

CITY OF WEST TORRENS



# Notice of Special Committee Meeting

**NOTICE IS HEREBY GIVEN** in accordance with Sections 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, 4 APRIL 2017**  
**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 Procedures****2 PRESENT****3 APOLOGIES****4 DISCLOSURE STATEMENTS**

Committee Members are required to:

1. Consider Section 73 and 75 of the *Local Government Act 1999* and determine whether they have a 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*.

**5 CONFIRMATION OF MINUTES****RECOMMENDATION**

That the Minutes of the meeting of the Finance and Regulatory Prescribed Standing Committee held on 21 March 2017 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 2017/18

#### Brief

The first draft of the 2017/18 budget and annual business plan is tabled for Council review and consideration.

#### RECOMMENDATION(S)

The Committee recommends to Council that the proposed 2017/18 budget and annual business plan be released for public consultation.

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#### Introduction

The first draft of the budget and annual business plan for 2017/18 is included with this agenda under separate cover for review and consideration. The document has been prepared in a form adopted by Council on 13 December 2016. 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 6 April 2017 (a special meeting)
- Wednesday 12 April 2017 (a special meeting)
- Tuesday 18 April 2017 (following the Council meeting)
- Thursday 20 April 2017 (a special meeting)
- Tuesday 6 June 2017 (Council meeting - community consultation)
- Tuesday 20 June 2017 (Council meeting - community feedback)
- Tuesday 4 July 2017 (Council meeting - budget adoption)

Other meeting dates will be scheduled, if required.

Time will be set aside in the Council meeting on Tuesday 6 June 2017 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 20 June 2017 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 4 July 2017. The rates will then be declared.

### Rate Options

Minutes of the Council meeting on 13 December 2016 state that:

Cr Woodward requested as a part of the 2017/18 budget process that the Administration provide rate increase options for consideration, along with suggestions of lower priority items that Council could delete in taking up the options.

A rate increase of 2.5 per cent is proposed for 2017/18 and is considered appropriate by the Administration. However, the following items could be considered for removal if a lower increase is considered appropriate:

1. Dog kennel funding of \$200,000;
2. Post RFID changes to the library layout funding of \$200,100.

One or both of these projects could also be funded over two financial years.

Income movements from a reduction in the proposed rate increase are estimated as follows:

Reduction	Rate Increase	Estimated Impact (\$)		
		Rates	Rate Equivalents	Total
0.0	2.5	0	0	0
0.2	2.3	96,000	10,000	106,000
0.4	2.1	193,000	20,000	213,000
0.6	1.9	290,000	30,000	320,000
0.8	1.7	387,000	40,000	427,000
1.0	1.5	484,000	50,000	534,000

The impact on the forward estimates of a reduction in the rate increase proposed for 2017/18 also needs to be considered. It will be sizeable, estimated to total \$3.8 million for a reduction of 0.6 per cent over the 10 year forecast period. This will be much more significant if rate increases factored into the forward estimates are also reduced.

These effects would be impacted further (and significantly one would expect) if rate capping is imposed on local government. It is assumed for the purposes of Council's forward estimates that rate capping is not introduced in the next 10 years, but a major revision will be required if this is not the case. Capital expenditure programs are expected to be impacted.

## Conclusion

The first budget and annual business plan draft for 2017/18 is tabled for Council consideration.

## Attachments

1. **Supplementary List - Items not included in the 2017-18 Budget**

**Supplementary List**  
**Items not included in the 2017/18 Budget**

**Capital Budget**

1	Building upgrade - RSL Hilton	\$	823,170	
2	Roof repairs - RSL Hilton	\$	105,000	(a)
3	Richmond Oval facilities upgrade	\$	550,000	
4	Bluestone cottage upgrade	\$	150,000	
5	Purchase portable CCTV equipment	\$	105,000	
			<hr/>	
		\$	<b>1,733,170</b>	
			<hr/>	

**Capital Works Budget**

1	Upgrade of West Beach Road	\$	1,980,000	(b)
2	Greening the city	\$	500,000	
			<hr/>	
		\$	<b>2,480,000</b>	
			<hr/>	

<b><u>Total</u></b>		\$	<b><u>4,213,170</u></b>	
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(a) Being referred to 2017/18 budget as resolved by CFGC on 28/3/17

(b) Subject to SLRP funding application - total cost \$6m (2/3 of 50%)

**10 MEETING CLOSE**



# 2017/18

**Proposed budget and annual business plan**  
1st draft



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## **Executive Summary**

## Introduction

This Budget and Annual Business Plan for 2017/18 is in a form adopted by Council on 13 December 2016. 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.

A profile of the City of West Torrens is included in the appendix of this document.

## 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 2019/20 to address fully Council's strategic priorities, in particular sustainability, asset management and stormwater flood mitigation. It is assumed for the purposes of Council's forward estimates that rate capping will not be introduced in the next 10 years. A substantial review of the estimates, including future expenditure commitments, will need to be undertaken if this is not the case.

### A Balanced Budget

Council's operating statement in the proposed 2017/18 budget projects a surplus from operations of \$10,180,416 as follows, based on a 2.5 per cent rate increase:

	\$
Income	63,878,928
Expenditure	53,698,512
	<hr/>
Operating Surplus	10,180,416
	<hr/>

Note that the surplus above is an indicator of operating performance, including the funding of asset depreciation, not an indicator of the cash surplus of the Council. Capital expenditure referred to on the next page is not included in the expenditure above.

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 \$4,405 is also projected.

### Debt Free

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

### Operational Expenditure

Operational costs across all areas of the Council are increasing by 4.5 per cent as shown, the key increases being:

- Employment costs have increased by \$1,364,049 or 6.3 per cent over the original budget estimates for 2016/17 (\$799,020 or 3.8 per cent last budget), with FTE's increasing net by 5.7. This is further explained later in this commentary under the heading "Employment Costs".
- Waste to landfill costs has been increased by \$320,000 or 25.6 per cent to \$1,570,000, largely because of waste levy increases imposed by the state government.
- Depreciation is set to increase by \$303,510 or 2.8 per cent based on current assets values and the impact of ongoing capital expenditure programs.
- Additional community program funding includes \$41,735 in partnership grants, \$40,000 for the summer festival and \$35,000 for the arts prize program.

- The NRM levy is being increased by \$75,608 or 6.0 per cent to \$1,335,744 and a new state government levy of \$36,000 is being introduced to help fund implementation of PDI legislation.
- Council power costs are budgeted to increase by \$74,011 or 14.7 per cent to \$578,832.

Staff numbers have been increased by 5.7 full time equivalents (FTEs), which includes 3.0 FTEs in Community Development, all the subject of Council decisions involving OPAL, the Home Advantage program and Community Development. FTE numbers were increased by 3.8 in 2016/17, which included two new Council approved positions in Compliance, following an increase of 0.9 in 2015/16.

## Capital Expenditure

Key aspects of the budget include:

- The capital budget for 2017/18 totals \$28,660,527, with rate funded capital expenditure increasing by \$571,785 or 2.8 per cent to \$21,242,059. The increase includes a rate funded capital works increase of \$317,215, or 2.1 per cent, to \$15,391,089, along with a capital budget increase of \$255,470 or 4.6 per cent to \$5,850,970.
- \$3.25 million is being budgeted as part funding for the upgrade of Lockleys Oval, based on grant funding from the federal government.
- Rate funded capital expenditure proposed in 2017/18 includes amounts of \$1.5 million for the redevelopment of Weigall Oval, \$1.44 million for Apex Park and \$850,000 in support of the Torrensville Bowling Club upgrade.
- An amount of \$2.55 million being committed to drainage and related construction, with \$1.99 million budgeted to undertake detailed design / documentation and construction of Lockleys catchment drainage.
- \$4.39 million for the recreation program (\$3.55 million in 2016/17), an increase of 23.6 per cent. It includes \$620,000 for the ongoing playground upgrade program, \$645,000 for reserve irrigation, \$650,000 for Thebarton Oval / Kings Reserve, \$590,000 for the Linear Park.
- \$11.9 million for the transport program, which includes expenditure on roads and footpaths (\$13.0 million in 2016/17).
- An amount of \$565,917 for the replacement, remediation and construction of footpaths and pathways (\$677,359 in 2016/17).
- Rate funded expenditure on plant, equipment and furniture of \$1.496 million (\$1.516 million in 2016/17).
- Capital funded by grants of \$5.433 million (\$2.341 million in 2016/17).

No allowance has been made in this budget for a strategic depot acquisition, but adjustments will occur via the budget review process if decisions are taken along these lines.

**Rating in 2017/18**

An overall average rate increase of 2.5 per cent excluding growth is proposed for 2017/18, 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 2.5%
Non-Residential	:	Up 2.5%
Minimum Rate	:	Up 2.5%
Overall Increase	:	Up 2.5%

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;
- 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.

The sustainability challenge for local government has not been helped by a federal government decision to freeze financial assistance grants in 2014/15 for a three year period. This freeze is reported to have cost South Australian councils around \$90 million, with an Australia wide impact of around \$1 billion. No firm commitment has yet been given to reinstate indexation in 2017/18.

### **Rationale for the Focus on Flood Mitigation**

The 2016 Stormwater Management Plan (SMP) for the Brown Hill Keswick Creek (BHKC) catchment was approved by the Stormwater Management Authority (SMA) and subsequently gazetted on 7 March 2017. Based on the current modelling associated with this plan, it is estimated that damage across the whole catchment from a 100 year average recurrence interval flood will cost \$122 million and affect 2,077 properties in the absence of flood mitigation action being taken.

Cost estimates associated with the flood mitigation required were reduced following a revision of the hydrology in 2013 from an estimate of \$160 million to \$140 million, with the City of West Torrens' share now being in the vicinity of \$34.3 million, based on no federal funding being made available. A one-third contribution by the commonwealth will reduce the expected West Torrens' share of the cost to \$23.3 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 \$884 million;
- Accumulated depreciation on Council assets totals \$301 million, being 45.2 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 \$140 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 \$34.3 million to BHKC drainage works within the next 20 years;
- Projections in the asset management plans of the Council that \$103.1 million needs to be committed over the next ten years to road, kerbing and footpath maintenance and remediation works;
- Projections that up to \$23.6 million needs to be committed by Council to building maintenance and remediation works over the next ten years, based on current property holdings;
- The need to fund further community facility developments from 2017/18 totalling \$16.8 million (Lockleys Oval, Mellor Park, Apex Park and Weigall Oval);
- 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**

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## 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:

- \$14.3 million is committed to drainage works for the Brown Hill Keswick Creek (BHKC) project over a ten year period from the 2017/18 financial year, in addition to \$3.8 million already committed, most of which is to be funded from the loan program.
- Council commits to rate funded capital works totalling \$103.1 million over a ten year period commencing in 2017/18 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 \$7.1 million in the 2017/18 budget, and that a level of funding is to be continued into the future.
- Council has rate funded local drainage commitments of \$570,000 from the 2017/18 financial year, with indexed increases annually thereafter.
- Loan funded capital drainage works, excluding BHKC, will be \$1.99 million in the 2017/18 budget, with indexed increases annually thereafter.
- Roads to recovery funding will be continued at \$436,688 in 2018/19 (\$873,376 in 2017/18), but cease thereafter.
- Capital expenditure on Council owned buildings, excluding hub and related developments, will be \$1.38 million in the 2017/18 budget, and \$1.8 million indexed per annum thereafter.
- An amount of \$12.0 million will be committed to community facility redevelopments, including redevelopments at Lockleys Oval, Apex Park and Weigall Oval, in the six year period from the 2018/19 financial year, none of which is asset sale related.
- The capital budget for the replacement of plant, furniture and equipment will be \$1.5 million in 2017/18, and it has been indexed to cover estimated depreciation levels into the future.
- No allowance has been made for a strategic depot acquisition, but adjustments will occur via the budget review process if decisions are taken along these lines.

Expenditure projections for 2017/18 and each of the next three years based on these assumptions are as follows:

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rate Funded Infrastructure	14,821,089	15,250,793	16,076,933	16,620,084
Rate Funded Local Drainage	570,000	578,550	587,228	596,037
Loan - Local Drainage	1,985,900	2,025,618	2,066,130	2,107,453
Loan - BHKC	0	1,494,924	1,517,347	1,540,108
Grants	1,484,866	1,060,408	636,194	648,918
Facility Developments	4,750,000	2,510,000	2,510,000	2,510,000
Building Other	3,230,000	1,800,000	1,939,192	2,089,148
Plant, Furniture & Equipment	1,495,970	1,525,889	1,556,407	1,587,535
Library Capital	322,702	329,156	329,156	335,739
<b>Total</b>	<b>28,660,527</b>	<b>26,575,337</b>	<b>27,218,589</b>	<b>28,035,022</b>

### 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:

- Rate capping will not be introduced over the 10 year forecast period.
- Council is prepared to increase rate revenue by 2.5 per cent plus growth in 2017/18, 2.6 per cent plus growth in 2018/19, and 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 \$873,376 in 2017/18 and \$436,688 in the following year, but not occur thereafter.
- Other income, excluding investment income, will increase by 1.8 per cent each year from 2017/18.

Council's forward estimates will need to be adjusted if rate capping is introduced, particularly in respect of revenue and capital expenditure commitments.

Forward revenue estimates are as follows:

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rates	50,435,744	52,382,369	54,456,513	56,612,137
Rate Equivalents	5,200,000	5,388,552	5,589,383	5,797,700
Statutory Charges	2,293,100	2,338,962	2,385,741	2,433,456
User Charges	1,242,429	1,267,278	1,292,623	1,318,476
Grant & Subsidies	3,614,949	3,233,092	2,852,333	2,909,379
Other Income	1,092,706	1,112,860	1,126,272	1,147,046
<b>Total</b>	<b>63,878,928</b>	<b>65,723,113</b>	<b>67,702,866</b>	<b>70,218,194</b>

### 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 6.3 per cent in 2017/18 and 3.5 per cent thereafter, with a modest allowance for the addition of new staff.
- Contract and material expenditure increases of 2.4 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 up to 3.1 per cent based on projected asset value movements.
- Finance charges include interest repayments on loans taken, and are estimated on the basis of loans projected to be taken using borrowing rates ranging between 4.75 and 5.25 per cent.

Forward operational expenditure estimates are as follows:

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Employee Costs	22,988,300	23,792,891	24,625,642	25,487,539
Contractual Services	7,392,620	7,683,102	7,855,306	8,031,511
Materials	962,700	981,954	1,001,593	1,021,625
Finance Charges	150,900	238,224	393,390	543,646
Depreciation	11,245,000	11,576,888	11,918,742	12,270,865
Other Expenses	10,958,992	11,225,524	11,498,929	11,780,921
<b>Total</b>	<b>53,698,512</b>	<b>55,498,583</b>	<b>57,293,602</b>	<b>59,136,107</b>

## Forward Loan Estimates

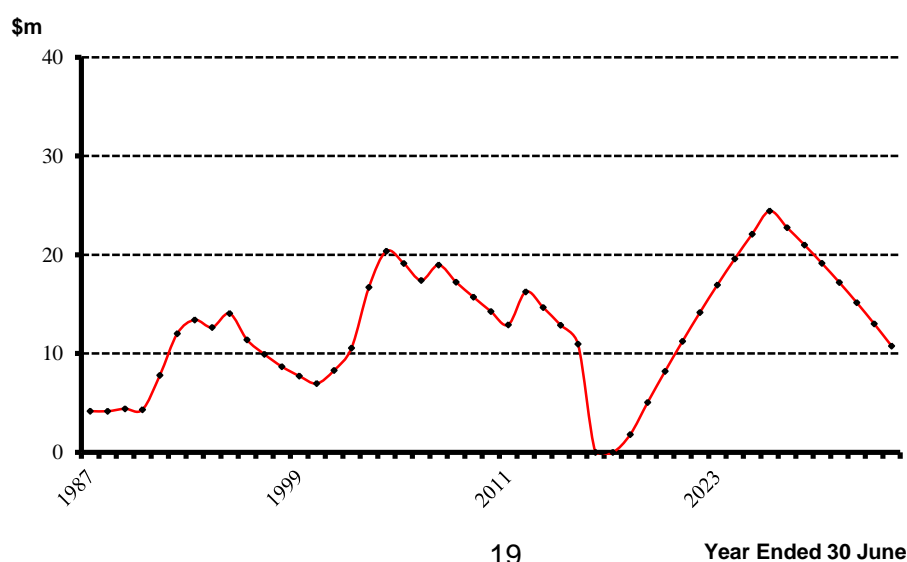
A loan program of \$34.06 million is projected in future dollar terms over the next ten years (down from \$44.75 million last budget), as follows:

	\$m
Local drainage	\$21.75
BHKC project	14.29
Works overhead	(1.98)
	-----
<b>Total</b>	<b>\$34.06</b>
	-----

This comprises the following:

Financial Year	Local Drainage \$	BHKC Drainage \$	Works Overhead \$	Total Loans \$
2017/18	1,985,900	0	(180,536)	1,805,364
2018/19	2,025,618	1,494,924	(184,147)	3,336,394
2019/20	2,066,130	1,517,347	(187,830)	3,395,648
2020/21	2,107,453	1,540,108	(191,587)	3,455,974
2021/22	2,149,602	1,563,209	(195,418)	3,517,393
2022/23	2,192,594	1,586,657	(199,327)	3,579,925
2023/24	2,236,446	1,610,457	(203,313)	3,643,590
2024/25	2,281,175	1,634,614	(207,380)	3,708,409
2025/26	2,326,798	1,659,133	(211,527)	3,774,405
2026/27	2,373,334	1,684,020	(215,758)	3,841,597
<b>Total</b>	<b>21,745,051</b>	<b>14,290,470</b>	<b>(1,976,823)</b>	<b>34,058,698</b>

It is anticipated that cash reserves of the Council will be used in lieu of loans being taken in the 2017/18 financial year. The indebtedness trend of the Council is projected on the basis of this information as follows:



Council was debt free at end of the 2015/16 financial year and will be debt free at the end of 2016/17, but indebtedness is projected to then increase, peaking at \$24.4 million in 2025/26 then declining thereafter. This scenario will obviously change if loans taken from 2017/18 are other than those currently planned.

### Loan Repayments

Loan repayments to service projected loans, based on borrowing rates of 4.75 per cent until 2021/22 and 5.25 per cent thereafter, will be as follows:

<b>Year</b>	<b>Projected Repayments \$</b>	<b>Increase/ (Decrease) \$</b>
2017/18	0	0
2018/19	169,650	169,650
2019/20	483,170	313,520
2020/21	802,258	319,088
2021/22	1,127,016	324,757
2022/23	1,457,544	330,529
2023/24	1,805,352	347,808
2024/25	2,159,345	353,993
2025/26	2,519,641	360,296
2026/27	2,886,344	366,702

Council's current and projected loan program will impact loan repayments most after the 2019/20 financial year, but these increases are more than 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:

<b>Year</b>	<b>Loans % of Rates</b>
2017/18	0.0
2018/19	0.3
2019/20	0.9
2020/21	1.4
2021/22	1.9
2022/23	2.4
2023/24	2.8
2024/25	3.3
2025/26	3.7
2026/27	4.0

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 %
2017/18	10,180,416	15.9
2018/19	10,224,530	15.6
2019/20	10,409,264	15.4
2020/21	11,082,087	15.8
2021/22	11,795,987	16.2
2022/23	12,566,092	16.6
2023/24	13,364,313	17.1
2024/25	14,224,192	17.5
2025/26	15,135,519	18.0
2026/27	16,116,306	18.4

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.

Note that the surpluses above are not cash surpluses and do not take capital expenditure programs into account.

### (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 %
2013/14	11,140,894	10,860,076	102.6
2014/15	11,999,041	11,065,000	108.4
2015/16	11,445,535	10,987,000	104.2
2016/17	11,000,000	10,943,590	100.5
2017/18	11,643,724	11,245,000	103.5
2018/19	12,076,371	11,576,888	104.3
2019/20	12,094,479	11,918,742	101.5
2020/21	12,516,504	12,270,865	102.0
2021/22	13,036,634	12,633,569	103.2
2022/23	13,540,583	13,007,176	104.1
2023/24	14,090,354	13,392,017	105.2
2024/25	14,650,454	13,788,434	106.3
2025/26	15,304,529	14,196,780	107.8
2026/27	16,019,591	14,617,417	109.6

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
<b>Roads Program</b>			
Reseal / Maintenance	29.721	29.721	100
Reconstruction Renewal	27.993	27.993	100
Kerb & Gutter	32.571	32.571	100
<b>Footpath Program</b>			
Renewal	3.913	3.913	100
Construction	8.933	8.933	100
<b>Building Program</b>			
Renewal Expenditure	23.607	23.607	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 Council is currently developing a stormwater masterplan that will clarify future capital expenditure requirements. During the 2016/17 financial year Council staff also commenced a more detailed assessment of assets 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 \$24.4 million - a sizeable but manageable increase as demonstrated below. Borrowing interest rates ranging from 4.75 to 5.25 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
	\$	%
2017/18	0	0.0
2018/19	169,650	0.3
2019/20	483,170	0.9
2020/21	802,258	1.4
2021/22	1,127,016	1.9
2022/23	1,457,544	2.4
2023/24	1,805,352	2.8
2024/25	2,159,345	3.3
2025/26	2,519,641	3.7
2026/27	2,886,344	4.0

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:

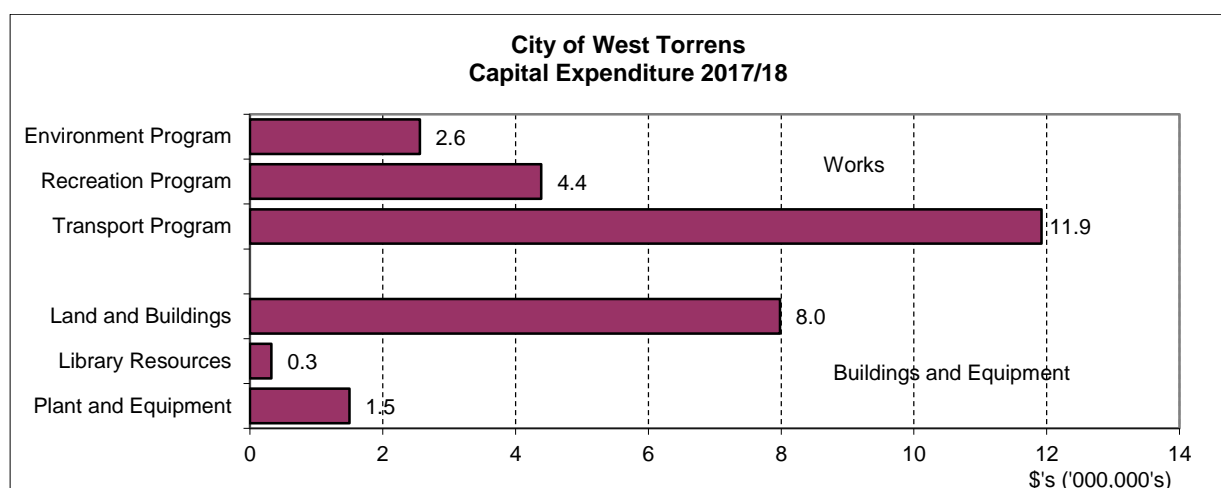
<b>Financial Year</b>	<b>EOY Cash Estimate</b>	<b>Net Reserves</b>	<b>Surplus/ (Deficit)</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
2017/18	8,148,864	8,144,457	4,405
2018/19	8,441,244	8,361,182	80,062
2019/20	8,559,594	8,527,180	32,414
2020/21	8,833,838	8,705,487	128,351
2021/22	9,754,709	9,720,772	33,937
2022/23	10,706,387	10,694,725	11,663
2023/24	12,457,361	12,444,241	13,119
2024/25	15,344,500	15,207,252	137,248
2025/26	18,100,200	17,970,336	129,863
2026/27	20,603,048	20,747,560	(144,512)

## **Capital Budget**

## Introduction

The capital budget for 2017/18 totals \$28,660,527 as follows:

	\$
<b>Capital Works</b>	
Environmental Program	2,555,900
Recreation Program	4,386,900
Transport Program	11,919,055
<b>Sub Total</b>	<b>18,861,855</b>
<b>Capital</b>	
Land and Building Works	7,980,000
Library Resources	322,702
Plant, Equipment & Furniture	1,495,970
<b>Sub Total</b>	<b>9,798,672</b>
<b>Total</b>	<b>28,660,527</b>



Rate funded capital expenditure has been increased by \$571,785 to \$21,242,059, an increase of 2.8 per cent, as shown in the table that follows. The increase includes a capital works increase of \$316,315, or 2.1 per cent, to \$15,391,089.

	<b>Budget 2016/17 \$</b>	<b>Budget 2017/18 \$</b>	<b>Variance \$</b>
<b>Rate Funded</b>			
City Works Funds	15,074,774	15,391,089	316,315
Plant and Equipment	1,515,500	1,495,970	-19,530
Land and Buildings	4,080,000	4,355,000	275,000
<b>Sub Total</b>	<b>20,670,274</b>	<b>21,242,059</b>	<b>571,785</b>

**Other Funded**

Grants	2,340,863	5,432,568	3,091,705
Reserves / Asset Sales	0	0	0
Loans	2,903,000	1,985,900	-917,100
<b>Sub Total</b>	<b>5,243,863</b>	<b>7,418,468</b>	<b>2,174,605</b>
<b>Total Capital Budget</b>	<b>25,914,137</b>	<b>28,660,527</b>	<b>2,746,390</b>

Capital funding from other than rates totals \$7,418,468, as shown in the following table:

	<b>\$</b>
Lockleys Oval / Apex Park redevelopment (grant)	3,250,000
Lockleys catchment drainage stage 3 (loan)	1,985,900
Roads to recovery grant	873,376
Urban local road grant	611,490
Torrensville Bowling Club contribution to Thebarton Oval (grant)	375,000
Library grant	322,702
<b>Total</b>	<b>7,418,468</b>

**Environment Program**

The drainage budget comprises the following:

- \$300,000 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;
  - Refurbishment of existing rain gardens sites.
- \$1,985,900 in loan funding to undertake detailed design / documentation and construction for Lockleys catchment drainage - stage 4 (upstream of Henley Beach Road).
- \$175,000 for repairs to the concrete channel of Brown Hill Creek downstream of South Road and the realignment of Brown Hill Creek near Gray Street, Plympton.

- \$50,000 for a basin upgrade and drainage improvements for Plympton Green, Plympton.
- \$45,000 for detailed design for a refurbishment of the Shannon Avenue stormwater pump station.

## Recreation Program

Recreation works include the following:

- \$620,000 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 2017/18 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.
- \$330,000 for reserve upgrades, including:
  - Chippendale Avenue Reserve, Fulham;
  - St Georges Avenue Reserve, Glandore, (stage 2);
  - Streetscape upgrade - Henley Beach Road (staged);
  - Streetscape upgrade - Sir Donald Bradman Drive (staged);
  - Streetscape upgrade - Morphet Road, Novar Gardens / Camden Park;
  - 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;
  - Staged yearly program to install new wheelie bin surrounds to litter bins.
- \$560,000 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.

- \$645,000 for irrigation system upgrades for the following reserves:
  - Westside Bikeway, Marleston / Plympton (staged project, selected areas within the linear park);
  - Thebarton Oval, Torrensville;
  - Mile End Common Reserve, Mile End;
  - Jubilee Park Reserve, Glandore;
  - Apex Park Reserve, West Beach;
  - General irrigation equipment, including controllers, with upgrade to network and backflow meter equipment.
- \$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.
- \$50,000 for the general upgrade of tennis courts, including fencing.
- \$1,441,900 for Apex Park Reserve, West Beach, stage 2, to upgrade and improve the wetlands and landscaping. This is part of the sport facilities project and will continue into 2018/19.
- \$650,000 for Thebarton Oval/Kings Reserve, stage 1. Funding to implement program of works identified in the project masterplan.

### Transport Program

Funding totals \$11,919,055 (\$13,021,327 in 2016/17) as follows:

	\$
Road maintenance program	4,994,270
Road reconstruction program	5,218,868
Other road works	1,140,000
Footpath program	565,917
<b>Total</b>	<b>11,919,055</b>

### Road Maintenance Program

In order to ensure that the Council manages its road assets (surface, pavement and kerb and gutter) in a manner most appropriate for the community, a commitment has been made to a road Infrastructure Asset Management Plan, which ensures adequate provision is 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 years' 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 work to be undertaken the year prior to the seal resurfacing.

This year's capital works program for road maintenance totals \$4,994,270 as follows:

	\$
Reseal / road maintenance program	2,796,748
Kerb and gutter program	2,197,522
	<hr/>
<b>Total</b>	<b>4,994,270</b>
	<hr/>

Details are provided on pages 35 to 36, and include works from customer requests and a recent reconditioning audit of the road network.

### Road Reconstruction Program

Council's road reconstruction program totals \$5,218,868 and comprises the following:

- White Avenue, Lockleys (Garden Terrace to Tracey Crescent);
- Aldridge Terrace, Marleston (St Anton Street to Lucknow Street);
- Birmingham Street, Mile End South (South Road to Pymbrah Road);
- St Andrews Crescent, Novar Gardens (Sunningdale Avenue to Hoylake Street);
- Phillips Street, Thebarton (James Street to Port Road);
- Wainhouse Street, Torrensville (Ashley Street to Carlton Parade);
- Cambridge Avenue, West Beach (Toledo Avenue to Simcock Street);
- Toledo Avenue, West Beach (Property No 36 to Siesta Avenue);
- Britton Street, West Richmond (Marion Road to Norwich 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 \$1,140,000 and comprises:

- \$150,000 for the ongoing installation and upgrade of public bus shelters at identified sites.
- \$280,000 for the ongoing implementation of local area traffic management in precincts 9 and 10, Thebarton / Torrensville, 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.
- \$300,000 for bicycle management schemes, including the upgrade and renewal of the Reece Jennings and Captain McKenna shared paths.
- \$50,000 for preliminary design for the realignment of Daly Street and Watson/Beare Avenue Road Bridges.

- \$250,000 to continue the staged upgrade of pedestrian lighting of the Westside Bikeway through Marlestone / Plympton / North Plympton.
- \$60,000 to design and document new pedestrian lighting for the Captain McKenna shared pathway (Watson Avenue to Tapleys Hill Road), planned for the 2018/19 financial year.
- \$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 the 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 occurs in areas adjacent to bus routes, schools, shopping centres and nursing homes.

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 \$168,056 for footpath renewal, \$197,861 for new footpath construction and \$200,000 for footpath remediation. The following work is proposed:

### Footpath Renewal Program \$168,056

- Delray Street, Fulham (Gault Avenue to Crispian Street);
- Tapleys Hill Road, Lockleys (Chippendale Avenue to Sir Donald Bradman Drive);
- August Street, Thebarton (Neville Road to South Road);
- North Parade, Torrensville (Hayward Street to Stephens Avenue).

