Promote reading by making it easy for people of all ages, cultures and interests to get into reading at all levels and provide free and easy access to information through community responsive library services;
- Provide life-long learning opportunities via Council's library and community services;
- Deliver high quality community based and civic events that meet the needs of the community;
- Coordinate the provision of community based support and services for older people, people with disabilities and their carers, and other specifically funded (external and council) target groups;
- Achieve excellence in governance, internal audit, risk management and procurement;
- Deliver high quality media, communication, events and community engagement programs.

Key Activities 2016/17

Key divisional activities include:

- The development, implementation and coordination of policy, planning and the delivery of Council plans;
- Delivery of Council's summer festival, including the Australia Day citizenship and awards ceremony;
- Provision of centre based, mobile and home library services as well as volunteer, community bus, aged, disability and youth programs;
- Delivery of high quality procurement, internal audit, risk management, governance and social media services to the organization.

Performance Measures

Performance measures, both financial and non-financial, against which the Business and Community Division will be assessed, include:

- The degree to which Council implements policies, plans, programs, activities and procedures recommended by the division;
- Effective evaluation of progress on implementation of the *Towards 2025 Community Plan*, in partnership with other departments;
- The degree to which the organisation achieves the objectives and targets set in its key climate change adaptation programs;
- The performance of the home support program against the independently assessed Commonwealth accreditation, validation and certification standards;
- Financial management of all programs within the budgets set and to the standards required by the funding bodies, including Council itself.

2016/17 Budget Highlights

1. Income

- Divisional income is budgeted to increase by \$47,670 or 3.8 per cent to \$1,287,870;
- Income from library users of \$51,300 has been budgeted (\$50,200 in 2015/16);
- A component of the library budget is externally funded by the State Government, and it represents 16.2 per cent of its total operational budget. This funding was reduced in 2013/14, and is annually indexed from this lower amount, with the amount budgeted now \$4,000 or 1.0 per cent higher than that budgeted in 2015/16;
- User charges for the Commonwealth Home Support program (CHSP) have been increased by \$13,300 or 11.9 per cent to \$125,300;
- CHSP grant income is expected to be \$468,700, an increase of \$28,700 or 6.5 per cent on HACC funding in 2015/16;
- Income of \$168,000 has been budgeted for Community Development, a decrease from the 2015/16 budget due to the withdrawal of OPAL Funding (\$18,500) and the withdrawal of State Government HACC funding of \$18,600 which is now going to the National Disability Insurance Scheme, rather than Council;
- Community Development income includes transport fees and charges of \$19,000, Thebarton Community Centre hire charges of \$135,000 and fees from Home Advantage Services of \$14,000.

2. Operational Expenditure

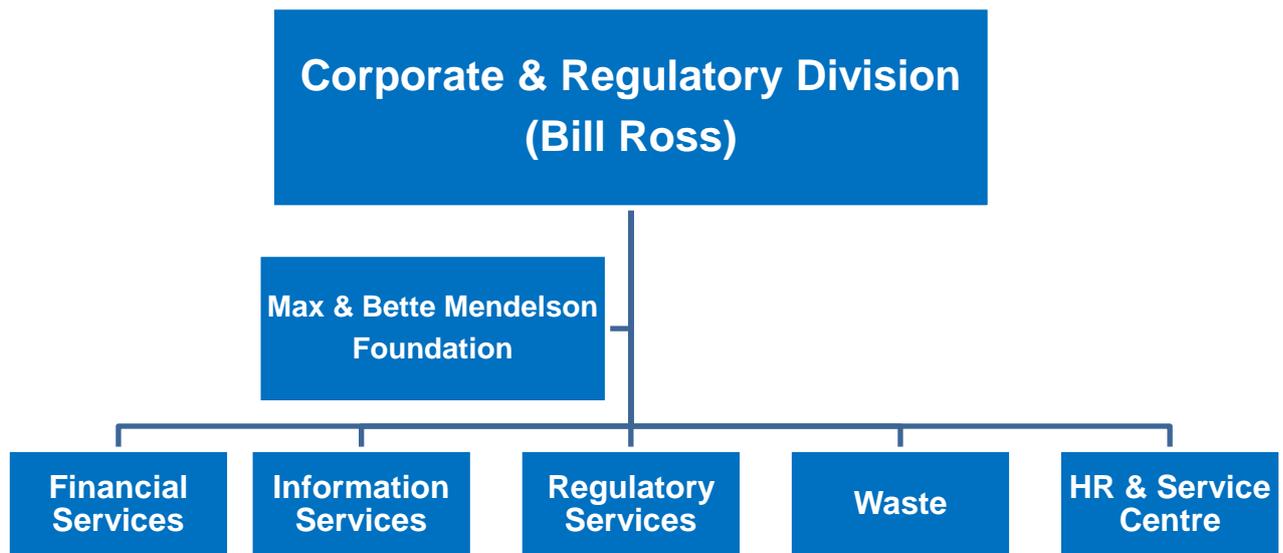
- Operational expenditure for the Business and Community Division is budgeted to decrease by \$472,489 or 5.9 per cent to \$7,496,875;
- Employment expenses have fallen by \$251,219 or 4.9 per cent, to \$4,912,174;
- \$244,000 has been budgeted for professional fees, up \$24,800 or 11.3 per cent on what was funded in 2015/16. The budget amount includes:
 - \$155,000 for professional fees that include specialist assistance to review the community plan, investigations for an employment DPA and a strategic directions report; consultation on the revised climate change action plan and the preparation of a community needs analysis and an economic development strategy (\$118,200 budgeted in 2015/16)
 - Auditing support of \$72,000;
 - Annual report, risk management and other support of \$16,000.
- \$21,050 is included to fund Council's participation in the Urban Heat Island Project to conduct aerial mapping of temperature in relation to land use and built form in the western region of Adelaide;
- \$37,100 is included to fund development of an Optimal Water Mix Study to support a sustainable water future for the city;
- \$10,000 is included for a proposed heritage grants fund to assist residents with conservation of heritage properties;
- \$38,000 is included to develop an Open Space and Higher Density Development Structure Plan, which is subject to a successful grant of \$19,000 from the State Government's Open Space and People for Places Fund.
- Community Development projects and programs have been decreased by \$10,300 or 8.6 per cent to \$110,000 and this includes funding for:
 - The summer festival (music, movies and food in the park);
 - Community art and celebratory activities and projects e.g. ANZAC; community gardens and walking and sewing groups;

- Youth initiatives e.g. after school and school holiday activities, youth expo and little days out;
- Community participation and engagement, including disability and volunteer expos, training and support, every generations, harmony day and cultural evenings;
- An amount of \$143,000 has been budgeted for contractors to provide home support for the aged and disabled - \$93,000 in Community Development and \$50,000 in the CHSP.
- Partnership and community grants of \$251,328 are budgeted (\$250,000 in 2015/16);
- Publications and printing costs of \$106,800 are proposed, including \$55,000 for Talking Points (down \$8,200 or 11.2 per cent);
- Advertising and publicity costs of \$94,000 are budgeted, including \$48,000 for the Messenger column (up \$4,400 or 9.2 per cent).

BUDGET 2016/17 BUSINESS & COMMUNITY SERVICES DIVISION OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO	
ORIGINAL	REVISED			2015/16 ORIGINAL	
Income					
200	200	Statutory Charges	1,000	800	400.0%
346,500	352,489	User Charges	372,600	26,100	7.5%
884,700	884,847	Grants & Subsidies	904,970	20,270	2.3%
8,800	45,630	Other Income	9,300	500	5.7%
1,240,200	1,283,166	Total Income	1,287,870	47,670	3.8%
<i>Less</i>					
Operational Expenditure					
4,838,920	5,003,506	Staff Costs	4,610,488	(228,431)	-4.7%
324,473	331,668	Staff Related Costs	301,686	(22,788)	-7.0%
162,170	165,630	Buildings Furniture & Fittings	165,710	3,540	2.2%
137,674	131,664	Plant & Equipment	146,830	9,156	6.7%
112,800	126,870	Computer Expenditure	104,590	(8,210)	-7.3%
317,742	317,742	Community Assets	318,000	258	0.1%
1,101,174	1,207,431	General	1,034,010	(67,164)	-6.1%
115,701	115,701	Bank & Finance	2,400	(113,301)	-97.9%
325,350	426,221	Council Expenditure	325,378	28	0.0%
176,000	223,000	Contract Expenditure	148,200	(27,800)	-15.8%
37,700	45,700	Materials	30,000	(7,700)	-20.4%
319,660	328,660	Occupancy & Property	309,583	(10,077)	-3.2%
7,969,364	8,423,793	Total Operational Costs	7,496,875	(472,489)	-5.9%
(6,729,164)	(7,140,627)	Operational Surplus/(Deficit)	(6,209,005)	520,159	-7.7%

Corporate and Regulatory Division



The Corporate and Regulatory Division is responsible for the provision of a range of support services across Council and the provision of operational support to the Chief Executive Officer.

The Corporate and Regulatory Division comprises the following:

- The Mendelson Foundation;
- Financial Services;
- Information Services;
- Regulatory Services;
- Waste;
- HR and Service Centre.

Corporate and Regulatory Division 2016/17 Business Plan and Budget Statement

Objective(s)

Support Council with the provision of corporate services, including financial, human resource management and information services, and deliver effective and efficient waste, environmental health, compliance, call centre services to the community.

Key Activities 2016/17

Key activities include the following:

- Finance;
- Human resource management;
- Counter and call centre services;
- Information technology (IT);
- Information management;
- Compliance and environmental health services;
- Waste management;
- Mendelson Foundation administration.

Performance Measures

Performance measures, both financial and non-financial, against which the Corporate and Regulatory Division will be assessed, are:

- The achievement of quality outcomes for the benefit of both Council and the West Torrens' community;
- City of West Torrens remains financially sustainable as an entity;
- The delivery of a high level of financial accountability;
- Compliance with all relevant legislation and regulations;
- High level support in human resource management is provided;
- Quality work health and safety outcomes are achieved;
- High standards of call centre service are maintained;
- A high level of IT network and application availability occurs;
- A policing presence is maintained within the community in parking administration, animal management and general compliance operations;
- Quality immunisation outcomes are achieved;
- Waste to landfill is reduced and recycling increased;
- Ongoing success is achieved with food waste recycling and illegal dumping programs;
- Prudent management of Mendelson Foundation investments occurs.

2016/17 Budget Highlights

1. Income

- Corporate and Regulatory income, which includes rates and rate equivalent payments, has increase by \$2,969,134 or 5.5 per cent, to \$57,115,116.

- Rates have been budgeted to increase by 2.6 per cent, based on the calculation that follows. This represents an increase in income from rates of \$1,892,089 over what was raised in 2015/16:

	\$
Rate Income 2015/16	45,757,911
Add Natural Growth at 1.5%	686,369
Sub Total	46,444,280
Add Rate Increase at 2.6%	1,205,720
Total	47,650,000

- Rate equivalent payments for Adelaide Airport have increased to \$5,020,000, based on growth of 2.0 per cent and a 2.6 per cent increase, as follows:

	\$
Net REP's in 2015/16	4,796,955
Add growth at 2.0%	95,939
Add increase at 2.6%	127,106
Total	5,020,000

- Income from investments has been increased to \$365,000, based on additional funds from the sale of St Martins aged care facility;
- An amount of \$1.2 million is budgeted for Council's financial assistance grant in 2016/17.
- Parking and related fees are being increased by \$370,000 or 54.8 per cent to \$1,045,000 over what was originally budgeted in 2015/16;
- Dog registration and related fees are unchanged at \$279,980, based on fees and charges adopted by Council;
- Environmental health subsidy income has increased by \$5,000 or 5.0 per cent to \$105,600, reflecting an increase in vaccinations and funding arrangements.

2. Operational Expenditure

- Operational costs for the Corporate and Regulatory Division have increased by \$611,824 or 4.5 per cent to \$14,214,284;
- Employment and related costs have increased by \$328,856 or 6.0 per cent, to \$5,785,442, an increase driven by two new positions in Compliance, both Council approved and both funded fully by additional parking income, and an increase in casual support being provided to the Service Centre;
- An amount of \$1,260,136 has been budgeted for the NRM levy, up \$34,747 or 2.8 per cent.
- The budget for rate rebates and remissions for 2016/17 totals \$720,000, a decrease of \$35,000 or 4.6 per cent compared to the 2015/16 original budget;
- Valuation charges of the Valuer-General have been budgeted to remain at \$200,000;
- Bank and finance charges have been budgeted to increase by \$17,242 or 12.8 per cent to \$151,500 over what was budgeted in 2015/16;
- An increase of \$150,000 or 4.8 per cent (from \$3,150,000 to \$3,300,000) has been budgeted for waste collection;
- The collection budget amount of \$3,300,000 includes an allowance of \$564,000 for the following items (\$401,000 in 2015/16):

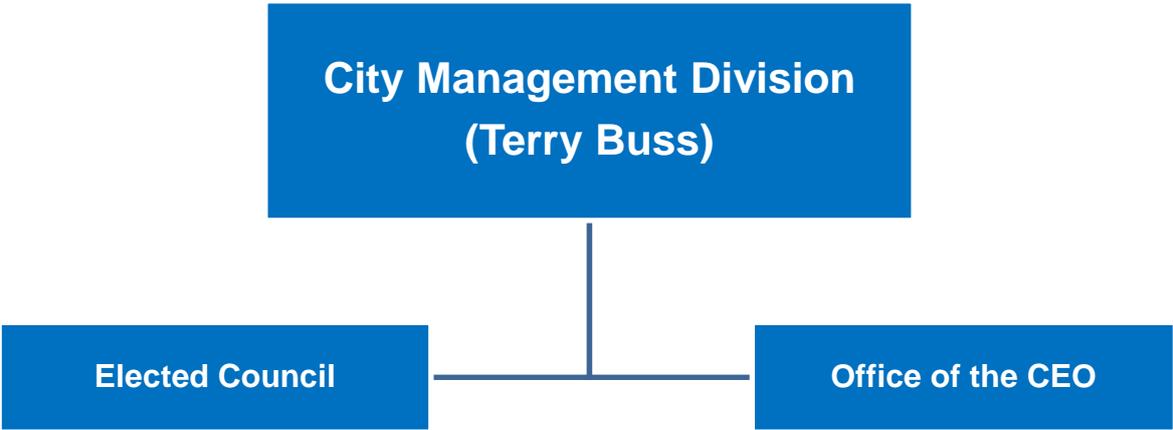
	\$
Hard waste	414,000
Hazardous waste collection	25,000
Mattresses	15,000
E-waste collection	10,000
Vouchers - 6 x 4 trailer	100,000
Total	564,000

- The hard waste collection budget is based on at-call occurring in the first three months of 2016/17 and a campaign collection being undertaken subsequently;
- The hard waste collection budget has been increased from \$300,000 in 2015/16 to \$414,000;
- Waste to landfill costs has been increased by \$75,000 or 6.4 per cent to \$1,250,000, largely because of an expected waste levy increase.
- An increase in the IT software budget from \$680,000 to \$800,000 is due to the replacement of the document management system with a new more functional system which has a lower ten year total cost of ownership. Annual maintenance for the new product is almost 50 per cent lower than the current annual maintenance cost;
- Computer hardware support costs have decreased by \$35,000 or 58.3 per cent to \$25,000 due to the financing of IT asset replacements via capital purchases rather than lease arrangements;
- The professional fees budget has been reduced by \$8,020 or 4.3 per cent to \$178,670 and includes:
 - \$60,000 in HR related support, including the provision of pre-employment medicals, security checks, counselling support, WHS and workers compensation assistance and other professional HR support;
 - \$65,000 in debtor management and debt recovery support (offset by income recoveries);
 - \$35,000 for corporate management, software assistance and audit support, including statutory auditing (\$33,000 in 2015/16).
- Contractor expenses have been decreased by \$26,600 or 19.9 per cent, to \$107,200, an amount that largely covers compliance support in animal management and parking, and immunisation administration support.
- Training and development costs have increased by \$12,600 or 12.3 per cent to \$115,000, an amount that includes corporate training and a planned focus in 2016/17 on building organisational capability through skill and knowledge development, performance management, customer service and information technology.

BUDGET 2016/17 CORPORATE & REGULATORY DIVISION OPERATIONAL EXPENDITURE & INCOME
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2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO 2015/16 ORIGINAL	
ORIGINAL	REVISED			BUDGET	
Income					
50,939,989	51,153,944	Rates	53,325,136	2,385,147	4.7%
1,047,180	1,324,680	Statutory Charges	1,433,580	386,400	36.9%
125,875	129,875	User Charges	137,900	12,025	9.6%
1,217,638	1,202,638	Grants & Subsidies	1,200,000	(17,638)	-1.4%
117,300	219,847	Reimbursements	100,500	(16,800)	-14.3%
698,000	742,388	Other Income	918,000	220,000	31.5%
54,145,982	54,773,372	Total Income	57,115,116	2,969,134	5.5%
<i>Less</i>					
Operational Expenditure					
5,001,339	5,282,079	Staff Costs	5,298,951	297,612	6.0%
455,246	462,882	Staff Related Costs	486,491	31,245	6.9%
14,990	14,990	Buildings Furniture & Fittings	14,360	(630)	-4.2%
118,240	117,580	Plant & Equipment	116,300	(1,940)	-1.6%
1,061,070	1,178,280	Computer Expenditure	1,091,100	30,030	2.8%
0	0	Community Assets	0	0	N/A
771,355	913,714	General	764,315	(7,040)	-0.9%
134,258	149,258	Bank & Finance	151,500	17,242	12.8%
1,527,015	1,527,015	Council Expenditure	1,575,780	48,765	3.2%
4,458,800	4,508,685	Contract Expenditure	4,657,200	198,400	4.4%
0	0	Materials	0	0	N/A
60,146	60,146	Occupancy & Property	58,287	(1,859)	-3.1%
0	0	Internal - Expenditure Recovered	0	0	N/A
13,602,460	14,214,630	Total Operational Costs	14,214,284	611,824	4.5%
40,543,522	40,558,742	Operational Surplus/(Deficit)	42,900,832	2,357,310	5.8%

City Management Division



The City Management Division is responsible for the provision of a range of services to elected representatives, the community and the Council.

The City Management Division comprises the following:

- Elected Council;
- Office of the Mayor and Chief Executive.

City Management Division 2016/17 Business Plan and Budget Statement

Objective(s)

The objectives of the City Management Division are to:

- Make responsible and informed decisions in the interests of the community;
- Manage Council operations and the provision of public services and facilities;
- Exercise, perform and discharge the powers, functions and duties of local government under the Local Government Act and other related legislation;
- Represent the interests of the West Torrens' community;
- Encourage and develop community initiatives in order to improve the quality of life for residents;
- Drive innovation and efficiency across the organisation through the lean thinking program;
- Promote and support the development and growth of local business and jobs within the city;
- Maximise external funding opportunities by developing and submitting high quality grant applications;
- Identify, coordinate and submit high quality applications for industry and sector related awards.

Key Activities 2016/17

Key activities include the following:

- Office of the CEO;
- Business of the Elected Council;
- Delivery of lean thinking and economic development initiatives.

Performance Measures

Performance measures, both financial and non-financial, against which the Office of the CEO and Council will be assessed, are:

- Compliance with legislative requirements;
- Observance of Council policy;
- Evidence of the Council working within a strategic planning framework;
- Proper discharge of powers, functions and duties under the Local Government Act and other related legislation;
- Evidence of timely and responsible decision making;
- Evidence that Council decisions are implemented without undue delay;
- Evidence of open, responsible and accountable government;
- Evidence that the assets and resources of the Council are properly managed and maintained;
- Evidence that an appropriate organisational structure for the Council is established and maintained;
- Attendance at Council meetings, workshops and community forums;
- Active representation of community interests;
- Positive feedback from the community;
- Positive media;
- Responsible management of Council services to the community;

- Unqualified audit report;
- Evidence of steps being taken in relation to sustainable development and the protection of the environment;
- Lean thinking program delivers meaningful and sustainable continuous improvement;
- Improved external funding opportunities are realised

2016/17 Budget Highlights

1. Income

- Income of \$4,000 is budgeted in 2016/17 (\$4,750 in 2015/16).

2. Operational Expenditure

- Operational expenditure has increased by \$452,813 or 29.3 per cent to \$1,995,773;
- Staffing cost increases reflect structural changes that have seen the Office of the CEO take on direct responsibility for continuous improvement, economic development, agenda and minute preparation, and the provision of support to the Mayor and Elected Members;
- Allowances for Elected Members of \$396,500 have been budgeted, based on allowances adopted by Council and increases anticipated in November 2016 (\$392,417 in 2015/16);
- Annual subscription payments including subscriptions to the LGA, AMAC and the Murray Darling Association, total \$101,300, an increase of \$6,800 or 7.2 per cent;
- The budget for 2016/17 includes a contribution of \$20,000 towards Mendelson Foundation scholarships (\$15,000 in 2015/16);
- All legal costs are substantially budgeted in this business unit, and an amount of \$225,000 has been budgeted. This is the same as the amount budgeted in 2015/16;
- Professional fees otherwise have been increased by \$17,000, to \$57,000, with provision made for the support of continuous improvement programs and advice on the sale of riverfront land at the Brickworks' site.

BUDGET 2016/17 CITY MANAGEMENT DIVISION OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO 2015/16 ORIGINAL	
ORIGINAL	REVISED				
		Income			
4,750	4,750	Reimbursements	4,000	(750)	-15.8%
4,750	4,750	Total Income	4,000	(750)	-15.8%
		<i>Less</i>			
		Operational Expenditure			
429,068	600,068	Staff Costs	816,956	387,888	90.4%
64,568	71,047	Staff Related Costs	96,134	31,566	48.9%
9,040	8,480	Buildings Furniture & Fittings	6,770	(2,270)	-25.1%
18,270	18,270	Plant & Equipment	18,100	(170)	-0.9%
1,020	2,940	Computer Expenditure	1,930	910	89.2%
604,138	619,084	General	631,185	27,047	4.5%
412,417	412,417	Council Expenditure	421,500	9,083	2.2%
4,439	4,439	Occupancy & Property	3,198	(1,241)	-28.0%
1,542,960	1,736,745	Total Operational Costs	1,995,773	452,813	29.3%
(1,538,210)	(1,731,995)	Operational Surplus/(Deficit)	(1,991,773)	(453,563)	29.5%

Rating

Introduction

The City of West Torrens uses capital values as the basis for valuing land within its Council area, with valuations purchased from the Valuer-General on an annual basis and adopted by Council for its use. Council currently adopts a rate in the dollar to apply against each separate valuation to arrive at a property levy (rate).

This simple formula is adjusted by the application of a minimum rate set by Council each year to ensure that all property owners contribute to the cost of services and the maintenance of infrastructure that supports each property. It should be noted that a council cannot apply the minimum rate to more than 35 per cent of properties within its area.

Rate in the Dollar

To determine the amount of rates paid, and in order to share the costs, Council uses a formula that is based on property values as required under the Local Government Act. This formula divides the total amount the Council needs to raise from rates by the total value of all properties in the Council area:

$$\frac{\text{Total rate revenue required}}{\text{Total value of rateable properties}} = \text{rate in the dollar}$$

The determination of a rate in the dollar provides a mechanism to avoid a windfall gain from changes in property values.

The Amount of Rates Levied

Council uses the following formula to determine the amount of rates levied on each property.

Capital value of property multiplied by the rate in \$ = rate levied (subject to minimum rate).

Example 1 - Residential (based on previous year data)

Capital Value = \$400,000
 Rate in the Dollar = 0.00265000
 Minimum Rate = \$848.00
 Rates = Capital Value * Rate in the Dollar

Rates = \$400,000 * 0.00265000
 = \$1,060.00

As this amount is greater than the minimum rate, the rate applied by Council remains at \$1,060.00.

