



AGENDA

FOR BUDGET AND FINANCE COMMITTEE MEETING TO BE HELD ON 15 APRIL 2019 AT CONCLUSION OF POLICY AND PLANNING COMMITTEE IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY

MEMBERS

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Ms P Webb
General Manager City Infrastructure, Mr J Devine
Manager Communications and Customer Relations, Mr M Bennington
Manager Governance, Mr M Petrovski
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Budget and Finance Committee Meeting held on 18 March 2019.

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CONFIDENTIAL ITEMS

6.9.1 Update on Action on Rates Assessment Outstanding under Section 184 of the Local Government Act 1999

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. *Pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *This report contains financial and personal information in relation to their personal circumstances, it is adequate that this information remains confidential with a review to possibly remain confidential after 5 years*

*On that basis the public's interest is best served by not disclosing the **Update on Action on Rates Assessment Outstanding under Section 184 of the Local Government Act 1999** item and discussion at this point in time.*

3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

6.9.2 Council Solutions Update

(CEO revoked confidentiality on 11/11/2019, pursuant to resolution 0160 of 23/04/2019)

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *Non disclosure of this item will protect commercially sensitive information the disclosure of which at this time may prejudice the commercial position of Council.*

*On that basis the public's interest is best served by not disclosing the **Council Solutions Update** item and discussion at this point in time.*

3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CLOSE



**MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN THE
COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON**

18 MARCH 2019

MEMBERS PRESENT

Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Ms P Webb
General Manager City Infrastructure, Mr J Devine
Manager Governance, Mr M Petrovski
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.53 pm.

The Deputy Chair welcomed the members, staff and the gallery to the meeting.

APOLOGIES

An apology was received from Cr B Brug.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr P Jensen
Seconded Cr M Blackmore

The Minutes of the Budget and Finance Committee Meeting held on 18 February 2019, be taken and read as confirmed.

CARRIED

Moved Cr K Grenfell
Seconded Cr M Blackmore

The Minutes of the Confidential Budget and Finance Committee Meeting held on 18 February 2019, be taken and read as confirmed.

CARRIED

REPORTS

Administration

6.0.1 Future Reports for the Budget and Finance Committee

Moved Cr C Buchanan
Seconded Cr J Woodman

1. The information be received.

CARRIED

6.0.2 Minutes of the Innovation and Business Development Sub Committee meeting held on Tuesday 12 March 2019

The information contained in the Innovation and Business Development Sub Committee of the meeting held on 12 March 2019 be received and noted with respect to the following recommendations contained therein to be adopted by Council:

6.0.2-IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr D Proleta
Seconded Cr N Henningsen

1. The information be received.

CARRIED

6.0.2-IBDSC2 Future Directions Community Hubs and Library Service Levels

Moved Cr D Proleta
Seconded Cr N Henningsen

1. That the report be noted.

CARRIED

Annual Plan and Budget

6.4.1 Long Term Financial Plan and Budget Workshops Actions Update

Moved Mayor G Aldridge
Seconded Cr A Duncan

1. Information be received and noted.

CARRIED

Suspension of Formal Meeting Procedures

Moved Cr C Buchanan
Seconded Mayor G Aldridge

That formal meeting procedures be suspended to allow for informal discussion on Item 6.4.2 – Budget Bids 2019/20.

CARRIED

Formal meeting procedures were suspended at 6.59 pm.

Formal meeting procedures resumed at 7.52 pm.

Consideration of Item 6.4.2 – Budget Bids 2019/20

Moved Cr C Buchanan
Seconded Cr G Reynolds

That items contained in Item 6.4.2 – Budget Bids 2019/20 be considered separately.

CARRIED

6.4.2 Budget Bids 2019/20

Moved Cr C Buchanan
Seconded Cr J Woodman

1. PSN00367 Elected Member Bid: Greening between RM Williams Playground to Dry Creek be considered in future years program of PSN000397 Irrigation Reactivation following endorsement of the Place Activation strategy, and that bid PSN000367 not progress for further consideration in the 2019/20 budget.

CARRIED

Moved Cr C Buchanan
Seconded Cr D Proleta

2. RM Williams Drive fitness equipment remain in the program for 2021/22, and that fitness equipment component of PSN000369 R.M.Williams Drive Playground not progress for further consideration in the 2019/20 budget.

CARRIED

Cr S Ouk left the meeting at 07:57 pm.

Moved Cr G Reynolds
Seconded Cr N Henningsen

3. PSN000369 Elected Member Bid: R.M. Williams Drive Playground playground component be renewed as currently scheduled in the respective Asset Management Plan, being 2030/31, reflecting that playspaces have a 25 year life, and that PSN000369 not progress for further deliberations in the 2019/20 budget process.

CARRIED

Moved Cr J Woodman
Seconded Cr G Reynolds

4. PSN000371 Elected Member Bid: Dry Creek Rubbish Bins be incorporated into PSN000262 Outdoor Furniture Program to be delivered over 2019/20 and 2020/21, and that PSN000371 be removed from further budget considerations.

CARRIED

*Cr S Ouk returned to the meeting at 07:59 pm.
Mayor G Aldridge left the meeting at 08:00 pm.*

Moved Cr C Buchanan
Seconded Cr P Jensen

5. PSN000372 Elected Member Bid: Baloo Street Reserve Playground Upgrade be incorporated within the PSN000275 Playspace / Playground Program, through:

That Baloo Street Reserve Playspace be delivered in 2022/23 as scheduled to enable pre-planning and irrigation reactivation to support the upgrade delivery.

CARRIED

Moved Cr C Buchanan
Seconded Cr D Proleta

6. PSN000373 Elected Member Bid: Finniss Avenue Reserve Upgrade be incorporated within PSN000263 Reserve Upgrade Program through:

That Finniss Avenue Reserve be delivered in 2020/21 as scheduled to enable pre-planning and irrigation reactivation to support the upgrade delivery.

CARRIED

Moved Cr C Buchanan
Seconded Cr J Woodman

7. PSN000375 Elected Member Bid: BBQ Installation - Lindblom Park, Pooraka and other reserves be considered in a future report on the PSN000262 Outdoor Furniture Program.

CARRIED

Mayor G Aldridge returned to the meeting at 8:09 pm.

Moved Cr G Reynolds
Seconded Cr D Hood

8. PSN000382 Elected Member Bid: Desyllas Drive Playground at Direk be included in PSN000275 Playspace / Playground Program, with an increase in the program of \$110,000 in 2019/20, given the needs of the growing community, and reflecting that the open space has only recently been handed over to Council.