### **New Footpath Construction Program \$197,861**

- Clifford Street, Brooklyn Park (Lipsett Terrace to Sir Donald Bradman Drive);
- Lipsett Terrace, Brooklyn Park (Airport Road to Airport Road) Median Island;
- Clyde Avenue, Lockleys (Frontage Road to Castlebar Road);
- Broughton Avenue, West Beach (Tennyson Street to Clifford Street);
- Ingerson Street, West Beach (Tapleys Hill Road to Davis Street);
- Weston Street, West Beach (Tapleys Hill Road to Burbridge Road).

### **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 \$7,980,000 (\$4,080,000 in 2016/17) 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).
- \$30,000 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 on-going 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).
- \$200,000 for on-going building compliance upgrades of Council owned facilities as identified in Council's Building Asset Management Plan (2013), with projects to include:
  - Plympton Community Centre - development of a master plan / design, with options to upgrade the existing community centre facility;
  - Civic Centre Complex - upgrades to mechanical services;
  - Public toilet facilities - upgrades to existing toilet facilities located on reserves;
  - Richmond Oval grandstand - development of a master plan / concept plan to repair and upgrade the facility;
  - National Services Association Building, Keswick - repair works to the building structure;
  - Other building and compliance works as identified.

- \$200,000 to fund the upgrade of the continuing, (second stage), 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.
- \$3.25 million to fund work associated with the upgrade of Lockleys Oval and Apex Park stage 1, as resolved by Community Facilities Committee on 24 March 2015 and subsequently endorsed by Council.
- \$1.5 million (in addition to the \$1 million allocated via a budget review in 2015/16) for staged upgrade and improvement of the sports field and reserve area at Weigall Oval. The project as detailed in the Master Plan (June 2015), with works including new open space facilities - playground, tennis courts, pathway linkages, lighting improvements to the sports fields / turf areas, etc. Further stages of the project will include the development of a new building facility for the sporting clubs.
- \$250,000 to fund further upgrade work at Thebarton Theatre, which includes electrical wiring and power supply replacements over a four year staged program, commencing in 2017/18. These are essential works that have been identified as part of the fire compliance upgrade building works.
- \$50,000 to fund the design of a building upgrade of the Peake Gardens Riverside Tennis Club building facility. New building works are proposed from 2018/19.
- \$500,000 to fund the upgrade and improvements to Kings Reserve, stage 1. The project is the continual design development of a Master Plan, which will include the staged upgrade and improvements works as follows:
  - Playground and skate park facility;
  - Facilities for users;
  - Linkages with the community centre;
  - New shared pathway linkages, with lighting improvements for pedestrians;
  - Reserve irrigation and water feature;
  - Improvements to the sports fields and reserve, including garden beds, etc;
  - Linkages with the Thebarton Oval / bowling club;
  - Car parking.
- \$500,000 to fund the continuing building work associated with the Thebarton Community Centre. Works include building improvements and upgrade to facilities to ensure the centre functions appropriately.
- \$1.225 million contribution to Torrensville Bowling Club for the interface works and car parking for Kings Reserve / Thebarton Oval. This will be part of the bowling club development, which will include a new building and indoor bowling facility.
- \$200,000 to fund new kennel facilities for holding animals short term prior to transfer to the Animal Welfare League at Wingfield.

## **Plant, Equipment and Furniture**

The capital budget for plant, equipment and furniture totals \$1,495,970 (\$1,515,000 in 2016/17) and comprises:

- \$122,500 for the replacement of 12 motor vehicles in the Council fleet, including light commercial vehicles.

- 
- \$249,770 for furniture and equipment, including \$200,100 to facilitate the post-radio frequency identification system changes in the Hamra Centre, including the changes to the front desk.
  - \$240,000 for IT hardware and infrastructure replacement (\$270,000 in 2016/17), including PC's, tablets and laptops (\$65,000), multi-function devices (\$50,000), the replacement of network switches (\$25,000) and the rollout of mobile technology in City Works aimed at improving customer request processes (\$100,000).
  - \$166,000 for the programmed replacement of four specialised turf ride-on mowers (\$142,500) and two mowing trailers (\$23,500). These are high use operational machines that require regular replacement to ensure a suitable residual value and low yearly maintenance costs.
  - \$308,000 to replace / upgrade / purchase four 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.
  - \$211,000 for the programmed replacement of the front end loader (\$141,000) and the associated skid steer loader / bobcat (\$70,000). The loaders are used across all works areas of Council.
  - \$72,000 for the programmed replacement of the wood chipper unit used by the arboriculture team.
  - \$114,700 for various items of City Works' plant and equipment, including new 150mm water pump - trailer mounted (\$40,000), replacement of a tipper body (\$14,000), replacement electronic message board trailer (\$21,500), a vacuum unit for concrete cutting (\$12,500), and road cutting equipment, concrete footpath grinder, minor power and mechanical tools, (\$26,700).
  - \$12,000 to purchase a new Community bus trailer and PA systems (2) for Community Development.

### Library Resources

An amount of \$322,702 is being budgeted (\$299,310 in 2016/17) and it comprises the following:

- State resources           \$207,742;
- Local resources           \$114,960.

### Road Reseal / Rehabilitation and Kerb and Gutter Program

<b>Street Name</b>	<b>Suburb</b>
Bedford St -(Pine St to End)	Brooklyn Park
Clifford St - (Oscar St to Lipsett Ter)	Brooklyn Park
Thanet St - (Henley Beach Rd to Marshall Ter)	Brooklyn Park
Clifton St - (Stonehouse Av to Carlton Rd)	Camden Park
Patricia Av - (Clifton St to Whelan Av)	Camden Park
Rankine Rd - (Property No 24 to Hounslow Av)	Cowandilla
East Pkwy - (Riverside Dr to Hughes Av)	Fulham
Fitch Rd - (Halsey Rd to Good St)	Fulham
Hadley St - (Ashburn Av to Henley Beach Rd)	Fulham
Halsey Rd - (Halsey Rd to Property No 101)	Fulham
Huntington Av - (Henley Beach Rd to Riverside Dr)	Fulham
La Jolla Av - (Huntington Av to Ayton Av)	Fulham
Layton St - (Henley Beach Rd to Ashburn Av)	Fulham
Mackirdy St - (Weetunga St to Samuel St)	Fulham
Samuel St - (Mackirdy St to Weetunga St)	Fulham
Susan St - (Ayton Av to Henley Beach Rd)	Fulham
Warwick Av - (Daphne St to Cross Ter)	Kurralta Park
Acacia Av - (End to End)	Lockleys
Franciscan Av - (Property No 3 to Arcoona Av)	Lockleys
Fulham Park Dr - (Arcoona Av to Corona Av)	Lockleys
Kellett Av - (Kenton St to Torrens Av)	Lockleys
Lorraine Av - (Anthus St to Grallina St)	Lockleys
Noble Av - (Torrens Av to Kenton St)	Lockleys
Rostrata St - (Willingale Av to End)	Lockleys
Torrens Av - (End to Dartmoor St)	Lockleys
Moss Av - (Richmond Rd to Commercial St)	Marleston
Reade Lane - (Coneybeer St to Major Av)	Marleston
Darebin St - (Ebor Av to Falcon Av)	Mile End
Dew St - (Rose St to George St)	Mile End
Ebor Av - (Darebin St to Tarragon St)	Mile End
Norma St - (South Rd to Falcon Av)	Mile End
Coulter St - (Allchurch Av to Galway Av)	North Plympton
Laverack Rd - (Birdwood Ter to Marion Rd)	North Plympton
Mackay Av - (Edward Davies St to Laverack Rd)	North Plympton

### Road Reseal / Rehabilitation and Kerb and Gutter Program

Mackay Av - (Mackay Av to Mackay Av)	North Plympton
Park Ter - (Allchurch Av to Talbot Av)	North Plympton
Talbot Av - (Marion Rd to Birdwood Ter)	North Plympton
Ayliffe Pl - 0465 (Property No 1 to End)	Novar Gardens
Bonython Av - (Pine Av to Morphet Rd)	Novar Gardens
Sunningdale Av - (Muirfield St to St Andrews Cres)	Novar Gardens
Mcarthur Av - (Glenburnie Ter to Long St)	Plympton
Tilden St - (James St to Gray St)	Plympton
Albert St - (Milner Rd to Martin Av)	Richmond
Arthur St - (Brooker Ter to Shaw Av)	Richmond
Davenport Ter - (South Rd to Milner Rd)	Richmond
Cawthorne St - (End to Smith St)	Thebarton
James St - (Phillips St to Smith St)	Thebarton
Randolph St - (Dew St to Neville Rd)	Thebarton
Smith St - (Dew St to Holland St)	Thebarton
Walsh St - (Anderson St to Phillips St)	Thebarton
Jervois St - (Henley Beach Rd to North Pde)	Torrensville
Torrens St - (Wilton Ter to Ferris St)	Torrensville
Wilton Ter - (Elizabeth St to Property No 19)	Torrensville
Sherriff Ct - (Sherriff St to End)	Underdale
Burbridge Rd (Service Road) - (Davis St to Property No 687)	West Beach
Charles Veale Dr - (Windsor Ter to Tapleys Hill Rd)	West Beach
Road Rejuvenation	Various Locations

ORIGINAL BUDGET 2016/17	REVISED BUDGET 2016/17	DESCRIPTION	2017/18 BUDGET
<b><u>CAPITAL WORKS</u></b>			
<b><u>Environment Program</u></b>			
<b><i>Stormwater &amp; Drainage</i></b>			
365,000	365,000	Minor Drainage Upgrades and Replacement Work	300,000
0	144,181	Mile End Cowandilla Catchment	0
2,322,000	3,962,755	Lockleys Catchment	1,985,900
100,000	100,000	Ashley St (West St to Hayward Ave)	0
80,000	80,000	Henley St Drainage	0
0	239,660	Maria Street Drainage	0
0	0	BHKC - Down Stream South Rd and Gray St Bend	175,000
0	0	Plympton Green	50,000
0	0	Shannon Ave Pump Station	45,000
<b><i>Other Environment</i></b>			
581,000	81,000	Brown Hill and Keswick Creeks	0
0	197,251	Glenelg Adelaide Pipeline (GAP)	0
<b>3,448,000</b>	<b>5,169,847</b>	<b>Program Total</b>	<b>2,555,900</b>
<b><u>Recreation Program</u></b>			
<b><i>Parks &amp; Gardens</i></b>			
665,000	971,992	Playground Upgrade	620,000
350,000	701,478	Reserve Developments - Various	330,000
565,000	779,345	River Torrens Upgrade	560,000
30,000	48,141	River Torrens Path Upgrades	30,000
640,000	985,287	Reserve Irrigation Upgrades	645,000
600,000	598,688	Additional Open Space Amenity Initiatives	0
0	159,072	Urban Forest James Congdon Drive	0
60,000	60,000	Bikeway Path Upgrade and Reseal	60,000
<b><i>Sports Facilities</i></b>			
40,000	185,478	Tennis Court Upgrades	50,000
500,000	500,000	Apex Park	1,441,900
50,000	50,000	Airport Rd	0
50,000	50,000	Memorial Gardens	0
0	0	Thebarton Oval Kings Reserve	650,000
<b>3,550,000</b>	<b>5,089,481</b>	<b>Program Total</b>	<b>4,386,900</b>



<b>ORIGINAL BUDGET 2016/17</b>	<b>REVISED BUDGET 2016/17</b>	<b>DESCRIPTION</b>	<b>2017/18 BUDGET</b>
<b><u>Transport Program</u></b>			
		<b><i>Roads Sealed</i></b>	
9,311,915	15,824,021	City Funds/ULRG Funds/Carryovers	9,339,762
1,442,053	1,009,044	Roads to Recovery Grant Funds	873,376
		<b><i>Other Transport</i></b>	
200,000	241,825	Bus Shelters	150,000
505,000	911,847	Traffic Management	280,000
115,000	201,765	Bicycle Management Schemes	300,000
670,000	1,084,438	Public Lighting	360,000
0	223,763	Bio-Science Precinct Works	0
		<b><i>Bridges</i></b>	
100,000	208,145	Bridge Ancillary Works (as per Bridge Audit)	50,000
		<b><i>Footpaths</i></b>	
239,508	261,330	Footpath Renewal Program	168,056
237,851	237,854	Footpath Construction Program	197,861
200,000	200,000	Footpath Remediation Program	200,000
<b>13,021,327</b>	<b>20,404,032</b>	<b>Program Total</b>	<b>11,919,055</b>
<b>20,019,327</b>	<b>30,663,360</b>	<b>TOTAL - CAPITAL WORKS</b>	<b>18,861,855</b>

<b>ORIGINAL BUDGET 2016/17</b>	<b>REVISED BUDGET 2016/17</b>	<b>DESCRIPTION</b>	<b>2017/18 BUDGET</b>
<b><u>OTHER CAPITAL EXPENDITURE</u></b>			
<b><u>Land and Buildings</u></b>			
25,000	25,000	DDA Upgrade Program	25,000
120,000	120,000	DDA Upgrade Program - Reedbeds Community Centre	0
0	69,667	DDA Upgrade Program - Lockleys Oval Satterly Hall	0
110,000	110,000	DDA Golflands Complex Building	0
25,000	35,565	Asbestos Removal Program	30,000
25,000	25,000	Fire Systems Upgrade	25,000
25,000	53,803	Electrical Compliance Upgrade	25,000
0	6,136	Roof Access safety systems	0
215,000	215,000	Building Compliance Upgrade	200,000
0	503,617	Lockleys Oval Concept Design	0
150,000	710,672	Thebarton Theatre fire safety	0
100,000	100,000	Camden Hall - Roof & Airconditioning replacement	0
150,000	150,000	Richmond Oval - Toilet Facilities	0
0	250,000	Camden Oval - Public Toilet Facilities (DDA)	0
85,000	85,000	Civic Centre - Internal Foyer Access	0
0	7,500	Kandahar - Picture Rails	0
0	16,318	Richmond Oval - DDA Shelter (Grant)	0
0	75,000	Security Key System - Council Buildings	0
0	1,517,813	Brickworks' kiln upgrade	0
25,000	25,000	Depot Upgrade - Marion Rd, Brooklyn Park	0
0	696,464	Civic Office - Upgrade 173 Sir Donald Bradman	0
0	20,000	Demolition of 10 Somerset Ave	0
200,000	214,250	Star Theatre - Building Compliance work	200,000
0	98,686	Purchase of Gray St Land	0
0	5,493,658	Camden Oval Community Facility - Other	0
0	25,000	Lockleys Senior Citizens - Mellor Park - New RC A/C	0
0	80,000	RSL Hilton - New RC A/C	0
2,500,000	2,550,000	Upgrade Lockleys Apex	3,250,000
325,000	325,000	Community Hub & Related Facilities	0
0	991,712	Weigall Oval Stage 1	1,500,000
0	0	Thebarton Theatre Complex -Structural/Electrical Works	250,000
0	0	Peake Gardens Riverside Tennis Clubrooms	50,000
0	0	Thebarton Community Centre U/G Stage 2	500,000
0	0	Kings Reserve- U/G Stage 1	500,000
0	0	Torrensville Bowling Club	1,225,000
0	0	Dog Kennel Funding	200,000
<b>4,080,000</b>	<b>14,595,861</b>	<b>Total Land and Buildings</b>	<b>7,980,000</b>

<b>ORIGINAL BUDGET 2016/17</b>	<b>REVISED BUDGET 2016/17</b>	<b>DESCRIPTION</b>	<b>2017/18 BUDGET</b>
<b><u>Plant, Equipment and Furniture</u></b>			
189,500	188,236	Motor Vehicle Replacements	97,000
226,600	371,219	Furniture and Equipment	249,770
270,000	455,500	IT Hardware & Infrastructure Replacement	140,000
0	0	City Works Mobility Initiative	100,000
73,000	78,276	Library Radio Frequency Identification System	0
25,000	39,000	Purchase and Fitout of Caravan	0
41,900	41,900	Minor Depot Plant and Equipment	64,700
138,000	138,000	Replace Mowers (2016/17 x 2; 2017/18 x 4)	142,500
62,000	62,000	Replace Linemarkers (2016/17 x2; 1 x trailer)	0
332,000	471,200	Replace Trucks / Tippers (2016/17 x 4; 2017/18 x 4)	308,000
0	0	Replace Bobcat /Skid Steer Loader	70,000
0	0	Replace Front End Loader	141,000
70,000	70,000	Replace Woodchipper	72,000
16,500	16,500	Replace Mowing Trailers	23,500
71,000	71,000	Replace Cherry Picker	0
0	-41,957	Replace Tipper Body	14,000
0	150,000	Replace Roadsweeper	0
0	65,200	Replace Existing Depot and Workshop Facilities	0
0	0	Water Pump Trailer Mounted	40,000
0	0	Replace Electronic Message Board	21,500
0	-9,552	Mobile Library	0
0	0	Community Bus Trailer / PA Systems (x2)	12,000
<b>1,515,500</b>	<b>2,166,522</b>	<b>Total Plant, Equipment and Furniture</b>	<b>1,495,970</b>
<b><u>Library Resources</u></b>			
185,110	205,685	Library Resources - Central	207,742
114,200	114,200	Library Resources - Local	114,960
<b>299,310</b>	<b>319,885</b>	<b>Program Total</b>	<b>322,702</b>
<b>5,894,810</b>	<b>17,082,268</b>	<b>TOTAL - OTHER CAPITAL</b>	<b>9,798,672</b>
<b>25,914,137</b>	<b>47,745,628</b>	<b>TOTAL ALL CAPITAL EXPENDITURE</b>	<b>28,660,527</b>

## **Operational Budget**

## Summary

Council's operating statement in the 2017/18 budget projects a surplus from operations of \$10,180,416, as shown below, based on a 2.5 per cent rate increase. This rate increase is marginally lower than the increase endorsed in the long term financial plan of the Council in 2016/17.

<b>Income</b>	<b>\$</b>
Rates and Rate Equivalents	55,635,744
Statutory Charges	2,293,100
User Charges	1,242,429
Grants and Subsidies	3,614,949
Sundry Income	1,092,706
<b>Total Income</b>	<b>63,878,928</b>
<b>Expenditure</b>	
Employee and Related	22,988,300
Material and Contract	8,355,320
Finance Costs	150,900
NRM Levy	1,335,744
Depreciation	11,245,000
Other	9,623,248
<b>Total Expenditure</b>	<b>53,698,512</b>
<b>Operating Surplus</b>	<b>10,180,416</b>

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 \$4,405 is projected.

## Operational Expenditure

Operational expenditure has increased by \$2,306,940 or 4.5 per cent, relative to the original 2016/17 budget.

All other operational expenditure, before depreciation, has increased by \$2,003,430 or 5.0 per cent, relative to the original 2016/17 budget (\$455,108 or 1.1 per cent last budget), as follows:

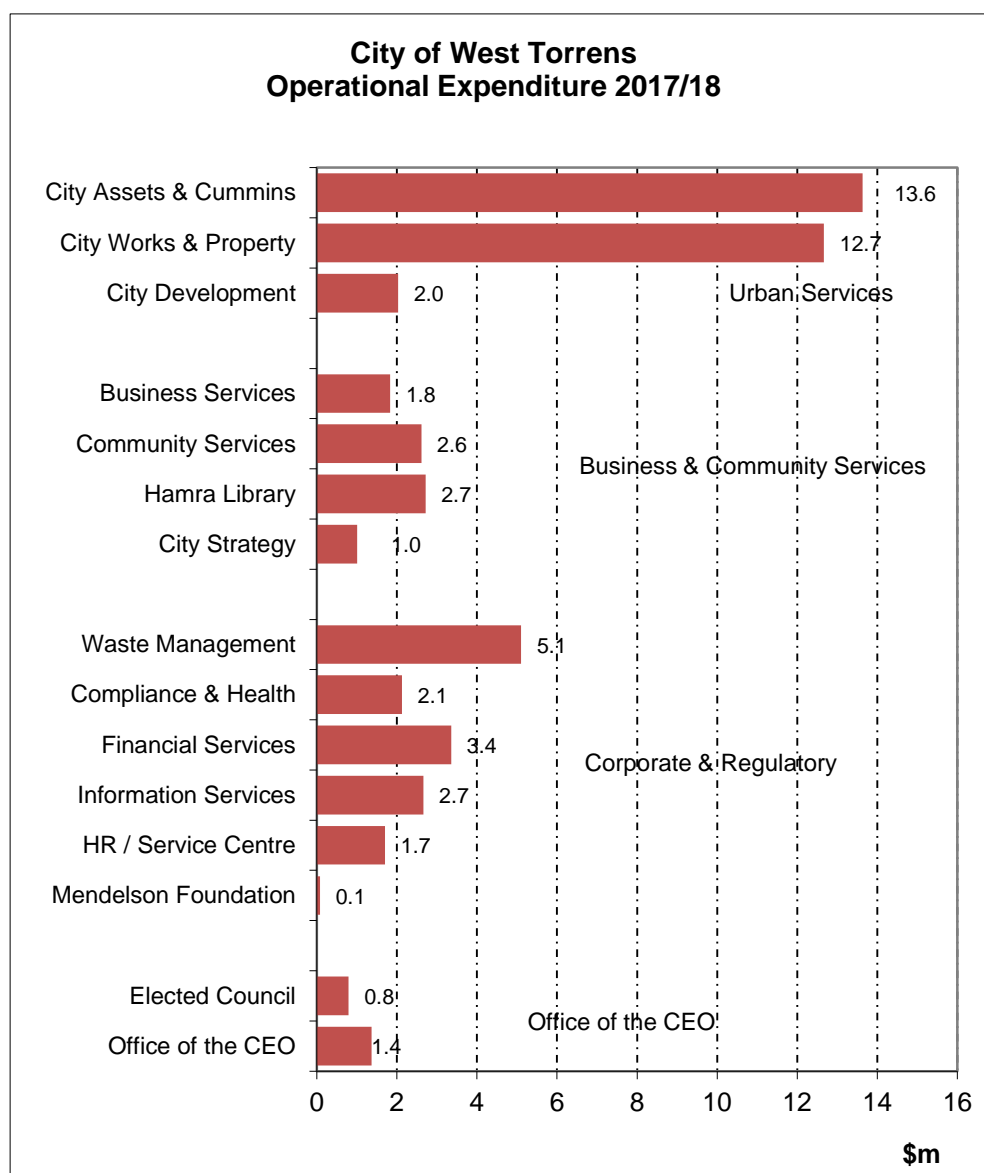
	<b>Budget 2016/17 \$</b>	<b>Budget 2017/18 \$</b>	<b>Variance \$</b>	<b>Variance %</b>
Employee Costs	21,624,251	22,988,300	1,364,049	6.3%
Building, Equipment and Related	1,842,070	1,837,900	-4,170	-0.2%
General Expenses	4,035,339	4,114,579	79,240	2.0%
Bank and Finance Charges	153,900	150,900	-3,000	-1.9%
Council Related Expenses	2,099,347	2,085,938	-13,409	-0.6%
Contract and Material Expenses	7,953,400	8,355,320	401,920	5.1%
NRM Levy	1,260,136	1,335,744	75,608	6.0%
Occupancy and Property Costs	1,566,639	1,669,831	103,192	6.6%
Internal Charges / Recoveries	-85,000	-85,000	0	0.0%
<b>Sub Total</b>	<b>40,450,082</b>	<b>42,453,512</b>	<b>2,003,430</b>	<b>5.0%</b>
Depreciation	10,941,490	11,245,000	303,510	2.8%
<b>Total</b>	<b>51,391,572</b>	<b>53,698,512</b>	<b>2,306,940</b>	<b>4.5%</b>

### Key Expenditure Movements

Operational costs across all areas of the Council are increasing by 4.5 per cent as shown above, the key increases being:

- Employment costs have increased by \$1,364,049 or 6.3 per cent over the original budget estimates for 2016/17 (\$799,020 or 3.8 per cent last budget), with FTE's increasing net by 5.7. This is further explained later in this commentary under the heading "Employment Costs".
- Waste to landfill costs has been increased by \$320,000 or 25.6 per cent to \$1,570,000, largely because of waste levy increases imposed by the state government.
- Depreciation is set to increase by \$303,510 or 2.8 per cent based on current assets values and the impact of ongoing capital expenditure programs.
- Additional community program funding includes \$41,735 in partnership grants, \$40,000 for the summer festival and \$35,000 for the arts prize program.
- The NRM levy is being increased by \$75,608 or 6.0 per cent to \$1,335,744 and a new state government levy of \$36,000 is being introduced to help fund implementation of PDI legislation.
- Council power costs are budgeted to increase by \$74,011 or 14.7 per cent to \$578,832.

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



## Employment Costs

Employment costs have increased by \$1,364,049 or 6.3 per cent over the original budget estimates for 2016/17 (\$799,020 or 3.8 per cent last budget), with the increase attributable to the following:

- An estimated \$520,000 for negotiated enterprise bargaining increases.
- An increase of 3 FTEs in Community Development following decisions by Council to extend the OPAL program, provide additional funding for aged care via the home advantage program and report on an additional Community Development Officer position being created.
- The Information Services Team is being increased by the introduction of one new team member to support the City Works' mobility initiative aimed at improving processes associated with the management of customer requests. This is in conjunction with a \$100,000 capital submission for mobility and related devices to be provided.

- One additional FTE is being added in the City Management Division for additional administrative support to be provided to the Elected Council and the Office of the Mayor and CEO.

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.

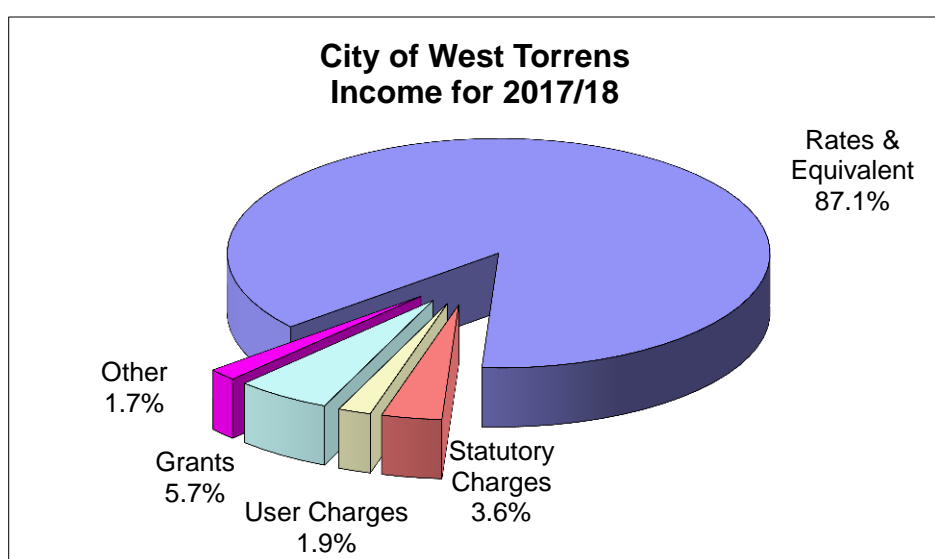
## Income

All income is budgeted to increase by \$1,617,187 or 2.6 per cent over 2016/17 budget as follows:

	<b>Budget 2016/17 \$</b>	<b>Budget 2017/18 \$</b>	<b>Variance \$</b>
Rates & Rate Equivalents Payments	53,390,136	55,635,744	2,245,608
Statutory Charges	2,199,580	2,293,100	93,520
User Charges	1,285,357	1,242,429	-42,928
Grants - General Purpose Grant	1,200,000	1,204,000	4,000
Grants - Other	2,982,023	2,410,949	-571,074
Sundry Income	1,204,645	1,092,706	-111,939
<b>Total</b>	<b>62,261,741</b>	<b>63,878,928</b>	<b>1,617,187</b>

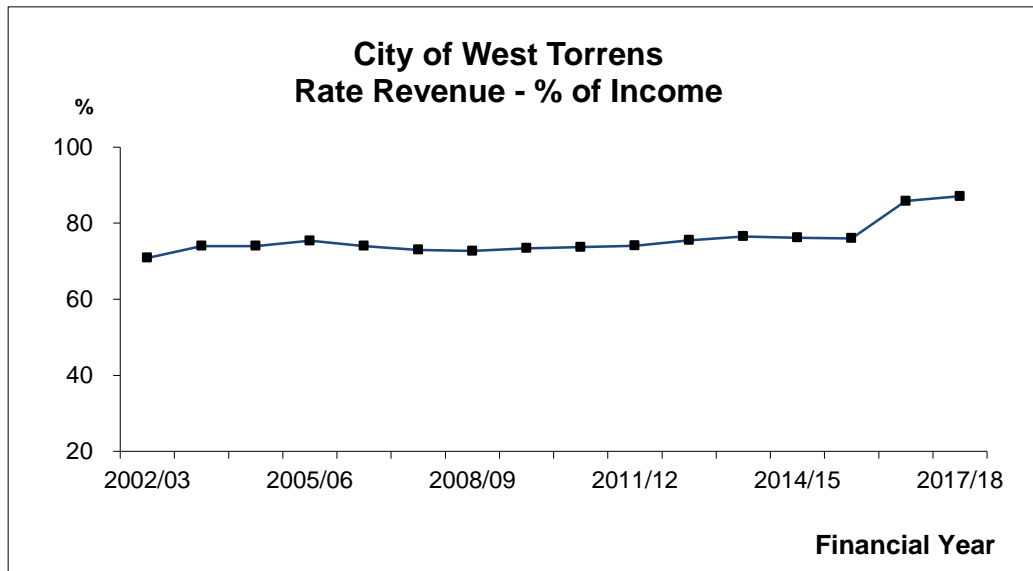
## Rate Income

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

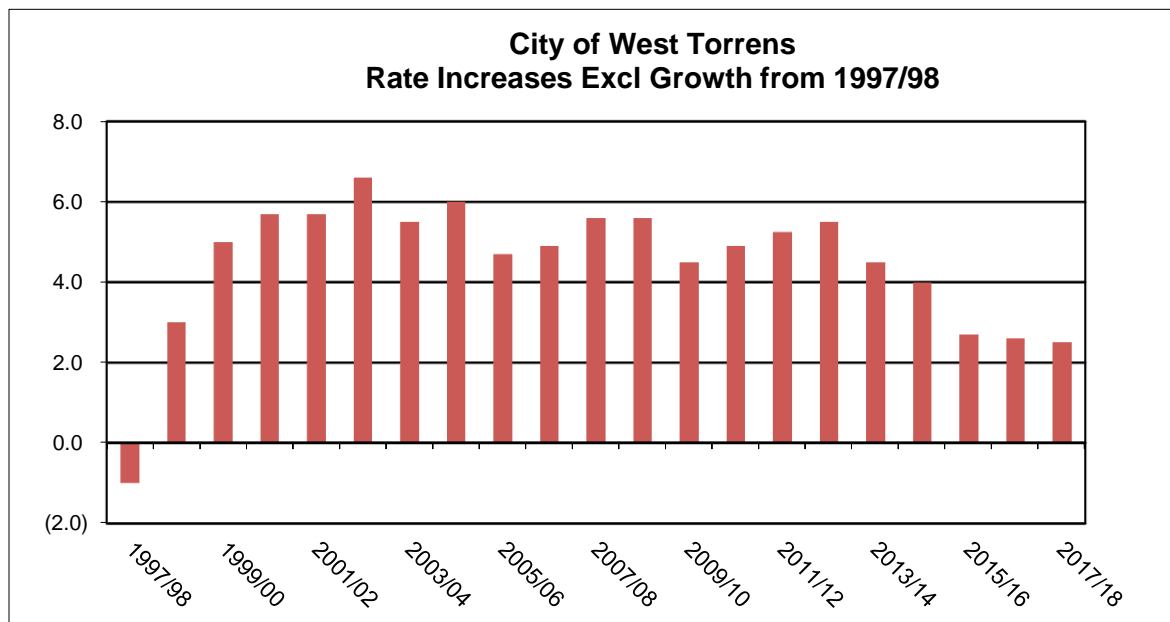




As can be seen in the following graph, Council's dependency on rate revenue continues to be significant due to the reduction in other forms of income, notably the general purpose grants (refer next section). While Council can obtain grants for specific purposes, substantially increased general purpose 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 4.5 per cent (excluding natural growth), as shown in the chart that follows:



## Rate Calculation

Rates in 2017/18 are determined on the following basis:

	<b>\$</b>
Rate Income 2016/17	47,904,285
Add Natural Growth @ Net 1.2%	574,851
	<hr/>
Rates Prior to Rate Increase	48,479,136
	<hr/>
Add Net Rate Increase @ 2.5%	1,210,864
	<hr/>
<b>Rates Raised (excluding fines)</b>	<b>49,690,000</b>
	<hr/>

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

## Minimum Rates

A minimum rate of \$892 is proposed for 2017/18 (\$870 in 2016/17), an increase of \$22 or 2.5 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 2016/17 at \$870. Minimum rates in metropolitan Adelaide average \$962 and range between \$758 (Unley) and \$1,133 (Walkerville).