Example 2 - Residential with an Adjustment for the Minimum Rate

Capital Value = \$250,000
 Rate in the Dollar = 0.00265000
 Minimum Rate = \$848.00
 Rates = Capital Value * Rate in the Dollar

Rates = \$250,000 * 0.00265000 = \$662.50

This is below the minimum rate (of \$848.00) and must therefore be adjusted:

$$\begin{aligned}\text{Rates} &= \$662.50 + \text{Adjustment} \\ &= \$662.50 + \$185.50 \\ &= \$848.00\end{aligned}$$

The rates are adjusted up by \$185.50 and set by Council at the minimum rate of \$848.00.

Council set the minimum rate on 28 per cent of all residential properties in 2015/16 and all were valued at less than \$320,000.

Rating Principles

There are five principles that apply to the imposition of taxes on communities. These principles are:

- Equity - taxpayers with the same income should pay the same tax (*horizontal equity*), while wealthier taxpayers pay more (*vertical equity*);
- Benefit - taxpayers should receive some benefits from paying tax, but not necessarily to the extent of the tax paid;
- Ability-to-pay - in levying taxes, the ability of the taxpayer to pay the tax must be taken into account;
- Efficiency - if a tax is designed to change consumers' behaviour and that behaviour changes, then the tax is efficient (eg: tobacco taxes). If the tax is designed to be neutral in its effect on taxpayers, but it changes that behaviour, then the tax is inefficient; and
- Simplicity - the tax must be understandable, hard to avoid and easy to collect.

To some extent these principles are in conflict with each other. Governments must therefore strike a balance between the:

- Application of the principles;
- Policy objectives of taxation;
- Need to raise revenue; and
- Effects of the tax on the community.

Council has considered each principle when reviewing the various rating options available.

Alternative Options

There are a number of alternative rating options available under the Local Government Act 1999, including:

- Capital versus site valuation;
- Differential rating;
- Rating without a minimum rate;
- Application and impact of the minimum rate;
- Impact of reducing the minimum rate;
- Fixed charges;
- Service rate or charge; and
- Rate capping.

Capital Versus Site Valuation

Local government may adopt one of three valuation methodologies to value the properties in its area. They are:

- *Capital Value (CV)* – the value of the land and all the improvements on the land;
- *Site Value (SV)* – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements;
- *Annual Value (AAV)* – a valuation of the rental potential of the property.

Capital values have been adopted by Council as its valuation method for rating purposes because this is considered the fairest approach, based on the *ability-to-pay* principle, with the owners of higher value properties paying higher rates and the owners of lower value properties paying lower rates.

How might this work in practice?

Consider two adjoining properties in a particular council area. Property A is a quarter acre block with a four bedroom house, in ground pool and well developed garden. Property B is a quarter acre block with a three bedroom house and average garden. The following valuations might apply to the two properties:

	Property A	Property B
Capital Value	\$600,000	\$400,000
Site Value	\$200,000	\$200,000
Annual Value	\$36,000	\$30,000

What rates would be paid by the two property owners under the different valuations? Excluding minimum rates or a fixed charge, the tax burden would fall as follows:

- Under *Capital Value*, the owner of Property A would pay 50 per cent more than the owner of Property B;
- Under *Site Value*, the two property owners would pay the same; and
- Under *Annual Value*, the owner of Property A would pay 20 per cent more than the owner of Property B.

Which is the fairer valuation system?

In the local government rating context, the high level assumption is that people with more expensive homes are better off than people with less expensive homes and that they have the capacity to shoulder more of the rate burden. However, rebate and remission provisions and the ability of councils to tailor payments and make other administrative arrangements, recognises that some ratepayers need special consideration.

Council is also mindful of the impact and implications of changing to an alternative valuation method.

Differential Rating

The Local Government Act allows councils to differentiate rates based on the use of the land, the locality of the land, or the use and locality of the land. Definitions of the use of the land are prescribed by regulation and the current definitions are:

- Residential
- Commercial – Shops
- Commercial – Office
- Commercial – Other
- Industrial – Light
- Industrial – Other
- Primary Production
- Vacant Land
- Other

A significant majority of South Australian councils use differential rates.

West Torrens Council uses two different rates with expected income compared to last year being as follows:

Land Use	Budgeted Income	Budgeted Income
	2015/16	2016/17
	\$m	\$m
Residential	29.79	31.09
Non-residential	15.87	16.56

In 2015/16 West Torrens Council had the third highest differential between residential and commercial / industrial properties in the metropolitan area, as follows:

Council	Commercial	Industrial
Playford	6.1	6.1
Charles Sturt	3.1	4.0
West Torrens	2.3	2.3
Pt Adelaide Enfield	2.2	2.2
Prospect	2.1	2.1
Mitcham	2.0	2.0
Unley	1.8	1.6
Marion	1.8	1.6
Tea Tree Gully	1.5	1.5
Holdfast Bay	1.5	1.5
Salisbury	1.5	1.5
Onkaparinga	1.3	1.3
Norwood, Payneham	1.2	1.2
Adelaide Hills	1.1	1.1
Burnside	1.0	1.0
Campbelltown	1.0	1.0
Average	1.8	1.8

Source: LGA Survey

Charging a differential rate can be justified on the grounds that commercial and industrial users consume a greater proportion of council resources than residential properties, particularly in regard to the use of roads, traffic, parking, stormwater, etc.

The maintenance of city roads, bridges and kerbing infrastructure requires significant planning time and funding from Council. Heavy vehicle movements e.g. semi-trailers, trucks, vans and light commercial vehicles impact on the life of road infrastructure placing an increased burden on the community (ratepayers). Footpaths and walkways are another area, which require ongoing improvement and maintenance by Council, concentrating on high pedestrian traffic areas such as retail and commercial zones. In addition many of the studies and installations required for effective traffic management and control, result from heavy traffic load generated by commercial and industrial zones.

Commercial and industrial properties, because of large buildings and covered ground for car parking, generate a high percentage of the stormwater volume carried by the West Torrens drainage system. Businesses, and in particular industries, are also responsible for many of the gross pollutants that contaminate stormwater and degrade our environment. Council both maintains the stormwater drainage network and works with businesses to lessen the negative environmental effects of their activities.

A differential rating system provides Council with more tools to moderate large movements in valuations that occur periodically in the market.

Without a Minimum Rate

This system is based on the premise of a single rate in the dollar, with all properties paying a rate based directly on the capital value of the property.

The City of West Torrens has one of the lowest minimum rates in metropolitan Adelaide and it would be difficult to justify its removal. 93 per cent of minimum rated properties are flats or units, and a majority, possibly up to 80 per cent, are not owner-occupied.

Application and Impact of the Minimum Rate

The Local Government Act allows councils to impose a minimum rate, which must not apply to more than 35 per cent of rateable properties. Only one minimum rate can be imposed on two or more adjoining properties with the same owner. A minimum rate cannot be used in conjunction with a fixed charge.

The argument in favour of the minimum rate is that in terms of the benefits received by all ratepayers it is appropriate that every ratepayer make a minimum contribution to the cost of the services provided.

Under this system a fixed amount is first applied evenly against all ratepayers and the minimum rate is abolished. The only restriction under new Local Government Act provisions is that the rates generated by a fixed charge cannot exceed 50 per cent of all rates revenue raised.

The fixed charge may be set at a level designed to ensure everyone pays a fair share of services, with the remaining amount of rate revenue based on the valuation of the property.

The introduction of a fixed charge is not favoured as it benefits owners of higher valued property, arguably the more fortunate within our community, and its adverse impacts on large numbers of owners of lower valued property.

Service Rate or Charge

Council could apply a service rate, say \$150.00 for waste management, in addition to raising general rates. Unlike fixed charge arrangements, the minimum rate is not abolished and the rate can only be based on the nature of the service, the level of usage of the service or a combination of the two.

The introduction of a service rate or charge is not favoured because of its adverse impact on the owners of low valued property and the less fortunate within our community.

Rate Capping

Rate capping can be used by Council to limit the magnitude of any rate increase affecting any one ratepayer to a certain percentage in any one year.

Capping has its limitations, but can be used to moderate irregular rate increases brought about by irregular valuation movements. Initial valuations provided for 2016 by the Valuer-General indicate residential property value movements within the West Torrens Council area are as follows:

Suburb	No. of Assessments	Average CV	Increase / (Decrease) \$	Increase / (Decrease) %
Torrensville	1,737	457,769	17,645	4.0%
Glenelg North	416	503,036	19,258	4.0%
Fulham	1,138	507,812	19,020	3.9%
North Plympton	1,304	409,005	15,136	3.8%
Netley	747	409,195	14,056	3.6%
Thebarton	653	401,867	12,386	3.2%
Glandore	514	485,418	14,254	3.0%
Richmond	1,448	406,430	11,326	2.9%
Hilton	370	407,784	10,204	2.6%
West Beach	744	541,929	12,721	2.4%
Plympton	2,200	381,078	8,365	2.2%
Lockleys	2,268	548,424	11,683	2.2%
Cowandilla	546	403,053	8,333	2.1%
Mile End South	12	362,083	7,083	2.0%
Novar Gardens	876	530,017	10,281	2.0%
West Richmond	435	368,998	6,926	1.9%
Mile End	1,954	457,566	7,926	1.8%
Underdale	1,009	447,745	7,587	1.7%
Marleston	801	369,114	5,391	1.5%
Keswick	341	363,768	4,907	1.4%
Kurralta Park	1,289	362,389	3,771	1.1%
Camden Park	1,476	365,607	3,725	1.0%
Brooklyn Park	2,047	392,059	3,970	1.0%

Ashford	450	421,840	3,200	0.8%
Total	24,775	434,790	9,801	2.3%

Valuations increased by 2.3 per cent on average in 2016, ranging from an increase of 0.8 per cent in Ashford to an increase of 4.0 per cent in Torrensville. Movements in prior years ranged from:

- An increase of 0.4 per cent in Hilton to an increase of 6.3 per cent in Glenelg North (2015);
- A reduction of 0.2 per cent in Keswick to an increase of 3.5 per cent in Richmond (2014); and
- A reduction of 1.4 per cent in Mile End South to an increase of 4.2 per cent in Thebarton (2013).

Capping makes the tax system more complex and less understandable for ratepayers, and this has some effect on the *simplicity* principle. Rate capping has not enjoyed much favour in past years, probably because of the way it compromises the rating process and it is not proposed in 2016/17.

Postponement of Rates for Seniors

Rate postponement for seniors is now mandatory in certain circumstances following amendments to the Local Government Act 1999 and the Local Government (General) Regulations 1999. These changes mandate an entitlement to postponement where:

- The ratepayer holds a state seniors card or has an application pending where an entitlement exists;
- The property in question is the principal place of residence; and
- The property is owned by the principal ratepayer or the principal ratepayer and their spouse.

This legislation is available at www.legislation.sa.gov.au. Information can be obtained about Council's administration of these provisions by contacting Council's Service Centre on 8416 6333 or by emailing csu@wtcc.sa.gov.au.

Rate postponement has been available to senior West Torrens Council residents since July 2007, but only three applications have been received, despite publicity about its availability. Other councils that offer policy support for the postponement of rates have likewise experienced few applications for support.

Rate Rebates and Remissions

Chapter 10 of the Local Government Act 1999 (the Act) provides Council with authority to grant the following:

- Mandatory and discretionary rebates of rates to a person or body (Division 5, Sections 159 to 166 of the Act); and
- Rate remissions (Division 9, Section 182 of the Act).

Council policy [Rate Rebates and Remissions](#) clarifies requirements in the administration of these provisions. It is available on Council's web-site at www.westtorrens.sa.gov.au, or a

copy can be obtained by contacting Council's Service Centre on 8416 6333 or by emailing csu@wtcc.sa.gov.au. It deals in detail with:

- Discretionary rebates, in particular what is taken into account in determining applications and rebate amounts;
- The approach taken in deciding vacant land rebates, including rebate amounts;
- Rate remissions available when Council is satisfied on the application of a ratepayer that payment would cause hardship;
- The approach taken in deciding mandatory rebates; and
- How to go about applying for a rebate or remission.

Proposed Rate Model

The proposed rate model for 2016/17 is shown on the page following.

Rate model yet to be prepared

Summary Financial Statements

City of West Torrens

STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Original Budget 2015/16 \$'000	Original Budget 2016/17 \$'000
ASSETS		
Current Assets		
Cash and cash equivalents	1,528	7,701
Trade & other receivables	4,764	2,124
Other financial assets	1,125	1,185
Inventories	23	11
Total Current Assets	7,440	11,021
Non-current Assets		
Infrastructure, property, plant & equipment	603,054	570,323
Other non-current assets	7,870	4,238
Total Non-current Assets	610,924	574,561
Total Assets	618,364	585,582
LIABILITIES		
Current Liabilities		
Trade & other payables	8,552	6,419
Borrowings	2,066	-
Provisions	2,242	2,004
Other current liabilities	16,344	-
Total Current Liabilities	29,204	8,423
Non-current Liabilities		
Borrowings	13,857	2,692
Provisions	559	433
Total Non-current Liabilities	14,417	3,125
Total Liabilities	43,621	11,548
NET ASSETS	574,743	574,034
EQUITY		
Accumulated Surplus	58,822	58,613
Asset Revaluation Reserves	511,652	500,073
Other Reserves	4,269	15,348
TOTAL EQUITY	574,743	574,034

Please note that the comparative figures include the St Martins aged care facility.

City of West Torrens

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2017

	Original Budget 2015/16 \$'000	Original Budget 2016/17 \$'000
INCOME		
Rates	51,020	53,390
Statutory charges	1,752	2,200
User charges	9,262	1,285
Grants, subsidies and contributions	3,851	4,182
Investment income	504	444
Reimbursements	225	217
Other income	523	543
Total Income	67,137	62,261
EXPENSES		
Employee costs	27,071	21,624
Materials, contracts & other expenses	19,789	18,673
Depreciation, amortisation & impairment	11,251	10,941
Finance costs	846	153
Total Expenses	58,957	51,391
OPERATING SURPLUS / (DEFICIT)	8,180	10,870
NET SURPLUS / (DEFICIT) transferred to Equity Statement	8,180	10,870
Other Comprehensive Income	-	-
TOTAL COMPREHENSIVE INCOME	8,180	10,870

Please note that the comparative figures include the St Martins aged care facility.

City of West Torrens

CASH FLOW STATEMENT
for the year ended 30 June 2017

	Original Budget 2015/16 \$'000	Original Budget 2016/17 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
<u>Receipts</u>		
Operating receipts	66,634	61,818
Investment receipts	504	444
<u>Payments</u>		
Operating payments to suppliers and employees	(46,803)	(40,237)
Finance payments	(846)	(154)
Net Cash provided by (or used in) Operating Activities	19,489	21,871
CASH FLOWS FROM INVESTING ACTIVITIES		
<u>Receipts</u>		
Sale of replaced assets	616	609
Repayments of loans by community groups	7	-
<u>Payments</u>		
Expenditure on renewal/replacement of assets	(14,369)	(13,057)
Expenditure on new/upgraded assets	(14,502)	(11,699)
Net Cash provided by (or used in) Investing Activities	(28,248)	(24,147)
CASH FLOWS FROM FINANCING ACTIVITIES		
<u>Receipts</u>		
Proceeds from borrowings	4,957	2,692
Proceeds from aged care facility deposits	2,000	-
<u>Payments</u>		
Repayments of borrowings	(2,038)	-
Repayment of aged care facility deposits	(3,000)	-
Net Cash provided by (or used in) Financing Activities	1,918	2,692
Net Increase (Decrease) in cash held	(6,841)	416
Cash & cash equivalents at beginning of period	8,369	7,286
Cash & cash equivalents at end of period	1,528	7,701

Please note that the comparatives figures include the St Martins aged care facility.

City of West Torrens

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2017

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
	\$'000	\$'000	\$'000	\$'000
Original Budget 2015/16				
Balance at end of previous reporting period	44,805	511,652	10,107	566,564
Net Surplus / (Deficit) for Year	8,179			8,179
Other Comprehensive Income				
Transfers between reserves	5,838	-	(5,838)	-
Balance at end of period	58,822	511,652	4,269	574,743
Next Year Budget 2016/17				
Balance at end of previous reporting period	58,822	511,652	4,269	574,743
Net Surplus / (Deficit) for Year	10,870			10,870
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant & equipment	-	(11,579)	-	(11,579)
Transfers between reserves	(11,079)	-	11,079	-
Balance at end of period	58,613	500,073	15,348	574,034

Please note that the comparatives figures include the St Martins aged care facility.

City of West Torrens
FINANCIAL INDICATORS
for the year ended 30 June 2017

	Original Budget 2015/16	Original Budget 2016/17
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These Financial Indicators have been calculated 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. Detailed methods of calculation are set out in the SA Model Statements.

Operating Surplus Ratio

<u>Operating Surplus</u>	16%	21%
Rates - general & other less NRM levy		

This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	55%	1%
Total Operating Revenue less NRM levy		

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue (excluding NRM levy).

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	104%	106%
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Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

Please note that the comparative figures include St Martins aged care facility

City of West Torrens

**UNIFORM PRESENTATION OF FINANCES
for the year ended 30 June 2017**

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

	Original Budget 2015/16 \$'000	Original Budget 2016/17 \$'000
Income	67,137	62,261
<i>less</i> Expenses	58,958	51,391
Operating Surplus / (Deficit)	8,179	10,870
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	14,369	13,057
Depreciation, Amortisation and Impairment	11,251	10,941
Proceeds from Sale of Replaced Assets	616	609
	2,503	1,507
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	14,502	11,699
	14,502	11,699
Net Lending / (Borrowing) for Financial Year	(8,826)	(2,336)

Please note that the comparatives figures include the St Martins aged care facility.

Ten Year Financial Plan

City of West Torrens
KEY ASSUMPTIONS
 Forward Estimates for 10 years to 2025/26

Income			Expenditure - Operational & Maintenance		
Rate Increase 2016/17	2.6%	+ growth	Wages Growth	3.8%	Based on expectation - 2016/17
REP Increase 2016/17	2.6%		Wages Growth	3.5%	Based on expectation - 2017/18 to 2018/19
Rate Growth - 2016/17	1.50%		Wages Growth	3.5%	Based on expectation - from 2019/20
REP Growth - 2016/17	2.00%		Waste Contract - Solo	2.0%	Fuel impact + extra services
Rate Increases 2017/18	2.6%	+ growth in all years	Waste Disposal 2017/18	6.8%	Includes allowance for solid waste levy
Rate Growth - All Other Years	1.2%		Waste Disposal Otherwise	3.0%	Allowance for modest levy increases
REP Increases 2017/18	2.6%	Same as rate increases	Contract Works	4.0%	
Rate Equivalent Growth	0.5%	Cumulative increase	Works Materials	2.0%	
Rate Increases from 2018/19	2.7%	+ growth in all years	Other Finance Charges	1.7%	Includes banking charges
Revenue Growth - Parking	2.0%		Depreciation - Buildings	3.0%	Allowance for new assets
Revenue Growth - Animals	2.0%		Depreciation - Infrastructure	2.5%	Allowance made for new assets
Revenue Growth - Dev Apps	2.0%		Depreciation Other	2.0%	
Revenue Growth - Waste	2.0%		Plant Costs	2.0%	
W/Comp Refund	1.5%		Computer Expenses	1.5%	
Revenue Growth - Other	2.0%	Other - cumulative increase	Computer Licensing	1.5%	
NRM Levy from 2017/18	5.0%		General Insurance Premium	1.5%	Competitive market
Roads to Recovery	-	Funding to continue until 2018/19	Professional Fees	1.5%	
			Street Lighting	2.5%	
			Property Costs	4.0%	Utility cost pressures
			Other Operating Costs	1.5%	
Capital Expenditure					
Plant, Furniture & Equip	2.0%	Cumulative increase			
Building Expenditure	-	Based on asset management plan			
Asset Sale Development	-	\$2.5 million in the 3 years from 2016/17.			
Building Escallation	1.5%	Cumulative increase thereafter			
Capital Works Expenditure			Sundry		
Brown Hill / Keswick Drnge	-	Based on 49% of 50% of the cost split over 13 years		\$m	
Brown Hill / Keswick Drnge	2.0%	Cumulative increase	Asset Sales	0	
Road Reseal / Maintenance	-	To match AM Plan over 10 years	Debenture Loan Interest Rates	4.70%	From 2016/17
Footpath Constn / Recon	-	To match AM Plan over 10 years		5.20%	From 2021/22
Kerb & Gutter	-	To match AM Plan over 10 years			
Grant Funded Works	-	Indexed to match grant income			
Roads to Recovery	-	Funding to conclude in 2018/19.			
Drainage Loan	-	\$4.5 million pa from 2017/18 indexed			
Local Drainage Works	2.0%	\$545,000 from 2016/17 indexed			

City of West Torrens
SUMMARY – ACTUAL & PROJECTED
Forward Estimates for 10 years to 2025/26

ACTIVITIES	NOTE	BUDGET 2015/16		BUDGET 2016/17		ESTIMATES								
		ORIGINAL	REVISED	ORIGINAL	REVISED	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
OPERATING														
Receipts	1	67,137,052	60,208,543	62,261,741	62,261,741	63,426,334	65,722,495	67,677,327	70,150,925	72,726,887	75,391,914	78,166,862	81,038,428	84,029,866
Payments	2	47,198,757	41,379,773	40,016,037	40,016,037	41,413,737	42,873,575	44,368,892	45,900,585	47,469,573	49,099,979	50,769,290	52,478,400	54,228,212
Net Operating		19,938,295	18,828,771	22,245,704	22,245,704	22,012,597	22,848,920	23,308,435	24,250,340	25,257,315	26,291,936	27,397,572	28,560,028	29,801,654
FINANCING														
Principal Receipts - Loan		0	0	2,691,909	2,691,909	4,362,787	4,437,320	4,513,152	4,590,308	4,668,809	4,748,682	4,829,949	4,912,636	4,996,768
Principal Receipts - Overdraft		0	0	0	0	0	0	0	0	0	0	0	0	0
Principal Payments		2,038,482	12,148,482	0	0	127,065	339,042	564,618	804,499	1,059,430	1,321,850	1,601,463	1,899,226	2,216,145
Net Financing		-2,038,482	-12,148,482	2,691,909	2,691,909	4,235,722	4,098,277	3,948,534	3,785,808	3,609,380	3,426,832	3,228,486	3,013,411	2,780,623
OTHER														
Asset Sales		0	14,288,311	0	0	0	0	0	0	0	0	0	0	0
Receipts - Other Capital		2,007,455	0	0	0	0	0	0	0	0	0	0	0	0
Expenditure	3	28,255,411	36,730,640	24,147,016	24,147,016	25,650,862	26,305,906	24,101,874	24,873,518	25,746,890	26,722,218	27,372,609	28,141,958	29,525,387
Net Unspent Funds		0	8,500,000	0	0	0	0	0	0	0	0	0	0	0
Payments - Other		3,450,000	369,168	375,000	375,000	388,125	401,709	415,769	430,321	445,382	460,971	477,105	493,803	511,087
Net Other		-29,697,956	-14,311,497	-24,522,016	-24,522,016	-26,038,987	-26,707,615	-24,517,643	-25,303,839	-26,192,272	-27,183,189	-27,849,713	-28,635,761	-30,036,474
NET INCREASE/(DECREASE)														
IN CASH		-11,798,143	-7,631,209	415,596	415,596	209,332	239,582	2,739,326	2,732,309	2,674,422	2,535,579	2,776,344	2,937,677	2,545,804
<i>Add</i>														
OPENING CASH		16,909,803	17,680,547	10,049,338	10,049,339	10,464,935	10,674,267	10,913,849	13,653,175	16,385,483	19,059,906	21,595,485	24,371,829	27,309,507
CLOSING CASH		5,111,660	10,049,338	10,464,935	10,464,935	10,674,267	10,913,849	13,653,175	16,385,483	19,059,906	21,595,485	24,371,829	27,309,507	29,855,310
CASH RESERVES:														
Committed		40,332,679	31,398,739	31,827,300	31,827,300	31,984,375	32,142,842	34,869,952	37,598,735	40,337,628	43,078,503	45,830,014	48,583,840	51,348,863
Less Used		35,282,247	21,389,532	21,389,532	21,389,532	21,389,533	21,389,533	21,389,533	21,389,533	21,389,533	21,389,533	21,389,533	21,389,533	21,389,533
Net Cash Reserves		5,050,431	10,009,207	10,437,768	10,437,768	10,594,842	10,753,309	13,480,418	16,209,202	18,948,095	21,688,969	24,440,481	27,194,307	29,959,330
SURPLUS/(DEFICIT)		61,230	40,131	27,168	27,168	79,425	160,540	172,756	176,281	111,811	-93,485	-68,651	115,200	-104,020