CARRIED

Moved Cr A Duncan
Seconded Cr M Blackmore

9. TRN000362 Elected Member Bid: Drop off/Pick up Zone Daphne Road (Madison Park PS) be considered as part of a review of the requirements for managing traffic around schools which will be added to the future reports for Policy and Planning Committee, to be reported in October 2019, and this bid not progress at this time for further consideration in the 2019/20 budget.

CARRIED

Moved Cr C Buchanan
Seconded Cr N Henningsen

10. Noting the development and implementation of the Place Activation Strategy, with the strategy to be presented to Council Informal Strategy in May 2019, these bids not progress at this time for further consideration in the 2019/20 budget, but be considered for prioritisation and funding following approval of the strategy:

PSN000366 Elected Member Bid: Greening Vacant Land around/under Walkleys Road Bridge

PSN000376 Elected Member Bid: Drinking Fountains - Cascades/Shoalhaven Estates, Mawson Lakes

PSN000380 Elected Member Bid: Multi-Use Recreation Facility - West Ward

PSN000392 Elected Member Bid: Mawson Lakes Bike Jump Ramp area

CARRIED

Moved Cr J Woodman
Seconded Cr D Proleta

11. STN000384 Elected Member Bid: Community Centre South Ward has been reflected in STN000394 Wellness Centres and consequently STN000384 is to be removed from the 2019/20 budget process.

CARRIED

Moved Cr G Reynolds
 Seconded Cr K Grenfell

12. STN000388 Elected Member Bid: Pooraka Community Centre be considered as part of the Facilities Management Plan, which is to be added to the Future Reports for the Works and Services Committee, to be reported in October 2019, and this bid not progress at this time for further consideration in the 2019/20 budget.

CARRIED

Moved Cr G Reynolds
 Seconded Cr S Ouk

13. That updated PSN000398 Elected Member Bid: Netball Courts be noted, and that this bid be included in the Parks and Streetscapes category within infrastructure bids.

CARRIED

Moved Cr S Reardon
 Seconded Mayor G Aldridge

14. Elected Member Budget Bids under the category Change in Service Level would result in a higher level of service, and that further consideration of service levels be undertaken as part of the service and asset planning and design processes, and that these bids not progress for further consideration for the 2019/20 budget:

PSN000370 Elected Member Bid: Pioneer Avenue Reserve Upgrade (basketball half court component)

PSN000406 Elected Member Bid: Drinking Fountain at Para Hills Community Hub

PBN000374 Elected Member Bid: Toilet Installation at Shearwater Reserve, Mawson Lakes

TRN000377 Elected Member Bid: Carparking and Traffic Improvement Illawarra Street Salisbury

TRN000378 Elected Member Bid: Duplication of Footpath - Culver Avenue Salisbury North

PSN000379 Elected Member Bid: Nature Play Space - Unity Park, Pooraka

CARRIED

Cr Henningsen left the meeting at 8.16 pm.

Cr Henningsen returned to the meeting at 8.18 pm.

Moved Cr S Reardon
Seconded Mayor G Aldridge

PSN000405 Elected Member Bid for a shade sail at Para Hills Community Hub be fully funded.

With leave of the meeting and consent of the seconder, Cr S Reardon VARIED the MOTION as follows:

PSN000405 Elected Member Bid for a shade sail at Para Hills Community Hub be fully funded up to the value of \$30,000.

CARRIED

Moved Cr A Duncan
Seconded Cr M Blackmore

PSN000364 Elected Member Bid: Tregoning Green Upgrade (Salisbury Park) be considered as part of the 2019/2020 budget process but at a neighbourhood playground and to include improvement of the pedestrian network within the reserve and a further report that details the scope of work and the required budget be presented to Council.

CARRIED

Moved Cr J Woodman
Seconded Cr S Reardon

PSN000368 Elected Member Bid: Kentish Green Playground Upgrade

A report be brought back detailing the costs of a slippery dip, as part of finalizing the budget process.

CARRIED

BREAK

In accordance with the Code of Practice for Meeting Procedures, the presiding member provided a break to all present. The meeting was suspended at 8.35 pm.

The meeting reconvened at 8.49 pm.

Moved Cr K Grenfell
Seconded Mayor G Aldridge

15. PSN000370 Elected Member Bid Pioneer Avenue Reserve Upgrade perimeter pathway component be included within PSN000263 Reserve Upgrade Program, with an \$11,900 increase in the bid in 2020/21, and bid PSN000370 be removed from the 2019/20 budget bids.

CARRIED

Moved Cr A Duncan
Seconded Cr M Blackmore

16. TRN000363 Elected Member Bid: Safe Student Parking Exit, Salisbury East High School be removed from further consideration for the 2019/20 Budget reflecting the non-Council ownership of the assets involved.

CARRIED

Moved Cr N Henningsen
Seconded Mayor G Aldridge

17. The four year program with 2019/20 net expenditure of:
- Infrastructure Bids: capital \$33,405,000 and operating \$1,180,000
 - Plant Furniture and Equipment: capital \$1,667,000 and operating \$24,000
 - Operating Bids: operating \$427,000
 - IT Bids: capital \$100,000 and operating \$56,000
- be endorsed for further consideration and inclusion in the Draft 2019/20 Annual Plan and Budget for Public Consultation, and be updated for other parts of this recommendation once resolved by Council.

CARRIED

*Rating Matters***6.6.1 Discretionary Rate Rebate Application - Commercial Shops on Diment Road, Salisbury North SA 5108**

Moved Cr K Grenfell

Seconded Cr S Ouk

1. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 1 /116 Diment Road, Salisbury North SA 5108 not be approved.
2. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 2 /116 Diment Road, Salisbury North SA 5108 not be approved.
3. The request for a 75% Discretionary Rate Rebates for the commercial premises located at Shop 3 /116 Diment Road, Salisbury North SA 5108 not be approved.
4. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 4 /116 Diment Road, Salisbury North SA 5108 not be approved.