## Rate Movements

It is proposed that rates be increased as follows:

Minimum Rate	:	Up 2.5%
Non-Residential	:	Up 2.5%
Residential	:	Up 2.5%
Overall Increase	:	Up 2.5%

## Rates Comparison with Other Councils

A comparison of rates with other metropolitan councils reveals that West Torrens Council's average rates of \$1,605 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 2016/17**

<b>Council</b>	<b>Average Rates \$</b>	<b>Ratio %</b>
Walkerville	2,061	1.3
Unley	2,026	1.3
Prospect	1,954	1.2
Playford	1,894	1.2
Charles Sturt	1,780	1.1
Tea Tree Gully	1,764	1.1
Mitcham	1,737	1.1
Burnside	1,706	1.1
Marion	1,696	1.1
Norwood, Payneham	1,662	1.0
<b>West Torrens</b>	<b>1,605</b>	1.0
Holdfast Bay	1,591	1.0
Onkaparinga	1,561	1.0
Pt Adelaide Enfield	1,544	1.0
Salisbury	1,535	1.0
Campbelltown	1,491	0.9
<b>Average</b>	<b>1,725</b>	<b>1.1</b>

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.

<b>Council</b>	<b>Average Rates \$</b>	<b>Ratio %</b>
Walkerville	1,963	1.7
Prospect	1,732	1.5
Unley	1,729	1.5
Burnside	1,661	1.4
Mitcham	1,614	1.4
Tea Tree Gully	1,535	1.3
Norwood, Payneham	1,491	1.3
Holdfast Bay	1,487	1.3
Onkaparinga	1,469	1.3
Campbelltown	1,466	1.3
Playford	1,465	1.3
Marion	1,427	1.2

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Charles Sturt	1,333	1.2
Salisbury	1,267	1.1
<b>West Torrens</b>	<b>1,150</b>	<b>1.0</b>
Pt Adelaide Enfield	994	0.9
<b>Average</b>	<b>1,486</b>	<b>1.3</b>

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.

### Grant Income

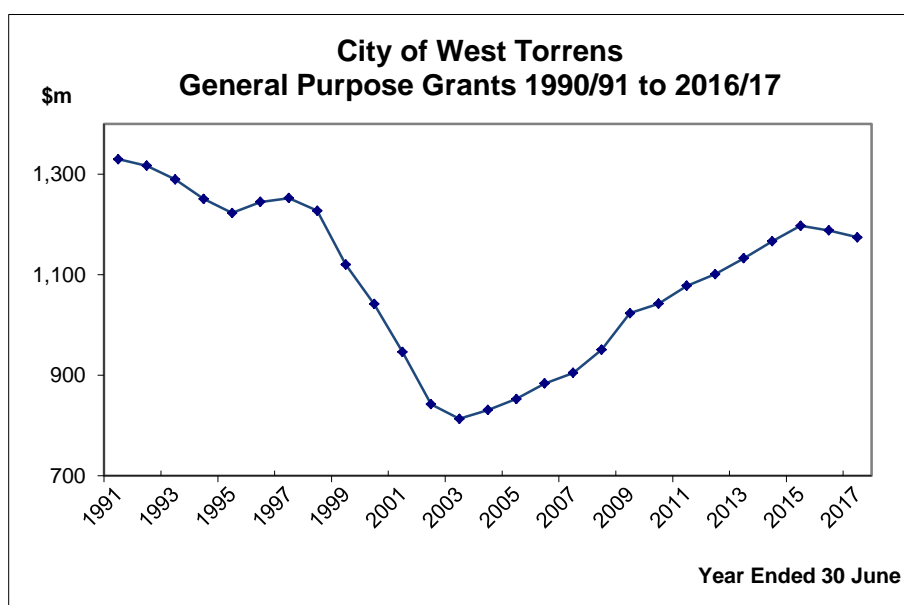
Grant income budgeted in 2017/18 totals \$3,614,949 (\$4,182,023 in 2016/17) as follows

	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Variance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
General Purpose Grant	1,200,000	1,204,000	4,000
Road Grants	599,500	611,490	11,990
Library	416,500	420,339	3,839
HACC / CHSP	468,700	468,744	44
Special Road Grants	1,442,053	873,376	-568,677
Sundry Grants	55,270	37,000	-18,270
<b>Total</b>	<b>4,182,023</b>	<b>3,614,949</b>	<b>-567,074</b>

## 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
2016/17	1,174,563



## 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 2017/18 financial year totals \$1,242,429 (or 1.9 per cent of all Council's income). They comprise the following:

	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Variance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Waste Royalties / Lease Fees	177,757	164,314	-13,443
Hall and Theatre Hire / Rent	228,401	244,233	15,832
Library Income	40,000	40,000	0
Ovals Rents, Fees & Related	144,777	111,488	-33,289
Home Support Charges	139,300	135,000	-4,300
House Rent & Related	32,764	36,814	4,050
Sundry User Charges	522,358	510,580	-11,778
<b>Total</b>	<b>1,285,357</b>	<b>1,242,429</b>	<b>-42,928</b>

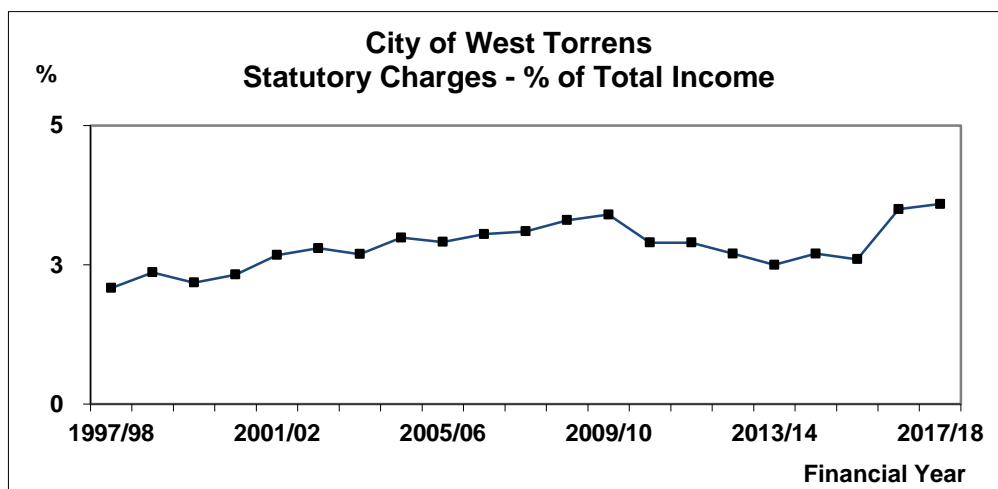
All user charges are reviewed annually by Council.

## 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:

	<b>Budget 2016/17</b>	<b>Budget 2017/18</b>	<b>Variance</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Parking Income	1,045,000	1,100,000	55,000
Development Act Fees	650,000	670,000	20,000
Animal Control Income	289,980	299,900	9,920
Property Search Fees	110,000	115,000	5,000
Sundry Statutory Charges	104,600	108,200	3,600
<b>Total</b>	<b>2,199,580</b>	<b>2,293,100</b>	<b>93,520</b>

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 2017/18 budget, statutory charges total \$2,293,100 or 3.6 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 1.7 per cent of all income budgeted in 2017/18 (excluding capital revenues).

	Budget 2016/17	Budget 2017/18	Variance
	\$	\$	\$
Investment & Related Income	444,000	349,000	-95,000
Reimbursement Income	247,345	233,206	-14,139
Insurance Bonus	302,227	300,000	-2,227
Sundry Income	211,073	210,500	-573
<b>Total</b>	<b>1,204,645</b>	<b>1,092,706</b>	<b>-111,939</b>

### Loan Program 2017/18

Council's loan program for 2017/18 totals \$1,805,364 (\$2,691,909 in the 2016/17 original budget). The loan is to fund Lockleys catchment drainage

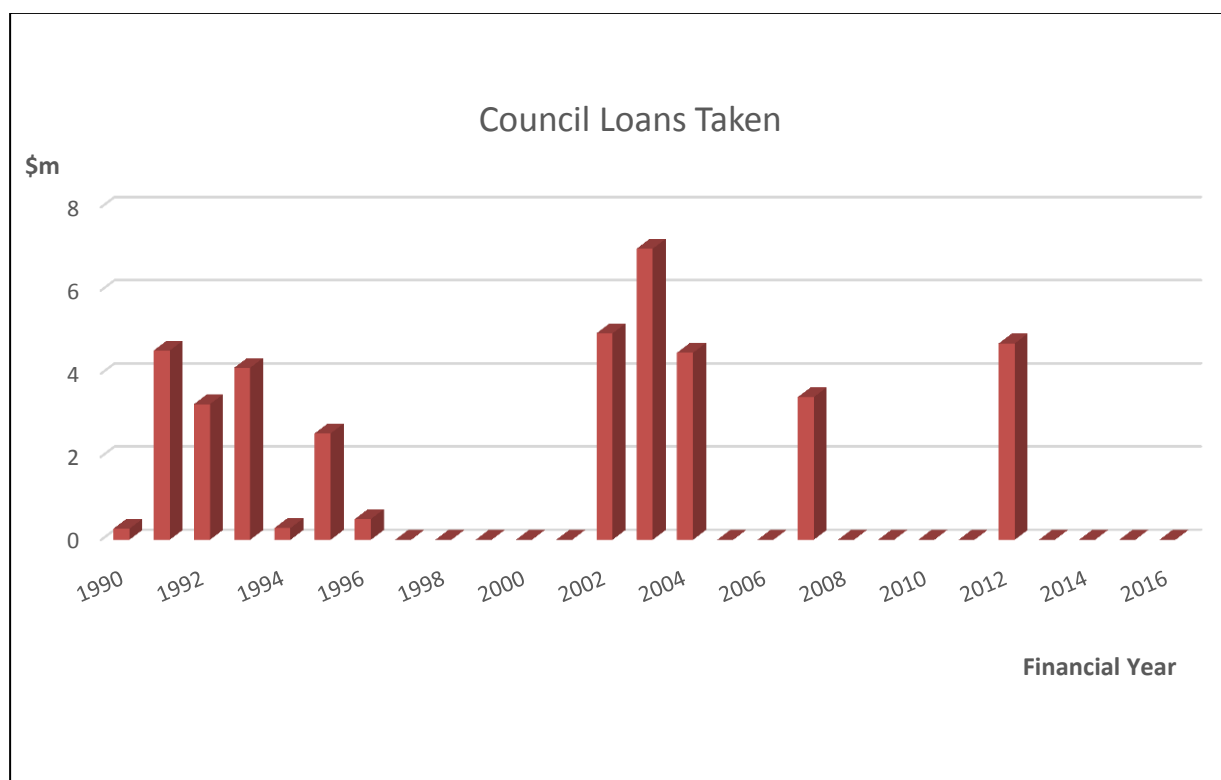
## Historical Perspective on Loans

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 30 June	Loans Taken		Year Ended 30 June	Loans Taken
1990	265,000		2004	4,497,337
1991	4,549,390		2005	0
1992	3,260,000		2006	0
1993	4,135,600		2007	3,430,000
1994	281,550		2008	0
1995	2,557,965		2009	0
1996	500,000		2010	0
1997	0		2011	0
1998	0		2012	4,721,455
1999	0		2013	0
2000	0		2014	0
2001	0		2015	0
2002	4,964,000		2016	0
2003	7,000,000		2017	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:

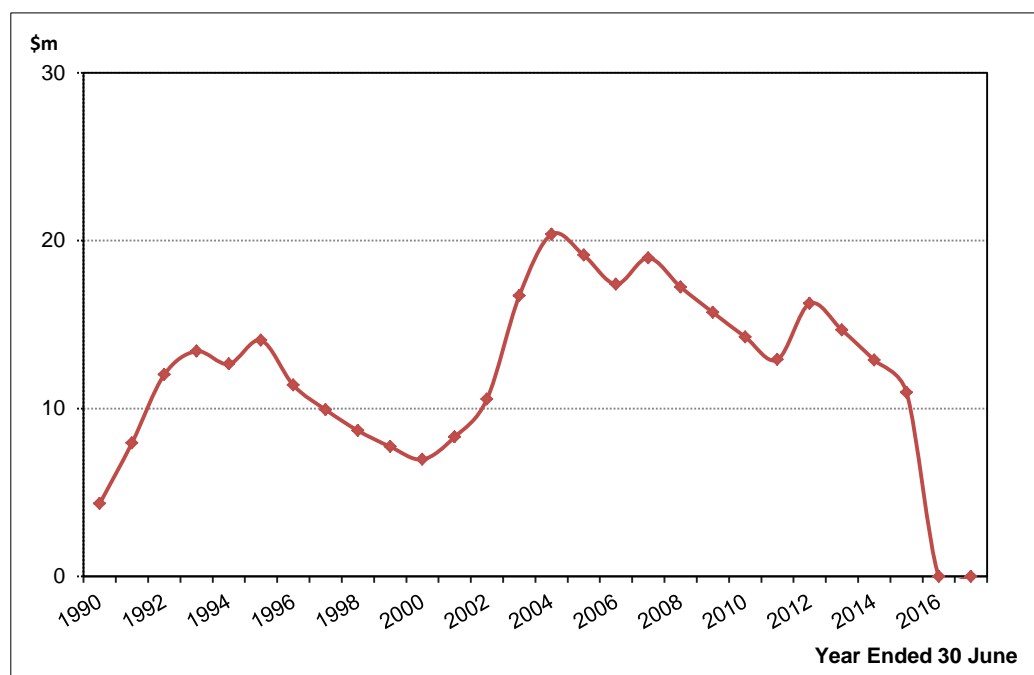




The indebtedness of the Council over the same period has been as follows:

<b>Year ended 30 June</b>	<b>Loan Liability</b>		<b>Year ended 30 June</b>	<b>Loan Liability</b>
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		2017	0

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.

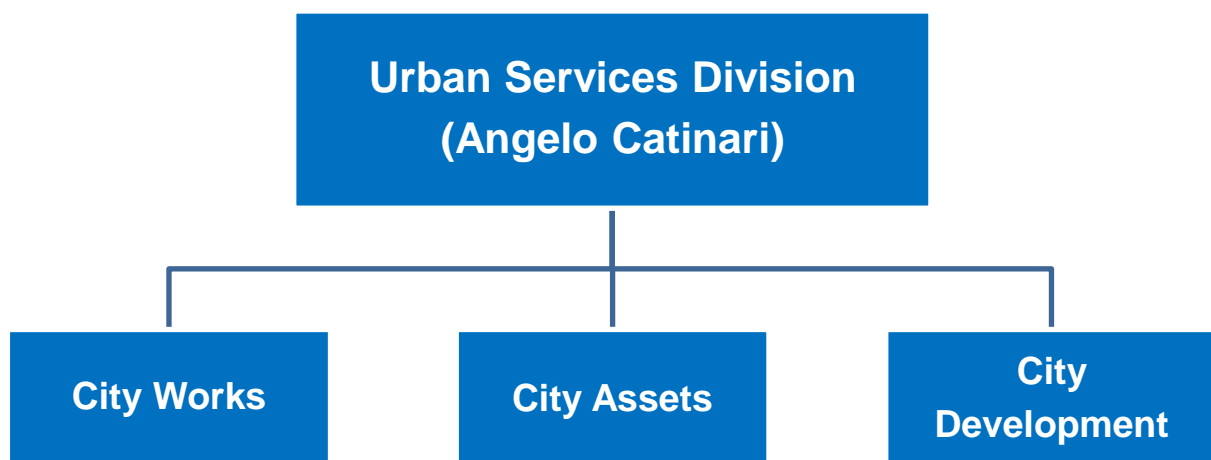
More recent loans have been taken to finance redevelopment of the Hilton Library, drainage works, Sir Donald Bradman Drive drainage, and other upgrade and general works.

No loan liability in 2016 and 2017 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 and planning 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

### 2017/18 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 2017/18

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.

#### 2017/18 Budget Highlights

##### 1. Income

- Urban Services' income is budgeted to decrease by \$568,774 or 14.8 per cent to \$3,285,981;
- Roads to recovery funding of \$873,376 is budgeted in 2017/18, down from \$1,442,053 in 2016/17;
- Council's urban local road grant has been budgeted at \$611,490, based on the grant received for 2016/17 plus a CPI allowance (\$599,500 budgeted originally in 2016/17);

- Royalty payments and lease income associated with the waste transfer station have been decreased by \$13,443 or 7.6 per cent to \$164,314;
- Income from sporting facilities of \$111,488 has been budgeted (\$144,777 in 2016/17);
- Thebarton Theatre income of \$69,168 has been budgeted (\$68,682 in 2016/17);
- Property related reimbursements for utility and related charges (such as water and electricity) of \$191,006 have been budgeted (\$185,345 in 2016/17);
- City Works' income of \$115,000 has been budgeted (\$114,000 in 2016/17) 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 \$670,000 have been budgeted (up 3.1 per cent from \$650,000 in 2016/17), based on an anticipated increase in development application numbers;
- Property search fees have been budgeted at \$115,000, based on an increase over 2016/17 in property sales (up \$5,000 or 4.5 per cent on 2016/17).

## 2. Operational Expenditure

- Operational expenditure (excluding depreciation) has increased by \$331,204 or 1.9 per cent to \$17,984,794;
- Employment expenses have increased by \$299,573 or 3.0 per cent, to \$10,313,118;
- Street lighting expenditure of \$850,000 has been budgeted, which has significantly decreased from \$942,000 budgeted in 2016/17;
- Professional fees have decreased by \$17,500 or 2.9 per cent to \$583,500, to fund the following:
  - \$90,000 for support in City Development, including building surveying, traffic, arboricultural and heritage advice and services;
  - \$80,000 for specialist engineering advice;
  - \$75,000 for the Brown Hill Keswick Creek project (administrative fees contribution);
  - \$60,000 for various consultancy advice;
  - \$50,000 for Stormwater audit work to be undertaken;
  - \$45,000 for Lands Titles Office and topographical surveys;
  - \$30,000 for property and open space related activities, 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 median - Sir Donald Bradman Drive / Airport Road - preliminary and detailed design / layout;
  - \$20,000 for risk assessments, auditing and compliance projects and activities;
  - \$20,000 for tree survey works as part of Council's tree strategy and policy;
  - \$20,000 for transport strategy implementation (LATM works);
  - \$20,000 in property related fees;
  - \$20,000 for asset management development;
  - \$7,500 for minor city works fees;
  - \$6,000 for geotechnical testing.
- Depreciation costs have been budgeted to increase by \$315,577 or 3.1 per cent to \$10,346,627;

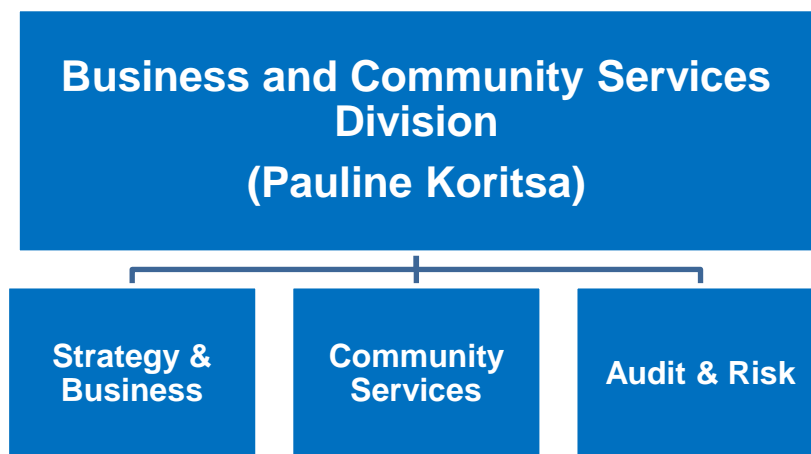
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- Contract maintenance expenditure has increased by \$46,500 or 2.1 per cent to \$2,249,500 and includes:
    - \$733,000 for property and facilities related maintenance, servicing and cleaning;
    - \$522,000 for road and footpath maintenance;
    - \$270,000 for tree pruning;
    - \$230,000 for inspection, cleaning and maintaining the drainage network and stormwater pump stations;
    - \$180,000 for weed control;
    - \$108,000 in waste disposal costs, which includes illegally dumped rubbish;
    - \$85,000 for graffiti removal;
    - \$25,000 for irrigation and compliance testing;
    - \$11,000 in sundry expenditure.
  - Material costs for maintenance works have increased by \$15,500 or 1.7 per cent to \$930,500, and include:
    - \$215,000 for road maintenance and concrete material;
    - \$190,000 for the greening program (tree replacement, plantings and biodiversity WSUD plantings);
    - \$148,000 for line marking and signage.
  - Levies and charges have increased by \$36,000 or 53.7 per cent to \$103,000 following the introduction of a state government levy to fund implementation of the new PDI legislation;
  - Plant and equipment costs (excluding plant hire and depreciation) are budgeted to increase by \$10,000 or 1.5 per cent to \$684,350;
  - Water rates have been increased by \$3,923 or 0.6 per cent to \$645,041;
  - 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.



<b>BUDGET 2017/18</b> <b>URBAN SERVICES DIVISION</b> <b>OPERATIONAL EXPENDITURE &amp; INCOME</b>
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2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	REVISED		BUDGET	2016/17	ORIGINAL
Income					
765,000	789,173	Statutory Charges	790,000	25,000	3.3%
774,857	749,263	User Charges	733,109	(41,748)	-5.4%
2,077,053	3,073,807	Grants & Subsidies	1,520,366	(556,687)	-26.8%
207,845	209,033	Reimbursements	210,506	2,661	1.3%
30,000	202,176	Other Income	32,000	2,000	6.7%
3,854,755	5,023,452	Total Income	3,285,981	(568,774)	-14.8%
Less					
Operational Expenditure					
9,346,422	9,256,937	Staff Costs	9,633,037	286,615	3.1%
667,123	677,570	Staff Related Costs	680,081	12,958	1.9%
1,815,160	1,818,660	Buildings Furniture & Fittings	1,797,606	(17,554)	-1.0%
1,278,540	1,289,490	Plant & Equipment	1,307,894	29,354	2.3%
6,170	6,670	Computer Expenditure	6,177	7	0.1%
7,700,000	7,700,000	Community Assets	8,000,000	300,000	3.9%
1,605,829	1,906,358	General	1,533,510	(72,319)	-4.5%
1,036,825	930,945	Council Expenditure	1,001,258	(35,567)	-3.4%
2,203,000	2,205,212	Contract Expenditure	2,249,500	46,500	2.1%
915,000	915,000	Materials	930,500	15,500	1.7%
1,195,571	1,195,571	Occupancy & Property	1,276,858	81,287	6.8%
(85,000)	(85,000)	Internal - Expenditure Recovered	(85,000)	0	0.0%
27,684,640	27,817,413	Total Operational Costs	28,331,421	646,781	2.3%
(23,829,885)	(22,793,961)	Operational Surplus/(Deficit)	(25,045,440)	(1,215,555)	5.1%

## **Business and Community Services Division**



The Business and Community Services Division is primarily responsible for governance and risk management, media and events, procurement, internal audit, strategic planning, 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 Services Division comprises the following:

- Strategy and Business;
- Community Services;
- Audit and Risk.

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## **Business and Community Services Division 2017/18 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;
- Coordinate high level strategic land use planning policy, corporate planning and environmental services;
- Build stronger relationships and partnerships between Council, the community and state and other local governments, to build the social capital of the local community;
- Deliver responsive services that address health and wellbeing, and the social and educational needs of people of all ages;
- 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;
- Deliver 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 2017/18**

Key divisional activities include:

- City Strategy, including the coordination of land use planning policy, corporate and strategic planning and performance of the Community Plan;
- Community Services, including the provision of centre and outside based programs and services to people of all ages, mobile and home library services, volunteer, community bus, children and youth programs, and aged support programs;
- Business Services, which includes procurement, internal audit, risk management, governance, media and events.

### **Performance Measures**

Performance measures, both financial and non-financial, against which the Business and Community Services 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 Council's aged services 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;
- Community participation in the summer festival program.

## 2017/18 Budget Highlights

### 1. Income

- Divisional income is budgeted to decrease by \$37,167 or 2.9 per cent to \$1,250,703;
- Income from library users of \$51,300 has been budgeted (\$51,300 in 2016/17);
- A component of the library budget is externally funded by the state government, and represents 15.5 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 \$3,839 or 0.9 per cent higher than that budgeted in 2016/17;
- User charges for the Commonwealth Home Support program (CHSP) have been decreased by \$15,300 or 12.2 per cent to \$110,000;
- CHSP grant income is expected to be \$468,744 (\$468,700 budgeted in 2016/17);
- Income of \$196,320 has been budgeted for Community Development, an increase of \$28,320 or 16.9 per cent (\$168,000 in 2016/17);
- Community Development income includes transport fees and charges of \$17,820, Thebarton Community Centre hire charges of \$150,000 (\$135,000 in 2016/17) and fees from Home Advantage Services of \$25,000.

### 2. Operational Expenditure

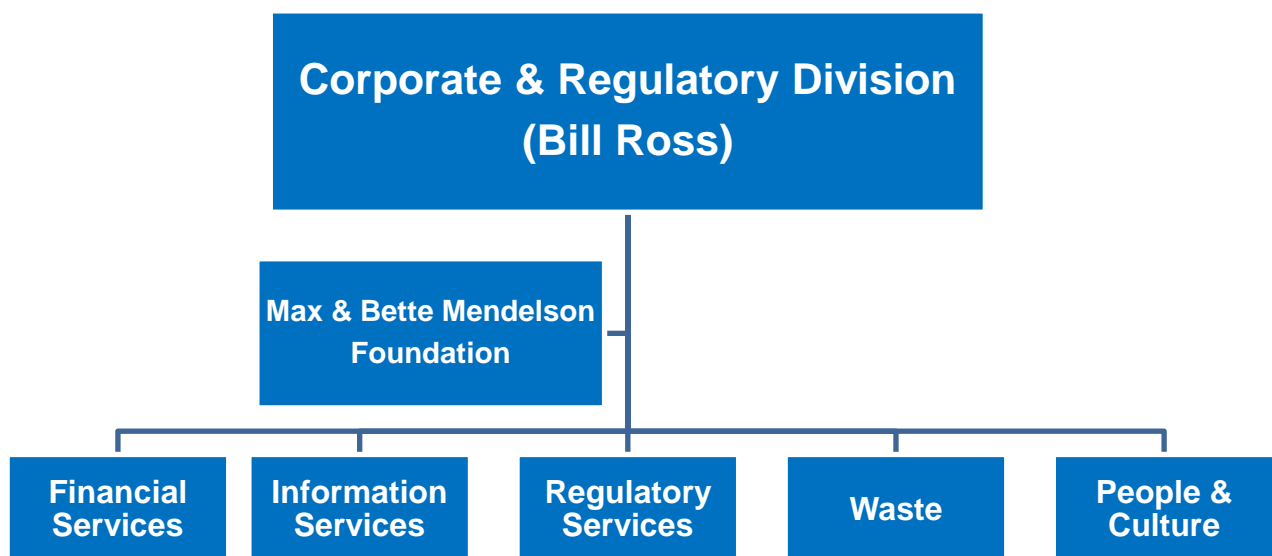
- Operational expenditure for the Business and Community Services Division is budgeted to increase by \$676,735 or 9.0 per cent to \$8,173,610;
- Employment expenses have increased by \$452,960 or 9.2 per cent, to \$5,365,134, an increase that includes allowance for three new positions in Community Development, all the subject of a Council resolution, being an Opal Program Officer, a Home Advantage Support Officer and a Community Development Officer;
- \$250,100 has been budgeted for professional fees, up \$6,100 or 2.5 per cent on what was funded in 2016/17. The budget amount includes:
  - \$67,000 for auditing support;
  - \$40,000 for the urban design framework;
  - \$30,000 for the urban open space plan;
  - \$25,000 to update the public health plan;
  - \$25,000 for regional collaboration on adaptation;
  - \$25,000 for regional economic alliance;
  - \$12,000 for the annual service fee for carbon and water monitoring;
  - \$10,000 for the emergency management plan;
  - \$10,000 for an external journalistic support on Talking Points (feature articles);
  - \$6,000 for the legislative review of Council by-laws.
- Community Development expenditure has increased by \$393,132 or 24.0 per cent to \$2,034,319 (\$1,641,187 in 2016/17) and this includes funding for:
  - The summer festival (music, movies and food in the park);
  - Community and celebratory activities and projects e.g. volunteer thank you Christmas lunch, community gardens, and walking and sewing groups;
  - Youth initiatives e.g. after school and school holiday activities, youth expo and Little Day Out events;
  - Community participation and engagement, including disability and volunteer expos, training and support, Anti-Poverty Week, Harmony Day and cultural evenings.