NOTE 1
City of West Torrens
REVENUE PROJECTIONS

Forward Estimates for 10 years to 2025/26

DESCRIPTION	BUDGET 2015/16		BUDGET 2016/17		ESTIMATES								
	ORIGINAL	REVISED	ORIGINAL	REVISED	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Rates													
Rate Revenue	46,319,989	46,436,989	48,370,136	48,370,136	50,236,831	52,225,803	54,292,938	56,442,844	58,677,277	61,001,173	63,416,479	65,928,484	68,539,342
Rate Equivalent Payments	4,700,000	4,796,955	5,020,000	5,020,000	5,176,273	5,342,612	5,514,297	5,691,499	5,874,395	6,063,169	6,258,009	6,459,110	6,666,673
Statutory Charges													
Development Act Fees	600,000	626,700	650,000	650,000	663,000	676,260	689,785	703,581	717,653	732,006	746,646	761,579	776,810
Parking Fines	700,200	975,200	1,076,000	1,076,000	1,097,520	1,119,470	1,141,860	1,164,697	1,187,991	1,211,751	1,235,986	1,260,705	1,285,920
Dog Fees & Fines	289,980	289,980	289,980	289,980	295,780	301,695	307,729	313,884	320,161	326,565	333,096	339,758	346,553
Other	162,200	173,700	183,600	183,600	187,272	191,017	194,838	198,735	202,709	206,763	210,899	215,117	219,419
User Charges													
St Martins - ACFI	5,357,230	0	0	0	0	0	0	0	0	0	0	0	0
St Martins - Other	2,641,020	0	0	0	0	0	0	0	0	0	0	0	0
Waste Income	210,000	170,000	177,757	177,757	181,312	184,938	188,637	192,410	196,258	200,183	204,187	208,271	212,436
Other	1,053,633	1,062,210	1,107,600	1,107,600	1,129,752	1,152,347	1,175,394	1,198,902	1,222,880	1,247,337	1,272,284	1,297,730	1,323,685
Grants & Subsidies													
FA Grant	1,217,638	1,202,638	1,200,000	1,200,000	1,224,000	1,248,480	1,273,450	1,298,919	1,324,897	1,351,395	1,378,423	1,405,991	1,434,111
UL Road Grants	616,000	592,960	599,500	599,500	611,490	623,720	636,194	648,918	661,896	675,134	688,637	702,410	716,458
Special Road Funding	223,333	398,333	0	0	0	0	0	0	0	0	0	0	0
Roads to Recovery	873,376	1,298,046	1,442,053	1,442,053	436,688	436,688	0	0	0	0	0	0	0
Drainage	0	0	0	0	0	0	0	0	0	0	0	0	0
Home Assist	453,700	472,347	468,700	468,700	478,074	487,635	497,388	507,336	517,483	527,832	538,389	549,157	560,140
Library	412,500	412,500	416,500	416,500	424,830	433,327	441,993	450,833	459,850	469,047	478,428	487,996	497,756
Other	54,000	63,300	55,270	55,270	56,375	57,503	58,653	59,826	61,023	62,243	63,488	64,758	66,053
Other Income													
Investment Income	503,820	266,000	444,000	444,000	452,880	452,880	461,938	461,938	471,176	471,176	480,600	480,600	490,212
Reimbursements	260,243	262,521	247,345	247,345	252,292	257,338	262,484	267,734	273,089	278,551	284,122	289,804	295,600
Insurance Premium Refund	295,000	394,000	320,000	320,000	324,800	329,672	334,617	339,636	344,731	349,902	355,150	360,478	367,687
Profit/(Loss) on Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Sundry	193,190	256,219	193,300	193,300	197,166	201,109	205,132	209,234	213,419	217,687	222,041	226,482	231,011
Sub Total	67,137,052	60,150,598	62,261,741	62,261,741	63,426,334	65,722,495	67,677,327	70,150,925	72,726,887	75,391,914	78,166,862	81,038,428	84,029,866
Less Profit/(Loss) on Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Add Capital Income	0	57,945	0	0	0	0	0	0	0	0	0	0	0
TOTAL	67,137,052	60,208,543	62,261,741	62,261,741	63,426,334	65,722,495	67,677,327	70,150,925	72,726,887	75,391,914	78,166,862	81,038,428	84,029,866

NOTE 2
City of West Torrens

OPERATIONAL & MAINTENANCE EXPENDITURE PROJECTIONS

Forward Estimates for 10 years to 2025/26

DESCRIPTION	BUDGET 2015/16		BUDGET 2016/17		ESTIMATES								
	ORIGINAL	REVISED	ORIGINAL	REVISED	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Employee Costs													
St Martins Aged Care Facility	6,245,910	0	0	0	0	0	0	0	0	0	0	0	0
Other Employee Costs	20,825,231	21,530,624	21,624,251	21,624,251	22,381,100	23,164,438	23,975,194	24,814,325	25,682,827	26,581,726	27,512,086	28,475,009	29,471,635
Contractual Services													
Waste Management - Solo	3,150,000	3,150,000	3,300,000	3,300,000	3,366,000	3,433,320	3,501,986	3,572,026	3,643,467	3,716,336	3,790,663	3,866,476	3,943,805
Waste Management - Disposal	1,295,000	1,295,000	1,358,000	1,358,000	1,450,344	1,493,854	1,538,670	1,584,830	1,632,375	1,681,346	1,731,787	1,783,740	1,837,252
Other Contract	2,490,330	2,473,685	2,350,400	2,350,400	2,444,416	2,542,193	2,643,880	2,749,636	2,859,621	2,974,006	3,092,966	3,216,685	3,345,352
Materials													
Materials	926,300	927,200	945,000	945,000	963,900	983,178	1,002,842	1,022,898	1,043,356	1,064,223	1,085,508	1,107,218	1,129,362
Finance Charges													
Interest	719,797	598,669	0	0	125,044	321,661	511,660	694,456	869,428	1,059,107	1,239,327	1,409,267	1,568,058
Other Finance Charges	127,180	141,800	153,900	153,900	156,516	159,177	161,883	164,635	167,434	170,280	173,175	176,119	179,113
Depreciation													
Buildings	1,972,300	1,764,750	1,682,190	1,682,190	1,732,656	1,784,635	1,838,174	1,893,320	1,950,119	2,008,623	2,068,882	2,130,948	2,194,876
Plant, Furniture & Equipment	1,393,820	1,267,695	1,241,300	1,241,300	1,266,126	1,291,449	1,317,277	1,343,623	1,370,496	1,397,905	1,425,864	1,454,381	1,483,468
Library Resources	317,742	317,742	318,000	318,000	324,360	330,847	337,464	344,213	351,098	358,120	365,282	372,588	380,039
Infrastructure	7,567,000	7,567,000	7,700,000	7,700,000	7,941,095	8,189,738	8,446,167	8,710,625	8,983,364	9,264,642	9,554,727	9,853,895	10,162,430
Other Expenses													
Plant Related	722,880	717,085	730,770	730,770	745,385	760,293	775,499	791,009	806,829	822,966	839,425	856,214	873,338
Computer Maint & Support	856,140	978,100	901,400	901,400	914,921	928,645	942,574	956,713	971,064	985,630	1,000,414	1,015,420	1,030,652
General Insurance Premium	833,618	833,142	833,577	833,577	846,081	858,772	871,653	884,728	897,999	911,469	925,141	939,018	953,104
Professional Fees	1,514,390	1,841,405	1,305,670	1,305,670	1,325,255	1,345,134	1,365,311	1,385,791	1,406,577	1,427,676	1,449,091	1,470,828	1,492,890
Street Lighting	942,000	942,000	942,000	942,000	965,550	989,689	1,014,431	1,039,792	1,065,787	1,092,431	1,119,742	1,147,736	1,176,429
Rates, Power & Property	1,759,989	1,600,540	1,566,639	1,566,639	1,629,305	1,694,477	1,762,256	1,832,746	1,906,056	1,982,298	2,061,590	2,144,054	2,229,816
NRM Levy	1,225,389	1,225,389	1,260,136	1,260,136	1,323,143	1,389,300	1,458,765	1,531,703	1,608,288	1,688,703	1,773,138	1,861,795	1,954,885
General Operating Costs	4,072,993	3,542,203	3,178,339	3,178,339	3,226,014	3,274,404	3,323,520	3,373,373	3,423,974	3,475,333	3,527,463	3,580,375	3,634,081
Sub Total	58,958,009	52,714,029	51,391,572	51,391,572	53,127,210	54,935,204	56,789,209	58,690,443	60,640,158	62,662,820	64,736,270	66,861,765	69,040,585
Less Depreciation	11,250,862	10,917,187	10,941,490	10,941,490	11,264,236	11,596,669	11,939,083	12,291,781	12,655,076	13,029,290	13,414,754	13,811,811	14,220,814
Leave Provisions	508,390	417,070	434,045	434,045	449,236	464,960	481,233	498,076	515,509	533,552	552,226	571,554	591,559
TOTAL	47,198,757	41,379,773	40,016,037	40,016,037	41,413,737	42,873,575	44,368,892	45,900,585	47,469,573	49,099,979	50,769,290	52,478,400	54,228,212

NOTE 3
City of West Torrens
CAPITAL EXPENDITURE PROJECTIONS
Forward Estimates for 10 years to 2025/26

ACTIVITIES	BUDGET 2015/16		BUDGET 2016/17		ESTIMATES								
	ORIGINAL	REVISED	ORIGINAL	REVISED	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Road Program													
Reseal / Maintenance	3,238,025	3,238,025	1,809,877	1,809,877	2,022,247	2,259,536	2,524,669	2,820,913	3,151,917	3,521,762	3,935,003	4,396,735	4,912,645
Reconstruction - Renewal	2,006,444	2,822,737	2,693,249	2,693,249	2,675,626	2,658,118	2,640,725	2,623,445	2,606,279	2,589,225	2,572,283	2,555,451	2,538,729
Reconstruction - Upgrade	1,909,424	3,180,040	1,753,750	1,753,750	1,762,510	1,771,518	1,780,780	1,790,301	1,800,085	1,810,137	1,820,463	1,831,068	1,841,958
Roads to Recovery	873,376	1,298,046	1,442,053	1,442,053	436,688	436,688	0	0	0	0	0	0	0
Kerb & Gutter	2,103,231	2,103,231	3,654,539	3,654,539	3,490,869	3,334,528	3,185,189	3,042,539	2,906,277	2,776,118	2,651,788	2,533,026	2,419,584
ULRG included Above	-616,000	-592,960	-599,500	-599,500	-611,490	-623,720	-636,194	-648,918	-661,896	-675,134	-688,637	-702,410	-716,458
Footpath / Bikeway Program													
Reconstruction	311,490	357,219	239,508	239,508	268,056	300,007	335,767	375,788	420,580	470,711	526,818	589,612	659,891
Construction	280,363	280,363	237,851	237,851	297,861	373,011	467,121	584,975	732,564	917,389	1,148,846	1,438,699	1,801,682
Drainage Program													
Local Drainage Works	2,892,250	4,822,148	2,867,000	2,867,000	2,555,900	2,607,018	2,659,158	2,712,342	2,766,588	2,821,920	2,878,359	2,435,926	2,484,644
Brown Hill / Keswick													
Drainage	3,100,000	70,344	581,000	581,000	2,544,605	2,582,774	2,621,516	2,660,838	2,700,751	2,741,262	2,782,381	2,824,117	2,866,479
Other Capital Works													
Other Works	4,277,333	6,811,510	5,340,000	5,340,000	5,526,900	5,770,342	5,972,303	6,181,334	6,397,681	6,621,600	6,353,356	6,575,723	6,805,873
Building Program													
Land & Buildings	1,722,500	3,557,795	1,330,000	1,330,000	1,750,000	1,910,967	2,086,740	2,278,681	2,488,277	2,717,151	2,967,078	3,239,993	3,538,011
Asset Sale Developments	6,000,000	8,599,005	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0	0	0	0	0
Other Capital Expenditure													
Plant, Furn & Equipment	1,414,615	2,080,723	1,765,500	1,765,500	1,800,810	1,836,826	1,873,563	1,911,034	1,949,255	1,988,240	2,028,005	2,068,565	2,109,936
Library Resources	312,900	312,900	299,310	299,310	305,296	305,296	311,402	311,402	317,630	317,630	323,983	323,983	330,462
Total Capital Expenditure	29,825,951	38,941,126	25,914,137	25,914,137	27,325,877	28,022,910	25,822,739	26,644,674	27,575,988	28,618,011	29,299,725	30,110,488	31,593,437
Less Overheads	1,570,540	2,210,486	1,767,121	1,767,121	1,675,015	1,717,004	1,720,865	1,771,156	1,829,098	1,895,793	1,927,116	1,968,530	2,068,050
TOTAL EXPENDITURE	28,255,411	36,730,640	24,147,016	24,147,016	25,650,862	26,305,906	24,101,874	24,873,518	25,746,890	26,722,218	27,372,609	28,141,958	29,525,387

**Long Term Financial Statements
yet to be prepared**

Glossary of Terms

Glossary of Terms

Amortisation refers to the systematic allocation of the depreciable amount of an asset over its useful life.

Annual business plan refers to a document Council must adopt each year as part of or in conjunction with its budget, pursuant to the requirements of Section 123 of the Local Government Act 1999.

Asset refers to a resource controlled by the City of West Torrens from which future economic benefits, including service potential, are expected to flow.

Asset impairment refers to the situation that occurs when the carrying amount of an asset exceeds its recoverable amount.

Asset management refers to a systematic, structured approach to the maintenance, upgrade and operation of assets, on a whole of life basis, combining engineering principles with sound business practice and economic rationale, and providing the tools to facilitate a more organised and flexible approach to making decisions necessary to meet community expectations.

Asset renewal expenditure refers to expenditure that restores or improves the condition of existing Council assets.

Asset revaluation reserve is the reserve created when Council revalues its assets.

Asset sustainability ratio measures capital expenditure on the renewal and replacement of assets relative to the level of expenditure proposed in Council's infrastructure and asset management plans.

Audit Committee refers to a committee of Council established under Section 126 of the Local Government Act 1999.

Budget refers to a financial document prepared by Council under Section 123 of the Local Government Act 1999.

Capital expenditure refers to expenditure recognised as an asset in the accounts of the Council, rather than being treated as an operating expense, and includes:

- Office furniture and equipment in excess of \$2,000 in value;
- Other plant and equipment in excess of \$2,000;
- Buildings - new construction / extensions - in excess of \$10,000; and
- Infrastructure assets in excess of \$10,000.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flow statement refers to a financial statement that shows inflows and outflows of cash and cash equivalents in terms of operating, investing and financing activities.

Comprehensive income statement sometimes referred to as a profit and loss statement, is a financial statement that shows the income and expenditure of the Council, and in turn the operating result, being the difference between the two.

Depreciable amount refers to the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation refers to the systematic allocation of the depreciable amount of an asset over its useful life.

Differential rating refers to the power of Council under Section 156 of the Local Government Act 1999 to declare different rates according to use and / or locality of land.

Employee costs refers to staff and related costs, including salaries and wages, superannuation, leave provisioning, fringe benefits tax, training and WHS expenses.

Equity refers to the residual interest in the assets of the Council after the deduction of its liabilities. Often referred to as net assets, it is the difference between total assets and total liabilities.

Expenses refers to a decrease in future economic benefits, effectively meaning the costs incurred by Council in the normal course of its business operations. They include employee costs, material and contractor expenses, finance costs and depreciation.

Finance costs refers to expenses associated with Council's financing activities, including interest on loans and revenue collection charges.

Financial statements comprise a statement of comprehensive income, a statement of financial position, a statement of changes in equity and a statement of cash flows.

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the entity.

Grants, subsidies and contributions refers to assistance from state and commonwealth governments and other institutions where resources are transferred to Council generally in return for past or future compliance with certain conditions.

Income refers to the gross inflow of economic benefits arising from the ordinary activities of Council when those inflows result in increases in equity. It includes rates, statutory charges, grants, user charges, investment income and reimbursements.

Income statement, sometimes referred to as a profit and loss statement, is a financial statement that shows the income and expenditure of the Council, and in turn the operating result, being the difference between the two.

Infrastructure and Asset Management Plan (IAMP) refers to a plan for the management and development of infrastructure and major assets of the Council that must be developed and adopted for a period of at least 10 years.

Infrastructure asset refers to roads, kerbing, drains, footpaths, cycle paths, land improvements and related assets.

Investing activities are the acquisition and disposal of long-term assets and other investments not included in operating activities.

Investment income refers to income generated by Council from investment activities.

Liability is an obligation of the Council arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits. Liabilities include provisions and trade and other payables.

Liquidity is a measure of the ability of the Council to pay its debts as and when they fall due.

Loan repayments refers to interest and principal payments made to service Council loans.

Long term financial plan refers to a plan that must be developed and adopted by Council for a period of at least 10 years under Section 122(1a) of the Local Government Act 1999.

Minimum rate refers to the minimum amount payable by a ratepayer which is determined by the Council pursuant to Section 158 of the Local Government Act 1999.

Natural resources management levy (NRM levy) is a separate rate imposed on ratepayers by the state government under Section 95 of the Natural Resources Management Act 2004 and Section 154 of the Local Government Act 1999.

Operating activities are the principal expenditure and revenue-producing activities of the Council and other activities that are not investing or financing activities.

Operating surplus refers to the amount by which operating income exceeds operating expenses, before capital items, the net gain or loss on the disposal or revaluation of assets, and physical resources received free of charge.

Postponement of rates refers to the availability to seniors of an option to delay the payment of rates in certain circumstances under Section 182A of the Local Government Act 1999.

Rate rebates refers to mandatory and discretionary rebates on rates that are available to ratepayers under Sections 159 to 166 of the Local Government Act 1999.

Rate remissions are discretionary concessions available to ratepayers where payment of rates causes hardship.

Rates are a charge against the land levied on ratepayers under provisions of the Local Government Act 1999.

Reserves are a credit balance account forming part of Council equity.

Residual value refers to the value of an asset at the end of its useful life.

Revenue refers to the gross inflow of economic benefits arising from the ordinary activities of Council when those inflows result in increases in equity. It includes rates, statutory charges, grants, user charges, investment income and reimbursements.

Separate rates refer to a rate that may be declared by Council for specific purposes under Section 154 of the Local Government Act 1999.

Service rates or charges may be applied to services such as the collection and disposal of waste under Section 155 of the Local Government Act 1999.

Statement of financial position, sometimes referred to as the balance sheet, is a summary of Council's assets, liabilities and equity at a particular point in time, and provides a snapshot of Council's financial position.

Statutory charges refers substantially to fees set by the state government on regulatory services provided by local government, such as dog registration fees, building and planning fees, and parking fines.

Stormwater flood mitigation refers to measures aimed at minimising the impact of floods in the West Torrens community, including mitigation works associated with Brown Hill and Keswick Creeks.

Sustainability refers to Council's ability to manage its finances so it can meet spending commitments, both now and in the future, and ensure future generations of taxpayers do not face an unmanageable bill for services provided to the current generation.

User charges refers to fees set by Council for certain goods and services provided, such as library charges, hall hire, tennis court hire and community centre fees.

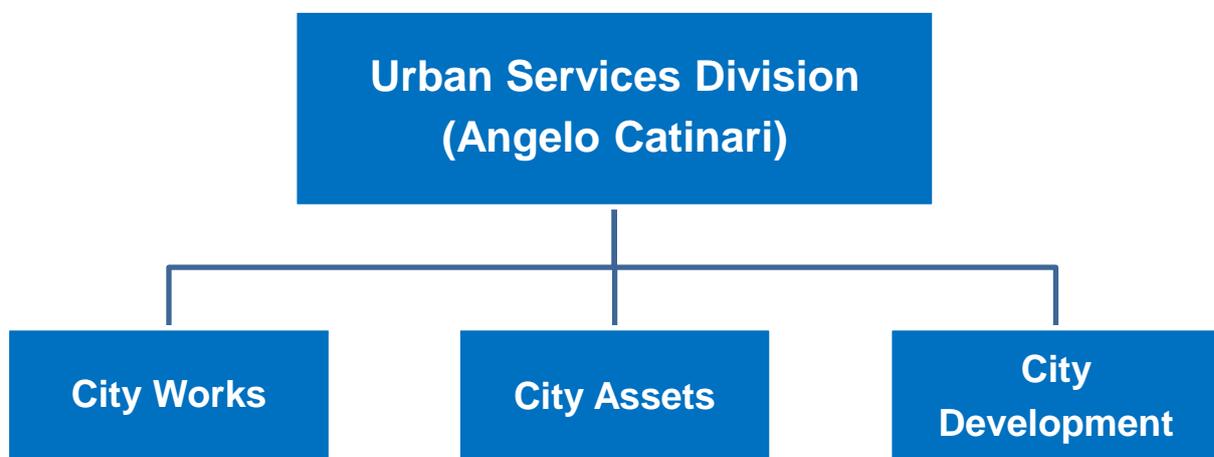


Supplementary budget information 2016/17

Financial Services
City of West Torrens
April 2016

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The Urban Services Division covers a range of service areas responsible for the city's infrastructure as well as the built and natural environment. The division is responsible for the provision of services and resources that enhance life in the city and it plans, manages and reviews the delivery of Council's works, infrastructure, property, land use, planning and building services.

The Urban Services Division comprises the following:

- City Works (including operational property management);
- City Assets (including strategic property management);
- Property Services (including Cummins House) ;
- City Development.

**Urban Services Division
City Works
2016/17 Business Plan and Budget Statement**

Objective(s)

City Works maintains and improves the city’s public infrastructure, amenity and property assets, the built environment and open space areas through the effective and efficient delivery of infrastructure and property maintenance services, and ensures the provision of an effective and efficient fleet service.

Key Activities 2016/17

Key activities include the following:

- Civil maintenance and construction;
- Delivery of capital works;
- Horticulture services;
- Cleansing services;
- Fleet services;
- Administration of city works;
- Property building maintenance and construction, including the preservation of heritage buildings;
- Implementation of actions relating to environmental sustainability programs.

Performance Measures

Performance measures, both financial and non-financial, against which City Works will be assessed, are:

- Road maintenance : Square metres repaired
- Drainage : Side entry pits cleaned
- Parks and landscapes : Service frequency maintained
- Street trees : Trees removed, planted and/or pruned
- Sweeping : Service frequency maintained
- Cleaning : Litter collection
- Fleet management : Fleet operating capacity
- Service delivery within budget : Net budget
- Customer service : Customer requests and response times
- Property management : Standards maintained
- Risk management : Effectiveness of internal controls
- Codes, policies and legislation : Compliance level achieved

2016/17 Budget Highlights

1. Income

- Income of \$114,000 has been budgeted (\$106,500 in 2015/16) which includes \$35,000 for maintaining selected highway medians on Sir Donald Bradman Drive, Airport Road and Henley Beach Road for the Department of Planning, Transport and Infrastructure.