With leave of the meeting and consent of the seconder Cr K Grenfell VARIED the MOTION as follows:

1. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 1 /116 Diment Road, Salisbury North SA 5108 not be approved.
2. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 2 /116 Diment Road, Salisbury North SA 5108 not be approved.
3. The request for a 75% Discretionary Rate Rebates for the commercial premises located at Shop 3 /116 Diment Road, Salisbury North SA 5108 not be approved.
4. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 4 /116 Diment Road, Salisbury North SA 5108 not be approved.
5. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 5/116 Diment Road, Salisbury North SA 5108 not be approved.
6. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 6 /116 Diment Road, Salisbury North SA 5108 not be approved.
7. The request for a 75% Discretionary Rate Rebate for the commercial premises located at Shop 7/116 Diment Road, Salisbury North SA 5108 not be approved.

CARRIED

Business Units

6.7.1 Salisbury Water Budget 2019/20 Report

Moved Cr A Duncan
Seconded Cr D Proleta

1. The Salisbury Water 2019/20 Budget, including Budget Bids and Fees and Charges, be endorsed for consideration in the 2019/20 Council Budget.

CARRIED

6.7.2 Building Rules Certification Unit Budget 2019/20 Report

Moved Cr N Henningsen
Seconded Cr S Reardon

1. The Building Rules Certification Unit Budget and fees and charges be endorsed for consideration in the 2019/20 Council Budget.

CARRIED

6.7.3 Salisbury Memorial Park Budget 2019/20

Cr S Reardon declared a material conflict of interest on the basis of owning a three tier burial vault at the Memorial Park. Cr S Reardon left the meeting at 9:25 pm.

Cr G Reynolds left the meeting at 9:28 pm.

Moved Cr K Grenfell
Seconded Cr C Buchanan

1. The Salisbury Memorial Park 2019/20 Budget and fees and charges be endorsed for consideration in the 2019/20 Council Budget.
2. A report be brought back recommending options and financial implications for delegated authority to be provided to General Manager Community Development for maximum increases and decreases for special circumstances.

CARRIED

Mayor G Aldridge left the meeting at 9:30 pm.

Cr S Reardon returned to the meeting at 9:30 pm.

Cr G Reynolds returned to the meeting at 9:30 pm.

OTHER BUSINESS

Nil

The meeting closed at 9.30 pm.

CHAIRMAN.....

DATE.....

ITEM	6.0.1
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Future Reports for the Budget and Finance Committee
AUTHOR	Joy Rowett, Governance Coordinator, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This item details reports to be presented to the Budget and Finance Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

- 3.1 The following table outlines the reports to be presented to the Budget and Finance Committee as a result of a Council resolution:

Meeting Item	Heading and Resolution	Officer
25/03/2019 6.4.2	Budget Bids 2019/20 7. PSN000375 Elected Member Bid: BBQ Installation - Lindblom Park, Pooraka and other reserves be considered in a future report on the PSN000262 Outdoor Furniture Program. Due: December 2019	Craig Johansen
25/03/2019 6.4.2	Salisbury Memorial Park Budget 2019/20 2. A report be brought back recommending options and financial implications for delegated authority to be provided to General Manager Community Development for maximum increases and decreases for special circumstances. Due: May 2019	Brian Gillies

4. CONCLUSION / PROPOSAL

- 3.2 Future reports for the Budget and Finance Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019

ITEM	6.2.1
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Financial Sustainability Indicators
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.4 Embed long term thinking, planning and innovation across the organisation.
SUMMARY	Council is legislatively required to adopt its Long Term Financial Plan annually, and as part of this process it is appropriate to review target ranges for the legislated Financial Sustainability Indicators, being the operating surplus ratio, net financial liabilities ratio and asset sustainability ratio. This report seeks Council's endorsement of the respective target ranges.

RECOMMENDATION

1. That the measure for Operating Surplus remain being the legislatively required Operating Surplus Ratio.
2. The Long Term Financial Plan be set with an ongoing rate increase of forecast CPI+0.6% for years two to ten, with CPI assumptions as detailed in paragraph 3.1.1(d) of this item (6.2.1 Budget and Finance Committee 15 April 2019 "Financial Sustainability Indicators"). Noting that that year one rate increase is to be set at the level determined through the consideration of Item 6.4.3 Rating Strategy April 2019.
3. The Operating Ranges for Financial Sustainability Indicators be set as follows
 - a. Operating Surplus Ratio: between 0.5% and 5%
 - b. Net Financial Liabilities Ratio: less than 40%
 - c. Asset Renewal Funding Ratio: between 90% and 110%

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 As part of preparing the budget and annual plan Council considers the Long Term Financial Plan (LTFP) and the associated financial sustainability indicators. An update to the LTFP was presented to Members at Budget Workshop 3 on 27 March 2019, and this report seeks endorsement for operating ranges for the prescribed financial indicators.

-
- 1.2 In April 2017 Council reviewed and adjusted the operating ranges for its financial indicators (Resolution 1743/2017) and these revised ranges have been resolved for the 2017/18 and 2018/19 Annual Plans, and consistent with those being proposed for 2019/20.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 Elected Members at the Elected Member Weekend 16 February 2019, and Budget Workshop 3 on 27 March 2019.