- An amount of \$181,245 has been budgeted for contractors to provide home support for the aged and disabled - \$102,000 in Community Development and \$79,245 in CHSP (\$143,000 budgeted in 2016/17);
- Partnership and community grants of \$282,630 are budgeted (\$261,328 in 2016/17);
- Publications and printing costs of \$133,400 are proposed, including \$58,000 for Talking Points (up \$26,600 or 24.9 per cent);
- Advertising and publicity costs of \$86,400 are budgeted, including \$56,400 for the Messenger column (\$94,000 budgeted in 2016/17).

<b>BUDGET 2017/18</b> <b>BUSINESS &amp; COMMUNITY SERVICES DIVISION</b> <b>OPERATIONAL EXPENDITURE &amp; INCOME</b>
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2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	REVISED		BUDGET	2016/17 ORIGINAL	
Income					
1,000	1,000	Statutory Charges	1,000	0	0.0%
372,600	366,910	User Charges	368,620	(3,980)	-1.1%
904,970	910,970	Grants & Subsidies	890,583	(14,387)	-1.6%
0	36,664	Reimbursements	0	0	N/A
9,300	23,877	Other Income	(9,500)	(18,800)	-202.2%
1,287,870	1,339,421	Total Income	1,250,703	(37,167)	-2.9%
Less					
Operational Expenditure					
4,610,488	4,630,338	Staff Costs	5,034,610	424,122	9.2%
301,686	308,215	Staff Related Costs	330,523	28,838	9.6%
165,710	184,410	Buildings Furniture & Fittings	168,232	2,522	1.5%
146,830	144,330	Plant & Equipment	152,589	5,759	3.9%
104,590	123,123	Computer Expenditure	149,281	44,691	42.7%
318,000	304,000	Community Assets	315,000	(3,000)	-0.9%
1,034,010	1,206,121	General	1,148,170	114,160	11.0%
2,400	2,400	Bank & Finance	2,400	0	0.0%
325,378	638,234	Council Expenditure	331,880	6,502	2.0%
148,200	504,200	Contract Expenditure	187,245	39,045	0.0%
30,000	30,000	Materials	32,200	2,200	7.3%
309,583	301,017	Occupancy & Property	321,479	11,896	3.8%
7,496,875	8,376,388	Total Operational Costs	8,173,610	676,735	9.0%
(6,209,005)	(7,036,967)	Operational Surplus/(Deficit)	(6,922,907)	(713,902)	11.5%

## 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;
- People and Culture.

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## **Corporate and Regulatory Division 2017/18 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 2017/18**

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.

### **2017/18 Budget Highlights**

#### **1. Income**

- Corporate and Regulatory income, which includes rates and rate equivalent payments, has increase by \$2,222,628 or 3.9 per cent, to \$59,337,744;



- Rates have been budgeted to increase by 2.5 per cent, based on the calculation that follows. This represents an increase in income from rates of \$1,785,715 over what was raised in 2016/17:

	\$
Rate Income 2016/17	47,904,285
Add Natural Growth at 1.2%	574,851
<b>Sub Total</b>	<b>48,479,136</b>
Add Rate Increase at 2.5%	1,210,864
<b>Total</b>	<b>49,690,000</b>

- Rate equivalent payments for Adelaide Airport have increased to \$5,200,000, based on growth of 1.0 per cent and a 2.5 per cent increase, as follows:

	\$
Net REP's in 2016/17	<b>5,022,335</b>
Add growth at 1.0%	50,223
Add increase at 2.5%	127,442
<b>Total</b>	<b>5,200,000</b>

- Income from investments has decreased by \$95,000 to \$349,000, based on an assessment of Council's future cash flow position;
- An amount of \$1.2 million is budgeted for Council's financial assistance grant in 2017/18;
- Parking and related fees are being increased by \$55,000 or 5.3 per cent to \$1,100,000, over what was originally budgeted in 2016/17;
- Dog registration and related fees are being increased by \$9,920 or 3.4 per cent to \$299,900, based on fees and charges adopted by Council;
- Environmental health income has increased by \$23,400 or 22.2 per cent to \$129,000, due to funding arrangements in undertaking the MenB immunisation program and increase in immunisations.

## 2. Operational Expenditure

- Operational costs for the Corporate and Regulatory Division have increased by \$818,846 or 5.8 per cent to \$15,033,130;
- Employment and related costs have increased by \$455,273 or 7.9 per cent, to \$6,240,715, with this increase including the costs associated with a WHS position being transferred to HR from the depot and a new IT position being added in support of mobility and customer service improvement initiatives;
- An amount of \$1,335,744 has been budgeted for the NRM levy, up \$75,608 or 6.0 per cent;
- The budget for rate rebates and remissions for 2017/18 totals \$795,000, an increase of \$75,000 or 10.4 per cent compared to the 2016/17 original budget;
- Valuation charges of the Valuer-General have been budgeted to increase by \$10,000 or 2.5 per cent to \$210,000;
- Bank and finance charges have been budgeted to decrease by \$3,000 or 2.0 per cent to \$148,500 over what was budgeted in 2016/17;
- No change to waste contract collection costs is anticipated in 2017/18, remaining at \$3,300,000;

- The collection budget amount of \$3,300,000 includes an allowance of \$539,000 for the following items (\$564,000 in 2016/17):

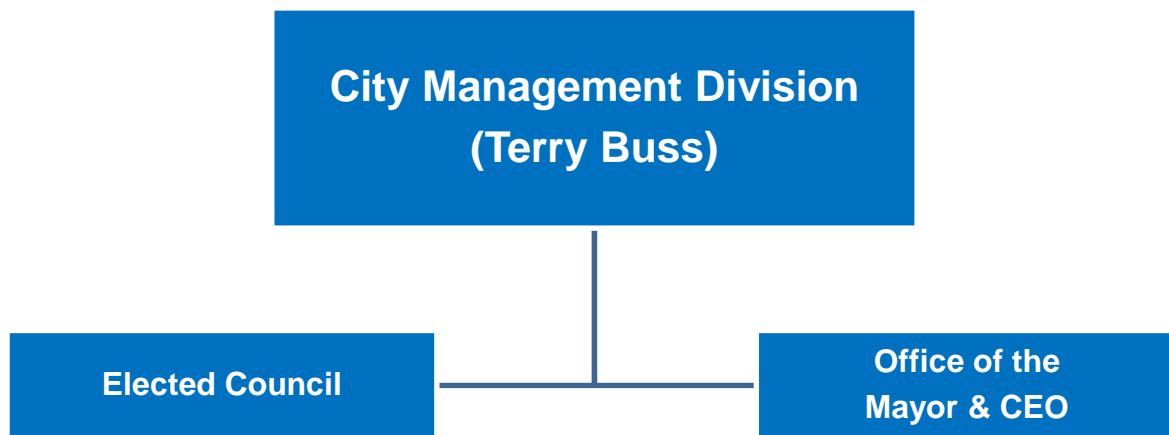
	\$
Hard waste	400,000
Hazardous waste collection	25,000
Mattresses	24,000
E-waste collection	10,000
Vouchers - 6 x 4 trailer	80,000
<b>Total</b>	<b>539,000</b>

- The hard waste collection budget is based on at-call arrangements being continued for the whole of the financial year;
- The hard waste collection budget has been reduced by \$14,000 or 3.4 per cent to \$400,000;
- Waste to landfill costs has increased by \$320,000 or 25.6 per cent to \$1,570,000, largely because of waste levy increases imposed by the state government;
- The IT software budget has decreased from \$800,000 to \$720,000;
- The professional fees budget has increased by \$22,680 or 12.7 per cent to \$201,350 and includes:
  - \$64,000 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;
  - \$70,000 in debtor management and debt recovery support (offset by income recoveries);
  - \$32,900 for corporate management, software assistance and audit support, including statutory auditing (\$35,000 in 2016/17);
  - \$20,000 for IT support, including the audit of computer security arrangements (\$5,000 in 2016/17).
- Contractor expenses have decreased by \$21,325 or 19.9 per cent, to \$85,875, an amount that largely covers compliance support in animal management and parking, and immunisation administration support;
- Training and development costs have increased by \$7,090 or 6.2 per cent to \$122,090, an amount that includes corporate training and an ongoing focus in 2017/18 on building organisational capability through skill and knowledge development, performance management, customer service and information technology.

<b>BUDGET 2017/18</b> <b>CORPORATE &amp; REGULATORY DIVISION</b> <b>OPERATIONAL EXPENDITURE &amp; INCOME</b>
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2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	REVISED		BUDGET	2016/17 ORIGINAL	
Income					
53,325,136	53,562,471	Rates	55,565,744	2,240,608	4.2%
1,433,580	1,481,580	Statutory Charges	1,502,100	68,520	4.8%
137,900	125,900	User Charges	140,700	2,800	2.0%
1,200,000	1,174,883	Grants & Subsidies	1,204,000	4,000	0.3%
100,500	190,500	Reimbursements	88,200	(12,300)	-12.2%
918,000	1,135,373	Other Income	837,000	(81,000)	-8.8%
57,115,116	57,670,707	Total Income	59,337,744	2,222,628	3.9%
Less					
Operational Expenditure					
5,298,951	5,532,228	Staff Costs	5,725,403	426,452	8.0%
486,491	544,280	Staff Related Costs	515,312	28,821	5.9%
14,360	14,360	Buildings Furniture & Fittings	14,453	93	0.6%
116,300	120,700	Plant & Equipment	117,006	706	0.6%
1,091,100	1,125,725	Computer Expenditure	1,024,512	(66,588)	-6.1%
764,315	843,814	General	798,954	34,639	4.5%
151,500	151,500	Bank & Finance	148,500	(3,000)	-2.0%
1,575,780	1,584,103	Council Expenditure	1,666,024	90,244	5.7%
4,657,200	4,782,400	Contract Expenditure	4,955,875	298,675	6.4%
58,287	58,287	Occupancy & Property	67,091	8,804	15.1%
14,214,284	14,757,397	Total Operational Costs	15,033,130	818,846	5.8%
42,900,832	42,913,310	Operational Surplus/(Deficit)	44,304,614	1,403,782	3.3%

## 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 CEO.

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## **City Management Division 2017/18 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 economic development within the city.

### **Key Activities 2017/18**

Key activities include the following:

- Office of the Mayor and CEO
- Business of the Elected Council;
- Delivery of continuous improvement 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 and good governance responsibilities and obligations;
- 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;
- Activities undertaken in support of economic development within the Council area.

**2017/18 Budget Highlights****1. Income**

- Income of \$4,500 is budgeted in 2017/18 (\$4,000 in 2016/17).

**2. Operational Expenditure**

- Operational expenditure has increased by \$164,578 or 8.2 per cent to \$2,160,351;
- Employment costs have increased by \$156,243 or 17.1 per cent to \$1,069,333, an increase that includes the addition of a new administrative support position;
- Allowances for Elected Members of \$397,520 have been budgeted, based on those adopted by Council and increases anticipated in November 2017 (\$396,500 in 2016/17);
- Annual subscription payments have increased by \$2,200 or 2.2 per cent to \$103,500 to cover memberships that include the LGA, AMAC and the Murray Darling Association;
- The budget for 2017/18 includes a contribution of \$20,000 towards Mendelson Foundation scholarships (\$20,000 in 2016/17);
- Legal costs of Council are substantially budgeted in this business unit, and an amount of \$220,000 has been budgeted, \$5,000 less than the amount budgeted in 2016/17;
- Professional fees have been reduced by \$3,000 to \$54,000, with provision made for the support of continuous improvement programs and advice on property and other strategic initiatives.

<b>BUDGET 2017/18</b> <b>CITY MANAGEMENT DIVISION</b> <b>OPERATIONAL EXPENDITURE &amp; INCOME</b>
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2016/17 BUDGET		DESCRIPTION	2017/18 BUDGET	VARIATION TO 2016/17 ORIGINAL	
ORIGINAL	REVISED				
		<b>Income</b>			
4,000	4,000	Reimbursements	4,500	500	12.5%
<b>4,000</b>	<b>4,000</b>	<b>Total Income</b>	<b>4,500</b>	<b>500</b>	<b>12.5%</b>
		<i>Less</i>			
		<b>Operational Expenditure</b>			
816,956	864,547	Staff Costs	950,631	133,675	16.4%
96,134	95,953	Staff Related Costs	118,702	22,568	23.5%
6,770	6,770	Buildings Furniture & Fittings	8,709	1,939	28.6%
18,100	18,100	Plant & Equipment	18,561	461	2.5%
1,930	1,930	Computer Expenditure	2,880	950	49.2%
631,185	653,274	General	633,945	2,760	0.4%
421,500	425,500	Council Expenditure	422,520	1,020	0.2%
3,198	3,198	Occupancy & Property	4,403	1,205	37.7%
<b>1,995,773</b>	<b>2,069,272</b>	<b>Total Operational Costs</b>	<b>2,160,351</b>	<b>164,578</b>	<b>8.2%</b>
<b>(1,991,773)</b>	<b>(2,065,272)</b>	<b>Operational Surplus/(Deficit)</b>	<b>(2,155,851)</b>	<b>(164,078)</b>	<b>8.2%</b>

**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 = 0.00265938  
 Minimum Rate = \$870.00  
 Rates = Capital Value \* Rate in the Dollar

Rates = \$400,000 \* 0.00265938  
 = \$1,063.75

As this amount is greater than the minimum rate, the rate applied by Council remains at \$1,063.75.

### Example 2 - Residential with an Adjustment for the Minimum Rate

Capital Value = \$250,000  
 Rate in the Dollar = 0.00265938  
 Minimum Rate = \$870.00  
 Rates = Capital Value \* Rate in the Dollar

Rates = \$250,000 \* 0.00265938 = \$664.85

This is below the minimum rate (of \$870.00) and must therefore be adjusted:

$$\begin{aligned}\text{Rates} &= \$664.85 + \text{Adjustment} \\ &= \$664.85 + \$205.15 \\ &= \$870.00\end{aligned}$$

The rates are adjusted up by \$205.15 and set by Council at the minimum rate of \$870.00.

Council set the minimum rate on 26 per cent of all residential properties in 2016/17 and all were valued at less than \$328,000.

## 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;
- 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;
- 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;
- 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;
- 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 2016/17 \$m	Budgeted Income 2017/18 \$m
Residential	31.09	32.42
Non-residential	16.56	17.27

In 2016/17 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	3.8
<b>West Torrens</b>	<b>2.3</b>	<b>2.3</b>
Unley	2.3	2.0
Pt Adelaide Enfield	2.2	2.2
Mitcham	2.1	2.1
Prospect	2.0	2.0
Marion	1.9	1.7
Holdfast Bay	1.6	1.6
Tea Tree Gully	1.5	1.5
Salisbury	1.5	1.5
Onkaparinga	1.4	1.4
Norwood, Payneham	1.2	1.2
Adelaide Hills	1.2	1.2
Burnside	1.0	1.0
Campbelltown	1.0	1.0
<b>Average</b>	<b>2.0</b>	<b>2.0</b>

Source: LGA Survey

This differential is a measure of the extent to which the commercial and industrial rates in the dollar for each council exceed their rates for residential properties.

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.

### **Fixed Charge**

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. Note that valuations for 2017 by the Valuer-General are not currently available, so the figures below relate to 2016 but will be updated when the information is provided.

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%
<b>Total</b>	<b>24,775</b>	<b>434,790</b>	<b>9,801</b>	<b>2.3%</b>

Valuation increases for 2017 are not yet available, but will be updated when available. Movements in prior years ranged from:

- An increase of 0.8 per cent in Ashford to an increase of 4.0 per cent in Torrensville (2016);
- 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).

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 2017/18.

### 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;
- 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](http://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](mailto: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);
  - 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](http://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](mailto: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;
- How to go about applying for a rebate or remission.

### **Proposed Rate Model**

The proposed rate model for 2017/18 is shown on the page following.



**Rate model yet to be prepared**

## **Summary Financial Statements**

## City of West Torrens

## Statement of Comprehensive Income

for the year ended 30 June 2018

\$ '000	Original Budget 2016/17	Original Budget 2017/18
<b>Income</b>		
Rates Revenues	53,390	55,636
Statutory Charges	2,200	2,293
User Charges	1,285	1,242
Grants, Subsidies and Contributions	4,182	3,615
Investment Income	444	349
Reimbursements	217	213
Other Income	543	530
Net Gain - Equity Accounted Council Businesses	-	-
<b>Total Income</b>	<b>62,261</b>	<b>63,878</b>
<b>Expenses</b>		
Employee Costs	21,624	22,988
Materials, Contracts & Other Expenses	18,672	19,314
Depreciation, Amortisation & Impairment	10,941	11,245
Finance Costs	154	151
<b>Total Expenses</b>	<b>51,391</b>	<b>53,698</b>
<b>Operating Surplus / (Deficit)</b>	<b>10,870</b>	<b>10,180</b>
Asset Disposal & Fair Value Adjustments	-	-
Amounts Received Specifically for New or Upgraded Assets	-	3,625
Physical Resources Received Free of Charge	-	-
<b>Net Surplus / (Deficit) <sup>1</sup></b>	<b>10,870</b>	<b>13,805</b>
<b>Other Comprehensive Income</b>		
<i>Amounts which will not be reclassified subsequently to operating result</i>		
Changes in Revaluation Surplus - I, PP&E	-	-
<i>Amounts which will be reclassified subsequently to operating result</i>		
Nil	-	-
<b>Total Other Comprehensive Income</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>	<b>10,870</b>	<b>13,805</b>

<sup>1</sup> Transferred to Equity Statement

## City of West Torrens

## Statement of Financial Position

as at 30 June 2018

	Original Budget 2016/17	Original Budget 2017/18
\$ '000		
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	7,701	332
Trade & Other Receivables	2,124	2,124
Other Financial Assets	1,185	1,280
Inventories	11	11
<b>Subtotal</b>	<b>11,021</b>	<b>3,747</b>
Non-Current Assets Held for Sale	-	-
<b>Total Current Assets</b>	<b>11,021</b>	<b>3,747</b>
<b>Non-Current Assets</b>		
Infrastructure, Property, Plant & Equipment	570,323	637,703
Other Non-Current Assets	4,238	4,518
<b>Total Non-Current Assets</b>	<b>574,561</b>	<b>642,221</b>
<b>TOTAL ASSETS</b>	<b>585,582</b>	<b>645,968</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade & Other Payables	6,419	5,034
Borrowings	-	-
Provisions	2,004	3,902
<b>Subtotal</b>	<b>8,423</b>	<b>8,936</b>
Liabilities relating to Non-Current Assets Held for Sale	-	-
<b>Total Current Liabilities</b>	<b>8,423</b>	<b>8,936</b>
<b>Non-Current Liabilities</b>		
Borrowings	2,692	1,805
Provisions	433	300
<b>Total Non-Current Liabilities</b>	<b>3,125</b>	<b>2,105</b>
<b>TOTAL LIABILITIES</b>	<b>11,548</b>	<b>11,041</b>
<b>Net Assets</b>	<b>574,034</b>	<b>634,927</b>
<b>EQUITY</b>		
Accumulated Surplus	58,613	73,247
Asset Revaluation Reserves	500,073	546,856
Other Reserves	15,348	14,824
<b>Total Council Equity</b>	<b>574,034</b>	<b>634,927</b>

## City of West Torrens

## Statement of Cash Flows

for the year ended 30 June 2018

	Original Budget 2016/17	Original Budget 2017/18
<b>\$ '000</b>		
<b>Cash Flows from Operating Activities</b>		
<b>Receipts</b>		
Rates Receipts	53,390	55,636
Statutory Charges	2,200	2,293
User Charges	1,285	1,242
Grants, Subsidies and Contributions (operating purpose)	4,182	3,615
Investment Receipts	444	349
Reimbursements	217	213
Other Receipts	543	530
<b>Payments</b>		
Payments to Employees	(21,624)	(22,895)
Payments for Materials, Contracts & Other Expenses	(18,613)	(19,314)
Finance Payments	(154)	(151)
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>21,871</b>	<b>21,518</b>
<b>Cash Flows from Investing Activities</b>		
<b>Receipts</b>		
Amounts Received Specifically for New/Upgraded Assets	-	3,625
Sale of Replaced Assets	609	437
<b>Payments</b>		
Expenditure on Renewal/Replacement of Assets	(13,057)	(11,664)
Expenditure on New/Upgraded Assets	(11,699)	(15,719)
<b>Net Cash provided by (or used in) Investing Activities</b>	<b>(24,147)</b>	<b>(23,321)</b>
<b>Cash Flows from Financing Activities</b>		
<b>Receipts</b>		
Proceeds from Borrowings	2,692	1,805
<b>Payments</b>		
Repayments of Borrowings	-	-
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>2,692</b>	<b>1,805</b>
<b>Net Increase (Decrease) in Cash Held</b>	<b>416</b>	<b>2</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>	<b>7,286</b>	<b>330</b>
<b>Cash &amp; Cash Equivalents at end of period</b>	<b>7,701</b>	<b>332</b>
<b>Total Cash, Cash Equivalents &amp; Investments</b>	<b>7,701</b>	<b>332</b>

## City of West Torrens

Statement of Changes in Equity  
for the year ended 30 June 2018

\$ '000	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
<b>Original Budget 2016/17</b>				
<b>Balance at the end of previous reporting period</b>	58,822	511,652	4,269	<b>574,743</b>
<b>a. Net Surplus / (Deficit) for Year</b>	10,870	-	-	<b>10,870</b>
<b>b. Other Comprehensive Income</b>				
- Gain (Loss) on Revaluation of I,PP&E	-	(11,579)	-	<b>(11,579)</b>
<b>Other Comprehensive Income</b>	-	(11,579)	-	<b>(11,579)</b>
<b>Total Comprehensive Income</b>	<b>10,870</b>	<b>(11,579)</b>	<b>-</b>	<b>(709)</b>
<b>c. Transfers between Reserves</b>	(11,079)	-	11,079	-
<b>Balance at the end of period</b>	<b>58,613</b>	<b>500,073</b>	<b>15,348</b>	<b>574,034</b>
<b>Original Budget 2017/18</b>				
<b>Balance at the end of previous reporting period</b>	58,127	532,344	16,139	<b>606,610</b>
<b>a. Net Surplus / (Deficit) for Year</b>	13,805	-	-	<b>13,805</b>
<b>b. Other Comprehensive Income</b>				
- Gain (Loss) on Revaluation of I,PP&E	-	14,512	-	<b>14,512</b>
<b>Other Comprehensive Income</b>	-	14,512	-	<b>14,512</b>
<b>Total Comprehensive Income</b>	<b>13,805</b>	<b>14,512</b>	<b>-</b>	<b>28,317</b>
<b>c. Transfers between Reserves</b>	1,315	-	(1,315)	-
<b>Balance at the end of period</b>	<b>73,247</b>	<b>546,856</b>	<b>14,824</b>	<b>634,927</b>

## City of West Torrens

### Financial Indicators

for the year ended 30 June 2018

	Original Budget 2016/17	Original Budget 2017/18
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\$ '000

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.

#### 1. Operating Surplus Ratio

Operating Surplus	21%	16%
Total Operating Revenue		

*This ratio expresses the operating surplus as a percentage of total operating revenue.*

#### 1a. Adjusted Operating Surplus Ratio

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.	21%	16%
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#### 2. Net Financial Liabilities Ratio

Net Financial Liabilities	1%	11%
Total Operating Revenue		

*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.*

#### 3. Asset Sustainability Ratio

Net Asset Renewals	106%	103%
Infrastructure & Asset Management Plan required expenditure		

*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.*

## City of West Torrens

## Uniform Presentation of Finances

for the year ended 30 June 2018

	Original Budget 2016/17	Original Budget 2017/18
<b>\$ '000</b>		
<p>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.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	62,261	63,878
less Expenses	(51,391)	(53,698)
<b>Operating Surplus / (Deficit)</b>	<b>10,870</b>	<b>10,180</b>
less <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	13,057	11,664
less Depreciation, Amortisation and Impairment	(10,941)	(11,245)
less Proceeds from Sale of Replaced Assets	(609)	(437)
<b>Subtotal</b>	<b>1,506</b>	<b>(18)</b>
less <b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	11,699	15,719
less Amounts Received Specifically for New and Upgraded Assets	-	(3,625)
<b>Subtotal</b>	<b>11,699</b>	<b>12,094</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(2,336)</b>	<b>(1,896)</b>





## **Ten Year Financial Plan**



**City of West Torrens**  
**KEY ASSUMPTIONS**  
Forward Estimates for 10 years to 2026/27

**Income**

Rate Increase 2017/18	2.5%	+ growth
REP Increase 2017/18	2.5%	
Rate Growth - 2017/18	1.20%	
REP Growth - 2017/18	1.00%	
Rate Increases 2018/19	2.6%	+ growth in all years
Rate Growth - All Other Years	1.2%	
REP Increases 2018/19	2.6%	Same as rate increases
Rate Equivalent Growth	1.0%	Cumulative increase
Rate Increases from 2019/20	2.7%	+ growth in all years
Revenue Growth - Parking	2.0%	
Revenue Growth - Animals	2.0%	
Revenue Growth - Dev Apps	2.0%	
Revenue Growth - Waste	2.0%	
W/Comp Refund	1.5%	
Revenue Growth - Other	2.0%	Other - cumulative increase
NRM Levy from 2018/19	5.0%	
Roads to Recovery	-	Funding to continue until 2018/19

**Capital Expenditure**

Plant, Furniture & Equip	2.0%	Cumulative increase
Building Expenditure	-	Based on asset management plan
Asset Sale Development	-	
Building Escallation	1.5%	Cumulative increase thereafter

**Capital Works Expenditure**

Brown Hill / Keswick Drnge	-	Based on 49% of 50% of the cost split over 20 years
Brown Hill / Keswick Drnge	1.5%	Cumulative increase
Road Reseal / Maintenance	-	To match AM Plan over 10 years
Footpath Constn / Recon	-	To match AM Plan over 10 years
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	-	\$3.52 million pa from 2018/19 indexed
Local Drainage Works	1.5%	\$570,000 from 2017/18 indexed

**Expenditure - Operational & Maintenance**

Wages Growth	6.3%	Based on proposed budget 2017/18
Wages Growth	3.5%	Based on expectation - 2018/19 to 2019/20
Wages Growth	3.5%	Based on expectation - from 2020/21
Waste Contract - Solo	2.0%	Fuel impact + extra services
Waste Disposal 2018/19	10.5%	Includes allowance for solid waste levy
Waste Disposal Otherwise	3.0%	Allowance for modest levy increases
Contract Works	2.0%	
Works Materials	2.0%	
Other Finance Charges	1.7%	Includes banking charges
Depreciation - Buildings	3.0%	Allowance for new assets
Depreciation - Infrastructure	3.1%	Allowance made for new assets
Depreciation Other	2.0%	
Plant Costs	2.0%	
Computer Expenses	1.5%	
Computer Licensing	1.5%	
General Insurance Premium	1.5%	Competitive market
Professional Fees	1.5%	
Street Lighting	2.5%	
Property Costs	4.0%	Utility cost pressures
Other Operating Costs	1.5%	

**Sundry**

	\$m
Asset Sales	0.00
Debenture Loan Interest Rates	4.75% From 2017/18 5.25% From 2022/23