2. Operational Expenditure

- Operational expenditure for City Works has been increased by \$231,104 or 1.9 per cent to \$12,439,886;
- Employment costs have increased by \$181,172 or 2.9 per cent to \$6,497,738;
- Contract maintenance expenditure has increased by \$26,000 or 1.2 per cent to \$2,177,000 and includes:
 - \$718,000 for property and facilities related maintenance, servicing and cleaning;
 - \$490,000 for road and footpath maintenance;
 - \$270,000 for tree pruning;
 - \$200,000 for weed control;
 - \$225,000 for inspection, cleaning and maintaining the drainage network and stormwater pump stations;
 - \$105,000 for graffiti removal;
 - \$108,000 in waste disposal costs, which includes illegally dumped rubbish;
 - \$50,000 for irrigation and compliance testing;
 - \$11,000 in sundry expenditure.
- Material costs for maintenance works have increased by \$33,500 or 3.8 per cent to \$915,000, and include:
 - \$210,000 for road maintenance and concrete material;
 - \$225,000 for the greening program (tree replacement, plantings and biodiversity WSUD plantings);
 - \$145,000 for line marking and signage.
- Professional fees of \$140,000 have been budgeted (\$213,000 in 2015/16), which includes:
 - \$60,000 for property and open space related repairs and maintenance activities, inspections, minor audits and professional advice, including design investigations and heritage assessments;
 - \$20,000 for the Kings Reserve Open Space Plan - preliminary and detailed design / layout;
 - \$20,000 for the upgrade of Airport Road median / Sir Donald Bradman Drive - preliminary and detailed design / layout;
 - \$20,000 for risk assessments, auditing and compliance projects and activities;
 - \$20,000 for the development of tree strategy and policy, including a partial tree survey.
- Plant and equipment costs (excluding plant hire and depreciation) are budgeted to increase by \$17,744 or 3.4 per cent to \$542,470;
- Water rates have been increased by \$15,000 or 3.5 per cent to \$445,000, in anticipation of increased usage and fee increases occurring. This includes additional irrigated areas being accommodated.

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY WORKS
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
20,000	20,000	Other User Charges NEC	26,500	6,500	32.5%
20,000	20,000	Total User Charges	26,500	6,500	32.5%
Grants & Subsidies					
35,000	35,000	Highway Median Strips	35,000	0	0.0%
0	2,800	Other Grants & Subsidies	0	0	N/A
35,000	37,800	Total Grants & Subsidies	35,000	0	0.0%
Reimbursements					
12,500	12,500	Roads / Reimbursements Transport	10,000	(2,500)	-20.0%
5,000	5,000	Private Works (incl Vandalism) / Reimb Staff Related	2,500	(2,500)	-50.0%
8,000	10,094	Other Reimbursements	10,000	2,000	25.0%
25,500	27,594	Total Reimbursements	22,500	(3,000)	-11.8%
Other Income					
26,000	29,201	Other Income NEC	30,000	4,000	15.4%
26,000	29,201	Total Other Income	30,000	4,000	15.4%
106,500	114,595	Total Income	114,000	7,500	7.0%
Operational Expenditure					
Staff Costs					
5,000,315	4,835,315	Salaries & Wages & Allowances	5,160,553	160,238	3.2%
10,000	10,000	Salaries & Wages & Allowances - Casual Staff	10,000	0	0.0%
183,000	428,000	Agency Contract Staff	184,740	1,740	1.0%
102,600	102,600	Overtime	82,900	(19,700)	-19.2%
126,143	126,143	Leave Provisions	130,650	4,507	3.6%
479,306	464,306	Superannuation	496,481	17,175	3.6%
5,901,364	5,966,364	Total Staff Costs	6,065,324	163,960	2.8%
Staff Related					
15,285	16,865	Fringe Benefits Tax - Motor Vehicles	16,880	1,595	10.4%
2,460	2,460	Fringe Benefits Tax - Entertainment & Sundry	2,500	40	1.6%
55,750	55,750	Staff Uniforms	55,750	0	0.0%
36,250	36,250	Protective Clothing & Equipment	38,750	2,500	6.9%
248,607	248,321	Workers Comp Insurance	257,534	8,927	3.6%
43,350	43,350	Training & Conference Costs incl travel & accom	46,500	3,150	7.3%
3,500	3,500	Study Assistance & Employee Memberships	4,500	1,000	28.6%
10,000	10,000	Work Health & Safety	10,000	0	0.0%
415,202	416,496	Total Staff Related	432,414	17,212	4.1%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY WORKS
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO	
ORIGINAL	ESTIMATE			2015/16 ORIGINAL	
Buildings Furniture & Fittings					
71,240	71,390	Depreciation on Buildings	71,200	(40)	-0.1%
53,150	53,460	Deprec Furniture& Equipment & Fittings	44,240	(8,910)	-16.8%
171,000	161,000	Maint - Buildings & Grounds	173,000	2,000	1.2%
9,000	9,000	Maint Furniture& Equipment & Fittings	12,500	3,500	38.9%
304,390	294,850	Total Buildings Furniture & Fittings	300,940	(3,450)	-1.1%
Plant & Equipment					
635,160	654,950	Depreciation Plant & Equipment	664,330	29,170	4.6%
219,000	219,000	Plant Fuel Gas & Oil	220,000	1,000	0.5%
125,000	125,000	Tyres and Plant Supplies	125,000	0	0.0%
191,000	191,000	Plant Repairs & Maint	195,000	4,000	2.1%
1,249,692	1,249,692	Plant Hire	1,103,740	(145,952)	-11.7%
(1,249,692)	(1,249,692)	Plant Hire Credits	(1,103,740)	145,952	-11.7%
110,000	122,000	Sundry Plant Costs (incl Leasing Costs)	120,000	10,000	9.1%
(120,274)	(120,274)	Plant inter-departmental costs (including credits)	(117,530)	2,744	-2.3%
1,159,886	1,191,676	Total Plant & Equipment	1,206,800	46,914	4.0%
Computer Expenditure					
3,000	3,000	Deprec Computer Equipment	2,990	(10)	-0.3%
3,000	3,000	Total Computer Expenditure	2,990	(10)	-0.3%
General Expenses					
62,500	62,500	Minor Capital	67,500	5,000	8.0%
6,000	6,000	Catering/Entertainment - Employees	6,000	0	0.0%
354,724	354,309	General Insurance Premium	369,729	15,005	4.2%
3,250	3,250	Postage& Courier & Freight	0	(3,250)	-100.0%
13,500	13,500	Stationery & Photocopying	0	(13,500)	-100.0%
500	500	Publications & Printing	500	0	0.0%
7,500	7,500	Subscriptions & Associations	7,500	0	0.0%
38,589	38,589	Telephone & Internet	38,403	(186)	-0.5%
135,000	215,000	Professional Fees - Consultants	80,000	(55,000)	-40.7%
78,000	118,000	Professional Fees - General	60,000	(18,000)	-23.1%
20,000	20,000	Cleaning Chemicals	20,000	0	0.0%
12,750	12,750	General	12,750	0	0.0%
732,313	851,898	Total General Expenses	662,382	(69,931)	-9.5%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY WORKS
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
		Contract Expenditure			
403,000	403,000	Contractors - No Overhead	415,000	12,000	3.0%
1,628,000	1,628,000	Contractors - City Works - 45% Overhead (Depot)	1,654,000	26,000	1.6%
120,000	120,000	Waste Contract - Disposal	108,000	(12,000)	-10.0%
2,151,000	2,151,000	Total Contract Expenditure	2,177,000	26,000	1.2%
		Materials			
148,500	148,500	Materials - No Overhead	157,000	8,500	5.7%
733,000	733,000	Materials - City Works - 25% Overhead (Depot)	758,000	25,000	3.4%
881,500	881,500	Total Materials	915,000	33,500	3.8%
		Occupancy & Property			
104,327	104,327	Light & Power & Gas & Fuel	97,536	(6,791)	-6.5%
133,000	163,000	Cleaning	140,000	7,000	5.3%
430,000	430,000	Water Rates	445,000	15,000	3.5%
65,300	65,300	Security Costs	67,000	1,700	2.6%
12,500	9,289	Sundry Property Costs	12,500	0	0.0%
745,127	771,916	Total Occupancy & Property	762,036	16,909	2.3%
		Internal Charges			
(85,000)	(85,000)	Expenditure Recovered	(85,000)	0	0.0%
(85,000)	(85,000)	Total Internal Charges	(85,000)	0	0.0%
12,208,782	12,443,700	Total Expenditure	12,439,886	231,104	1.9%
(12,102,282)	(12,329,105)	Operational Surplus/(Deficit)	(12,325,886)	(223,604)	1.8%

Urban Services Division

City Assets

2016/17 Business Plan and Budget Statement

Objective(s)

City Assets aims to:

- Manage the city's infrastructure and property assets and implement appropriate asset management strategies to achieve long term sustainability;
- Ensure that issues associated with the management and use of Council's infrastructure and property assets are addressed in an effective and efficient manner;
- Maintain high customer service levels.

Key Activities 2016/17

Key activities include the following:

- Stormwater management, involving the establishment of new drainage systems, localised flooding analysis, water quality and stormwater harvesting;
- Transport network / infrastructure management, involving the effective and efficient creation and maintenance of infrastructure within the road network area, via capital works programs;
- Traffic management, involving the measurement and study of traffic, and activities ranging from traffic data collection analysis to parking signage and line marking, accident statistics, travel demand management and the development of intelligent transport systems;
- Development of management plans and systems to ensure that adequate provisions are made for existing and future infrastructure so that assets are fully utilised in a cost effective manner;
- Strategic and policy advice to Council;
- Asset management strategy implementation;
- Property and facilities management;
- Management of Cummins House;
- Continued focus on preservation of heritage buildings.

Performance Measures

Performance measures, both financial and non-financial, against which City Assets will be assessed, are:

Stormwater Management:

- Reductions in the amount of property damage, resulting from flood events;
- Scheduled drainage projects completed on time and within budget;
- Best practice stormwater management methods employed by Council;
- Formal relationships established with key stakeholders.

Transport Networks / Infrastructure Asset Management:

- Reduced rate of asset failures;
- Full funding of asset depreciation;
- Community satisfaction;
- Quality and longevity of the infrastructure;
- Whole of life asset management principles incorporated in decision-making.

Traffic Management:

- Increased levels of community satisfaction;
- Local area traffic management schemes that are acceptable to the community;
- A local road network that is not subject to excessive levels of through traffic intrusion;
- Reduction in crash incidents, which would demonstrate safety improvements.

General Service Standards:

- The ability to meet time and budget constraints.

Asset Management:

- Development and implementation of appropriate maintenance and capital programs to ensure long-term sustainability of Council's physical assets;
- Effective systems of internal control and risk management;
- Outcomes of the property review process;
- Cost recovery is achieved;
- Disposal of surplus properties.

2016/17 Budget Highlights

1. Income

- City Asset's income is budgeted to increase by \$298,595 or 11.1 per cent, to \$2,980,755;
- Roads to recovery funding of \$1,442,053 is budgeted in 2016/17, up from \$873,376 in 2015/16;
- Council's urban local road grant has been budgeted at \$599,500, based on the grant received for 2015/16 plus a CPI allowance (\$616,000 budgeted originally in 2015/16);
- Royalty payments and lease income associated with the waste transfer station have been decreased by \$32,243 or 15.4 per cent to \$177,757;
- Income from sporting facilities of \$144,777 has been budgeted (\$145,511 in 2015/16);
- Sundry user charges, which includes income totalling \$102,760 for the leasing of carparks, has been increased by \$19,300 or 7.7 per cent;
- Thebarton Theatre income of \$68,682 has been budgeted (\$70,000 in 2015/16);
- Property related reimbursements for utility and related charges (such as water and electricity) of \$185,345 have been budgeted (\$192,693 in 2015/16).

2. Operational Expenditure

- Operating expenditure (excluding depreciation) has decreased by \$461,144 or 10.3 per cent to \$4,037,628. Excluding interest, expenditure has increased by \$14,366 or 0.4 per cent;
- Employment expenses have increased by \$49,242 or 2.8 per cent, to \$1,801,724;
- Street lighting expenditure of \$942,000 has been budgeted, which is the same as that budgeted in 2015/16;
- Professional fees have decreased by \$55,000 or 11.8 per cent to \$411,000, to fund the following:
 - \$80,000 for specialist engineering advice;
 - \$75,000 for the Brown Hill Keswick Creek project;
 - \$60,000 for footpath audit work to be undertaken;
 - \$60,000 for various consultancy advice;
 - \$45,000 for Lands Titles Office and topographical surveys;
 - \$25,000 for stormwater asset condition database support;
 - \$20,000 for transport strategy implementation;
 - \$20,000 in property related fees;
 - \$20,000 for asset management development;
 - \$6,000 for geotechnical testing.
- An interest expense reduction on infrastructure related loans of \$475,510 is budgeted, following a decision by Council to pay out all loans using part proceeds from the sale of St Martins;
- Depreciation costs have been budgeted to increase by \$50,230 of 0.5 per cent to \$9,240,870;
- Utility related costs are budgeted to increase by \$5,973 or 1.5 per cent to \$415,887;
- Levies and charges of \$42,000, which includes EPA licence fees for the waste transfer station, have been budgeted (\$42,000 in 2015/16).

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY ASSETS
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET ORIGINAL	ESTIMATE	DESCRIPTION	2016/17 BUDGET	VARIATION TO 2015/16 ORIGINAL	
Income					
Statutory Charges					
5,000	5,000	Other Statutory Charges (including Road Moieties)	5,000	0	0.0%
5,000	5,000	Total Statutory Charges	5,000	0	0.0%
User Charges					
2,133	2,133	Kindergarten Income	2,081	(52)	-2.4%
3,245	3,245	Other Welfare Income / Other Community Support	3,196	(49)	-1.5%
33,781	33,781	Other Housing & Comm Services Income / House Reni	32,764	(1,017)	-3.0%
140,000	100,000	Extra Bin Fees / Waste Royalties	100,000	(40,000)	-28.6%
70,000	70,000	Other Sanitary & Garbage Income / Other Waste	77,757	7,757	11.1%
70,000	70,000	Thebarton Theatre Income	68,682	(1,318)	-1.9%
7,000	14,500	Star Theatre Income	15,166	8,166	116.7%
40,000	40,000	Cummins House	25,000	(15,000)	-37.5%
9,507	9,507	Hall Hire & Related / Sports Facilities Indoor	9,553	46	0.5%
145,511	120,511	Oval Rents& Fees & Related / Sports Facilities Outdoo	144,777	(734)	-0.5%
250,081	258,169	Other User Charges NEC	269,381	19,300	7.7%
771,258	721,846	Total User Charges	748,357	(22,901)	-3.0%
Grants & Subsidies					
616,000	592,960	Urban Local Road Grant	599,500	(16,500)	-2.7%
1,096,709	1,521,379	Special Road Grant	1,442,053	345,344	31.5%
0	175,000	Specific Transport Grants	0	0	N/A
500	25,500	Other Grants & Subsidies	500	0	0.0%
1,713,209	2,314,839	Total Grants & Subsidies	2,042,053	328,844	19.2%
Reimbursements					
192,693	189,330	Other Reimbursements	185,345	(7,348)	-3.8%
192,693	189,330	Total Reimbursements	185,345	-7,348	-3.8%
Total Income					
2,682,160	3,231,015	Total Income	2,980,755	298,595	11.1%
Operational Expenditure					
Staff Costs					
1,424,266	1,403,452	Salaries& Wages & Allowances	1,468,046	43,780	3.1%
15,000	2,982	Salaries&Wages&Allowances-Casual Staff	15,500	500	3.3%
0	32,832	Agency Contract Staff	0	0	N/A
16,000	16,000	Overtime	14,800	(1,200)	-7.5%
35,931	35,931	Leave Provisions	37,181	1,250	3.5%
136,536	136,536	Superannuation	141,302	4,766	3.5%
1,627,733	1,627,733	Total Staff Costs	1,676,829	49,096	3.0%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY ASSETS
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Staff Related					
20,489	22,514	Fringe Benefits Tax - Motor Vehicles	22,560	2,071	10.1%
550	550	Fringe Benefits Tax-Entertainment&Sundry	600	50	9.1%
4,932	4,932	Staff Uniforms	4,932	0	0.0%
2,460	2,460	Protective Clothing & Equipment	2,510	50	2.0%
70,818	70,736	Workers Comp Insurance	73,293	2,475	3.5%
25,500	20,500	Training & Conference Costs incl travel & accom	21,000	(4,500)	-17.6%
124,749	121,692	Total Staff Related	124,895	146	0.1%
Buildings Furniture & Fittings					
1,585,210	1,585,210	Depreciation on Buildings	1,502,230	(82,980)	-5.2%
3,970	3,970	Deprec Furniture& Equipment & Fittings	3,790	(180)	-4.5%
4,000	4,000	Maint - Buildings & Grounds	4,000	0	0.0%
4,000	4,000	Maint Furniture& Equipment & Fittings	4,000	0	0.0%
1,597,180	1,597,180	Total Buildings Furniture & Fittings	1,514,020	(83,160)	-5.2%
Plant & Equipment					
31,140	31,430	Depreciation Plant & Equipment	31,670	530	1.7%
10,350	10,350	Plant Fuel Gas & Oil	10,350	0	0.0%
10,500	10,500	Plant inter-departmental costs (including credits)	10,500	0	0.0%
51,990	52,280	Total Plant & Equipment	52,520	530	1.0%
Computer Expenditure					
3,320	3,320	Deprec Computer Equipment	3,180	(140)	-4.2%
3,320	3,320	Total Computer Expenditure	3,180	(140)	-4.2%
Community Assets					
3,131,000	3,131,000	Depreciation - Roads Sealed	3,178,000	47,000	1.5%
1,623,000	1,623,000	Depreciation - K & W T	1,650,000	27,000	1.7%
118,000	118,000	Depreciation - Bridges	124,000	6,000	5.1%
1,002,000	1,002,000	Depreciation - Footpaths	1,018,000	16,000	1.6%
1,271,000	1,271,000	Depreciation - Stormwater Drainage	1,291,000	20,000	1.6%
422,000	422,000	Depreciation - Sundry Assets	439,000	17,000	4.0%
7,567,000	7,567,000	Total Community Assets	7,700,000	133,000	1.8%
General Expenses					
3,500	3,500	Minor Capital	4,500	1,000	28.6%
1,700	1,700	Catering/Entertainment - Employees	1,700	0	0.0%
1,750	1,750	Catering/Entertain-Elected Members/others	1,750	0	0.0%
276,290	322,618	General Insurance Premium	301,169	24,879	9.0%
300	300	Postage& Courier & Freight	300	0	0.0%
15,200	15,200	Stationery & Photocopying	15,200	0	0.0%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY ASSETS
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
1,400	1,400	Publications & Printing	1,400	0	0.0%
7,000	7,000	Subscriptions & Associations	7,000	0	0.0%
10,376	10,376	Telephone & Internet	11,148	772	7.4%
10,500	10,500	Advertising & Publicity	8,000	(2,500)	-23.8%
270,000	399,500	Professional Fees - Consultants	255,000	(15,000)	-5.6%
196,000	271,000	Professional Fees - General	156,000	(40,000)	-20.4%
8,000	13,000	General	8,000	0	0.0%
10,000	10,000	On-Charges from Other Departments	10,000	0	0.0%
812,016	1,067,844	Total General Expenses	781,167	(30,849)	-3.8%
Bank & Finance					
474,767	474,767	Interest LGFA	0	(474,767)	-100.0%
743	743	Interest - Other	0	(743)	-100.0%
475,510	475,510	Total Bank & Finance	0	(475,510)	-100.0%
Council Expenditure					
0	20,000	Partnership Grants	0	0	N/A
942,000	942,000	Street Lighting	942,000	0	0.0%
42,000	47,500	Levies & Charges	42,000	0	0.0%
984,000	1,009,500	Total Council Expenditure	984,000	0	0.0%
Contract Expenditure					
36,000	36,000	Contractors - No Overhead	26,000	(10,000)	-27.8%
36,000	36,000	Total Contract Expenditure	26,000	-10,000	-27.8%
Occupancy & Property					
152,592	152,592	Light & Power & Gas & Fuel	146,269	(6,323)	-4.1%
184,322	192,322	Water Rates	196,118	11,796	6.4%
67,500	67,500	Emergency Services Levy	68,000	500	0.7%
3,500	3,500	Security Costs	3,500	0	0.0%
2,000	2,000	Sundry Property Costs	2,000	0	0.0%
409,914	417,914	Total Occupancy & Property	415,887	5,973	1.5%
Internal Charges					
0	-2,094	Expenditure Recovered	0	0	N/A
0	-2,094	Total Internal Charges	0	0	N/A
13,689,412	13,973,879	Total Expenditure	13,278,498	-410,914	-3.0%
(11,007,252)	(10,742,864)	Operational Surplus/(Deficit)	(10,297,743)	709,509	-6.4%

Urban Services Division City Development 2016/17 Business Plan and Budget Statement

Objective(s)

The primary objective of City Development is to discharge the functions and duties of Council as a planning authority pursuant to the Development Act 1993 and the Development Regulations 2008.

Key Activities 2016/17

Key activities include the following:

- Undertaking the development assessment process while seeking to ensure high quality development which reflects the wishes of the community, through the interpretation of policy contained within Council's development plan;
- Provide services in the form of information and advice to persons with an interest in the development system;
- Undertake investigation and provide statements in accordance with Section 7 and 12 of the Land and Business (Sale and Conveyancing) Act 1994;
- Use the powers provided under the Development Act 1993 to:
 - Operate and undertake the functions and duties of Council's Building Fire Safety Committee;
 - Undertake building inspections;
 - Undertake enforcement proceedings against any person or body for a contravention of the Act.

Performance Measures

Performance measures, both financial and non-financial, against which City Development will be assessed, are:

- That Council meets its obligations pursuant to the Development Act 1993 and Development Regulations 2008;
- The provision of consistently high customer service;
- Quality developments throughout the City of West Torrens;
- The meeting of key performance indicators regarding time-frames, and percentages of building inspections undertaken.

2016/17 Budget Highlights

1. Income

- Development application fees of \$650,000 have been budgeted (up 8.3 per cent from \$600,000 in 2015/16), based on an increase in development application numbers;
- Property search fees have been budgeted at \$110,000, based on an increase over 2015/16 in property sales (up \$10,000 or 10 per cent on 2015/16).

2. Operational Expenditure

- Operational expenditure for City Development has increased by \$86,687 or 4.6 per cent to \$1,966,256;
- Staff and related costs have increased by \$71,514 or 4.4 per cent, to \$1,714,083;
- Professional fees of \$50,000 have been budgeted, which includes provision for arboriculture advice to be provided;
- \$50,000 has been budgeted to cover building and planning fees that are subject to a 5 to 8 per cent fee payable to the State Government, along with referral fees and CITB levies;
- Sitting fees for independent members of the Development Assessment Panel of \$27,825 have been factored into the budget, based on allowances set by the SA Remuneration Tribunal.