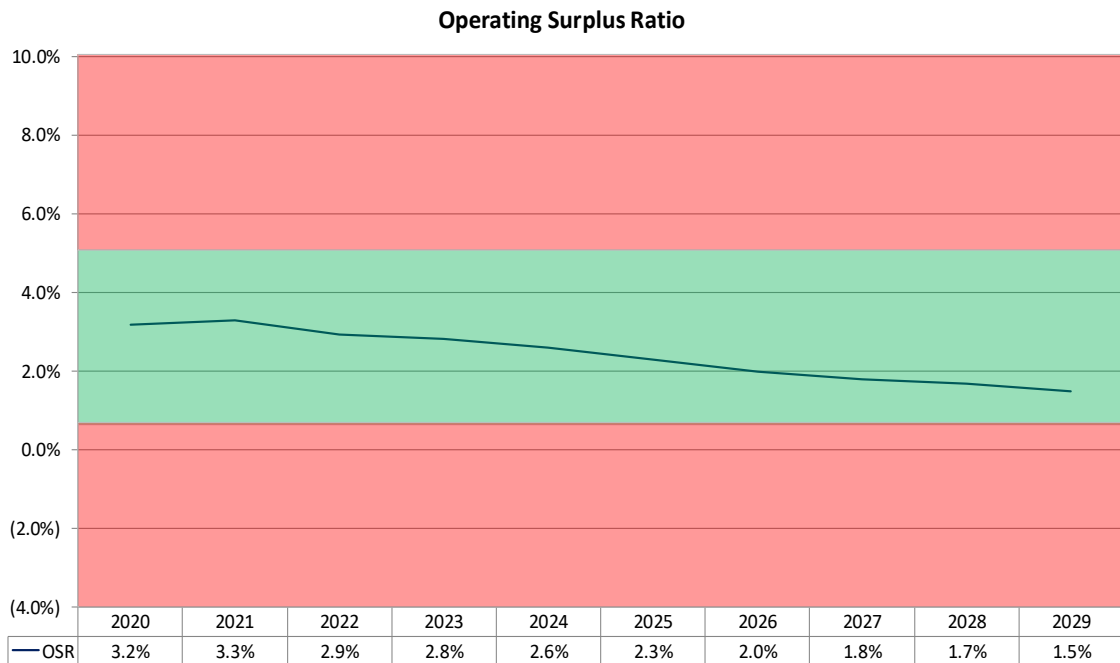
3. REPORT

- 3.1 There are three Financial Sustainability Indicators specified in the *Local Government (Financial Management) Regulations 2011*, and the LGA Information Paper 9 'Financial Indicators' (Revised May 2015) that 'promotes an approach whereby each Council would determine locally appropriate targets or target ranges for each indicator'. The three financial sustainability indicators are:

3.1.1 *Operating Surplus Ratio (OSR):*

- a) Calculated as Operating Surplus / Operating Revenue.
The OSR is regarded as the most important indicator of financial sustainability.
- b) A positive ratio means that Council is operating with a surplus, and that it has capacity to respond to emerging issues and changes in community needs. A surplus ratio also reflects the percentage of Council's operating income that contributes to funding capital expenditure.
- c) Council has had significant cash injections in recent years, from Property Development Projects and ongoing returns are included over the life of the plan. Utilising these proceeds to reduce debt, and achieve higher operating surpluses through interest expenditure savings provides benefits into the future, through further reductions in debt and capacity for delivery of key community projects.
- d) The LTFP scenario that provides financial sustainability over the 10 year period is CPI+0.6% reflecting that Council's cost structures vary to household expenditure. Access Economics Business Outlook Dec 2018 forecast CPI for South Australia is utilized in the early years of the plan, with a longer term forecast of 2.5% utilised in the later years of the plan.
- e) The graph below shows the operating surplus ratio assuming a rate increase of CPI+0.6% over the 10 year horizon of the LTFP, and the utilisation of property development proceeds to reduce debt, and thereby reduce interest costs.

Long Term Financial Plan 2019/20-2028/29 Operating Surplus Ratio



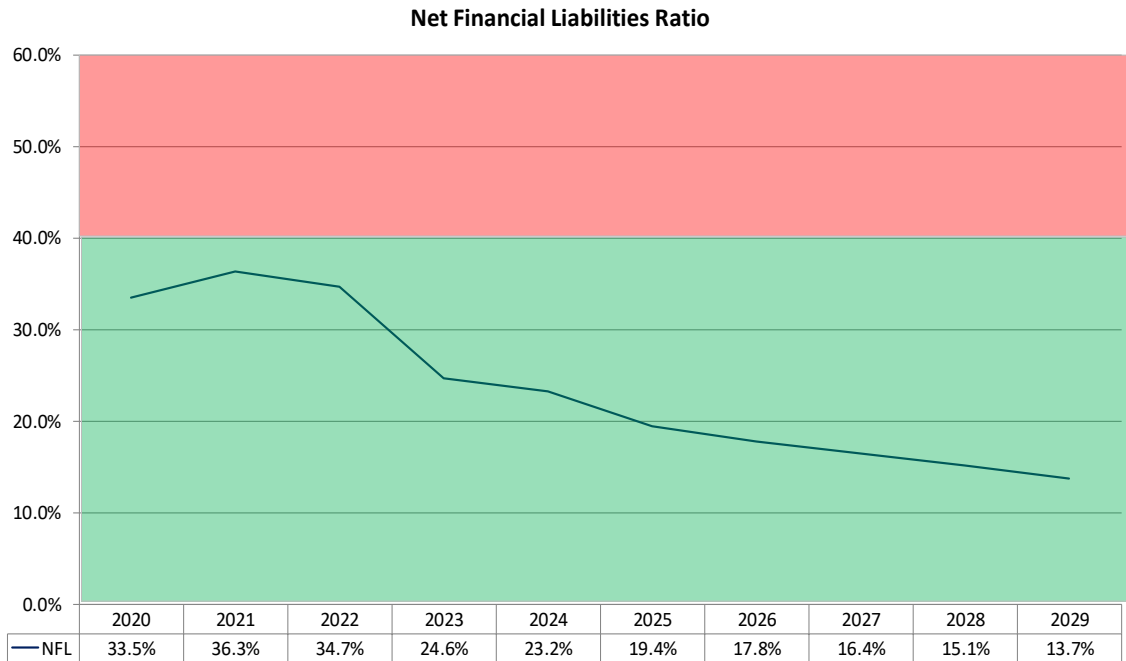
3.1.2 It is proposed that Council adopt an operating range for this indicator of between 0.5%-5.0% (consistent with the 2018/19 LTFFP and Budget).

3.1.3 Members may wish to note that the LGA suggests a long-term range of between 0%-10% for this ratio.

3.1.4 **Net Financial Liabilities Ratio (NFL)**

- a) Calculated as Net Financial Liabilities / Operating Revenue
- b) If the ratio falls overtime it indicates that Council has greater capacity to meet its financial obligations from operating revenue.
- c) Our current NFL ratio is low with property development proceeds in recent years, which continues over the life of the plan.
- d) The graph below shows the NFL ratio assuming a rate increase of CPI+0.6% over the 10 year period. As can be seen the ratio trends well within the endorsed range and is reflective of Councils strong cash position which has been bolstered in the previous years as a result of property development proceeds.