**City of West Torrens**  
**SUMMARY – ACTUAL & PROJECTED**  
**Forward Estimates for 10 years to 2026/27**

ACTIVITIES	NOTE	BUDGET 2016/17 ORIGINAL	BUDGET 2016/17 REVISED	BUDGET 2017/18 ORIGINAL	BUDGET 2017/18 REVISED	ESTIMATES 2018/19	ESTIMATES 2019/20	ESTIMATES 2020/21	ESTIMATES 2021/22	ESTIMATES 2022/23	ESTIMATES 2023/24	ESTIMATES 2024/25	ESTIMATES 2025/26	ESTIMATES 2026/27
<b>OPERATING</b>														
Receipts	1	62,261,741	64,195,089	67,503,928	67,503,928	65,723,113	67,702,866	70,218,194	72,823,395	75,534,943	78,343,909	81,267,273	84,296,215	87,450,160
Payments	2	40,016,037	41,642,835	41,981,515	41,981,515	43,433,178	44,869,245	46,341,931	47,852,211	49,401,091	51,007,374	52,654,135	54,342,386	56,073,153
<b>Net Operating</b>		<b>22,245,704</b>	<b>22,552,254</b>	<b>25,522,413</b>	<b>25,522,413</b>	<b>22,289,935</b>	<b>22,833,621</b>	<b>23,876,263</b>	<b>24,971,184</b>	<b>26,133,853</b>	<b>27,336,535</b>	<b>28,613,139</b>	<b>29,953,829</b>	<b>31,377,007</b>
<b>FINANCING</b>														
Principal Receipts - Loan		0	0	1,805,364	1,805,364	3,336,394	3,395,648	3,455,974	3,517,393	3,579,925	3,643,590	3,708,409	3,774,405	3,841,597
Principal Receipts - Overdraft		0	0	0	0	0	0	0	0	0	0	0	0	0
Principal Payments		0	0	0	0	84,891	245,854	417,340	599,904	794,132	994,261	1,207,719	1,435,261	1,677,674
<b>Net Financing</b>		<b>0</b>	<b>0</b>	<b>1,805,364</b>	<b>1,805,364</b>	<b>3,251,503</b>	<b>3,149,794</b>	<b>3,038,634</b>	<b>2,917,489</b>	<b>2,785,793</b>	<b>2,649,329</b>	<b>2,500,690</b>	<b>2,339,144</b>	<b>2,163,923</b>
<b>OTHER</b>														
Asset Sales		0	0	0	0	0	0	0	0	0	0	0	0	0
Receipts - Other Capital		0	0	0	0	0	0	0	0	0	0	0	0	0
Expenditure	3	24,147,016	45,051,540	26,945,813	26,945,813	24,855,758	25,457,999	26,219,341	26,531,742	27,516,646	27,767,774	27,743,223	29,036,886	30,520,180
Net Unspent Funds		0	12,000,000	0	0	0	0	0	0	0	0	0	0	0
Payments - Other		375,000	375,000	380,000	380,000	393,300	407,066	421,313	436,059	451,321	467,117	483,466	500,387	517,901
<b>Net Other</b>		<b>-24,522,016</b>	<b>-33,426,540</b>	<b>-27,325,813</b>	<b>-27,325,813</b>	<b>-25,249,058</b>	<b>-25,865,064</b>	<b>-26,640,654</b>	<b>-26,967,801</b>	<b>-27,967,967</b>	<b>-28,234,891</b>	<b>-28,226,690</b>	<b>-29,537,273</b>	<b>-31,038,081</b>
<b>NET INCREASE/(DECREASE) IN CASH</b>		<b>-2,276,313</b>	<b>-10,874,287</b>	<b>1,964</b>	<b>1,964</b>	<b>292,380</b>	<b>118,350</b>	<b>274,244</b>	<b>920,871</b>	<b>951,678</b>	<b>1,750,973</b>	<b>2,887,140</b>	<b>2,755,699</b>	<b>2,502,849</b>
<i>Add</i>														
<b>OPENING CASH</b>		<b>8,138,321</b>	<b>19,021,187</b>	<b>8,146,900</b>	<b>8,146,900</b>	<b>8,148,864</b>	<b>8,441,244</b>	<b>8,559,594</b>	<b>8,833,838</b>	<b>9,754,709</b>	<b>10,706,387</b>	<b>12,457,361</b>	<b>15,344,500</b>	<b>18,100,200</b>
<b>CLOSING CASH</b>		<b>5,862,008</b>	<b>8,146,900</b>	<b>8,148,864</b>	<b>8,148,864</b>	<b>8,441,244</b>	<b>8,559,594</b>	<b>8,833,838</b>	<b>9,754,709</b>	<b>10,706,387</b>	<b>12,457,361</b>	<b>15,344,500</b>	<b>18,100,200</b>	<b>20,603,048</b>
<b>CASH RESERVES:</b>														
Committed		24,179,257	33,729,800	33,822,197	33,822,197	33,988,921	34,154,919	34,333,226	35,348,511	36,322,464	38,071,980	40,834,991	43,598,075	46,375,299
Less Used		18,345,078	25,627,738	25,677,738	25,677,738	25,627,739	25,627,739	25,627,739	25,627,739	25,627,739	25,627,739	25,627,739	25,627,739	25,627,739
<b>Net Cash Reserves</b>		<b>5,834,178</b>	<b>8,102,062</b>	<b>8,144,459</b>	<b>8,144,459</b>	<b>8,361,182</b>	<b>8,527,180</b>	<b>8,705,487</b>	<b>9,720,772</b>	<b>10,694,725</b>	<b>12,444,241</b>	<b>15,207,252</b>	<b>17,970,336</b>	<b>20,747,560</b>
<b>SURPLUS/(DEFICIT)</b>		<b>27,830</b>	<b>44,838</b>	<b>4,405</b>	<b>4,405</b>	<b>80,062</b>	<b>32,414</b>	<b>128,351</b>	<b>33,937</b>	<b>11,663</b>	<b>13,119</b>	<b>137,248</b>	<b>129,863</b>	<b>-144,512</b>



**NOTE 1**  
**City of West Torrens**  
**REVENUE PROJECTIONS**  
**Forward Estimates for 10 years to 2026/27**

DESCRIPTION	BUDGET 2016/17 ORIGINAL	BUDGET 2016/17 REVISED	BUDGET 2017/18 ORIGINAL	BUDGET 2017/18 REVISED	ESTIMATES 2018/19	ESTIMATES 2019/20	ESTIMATES 2020/21	ESTIMATES 2021/22	ESTIMATES 2022/23	ESTIMATES 2023/24	ESTIMATES 2024/25	ESTIMATES 2025/26	ESTIMATES 2026/27
<b>Rates</b>													
Rate Revenue	48,370,136	48,605,136	50,435,744	50,435,744	52,382,369	54,456,513	56,612,137	58,854,131	61,184,240	63,607,702	66,126,457	68,746,115	71,468,830
Rate Equivalent Payments	5,020,000	5,022,335	5,200,000	5,200,000	5,388,552	5,589,383	5,797,700	6,013,780	6,237,913	6,470,401	6,711,552	6,961,692	7,221,154
<b>Statutory Charges</b>													
Development Act Fees	650,000	669,272	670,000	670,000	683,400	697,068	711,009	725,230	739,734	754,529	769,619	785,012	800,712
Parking Fines	1,076,000	1,116,000	1,131,000	1,131,000	1,153,620	1,176,692	1,200,226	1,224,231	1,248,715	1,273,690	1,299,163	1,325,147	1,351,650
Dog Fees & Fines	289,980	294,980	299,900	299,900	305,898	312,016	318,256	324,621	331,114	337,736	344,491	351,381	358,408
Other	183,600	191,501	192,200	192,200	196,044	199,965	203,964	208,043	212,204	216,448	220,777	225,193	229,697
<b>User Charges</b>													
Waste Income	177,757	172,617	164,314	164,314	167,600	170,952	174,371	177,859	181,416	185,044	188,745	192,520	196,370
Other	1,107,600	1,069,456	1,078,115	1,078,115	1,099,677	1,121,671	1,144,104	1,166,986	1,190,326	1,214,133	1,238,415	1,263,184	1,288,447
<b>Grants &amp; Subsidies</b>													
FA Grant	1,200,000	1,174,883	1,204,000	1,204,000	1,228,080	1,252,642	1,277,694	1,303,248	1,329,313	1,355,900	1,383,018	1,410,678	1,438,891
UL Road Grants	599,500	592,045	611,490	611,490	623,720	636,194	648,918	661,896	675,134	688,637	702,410	716,458	730,787
Special Road Funding	0	1,250,000	0	0	0	0	0	0	0	0	0	0	0
Roads to Recovery	1,442,053	1,193,746	873,376	873,376	436,688	0	0	0	0	0	0	0	0
Drainage	0	0	0	0	0	0	0	0	0	0	0	0	0
Home Assist	468,700	468,700	468,744	468,744	478,119	487,681	497,435	507,384	517,531	527,882	538,440	549,208	560,192
Library	416,500	416,500	420,339	420,339	428,746	437,321	446,067	454,988	464,088	473,370	482,837	492,494	502,344
Other	55,270	63,786	37,000	37,000	37,740	38,495	39,265	40,050	40,851	41,668	42,501	43,351	44,218
<b>Other Income</b>													
Investment Income	444,000	494,000	349,000	349,000	355,980	355,980	363,100	363,100	370,362	370,362	377,769	377,769	385,324
Reimbursements	247,345	375,197	233,206	233,206	237,870	242,628	247,480	252,430	257,478	262,628	267,880	273,238	278,703
Insurance Premium Refund	320,000	320,000	340,000	340,000	345,100	350,277	355,531	360,864	366,277	371,771	377,347	383,007	390,668
Profit/(Loss) on Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Sundry	193,300	547,426	170,500	170,500	173,910	177,388	180,936	184,555	188,246	192,011	195,851	199,768	203,763
<b>Sub Total</b>	<b>62,261,741</b>	<b>64,037,580</b>	<b>63,878,928</b>	<b>63,878,928</b>	<b>65,723,113</b>	<b>67,702,866</b>	<b>70,218,194</b>	<b>72,823,395</b>	<b>75,534,943</b>	<b>78,343,909</b>	<b>81,267,273</b>	<b>84,296,215</b>	<b>87,450,160</b>
Less Profit/(Loss) on Sale	0	0	0	0	0	0	0	0	0	0	0	0	0
Add Capital Income	0	157,509	3,625,000	3,625,000	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>62,261,741</b>	<b>64,195,089</b>	<b>67,503,928</b>	<b>67,503,928</b>	<b>65,723,113</b>	<b>67,702,866</b>	<b>70,218,194</b>	<b>72,823,395</b>	<b>75,534,943</b>	<b>78,343,909</b>	<b>81,267,273</b>	<b>84,296,215</b>	<b>87,450,160</b>





**NOTE 2**  
**City of West Torrens**  
**OPERATIONAL & MAINTENANCE EXPENDITURE PROJECTIONS**  
**Forward Estimates for 10 years to 2026/27**

DESCRIPTION	BUDGET 2016/17 ORIGINAL	BUDGET 2016/17 REVISED	BUDGET 2017/18 ORIGINAL	BUDGET 2017/18 REVISED	ESTIMATES 2018/19	ESTIMATES 2019/20	ESTIMATES 2020/21	ESTIMATES 2021/22	ESTIMATES 2022/23	ESTIMATES 2023/24	ESTIMATES 2024/25	ESTIMATES 2025/26	ESTIMATES 2026/27
<b>Employee Costs</b>													
Other Employee Costs	21,624,251	21,910,068	22,988,300	22,988,300	23,792,891	24,625,642	25,487,539	26,379,603	27,302,889	28,258,490	29,247,537	30,271,201	31,330,693
<b>Contractual Services</b>													
Waste Management - Solo	3,300,000	3,300,000	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	1,358,000	1,498,000	1,678,000	1,678,000	1,854,190	1,909,816	1,967,110	2,026,123	2,086,907	2,149,514	2,214,000	2,280,420	2,348,832
Other Contract	2,350,400	2,693,812	2,414,620	2,414,620	2,462,912	2,512,171	2,562,414	2,613,662	2,665,936	2,719,254	2,773,639	2,829,112	2,885,694
<b>Materials</b>													
Materials	945,000	945,000	962,700	962,700	981,954	1,001,593	1,021,625	1,042,057	1,062,899	1,084,157	1,105,840	1,127,956	1,150,516
<b>Finance Charges</b>													
Interest	0	0	0	0	84,759	237,316	384,919	527,111	663,413	811,091	951,626	1,084,380	1,208,670
Other Finance Charges	153,900	153,900	150,900	150,900	153,465	156,074	158,727	161,426	164,170	166,961	169,799	172,686	175,622
<b>Depreciation</b>													
Buildings	1,682,190	1,682,190	1,650,000	1,650,000	1,699,500	1,750,485	1,803,000	1,857,090	1,912,802	1,970,186	2,029,292	2,090,171	2,152,876
Plant, Furniture & Equipment	1,241,300	1,257,400	1,280,000	1,280,000	1,305,600	1,331,712	1,358,346	1,385,513	1,413,223	1,441,488	1,470,318	1,499,724	1,529,718
Library Resources	318,000	304,000	315,000	315,000	321,300	327,726	334,281	340,966	347,785	354,741	361,836	369,073	376,454
Infrastructure	7,700,000	7,700,000	8,000,000	8,000,000	8,250,488	8,508,819	8,775,239	9,050,000	9,333,365	9,625,602	9,926,989	10,237,813	10,558,369
<b>Other Expenses</b>													
Plant Related	730,770	743,620	736,050	736,050	750,771	765,786	781,102	796,724	812,659	828,912	845,490	862,400	879,648
Computer Maint & Support	901,400	963,158	882,850	882,850	896,093	909,534	923,177	937,025	951,080	965,346	979,827	994,524	1,009,442
General Insurance Premium	833,577	753,444	777,302	777,302	788,962	800,796	812,808	825,000	837,375	849,936	862,685	875,625	888,759
Professional Fees	1,305,670	1,900,971	1,308,950	1,308,950	1,328,584	1,348,513	1,368,741	1,389,272	1,410,111	1,431,263	1,452,731	1,474,522	1,496,640
Street Lighting	942,000	816,000	850,000	850,000	871,250	893,031	915,357	938,241	961,697	985,739	1,010,383	1,035,642	1,061,534
Rates, Power & Property	1,566,639	1,558,073	1,669,831	1,669,831	1,736,624	1,806,089	1,878,333	1,953,466	2,031,605	2,112,869	2,197,384	2,285,279	2,376,690
NRM Levy	1,260,136	1,260,136	1,335,744	1,335,744	1,404,001	1,474,201	1,547,911	1,625,307	1,706,572	1,791,901	1,881,496	1,975,571	2,074,349
General Operating Costs	3,178,339	3,580,698	3,398,265	3,398,265	3,449,239	3,500,978	3,553,492	3,606,795	3,660,897	3,715,810	3,771,547	3,828,120	3,885,542
<b>Sub Total</b>	<b>51,391,572</b>	<b>53,020,470</b>	<b>53,698,512</b>	<b>53,698,512</b>	<b>55,498,583</b>	<b>57,293,602</b>	<b>59,136,107</b>	<b>61,027,408</b>	<b>62,968,851</b>	<b>64,979,596</b>	<b>67,043,081</b>	<b>69,160,696</b>	<b>71,333,854</b>
Less Depreciation	10,941,490	10,943,590	11,245,000	11,245,000	11,576,888	11,918,742	12,270,865	12,633,569	13,007,176	13,392,017	13,788,434	14,196,780	14,617,417
Leave Provisions	434,045	434,045	471,997	471,997	488,517	505,615	523,312	541,627	560,584	580,205	600,512	621,530	643,283
<b>TOTAL</b>	<b>40,016,037</b>	<b>41,642,835</b>	<b>41,981,515</b>	<b>41,981,515</b>	<b>43,433,178</b>	<b>44,869,245</b>	<b>46,341,931</b>	<b>47,852,211</b>	<b>49,401,091</b>	<b>51,007,374</b>	<b>52,654,135</b>	<b>54,342,386</b>	<b>56,073,153</b>



**NOTE 3**  
**City of West Torrens**  
**CAPITAL EXPENDITURE PROJECTIONS**  
**Forward Estimates for 10 years to 2026/27**

ACTIVITIES	BUDGET 2016/17 ORIGINAL	BUDGET 2016/17 REVISED	BUDGET 2017/18 ORIGINAL	BUDGET 2017/18 REVISED	ESTIMATES 2018/19	ESTIMATES 2019/20	ESTIMATES 2020/21	ESTIMATES 2021/22	ESTIMATES 2022/23	ESTIMATES 2023/24	ESTIMATES 2024/25	ESTIMATES 2025/26	ESTIMATES 2026/27
<b>Road Program</b>													
Reseal / Maintenance	1,809,877	1,809,877	2,022,247	2,022,247	2,190,169	2,372,034	2,569,001	2,782,324	3,013,360	3,263,581	3,534,580	3,828,081	4,145,954
Reconstruction - Renewal	2,693,249	7,497,432	2,675,626	2,675,626	2,702,382	2,729,406	2,756,700	2,784,267	2,812,110	2,840,231	2,868,633	2,897,320	2,926,293
Reconstruction - Upgrade	1,753,750	3,269,516	1,762,510	1,762,510	1,784,116	1,806,043	1,828,297	1,850,883	1,873,807	1,897,074	1,920,691	1,944,663	1,968,998
Roads to Recovery	1,442,053	1,193,746	873,376	873,376	436,688	0	0	0	0	0	0	0	0
Kerb & Gutter	3,654,539	3,654,539	3,490,869	3,490,869	3,436,737	3,383,445	3,330,979	3,279,327	3,228,475	3,178,412	3,129,126	3,080,603	3,032,834
ULRG included Above	-599,500	-592,045	-611,490	-611,490	-623,720	-636,194	-648,918	-661,896	-675,134	-688,637	-702,410	-716,458	-730,787
<b>Footpath / Bikeway Program</b>													
Reconstruction	239,508	261,330	168,056	168,056	197,964	233,194	274,693	323,578	381,163	448,995	528,899	623,023	733,898
Construction	237,851	237,854	197,861	197,861	259,523	340,401	446,483	585,626	768,131	1,007,513	1,321,495	1,733,328	2,273,504
<b>Drainage Program</b>													
Local Drainage Works	2,867,000	5,088,847	2,555,900	2,555,900	2,604,168	2,653,359	2,703,490	2,754,579	2,806,646	2,859,709	2,913,786	2,968,899	3,025,067
Brown Hill / Keswick Drainage	581,000	81,000	0	0	1,494,924	1,517,347	1,540,108	1,563,209	1,586,657	1,610,457	1,634,614	1,659,133	1,684,020
<b>Other Capital Works</b>													
Other Works	5,340,000	8,161,264	5,726,900	5,726,900	5,927,342	6,484,798	6,711,766	7,246,678	7,500,312	7,762,823	7,834,522	8,108,730	8,392,535
<b>Building Program</b>													
Land & Buildings	4,080,000	8,110,491	7,980,000	7,980,000	4,310,000	4,449,192	4,599,148	3,972,266	4,200,528	3,612,248	2,814,250	3,031,874	3,266,326
Asset Sale Developments	0	6,485,370	0	0	0	0	0	0	0	0	0	0	0
<b>Other Capital Expenditure</b>													
Plant, Furn & Equipment	1,515,500	2,166,522	1,495,970	1,495,970	1,525,889	1,556,407	1,587,535	1,619,286	1,651,672	1,684,705	1,718,399	1,752,767	1,787,823
Library Resources	299,310	319,885	322,702	322,702	329,156	329,156	335,739	335,739	342,454	342,454	349,303	349,303	356,289
<b>Total Capital Expenditure</b>	<b>25,914,137</b>	<b>47,745,628</b>	<b>28,660,527</b>	<b>28,660,527</b>	<b>26,575,337</b>	<b>27,218,589</b>	<b>28,035,022</b>	<b>28,435,866</b>	<b>29,490,180</b>	<b>29,819,565</b>	<b>29,865,889</b>	<b>31,261,267</b>	<b>32,862,753</b>
Less Overheads	1,767,121	2,694,088	1,714,714	1,714,714	1,719,579	1,760,590	1,815,681	1,904,124	1,973,534	2,051,791	2,122,666	2,224,381	2,342,572
<b>TOTAL EXPENDITURE</b>	<b>24,147,016</b>	<b>45,051,540</b>	<b>26,945,813</b>	<b>26,945,813</b>	<b>24,855,758</b>	<b>25,457,999</b>	<b>26,219,341</b>	<b>26,531,742</b>	<b>27,516,646</b>	<b>27,767,774</b>	<b>27,743,223</b>	<b>29,036,886</b>	<b>30,520,180</b>



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

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

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



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

## **Glossary of Terms**

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## 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.



## **Appendix 1: Profile of the City of West Torrens**



## Profile of the City of West Torrens

The West Torrens region was originally part of the Kaurna territory. The area that was to become West Torrens formed only a small part of the Kaurna homeland, however, it possessed valuable resources in the River Torrens and the Patawalonga River.

West Torrens was among South Australia's first settled regions. Scattered communities developed within the area during the mid-nineteenth century and united to form the District Council of West Torrens in 1853. In 1883, following demands from the residents adjoining Adelaide, the Town of Thebarton was recognised as a separate local government area. The reunification of the local governments of Thebarton and West Torrens occurred on 1 March 1997.

The City of West Torrens now comprises 36 square kilometres of Adelaide's western metropolitan area. It is bounded by the Torrens River to the north; Port Road, James Congdon Drive and the railway line to the east; ANZAC Highway, South Road, the Glenelg tramway and local streets around the Sturt River to the south; and Gulf St Vincent and local streets to the west. The city shares borders with the City of Charles Sturt to the north, the Cities of Adelaide and Unley to the east and the Cities of Marion and Holdfast Bay to the south.



The City of West Torrens includes the suburbs of Ashford, Brooklyn Park, Camden Park, Cowandilla, Fulham, Glandore (part), Glenelg North (part), Hilton, Keswick (part), Kurralt Park, Lockleys, Marleston, Mile End, Mile End South, Netley, North Plympton, Novar

Gardens, Plympton, Richmond, Thebarton, Torrensville, Underdale, West Beach (part) and West Richmond.

The greatest percentage of the land area is dedicated to residential development, while the commercial areas comprise a range of industrial, logistic, distribution and retail establishments. Adelaide Airport Limited is a significant land holder within the city, taking up approximately 20 per cent of the total land area. About six per cent of the total land area within the city is dedicated to public open space, including the River Torrens Linear Park, local and neighbourhood parks, and other public open space such as public ovals and sporting grounds. Council manages and maintains more than 530 km of footpaths and shared paths and some 292 km of road network.

Major features of the city include the River Torrens, River Torrens Linear Park, Adelaide Airport, Santos Stadium, ETSA Park Netball Stadium, Adelaide Shores tourist and recreation precinct, Thebarton Oval, Richmond Oval, Australian National Rail Passenger Terminal and TAFE SA Marleston Campus. Primary shopping centres are located at Kurralta Park, Torrensville and Hilton with other key retail outlets including IKEA, Harbour Town and Mile End Homemaker Centre.

With an estimated resident population of 58,000 the overall picture of West Torrens is of a culturally diverse community with a higher proportion of older residents who are now entering the frail elderly stage. However the community is also undergoing population renewal, with increasing numbers of younger people (predominately young adults in the 20 to 34 year age group) moving in to the area. Recently West Torrens has also seen a small increase in the percentage of children under 4 years, although there are fewer children as a proportion of the population than the Greater Adelaide average.

Reflective of this age distribution is that household types show a large proportion of lone person households and a smaller proportion of family households. In 2011, 23% of West Torrens households were made up of couples with children, compared with 28% in Greater Adelaide.

Approximately 30 per cent of the population of the City of West Torrens was born overseas. More people of non-English speaking ancestry and a larger percentage of overseas arrivals live in West Torrens compared to Greater Adelaide, with the largest groups being those born in the United Kingdom, India, Greece, China and Italy. Many residents of European heritage migrated to Australia in the second half of the twentieth century, whereas the past few years have seen many new migrants from non-European countries such as India, China, the Philippines, Malaysia and Bangladesh.

Council's assets are valued in the order of \$884 million (replacement value). This includes infrastructure such as roads, footpaths and stormwater drainage; land and buildings including the Hamra Centre, Thebarton Community Centre, St Martins, community centres parks, gardens and sporting facilities; and plant and equipment.

Council provides, both independently and in partnership with other government and community organisations, a diverse range of quality services and activities to the community that are continuously improving to meet evolving needs.

Council also remains committed to achieving a sustainable future, balancing environmental, social, cultural and economic goals.



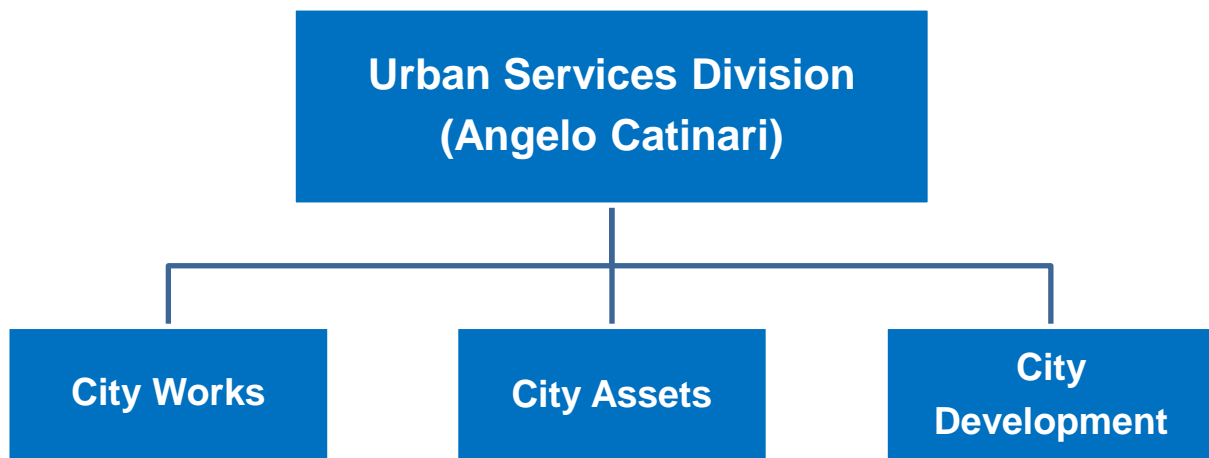
## Supplementary budget information 2017/18

Financial Services  
City of West Torrens  
April 2017

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## 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 and planning 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**

### **2017/18 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 2017/18**

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            |

#### **2017/18 Budget Highlights**

##### **1. Income**

- Income of \$115,000 has been budgeted (\$114,000 in 2016/17) 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 \$224,069 or 1.8 per cent to \$12,663,955;
- Employment costs have increased by \$106,166 or 1.6 per cent to \$6,603,904;
- Contract maintenance expenditure has increased by \$45,500 or 2.1 per cent to \$2,222,500 and includes:
  - \$733,000 for property and facilities related maintenance, servicing and cleaning;
  - \$522,000 for road and footpath maintenance;
  - \$270,000 for tree pruning;
  - \$180,000 for weed control;
  - \$230,000 for inspection, cleaning and maintaining the drainage network and stormwater pump stations;
  - \$85,000 for graffiti removal;
  - \$108,000 in waste disposal costs, which includes illegally dumped rubbish;
  - \$25,000 for irrigation and compliance testing;
  - \$11,000 in sundry expenditure.
- Material costs for maintenance works have increased by \$15,500 or 1.7 per cent to \$930,500, and include:
  - \$215,000 for road maintenance and concrete material;
  - \$190,000 for the greening program (tree replacement, plantings and biodiversity WSUD plantings);
  - \$148,000 for line marking and signage.
- Professional fees of \$117,500 have been budgeted (\$140,000 in 2016/17), which includes:
  - \$30,000 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 \$10,000 or 1.5 per cent to \$670,000;
- Water rates have remained at \$445,000.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY WORKS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Income					
User Charges					
26,500	26,500	Other User Charges NEC	28,500	2,000	7.5%
26,500	26,500	Total User Charges	28,500	2,000	7.5%
Grants & Subsidies					
35,000	35,000	Highway Median Strips	35,000	0	0.0%
35,000	35,000	Total Grants & Subsidies	35,000	0	0.0%
Reimbursements					
10,000	10,000	Roads / Reimbursements Transport	10,000	0	0.0%
2,500	2,500	Private Works (incl Vandalism) / Reimb Staff Related	2,500	0	0.0%
10,000	10,000	Other Reimbursements	7,000	(3,000)	-30.0%
22,500	22,500	Total Reimbursements	19,500	(3,000)	-13.3%
Other Income					
30,000	30,000	Other Income NEC	32,000	2,000	6.7%
30,000	30,000	Total Other Income	32,000	2,000	6.7%
114,000	114,000	Total Income	115,000	1,000	0.9%
Operational Expenditure					
Staff Costs					
5,160,553	5,120,553	Salaries& Wages & Allowances	5,233,561	73,008	1.4%
10,000	10,000	Salaries&Wages&Allowances-Casual Staff	10,000	0	0.0%
184,740	184,740	Agency Contract Staff	187,700	2,960	1.6%
82,900	82,900	Overtime	99,500	16,600	20.0%
130,650	130,650	Leave Provisions	132,689	2,039	1.6%
496,481	496,481	Superannuation	504,233	7,752	1.6%
6,065,324	6,025,324	Total Staff Costs	6,167,683	102,359	1.7%
Staff Related					
16,880	16,880	Fringe Benefits Tax - Motor Vehicles	15,810	(1,070)	-6.3%
2,500	2,500	Fringe Benefits Tax-Entertainment&Sundry	3,361	861	34.4%
55,750	55,750	Staff Uniforms	55,750	0	0.0%
38,750	38,750	Protective Clothing & Equipment	38,750	0	0.0%
257,534	256,217	Workers Comp Insurance	261,550	4,016	1.6%
46,500	46,500	Training & Conference Costs incl travel & accom	46,500	0	0.0%
4,500	4,500	Study Assistance & Employee Memberships	4,500	0	0.0%
10,000	10,000	Work Health & Safety	10,000	0	0.0%
432,414	431,097	Total Staff Related	436,221	3,807	0.9%



**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY WORKS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Buildings Furniture & Fittings					
71,200	71,200	Depreciation on Buildings	72,875	1,675	2.4%
44,240	47,740	Deprec Furniture& Equipment & Fittings	59,216	14,976	33.9%
173,000	173,000	Maint - Buildings & Grounds	176,000	3,000	1.7%
12,500	12,500	Maint Furniture& Equipment & Fittings	10,000	(2,500)	-20.0%
300,940	304,440	Total Buildings Furniture & Fittings	318,091	17,151	5.7%
Plant & Equipment					
664,330	664,330	Depreciation Plant & Equipment	696,960	32,630	4.9%
220,000	220,000	Plant Fuel Gas & Oil	224,000	4,000	1.8%
125,000	125,000	Tyres and Plant Supplies	127,000	2,000	1.6%
195,000	195,000	Plant Repairs & Maint	199,000	4,000	2.1%
1,103,740	1,103,740	Plant Hire	1,176,032	72,292	6.5%
(1,103,740)	(1,103,740)	Plant Hire Credits	(1,176,032)	(72,292)	6.5%
120,000	120,000	Sundry Plant Costs (incl Leasing Costs)	120,000	0	0.0%
(117,530)	(117,530)	Plant inter-departmental costs (including credits)	(136,300)	(18,770)	16.0%
1,206,800	1,206,800	Total Plant & Equipment	1,230,660	23,860	2.0%
Computer Expenditure					
2,990	2,990	Deprec Computer Equipment	2,930	(60)	-2.0%
2,990	2,990	Total Computer Expenditure	2,930	(60)	-2.0%
General Expenses					
67,500	67,500	Minor Capital	67,500	0	0.0%
6,000	6,000	Catering/Entertainment - Employees	6,200	200	3.3%
369,729	373,442	General Insurance Premium	384,390	14,661	4.0%
0	0	Postage& Courier & Freight	3,500	3,500	N/A
0	8,000	Stationery & Photocopying	8,000	8,000	N/A
500	500	Publications & Printing	250	(250)	-50.0%
7,500	7,500	Subscriptions & Associations	8,000	500	6.7%
38,403	38,403	Telephone & Internet	22,914	(15,489)	-40.3%
80,000	80,000	Professional Fees - Consultants	57,500	(22,500)	-28.1%
60,000	60,000	Professional Fees - General	60,000	0	0.0%
20,000	20,000	Cleaning Chemicals	21,500	1,500	7.5%
12,750	12,750	General	12,750	0	0.0%
662,382	674,095	Total General Expenses	652,504	(9,878)	-1.5%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY WORKS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Contract Expenditure					
415,000	415,000	Contractors - No Overhead	425,500	10,500	2.5%
1,654,000	1,654,000	Contractors - City Works - 45% Overhead (Depot)	1,689,000	35,000	2.1%
108,000	108,000	Waste Contract - Disposal	108,000	0	0.0%
2,177,000	2,177,000	Total Contract Expenditure	2,222,500	45,500	2.1%
Materials					
157,000	157,000	Materials - No Overhead	157,000	0	0.0%
758,000	758,000	Materials - City Works - 25% Overhead (Depot)	773,500	15,500	2.0%
915,000	915,000	Total Materials	930,500	15,500	1.7%
Occupancy & Property					
97,536	97,536	Light& Power& Gas & Fuel	107,866	10,330	10.6%
140,000	140,000	Cleaning	148,500	8,500	6.1%
445,000	445,000	Water Rates	445,000	0	0.0%
67,000	67,000	Security Costs	74,000	7,000	10.4%
12,500	12,500	Sundry Property Costs	12,500	0	0.0%
762,036	762,036	Total Occupancy & Property	787,866	25,830	3.4%
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%
12,439,886	12,413,782	Total Expenditure	12,663,955	224,069	1.8%
(12,325,886)	(12,299,782)	Operational Surplus/(Deficit)	(12,548,955)	(223,069)	1.8%

# **Urban Services Division**

## **City Assets**

### **2017/18 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 2017/18**

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.