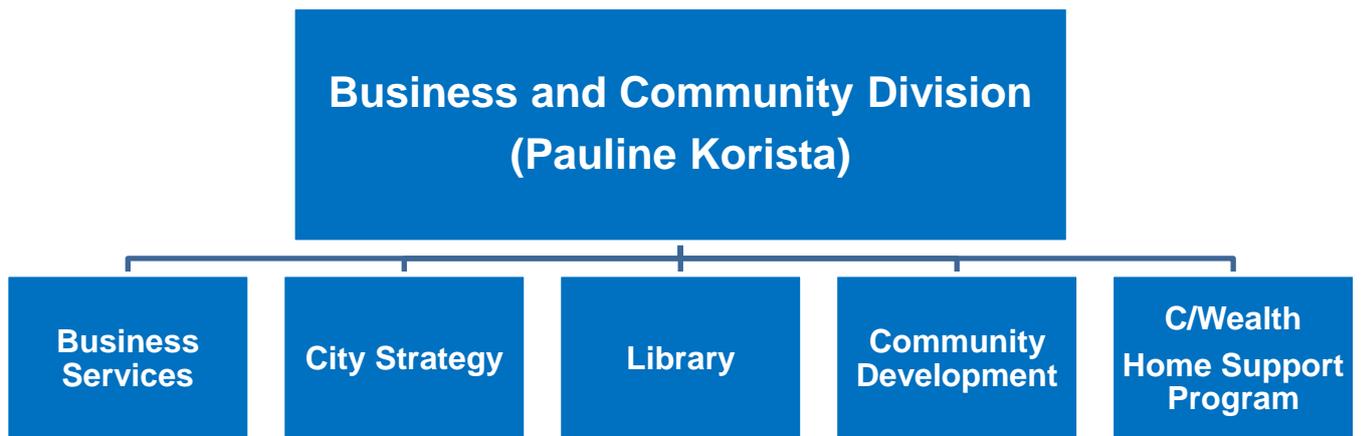
**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY DEVELOPMENT
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
Statutory Charges					
600,000	626,700	Development Act Fees	650,000	50,000	8.3%
100,000	109,000	Property Search Fees	110,000	10,000	10.0%
<u>700,000</u>	<u>735,700</u>	Total Statutory Charges	<u>760,000</u>	<u>60,000</u>	<u>8.6%</u>
User Charges					
0	8,000	Other User Charges NEC	0	0	N/A
<u>0</u>	<u>8,000</u>	Total User Charges	<u>0</u>	<u>0</u>	<u>N/A</u>
700,000	743,700	Total Income	760,000	60,000	8.6%
Operational Expenditure					
Staff Costs					
1,371,243	1,326,243	Salaries & Wages & Allowances	1,416,062	44,819	3.3%
15,000	40,000	Overtime	16,000	1,000	6.7%
34,593	34,593	Leave Provisions	35,873	1,280	3.7%
131,453	130,802	Superannuation	136,334	4,881	3.7%
<u>1,552,289</u>	<u>1,531,638</u>	Total Staff Costs	<u>1,604,269</u>	<u>51,980</u>	<u>3.3%</u>
Staff Related					
0	0	Fringe Benefits Tax - Motor Vehicles	6,200	6,200	N/A
6,000	6,000	Staff Uniforms	8,800	2,800	46.7%
250	499	Protective Clothing & Equipment	500	250	100.0%
68,180	68,102	Workers Comp Insurance	70,714	2,534	3.7%
12,250	17,250	Training & Conference Costs incl travel & accom	20,000	7,750	63.3%
2,850	2,850	Study Assistance & Employee Memberships	2,850	0	0.0%
750	750	Work Health & Safety	750	0	0.0%
<u>90,280</u>	<u>95,451</u>	Total Staff Related	<u>109,814</u>	<u>19,534</u>	<u>21.6%</u>
Buildings Furniture & Fittings					
200	200	Deprec Furniture & Equipment & Fittings	200	0	0.0%
<u>200</u>	<u>200</u>	Total Buildings Furniture & Fittings	<u>200</u>	<u>0</u>	<u>0.0%</u>
Plant & Equipment					
8,120	8,120	Depreciation Plant & Equipment	7,220	(900)	-11.1%
3,000	3,500	Plant Fuel Gas & Oil	4,000	1,000	33.3%
5,000	5,000	Plant inter-departmental costs (including credits)	8,000	3,000	60.0%
<u>16,120</u>	<u>16,620</u>	Total Plant & Equipment	<u>19,220</u>	<u>3,100</u>	<u>19.2%</u>

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY DEVELOPMENT
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
General Expenses					
1,500	1,500	Minor Capital	1,500	0	0.0%
800	800	Catering/Entertainment - Employees	800	0	0.0%
1,000	1,000	Catering/Entertain-Elected Members/others	1,000	0	0.0%
56,001	54,695	General Insurance Premium	56,882	881	1.6%
2,500	2,500	Postage& Courier & Freight	2,500	0	0.0%
12,000	20,000	Stationery & Photocopying	20,000	8,000	66.7%
6,000	6,000	Subscriptions & Associations	8,000	2,000	33.3%
4,589	4,589	Telephone & Internet	4,598	9	0.2%
6,000	9,500	Advertising & Publicity	12,000	6,000	100.0%
30,000	56,500	Professional Fees - Consultants	50,000	20,000	66.7%
5,000	5,000	General	5,000	0	0.0%
125,390	162,084	Total General Expenses	162,280	36,890	29.4%
Council Expenditure					
27,825	27,825	Member Allowances	27,825	0	0.0%
50,000	50,000	Levies & Charges	25,000	(25,000)	-50.0%
77,825	77,825	Total Council Expenditure	52,825	(25,000)	-32.1%
Occupancy & Property					
17,465	17,465	Light& Power& Gas & Fuel	17,648	183	1.0%
17,465	17,465	Total Occupancy & Property	17,648	183	1.0%
1,879,569	1,901,283	Total Expenditure	1,966,256	86,687	4.6%
(1,179,569)	(1,157,583)	Operational Surplus/(Deficit)	(1,206,256)	(26,687)	2.3%

Business and Community Division



The Business and Community Division is primarily responsible for governance and risk management, media and events, procurement, internal audit, the development of policy and the provision of services to the community as approved in Council's strategic directions and annual budget.

The Business and Community Division comprises the following:

- Business Services;
- City Strategy;
- Community Services.

Business and Community Services Division

Business Services

2016/17 Business Plan and Budget Statement

Objective(s)

Business Services aims to optimise the effectiveness of the organisation through the provision of high level support that assists in ensuring:

- Accountable, equitable, robust and transparent decision making processes;
- High quality corporate governance systems and processes;
- Compliance with legislative standards, policies, delegations, authorisations;
- Effective risk management that minimises Council's risk exposure;
- Consistent, robust, equitable, accountable and transparent purchasing processes that maximise value for money;
- The provision of high quality, targeted, timely and effective communication and promotion programs by the organisation;
- Organisational assurance through a robust risk based internal audit program;
- Continuous improvement to drive innovation and efficiency across the organisation.

Key Activities 2016/17

Key activities include the following:

Business Services

- On-going co-ordination and development of the organisation's governance and/or co-ordination of freedom of information requests, ombudsman enquiries, investigations and responses, internal reviews of officers' decisions, legislative awareness and compliance and policy development and review;
- Delivery and management of stage three of Council's procurement roadmap program;
- Driving, supporting, monitoring and growing social media;
- Provision of high quality and timely information to the community.

Internal Audit and Risk

- Management of Council's risk management framework, systems and processes to identify, assess, control and monitor strategic and operational risks;
- Provision of support to the Audit and Risk Committee;
- Implementing and managing Council's four year internal audit program plan and annual work plan;
- Finalisation and implementation of Council's business continuity plan;
The development of Council's emergency management plan in accordance with National Emergency Risk Assessment Guidelines;
- Ongoing coordination and development of the organisation's governance and risk responsibilities.

Performance Measures

Performance measures, both financial and non-financial, against which Organisational Support will be assessed, are:

Business Service

- Compliance with legislative requirements;
- All delegations and authorisations documentation and approvals legally compliant;
- All statutory timeframes associated with freedom of information applications are met;
- Successful completion of stage three of the roadmap procurement program;
- Commencement of the Council's emergency management plan;
- Completion and implementation of Council's business continuity plan;
- Corporate reports are delivered on time and at high quality relevant to the information needs of stakeholders.

Internal Audit and Risk

- Risk mitigation using the ALARP approach (as low as reasonably practical) to strategic and operational risk identification and review;
- Commencement of the Council's emergency management plan.

2016/17 Budget Highlights

1. Income

- Income of \$21,000 has been budgeted (\$11,700 in 2015/16).

2. Operational Expenditure

- Operational expenditure is budgeted to decrease by \$105,939 or 6.6 per cent to \$1,489,394;
- Employment costs are budgeted to decline by \$104,251 or 8.1 per cent to \$1,184,758;
- Publications and printing costs of \$65,000 are proposed, including \$55,000 for Talking Points (down \$8,200 or 11.2 per cent);
- Advertising and publicity costs of \$52,000 are budgeted, including \$48,000 for the Messenger column (up \$4,400 or 9.2 per cent).

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
BUSINESS SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
Statutory Charges					
200	200	Other Statutory Charges (including Road Moieties)	1,000	800	400.0%
200	200	Total Statutory Charges	1,000	800	400.0%
User Charges					
11,500	11,500	Other User Charges NEC	20,000	8,500	73.9%
11,500	11,500	Total User Charges	20,000	8,500	73.9%
11,700	11,700	Total Income	21,000	9,300	79.5%
Operational Expenditure					
Staff Costs					
1,078,667	953,667	Salaries & Wages & Allowances	988,226	(90,441)	-8.4%
0	0	Overtime	800	800	N/A
27,211	27,211	Leave Provisions	25,031	(2,180)	-8.0%
103,406	91,906	Superannuation	95,118	(8,288)	-8.0%
1,209,284	1,072,784	Total Staff Costs	1,109,175	(100,109)	-8.3%
Staff Related					
8,060	9,700	Fringe Benefits Tax - Motor Vehicles	12,250	4,190	52.0%
530	530	Fringe Benefits Tax-Entertainment&Sundry	500	(30)	-5.7%
3,000	2,500	Staff Uniforms	3,500	500	16.7%
53,635	53,573	Workers Comp Insurance	49,333	(4,302)	-8.0%
13,000	16,000	Training & Conference Costs incl travel & accom	7,000	(6,000)	-46.2%
1,500	1,500	Study Assistance & Employee Memberships	3,000	1,500	100.0%
79,725	83,803	Total Staff Related	75,583	(4,142)	-5.2%
Buildings Furniture & Fittings					
1,140	1,140	Deprec Furniture& Equipment & Fittings	920	(220)	-19.3%
1,140	1,140	Total Buildings Furniture & Fittings	920	(220)	-19.3%
Plant & Equipment					
4,700	4,700	Depreciation Plant & Equipment	6,680	1,980	42.1%
3,000	3,000	Plant Fuel Gas & Oil	4,000	1,000	33.3%
3,000	3,000	Plant inter-departmental costs (including credits)	8,000	5,000	166.7%
10,700	10,700	Total Plant & Equipment	18,680	7,980	74.6%
Computer Expenditure					
0	10,000	Software (Purchase& Licencing& Leasing & Maint)	15,000	15,000	N/A
0	10,000	Total Computer Expenditure	15,000	15,000	N/A

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
BUSINESS SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
General Expenses					
1,000	1,000	Minor Capital	1,600	600	60.0%
3,000	2,500	Catering/Entertainment - Employees	2,000	(1,000)	-33.3%
300	300	Catering/Entertain-Elected Members/others	300	0	0.0%
733	1,079	General Insurance Premium	1,122	389	53.1%
500	500	Postage& Courier & Freight	500	0	0.0%
4,000	7,000	Stationery & Photocopying	4,000	0	0.0%
73,200	71,200	Publications & Printing	65,000	(8,200)	-11.2%
37,500	37,500	Subscriptions & Associations	18,500	(19,000)	-50.7%
3,994	3,994	Telephone & Internet	3,514	(480)	-12.0%
47,600	47,600	Advertising & Publicity	52,000	4,400	9.2%
2,500	7,000	Promotion& Merchandising & Marketing	6,000	3,500	140.0%
10,000	10,000	Professional Fees - Legal	14,000	4,000	40.0%
35,000	12,731	Professional Fees - Consultants	6,000	(29,000)	-82.9%
50,000	50,000	Professional Fees - General	68,000	18,000	36.0%
2,000	2,000	General	2,000	0	0.0%
271,327	254,404	Total General Expenses	244,536	(26,791)	-9.9%
Council Expenditure					
14,250	14,250	Member Allowances	14,250	0	0.0%
14,250	14,250	Total Council Expenditure	14,250	0	0.0%
Occupancy & Property					
8,907	8,907	Light& Power& Gas & Fuel	11,250	2,343	26.3%
8,907	8,907	Total Occupancy & Property	11,250	2,343	26.3%
1,595,333	1,455,988	Total Expenditure	1,489,394	(105,939)	-6.6%
(1,583,633)	(1,444,288)	Operational Surplus/(Deficit)	(1,468,394)	115,239	-7.3%

Business and Community Services Division

City Strategy

2016/17 Business Plan and Budget Statement

Objective(s)

City Strategy is a multi-disciplinary team with key responsibilities for:

- Coordinating the development of Council's strategic management plans, and providing support to the organisation to monitor and report on their implementation;
- Facilitating a culture of effective planning, and influencing the development of departmental strategies that best deliver on Council's community plan;
- Contributing to community, environmental, economic, built form and corporate outcomes by developing policy and providing strategic advice; and
- Developing innovative strategies and projects that contribute to the social, cultural, environmental and economic sustainability of the city.

Key Activities 2016/17

Key activities include the following:

- Provide professional advice on community planning, economic development, environmental sustainability and land use planning as required;
- Coordinate the review of the *Towards 2025* Community Plan;
- Undertake employment lands investigations and prepare a statement of intent on an employment DPA to best support the protection and growth of jobs in the city;
- Coordinate preparation of a City of West Torrens' economic development strategy;
- Progress the western economic development alliance and *Building Western Adelaide*;
- Review and update the strategic directions report as required by changes to the state planning strategy;
- Develop appropriate activity centre policy consistent with the State Government's activity centre policy review and Ministerial DPAs corridor infill;
- Conduct a community needs analysis including investigation of future needs, trends and demographic changes to inform planning for community facilities and services;
- Review the Open Space and Public Place Plan;
- Undertake a strategic spatial review of suitable areas to locate open space to service anticipated development in urban corridor and medium density residential and mixed-use zones (subject to funding);
- Support implementation, monitoring and reporting on the City of West Torrens' Public Health Plan;
- Coordinate preparation of an optimal water mix study for the City of West Torrens;
- Implement a water sensitive city program to engage households and businesses in water-sensitive behaviour and practices, including Stage 2 Water Smart Suburbs Project; the Water Sensitive City Residential Rebate program and world water day;
- Run an annual program of events that increase community awareness and appreciation of the natural environment including the native plant giveaway, national tree day and various community seminars during the year;
- Consult on the draft Climate Change Action Plan and prepare final revised plan for Council adoption, taking into consideration the results of the AdaptWest project, and of the revised South Australian climate change framework;

- Work with Western Region councils to develop urban heat island mapping for the region;
- Prepare Council's water consumption and carbon footprint report for 2015/16 and encourage use of data to minimise both.

Performance Measures

Performance measures, both financial and non-financial, against which City Strategy will be assessed, are:

- Progress on implementation of the annual City Strategy service plan within time and budget;
- Adoption of proposed development plan amendments by Council;
- Effective evaluation of progress on implementation of the *Towards 2025* Community Plan, in partnership with other departments.

2016/17 Budget Highlights

1. Income

- Income of \$35,800 has been budgeted (\$29,800 in 2015/16).

2. Operational Expenditure

- Total operational expenditure has been reduced by \$563,352 or 32.2 per cent to \$1,183,596;
- Employment related costs have reduced by \$290,541 or 25.4 per cent, to \$852,652;
- \$155,000 has been budgeted for professional fees that include specialist assistance to review the community plan, investigations for an employment DPA and a strategic directions report; consultation on the revised climate change action plan and the preparation of a community needs analysis and an economic development strategy (\$118,200 budgeted in 2015/16);
- \$21,050 is included to fund Council's participation in the Urban Heat Island Project to conduct aerial mapping of temperature in relation to land use and built form in the Western region of Adelaide;
- \$37,100 is included to fund development of an Optimal Water Mix Study to support a sustainable water future for the city;
- \$10,000 is included for a proposed heritage grants fund to assist residents with conservation of heritage properties;
- \$38,000 is included to develop an Open Space and Higher Density Development Structure Plan, which is subject to a successful grant of \$19,000 from the State Government's Open Space and People for Places Fund.

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY STRATEGY
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
21,000	13,289	Other User Charges NEC	8,000	(13,000)	-61.9%
21,000	13,289	Total User Charges	8,000	(13,000)	-61.9%
Grants & Subsidies					
0	0	Other Grants & Subsidies	19,000	19,000	N/A
0	0	Total Grants & Subsidies	19,000	19,000	N/A
Other Income					
8,800	45,630	Other Income NEC	8,800	0	0.0%
8,800	45,630	Total Other Income	8,800	0	0.0%
29,800	58,919	Total Income	35,800	6,000	20.1%
Operational Expenditure					
Staff Costs					
934,781	1,232,065	Salaries & Wages & Allowances	701,525	(233,256)	-25.0%
3,000	3,000	Agency Contract Staff	3,000	0	0.0%
3,000	3,000	Overtime	2,400	(600)	-20.0%
23,583	23,583	Leave Provisions	17,769	(5,814)	-24.7%
89,612	76,075	Superannuation	67,524	(22,088)	-24.6%
1,053,976	1,337,723	Total Staff Costs	792,218	(261,758)	-24.8%
Staff Related					
19,017	15,097	Fringe Benefits Tax - Motor Vehicles	6,520	(12,497)	-65.7%
1,620	1,620	Fringe Benefits Tax-Entertainment&Sundry	0	(1,620)	-100.0%
3,300	3,300	Staff Uniforms	3,740	440	13.3%
700	500	Protective Clothing & Equipment	500	(200)	-28.6%
46,480	46,427	Workers Comp Insurance	35,024	(11,456)	-24.6%
16,500	17,255	Training & Conference Costs incl travel & accom	13,750	(2,750)	-16.7%
1,000	0	Study Assistance & Employee Memberships	0	(1,000)	-100.0%
600	600	Work Health & Safety	900	300	50.0%
89,217	84,799	Total Staff Related	60,434	-28,783	-32.3%
Buildings Furniture & Fittings					
1,180	1,180	Deprec Furniture & Equipment & Fittings	180	(1,000)	-84.7%
1,180	1,180	Total Buildings Furniture & Fittings	180	(1,000)	-84.7%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
CITY STRATEGY
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Plant & Equipment					
14,690	11,195	Depreciation Plant & Equipment	7,460	(7,230)	-49.2%
4,000	1,528	Plant Fuel Gas & Oil	1,000	(3,000)	-75.0%
1,000	1,000	Plant Repairs & Maint	1,000	0	0.0%
7,000	6,627	Plant inter-departmental costs (including credits)	5,000	(2,000)	-28.6%
26,690	20,350	Total Plant & Equipment	14,460	(12,230)	-45.8%
General Expenses					
1,900	900	Minor Capital	900	(1,000)	-52.6%
5,200	1,397	Catering/Entertainment - Employees	3,150	(2,050)	-39.4%
4,000	3,143	Catering/Entertain-Elected Members/others	7,050	3,050	76.3%
821	938	General Insurance Premium	736	(85)	-10.4%
7,050	17,300	Postage& Courier & Freight	6,200	(850)	-12.1%
10,000	9,198	Stationery & Photocopying	9,000	(1,000)	-10.0%
6,800	11,300	Publications & Printing	14,800	8,000	117.6%
21,800	15,472	Subscriptions & Associations	14,450	(7,350)	-33.7%
5,887	5,887	Telephone & Internet	2,505	(3,382)	-57.4%
100	100	Volunteer Travel	300	200	200.0%
13,700	22,200	Advertising & Publicity	14,500	800	5.8%
28,000	26,000	Promotion& Merchandising & Marketing	10,000	(18,000)	-64.3%
88,000	144,000	Professional Fees - Consultants	100,000	12,000	13.6%
35,200	51,327	Professional Fees - General	55,000	19,800	56.3%
9,000	9,051	General	2,000	(7,000)	-77.8%
237,458	318,213	Total General Expenses	240,591	3,133	1.3%
Council Expenditure					
126,000	84,000	Partnership Grants	0	(126,000)	-100.0%
130,000	74,223	Community Grants	10,000	(120,000)	-92.3%
50,100	51,523	Donations Awards Contributions & Other Rebates	44,800	(5,300)	-10.6%
306,100	209,746	Total Council Expenditure	54,800	-251,300	-82.1%
Materials					
21,700	29,700	Materials - No Overhead	13,000	(8,700)	-40.1%
21,700	29,700	Total Materials	13,000	(8,700)	-40.1%
Occupancy & Property					
10,627	8,627	Light& Power& Gas & Fuel	7,913	(2,714)	-25.5%
10,627	8,627	Total Occupancy & Property	7,913	(2,714)	-25.5%
1,746,948	2,010,338	Total Expenditure	1,183,596	(563,352)	-32.2%
(1,717,148)	(1,951,419)	Operational Surplus/(Deficit)	(1,147,796)	569,352	-33.2%

Business and Community Services Division

Library Services

2016/17 Business Plan and Budget Statement

Objective(s)

Library Services aims to:

- Provide free and easy access to information through:
 - Print, electronic, audio and digital formats;
 - Equipment and facilities for public use;
 - A range of information technology training courses and other informal learning activities;
 - Well-trained and knowledgeable staff to meet the information needs of the public;
- Provide leadership to the community as a source of information and learning for citizens and community organisations and by being an avenue for local organisations to reach the broader community;
- Promote literacy by making it easy for people of all ages, cultures and interests to get into reading at all levels. Reading plays a crucial role in creating independent learners, underpins literacy skills and educational attainment and helps people understand themselves and others;
- Provide safe, comfortable, well-equipped and welcoming places for customers, community groups and their activities.

Key Activities 2016/17

Key activities include the following:

- The provision of information services - print, digital and online;
- 24 x 7 access through online services including the provision of digital magazines and eBooks;
- Lending materials in a range of formats to meet the needs of the wide range of library customers;
- Reader guidance and promotion;
- Acquisition of materials, collection management and systems administration;
- Access to technology for information and learning, including tablets for customer use in classes;
- Training in use of common technology and information literacy;
- Specialised material and delivery services for the housebound and people with disabilities;
- Provision of community language collections to match our community profile;
- Support for the recording and preservation of local history resources and research facilities;
- Providing a range of formal and informal learning opportunities;
- The implementation of radio-frequency identification (RFID) for library resources;
- Establishment of the library annex in the house on Sir Donald Bradman Drive, once renovated.

Performance Measures

Performance measures, both financial and non-financial, against which the library will be assessed, are:

- Key business statistics, including loans, membership, public personal computer usage, WiFi use, visitors, new additions to collections and web traffic,
- Feedback from customers via “customer comments”;
- Development of collections;
- Quantitative and qualitative feedback from program activities;
- Partnerships and sponsorships linked to service delivery;
- Responses from newsletter surveys and competitions;
- Public Library Services (State Government) grant reporting completed and lodged within required timeframes.

2016/17 Budget Highlights

1. Income

- Income from library users of \$51,300 has been budgeted (\$50,200 in 2015/16);
- A component of the library budget is externally funded by the State Government, and represents 16.2 per cent of the total operational budget of the library. This funding was reduced in 2013/14, and is annually indexed from this lower amount, with the amount budgeted now \$4,000 or 1.0 per cent higher than that budgeted in 2015/16.

2. Operational Expenditure

- Operational expenditure for the library has decreased by \$23,825 or 0.9 per cent, to \$2,578,167;
- Employment related expenditure has been increased by \$87,158 or 5.7 per cent, to \$1,602,232.