Long Term Financial Plan 2019/20-2028/29 Net Financial Liabilities Ratio



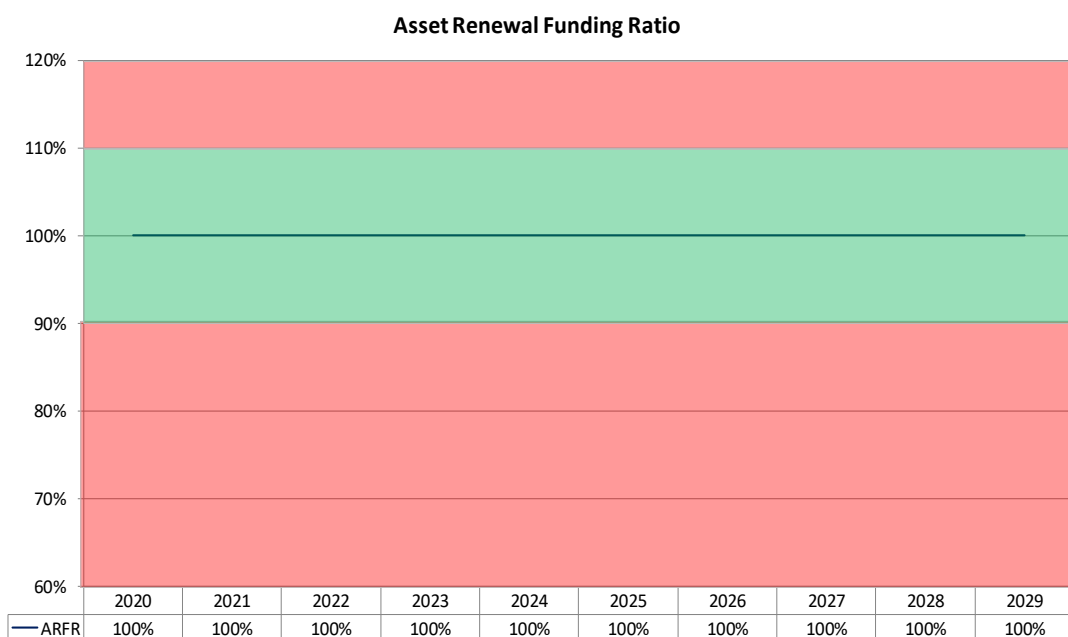
3.1.5 It is proposed that Council adopt an operating range for the NFL indicator to be <40% (consistent with the 2018/19 LTFP and Budget).

3.1.6 Members may wish to note that the LGA suggests a long-term range of between 0%-100%.

3.1.7 ***Asset Renewal Funding Ratio***

- a) Calculated as Asset Renewal Expenditure / Renewal Expenditure per Asset Management Plans
- b) A ratio of 100% indicates that council is renewing assets and is maintaining service standards by optimising its timing of capital outlays.
- c) The graph below shows the Asset Renewal Funding ratio based on the renewal expenditure included in the LTFP presented to Members 27 March 2019.

Long Term Financial Plan 2019/20-2028/29 Asset Renewal Funding Ratio



3.1.8 It is proposed that Council adopt an operating range for the Asset Renewal Funding Ratio of between 90%-110% (consistent with the 2018/19 LTFP and Budget).

3.1.9 Members may wish to note that the LGA suggests a long-term range of between 90%-110%.

Operating Surplus Fixed Amount v Ratio

3.2 Council resolved during the 2018/19 budget process that

A report be brought back for the 2019/20 budget on changing the operating surplus ratio to a fixed dollar from a percentage ratio (resolution 2474/2018)

3.3 Considerations

3.3.1 The Prescribed indicator is a ratio not a fixed dollar amount. The Local Government (Financial Management) Regulations 2011, Part 2, Section 5 (1)(c) requires the three financial sustainability indicators, being the operating surplus ratio, the net financial liabilities ratio, and the asset renewal funding ratio.

3.3.2 Expressing Operating Surplus as a ratio maintains relevance over time. Inflation results in \$1,000,000 being worth more today than in the future. Having the operating surplus expressed as a ratio negates the time value of money impact.

3.3.3 Maintains relativity to the size of the budget. As the ratio is the operating surplus / operating revenue, as our budget grows over time through changes in service, inflation, impacts from other tiers of government (eg grant funding) the ratio reflects the growth in the budget.

3.3.4 A fixed amount is less flexible, if there is a tendency to define a narrower dollar value range, and the fixed amount would need to be adjusted regularly to avoid the issues expressed in paragraphs 3.3.2 and 3.3.3.

3.4 For these reasons it is recommended that Council retain the current operating surplus ratio.

3.5 Council, through the workshops and reports regarding the LTFP receive information regarding the level of operating surplus in dollar terms, and also expressed as the prescribed ratio, and there is no intention to change this practice.

4. CONCLUSION / PROPOSAL

4.1 The operating ranges proposed in the report provide a guide to Council in considering future year budgets and actual results, to determine if the course that Council is setting is being delivered.

4.2 Also, given the requirement for the operating surplus ratio, and the considerations of moving to a fixed dollar measure, that Council continue to set and monitor the financial sustainability indicators prescribed by the legislation.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019

ITEM	6.4.1
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Budget Bids 2019/20
AUTHORS	Kate George, Manager Financial Services, Business Excellence Leigh Daddow, Senior Management Accountant, Business Excellence
CITY PLAN LINKS	4.2 Develop strong capability and commitment to continually improve Council's performance.
SUMMARY	This report is to seek Council's consideration and endorsement of the Budget Bids to include in the draft 2018/19 Annual Plan for community consultation.

RECOMMENDATION

- The four year Budget Bid Program as per Attachment 1 to this report (Budget and Finance Committee, 15 April 2019 Item 6.4.1), be endorsed for inclusion in the Draft 2019/20 Annual Plan and Budget, with 2019/20 net expenditure totalling:

• Infrastructure	\$34,115,000
• Information Technology	\$100,000
• Plant, Furniture and Equipment	\$1,666,700
• Operating	\$1,609,580

ATTACHMENTS

This document should be read in conjunction with the following attachments:

- Budget Bids Summary

1. BACKGROUND

- Council have been briefed on bids during the Budget workshop 27 February and 5 March 2019, and bids were formally considered at the Budget and Finance Meeting 25 March 2019, with resolutions to have bids further considered for inclusion in the draft Annual Plan and Budget.
- This report provides a summary of the current status of Budget Bids and seeks Council's consideration and endorsement to include the four year Budget Bid Program (per Attachment 1) in the draft 2019/20 Annual Plan and Budget for community consultation.

2. CONSULTATION / COMMUNICATION

2.1 Internal

2.1.1 There has been extensive review of bids internally, through stakeholder groups, Executive, and through Budget Workshops with Elected Members and formal Budget and Finance Meetings.

2.2 External

2.2.1 The Budget Bids will be included in the draft Annual Plan for public consultation so that Council can gain the communities input into its future programs.