### **2017/18 Budget Highlights**

#### **1. Income**

- City Asset's income is budgeted to decrease by \$603,274 or 20.2 per cent, to \$2,377,481;
- Roads to recovery funding of \$873,376 is budgeted in 2017/18, down from \$1,442,053 originally budgeted in 2016/17;
- Council's urban local road grant has been budgeted at \$611,490, (\$599,500 budgeted originally in 2016/17);
- Royalty payments and lease income associated with the waste transfer station have decreased by \$13,443 or 7.6 per cent to \$164,314;
- Income from sporting facilities of \$111,488 has been budgeted (\$144,777 in 2016/17);
- Sundry user charges of \$269,018, which include income totalling \$102,760 for the leasing of carparks, has decreased by \$363 or 0.1 per cent;
- Thebarton Theatre income of \$69,168 has been budgeted (\$68,682 in 2016/17);
- Property related reimbursements for utility and related charges (such as water and electricity) of \$191,006 have been budgeted (\$185,345 in 2016/17).

## **2. Operational Expenditure**

- Operating expenditure (excluding depreciation) has increased by \$89,501 or 2.2 per cent to \$4,127,129;
- Employment expenses have increased by \$203,930 or 11.3 per cent, to \$2,005,654, an increase that includes allowance for a new position of Program Leader, Property and Facilities, to coordinate Council's community facilities program;
- Street lighting expenditure of \$850,000 has been budgeted, which has significantly decreased from \$942,000 budgeted in 2016/17;
- Professional fees have decreased by \$35,000 or 8.5 per cent to \$376,000, to fund the following:
  - \$80,000 for specialist engineering advice;
  - \$75,000 for the Brown Hill Keswick Creek project;
  - \$60,000 for various consultancy advice;
  - \$50,000 for Stormwater audit work to be undertaken;
  - \$45,000 for Lands Titles Office and topographical surveys;
  - \$20,000 for transport strategy implementation;
  - \$20,000 in property related fees;
  - \$20,000 for asset management development;
  - \$6,000 for geotechnical testing.
- Levies and charges of \$42,000, which includes EPA licence fees for the waste transfer station, have been budgeted (\$42,000 in 2016/17).

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY ASSETS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 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					
2,081	2,081	Kindergarten Income	2,067	(14)	-0.7%
3,196	3,196	Other Welfare Income / Other Community Support	3,175	(21)	-0.7%
32,764	35,444	Other Housing & Comm Services Income / House Reni	36,814	4,050	12.4%
100,000	94,860	Extra Bin Fees / Waste Royalties	88,000	(12,000)	-12.0%
77,757	77,757	Other Sanitary & Garbage Income / Other Waste	76,314	(1,443)	-1.9%
68,682	72,882	Thebarton Theatre Income	69,168	486	0.7%
15,166	15,166	Star Theatre Income	15,468	302	2.0%
25,000	25,000	Cummins House	15,000	(10,000)	-40.0%
9,553	9,553	Hall Hire & Related / Sports Facilities Indoor	9,597	44	0.5%
144,777	109,443	Oval Rents& Fees & Related / Sports Facilities Outdoo	111,488	(33,289)	-23.0%
269,381	269,381	Other User Charges NEC	269,018	(363)	-0.1%
748,357	714,763	Total User Charges	696,109	(52,248)	-7.0%
Grants & Subsidies					
599,500	592,045	Urban Local Road Grant	611,490	11,990	2.0%
1,442,053	1,193,746	Special Road Grant	873,376	(568,677)	-39.4%
0	1,250,000	Specific Transport Grants	0	0	N/A
500	3,016	Other Grants & Subsidies	500	0	0.0%
2,042,053	3,038,807	Total Grants & Subsidies	1,485,366	(556,687)	-27.3%
Reimbursements					
0	880	Private Works (incl Vandalism) / Reimb Staff Related	0	0	N/A
185,345	185,345	Other Reimbursements	191,006	5,661	3.1%
0	308	Reimbursements - Solar Credits	0	0	N/A
185,345	186,533	Total Reimbursements	191,006	5,661	3.1%
Other Income					
0	3,488	Other Income NEC	0	0	N/A
0	3,488	Total Other Income	0	0	N/A
2,980,755	3,948,591	Total Income	2,377,481	(603,274)	-20.2%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY ASSETS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET ORIGINAL	ESTIMATE	DESCRIPTION	2017/18 BUDGET	VARIATION TO 2016/17 ORIGINAL	
<b>Operational Expenditure</b>					
<b>Staff Costs</b>					
1,468,046	1,448,046	Salaries& Wages & Allowances	1,641,524	173,478	11.8%
15,500	15,500	Salaries&Wages&Allowances-Casual Staff	15,500	0	0.0%
0	20,000	Agency Contract Staff	0	0	N/A
14,800	14,800	Overtime	14,700	(100)	-0.7%
37,181	37,181	Leave Provisions	41,937	4,756	12.8%
141,302	141,302	Superannuation	159,356	18,054	12.8%
1,676,829	1,676,829	Total Staff Costs	1,873,017	196,188	11.7%
<b>Staff Related</b>					
22,560	22,560	Fringe Benefits Tax - Motor Vehicles	20,540	(2,020)	-9.0%
600	600	Fringe Benefits Tax-Entertainment&Sundry	726	126	21.0%
4,932	4,932	Staff Uniforms	5,142	210	4.3%
2,510	2,510	Protective Clothing & Equipment	2,575	65	2.6%
73,293	72,918	Workers Comp Insurance	82,654	9,361	12.8%
21,000	21,000	Training & Conference Costs incl travel & accom	21,000	0	0.0%
124,895	124,520	Total Staff Related	132,637	7,742	6.2%
<b>Buildings Furniture &amp; Fittings</b>					
1,502,230	1,502,230	Depreciation on Buildings	1,466,725	(35,505)	-2.4%
3,790	3,790	Deprec Furniture& Equipment & Fittings	4,099	309	8.2%
4,000	4,000	Maint - Buildings & Grounds	4,000	0	0.0%
4,000	4,000	Maint Furniture& Equipment & Fittings	4,500	500	12.5%
1,514,020	1,514,020	Total Buildings Furniture & Fittings	1,479,324	(34,696)	-2.3%
<b>Plant &amp; Equipment</b>					
31,670	31,670	Depreciation Plant & Equipment	32,440	770	2.4%
10,350	10,350	Plant Fuel Gas & Oil	10,350	0	0.0%
10,500	14,450	Plant inter-departmental costs (including credits)	10,500	0	0.0%
52,520	56,470	Total Plant & Equipment	53,290	770	1.5%
<b>Computer Expenditure</b>					
3,180	3,680	Deprec Computer Equipment	3,247	67	2.1%
3,180	3,680	Total Computer Expenditure	3,247	67	2.1%
<b>Community Assets</b>					
3,178,000	3,178,000	Depreciation - Roads Sealed	3,300,000	122,000	3.8%
1,650,000	1,650,000	Depreciation - K & W T	1,750,000	100,000	6.1%
124,000	124,000	Depreciation - Bridges	130,000	6,000	4.8%
1,018,000	1,018,000	Depreciation - Footpaths	1,020,000	2,000	0.2%
1,291,000	1,291,000	Depreciation - Stormwater Drainage	1,300,000	9,000	0.7%
439,000	439,000	Depreciation - Sundry Assets	500,000	61,000	13.9%
7,700,000	7,700,000	Total Community Assets	8,000,000	300,000	3.9%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY ASSETS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
General Expenses					
4,500	4,500	Minor Capital	4,500	0	0.0%
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%
301,169	227,789	General Insurance Premium	236,114	(65,055)	-21.6%
300	300	Postage& Courier & Freight	300	0	0.0%
15,200	15,200	Stationery & Photocopying	15,200	0	0.0%
1,400	1,400	Publications & Printing	1,400	0	0.0%
7,000	7,000	Subscriptions & Associations	8,500	1,500	21.4%
11,148	11,148	Telephone & Internet	10,806	(342)	-3.1%
8,000	8,000	Advertising & Publicity	8,000	0	0.0%
255,000	385,742	Professional Fees - Consultants	245,000	(10,000)	-3.9%
156,000	321,190	Professional Fees - General	131,000	(25,000)	-16.0%
8,000	8,000	General	8,000	0	0.0%
10,000	6,500	On-Charges from Other Departments	10,000	0	0.0%
781,167	1,000,219	Total General Expenses	682,270	(98,897)	-12.7%
Council Expenditure					
0	20,120	Partnership Grants	20,433	20,433	N/A
942,000	816,000	Street Lighting	850,000	(92,000)	-9.8%
42,000	42,000	Levies & Charges	42,000	0	0.0%
984,000	878,120	Total Council Expenditure	912,433	(71,567)	-7.3%
Contract Expenditure					
26,000	28,212	Contractors - No Overhead	27,000	1,000	3.8%
26,000	28,212	Total Contract Expenditure	27,000	1,000	3.8%
Occupancy & Property					
146,269	146,269	Light& Power& Gas & Fuel	191,881	45,612	31.2%
196,118	196,118	Water Rates	200,041	3,923	2.0%
68,000	68,000	Emergency Services Levy	73,000	5,000	7.4%
3,500	3,500	Security Costs	3,500	0	0.0%
2,000	2,000	Sundry Property Costs	2,000	0	0.0%
415,887	415,887	Total Occupancy & Property	470,422	54,535	13.1%
13,278,498	13,397,957	Total Expenditure	13,633,640	355,142	2.7%
(10,297,743)	(9,449,366)	Operational Surplus/(Deficit)	(11,256,159)	(958,416)	9.3%



# **Urban Services Division**

## **City Development**

### **2017/18 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 2017/18**

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.

#### **2017/18 Budget Highlights**

##### **1. Income**

- Development application fees of \$670,000 have been budgeted (up 3.1 per cent from \$650,000 in 2016/17), based on an increase in development application numbers;
- Property search fees have been budgeted at \$115,000, based on an increase over 2016/17 in property sales (up \$5,000 or 4.5 per cent).

## **2. Operational Expenditure**

- Operational expenditure for City Development of \$2,033,826 has increased 3.4 per cent (\$1,966,256 in 2016/17);
- Staff and related costs have reduced by \$10,523 or 0.6 per cent to \$1,703,560;
- Professional fees of \$90,000 have been budgeted, which includes provision for arboriculture and heritage advice to be provided;
- \$50,000 has been budgeted to cover building and planning fees that are subject to a 5.0 to 8.0 per cent fee payable to the State Government, along with referral fees and the Planning Development and Infrastructure Act implementation levy;
- 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.

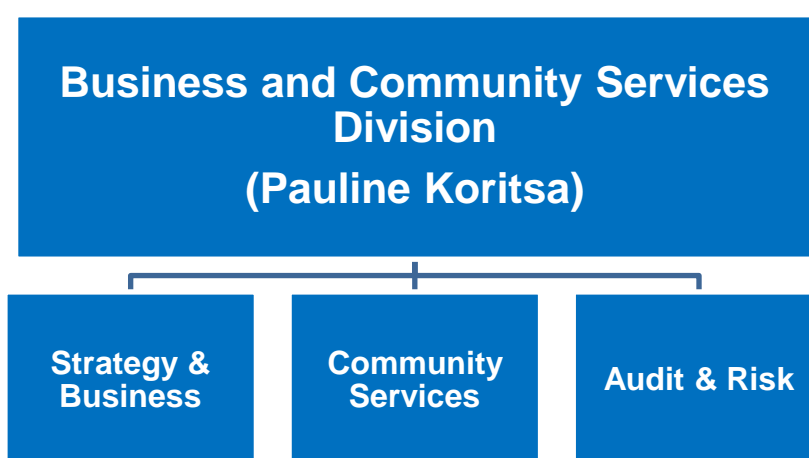
**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY DEVELOPMENT**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Income					
Statutory Charges					
650,000	669,272	Development Act Fees	670,000	20,000	3.1%
110,000	114,901	Property Search Fees	115,000	5,000	4.5%
760,000	784,173	Total Statutory Charges	785,000	25,000	3.3%
User Charges					
0	8,000	Other User Charges NEC	8,500	8,500	N/A
0	8,000	Total User Charges	8,500	8,500	N/A
Grants & Subsidies					
0	168,688	Other Income NEC	0	0	N/A
0	168,688	Total Other Income	0	0	N/A
760,000	960,861	Total Income	793,500	33,500	4.4%
Operational Expenditure					
Staff Costs					
1,416,062	1,368,591	Salaries& Wages & Allowances	1,402,133	(13,929)	-1.0%
16,000	13,986	Overtime	15,000	(1,000)	-6.3%
35,873	35,873	Leave Provisions	36,501	628	1.8%
136,334	136,334	Superannuation	138,703	2,369	1.7%
1,604,269	1,554,784	Total Staff Costs	1,592,337	(11,932)	-0.7%
Staff Related					
6,200	6,200	Fringe Benefits Tax - Motor Vehicles	7,030	830	13.4%
8,800	8,800	Staff Uniforms	5,000	(3,800)	-43.2%
500	500	Protective Clothing & Equipment	500	0	0.0%
0	12,500	Workers Comp Discharge Payments	0	0	N/A
70,714	70,353	Workers Comp Insurance	71,943	1,229	1.7%
20,000	20,000	Training & Conference Costs incl travel & accom	20,000	0	0.0%
2,850	2,850	Study Assistance & Employee Memberships	6,000	3,150	110.5%
750	750	Work Health & Safety	750	0	0.0%
109,814	121,953	Total Staff Related	111,223	1,409	1.3%
Buildings Furniture & Fittings					
200	200	Deprec Furniture& Equipment & Fittings	191	(9)	-4.5%
200	200	Total Buildings Furniture & Fittings	191	(9)	-4.5%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY DEVELOPMENT**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Plant & Equipment					
7,220	7,220	Depreciation Plant & Equipment	7,944	724	10.0%
4,000	4,000	Plant Fuel Gas & Oil	4,000	0	0.0%
8,000	15,000	Plant inter-departmental costs (including credits)	12,000	4,000	50.0%
19,220	26,220	Total Plant & Equipment	23,944	4,724	24.6%
General Expenses					
1,500	1,500	Minor Capital	2,000	500	33.3%
800	800	Catering/Entertainment - Employees	1,600	800	100.0%
1,000	1,000	Catering/Entertain-Elected Members/others	1,100	100	10.0%
56,882	55,002	General Insurance Premium	56,653	(229)	-0.4%
2,500	2,500	Postage& Courier & Freight	3,000	500	20.0%
20,000	20,000	Stationery & Photocopying	15,000	(5,000)	-25.0%
8,000	8,000	Subscriptions & Associations	8,000	0	0.0%
4,598	4,598	Telephone & Internet	4,383	(215)	-4.7%
12,000	12,000	Advertising & Publicity	12,000	0	0.0%
50,000	121,644	Professional Fees - Consultants	90,000	40,000	80.0%
5,000	5,000	General	5,000	0	0.0%
162,280	232,044	Total General Expenses	198,736	36,456	22.5%
Council Expenditure					
27,825	27,825	Member Allowances	27,825	0	0.0%
25,000	25,000	Levies & Charges	61,000	36,000	144.0%
52,825	52,825	Total Council Expenditure	88,825	36,000	68.1%
Occupancy & Property					
17,648	17,648	Light& Power& Gas & Fuel	18,570	922	5.2%
17,648	17,648	Total Occupancy & Property	18,570	922	5.2%
1,966,256	2,005,674	Total Expenditure	2,033,826	67,570	3.4%
(1,206,256)	(1,044,813)	Operational Surplus/(Deficit)	(1,240,326)	(34,070)	2.8%

## **Business and Community Services Division**



The Business and Community Services Division is primarily responsible for governance and risk management, media and events, procurement, internal audit, strategic planning, 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 Services Division comprises the following:

- Strategy and Business;
- Community Services;
- Audit and Risk.

# **Business and Community Services Division**

## **Strategy and Business**

### **2017/18 Business Plan and Budget Statement**

#### **Objective(s)**

Strategy and Business aims to optimise the effectiveness of the organisation through the provision of strategic planning and policies and high level organisational 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;
- Build organisational resilience through robust emergency management and business continuity planning;
- Continuous improvement to drive innovation and efficiency across the organisation.

#### **Key Activities 2017/18**

Key activities include the following:

##### **Business Services**

- On-going co-ordination and development of the organisation's governance functions including co-ordination of freedom of information requests, ombudsman enquiries, investigations and responses, internal reviews of council 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;
- Implementing and managing Council's annual risk management plan
- Provision of support to the Audit and Risk Committee;
- Implementing and managing Council's four year internal audit program plan and annual work plan;
- Implementation and managing Council's Emergency Management Business Continuity Plan;
- Ongoing coordination and development of the organisation's governance and risk responsibilities;
- Represent Council and influence development of the western zone emergency management plan.

## **Performance Measures**

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

### **Business Services**

- 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;
- Continued development of the western zone emergency management plan.

## **2017/18 Budget Highlights**

### **1. Income**

- Income of \$12,000 has been budgeted (\$21,000 in 2016/17).

### **2. Operational Expenditure**

- Operational expenditure is budgeted to increase by \$342,912 or 23 per cent to \$1,832,306;
- Employment costs are budgeted to increase by \$175,231 or 14.8 per cent to \$1,359,989, an increase that includes allowance for a new position responsible for procurement, audit and risk (transferred from City Strategy);
- Publications and printing costs of \$90,300 are proposed, including \$58,000 for Talking Points;
- Advertising and publicity costs of \$55,400 are budgeted, largely for the Messenger column (\$52,000 in 2016/17).

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**STRATEGY & BUSINESS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Income					
Statutory Charges					
1,000	1,000	Other Statutory Charges (including Road Moieties)	1,000	0	0.0%
1,000	1,000	Total Statutory Charges	1,000	0	0.0%
User Charges					
20,000	20,000	Other User Charges NEC	11,000	(9,000)	-45.0%
20,000	20,000	Total User Charges	11,000	(9,000)	-45.0%
0	6,664	Other Reimbursements	0	0	N/A
0	6,664	Total Reimbursements	0	0	N/A
Other Income					
Total Income					
21,000	27,664		12,000	(9,000)	-42.9%
Operational Expenditure					
Staff Costs					
988,226	978,226	Salaries& Wages & Allowances	1,125,892	137,666	13.9%
0	6,500	Agency Contract Staff	0	0	N/A
800	800	Overtime	6,500	5,700	712.5%
25,031	25,031	Leave Provisions	28,497	3,466	13.8%
95,118	94,847	Superannuation	108,288	13,170	13.8%
1,109,175	1,105,404	Total Staff Costs	1,269,177	160,002	14.4%
Staff Related					
12,250	12,250	Fringe Benefits Tax - Motor Vehicles	12,370	120	1.0%
500	500	Fringe Benefits Tax-Entertainment&Sundry	525	25	5.0%
3,500	3,500	Staff Uniforms	1,250	(2,250)	-64.3%
49,333	49,081	Workers Comp Insurance	56,167	6,834	13.9%
7,000	14,500	Training & Conference Costs incl travel & accom	15,500	8,500	121.4%
3,000	3,000	Study Assistance & Employee Memberships	4,000	1,000	33.3%
0	0	Work Health & Safety	1,000	1,000	N/A
75,583	82,831	Total Staff Related	90,812	15,229	20.1%
Buildings Furniture & Fittings					
920	920	Deprec Furniture& Equipment & Fittings	1,707	787	85.5%
920	920	Total Buildings Furniture & Fittings	1,707	787	85.5%
Plant & Equipment					
6,680	6,680	Depreciation Plant & Equipment	9,841	3,161	47.3%
4,000	4,000	Plant Fuel Gas & Oil	4,000	0	0.0%
8,000	8,000	Plant inter-departmental costs (including credits)	10,000	2,000	25.0%
18,680	18,680	Total Plant & Equipment	23,841	5,161	27.6%



**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**STRATEGY & BUSINESS**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Computer Expenditure					
15,000	10,130	Software (Purchase& Licencing& Leasing & Maint)	29,700	14,700	98.0%
15,000	10,130	Total Computer Expenditure	29,700	14,700	98.0%
General Expenses					
1,600	1,600	Minor Capital	1,500	(100)	-6.3%
2,000	2,000	Catering/Entertainment - Employees	2,000	0	0.0%
300	300	Catering/Entertain-Elected Members/others	300	0	0.0%
1,122	802	General Insurance Premium	826	(296)	-26.4%
500	500	Postage& Courier & Freight	500	0	0.0%
4,000	4,000	Stationery & Photocopying	10,000	6,000	150.0%
65,000	65,000	Publications & Printing	90,300	25,300	38.9%
18,500	18,500	Subscriptions & Associations	23,650	5,150	27.8%
3,514	3,514	Telephone & Internet	3,634	120	3.4%
0	0	Elected Member Travel & Training	2,000	2,000	N/A
52,000	52,000	Advertising & Publicity	55,400	3,400	6.5%
6,000	106,000	Promotion& Merchandising & Marketing	106,000	100,000	1666.7%
14,000	14,000	Professional Fees - Legal	18,000	4,000	28.6%
6,000	2,000	Professional Fees - Consultants	25,000	19,000	316.7%
0	3,000	Professional Fees - Recruitment	0	0	N/A
68,000	77,550	Professional Fees - General	50,000	(18,000)	-26.5%
2,000	2,000	General	2,000	0	0.0%
244,536	352,766	Total General Expenses	391,110	146,574	59.9%
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					
11,250	11,250	Light& Power& Gas & Fuel	11,709	459	4.1%
11,250	11,250	Total Occupancy & Property	11,709	459	4.1%
1,489,394	1,596,231	Total Expenditure	1,832,306	342,912	23.0%
(1,468,394)	(1,568,567)	Operational Surplus/(Deficit)	(1,820,306)	(351,912)	24.0%

## **Business and Community Services Division City Strategy 2017/18 Business Plan and Budget Statement**

### **Objective(s)**

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

- Coordination and the development of Council's strategic management plans, corporate plans, performance measurement and reporting;
- Strategies and projects that contribute to the social, cultural, environmental and economic sustainability of the city;
- Coordinated responses to external changes to legislation and policy.

### **Key Activities 2017/18**

Key activities include the following:

- Continuing the city's regional collaboration on economic development and adaptation planning;
- Progressing a comprehensive community needs analysis following the release of the 2016 Census survey;
- Reviewing the legislatively required Public Health Plan to identify public health priorities and opportunities for the city, and updating the city's open space strategy;
- Coordinating and leading a whole of Council approach to influencing the Planning, Development and Infrastructure Act implementation including Local Area Planning and policy development relating to key priorities of the city;
- Progressing key public realm strategic projects including the City's Urban Design Framework, High Density Structure Planning, Tree Canopy and infill development studies, and thermal mapping projects;
- Undertaking the Underdale and Torrensville Development Plan Amendment and progressing privately funded rezoning of catalyst sites across the city;
- Prioritising the implementation of local adaptation initiatives;
- Developing business engagement activities that deliver on the city's economic imperatives;
- Coordinating service planning and quarterly reporting and annual resource consumption and emissions profiling.

### **Performance Measures**

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

- Identification and response to external changes to policy and legislation changes that impact the city;
- Participation in regional partnership initiatives that benefit the city;
- Representation of Council on external committees and special interest groups such as the Adelaide Airport Consultative Committee;
- Coordinating timely quarterly reporting to the Corporate Planning, Policy and Performance Committee of Council.

## **2017/18 Budget Highlights**

### **1. Operational Expenditure**

- Total operating expenditure has decreased by \$174,643 or 14.8 per cent to \$1,008,953;
- Employment related costs have decreased by \$136,965 or 16.1 per cent to \$715,687, with one FTE transferred to Strategy and Business;
- Professional fees of \$157,000 have been budgeted (\$155,000 in 2016/17) for the following work to be undertaken:
  - \$40,000 for the urban design framework;
  - \$30,000 for the urban open space plan;
  - \$25,000 to update the public health plan;
  - \$25,000 for regional collaboration on adaptation;
  - \$25,000 for regional economic alliance;
  - \$12,000 for the annual service fee for carbon and water monitoring.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY STRATEGY**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17	ORIGINAL
Income					
User Charges					
8,000	2,310	Other User Charges NEC	0	(8,000)	-100.0%
8,000	2,310	Total User Charges	0	(8,000)	-100.0%
Grants & Subsidies					
19,000	25,000	Other Grants & Subsidies	0	(19,000)	-100.0%
19,000	25,000	Total Grants & Subsidies	0	(19,000)	-100.0%
Reimbursements					
0	30,000	Other Reimbursements	0	0	N/A
0	30,000	Total Reimbursements	0	0	N/A
Other Income					
8,800	8,800	Other Income NEC	(10,000)	(18,800)	-213.6%
8,800	8,800	Total Other Income	(10,000)	(18,800)	-213.6%
35,800	66,110	Total Income	(10,000)	(45,800)	-127.9%
Operational Expenditure					
Staff Costs					
701,525	581,798	Salaries& Wages & Allowances	597,962	(103,563)	-14.8%
3,000	3,000	Agency Contract Staff	0	(3,000)	-100.0%
2,400	2,400	Overtime	0	(2,400)	-100.0%
17,769	17,769	Leave Provisions	15,135	(2,634)	-14.8%
67,524	48,860	Superannuation	57,510	(10,014)	-14.8%
792,218	653,827	Total Staff Costs	670,607	(121,611)	-15.4%
Staff Related					
6,520	6,520	Fringe Benefits Tax - Motor Vehicles	0	(6,520)	-100.0%
3,740	3,740	Staff Uniforms	3,250	(490)	-13.1%
500	500	Protective Clothing & Equipment	0	(500)	-100.0%
35,024	34,845	Workers Comp Insurance	29,830	(5,194)	-14.8%
13,750	13,750	Training & Conference Costs incl travel & accom	12,000	(1,750)	-12.7%
900	900	Work Health & Safety	0	(900)	-100.0%
60,434	60,255	Total Staff Related	45,080	(15,354)	-25.4%
Buildings Furniture & Fittings					
180	180	Deprec Furniture& Equipment & Fittings	170	(10)	-5.6%
180	180	Total Buildings Furniture & Fittings	170	(10)	-5.6%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**CITY STRATEGY**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Plant & Equipment					
7,460	7,460	Depreciation Plant & Equipment	7,612	152	2.0%
1,000	1,000	Plant Fuel Gas & Oil	720	(280)	-28.0%
1,000	1,000	Plant Repairs & Maint	1,000	0	0.0%
5,000	5,000	Plant inter-departmental costs (including credits)	5,000	0	0.0%
14,460	14,460	Total Plant & Equipment	14,332	(128)	-0.9%
General Expenses					
900	900	Minor Capital	2,000	1,100	122.2%
3,150	3,150	Catering/Entertainment - Employees	1,600	(1,550)	-49.2%
7,050	7,050	Catering/Entertain-Elected Members/others	7,000	(50)	-0.7%
736	571	General Insurance Premium	588	(148)	-20.1%
6,200	6,200	Postage& Courier & Freight	4,000	(2,200)	-35.5%
9,000	9,000	Stationery & Photocopying	4,000	(5,000)	-55.6%
14,800	14,800	Publications & Printing	10,000	(4,800)	-32.4%
14,450	14,450	Subscriptions & Associations	4,500	(9,950)	-68.9%
2,505	2,505	Telephone & Internet	2,549	44	1.8%
300	300	Volunteer Travel	0	(300)	-100.0%
14,500	14,500	Advertising & Publicity	13,000	(1,500)	-10.3%
10,000	10,000	Promotion& Merchandising & Marketing	8,000	(2,000)	-20.0%
100,000	186,600	Professional Fees - Consultants	95,000	(5,000)	-5.0%
55,000	114,320	Professional Fees - General	62,000	7,000	12.7%
2,000	2,000	General	1,000	(1,000)	-50.0%
240,591	386,346	Total General Expenses	215,237	(25,354)	-10.5%
Council Expenditure					
10,000	10,000	Community Grants	10,000	0	0.0%
44,800	48,800	Donations Awards Contributions & Other Rebates	30,000	(14,800)	-33.0%
54,800	58,800	Total Council Expenditure	40,000	(14,800)	-27.0%
Materials					
13,000	13,000	Materials - No Overhead	15,000	2,000	15.4%
13,000	13,000	Total Materials	15,000	2,000	15.4%
Occupancy & Property					
7,913	7,913	Light& Power& Gas & Fuel	8,527	614	7.8%
7,913	7,913	Total Occupancy & Property	8,527	614	7.8%
1,183,596	1,194,781	Total Expenditure	1,008,953	(174,643)	-14.8%
(1,147,796)	(1,128,671)	Operational Surplus/(Deficit)	(1,018,953)	128,843	-11.2%

# **Business and Community Services Division**

## **Library Services**

### **2017/18 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 2017/18**

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;
- Redevelopment of the desk area to facilitate roaming customer service.

## **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.

## **2017/18 Budget Highlights**

### **1. Income**

- Income from library users of \$51,300 has been budgeted (\$51,300 in 2016/17);
- A component of the library budget is externally funded by the State Government, and represents 15.5 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 2016/17.