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
LIBRARY SERVICES
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
40,000	40,000	Library Sundry Income (Fines& etc)	40,000	0	0.0%
10,200	10,200	Other User Charges NEC	11,300	1,100	10.8%
50,200	50,200	Total User Charges	51,300	1,100	2.2%
Grants & Subsidies					
412,500	412,500	Libraries	416,500	4,000	1.0%
0	0	Training & Wage Subsidies	770	770	N/A
412,500	412,500	Total Grants & Subsidies	417,270	4,770	1.2%
Other Income					
0	0	Other Income NEC	500	500	N/A
0	0	Total Other Income	500	500	N/A
462,700	462,700	Total Income	469,070	6,370	1.4%
Operational Expenditure					
Staff Costs					
1,129,249	1,129,249	Salaries& Wages & Allowances	1,230,276	101,027	8.9%
152,282	152,282	Salaries&Wages&Allowances-Casual Staff	113,141	(39,141)	-25.7%
8,000	6,500	Agency Contract Staff	9,000	1,000	12.5%
3,000	4,500	Overtime	9,500	6,500	216.7%
27,730	27,730	Leave Provisions	30,092	2,362	8.5%
105,367	105,367	Superannuation	114,357	8,990	8.5%
1,425,628	1,425,628	Total Staff Costs	1,506,366	80,738	5.7%
Staff Related					
7,904	8,399	Fringe Benefits Tax - Motor Vehicles	8,400	496	6.3%
190	190	Fringe Benefits Tax-Entertainment&Sundry	250	60	31.6%
11,000	11,000	Staff Uniforms	12,200	1,200	10.9%
300	300	Protective Clothing & Equipment	300	0	0.0%
54,652	54,589	Workers Comp Insurance	59,316	4,664	8.5%
15,000	10,000	Training & Conference Costs incl travel & accom	15,000	0	0.0%
400	400	Work Health & Safety	400	0	0.0%
89,446	84,878	Total Staff Related	95,866	6,420	7.2%
Buildings Furniture & Fittings					
105,550	108,150	Depreciation on Buildings	108,760	3,210	3.0%
32,600	32,600	Deprec Furniture& Equipment & Fittings	33,770	1,170	3.6%
5,100	5,100	Maint - Buildings & Grounds	5,200	100	2.0%
5,100	5,100	Maint Furniture& Equipment & Fittings	5,200	100	2.0%
148,350	150,950	Total Buildings Furniture & Fittings	152,930	4,580	3.1%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
LIBRARY SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Plant & Equipment					
4,610	4,610	Depreciation Plant & Equipment	13,920	9,310	202.0%
4,600	4,600	Plant Fuel Gas & Oil	4,600	0	0.0%
1,000	1,000	Plant Repairs & Maint	1,000	0	0.0%
12,204	12,204	Plant inter-departmental costs (including credits)	15,000	2,796	22.9%
22,414	22,414	Total Plant & Equipment	34,520	12,106	54.0%
Computer Expenditure					
10,880	12,910	Deprec Computer Equipment	29,410	18,530	170.3%
2,500	2,500	Software (Purchase& Licencing& Leasing & Maint)	4,100	1,600	64.0%
80,400	80,400	Hardware (Support& Maintenance & Leasing)	32,900	(47,500)	-59.1%
10,000	10,000	SundryComputer(minor hware/consumables)	12,400	2,400	24.0%
103,780	105,810	Total Computer Expenditure	78,810	(24,970)	-24.1%
Community Assets					
317,742	317,742	Depreciation - Library Resources	318,000	258	0.1%
317,742	317,742	Total Community Assets	318,000	258	0.1%
General Expenses					
4,300	6,300	Minor Capital	3,300	(1,000)	-23.3%
1,100	1,100	Catering/Entertainment - Employees	1,100	0	0.0%
1,100	1,100	Catering/Entertain-Elected Members/others	1,100	0	0.0%
20,217	19,731	General Insurance Premium	20,759	542	2.7%
4,800	4,800	Postage& Courier & Freight	5,300	500	10.4%
37,300	37,300	Stationery & Photocopying	41,000	3,700	9.9%
21,100	21,100	Publications & Printing	21,500	400	1.9%
46,700	46,700	Subscriptions & Associations	42,300	(4,400)	-9.4%
8,009	8,009	Telephone & Internet	6,758	(1,251)	-15.6%
2,100	2,100	Volunteer Travel	2,100	0	0.0%
2,600	2,600	Advertising & Publicity	10,000	7,400	284.6%
45,700	50,700	Promotion& Merchandising & Marketing	50,000	4,300	9.4%
6,100	6,100	General	6,200	100	1.6%
75,500	75,500	On-Charges from Other Departments	94,000	18,500	24.5%
276,626	283,140	Total General Expenses	305,417	28,791	10.4%
Bank & Finance					
800	800	Bank&Agency Collection Charges	2,400	1,600	200.0%
113,881	113,881	Interest LGFA	0	(113,881)	-100.0%
114,681	114,681	Total Bank & Finance	2,400	(112,281)	-97.9%
Contract Expenditure					
5,000	5,000	Contractors - No Overhead	5,200	200	4.0%
5,000	5,000	Total Contract Expenditure	5,200	200	4.0%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
LIBRARY SERVICES
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Occupancy & Property					
78,125	78,125	Light & Power & Gas & Fuel	57,658	(20,467)	-26.2%
9,000	9,000	Security Costs	9,000	0	0.0%
11,200	11,200	Sundry Property Costs	12,000	800	7.1%
98,325	98,325	Total Occupancy & Property	78,658	(19,667)	-20.0%
<hr/>					
2,601,992	2,608,568	Total Expenditure	2,578,167	(23,825)	-0.9%
<hr/>					
(2,139,292)	(2,145,868)	Operational Surplus/(Deficit)	(2,109,097)	30,195	-1.4%
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Business and Community Services Division Community Development 2016/17 Business Plan and Budget Statement

Objective(s)

Community Development aims to:

- Build stronger relationships between Council and its community;
- Meaningfully engage, consult and participate with individuals and groups in order to implement a range of collaborative initiatives;
- Develop and implement new models to build the capacity of local elderly people to manage various aspects of their lives;
- Build partnerships with state and other local governments, to build the social capital of the local community;
- Facilitate equitable access to local and regional programs, activities and resources.

Key Activities 2016/17

Key activities include the following:

- Community Development programs in youth, arts, volunteering, disability and cultural Inclusion, and social health and wellbeing;
- Continue to facilitate and develop the summer festival and trial other locations within the city;
- Facilitate events that bring the community together in celebration of our diverse community;
- Provide a community transport services and trial three points of interest routes;
- Recruit, induct and support volunteers;
- Continue to promote the importance of an active lifestyle and encourage families to enjoy their local parks and playgrounds through "Little Day Out" activities;
- Develop the Hamra Gallery as a vibrant space for local and emerging artists;
- Continue to develop Council's Disability Discrimination Plan;
- Promote and provide the community resource collection as a means of supporting local community groups;
- Develop the Thebarton and Plympton Community Centres as vibrant, well utilized, social, recreational and educational community hubs;
- Administer Council's partnership and community grants programs, donations and sponsorships.

Performance Measures

Performance measures, both financial and non-financial, against which Community Development will be assessed, are:

- The development, implementation and evaluation of community development programs in partnership with other formal and informal service providers;
- Effective management of the Hamra, Thebarton and Plympton Centres, and the development, implementation and evaluation of community based learning programs within approved guidelines and budgets;
- Effective management of Council's community transport service;

- Effective management of Council's volunteer programs and procedures;
- Effective management of Council's grants / sponsorship and donations programs;
- Positive community feedback.

2016/17 Budget Highlights

1. Income

- Total expected Income of \$168,000 has been budgeted, a decrease from the 2015/16 budget due to the withdrawal of OPAL Funding (\$18,500) and the withdrawal of State Government HACC funding of \$18,600 which is now going to the National Disability Insurance Scheme, rather than Council;
- Income includes transport fees and charges of \$19,000, Thebarton Community Centre hire charges of \$135,000 and fees from Home Advantage Services of \$14,000.

2. Operational Expenditure

- Operational expenditure for Community Development has increased by \$188,838 or 13.0 per cent to \$1,641,187;
- Employment related costs have increased by \$30,439 or 4.0 per cent, to \$790,764;
- Community Development projects and programs have been decreased by \$10,300 or 8.6 per cent to \$110,000 and this includes funding for:
 - The summer festival (music, movies and food in the park);
 - Community art and celebratory activities and projects e.g. ANZAC; community gardens and walking and sewing groups;
 - Youth initiatives e.g. after school and school holiday activities, youth expo and little days out;
 - Community participation and engagement, including disability and volunteer expos, training and support, every generations, harmony day and cultural evenings;
- An amount of \$93,000 has been budgeted for the provision of services to the aged and disabled;
- Partnership and community grants of \$251,328 are budgeted (\$250,000 in 2015/16);
- Insurance (public liability), security and cleaning costs included in the budget are specifically for the Thebarton Community Centre.

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
COMMUNITY DEVELOPMENT
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
0	13,700	Home Assistance	14,000	14,000	N/A
13,000	13,000	Community Transport	15,000	2,000	15.4%
135,000	135,000	Comm Centres & Hall Hire/House Rental/Leases	135,000	0	0.0%
3,800	3,800	Bus Fares / Bus Hire	4,000	200	5.3%
151,800	165,500	Total User Charges	168,000	16,200	10.7%
Grants & Subsidies					
18,500	0	Other Health Income	0	(18,500)	-100.0%
13,700	0	Home & Community Care	0	(13,700)	-100.0%
32,200	0	Total Grants & Subsidies	0	(32,200)	-100.0%
184,000	165,500	Total Income	168,000	(16,000)	-8.7%
Operational Expenditure					
Staff Costs					
612,379	604,996	Salaries& Wages & Allowances	632,040	19,661	3.2%
16,731	12,870	Salaries&Wages&Allowances-Casual Staff	16,906	175	1.0%
0	13,148	Agency Contract Staff	0	0	N/A
9,400	9,400	Overtime	15,420	6,020	64.0%
15,449	15,449	Leave Provisions	16,009	560	3.6%
58,707	57,892	Superannuation	60,836	2,129	3.6%
712,666	713,755	Total Staff Costs	741,211	28,545	4.0%
Staff Related					
210	210	Fringe Benefits Tax-Entertainment&Sundry	1,000	790	376.2%
6,000	6,000	Staff Uniforms	6,000	0	0.0%
500	500	Protective Clothing & Equipment	500	0	0.0%
30,449	30,414	Workers Comp Insurance	31,553	1,104	3.6%
10,000	10,000	Training & Conference Costs incl travel & accom	10,000	0	0.0%
500	500	Work Health & Safety	500	0	0.0%
47,659	47,624	Total Staff Related	49,553	1,894	4.0%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
COMMUNITY DEVELOPMENT
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Buildings Furniture & Fittings					
4,670	5,530	Deprec Furniture& Equipment & Fittings	7,650	2,980	63.8%
6,500	6,500	Maint Furniture& Equipment & Fittings	4,000	(2,500)	-38.5%
11,170	12,030	Total Buildings Furniture & Fittings	11,650	480	4.3%
Plant & Equipment					
25,550	25,720	Depreciation Plant & Equipment	25,910	360	1.4%
10,700	10,700	Plant Fuel Gas & Oil	11,000	300	2.8%
30,500	30,500	Plant inter-departmental costs (including credits)	31,000	500	1.6%
66,750	66,920	Total Plant & Equipment	67,910	1,160	1.7%
Computer Expenditure					
9,020	11,060	Deprec Computer Equipment	10,780	1,760	19.5%
9,020	11,060	Total Computer Expenditure	10,780	1,760	19.5%
General Expenses					
4,000	6,000	Minor Capital	0	(4,000)	-100.0%
1,000	1,000	Catering/Entertainment - Employees	3,000	2,000	200.0%
14,000	14,000	Catering/Entertain-Elected Members/others	14,000	0	0.0%
16,554	19,740	General Insurance Premium	20,748	4,194	25.3%
2,000	2,000	Stationery & Photocopying	4,000	2,000	100.0%
4,000	4,000	Publications & Printing	5,000	1,000	25.0%
600	600	Subscriptions & Associations	700	100	16.7%
6,920	6,920	Telephone & Internet	4,990	(1,930)	-27.9%
14,250	14,250	Volunteer Travel	16,000	1,750	12.3%
15,250	15,250	Advertising & Publicity	17,000	1,750	11.5%
120,300	120,300	Promotion& Merchandising & Marketing	110,000	(10,300)	-8.6%
44,000	50,750	General	15,000	(29,000)	-65.9%
40,700	0	On-Charges from Other Departments	0	(40,700)	-100.0%
283,574	254,810	Total General Expenses	210,438	(73,136)	-25.8%
Bank & Finance					
1,020	1,020	Interest LGFA	0	(1,020)	-100.0%
1,020	1,020	Total Bank & Finance	0	(1,020)	-100.0%
Council Expenditure					
0	73,748	Partnership Grants	130,328	130,328	N/A
0	118,477	Community Grants	121,000	121,000	N/A
5,000	10,000	Donations Awards Contributions & Other Rebates	5,000	0	0.0%
5,000	202,225	Total Council Expenditure	256,328	251,328	5026.6%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
COMMUNITY DEVELOPMENT
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
121,000	121,000	Contract Expenditure			
		Contractors - No Overhead	93,000	(28,000)	-23.1%
121,000	121,000	Total Contract Expenditure	93,000	-28,000	-23.1%
		Occupancy & Property			
97,840	97,840	Light & Power & Gas & Fuel	101,817	3,977	4.1%
76,300	76,300	Cleaning	78,000	1,700	2.2%
20,350	20,350	Security Costs	20,500	150	0.7%
0	11,000	Sundry Property Costs	0	0	N/A
194,490	205,490	Total Occupancy & Property	200,317	5,827	3.0%
1,452,349	1,635,934	Total Expenditure	1,641,187	188,838	13.0%
(1,268,349)	(1,470,434)	Operational Surplus/(Deficit)	(1,473,187)	(204,838)	16.1%

Business and Community Services Division Commonwealth Home Support Program 2016/17 Business Plan and Budget Statement

Objective(s)

The Commonwealth Home Support Program (CHSP) aims to:

- Coordinate the provision of community based support and services for/with older people within the City of West Torrens;
- Identify gaps, facilitate links, and develop networks and collaborative initiatives with formal and informal service providers to improve services to City of West Torrens' residents;
- Implement the changes associated with "My Aged Care Services" that will see more client focused services and decisions and an emphasis on re-enablement and wellbeing.

Key Activities 2016/17

Key activities include the following:

- Home maintenance, home modifications, domestic assistance (shopping and cleaning) and social support to both groups (meals and entertainment) and individuals (shopping assistance and outings);
- Programs, activities and publications that enhance lifestyle choices and community services, including socialisation, active ageing and wellness.

Performance Measures

Performance measures, both financial and non-financial, against which CHSP will be assessed, are:

- Effective management of CHSP funding, including the provision of the agreed outputs per service area;
- Client feedback on the quality of services;
- External audits by the Commonwealth Government agency that reviews operational policies and procedures.

2016/17 Budget Highlights

1. Income

- User charges have been increased by \$13,300 or 11.9 per cent to \$125,300;
- Grant income is expected to be \$468,700, an increase of \$28,700 or 6.5 per cent on funding in 2015/16.

2. Operational Expenditure

- Operational expenditure for CHSP has increased by \$31,789 or 5.6 per cent to \$604,531;
- Employment related expenditure has been increased by \$25,976 or 5.7 per cent, to \$481,768;
- Contractor use has been budgeted at \$50,000 (also \$50,000 in 2015/16).

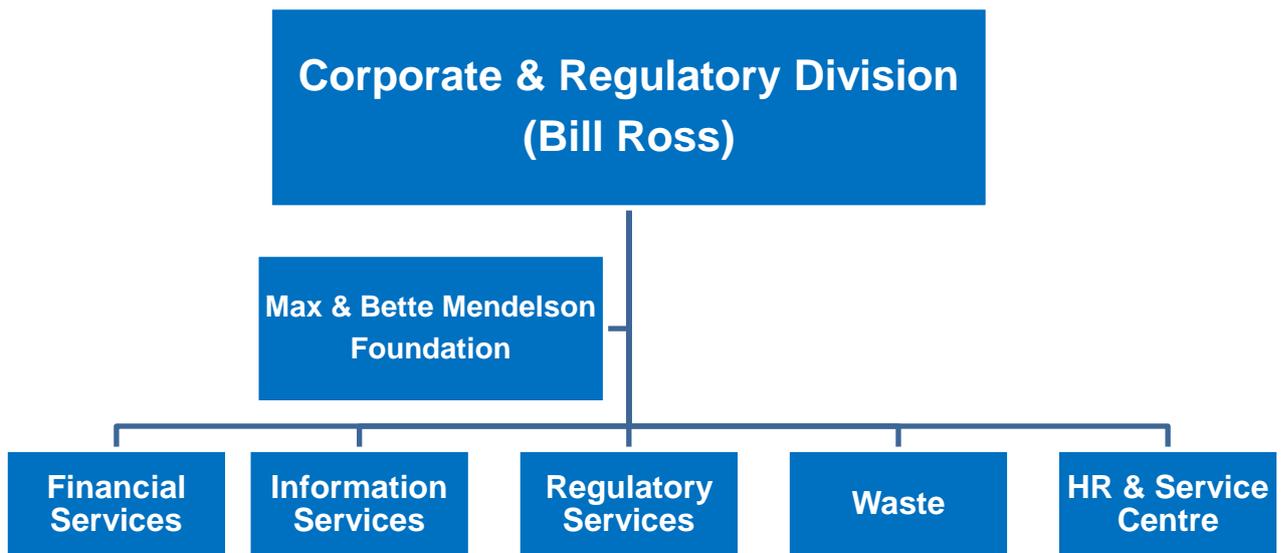
**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
COMMONWEALTH HOME SUPPORT PROGRAM
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
112,000	112,000	Home Assistance	125,300	13,300	11.9%
112,000	112,000	Total User Charges	125,300	13,300	11.9%
Grants & Subsidies					
440,000	472,347	Home & Community Care	468,700	28,700	6.5%
440,000	472,347	Total Grants & Subsidies	468,700	28,700	6.5%
552,000	584,347	Total Income	594,000	42,000	7.6%
Operational Expenditure					
Staff Costs					
263,988	271,238	Salaries & Wages & Allowances	297,478	33,490	12.7%
141,412	150,412	Salaries & Wages & Allowances - Casual Staff	127,876	(13,536)	-9.6%
6,659	6,659	Leave Provisions	7,534	875	13.1%
25,307	25,307	Superannuation	28,631	3,324	13.1%
437,366	453,616	Total Staff Costs	461,519	24,153	5.5%
Staff Related					
3,200	3,200	Staff Uniforms	3,200	0	0.0%
700	700	Protective Clothing & Equipment	700	0	0.0%
13,126	13,111	Workers Comp Insurance	14,850	1,724	13.1%
1,200	13,353	Training & Conference Costs incl travel & accom	1,200	0	0.0%
200	200	Work Health & Safety	300	100	50.0%
18,426	30,564	Total Staff Related	20,250	1,824	9.9%
Buildings Furniture & Fittings					
330	330	Deprec Furniture & Equipment & Fittings	30	(300)	-90.9%
330	330	Total Buildings Furniture & Fittings	30	(300)	-90.9%
Plant & Equipment					
4,070	4,230	Depreciation Plant & Equipment	4,260	190	4.7%
3,050	3,050	Plant Fuel Gas & Oil	3,000	(50)	-1.6%
4,000	4,000	Plant inter-departmental costs (including credits)	4,000	0	0.0%
11,120	11,280	Total Plant & Equipment	11,260	140	1.3%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
COMMONWEALTH HOME SUPPORT PROGRAM
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
General Expenses					
1,000	1,000	Minor Capital	2,000	1,000	100.0%
300	300	Catering/Entertain-Elected Members/others	300	0	0.0%
421	405	General Insurance Premium	422	1	0.2%
100	100	Postage& Courier & Freight	100	0	0.0%
200	1,200	Stationery & Photocopying	200	0	0.0%
500	2,344	Publications & Printing	500	0	0.0%
200	200	Subscriptions & Associations	200	0	0.0%
1,918	1,918	Telephone & Internet	1,806	(112)	-5.8%
2,000	2,000	Volunteer Travel	2,000	0	0.0%
500	500	Advertising & Publicity	500	0	0.0%
1,000	18,347	Professional Fees - General	1,000	0	0.0%
21,000	65,500	General	21,000	0	0.0%
3,050	3,050	On-Charges from Other Departments	3,000	(50)	-1.6%
32,189	96,864	Total General Expenses	33,028	839	2.6%
Contract Expenditure					
50,000	97,000	Contractors - No Overhead	50,000	0	0.0%
50,000	97,000	Total Contract Expenditure	50,000	0	0.0%
Materials					
16,000	16,000	Materials - No Overhead	17,000	1,000	6.3%
16,000	16,000	Total Materials	17,000	1,000	6.3%
Occupancy & Property					
7,061	7,061	Light& Power& Gas & Fuel	11,145	4,084	57.8%
250	250	Cleaning	300	50	20.0%
7,311	7,311	Total Occupancy & Property	11,445	4,134	56.5%
572,742	712,965	Total Expenditure	604,531	31,789	5.6%
(20,742)	(128,618)	Operational Surplus/(Deficit)	(10,531)	10,211	-49.2%

Corporate and Regulatory Division



The Corporate and Regulatory Division is responsible for the provision of a range of support services across Council and the provision of operational support to the Chief Executive Officer.

The Corporate and Regulatory Division comprises the following:

- The Mendelson Foundation;
- Financial Services;
- Information Services;
- Regulatory Services;
- Waste;
- HR and Service Centre.

Corporate & Regulatory Division

Mendelson Foundation

2016/17 Business Plan and Budget Statement

Objective(s)

The Mendelson Foundation administers a charitable fund established under a Deed of Charitable Trust, and it is dedicated in perpetuity to the promotion and encouragement of education in conjunction with South Australian universities. The City of West Torrens is the legal trustee of the foundation, and it is committed to providing a level of support in keeping with the foundation's character and eminence.

Key Activities 2016/17

Key activities include the following:

- The promotion and encouragement of education in conjunction with South Australian universities;
- The administration of awards to students;
- Managing the investment portfolio of the foundation;
- Maintenance of the character and eminence of the foundation;
- The organisation and conduct of an annual awards' ceremony.

Performance Measures

Performance measures, both financial and non-financial, against which the foundation will be assessed, are:

- Level of scholarship support maintained;
- Improved investment performance;
- No major changes in trustee charges.

2016/17 Budget Highlights

1. Income

- Investment income of \$43,000 is budgeted (\$36,000 in the original budget in 2015/16), reflecting the current investment expectations of the foundation;
- Council scholarship support of the foundation has again been budgeted in 2016/17, the amount being \$20,000 (up from \$15,000 in 2015/16, as resolved by Council on 17 November 2015).

2. Operational Expenditure

- Scholarships have been increased to \$48,000 (up from \$36,000 in 2015/16, as resolved by Council on 17 November 2015);
- Committee member allowances have been increased by \$138 to \$19,264, based on allowances set by the SA Remuneration Tribunal and increases expected in November 2016;
- Trustee charges of \$11,220 have been budgeted (\$11,200 in 2015/16).