3. REPORT

Infrastructure Budget Bids

3.1 The Infrastructure Budget Bids, (blue section on Attachment 1), are consistent with that provided at the Budget and Finance Meeting 18 March 2019, and updated as follows:-

3.1.1 PSN000405 Shade Sail at Para Hills Community Hub has been incorporated into PSN000262 Outdoor Furniture Program as a discrete project with funding of \$30k in 2019/20.

3.1.2 PSN000364 Tregoning Green Upgrade (Salisbury Park) has been included within PSN000275 Playspace / Playground Program \$100k and PSN000263 Reserve Upgrade Program \$50k, with additional details of the scope of works required to establish a neighbourhood playground included within the Budget Status Update Report on tonight's agenda.

3.1.3 PSN000382 Desyllas Drive Payground at Direk has been incorporated into PSN000275 Playspace / Playground Program with an additional \$110k provided in 2019/20.

3.1.4 PSN000398 Netball Courts at Salisbury North Oval and Salisbury Downs has been included within the Parks and Streetscapes category within infrastructure bids budget considerations with \$397k provided in 2019/20.

3.1.5 PSN000370 Pioneer Avenue Reserve Upgrade perimeter pathway component has been included within PSN000263 Reserve Upgrade Program, with a \$12k increase in the bid in 2020/21.

3.1.6 PSN000371 Dry Creek Rubbish Bins has been incorporated into PSN000262 Outdoor Furniture Program within the existing 2019/20 budget.

Updated bids are attached to the April 2019 Budget and Finance Item 6.4.2 Budget Status Update Report.

3.2 The following bids are not included in the Budget Bids Summary at this time:

3.2.1 PSN000368 Kentish Green Playground Upgrade: The March Council resolution requested details of the cost of a slippery dip, which is subject to consideration within the Budget Status Update Report on tonight's agenda, and has an associated cost of \$12k.

- 3.2.2 TRN000407 The Strand Bridge Collapsible Hand Rail - Mawson Lakes is a late bid and results from Item 2.6.2 Works & Services 15 April 2019 to be considered by Council tonight. It has an associated cost of \$150k, and has not been included in the budget at this time. Following Councils consideration of Item 2.6.2, should Council endorse the project, the bid and will be included in the draft annual plan for public consultation.
- 3.3 The following bid has been removed:
 - 3.3.1 PSN000278 Reserve Fencing Program - \$54k, The Paddocks Soccer Surroundings Reserve Fencing Project is already included in STN000296 The Paddocks Masterplan and therefore PSN000278 has been removed
- 3.4 The Infrastructure bids net expenditure total \$34,115,000, with full year associated depreciation of \$401k.

IT Budget Bids

- 3.5 The IT Budget Bids, (yellow section on Attachment 1), are consistent with that provided at the Budget and Finance meeting held on 18 March 2019, and year one net expenditure totals \$100,000.

Plant Furniture and Equipment Budget Bids

- 3.6 The Plant, Furniture and Equipment Budget Bids, (purple section on Attachment 1), are consistent with that provided at the Budget and Finance meeting 18 March 2019.
- 3.7 The Plant, Furniture and Equipment bids net expenditure total \$1,666,700.

Operating Budget Bids

- 3.8 The Operating Budget Bids, (green section throughout the bid categories on Attachment 1), are consistent with that provided at the Budget and Finance Meeting 18 March 2019.
- 3.9 The Operating bids net expenditure which includes operating bids, and operating components of Infrastructure, IT and Plant Furniture and Equipment, total \$1,609,580.

4. CONCLUSION / PROPOSAL

- 4.1 Following the extensive review and discussion of Budget Bids it is appropriate for Council to undertake a final review and formally endorsed bids for inclusion in the 2019/20 Draft Annual Plan and Budget for public consultation purposes.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019