### **2. Operational Expenditure**

- Operational expenditure for the library has increased by \$141,121 or 5.5 per cent, to \$2,719,288;
- Employment related expenditure has increased by \$123,125 or 7.7 per cent, to \$1,725,357.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**LIBRARY SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Income					
User Charges					
40,000	40,000	Library Sundry Income (Fines& etc)	40,000	0	0.0%
11,300	11,300	Other User Charges NEC	11,300	0	0.0%
51,300	51,300	Total User Charges	51,300	0	0.0%
Grants & Subsidies					
416,500	416,500	Libraries	420,339	3,839	0.9%
770	770	Training & Wage Subsidies	1,500	730	94.8%
417,270	417,270	Total Grants & Subsidies	421,839	4,569	1.1%
Other Income					
500	15,077	Other Income NEC	500	0	0.0%
500	15,077	Total Other Income	500	0	0.0%
469,070	483,647	Total Income	473,639	4,569	1.0%
Operational Expenditure					
Staff Costs					
1,230,276	1,249,400	Salaries& Wages & Allowances	1,254,737	24,461	2.0%
113,141	119,244	Salaries&Wages&Allowances-Casual Staff	177,022	63,881	56.5%
9,000	9,000	Agency Contract Staff	4,500	(4,500)	-50.0%
9,500	9,500	Overtime	12,500	3,000	31.6%
30,092	30,092	Leave Provisions	36,183	6,091	20.2%
114,357	129,357	Superannuation	137,498	23,141	20.2%
1,506,366	1,546,593	Total Staff Costs	1,622,440	116,074	7.7%
Staff Related					
8,400	8,400	Fringe Benefits Tax - Motor Vehicles	7,285	(1,115)	-13.3%
250	250	Fringe Benefits Tax-Entertainment&Sundry	263	13	5.2%
12,200	12,200	Staff Uniforms	11,350	(850)	-7.0%
300	300	Protective Clothing & Equipment	300	0	0.0%
59,316	59,013	Workers Comp Insurance	71,319	12,003	20.2%
15,000	15,000	Training & Conference Costs incl travel & accom	12,000	(3,000)	-20.0%
400	400	Work Health & Safety	400	0	0.0%
95,866	95,563	Total Staff Related	102,917	7,051	7.4%



**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**LIBRARY SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Buildings Furniture & Fittings					
108,760	108,760	Depreciation on Buildings	110,400	1,640	1.5%
33,770	52,770	Deprec Furniture& Equipment & Fittings	27,805	(5,965)	-17.7%
5,200	4,200	Maint - Buildings & Grounds	5,000	(200)	-3.8%
5,200	4,200	Maint Furniture& Equipment & Fittings	5,000	(200)	-3.8%
152,930	169,930	Total Buildings Furniture & Fittings	148,205	(4,725)	-3.1%
Plant & Equipment					
13,920	13,920	Depreciation Plant & Equipment	4,676	(9,244)	-66.4%
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%
15,000	15,000	Plant inter-departmental costs (including credits)	21,000	6,000	40.0%
34,520	34,520	Total Plant & Equipment	31,276	(3,244)	-9.4%
Computer Expenditure					
29,410	29,410	Deprec Computer Equipment	17,837	(11,573)	-39.4%
4,100	27,103	Software (Purchase& Licencing& Leasing & Maint)	26,780	22,680	553.2%
32,900	32,900	Hardware (Support& Maintenance & Leasing)	33,020	120	0.4%
12,400	11,400	SundryComputer(minor hware/consumables)	18,150	5,750	46.4%
78,810	100,813	Total Computer Expenditure	95,787	16,977	21.5%
Community Assets					
318,000	304,000	Depreciation - Library Resources	315,000	(3,000)	-0.9%
318,000	304,000	Total Community Assets	315,000	(3,000)	-0.9%
General Expenses					
3,300	3,300	Minor Capital	6,300	3,000	90.9%
1,100	1,100	Catering/Entertainment - Employees	1,100	0	0.0%
1,100	1,100	Catering/Entertain-Elected Members/others	2,000	900	81.8%
20,759	15,130	General Insurance Premium	15,585	(5,174)	-24.9%
5,300	5,300	Postage& Courier & Freight	5,700	400	7.5%
41,000	40,000	Stationery & Photocopying	41,000	0	0.0%
21,500	17,500	Publications & Printing	21,500	0	0.0%
42,300	36,300	Subscriptions & Associations	43,982	1,682	4.0%
6,758	6,758	Telephone & Internet	6,510	(248)	-3.7%
2,100	2,100	Volunteer Travel	2,000	(100)	-4.8%
10,000	5,000	Advertising & Publicity	8,000	(2,000)	-20.0%
50,000	50,000	Promotion& Merchandising & Marketing	52,000	2,000	4.0%
6,200	6,200	General	6,800	600	9.7%
94,000	94,000	On-Charges from Other Departments	95,000	1,000	1.1%
305,417	283,788	Total General Expenses	307,477	2,060	0.7%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**LIBRARY SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
<b>Bank &amp; Finance</b>					
2,400	2,400	Bank&Agency Collection Charges	2,400	0	0.0%
2,400	2,400	Total Bank & Finance	2,400	0	0.0%
<b>Contract Expenditure</b>					
5,200	5,200	Contractors - No Overhead	6,000	800	15.4%
5,200	5,200	Total Contract Expenditure	6,000	800	15.4%
<b>Occupancy &amp; Property</b>					
57,658	57,658	Light& Power& Gas & Fuel	68,824	11,166	19.4%
9,000	7,000	Security Costs	6,500	(2,500)	-27.8%
12,000	12,000	Sundry Property Costs	12,461	461	3.8%
78,658	76,658	Total Occupancy & Property	87,785	9,127	11.6%
<b>2,578,167</b>	<b>2,619,465</b>	<b>Total Expenditure</b>	<b>2,719,288</b>	<b>141,121</b>	<b>5.5%</b>
<b>(2,109,097)</b>	<b>(2,135,818)</b>	<b>Operational Surplus/(Deficit)</b>	<b>(2,245,649)</b>	<b>(136,552)</b>	<b>6.5%</b>

## **Business and Community Services Division Community Development 2017/18 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 2017/18**

Key activities include the following:

- Community Development programs in youth, arts, volunteering, disability and cultural Inclusion, and social health and wellbeing;
- Facilitate events that bring the community together in celebration of our diverse community;
- Provide a community transport service and the 'Be a Tourist in Your Own Backyard' program.
- 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 partnerships and community grants, donations, scholarships and sponsorships programs;
- Administer the inaugural City of West Torrens Art Prize;
- Additional funding for the Home Support and Home Advantage program provided by Council.

### **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, scholarship and donations programs;
- Positive community feedback.

## **2017/18 Budget Highlights**

### **1. Income**

- Total expected Income of \$196,320 has been budgeted, a 16.9 per cent increase from the 2016/17 budget;
- Income includes transport fees and charges of \$17,820, Thebarton Community Centre hire charges of \$150,000 and fees from Home Advantage Services of \$25,000.

### **2. Operational Expenditure**

- Operational expenditure for Community Development has increased by \$393,132 24.0 per cent to \$2,034,319;
- Employment related costs have increased by \$355,101 or 44.9 per cent, to \$1,145,865, an increase that includes allowance for three new positions, all the subject of a Council resolution, being an Opal Program Officer, a Home Advantage Support Officer and a Community Development Officer;
- Community Development projects and programs have decreased by \$25,950 or 23.6 per cent to \$84,050 and this includes funding for:
  - The summer festival (music, movies and food in the park);
  - Community and celebratory activities and projects e.g. volunteer thank you Christmas lunch; community gardens, walking and sewing groups;
  - Youth initiatives e.g. after school and school holiday activities, youth expo and Little Day Out events;
  - Community participation and engagement, including disability and volunteer expos, training and support, Anti-Poverty Week, Harmony Day and cultural evenings.
- An amount of \$102,000 has been budgeted for the provision of services to the aged and disabled (\$93,000 in 2016/17);
- Partnership grants of \$151,630 and community grants of \$121,000 are budgeted (\$130,328 and \$121,000 in 2016/17);
- Insurance (public liability), security and cleaning costs included in the budget are specifically for the Thebarton Community Centre.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**COMMUNITY DEVELOPMENT**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Income					
User Charges					
14,000	14,000	Home Assistance	25,000	11,000	78.6%
15,000	15,000	Community Transport	15,000	0	0.0%
0	0	Other Welfare Income / Other Community Support	3,500	3,500	N/A
135,000	135,000	Comm Centres & Hall Hire/House Rental/Leases	150,000	15,000	11.1%
4,000	4,000	Bus Fares / Bus Hire	2,820	(1,180)	-29.5%
168,000	168,000	Total User Charges	196,320	28,320	16.9%
168,000	168,000	Total Income	196,320	28,320	16.9%
Operational Expenditure					
Staff Costs					
632,040	738,690	Salaries& Wages & Allowances	912,809	280,769	44.4%
16,906	16,906	Salaries&Wages&Allowances-Casual Staff	17,664	758	4.5%
15,420	20,420	Overtime	33,500	18,080	117.3%
16,009	16,009	Leave Provisions	23,546	7,537	47.1%
60,836	70,971	Superannuation	89,469	28,633	47.1%
741,211	862,996	Total Staff Costs	1,076,988	335,777	45.3%
Staff Related					
1,000	1,000	Fringe Benefits Tax-Entertainment&Sundry	1,050	50	5.0%
6,000	6,000	Staff Uniforms	5,020	(980)	-16.3%
500	500	Protective Clothing & Equipment	500	0	0.0%
31,553	31,392	Workers Comp Insurance	46,407	14,854	47.1%
10,000	10,000	Training & Conference Costs incl travel & accom	14,400	4,400	44.0%
0	0	Study Assistance & Employee Memberships	1,000	1,000	N/A
500	500	Work Health & Safety	500	0	0.0%
49,553	49,392	Total Staff Related	68,877	19,324	39.0%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**COMMUNITY DEVELOPMENT**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17	ORIGINAL
Buildings Furniture & Fittings					
7,650	9,350	Deprec Furniture& Equipment & Fittings	5,840	(1,810)	-23.7%
4,000	4,000	Maint Furniture& Equipment & Fittings	12,000	8,000	200.0%
11,650	13,350	Total Buildings Furniture & Fittings	17,840	6,190	53.1%
Plant & Equipment					
25,910	25,910	Depreciation Plant & Equipment	26,593	683	2.6%
11,000	8,500	Plant Fuel Gas & Oil	6,600	(4,400)	-40.0%
0	0	Plant Repairs & Maint	1,000	1,000	N/A
31,000	31,000	Plant inter-departmental costs (including credits)	37,600	6,600	21.3%
67,910	65,410	Total Plant & Equipment	71,793	3,883	5.7%
Computer Expenditure					
10,780	12,180	Deprec Computer Equipment	11,294	514	4.8%
0	0	Software (Purchase& Licencing& Leasing & Maint)	12,500	12,500	N/A
10,780	12,180	Total Computer Expenditure	23,794	13,014	120.7%
General Expenses					
0	0	Minor Capital	12,625	12,625	N/A
3,000	3,000	Catering/Entertainment - Employees	2,500	(500)	-16.7%
14,000	14,000	Catering/Entertain-Elected Members/others	12,500	(1,500)	-10.7%
20,748	18,175	General Insurance Premium	18,721	(2,027)	-9.8%
0	0	Postage& Courier & Freight	1,000	1,000	N/A
4,000	3,000	Stationery & Photocopying	4,000	0	0.0%
5,000	5,000	Publications & Printing	9,600	4,600	92.0%
700	700	Subscriptions & Associations	1,260	560	80.0%
4,990	4,990	Telephone & Internet	6,331	1,341	26.9%
16,000	16,000	Volunteer Travel	18,000	2,000	12.5%
17,000	15,000	Advertising & Publicity	10,000	(7,000)	-41.2%
110,000	50,000	Promotion& Merchandising & Marketing	84,050	(25,950)	-23.6%
15,000	15,000	General	17,000	2,000	13.3%
210,438	144,865	Total General Expenses	197,587	(12,851)	-6.1%
Council Expenditure					
130,328	162,076	Partnership Grants	151,630	21,302	16.3%
121,000	398,108	Community Grants	121,000	0	0.0%
5,000	5,000	Donations Awards Contributions & Other Rebates	5,000	0	0.0%
256,328	565,184	Total Council Expenditure	277,630	21,302	8.3%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**COMMUNITY DEVELOPMENT**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17	ORIGINAL
Contract Expenditure					
0	0	Contractors - Home Support - No Overhead	93,000	93,000	N/A
0	0	Contractors - Home Advantage - No Overhead	9,000	9,000	N/A
93,000	449,000	Contractors - No Overhead	0	(93,000)	-100.0%
93,000	449,000	Total Contract Expenditure	102,000	9,000	9.7%
Occupancy & Property					
101,817	101,817	Light& Power& Gas & Fuel	93,013	(8,804)	-8.6%
78,000	78,000	Cleaning	80,000	2,000	2.6%
20,500	8,500	Security Costs	9,000	(11,500)	-56.1%
0	5,434	Sundry Property Costs	15,797	15,797	N/A
200,317	193,751	Total Occupancy & Property	197,810	(2,507)	-1.3%
1,641,187	2,356,128	Total Expenditure	2,034,319	393,132	24.0%
(1,473,187)	(2,188,128)	Operational Surplus/(Deficit)	(1,837,999)	(364,812)	24.8%

# **Business and Community Services Division Commonwealth Home Support Program 2017/18 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 2017/18**

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. This is the final year of the CHSP funded program.

## **2017/18 Budget Highlights**

### **1. Income**

- User charges have decreased by \$15,300 or 12.2 per cent to \$110,000;
- Grant income is expected to be \$468,744 (\$468,700 in 2016/17).



## **2. Operational Expenditure**

- Operational expenditure for CHSP has decreased by \$25,787 or 4.3% to \$578,744;
- Employment related expenditure has decreased by \$63,533 or 13.2% per cent, to \$418,235;
- Contractor use has been budgeted at \$79,245 (\$50,000 in 2016/17);
- The operational bottom line is budgeted to be break even in 2017/18.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**COMMONWEALTH HOME SUPPORT PROGRAM**  
**OPERATIONAL EXPENDITURE & INCOME**

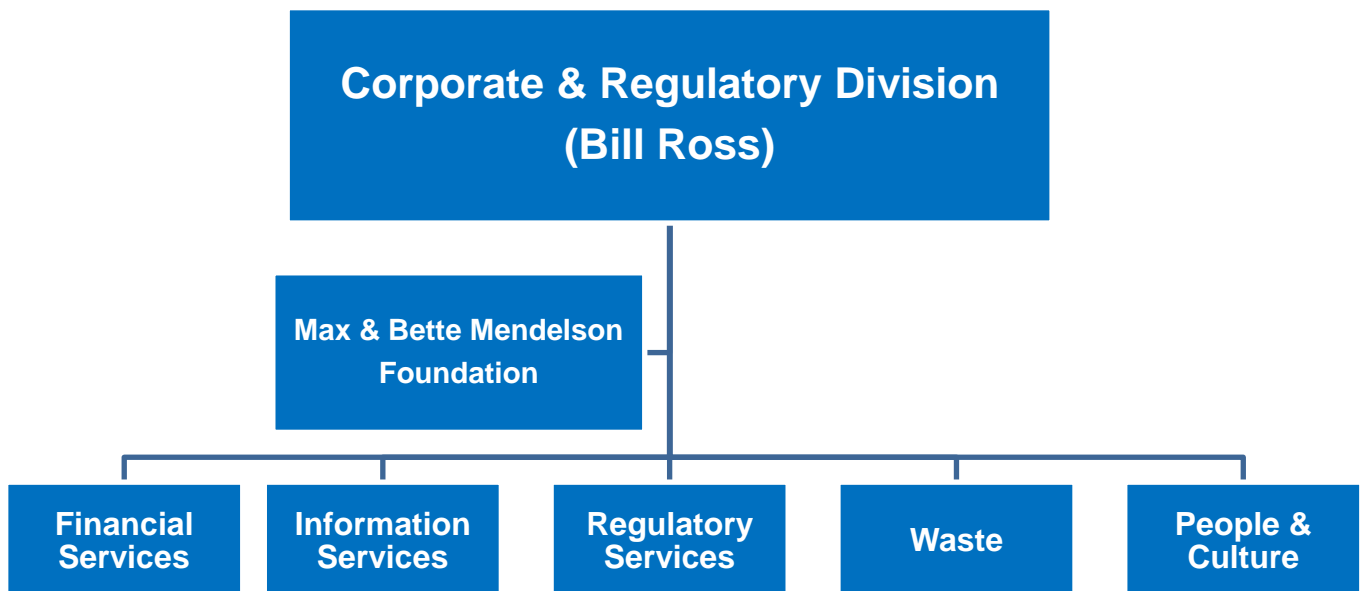
2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17	ORIGINAL
Income					
User Charges					
125,300	125,300	Home Assistance	110,000	(15,300)	-12.2%
125,300	125,300	Total User Charges	110,000	(15,300)	-12.2%
Grants & Subsidies					
468,700	468,700	Home & Community Care	468,744	44	0.0%
468,700	468,700	Total Grants & Subsidies	468,744	44	0.0%
594,000	594,000	Total Income	578,744	(15,256)	-2.6%
Operational Expenditure					
Staff Costs					
297,478	297,478	Salaries& Wages & Allowances	257,254	(40,224)	-13.5%
127,876	127,876	Salaries&Wages&Allowances-Casual Staff	95,439	(32,437)	-25.4%
7,534	7,534	Leave Provisions	8,897	1,363	18.1%
28,631	28,631	Superannuation	33,808	5,177	18.1%
461,519	461,519	Total Staff Costs	395,398	(66,121)	-14.3%
Staff Related					
3,200	3,200	Staff Uniforms	3,000	(200)	-6.3%
700	700	Protective Clothing & Equipment	500	(200)	-28.6%
14,850	14,774	Workers Comp Insurance	17,537	2,687	18.1%
1,200	1,200	Training & Conference Costs incl travel & accom	1,500	300	25.0%
300	300	Work Health & Safety	300	0	0.0%
20,250	20,174	Total Staff Related	22,837	2,587	12.8%
Buildings Furniture & Fittings					
30	30	Deprec Furniture& Equipment & Fittings	310	280	933.3%
30	30	Total Buildings Furniture & Fittings	310	280	933.3%
Plant & Equipment					
4,260	4,260	Depreciation Plant & Equipment	4,347	87	2.0%
3,000	3,000	Plant Fuel Gas & Oil	3,000	0	0.0%
4,000	4,000	Plant inter-departmental costs (including credits)	4,000	0	0.0%
11,260	11,260	Total Plant & Equipment	11,347	87	0.8%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**COMMONWEALTH HOME SUPPORT PROGRAM**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
General Expenses					
2,000	2,000	Minor Capital	4,600	2,600	130.0%
300	300	Catering/Entertain-Elected Members/others	1,000	700	233.3%
422	345	General Insurance Premium	366	(56)	-13.3%
100	100	Postage& Courier & Freight	0	(100)	-100.0%
200	200	Stationery & Photocopying	0	(200)	-100.0%
500	500	Publications & Printing	2,000	1,500	300.0%
200	200	Subscriptions & Associations	0	(200)	-100.0%
1,806	1,806	Telephone & Internet	2,193	387	21.4%
2,000	2,000	Volunteer Travel	1,000	(1,000)	-50.0%
500	500	Advertising & Publicity	0	(500)	-100.0%
1,000	1,000	Professional Fees - General	100	(900)	-90.0%
21,000	26,405	General	22,500	1,500	7.1%
3,000	3,000	On-Charges from Other Departments	3,000	0	0.0%
33,028	38,356	Total General Expenses	36,759	3,731	11.3%
Contract Expenditure					
50,000	50,000	Contractors - No Overhead	79,245	29,245	58.5%
50,000	50,000	Total Contract Expenditure	79,245	29,245	58.5%
Materials					
17,000	17,000	Materials - No Overhead	17,200	200	1.2%
17,000	17,000	Total Materials	17,200	200	1.2%
Occupancy & Property					
11,145	11,145	Light& Power& Gas & Fuel	15,648	4,503	40.4%
300	300	Cleaning	0	(300)	-100.0%
11,445	11,445	Total Occupancy & Property	15,648	4,203	36.7%
604,531	609,783	Total Expenditure	578,744	(25,787)	-4.3%
(10,531)	(15,783)	Operational Surplus/(Deficit)	0	10,531	-100.0%



## 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;
- People and Culture.

# **Corporate and Regulatory Division**

## **Mendelson Foundation**

### **2017/18 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 2017/18**

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.

#### **2017/18 Budget Highlights**

##### **1. Income**

- Investment income of \$60,000 is budgeted (\$43,000 in the original budget in 2016/17), reflecting the current investment expectations of the foundation;
- Council scholarship support of the foundation has again been budgeted in 2017/18, the amount being \$20,000 (also \$20,000 in 2016/17).

##### **2. Operational Expenditure**

- Scholarships of \$48,000 have been budgeted (also \$48,000 in 2016/17);
- Committee member allowances have increased to \$19,600, based on allowances set by the SA Remuneration Tribunal and increases expected in November 2017;
- Trustee charges of \$12,000 have been budgeted (\$11,220 in 2016/17).

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**MENDELSON FOUNDATION**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17	ORIGINAL
Income					
Other Income					
0	50,000	Commercial Income/ Market Movement on Investments	40,000	40,000	N/A
43,000	43,000	Dividend Income	20,000	(23,000)	-53.5%
20,000	20,000	Other Income NEC	20,000	0	0.0%
63,000	113,000	Total Other Income	80,000	17,000	27.0%
63,000	113,000	Total Income	80,000	17,000	27.0%
Operational Expenditure					
General Expenses					
11,220	11,220	Professional Fees - General	12,000	780	7.0%
11,220	11,220	Total General Expenses	12,000	780	7.0%
Council Expenditure					
19,264	19,264	Member Allowances	19,600	336	1.7%
48,000	48,000	Donations, Awards & Contributions	48,000	0	0.0%
67,264	67,264	Total Council Expenditure	67,600	336	0.5%
78,484	78,484	Total Expenditure	79,600	1,116	1.4%
(15,484)	34,516	Operational Surplus/(Deficit)	400	15,884	-102.6%

# **Corporate and Regulatory Division**

## **Financial Services**

### **2017/18 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 2017/18**

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.



## 2017/18 Budget Highlights

### 1. Income

- Rates have been budgeted to increase by 2.5 per cent, based on the calculation that follows. This represents an increase in income from rates of \$1,785,715 over what was raised in 2016/17.

	\$
Rate Income 2016/17	47,904,285
Add Natural Growth at 1.2%	574,851
<b>Sub Total</b>	<b>48,479,136</b>
Add Rate Increase at 2.5%	1,210,864
<b>Total</b>	<b>49,690,000</b>

- Rate equivalent payments for Adelaide Airport have increased to \$5,200,000, based on growth of 1.0 per cent and a 2.5 per cent increase, as follows:

	\$
Net REP's in 2016/17	<b>5,022,335</b>
Add growth at 1.0%	50,223
Add increase at 2.5%	127,442
<b>Total</b>	<b>5,200,000</b>

- Income from investments have decreased to \$289,000, based on an assessment of Council's future cash flow position;
- An amount of \$1.204 million is budgeted for Council's financial assistance grant in 2017/18 (\$1.2 million in 2016/17).

### 2. Operational Expenditure

- Operational expenditure has increased by \$110,637 or 3.4 per cent to \$3,354,602 over what was budgeted in 2016/17;
- Employment related costs have increased by \$40,995 or 3.1 per cent, to \$1,384,345;
- The budget for rate rebates and remissions for 2017/18 totals \$795,000, an increase of \$75,000 or 10.4 per cent compared to the 2016/17 original budget;
- Valuation charges of the Valuer-General have been budgeted to increase by \$10,000 or 5.0 per cent to \$210,000;
- Bank and finance charges have been budgeted to decrease by \$3,000 or 2.0 per cent to \$148,000 over what was budgeted in 2016/17, following the renegotiation of contract terms;
- Professional fees of \$32,900 have been budgeted for corporate management, software assistance and audit support, including statutory auditing (\$35,000 in 2016/17);
- An amount of \$1,335,744 has been budgeted for the NRM levy, up \$75,608 or 6.0 per cent.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**FINANCIAL SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
		Income			
		Rates			
47,650,000	47,930,000	Rates Revenue	49,690,000	2,040,000	4.3%
5,020,000	5,022,335	Rates Equivalent Payment	5,200,000	180,000	3.6%
1,274,136	1,274,136	NRM Levy Receivable	1,351,144	77,008	6.0%
115,000	130,000	Fines on Rates	135,000	20,000	17.4%
(650,000)	(750,000)	Rate Rebates - Mandatory	(775,000)	(125,000)	19.2%
(70,000)	(30,000)	Rate Rebates - Discretionary	(20,000)	50,000	-71.4%
(14,000)	(14,000)	NRM Discounts & Rebates	(15,400)	(1,400)	10.0%
53,325,136	53,562,471	Total Rates	55,565,744	2,240,608	4.2%
		User Charges			
24,000	12,000	Other User Charges NEC	7,000	(17,000)	-70.8%
24,000	12,000	Total User Charges	7,000	(17,000)	-70.8%
		Grants & Subsidies			
1,200,000	1,174,883	Grants Commission	1,204,000	4,000	0.3%
1,200,000	1,174,883	Total Grants & Subsidies	1,204,000	4,000	0.3%
		Reimbursements			
300	300	Private Works (incl Vandalism) / Staff Related	0	(300)	-100.0%
1,500	1,500	Other	700	(800)	-53.3%
30,000	120,000	Insurance Claims Reimbursements	20,000	(10,000)	-33.3%
65,000	65,000	Reimbursements - Legal Fees	70,000	5,000	7.7%
96,800	186,800	Total Reimbursements	90,700	(6,100)	-6.3%
		Other Income			
365,000	365,000	Investment Income	250,000	(115,000)	-31.5%
36,000	36,000	Donated Assets / Investment Income Other Financial Ins	39,000	3,000	8.3%
54,000	71,373	LGFA bonus	65,000	11,000	20.4%
394,000	544,000	Other Income NEC	400,000	6,000	1.5%
849,000	1,016,373	Total Other Income	754,000	(95,000)	-11.2%
55,494,936	55,952,527	Total Income	57,621,444	2,126,508	3.8%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**FINANCIAL SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Operational Expenditure					
Staff Costs					
1,099,447	1,045,447	Salaries, Wages & Allowances	1,132,003	32,556	3.0%
0	37,500	Agency Contract Staff	0	0	N/A
14,400	18,400	Overtime	20,000	5,600	38.9%
27,846	27,846	Leave Provisions	28,655	809	2.9%
105,827	105,827	Superannuation	108,877	3,050	2.9%
1,247,520	1,235,020	Total Staff Costs	1,289,535	42,015	3.4%
Staff Related					
16,840	16,840	Fringe Benefits Tax - Motor Vehicles	15,395	(1,445)	-8.6%
1,300	1,300	Fringe Benefits Tax - Entertainment & Sundry	1,993	693	53.3%
5,500	5,500	Staff Uniforms	5,500	0	0.0%
54,890	54,608	Workers Comp Insurance	56,472	1,582	2.9%
14,000	15,960	Training & Conference Costs incl Travel & Accom	13,000	(1,000)	-7.1%
2,700	2,700	Study Assistance & Employee Memberships	2,000	(700)	-25.9%
600	600	Occupational Health & Safety	450	(150)	-25.0%
95,830	97,508	Total Staff Related	94,810	(1,020)	-1.1%
Buildings Furniture & Fittings					
1,310	1,310	Depreciation on Furn, Equip & Fittings	1,265	(45)	-3.4%
500	500	Maintenance - Furniture, Equipment & Fittings	500	0	0.0%
1,810	1,810	Total Buildings Furniture & Fittings	1,765	(45)	-2.5%
Plant & Equipment					
9,180	9,180	Depreciation Plant & Equipment	9,325	145	1.6%
5,000	5,000	Plant Fuel Gas & Oil	4,400	(600)	-12.0%
5,000	5,000	Plant inter-departmental costs (including credits)	5,200	200	4.0%
19,180	19,180	Total Plant & Equipment	18,925	(255)	-1.3%
Computer Expenditure					
0	5,625	Software (Purchase, Licencing & Maintenance)	2,700	2,700	N/A
0	5,625	Total Computer Expenditure	2,700	2,700	N/A
General Expenses					
1,500	1,500	Minor Capital	1,000	(500)	-33.3%
1,000	1,000	Catering/Entertainment - Employees	800	(200)	-20.0%
150	150	Catering/Entertain-Elected Members/others	600	450	300.0%
1,154	903	General Insurance Premium	931	(223)	-19.3%
45,000	45,000	Insurance - Repair, Excess & Discharge	12,000	(33,000)	-73.3%
9,000	9,000	Stationery & Photocopying	12,000	3,000	33.3%
75,000	75,000	Publications & Printing	86,000	11,000	14.7%
1,000	1,000	Subscriptions & Associations	700	(300)	-30.0%
5,915	5,915	Telephone & Internet	6,078	163	2.8%
7,500	7,500	Advertising & Publicity	8,000	500	6.7%
65,000	65,000	Professional Fees - Legal	70,000	5,000	7.7%
8,000	13,880	Professional Fees - Consultants	8,400	400	5.0%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**FINANCIAL SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18 BUDGET	VARIATION TO 2016/17 ORIGINAL	
ORIGINAL	ESTIMATE				
27,000	24,375	Professional Fees - General	24,500	(2,500)	-9.3%
8,000	8,000	General	8,000	0	0.0%
255,219	258,223	Total General Expenses	239,009	(16,210)	-6.4%
		<b>Bank &amp; Finance</b>			
150,000	150,000	Bank & Agency Collection Charges	144,000	(6,000)	-4.0%
1,000	1,000	Bad Debts	4,000	3,000	300.0%
151,000	151,000	Total Bank & Finance	148,000	(3,000)	-2.0%
		<b>Council Expenditure</b>			
200,000	204,000	Valuation Service Charges	210,000	10,000	5.0%
1,260,136	1,260,136	NRM Levy Expense	1,335,744	75,608	6.0%
1,460,136	204,000	Total Council Expenditure	1,545,744	85,608	5.9%
		<b>Occupancy &amp; Property</b>			
13,270	13,270	Electricity & Gas	14,114	844	6.4%
13,270	13,270	Total Occupancy & Property	14,114	844	6.4%
3,243,965	3,245,772	Total Expenditure	3,354,602	110,637	3.4%
52,250,971	52,706,755	Operational Surplus/(Deficit)	54,266,842	2,015,871	3.9%

# **Corporate and Regulatory Division**

## **Information Services**

### **2017/18 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 2017/18**

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, 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.

## **2017/18 Budget Highlights**

### **1. Income**

- Income is budgeted to decrease by \$4,200 or 13.0 per cent to \$28,000. This includes income generated through the sale of old IT equipment.