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
MENDELSON FOUNDATION
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
Other Income					
0	-20,000	Commercial Income/ Market Movement on Investments	0	0	N/A
36,000	36,000	Dividend Income	43,000	7,000	19.4%
15,000	18,000	Other Income NEC	20,000	5,000	33.3%
<u>51,000</u>	<u>34,000</u>	Total Other Income	<u>63,000</u>	<u>12,000</u>	<u>23.5%</u>
51,000	34,000	Total Income	63,000	12,000	23.5%
Operational Expenditure					
General Expenses					
11,200	11,200	Professional Fees - General	11,220	20	0.2%
<u>11,200</u>	<u>11,200</u>	Total General Expenses	<u>11,220</u>	<u>20</u>	<u>0.2%</u>
Council Expenditure					
19,126	19,126	Member Allowances	19,264	138	0.7%
36,000	39,000	Donations, Awards & Contributions	48,000	12,000	33.3%
<u>55,126</u>	<u>58,126</u>	Total Council Expenditure	<u>67,264</u>	<u>12,138</u>	<u>22.0%</u>
66,326	69,326	Total Expenditure	78,484	12,158	18.3%
(15,326)	(35,326)	Operational Surplus/(Deficit)	(15,484)	(158)	1.0%

Corporate & Regulatory Division

Financial Services

2016/17 Business Plan and Budget Statement

Objective(s)

Financial Services manages Council's financial and rating operations. It delivers internal and external customers with financial support and information and must meet various statutory requirements.

Key Activities 2016/17

Key activities include the following:

- Budgeting;
- Rates administration;
- Financial reporting;
- Statutory accounts and auditing;
- Asset accounting and taxation;
- Treasury and debt management;
- Debtors and creditors;
- Payroll.

Performance Measures

Performance measures, both financial and non-financial, against which Financial Services will be assessed, are:

- Compliance with the requirements of the Local Government Act 1999 and related regulations;
- Development of a strategic focus on asset management and sustainability, incorporating longer term financial planning;
- Preparation and delivery of Council's budget, linked with the planning initiatives of the Council;
- Completion of budget reviews within the statutory time frames;
- Completion of audited statutory accounts within required time frames;
- Monthly financial reports developed / prepared;
- Review of rating arrangements and policies;
- Review of Council's fees and charges;
- Further develop and maintain internal control frameworks;
- Maintain WHS standards and requirements.

2016/17 Budget Highlights

1. Income

- Rates have been budgeted to increase by 2.6 per cent, based on the calculation that follows. This represents an increase in income from rates of \$1,892,089 over what was raised in 2015/16.

	\$
Rate Income 2015/16	45,757,911
Add Natural Growth at 1.5%	686,369
Sub Total	46,444,280
Add Rate Increase at 2.6%	1,205,720
Total	47,650,000

- Rate equivalent payments for Adelaide Airport have increased to \$5,020,000, based on growth of 2.0 per cent and a 2.6 per cent increase, as follows:

	\$
Net REP's in 2015/16	4,796,955
Add growth at 2.0%	95,939
Add increase at 2.6%	127,106
Total	5,020,000

- Income from investments has been increased to \$365,000, based on additional funds from the sale of St Martins Aged Care Facility;
- An amount of \$1.2 million is budgeted for Council's financial assistance grant in 2016/17.

2. Operational Expenditure

- Operational expenditure has increased by \$101,428 or 3.2 per cent to \$3,243,965 over what was budgeted in 2015/16;
- Employment related costs have increased by \$11,272 or 0.8 per cent, to \$1,343,350;
- The budget for rate rebates and remissions for 2016/17 totals \$720,000, a decrease of \$35,000 or 4.6 per cent compared to the 2015/16 original budget;
- Valuation charges of the Valuer-General have been budgeted to remain at \$200,000;
- Bank and finance charges have been budgeted to increase by \$25,000 or 20.0 per cent to \$150,000 over what was budgeted in 2015/16;
- Professional fees of \$35,000 have been budgeted for corporate management, software assistance and audit support, including statutory auditing (\$33,000 in 2015/16);
- An amount of \$1,260,136 has been budgeted for the NRM levy, up \$34,747 or 2.8 per cent.

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
FINANCIAL SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO	
ORIGINAL	ESTIMATE			2015/16 ORIGINAL	
Income					
Rates					
45,660,000	45,760,000	Rates Revenue	47,650,000	1,990,000	4.4%
4,700,000	4,796,955	Rates Equivalent Payment	5,020,000	320,000	6.8%
1,239,389	1,239,389	NRM Levy Receivable	1,274,136	34,747	2.8%
110,200	116,200	Fines on Rates	115,000	4,800	4.4%
(600)	(600)	Remission Of Rates & Fines	0	600	-100.0%
(685,000)	(683,000)	Rate Rebates - Mandatory	(650,000)	35,000	-5.1%
(70,000)	(61,000)	Rate Rebates - Discretionary	(70,000)	0	0.0%
(14,000)	(14,000)	NRM Discounts & Rebates	(14,000)	0	0.0%
50,939,989	51,153,944	Total Rates	53,325,136	2,385,147	4.7%
User Charges					
24,000	24,000	Other User Charges NEC	24,000	0	0.0%
24,000	24,000	Total User Charges	24,000	0	0.0%
Grants & Subsidies					
1,217,638	1,202,638	Grants Commission	1,200,000	(17,638)	-1.4%
1,217,638	1,202,638	Total Grants & Subsidies	1,200,000	-17,638	-1.4%
Reimbursements					
300	300	Private Works (incl Vandalism) / Staff Related	300	0	0.0%
0	-11,583	Other	1,500	1,500	N/A
0	0	Insurance Claims Reimbursements	30,000	30,000	N/A
80,000	80,000	Reimbursements - Legal Fees	65,000	(15,000)	-18.8%
80,300	68,717	Total Reimbursements	96,800	16,500	20.5%
Other Income					
123,000	183,000	Investment Income (LGFA in 13/14)	365,000	242,000	196.7%
127,000	67,000	Donated Assets / Investment Income Other Financial Ins	36,000	(91,000)	-71.7%
34,000	34,000	LGFA bonus	54,000	20,000	58.8%
360,000	381,388	Other Income NEC	394,000	34,000	9.4%
644,000	665,388	Total Other Income	849,000	205,000	31.8%
52,905,927	53,114,687	Total Income	55,494,936	2,589,009	4.9%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
FINANCIAL SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Operational Expenditure					
Staff Costs					
1,087,134	1,096,134	Salaries, Wages & Allowances	1,099,447	12,313	1.1%
0	8,815	Agency Contract Staff	0	0	N/A
22,000	17,000	Overtime	14,400	(7,600)	-34.5%
27,427	27,427	Leave Provisions	27,846	419	1.5%
104,216	104,216	Superannuation	105,827	1,611	1.5%
1,240,777	1,253,592	Total Staff Costs	1,247,520	6,743	0.5%
Staff Related					
16,325	16,905	Fringe Benefits Tax - Motor Vehicles	16,840	515	3.2%
1,320	1,320	Fringe Benefits Tax - Entertainment & Sundry	1,300	(20)	-1.5%
5,500	5,500	Staff Uniforms	5,500	0	0.0%
54,056	53,995	Workers Comp Insurance	54,890	834	1.5%
10,000	10,000	Training & Conference Costs incl Travel & Accom	14,000	4,000	40.0%
3,500	1,300	Study Assistance & Employee Memberships	2,700	(800)	-22.9%
600	600	Occupational Health & Safety	600	0	0.0%
91,301	89,620	Total Staff Related	95,830	4,529	5.0%
Buildings Furniture & Fittings					
1,880	1,880	Depreciation on Furn, Equip & Fittings	1,310	(570)	-30.3%
500	500	Maintenance - Furniture, Equipment & Fittings	500	0	0.0%
2,380	2,380	Total Buildings Furniture & Fittings	1,810	(570)	-23.9%
Plant & Equipment					
9,510	9,510	Depreciation Plant & Equipment	9,180	(330)	-3.5%
5,000	5,000	Plant Fuel Gas & Oil	5,000	0	0.0%
6,000	6,000	Plant inter-departmental costs (including credits)	5,000	(1,000)	-16.7%
20,510	20,510	Total Plant & Equipment	19,180	(1,330)	-6.5%
General Expenses					
1,500	1,500	Minor Capital	1,500	0	0.0%
1,000	1,000	Catering & Ent - Council Employees	1,000	0	0.0%
200	200	Catering & Ent - Non-Employees (incl EM's)	150	(50)	-25.0%
1,091	1,109	General Insurance Premium	1,154	63	5.8%
0	0	Insurance - Repair, Excess & Discharge	45,000	45,000	N/A
9,000	9,000	Stationery & Photocopying	9,000	0	0.0%
75,000	75,000	Publications & Printing	75,000	0	0.0%
1,000	1,771	Subscriptions & Associations	1,000	0	0.0%
7,097	7,097	Telephone & Internet	5,915	(1,182)	-16.7%
4,500	4,500	Advertising & Publicity	7,500	3,000	66.7%
80,000	80,000	Professional Fees - Legal	65,000	(15,000)	-18.8%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
FINANCIAL SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
8,000	8,000	Professional Fees - Consultants	8,000	0	0.0%
25,000	25,000	Professional Fees - General	27,000	2,000	8.0%
10,000	10,000	General	8,000	(2,000)	-20.0%
223,388	224,177	Total General Expenses	255,219	31,831	14.2%
Bank & Finance					
125,000	140,000	Bank & Agency Collection Charges	150,000	25,000	20.0%
500	500	Bad Debts	1,000	500	100.0%
125,500	140,500	Total Bank & Finance	151,000	25,500	20.3%
Council Expenditure					
200,000	197,000	Valuation Service Charges	200,000	0	0.0%
1,225,389	1,225,389	NRM Levy Expense	1,260,136	34,747	2.8%
1,425,389	197,000	Total Council Expenditure	1,460,136	34,747	2.4%
Occupancy & Property					
13,292	13,292	Electricity & Gas	13,270	(22)	-0.2%
13,292	13,292	Total Occupancy & Property	13,270	(22)	-0.2%
3,142,537	3,166,460	Total Expenditure	3,243,965	101,428	3.2%
49,763,390	49,948,227	Operational Surplus/(Deficit)	52,250,971	2,487,581	5.0%

Corporate & Regulatory Division

Information Services

2016/17 Business Plan and Budget Statement

Objective(s)

Information Services provides a wide range of services both internally and externally, assisting all other business units with information, communications and technology direction, support, project delivery, training and advice.

Key Activities 2016/17

Key activities include the following:

Information Management:

- Information archival services;
- Council meeting document printing and distribution;
- Electronic document and record management;
- Information security;
- Mail services;
- Managing the Council's stationery function;
- Strategic advice and direction in relation to all information services.

Information Technology:

- Backing up business information;
- Business and systems analysis, including business process re-engineering;
- Business application support; including application upgrades;
- Business system administration;
- Business continuity and Disaster Recovery of business applications;
- Desktop administration;
- Elected Members' IT support;
- Help desk / customer support;
- IS change / project / supplier management;
- IT asset management;
- IT policy and advice;
- Maintenance of the IT disaster recovery plan;
- Network management; including security and integrity of data;
- Providing training and advice on ECM-Datavorks, Dekho/GIS and Pathway;
- Reporting services;
- Security system monitoring and administration;
- System integration;
- Telephony - mobile and landline;
- User administration;
- User training;
- Virus protection and content filtering;
- Web and email services;
- Web media including the Internet, Extranet and the Intranet.

Performance Measures

Performance measures used to assess the performance of Information Services include:

- Compliance with State Records Act requirements;
- Customer satisfaction;
- Data quality;
- IS project delivery;
- Network and application availability;
- Provision of advice on Information Management and Technology;
- Quality of information support to business units;
- State of business applications;
- Status of the disaster recovery plan;
- Timely mail and stationery services;
- Value for money IT procurements.

2016/17 Budget Highlights

1. Income

- Income is budgeted to increase by \$5,200 or 19.3 per cent to \$32,200. This includes income generated through the sale of old IT equipment.

2. Operational Expenditure

- Operational expenditure has increased by \$35,531 or 1.4 per cent to \$2,565,479 over what was budgeted in 2015/16;
- Employment related costs have increased by \$29,007 or 2.4 per cent, to \$1,253,954;
- An increase in the software budget from \$680,000 to \$800,000 is due to the replacement of the document management system with a new more functional system which has a lower ten year total cost of ownership. Annual maintenance for the new product is almost 50 per cent lower than the current annual maintenance cost;
- Computer hardware support costs have decreased by \$35,000 or 58.3 per cent to \$25,000 due to the financing of IT asset replacements via capital purchases rather than lease arrangements;
- The minor capital budget has reduced by \$10,000 or 33.3 per cent to \$20,000 following the one-off replacement of mobile devices in 2015/16.

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
INFORMATION SERVICES
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
24,000	24,000	Other User Charges NEC	25,000	1,000	4.2%
24,000	24,000	Total User Charges	25,000	1,000	4.2%
Reimbursements					
0	0	Other	1,200	1,200	N/A
0	0	Total Reimbursements	1,200	1,200	N/A
Other Income					
3,000	3,000	Other Income NEC	6,000	3,000	100.0%
3,000	3,000	Total Other Income	6,000	3,000	100.0%
27,000	27,000	Total Income	32,200	5,200	19.3%
Operational Expenditure					
Staff Costs					
1,010,318	1,017,318	Salaries, Wages & Allowances	1,038,283	27,965	2.8%
6,500	6,500	Overtime	2,800	(3,700)	-56.9%
25,489	25,489	Leave Provisions	26,297	808	3.2%
96,851	96,851	Superannuation	99,937	3,086	3.2%
1,139,158	1,146,158	Total Staff Costs	1,167,317	28,159	2.5%
Staff Related					
13,464	14,484	Fringe Benefits Tax - Motor Vehicles	14,600	1,136	8.4%
1,290	1,290	Fringe Benefits Tax - Entertainment & Sundry	1,300	10	0.8%
4,800	4,800	Staff Uniforms	4,000	(800)	-16.7%
50,235	50,177	Workers Comp Insurance	51,837	1,602	3.2%
15,400	21,400	Training & Conference Costs incl Travel & Accom	14,000	(1,400)	-9.1%
400	400	Study Assistance & Employee Memberships	400	0	0.0%
200	200	Occupational Health & Safety	500	300	150.0%
85,789	92,751	Total Staff Related	86,637	848	1.0%
Buildings Furniture & Fittings					
9,630	9,630	Depreciation on Furn, Equip & Fittings	9,530	(100)	-1.0%
9,630	9,630	Total Buildings Furniture & Fittings	9,530	(100)	-1.0%
Plant & Equipment					
8,010	8,010	Depreciation Plant & Equipment	8,060	50	0.6%
6,000	6,000	Plant Fuel Gas & Oil	6,600	600	10.0%
3,000	3,000	Plant inter-departmental costs (including credits)	3,000	0	0.0%
17,010	17,010	Total Plant & Equipment	17,660	650	3.8%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
INFORMATION SERVICES
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Computer Expenditure					
309,070	303,080	Depreciation - Computer Equipment	254,100	(54,970)	-17.8%
680,000	810,000	Software (Purchase, Licencing & Maintenance)	800,000	120,000	17.6%
60,000	53,200	Hardware (Support& Maintenance & Leasing)	25,000	(35,000)	-58.3%
12,000	12,000	Sundry Computer Costs	12,000	0	0.0%
1,061,070	1,178,280	Total Computer Expenditure	1,091,100	30,030	2.8%
General Expenses					
30,000	30,000	Minor Capital	20,000	(10,000)	-33.3%
460	460	Catering & Ent - Council Employees	320	(140)	-30.4%
8,353	7,729	General Insurance Premium	8,038	(315)	-3.8%
48,300	48,300	Postage, Courier & Freight	48,360	60	0.1%
14,400	14,400	Stationery & Photocopying	11,400	(3,000)	-20.8%
2,700	2,700	Subscriptions & Associations	2,750	50	1.9%
46,979	41,979	Telephone & Internet	42,678	(4,301)	-9.2%
0	0	Professional Fees - Consultants	5,000	5,000	N/A
43,800	43,800	General	41,500	(2,300)	-5.3%
194,992	189,368	Total General Expenses	180,046	(14,946)	-7.7%
Bank & Finance					
8,258	8,258	Interest LGFA	0	(8,258)	-100.0%
8,258	8,258	Total Bank & Finance	0	(8,258)	-100.0%
Occupancy & Property					
14,041	14,041	Electricity & Gas	13,189	(852)	-6.1%
14,041	14,041	Total Occupancy & Property	13,189	(852)	-6.1%
2,529,948	2,655,496	Total Expenditure	2,565,479	35,531	1.4%
(2,502,948)	(2,628,496)	Operational Surplus/(Deficit)	(2,533,279)	(30,331)	1.2%

Corporate & Regulatory Division Regulatory Services 2016/17 Business Plan and Budget Statement

Objective(s)

The aim of the Regulatory Services is to:

- Manage community well-being and safety, and ensure compliance with various legislation; and
- Manage non-compliance through education and enforcement.

Key Activities 2016/17

Key activities include the following:

- Environmental health;
- Immunisation;
- Environment;
- Parking;
- Animal management;
- Licensing and permits;
- Waste management.

Performance Measures

Performance measures, both financial and non-financial, against which Regulatory Services will be assessed, are:

- Compliance is achieved with relevant legislation to ensure Council's legal obligations are met;
- Activities in the public realm are carried out in accordance with relevant legislation;
- The immunisation program is carried out in accordance with National Health and Medical Research Council standing drug orders and the current immunisation schedule.

2016/17 Budget Highlights

1. Income

- Total income is budgeted to increase by \$397,925 or 35.8 per cent to \$1,508,080;
- Parking and related fees are being increased by \$370,000 or 54.8 per cent to \$1,045,000 over what was originally budgeted in 2015/16;
- Dog registration and related fees are unchanged at \$279,980, based on fees and charges adopted by Council;
- Environmental health subsidy income has increased by \$5,000 or 5.0 per cent to \$105,600, reflecting an increase in vaccinations and funding arrangements.

2. Operational Expenditure

- Operational expenditure has increased by \$192,619 or 10.4 per cent to \$2,043,737 over what was budgeted in 2015/16;
- Employment related costs have increased by \$204,299 or 13.9 per cent, to \$1,677,634, an increase that includes allowance for two new positions, a Compliance Officer and an Administrative Officer, with both positions approved by Council and fully funded by the generation of additional parking income;
- Contractor expenses have been decreased by \$31,600 or 23.6 per cent, to \$102,200, an amount that largely covers compliance support in animal management and parking, and immunisation administration support.

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
REGULATORY SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
Statutory Charges					
256,000	256,000	Dog Registration Fees	256,000	0	0.0%
18,000	18,000	Dog Control Fines	18,000	0	0.0%
5,980	5,980	Dog Control Other	5,980	0	0.0%
9,700	12,200	Other Public Order & Safety / Other Regulatory Services	20,000	10,300	106.2%
10,000	10,000	Dog Control Court Fees	10,000	0	0.0%
52,500	52,500	Other Health Statutory Charges	53,600	1,100	2.1%
610,000	860,000	Parking Fees	950,000	340,000	55.7%
65,000	90,000	Parking Fines, Costs & Other	95,000	30,000	46.2%
20,000	20,000	Other Statutory Charges (including Road Moieties)	25,000	5,000	25.0%
1,047,180	1,324,680	Total Statutory Charges	1,433,580	386,400	36.9%
User Charges					
48,100	52,100	Other Health Income / Immun & Preventative Health	52,000	3,900	8.1%
12,875	12,875	Other User Charges NEC	20,000	7,125	55.3%
60,975	64,975	Total User Charges	72,000	11,025	18.1%
Reimbursements					
2,000	2,000	Other	2,500	500	25.0%
2,000	2,000	Total Reimbursements	2,500	500	25.0%
1,110,155	1,391,655	Total Income	1,508,080	397,925	35.8%
Operational Expenditure					
Staff Costs					
1,209,401	1,179,401	Salaries, Wages & Allowances	1,360,263	150,862	12.5%
7,575	7,575	Salaries, Wages & Allowances - Casual Staff	0	(7,575)	-100.0%
3,350	24,130	Agency Contract Staff	15,300	11,950	356.7%
10,500	31,500	Overtime	25,200	14,700	140.0%
30,514	30,514	Leave Provisions	34,428	3,914	12.8%
115,939	117,739	Superannuation	130,841	14,902	12.9%
1,377,279	1,390,859	Total Staff Costs	1,566,032	188,753	13.7%
Staff Related					
7,882	8,472	Fringe Benefits Tax - Motor Vehicles	8,480	598	7.6%
6,900	6,900	Staff Uniforms	8,650	1,750	25.4%
1,400	1,400	Protective Clothing & Equipment	1,400	0	0.0%
60,134	60,066	Workers Comp Insurance	67,864	7,730	12.9%
15,000	15,000	Training & Conference Costs incl Travel & Accom	15,000	0	0.0%
240	240	Study Assistance & Employee Memberships	200	(40)	-16.7%
4,500	8,300	Occupational Health & Safety	10,008	5,508	122.4%
96,056	100,378	Total Staff Related	111,602	15,546	16.2%

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
REGULATORY SERVICES
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Buildings Furniture & Fittings					
690	690	Depreciation on Furn, Equip & Fittings	670	(20)	-2.9%
500	500	Maintenance - Furniture, Equipment & Fittings	1,000	500	100.0%
1,190	1,190	Total Buildings Furniture & Fittings	1,670	480	40.3%
Plant & Equipment					
26,940	26,080	Depreciation Plant & Equipment	30,040	3,100	11.5%
12,000	12,000	Plant Fuel Gas & Oil	12,900	900	7.5%
21,300	21,300	Plant inter-departmental costs (including credits)	19,900	(1,400)	-6.6%
60,240	59,380	Total Plant & Equipment	62,840	2,600	4.3%
General Expenses					
5,200	13,200	Minor Capital	250	(4,950)	-95.2%
600	600	Catering & Ent - Council Employees	400	(200)	-33.3%
200	200	Catering & Ent - Non-Employees (incl EM's)	200	0	0.0%
1,078	1,227	General Insurance Premium	1,276	198	18.4%
10,000	10,000	Stationery & Photocopying	9,500	(500)	-5.0%
9,600	9,600	Publications & Printing	11,750	2,150	22.4%
4,350	4,350	Subscriptions & Associations	4,400	50	1.1%
9,331	9,331	Telephone & Internet	9,348	17	0.2%
5,000	5,000	Advertising & Publicity	5,000	0	0.0%
790	790	Professional Fees - Medical	750	(40)	-5.1%
11,300	20,200	Medical Supplies	15,000	3,700	32.7%
69,000	79,000	General	89,000	20,000	29.0%
126,449	153,498	Total General Expenses	146,874	20,425	16.2%
Council Expenditure					
45,700	45,700	Levies & Charges	45,700	0	0.0%
45,700	45,700	Total Council Expenditure	45,700	0	0.0%
Contract Expenditure					
133,800	178,800	Contractors - No Overhead	102,200	(31,600)	-23.6%
133,800	178,800	Total Contract Expenditure	102,200	(31,600)	-23.6%
Occupancy & Property					
10,404	10,404	Electricity & Gas	6,819	(3,585)	-34.5%
10,404	10,404	Total Occupancy & Property	6,819	(3,585)	-34.5%
1,851,118	1,940,209	Total Expenditure	2,043,737	192,619	10.4%
(740,963)	(548,554)	Operational Surplus/(Deficit)	(535,657)	205,306	-27.7%

Corporate & Regulatory Division Waste Management 2016/17 Business Plan and Budget Statement

Objective(s)

Waste Management aims to:

- Provide high standard, integrated waste and resource recovery services, based on “best practice” principles;
- Ensure compliance with the kerbside waste and recycling collection agreement;
- Fulfil Council’s obligations under the Local Government Act 1999.

Key Activities 2016/17

Key activities include the following:

- Waste education;
- Waste removal;
- Waste disposal;
- Manage the kerbside waste and recycling collection contract agreement;
- Review options for future recycling and hard waste collection;
- Illegal Dumping.