Budget Bids

2019/20 Financial Yr

Infrastructure & Operating Summary 2019/20 Financial Yr		2019/20						2020/21						2021/22						2022/23																	
		CAPITAL 000'S			OPERATING 000'S			CAPITAL 000'S			OPERATING 000'S			CAPITAL 000'S			OPERATING 000'S			CAPITAL 000'S			OPERATING 000'S														
		Exp	Funding	Net	Variance to 18/19 Yr 2	Exp	Funding	Net	Variance to 18/19 Yr 2	Exp	Funding	Net	Variance to 18/19 Yr 3	Exp	Funding	Net	Variance to 18/19 Yr 4	Exp	Funding	Net	Variance to 18/19 Yr 4	Exp	Funding	Net	Variance to 18/19 Yr 4												
Program Works Paren Bid Synopsis																																					
Bid Project Asset Category: Drainage & Waterways																																					
New																																					
DWN 000253	Automated Flood Release Gates	80	0	80	0	0	0	0	0	0	0	0	2	0	2	2	0	0	0	0	2	0	2	2	0	0	0	2	0	0	2	0	0	2	0	0	2
DWN 000254	Local Flooding Program	655	50	605	(178)	132	0	132	5	700	0	700	350	117	0	117	8	360	0	360	0	128	0	128	17	370	0	370	134	0	134	0	0	0	0	0	
DWN 000255	Major Flooding Mitigation Projects (including Pauls Drive - Non-Discretionary)	1,886	0	1,886	(659)	0	0	0	0	1,342	0	1,342	(130)	0	0	0	2,102	0	2,102	570	0	0	0	0	1,320	0	1,320	0	0	0	0	0	0	0	0	0	
DWN 000256	Greater Edinburgh Parks Regional Drainage	300	0	300	300	0	0	0	0	1,650	0	1,650	1,650	3	0	3	3	0	0	0	0	20	0	20	20	0	0	0	20	0	0	20	0	0	20	0	
DWN 000349	Jones Road - Bolivar - Site Rehabilitation for Future Clean Fill Disposal Site	50	0	50	50	30	0	30	30	50	0	50	50	32	0	32	32	50	0	50	50	34	0	34	34	50	0	50	36	0	36	0	0	36	0		
Subtotal - New		2,971	50	2,921	(487)	162	0	162	35	3,742	0	3,742	1,920	154	0	154	45	2,512	0	2,512	620	183	0	183	72	1,740	0	1,740	192	0	192	0	0	192	0		
Renewal																																					
DWR 000258	Watercourse Management Works Program	575	0	575	(148)	0	0	0	0	779	0	779	(39)	0	0	0	0	781	0	781	103	0	0	0	0	785	0	785	0	0	0	0	0	0	0		
DWR 000259	St Kilda Channel Breakwaters - Renewal	650	0	650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
DWR 000260	Drainage and Waterways Program Area - Planning Program	184	0	184	79	0	0	0	0	152	0	152	104	0	0	0	0	132	0	132	83	0	0	0	0	136	0	136	0	0	0	0	0	0	0		
DWR 000261	Coleman Road Landfill - Waterloof Corner - Landfill Cap Improvements	75	0	75	20	10	0	10	10	30	0	30	(25)	10	0	10	10	30	0	30	(25)	10	0	10	10	30	0	30	10	0	10	0	0	10	0		
Subtotal - Renewal		1,484	0	1,484	(49)	10	0	10	10	961	0	961	40	10	0	10	10	943	0	943	161	10	0	10	10	951	0	951	10	0	10	0	0	10	0		
TOTAL - Drainage & Waterways		4,455	50	4,405	(536)	172	0	172	45	4,703	0	4,703	1,960	164	0	164	55	3,455	0	3,455	781	193	0	193	82	2,691	0	2,691	202	0	202	0	0	202	0		
Bid Project Asset Category: Property & Buildings																																					
New																																					
PBN 000243	Clubs/Sporting Facilities (Minor Capital Grants Program)	326	0	326	0	34	0	34	0	333	0	333	0	44	0	44	8	339	0	339	0	53	0	53	16	347	0	347	63	0	63	0	0	63	0		
PBN 000244	Land Acquisition Program - Miscellaneous	55	0	55	0	0	0	0	0	56	0	56	0	0	0	0	0	57	0	57	0	0	0	0	58	0	58	0	0	0	0	0	0	0			
PBN 000245	Building Upgrade Program	2,350	0	2,350	(340)	200	0	200	0	2,150	0	2,150	0	47	0	47	47	2,200	0	2,200	0	90	0	90	90	2,200	0	2,200	134	0	134	0	0	134	0		
PBN 000246	Priority Universal Design Upgrades - Buildings	118	0	118	0	0	0	0	0	120	0	120	0	2	0	2	2	122	0	122	0	5	0	5	5	124	0	124	7	0	7	0	0	7	0		
PBN 000313	Building Furniture and Equipment Program	65	0	65	0	0	0	0	0	70	0	70	3	0	0	0	0	75	0	75	5	0	0	0	0	80	0	80	0	0	0	0	0	0			
PBN 000325	Community and Public Art Program	30	0	30	0	20	0	20	0	30	0	30	0	22	0	22	2	0	0	0	0	3	0	0	3	0	0	0	3	0	0	3	0	0	3	0	
PBN 000343	Unity Park - Pooraka - Additional New Toilet Facilities 2019/2020	152	0	152	152	0	0	0	0	152	0	152	152	16	0	16	16	0	0	0	0	32	0	32	32	0	0	0	0	26	0	26	0	0	26	0	
PBN 000352	Security Systems Upgrade - Intruder Detection Systems	90	0	90	90	0	0	0	0	70	0	70	70	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Subtotal - New		3,186	0	3,186	(98)	254	0	254	0	2,981	0	2,981	225	131	0	131	75	2,793	0	2,793	5	183	0	183	146	2,809	0	2,809	233	0	233	0	0	233	0		
Renewal																																					
PBR 000250	Building Renewal Program	1,306	0	1,306	106	310	0	310	(158)	1,230	0	1,230	0	370	0	370	(30)	1,261	0	1,261	0	380	0	380	(30)	1,290	0	1,290	390	0	390	0	0	390	0		
PBR 000251	Property and Buildings Program Area - Planning Program	200	0	200	100	0	0	0	0	80	0	80	(200)	0	0	0	0	80	0	80	0	0	0	0	0	80	0	80	0	0	0	0	0	0	0		
PBR 000252	Happy Home Reserve - Salisbury Swimming Pool - Structural Remedial Works to Pool	0	0	0	0	0	0	0	0	400	0	400	0	0	0	0	0	200	0	200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Subtotal - Renewal		1,506	0	1,506	206	310	0	310	(158)	1,710	0	1,710	(200)	370	0	370	(30)	1,541	0	1,541	0	380	0	380	(30)	1,370	0	1,370	390	0	390	0	0	390	0		
TOTAL - Property & Buildings		4,692	0	4,692	108	564	0	564	(158)	4,691	0	4,691	25	501	0	501	45	4,334	0	4,334	5	563	0	563	116	4,179	0	4,179	623	0	623	0	0	623	0		
Bid Project Asset Category: Parks & Streetscapes																																					
New																																					
PSN 000227	Information Signage Program (Parks and Reserves)	63	0	63	7	5	0	5	5	57	0	57	0	10	0	10	10	62	0	62	0	15	0	15	15	64	0	64	20	0	20	0	0	20	0		
PSN 000262	Outdoor Furniture Program	184	0	184	27	0	0	0	0	216	0	216	60	18	0	18	18	159	0	159	1	25	0	25	25	161	0	161	16	0	16	0	0	16	0		
PSN 000263	Reserve Upgrade Program	396	0	396	40	0	0	0	0	376	0	376	12	44	0	44	44	371	0	371	0	69	0	69	69	380	0	380	93	0	93	0	0	93	0		
PSN 000264	Street Tree Program	1,367	0	1,367	8	0	0	0	0	1,556	0	1,556	1	27	0	27	27	1,646	0	1,646	5	58	0	58	58	1,671	0	1,671	91	0	91	0	0	91	0		
PSN 000265	Dog Parks for Small Dogs	79	0	79	16	5	0	5	4	79	0	79	16	10	0	10	9	80	0	80	17	23	0	23	22	80	0	80	32	0	32	0	0	32	0		
PSN 000267	Fitness Equipment Program	120	0	120	9	0	0	0	(9)	135	0	135	24	16	0	16	7	135	0	135	24	23	0	23	14	60	0	60	35	0	35	0	0	35	0		
PSN 000270	Inclusive Play Spaces Program	355	235	120	0	0	0	0	0	0	0	0	(120)	6	0	6	6	0	0	0	0	12	0	12	12	0	0	0	18	0	18	0	0	18	0		
PSN 000397	Irrigation Reactivation	200	0	200	200	50	0	50	200	200	0	200	200	108	0	108	108	200	0	200	166	166	0	166	166	200	0	200	224	0	224	0	0	224	0		
PSN 000398	Netball Courts at Salisbury North Oval and Salisbury Downs Oval	397	0	397	397	0	0	0	0	0	0	0	0	2	0	2	2	0	0	0	0	2	0	2	2	0	0	0	2	0	2	0	0	2	0		
PSN 000404	(OPN000404) Historical Methodist Cemetery Stage 1 Upgrade	77	0	77	77	0	0	0	0	0	0	0	0	14	0	14	14	0	0	0	0	14	0	14	14	0	0	0	14	0	14	0	0	14	0		
Subtotal - New		3,238	235	3,003	781	60	0	60	50	2,619	0	2,619	193	256	0	256	246	2,653	0	2,653	127	406	0	406	396	2,616	0	2,616	545	0	545	0	0	545	0		
Renewal																																					
PSR 000272	Irrigation Program	223	0	223	8	0	0	0	0	301	0	301	(6)	0	0	0	0	232	0	232	97	0	0	0	0	262	0	262	0	0	0						