### **2. Operational Expenditure**

- Operational expenditure has increased by \$96,484 or 3.8 per cent to \$2,661,963 over what was budgeted in 2016/17;
- Employment related costs have increased by \$134,729 or 10.7 per cent, to \$1,388,683, with this increase including the costs associated with a new IT position being added in support of mobility and customer service improvement initiatives;
- The corporate software budget has decreased from \$800,000 to \$720,000, incorporating investment in:
  - The transition of City Works and City Assets to the use of mobile devices in the field;
  - Updating Council's website to be suitable for mobile devices;
  - Improved management of information shared with external parties;
  - Compliance with evolving Microsoft licencing.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**INFORMATION SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Income					
User Charges					
25,000	25,000	Other User Charges NEC	25,000	0	0.0%
25,000	25,000	Total User Charges	25,000	0	0.0%
Reimbursements					
1,200	1,200	Other	0	(1,200)	-100.0%
1,200	1,200	Total Reimbursements	0	(1,200)	-100.0%
Other Income					
6,000	6,000	Other Income NEC	3,000	(3,000)	-50.0%
6,000	6,000	Total Other Income	3,000	(3,000)	-50.0%
32,200	32,200	Total Income	28,000	(4,200)	-13.0%
Operational Expenditure					
Staff Costs					
1,038,283	1,111,184	Salaries, Wages & Allowances	1,152,443	114,160	11.0%
0	7,750	Agency Contract Staff	0	0	N/A
2,800	7,800	Overtime	2,800	0	0.0%
26,297	26,297	Leave Provisions	29,169	2,872	10.9%
99,937	107,319	Superannuation	110,842	10,905	10.9%
1,167,317	1,260,350	Total Staff Costs	1,295,254	127,937	11.0%
Staff Related					
14,600	14,600	Fringe Benefits Tax - Motor Vehicles	14,256	(344)	-2.4%
1,300	1,300	Fringe Benefits Tax - Entertainment & Sundry	2,581	1,281	98.5%
4,000	4,000	Staff Uniforms	4,000	0	0.0%
51,837	51,571	Workers Comp Insurance	57,492	5,655	10.9%
14,000	16,000	Training & Conference Costs incl Travel & Accom	14,500	500	3.6%
400	400	Study Assistance & Employee Memberships	0	(400)	-100.0%
500	500	Occupational Health & Safety	600	100	20.0%
86,637	88,371	Total Staff Related	93,429	6,792	7.8%
Buildings Furniture & Fittings					
9,530	9,530	Depreciation on Furn, Equip & Fittings	9,314	(216)	-2.3%
9,530	9,530	Total Buildings Furniture & Fittings	9,314	(216)	-2.3%
Plant & Equipment					
8,060	8,060	Depreciation Plant & Equipment	8,220	160	2.0%
6,600	6,600	Plant Fuel Gas & Oil	6,000	(600)	-9.1%
3,000	7,400	Plant inter-departmental costs (including credits)	3,000	0	0.0%
17,660	22,060	Total Plant & Equipment	17,220	(440)	-2.5%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**INFORMATION SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
Computer Expenditure					
254,100	244,100	Depreciation - Computer Equipment	261,812	7,712	3.0%
800,000	835,000	Software (Purchase, Licencing & Maintenance)	720,000	(80,000)	-10.0%
25,000	25,000	Hardware (Support& Maintenance & Leasing)	24,000	(1,000)	-4.0%
12,000	16,000	Sundry Computer Costs	16,000	4,000	33.3%
1,091,100	1,120,100	Total Computer Expenditure	1,021,812	(69,288)	-6.4%
General Expenses					
20,000	24,500	Minor Capital	20,000	0	0.0%
320	320	Catering/Entertainment - Employees	320	0	0.0%
8,038	8,134	General Insurance Premium	8,379	341	4.2%
48,360	60,360	Postage, Courier & Freight	66,360	18,000	37.2%
11,400	11,400	Stationery & Photocopying	12,300	900	7.9%
2,750	2,750	Subscriptions & Associations	3,150	400	14.5%
42,678	29,678	Telephone & Internet	36,900	(5,778)	-13.5%
5,000	5,000	Professional Fees - Consultants	20,000	15,000	300.0%
41,500	41,500	General	43,600	2,100	5.1%
180,046	183,642	Total General Expenses	211,009	30,963	17.2%
Occupancy & Property					
13,189	13,189	Electricity & Gas	13,925	736	5.6%
13,189	13,189	Total Occupancy & Property	13,925	736	5.6%
2,565,479	2,697,242	Total Expenditure	2,661,963	96,484	3.8%
(2,533,279)	(2,665,042)	Operational Surplus/(Deficit)	(2,633,963)	(100,684)	4.0%



# **Corporate and Regulatory Division**

## **Regulatory Services**

### **2017/18 Business Plan and Budget Statement**

#### **Objective(s)**

The aim of Regulatory Services is to:

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

#### **Key Activities 2017/18**

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.

#### **2017/18 Budget Highlights**

##### **1. Income**

- Income is budgeted to increase by \$83,320 or 5.5 per cent to \$1,591,400;
- Environmental Health income is budgeted to increase by \$23,400 or 22.2 per cent to \$129,000, due largely to arrangements for undertaking the MenB immunisation program;
- Dog registration and related fees have increased by \$9,920 or 3.4 per cent to \$299,900, based on the fees and charges adopted by Council in February 2017.

## **2. Operational Expenditure**

- Operational expenditure has increased by \$84,194 or 4.1 per cent to \$2,127,931 over what was budgeted in 2016/17;
- Employment related costs have increased by \$83,117 or 5.0 per cent, to \$1,760,751, an increase that includes employment of casual staff to undertake immunisation support;
- Contractor expenses have been decreased by \$22,200 or 21.7 per cent, to \$80,000, an amount that largely covers compliance support in animal management, parking and immunisation administration.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**REGULATORY SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 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	5,900	(80)	-1.3%
20,000	25,000	Other Public Order & Safety / Other Regulatory Services	25,000	5,000	25.0%
10,000	15,000	Dog Control Court Fees	20,000	10,000	100.0%
53,600	51,600	Other Health Statutory Charges	52,200	(1,400)	-2.6%
950,000	960,000	Parking Fees	980,000	30,000	3.2%
95,000	125,000	Parking Fines, Costs & Other	120,000	25,000	26.3%
25,000	25,000	Other Statutory Charges (including Road Moieties)	25,000	0	0.0%
1,433,580	1,481,580	Total Statutory Charges	1,502,100	68,520	4.8%
User Charges					
52,000	52,000	Other Health Income / Immun & Preventative Health	76,800	24,800	47.7%
20,000	20,000	Other User Charges NEC	15,000	(5,000)	-25.0%
72,000	72,000	Total User Charges	91,800	19,800	27.5%
Reimbursements					
2,500	2,500	Other	(2,500)	(5,000)	-200.0%
2,500	2,500	Total Reimbursements	(2,500)	(5,000)	-200.0%
1,508,080	1,556,080	Total Income	1,591,400	83,320	5.5%
Operational Expenditure					
Staff Costs					
1,360,263	1,314,263	Salaries, Wages & Allowances	1,408,955	48,692	3.6%
0	17,500	Salaries, Wages & Allowances - Casual Staff	32,284	32,284	N/A
15,300	17,421	Agency Contract Staff	0	(15,300)	-100.0%
25,200	30,200	Overtime	31,500	6,300	25.0%
34,428	34,428	Leave Provisions	36,471	2,043	5.9%
130,841	125,841	Superannuation	138,580	7,739	5.9%
1,566,032	1,539,653	Total Staff Costs	1,647,790	81,758	5.2%
Staff Related					
8,480	8,480	Fringe Benefits Tax - Motor Vehicles	7,882	(598)	-7.1%
8,650	8,650	Staff Uniforms	8,400	(250)	-2.9%
1,400	1,400	Protective Clothing & Equipment	1,400	0	0.0%
67,864	67,517	Workers Comp Insurance	71,879	4,015	5.9%
15,000	15,000	Training & Conference Costs incl Travel & Accom	13,000	(2,000)	-13.3%
200	200	Study Assistance & Employee Memberships	200	0	0.0%
10,008	10,008	Occupational Health & Safety	10,200	192	1.9%
111,602	111,255	Total Staff Related	112,961	1,359	1.2%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**REGULATORY SERVICES**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET ORIGINAL	ESTIMATE	DESCRIPTION	2017/18 BUDGET	VARIATION TO 2016/17 ORIGINAL	
		<b>Buildings Furniture &amp; Fittings</b>			
670	670	Depreciation on Furn, Equip & Fittings	653	(17)	-2.5%
1,000	1,000	Maintenance - Furniture, Equipment & Fittings	1,000	0	0.0%
1,670	1,670	Total Buildings Furniture & Fittings	1,653	(17)	-1.0%
		<b>Plant &amp; Equipment</b>			
30,040	30,040	Depreciation Plant & Equipment	29,185	(855)	-2.8%
12,900	12,900	Plant Fuel Gas & Oil	12,780	(120)	-0.9%
19,900	19,900	Plant inter-departmental costs (including credits)	19,900	0	0.0%
62,840	62,840	Total Plant & Equipment	61,865	(975)	-1.6%
		<b>General Expenses</b>			
250	250	Minor Capital	250	0	0.0%
400	400	Catering/Entertainment - Employees	600	200	50.0%
200	200	Catering/Entertain-Elected Members/others	100	(100)	-50.0%
1,276	1,123	General Insurance Premium	1,158	(118)	-9.2%
9,500	9,500	Stationery & Photocopying	17,000	7,500	78.9%
11,750	14,750	Publications & Printing	17,050	5,300	45.1%
4,400	4,400	Subscriptions & Associations	4,800	400	9.1%
9,348	9,348	Telephone & Internet	8,942	(406)	-4.3%
5,000	5,000	Advertising & Publicity	5,000	0	0.0%
750	750	Professional Fees - Medical	750	0	0.0%
15,000	15,000	Medical Supplies	15,900	900	6.0%
89,000	89,000	General	93,000	4,000	4.5%
146,874	149,721	Total General Expenses	164,550	17,676	12.0%
		<b>Council Expenditure</b>			
45,700	50,023	Levies & Charges	50,000	4,300	9.4%
45,700	50,023	Total Council Expenditure	50,000	4,300	9.4%
		<b>Contract Expenditure</b>			
102,200	87,400	Contractors - No Overhead	80,000	(22,200)	-21.7%
102,200	87,400	Total Contract Expenditure	80,000	(22,200)	-21.7%
		<b>Occupancy &amp; Property</b>			
6,819	6,819	Electricity & Gas	9,112	2,293	33.6%
6,819	6,819	Total Occupancy & Property	9,112	2,293	33.6%
<b>2,043,737</b>	<b>2,009,381</b>	<b>Total Expenditure</b>	<b>2,127,931</b>	<b>84,194</b>	<b>4.1%</b>
<b>(535,657)</b>	<b>(453,301)</b>	<b>Operational Surplus/(Deficit)</b>	<b>(536,531)</b>	<b>(874)</b>	<b>0.2%</b>

# **Corporate and Regulatory Division**

## **Waste Management**

### **2017/18 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 2017/18**

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.

#### **2017/18 Budget Highlights**

##### **1. Income**

- Income of \$4,500 from subsidised purchase of worm farms and compost bins has been budgeted, which is unchanged from 2016/17.

## 2. Operational Expenditure

- Operational expenditure has increased by \$346,725 or 7.3 per cent to \$5,104,730 over what was budgeted in 2016/17;
- The waste collection budget remains unchanged at \$3,300,000 in 2017/18;
- The collection budget amount of \$3,300,000 includes an allowance of \$539,000 for the following items (\$564,000 in 2016/17):

	\$
Hard waste	400,000
Hazardous waste collection	25,000
Mattresses	24,000
E-waste collection	10,000
Vouchers - 6 x 4 trailer	80,000
<b>Total</b>	<b>539,000</b>

- The hard waste collection budget is based on at-call arrangements being continued for the whole of the financial year;
- The hard waste collection budget has been reduced by \$14,000 or 3.4 per cent to \$400,000;
- Waste to landfill costs has been increased by \$320,000 or 25.6 per cent to \$1,570,000, largely because of waste levy increases imposed by the state government.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**WASTE MANAGEMENT**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
		<b>Income</b>			
		<b>User Charges</b>			
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%
		<b>Other Income</b>			
<b>4,500</b>	<b>4,500</b>	<b>Total Income</b>	<b>4,500</b>	<b>0</b>	<b>0.0%</b>
		<b>Operational Expenditure</b>			
		<b>Staff Costs</b>			
123,899	116,764	Salaries, Wages & Allowances	138,696	14,797	11.9%
0	15,156	Agency Contract Staff	12,000	12,000	N/A
400	400	Overtime	500	100	25.0%
3,138	3,138	Leave Provisions	3,510	372	11.9%
11,926	11,926	Superannuation	13,339	1,413	11.8%
139,363	147,384	Total Staff Costs	168,045	28,682	20.6%
		<b>Staff Related</b>			
900	900	Staff Uniforms	900	0	0.0%
200	200	Protective Clothing & Equipment	200	0	0.0%
6,137	6,105	Workers Comp Insurance	6,919	782	12.7%
3,000	3,000	Training & Conference Costs incl Travel & Accom	3,000	0	0.0%
960	960	Occupational Health & Safety	1,000	40	4.2%
11,197	11,165	Total Staff Related	12,019	822	7.3%
		<b>Plant &amp; Equipment</b>			
3,490	3,490	Depreciation Plant & Equipment	4,179	689	19.7%
1,500	1,500	Plant Fuel Gas & Oil	2,000	500	33.3%
1,500	1,500	Plant inter-departmental costs (including credits)	1,600	100	6.7%
6,490	6,490	Total Plant & Equipment	7,779	1,289	19.9%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**WASTE MANAGEMENT**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
General Expenses					
200	200	Catering/Entertainment - Employees	250	50	25.0%
1,300	1,300	Catering/Entertain-Elected Members/others	0	(1,300)	-100.0%
126	101	General Insurance Premium	104	(22)	-17.5%
1,500	1,500	Stationery & Photocopying	1,500	0	0.0%
17,000	17,000	Publications & Printing	15,000	(2,000)	-11.8%
625	625	Subscriptions & Associations	650	25	4.0%
588	588	Telephone & Internet	606	18	3.1%
5,000	5,000	Advertising & Publicity	2,000	(3,000)	-60.0%
14,400	14,400	General	14,500	100	0.7%
40,739	40,714	Total General Expenses	34,610	(6,129)	-15.0%
Council Expenditure					
2,680	2,680	Donations, Awards & Contributions	2,680	0	0.0%
2,680	2,680	Total Council Expenditure	2,680	0	0.0%
Contract Expenditure					
5,000	5,000	Contractors - No Overhead	5,875	875	17.5%
1,250,000	1,390,000	Waste Contract - Disposal	1,570,000	320,000	25.6%
3,300,000	3,300,000	Waste Contract - Collection	3,300,000	0	0.0%
4,555,000	4,695,000	Total Contract Expenditure	4,875,875	320,875	7.0%
Occupancy & Property					
2,536	2,536	Electricity & Gas	3,722	1,186	46.8%
2,536	2,536	Total Occupancy & Property	3,722	1,186	46.8%
4,758,005	4,905,969	Total Expenditure	5,104,730	346,725	7.3%
(4,753,505)	(4,901,469)	Operational Surplus/(Deficit)	(5,100,230)	(346,725)	7.3%



# **Corporate and Regulatory Services Division**

## **People and Culture**

### **2017/18 Business Plan and Budget Statement**

#### **Objective(s)**

People and Culture proactively supports 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 2017/18**

Key activities include the following:

- Provision of high level customer service over the counter and via the contact centre and through management of online customer requests;
- Implementation of a new contact centre solution to replace existing ageing infrastructure;
- The ongoing development and management of injury 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:

- 80.0 per cent of policies due for review will be completed by June 2018;
- Email, phone and front counter enquiries and financial transactions resolved to agreed standards;
- 2.0 per cent growth in online transactions and 2.0 per cent fall in after hour calls;
- Outcomes and targets identified within the Work Health Safety and Injury Management Plan are completed.

## **2017/18 Budget Highlights**

### **1. Income**

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

### **2. Operational Expenditure**

- Operational expenditure has increased by \$179,690 or 11.8 per cent to \$1,704,304;
- Employment related costs have increased by \$166,928 or 12.3 per cent, to \$1,526,872, an increase that includes the cost of one FTE responsible for WHS transferred from the depot;
- Professional fees of \$65,700 have been budgeted (increase of \$4,000 or 6.5 per cent from 2016/17) 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 \$9,590 or 13.9 per cent to \$78,590, an amount that includes corporate training and a planned focus in 2017/18 on building organisational capability through skill and knowledge development, performance management, customer service and information technology.

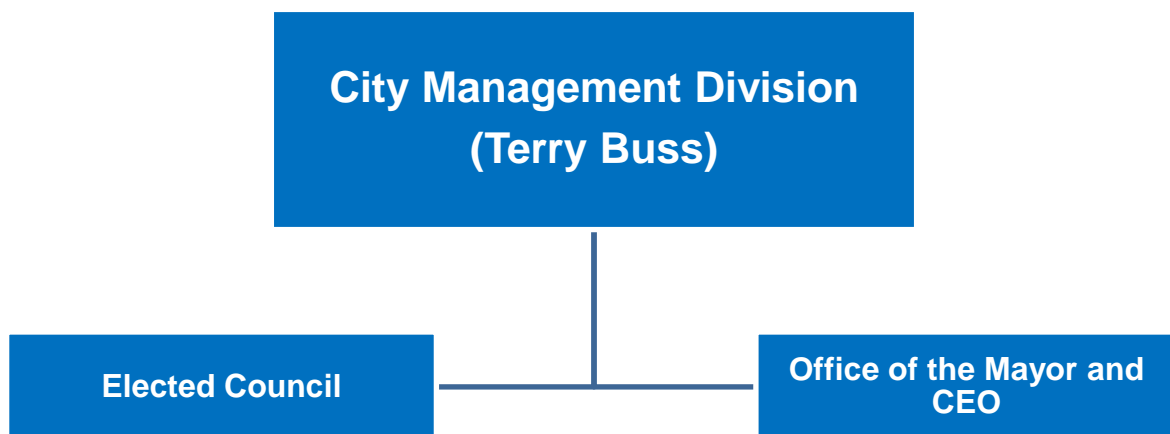
**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**PEOPLE & CULTURE**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 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%
12,400	12,400	Total Income	12,400	0	0.0%
Operational Expenditure					
Staff Costs					
956,383	1,151,158	Salaries, Wages & Allowances	1,062,419	106,036	11.1%
103,661	48,886	Salaries, Wages & Allowances - Casual Staff	114,715	11,054	10.7%
2,400	2,400	Overtime	4,800	2,400	100.0%
24,220	24,220	Leave Provisions	29,762	5,542	22.9%
92,055	109,796	Superannuation	113,083	21,028	22.8%
1,178,719	1,336,460	Total Staff Costs	1,324,779	146,060	12.4%
Staff Related					
8,480	8,480	Fringe Benefits Tax - Motor Vehicles	8,251	(229)	-2.7%
800	800	Fringe Benefits Tax - Entertainment & Sundry	1,096	296	37.0%
7,200	7,200	Staff Uniforms	7,500	300	4.2%
47,745	47,501	Workers Comp Insurance	58,656	10,911	22.9%
69,000	124,000	Training & Conference Costs incl Travel & Accom	78,590	9,590	13.9%
48,000	48,000	Occupational Health & Safety	48,000	0	0.0%
181,225	235,981	Total Staff Related	202,093	20,868	11.5%
Buildings Furniture & Fittings					
1,350	1,350	Depreciation on Furn, Equip & Fittings	1,721	371	27.5%
1,350	1,350	Total Buildings Furniture & Fittings	1,721	371	27.5%
Plant & Equipment					
4,630	4,630	Depreciation Plant & Equipment	5,717	1,087	23.5%
2,500	2,500	Plant Fuel Gas & Oil	2,500	0	0.0%
3,000	3,000	Plant inter-departmental costs (including credits)	3,000	0	0.0%
10,130	10,130	Total Plant & Equipment	11,217	1,087	10.7%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**PEOPLE & CULTURE**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
General Expenses					
0	2,995	Minor Capital	0	0	N/A
1,200	1,200	Catering/Entertainment - Employees	1,800	600	50.0%
10,224	7,646	General Insurance Premium	7,877	(2,347)	-23.0%
500	500	Postage, Courier & Freight	300	(200)	-40.0%
9,000	9,000	Stationery & Photocopying	10,000	1,000	11.1%
500	500	Publications & Printing	500	0	0.0%
4,000	13,660	Subscriptions & Associations	13,700	9,700	242.5%
15,093	15,093	Telephone & Internet	18,899	3,806	25.2%
20,000	10,000	Advertising & Publicity	10,000	(10,000)	-50.0%
10,000	10,000	Professional Fees - Medical	12,000	2,000	20.0%
36,700	106,700	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	12,000	2,000	20.0%
8,000	8,000	General	9,000	1,000	12.5%
130,217	200,294	Total General Expenses	137,776	7,559	5.8%
Bank & Finance					
500	500	Sundry Bank & Finance Charges	500	0	0.0%
500	500	Total Bank & Finance	500	0	0.0%
Occupancy & Property					
14,573	14,573	Electricity & Gas	17,518	2,945	20.2%
7,900	7,900	Security Costs	8,700	800	10.1%
22,473	22,473	Total Occupancy & Property	26,218	3,745	16.7%
1,524,614	1,807,188	Total Expenditure	1,704,304	179,690	11.8%
(1,512,214)	(1,794,788)	Operational Surplus/(Deficit)	(1,691,904)	(179,690)	11.9%

## 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 CEO.

# **City Management Division Elected Council 2017/18 Business Plan and Budget Statement**

## **Objective(s)**

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

## **Key Activities 2017/18**

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.

## **2017/18 Budget Highlights**

### **1. Income**

- Only \$4,000 in income has been budgeted, largely telephone and travel expenditure reimbursements.

### **2. Operational Expenditure**

- Operational expenditure has increased by \$17,174 or 2.2 per cent to \$795,044;
- Donations, awards and contributions include \$20,000 for Mendelson Foundation scholarships (\$20,000 in 2016/17);
- Allowances for Elected Members of \$397,520 have been budgeted, based on allowances adopted by Council and increases anticipated in November 2017 (\$396,500 in 2016/17);
- Annual subscription payments to the LGA, AMAC and the Murray Darling Association totalling \$93,500 have been budgeted, an increase of \$3,200 or 3.5 per cent.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**ELECTED COUNCIL**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18 BUDGET	VARIATION TO 2016/17 ORIGINAL	
ORIGINAL	ESTIMATE				
		<b>Income</b>			
		<b>Reimbursements</b>			
3,000	3,000	Other Reimbursements	4,000	1,000	33.3%
3,000	3,000	Total Reimbursements	4,000	1,000	33.3%
<b>3,000</b>	<b>3,000</b>	<b>Total Income</b>	<b>4,000</b>	<b>1,000</b>	<b>33.3%</b>
		<b>Operational Expenditure</b>			
		<b>Staff Costs</b>			
10,500	10,500	Salaries&Wages&Allowances-Casual Staff	11,008	508	4.8%
0	0	Leave Provisions	275	275	N/A
0	0	Superannuation	1,046	1,046	N/A
10,500	10,500	Total Staff Costs	12,329	1,829	17.4%
		<b>Staff Related</b>			
20,000	20,000	Fringe Benefits Tax-Entertainment&Sundry	21,000	1,000	5.0%
0	0	Workers Comp Insurance	542	542	N/A
20,000	20,000	Total Staff Related	21,542	1,542	7.7%
		<b>Buildings Furniture &amp; Fittings</b>			
5,070	5,070	Deprec Furniture& Equipment & Fittings	6,451	1,381	27.2%
500	500	Maint Furniture& Equipment & Fittings	1,000	500	100.0%
5,570	5,570	Total Buildings Furniture & Fittings	7,451	1,881	33.8%
		<b>Plant &amp; Equipment</b>			
4,220	4,220	Depreciation Plant & Equipment	4,865	645	15.3%
1,000	1,000	Plant Fuel Gas & Oil	800	(200)	-20.0%
1,330	1,330	Plant inter-departmental costs (including credits)	1,500	170	12.8%
6,550	6,550	Total Plant & Equipment	7,165	615	9.4%
		<b>Computer Expenditure</b>			
1,930	1,930	Deprec Computer Equipment	2,880	950	49.2%
1,930	1,930	Total Computer Expenditure	2,880	950	49.2%



**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**ELECTED COUNCIL**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
		<b>General Expenses</b>			
36,000	36,000	Catering/Entertainment - Employees	36,000	0	0.0%
40,000	40,000	Catering/Entertain-Elected Members/others	40,000	0	0.0%
30,008	29,119	General Insurance Premium	29,993	(15)	0.0%
7,000	7,000	Postage& Courier & Freight	7,000	0	0.0%
10,000	10,000	Stationery & Photocopying	10,000	0	0.0%
1,200	1,200	Publications & Printing	1,200	0	0.0%
90,300	98,300	Subscriptions & Associations	93,500	3,200	3.5%
19,448	19,448	Telephone & Internet	13,464	(5,984)	-30.8%
40,000	50,000	Elected Member Travel & Training	48,000	8,000	20.0%
3,000	3,000	Advertising & Publicity	3,000	0	0.0%
1,500	1,500	Promotion& Merchandising & Marketing	1,500	0	0.0%
23,000	23,000	Professional Fees - General	24,000	1,000	4.3%
3,400	3,400	Contract Linen	3,500	100	2.9%
6,000	12,000	General	10,000	4,000	66.7%
310,856	333,967	Total General Expenses	321,157	10,301	3.3%
		<b>Council Expenditure</b>			
396,500	396,500	Member Allowances	397,520	1,020	0.3%
25,000	29,000	Donations Awards Contributions & Other Rebates	25,000	0	0.0%
421,500	425,500	Total Council Expenditure	422,520	1,020	0.2%
		<b>Occupancy &amp; Property</b>			
964	964	Light& Power& Gas & Fuel	0	(964)	-100.0%
964	964	Total Occupancy & Property	0	(964)	-100.0%
777,870	804,981	Total Expenditure	795,044	17,174	2.2%
(774,870)	(801,981)	Operational Surplus/(Deficit)	(791,044)	(16,174)	2.1%

# **City Management Division Office of the Mayor and CEO 2017/18 Business Plan and Budget Statement**

## **Objective(s)**

The Office of the Mayor and CEO supports the Elected Council and manages the overall operation of the Council.

## **Key Activities 2017/18**

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.

## **2017/18 Budget Highlights**

### **1. Income**

- Only \$500 in reimbursement income has been budgeted.

### **2. Operational Expenditure**

- Operational expenditure has increased by \$147,404 or 12.1 per cent to \$1,365,307;
- Staffing cost increases reflect structural changes and a strengthening of support in the Office of the CEO;
- All legal costs are substantially budgeted in this business unit, and an amount of \$220,000 has been budgeted, \$5,000 less than the amount budgeted in 2016/17;
- Professional fees have been reduced by \$4,000 to \$30,000, with provision made for the support of continuous improvement programs and advice on property and other strategic initiatives.

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**OFFICE OF THE MAYOR AND CEO**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18 BUDGET	VARIATION TO 2016/17 ORIGINAL	
ORIGINAL	ESTIMATE				
		<b>Income</b>			
		<b>Reimbursements</b>			
1,000	1,000	Other Reimbursements	500	(500)	-50.0%
1,000	1,000	Total Reimbursements	500	(500)	-50.0%
<b>1,000</b>	<b>1,000</b>	<b>Total Income</b>	<b>500</b>	<b>(500)</b>	<b>-50.0%</b>
		<b>Operational Expenditure</b>			
		<b>Staff Costs</b>			
709,763	749,763	Salaries & Wages & Allowances	820,607	110,844	15.6%
10,400	13,700	Overtime	18,000	7,600	73.1%
17,977	17,977	Leave Provisions	20,770	2,793	15.5%
68,316	72,607	Superannuation	78,925	10,609	15.5%
806,456	854,047	Total Staff Costs	938,302	131,846	16.3%
		<b>Staff Related</b>			
14,700	14,700	Fringe Benefits Tax - Motor Vehicles	13,816	(884)	-6.0%
2,000	2,000	Fringe Benefits Tax-Entertainment&Sundry	2,407	407	20.4%
2,000	2,000	Staff Uniforms	3,000	1,000	50.0%
35,434	35,253	Workers Comp Insurance	40,937	5,503	15.5%
22,000	22,000	Training & Conference Costs incl travel & accom	37,000	15,000	68.2%
76,134	75,953	Total Staff Related	97,160	21,026	27.6%
		<b>Buildings Furniture &amp; Fittings</b>			
1,200	1,200	Deprec Furniture& Equipment & Fittings	1,258	58	4.8%
1,200	1,200	Total Buildings Furniture & Fittings	1,258	58	4.8%
		<b>Plant &amp; Equipment</b>			
7,930	7,930	Depreciation Plant & Equipment	8,096	166	2.1%
1,320	1,320	Plant Fuel Gas & Oil	1,300	(20)	-1.5%
2,300	2,300	Plant inter-departmental costs (including credits)	2,000	(300)	-13.0%
11,550	11,550	Total Plant & Equipment	11,396	(154)	-1.3%

**BUDGET 2017/18 - SUPPLEMENTARY INFORMATION**  
**OFFICE OF THE MAYOR AND CEO**  
**OPERATIONAL EXPENDITURE & INCOME**

2016/17 BUDGET		DESCRIPTION	2017/18	VARIATION TO	
ORIGINAL	ESTIMATE		BUDGET	2016/17 ORIGINAL	
General Expenses					
1,000	1,000	Minor Capital	1,000	0	0.0%
8,000	8,000	Catering/Entertainment - Employees	8,000	0	0.0%
2,400	2,400	Catering/Entertain-Elected Members/others	2,000	(400)	-16.7%
11,184	15,162	General Insurance Premium	15,617	4,433	39.6%
200	200	Postage& Courier & Freight	200	0	0.0%
4,000	4,000	Stationery & Photocopying	3,000	(1,000)	-25.0%
2,000	2,000	Publications & Printing	1,000	(1,000)	-50.0%
11,000	11,000	Subscriptions & Associations	10,000	(1,000)	-9.1%
3,045	3,045	Telephone & Internet	3,471	426	14.0%
500	500	Promotion& Merchandising & Marketing	500	0	0.0%
225,000	225,000	Professional Fees - Legal	220,000	(5,000)	-2.2%
34,000	34,000	Professional Fees - Consultants	30,000	(4,000)	-11.8%
18,000	13,000	General	18,000	0	0.0%
320,329	319,307	Total General Expenses	312,788	(7,541)	-2.4%
Occupancy & Property					
2,234	2,234	Light& Power& Gas & Fuel	4,403	2,169	97.1%
2,234	2,234	Total Occupancy & Property	4,403	2,169	97.1%
1,217,903	1,264,291	Total Expenditure	1,365,307	147,404	12.1%
(1,216,903)	(1,263,291)	Operational Surplus/(Deficit)	(1,364,807)	(147,904)	12.2%