Performance Measures

Performance measures, both financial and non-financial, against which waste management will be assessed, are:

- A reduction in waste tonnages to landfill and increased recycling;
- Council’s legal obligations under legislation relating to provision of waste and resource recovery are met;
- Promotional and educational initiatives for the use of the three bin kerbside waste system;
- Promotional and education initiatives for illegal dumping.

2016/17 Budget Highlights

1. Income

- Income of \$4,500 from subsidised purchase of worm farms and compost bins has been budgeted, which is unchanged from 2015/16.

2. Operational Expenditure

- Operational expenditure has increased by \$233,608 or 5.2 per cent to \$4,758,005 over what was budgeted in 2015/16;
- An increase of \$150,000 or 4.8 per cent (from \$3,150,000 to \$3,300,000) has been budgeted for waste collection;
- The collection budget amount of \$3,300,000 includes an allowance of \$564,000 for the following items (\$401,000 in 2015/16):

	\$
Hard waste	414,000
Hazardous waste collection	25,000
Mattresses	15,000
E-waste collection	10,000
Vouchers - 6 x 4 trailer	100,000
Total	564,000

- The hard waste collection budget is based on at-call occurring in the first three months of 2016/17 and a campaign collection being undertaken subsequently;
- The hard waste collection budget has been increased from \$300,000 in 2015/16 to \$414,000;
- Waste to landfill costs has been increased by \$75,000 or 6.4 per cent to \$1,250,000, largely because of an expected waste levy increase.

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
WASTE MANAGEMENT
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
4,500	4,500	Other User Charges NEC	4,500	0	0.0%
4,500	4,500	Total User Charges	4,500	0	0.0%
Other Income					
0	40,000	Other Income NEC	0	0	N/A
0	40,000	Total Other Income	0	0	N/A
4,500	44,500	Total Income	4,500	0	0.0%
Operational Expenditure					
Staff Costs					
121,052	121,052	Salaries, Wages & Allowances	123,899	2,847	2.4%
500	500	Overtime	400	(100)	-20.0%
3,057	3,057	Leave Provisions	3,138	81	2.6%
11,616	11,616	Superannuation	11,926	310	2.7%
136,224	136,224	Total Staff Costs	139,363	3,139	2.3%
Staff Related					
140	140	Fringe Benefits Tax - Entertainment & Sundry	0	(140)	-100.0%
900	900	Staff Uniforms	900	0	0.0%
0	0	Protective Clothing & Equipment	200	200	N/A
6,025	6,018	Workers Comp Insurance	6,137	112	1.9%
3,000	3,000	Training & Conference Costs incl Travel & Accom	3,000	0	0.0%
970	970	Occupational Health & Safety	960	(10)	-1.0%
11,035	11,028	Total Staff Related	11,197	162	1.5%
Plant & Equipment					
3,260	3,460	Depreciation Plant & Equipment	3,490	230	7.1%
1,500	1,500	Plant Fuel Gas & Oil	1,500	0	0.0%
1,500	1,500	Plant inter-departmental costs (including credits)	1,500	0	0.0%
6,260	6,460	Total Plant & Equipment	6,490	230	3.7%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
WASTE MANAGEMENT
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
General Expenses					
200	200	Catering & Ent - Council Employees	200	0	0.0%
1,180	1,180	Catering & Ent - Non-Employees (incl EM's)	1,300	120	10.2%
127	122	General Insurance Premium	126	(1)	-0.8%
1,500	1,500	Stationery & Photocopying	1,500	0	0.0%
26,600	26,600	Publications & Printing	17,000	(9,600)	-36.1%
695	695	Subscriptions & Associations	625	(70)	-10.1%
460	460	Telephone & Internet	588	128	27.8%
800	800	Advertising & Publicity	5,000	4,200	525.0%
0	2,100	Professional Fees - Consultants	0	0	N/A
12,000	12,000	General	14,400	2,400	20.0%
43,562	45,657	Total General Expenses	40,739	(2,823)	-6.5%
Council Expenditure					
800	800	Donations, Awards & Contributions	2,680	1,880	235.0%
800	800	Total Council Expenditure	2,680	1,880	235.0%
Contract Expenditure					
0	4,885	Contractors - No Overhead	5,000	5,000	N/A
1,175,000	1,175,000	Waste Contract - Disposal	1,250,000	75,000	6.4%
3,150,000	3,150,000	Waste Contract - Collection	3,300,000	150,000	4.8%
4,325,000	4,329,885	Total Contract Expenditure	4,555,000	230,000	5.3%
Occupancy & Property					
1,515	1,515	Electricity & Gas	2,536	1,021	67.4%
1,515	1,515	Total Occupancy & Property	2,536	1,021	67.4%
4,524,397	4,531,570	Total Expenditure	4,758,005	233,608	5.2%
(4,519,897)	(4,487,070)	Operational Surplus/(Deficit)	(4,753,505)	(233,608)	5.2%

Corporate and Regulatory Services Division Human Resources and Service Centre 2016/17 Business Plan and Budget Statement

Objective(s)

Human Resources and the Council's Service Centre aim to ensure adherence to standards through proactively supporting the organisation in the management of customer service, work health and safety (WHS), injury management and people, in delivering a successful business and work environment.

Key Activities 2016/17

Key activities include the following:

- Provision of high level customer service over the counter and via the call centre and through management of online customer requests;
- The ongoing development and management of injury management management systems and tools, to ensure adequate protection for the organisation and employees, including equitable and timely responses to workers compensation claims;
- Managing resources and processes to ensure compliance with industrial, legal and other frameworks, along with effective delivery and innovation;
- The provision of frameworks, policies and processes to support organisational and individual performance and culture to achieve individual, departmental and organisational objectives;
- Partnering across the organisation to build people capability through the provision of information, frameworks, policies and strategies to meet organisational outcomes;
- Ongoing development and management of work health and safety and injury management systems to ensure ongoing compliance with legislative requirements and the performance standards for self-insurers.

Performance Measures

Performance measures, both financial and non-financial, against which the departments will be assessed, are:

- 80 per cent of policies due for review will be completed by June 2017;
- Email, phone and front counter enquiries and financial transactions resolved to agreed standards;
- 2 per cent growth in online transactions and 2 per cent fall in after hour calls;
- Outcomes and targets identified within the Work Health Safety and Injury Management Plan are completed.

2016/17 Budget Highlights

1. Income

- Only \$12,400 in reimbursement income has been budgeted.

2. Operational Expenditure

- Operational expenditure has increased by \$36,480 or 2.5 per cent to \$1,524,614;
- Employment related costs have increased by \$80,078 or 6.0 per cent, to \$1,359,944, an increase that includes additional casual support being provided to the Service Centre;
- Professional fees of \$61,700 have been budgeted (unchanged from 2015/16) which includes provision for pre-employment medicals, security checks, counselling support, WHS and workers compensation assistance and other professional HR support;
- Training and development costs have increased by \$10,000 or 16.9 per cent to \$69,000, an amount that includes corporate training and a planned focus in 2016/17 on building organisational capability through skill and knowledge development, performance management, customer service and information technology.

BUDGET 2015/16 - SUPPLEMENTARY INFORMATION
HUMAN RESOURCES & SERVICE CENTRE
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
Income					
User Charges					
12,400	12,400	Other User Charges NEC	12,400	0	0.0%
12,400	12,400	Total User Charges	12,400	0	0.0%
Reimbursements					
0	15,130	Other	0	0	N/A
35,000	134,000	Insurance Claims Reimbursements	0	(35,000)	-100.0%
35,000	149,130	Total Reimbursements	0	-35,000	-100.0%
47,400	161,530	Total Income	12,400	(35,000)	-73.8%
Operational Expenditure					
Staff Costs					
952,687	1,035,687	Salaries, Wages & Allowances	956,383	3,696	0.4%
36,850	109,565	Salaries, Wages & Allowances - Casual Staff	103,661	66,811	181.3%
0	82,630	Agency Contract Staff	0	0	N/A
3,000	3,000	Overtime	2,400	(600)	-20.0%
24,034	24,034	Leave Provisions	24,220	186	0.8%
91,330	100,330	Superannuation	92,055	725	0.8%
1,107,901	1,355,246	Total Staff Costs	1,178,719	70,818	6.4%
Staff Related					
7,882	8,477	Fringe Benefits Tax - Motor Vehicles	8,480	598	7.6%
860	860	Fringe Benefits Tax - Entertainment & Sundry	800	(60)	-7.0%
7,700	7,700	Staff Uniforms	7,200	(500)	-6.5%
0	0	Protective Clothing & Equipment	0	0	N/A
47,373	47,318	Workers Comp Insurance	47,745	372	0.8%
59,000	66,500	Training & Conference Costs incl Travel & Accom	69,000	10,000	16.9%
1,600	1,600	Study Assistance & Employee Memberships	0	(1,600)	-100.0%
46,650	36,650	Occupational Health & Safety	48,000	1,350	2.9%
171,065	169,105	Total Staff Related	181,225	10,160	5.9%
Buildings Furniture & Fittings					
1,790	1,790	Depreciation on Furn, Equip & Fittings	1,350	(440)	-24.6%
1,790	1,790	Total Buildings Furniture & Fittings	1,350	(440)	-24.6%
Plant & Equipment					
6,920	6,920	Depreciation Plant & Equipment	4,630	(2,290)	-33.1%
3,500	3,500	Plant Fuel Gas & Oil	2,500	(1,000)	-28.6%
3,800	3,800	Plant inter-departmental costs (including credits)	3,000	(800)	-21.1%
14,220	14,220	Total Plant & Equipment	10,130	(4,090)	-28.8%

BUDGET 2015/16 - SUPPLEMENTARY INFORMATION
HUMAN RESOURCES & SERVICE CENTRE
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
General Expenses					
1,200	1,200	Catering & Ent - Council Employees	1,200	0	0.0%
9,991	9,831	General Insurance Premium	10,224	233	2.3%
21,000	123,000	Insurance - Repair, Excess & Discharge	0	(21,000)	-100.0%
500	500	Postage, Courier & Freight	500	0	0.0%
8,000	8,000	Stationery & Photocopying	9,000	1,000	12.5%
500	500	Publications & Printing	500	0	0.0%
18,000	18,000	Subscriptions & Associations	4,000	(14,000)	-77.8%
14,873	14,873	Telephone & Internet	15,093	220	1.5%
28,000	18,000	Advertising & Publicity	20,000	(8,000)	-28.6%
10,000	10,000	Professional Fees - Medical	10,000	0	0.0%
36,700	62,910	Professional Fees - Consultants	36,700	0	0.0%
5,000	5,000	Professional Fees - Recruitment	5,000	0	0.0%
10,000	10,000	Professional Fees - General	10,000	0	0.0%
8,000	8,000	General	8,000	0	0.0%
171,764	289,814	Total General Expenses	130,217	(41,547)	-24.2%
Bank & Finance					
500	500	Sundry Bank & Finance Charges	500	0	0.0%
500	500	Total Bank & Finance	500	0	0.0%
Occupancy & Property					
13,894	13,894	Electricity & Gas	14,573	679	4.9%
7,000	7,000	Security Costs	7,900	900	12.9%
20,894	20,894	Total Occupancy & Property	22,473	1,579	7.6%
1,488,134	1,851,569	Total Expenditure	1,524,614	36,480	2.5%
(1,440,734)	(1,690,039)	Operational Surplus/(Deficit)	(1,512,214)	(71,480)	5.0%

City Management Division



The City Management Division is responsible for the provision of a range of services to elected representatives, the community and the Council.

The City Management Division comprises the following:

- Elected Council;
- Office of the Mayor and Chief Executive.

City Management Division Elected Council 2016/17 Business Plan and Budget Statement

Objective(s)

The Elected Council covers the operational requirements of Council's elected representatives.

Key Activities 2016/17

Key activities include the following:

- Acting as a representative, informed and responsible decision-maker in the interests of the community;
- Providing and co-ordinating public services and facilities;
- Developing the community and resources in a socially just and ecologically sustainable manner;
- Encouraging and developing community initiatives in order to improve the quality of life for residents;
- Representing the interests of the community to the wider community;
- Exercising, performing and discharging the powers, functions and duties of local government under the Local Government Act and other related legislation.

Performance Measures

Performance measures, both financial and non-financial, against which the Elected Council will be assessed, are:

- Compliance with the requirements of the Local Government Act 1999;
- Observance of Council policy, including Council's code of conduct;
- Evidence of the Council working within a strategic planning framework;
- Proper discharge of powers, functions and duties under the Local Government Act and related legislation;
- Evidence of timely and responsible decision making;
- Evidence of open, responsible and accountable government;
- Attendance at Council meetings, workshops and community forums;
- Active representation of community interests;
- Positive feedback from the community;
- Positive media;
- Responsible management of Council resources and services to the community;
- Unqualified audit report;
- Evidence of steps being taken in relation to sustainable development and the protection of the environment.

2016/17 Budget Highlights

1. Income

- Only \$3,000 in income has been budgeted, largely telephone and travel expenditure reimbursements.

2. Operational Expenditure

- Operational expenditure has increased by \$10,729 or 1.4 per cent to \$777,870;
- Donations, awards and contributions include \$20,000 for Mendelson Foundation scholarships;
- Allowances for Elected Members of \$396,500 have been budgeted, based on allowances adopted by Council and increases anticipated in November 2016 (\$392,417 in 2015/16);
- Annual subscription payments to the LGA, AMAC and the Murray Darling Association totalling \$90,300 have been budgeted, an increase of \$3,800 or 4.4 per cent.

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
ELECTED COUNCIL
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO	
ORIGINAL	ESTIMATE			2015/16 ORIGINAL	
Income					
Reimbursements					
4,000	4,000	Other Reimbursements	3,000	(1,000)	-25.0%
4,000	4,000	Total Reimbursements	3,000	(1,000)	-25.0%
4,000	4,000	Total Income	3,000	(1,000)	-25.0%
Operational Expenditure					
Staff Costs					
10,000	10,000	Salaries&Wages&Allowances-Casual Staff	10,500	500	5.0%
10,000	10,000	Total Staff Costs	10,500	500	5.0%
Staff Related					
23,900	23,900	Fringe Benefits Tax-Entertainment&Sundry	20,000	(3,900)	-16.3%
23,900	23,900	Total Staff Related	20,000	(3,900)	-16.3%
Buildings Furniture & Fittings					
7,230	6,670	Deprec Furniture& Equipment & Fittings	5,070	(2,160)	-29.9%
500	500	Maint Furniture& Equipment & Fittings	500	0	0.0%
7,730	7,170	Total Buildings Furniture & Fittings	5,570	(2,160)	-27.9%
Plant & Equipment					
4,190	4,190	Depreciation Plant & Equipment	4,220	30	0.7%
1,200	1,200	Plant Fuel Gas & Oil	1,000	(200)	-16.7%
1,200	1,200	Plant inter-departmental costs (including credits)	1,330	130	10.8%
6,590	6,590	Total Plant & Equipment	6,550	(40)	-0.6%
Computer Expenditure					
1,020	2,940	Deprec Computer Equipment	1,930	910	89.2%
1,020	2,940	Total Computer Expenditure	1,930	910	89.2%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
ELECTED COUNCIL
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
General Expenses					
0	1,058	Minor Capital	0	0	N/A
40,000	34,000	Catering/Entertainment - Employees	36,000	(4,000)	-10.0%
39,000	40,000	Catering/Entertain-Elected Members/others	40,000	1,000	2.6%
29,752	28,854	General Insurance Premium	30,008	256	0.9%
8,000	10,000	Postage& Courier & Freight	7,000	(1,000)	-12.5%
9,300	9,300	Stationery & Photocopying	10,000	700	7.5%
1,500	1,500	Publications & Printing	1,200	(300)	-20.0%
86,500	89,485	Subscriptions & Associations	90,300	3,800	4.4%
20,200	20,200	Telephone & Internet	19,448	(752)	-3.7%
38,000	38,000	Elected Member Travel & Training	40,000	2,000	5.3%
1,200	1,200	Advertising & Publicity	3,000	1,800	150.0%
2,000	2,000	Promotion& Merchandising & Marketing	1,500	(500)	-25.0%
20,000	20,000	Professional Fees - General	23,000	3,000	15.0%
2,500	2,500	Contract Linen	3,400	900	36.0%
6,000	6,000	General	6,000	0	0.0%
303,952	304,097	Total General Expenses	310,856	6,904	2.3%
Council Expenditure					
392,417	392,417	Member Allowances	396,500	4,083	1.0%
20,000	20,000	Donations Awards Contributions & Other Rebates	25,000	5,000	25.0%
412,417	412,417	Total Council Expenditure	421,500	9,083	2.2%
Occupancy & Property					
1,532	1,532	Light& Power& Gas & Fuel	964	(568)	-37.1%
1,532	1,532	Total Occupancy & Property	964	(568)	-37.1%
767,141	768,646	Total Expenditure	777,870	10,729	1.4%
(763,141)	(764,646)	Operational Surplus/(Deficit)	(774,870)	(11,729)	1.5%

City Management Division Office of the Chief Executive 2016/17 Business Plan and Budget Statement

Objective(s)

The Office of the Chief Executive supports the Elected Council and manages the overall operation of the Council.

Key Activities 2016/17

Key activities include the following:

- Ensuring the policies and lawful decisions of the Council are implemented in a timely and efficient manner;
- Managing the day-to-day operations and affairs of the Council;
- Providing advice and reports to the Council on the exercise and performance of its powers and functions under the Local Government Act and other legislation;
- Co-ordinating proposals for consideration by the Council for developing objectives, policies and programs for the area;
- Providing information to the Council to assist in assessing performance against Council's strategic management plans;
- Ensuring that timely and accurate information about Council policies and programs is regularly provided to the community;
- Ensuring that appropriate and prompt responses are given to specific requests for information made to the Council;
- Ensuring that the assets and resources of the Council are properly managed and maintained;
- Ensuring that the records required under the Local Government Act and other legislation are properly kept and maintained;
- Giving effect to the principles of human resource management prescribed by the Local Government Act and applying proper management practices;
- Exercising, performing and discharging powers, functions and duties conferred by or under the Local Government Act and other legislation;
- Furthering economic development in the Council area;
- Producing timely, compliant and high quality Council and committee agendas and minutes;
- Continuing the implementation and management of Council's lean thinking program (continuous improvement);
- Performing other functions lawfully directed by the Council.

Performance Measures

Performance measures, both financial and non-financial, against which the Office of the CEO will be assessed, are:

- Compliance with the requirements of the Local Government Act 1999, and the observance of Council policy;
- Implementation of Council policies and decisions in a timely and efficient manner;
- Existence of a strategic planning framework and evidence that it drives future directions of the Council;

- Proper discharge of powers, functions and duties under the Local Government Act and related legislation;
- Evidence that Council decisions are implemented without undue delay;
- Evidence that the assets and resources of the Council are properly managed and maintained;
- Evidence that an appropriate organisational structure for the Council is established and maintained;
- Evidence of application of the principles of human resource management prescribed by the Local Government Act and the application of proper management practices;
- Evidence of timely and responsible decision making;
- Evidence of open, responsible and accountable administration;
- Attendance at Council meetings, workshops and community forums;
- Positive feedback from the community and in the media;
- Responsible management of Council resources and services to the community;
- Unqualified audit report;
- Evidence of steps being taken in relation to sustainable development and the protection of the environment.

2016/17 Budget Highlights

1. Income

- Only \$1,000 in reimbursement income has been budgeted.

2. Operational Expenditure

- Operational expenditure has increased by \$442,084 or 57.0 per cent to \$1,217,903;
- Staffing cost increases reflect structural changes that have seen the Office of the CEO take on direct responsibility for continuous improvement, economic development, agenda and minute preparation, and the provision of support to the Mayor and Elected Members;
- All legal costs are substantially budgeted in this business unit, and an amount of \$225,000 has been budgeted. This is the same as the amount budgeted in 2015/16;
- Professional fees have been increased to \$14,000, with provision made for the support of continuous improvement programs and advice on the sale of riverfront land at the Brickworks' site.

BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
OFFICE OF THE CEO
OPERATIONAL EXPENDITURE & INCOME

2015/16 BUDGET		DESCRIPTION	2016/17 BUDGET	VARIATION TO	
ORIGINAL	ESTIMATE			2015/16 ORIGINAL	
Income					
Reimbursements					
750	750	Other Reimbursements	1,000	250	33.3%
750	750	Total Reimbursements	1,000	250	33.3%
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750	750	Total Income	1,000	250	33.3%
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Operational Expenditure					
Staff Costs					
366,668	516,668	Salaries & Wages & Allowances	709,763	343,095	93.6%
8,000	15,000	Overtime	10,400	2,400	30.0%
9,250	9,250	Leave Provisions	17,977	8,727	94.3%
35,150	49,150	Superannuation	68,316	33,166	94.4%
419,068	590,068	Total Staff Costs	806,456	387,388	92.4%
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Staff Related					
13,046	13,996	Fringe Benefits Tax - Motor Vehicles	14,700	1,654	12.7%
2,290	2,290	Fringe Benefits Tax-Entertainment & Sundry	2,000	(290)	-12.7%
500	1,000	Staff Uniforms	2,000	1,500	300.0%
200	200	Protective Clothing & Equipment	0	(200)	-100.0%
18,232	18,211	Workers Comp Insurance	35,434	17,202	94.4%
6,400	11,450	Training & Conference Costs incl travel & accom	22,000	15,600	243.8%
40,668	47,147	Total Staff Related	76,134	35,466	87.2%
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Buildings Furniture & Fittings					
1,310	1,310	Deprec Furniture & Equipment & Fittings	1,200	(110)	-8.4%
1,310	1,310	Total Buildings Furniture & Fittings	1,200	(110)	-8.4%
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Plant & Equipment					
7,880	7,880	Depreciation Plant & Equipment	7,930	50	0.6%
1,800	1,800	Plant Fuel Gas & Oil	1,320	(480)	-26.7%
2,000	2,000	Plant inter-departmental costs (including credits)	2,300	300	15.0%
11,680	11,680	Total Plant & Equipment	11,550	(130)	-1.1%

**BUDGET 2016/17 - SUPPLEMENTARY INFORMATION
OFFICE OF THE CEO
OPERATIONAL EXPENDITURE & INCOME**

2015/16 BUDGET		DESCRIPTION	2016/17	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2015/16 ORIGINAL	
General Expenses					
500	500	Minor Capital	1,000	500	100.0%
6,000	6,500	Catering/Entertainment - Employees	8,000	2,000	33.3%
1,800	2,800	Catering/Entertain-Elected Members/others	2,400	600	33.3%
14,454	10,755	General Insurance Premium	11,184	(3,270)	-22.6%
200	200	Postage& Courier & Freight	200	0	0.0%
3,000	3,000	Stationery & Photocopying	4,000	1,000	33.3%
0	2,000	Publications & Printing	2,000	2,000	N/A
8,000	8,000	Subscriptions & Associations	11,000	3,000	37.5%
3,132	3,132	Telephone & Internet	3,045	(87)	-2.8%
500	500	Volunteer Travel	0	(500)	-100.0%
500	500	Promotion& Merchandising & Marketing	500	0	0.0%
225,000	225,000	Professional Fees - Legal	225,000	0	0.0%
20,000	35,000	Professional Fees - Consultants	34,000	14,000	70.0%
100	100	Contract Linen	0	(100)	-100.0%
17,000	17,000	General	18,000	1,000	5.9%
300,186	314,987	Total General Expenses	320,329	20,143	6.7%
Occupancy & Property					
2,907	2,907	Light& Power& Gas & Fuel	2,234	(673)	-23.2%
2,907	2,907	Total Occupancy & Property	2,234	(673)	-23.2%
775,819	968,099	Total Expenditure	1,217,903	442,084	57.0%
(775,069)	(967,349)	Operational Surplus/(Deficit)	(1,216,903)	(441,834)	57.0%