Budget Bids

2019/20 Financial Yr

Infrastructure & Operating Summary			2019/20							2020/21							2021/22							2022/23								
2019/20 Financial Yr			CAPITAL 000'S		OPERATING 000'S			Variance to 18/19 Yr 2	CAPITAL 000'S		OPERATING 000'S			Variance to 18/19 Yr 3	CAPITAL 000'S		OPERATING 000'S			Variance to 18/19 Yr 4	CAPITAL 000'S		OPERATING 000'S			Variance to 18/19 Yr 4						
Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net	Exp	Funding	Net			
Program Works Parent Bid Synopsis																																
Bid Project Asset Category: Strategic Projects																																
New																																
STN	000235	Salisbury City Centre Revitalisation Projects	850	0	850	850	0	0	0	2,000	500	1,500	1,500	11	0	11	11	750	250	500	500	36	0	36	36	500	0	500	45	0	45	
STN	000292	Strategic Projects Program - Planning Program	100	0	100	42	140	0	140	40	0	0	(59)	161	0	161	59	0	0	0	(60)	165	0	165	60	0	0	169	0	169		
STN	000293	Salisbury City Centre Regional Community Hub	1,000	0	1,000	3,070	0	0	0	0	0	0	1,500	0	0	0	0	0	0	0	2,500	20	0	20	20	0	0	20	0	20		
STN	000294	Salisbury Oval Master Plan Implementation (Non-Discretionary Bid)	1,680	0	1,680	850	0	0	0	0	0	0	0	34	0	34	34	0	0	0	0	34	0	34	34	0	0	34	0	34		
STN	000295	Bridgestone Reserve - Athletics Facility	1,596	0	1,596	500	15	0	15	0	0	0	0	58	0	58	10	0	0	0	0	62	0	62	17	0	0	69	0	69		
STN	000296	The Paddocks Masterplan Implementation Works	2,054	0	2,054	1,054	0	0	0	1,300	50	1,250	250	0	0	0	0	800	300	500	500	15	0	15	15	0	0	15	0	15		
STN	000361	Salisbury City Centre Land Development Strategy	100	3,070	(2,970)	(2,970)	51	0	51	51	105	1,500	(1,395)	49	0	49	49	2,500	(2,500)	(2,500)	0	0	0	0	0	0	0	0	0			
STN	000393	Burton Community Hub	30	0	30	30	0	0	0	5,000	0	5,000	5,000	2	0	2	2	0	0	0	0	102	0	102	102	0	0	102	0	102		
STN	000394	Wellness Centres	0	0	0	0	100	0	100	100	100	100	100	0	0	0	0	5,000	5,000	5,000	0	0	0	0	0	0	102	0	102			
STN	000399	John Street and related SCC Improvements	350	0	350	350	0	0	0	0	0	0	0	23	0	23	23	0	0	0	0	23	0	23	23	0	0	23	0	23		
Subtotal - New			7,760	3,070	4,690	3,776	306	0	306	191	8,505	2,050	6,455	6,896	338	0	338	188	6,550	3,050	3,500	5,940	458	0	458	308	500	0	500	462	0	462
TOTAL - Strategic Projects			7,760	3,070	4,690	3,776	306	0	306	191	8,505	2,050	6,455	6,896	338	0	338	188	6,550	3,050	3,500	5,940	458	0	458	308	500	0	500	462	0	462
Bid Project Asset Category: Transportation																																
New																																
TRN	000221	Minor Traffic Improvements Program	215	0	215	105	54	0	54	0	60	0	(52)	60	0	60	5	110	0	110	(5)	63	0	63	7	120	0	120	67	0	67	
TRN	000222	Major Traffic Improvements Program	2,055	1,337	718	285	0	0	0	1,579	766	813	296	29	0	29	29	600	366	234	(151)	52	0	52	52	230	0	230	60	0	60	
TRN	000224	School Zones and Pedestrian Crossings Program	193	0	193	60	0	0	0	155	15	140	14	5	0	5	5	170	0	170	26	9	0	9	9	175	0	175	13	0	13	
TRN	000225	Council Funded New Footpath Program	341	0	341	(100)	21	0	21	0	328	0	328	0	26	0	26	4	335	0	335	0	30	0	30	8	340	0	340	36	0	36
TRN	000226	Bicycle Network Improvements Program	399	180	219	95	0	0	0	187	35	152	59	8	0	8	8	182	80	102	(33)	12	0	12	12	247	105	142	15	0	15	
TRN	000228	City Wide Trails Program	1,040	652	388	0	0	0	0	1,080	540	540	0	21	0	21	21	1,080	540	540	(100)	42	0	42	42	900	450	450	64	0	64	
TRN	000229	Sportsfield Lighting Program	170	0	170	0	0	0	0	200	0	200	20	3	0	3	3	70	0	70	(120)	7	0	7	7	180	0	180	9	0	9	
TRN	000230	Public Lighting Program	774	0	774	0	(30)	0	(30)	726	0	726	0	(85)	0	(85)	(15)	728	0	728	0	(140)	0	(140)	(70)	730	0	730	(195)	0	(195)	
TRN	000231	Sportsfield Lighting Assistance Program	100	50	50	0	0	0	0	100	50	50	0	2	0	2	2	100	50	50	0	4	0	4	4	100	50	50	6	0	6	
TRN	000232	Developer Funded Program	205	205	0	0	0	0	0	210	210	0	0	3	0	3	3	215	215	0	0	7	0	7	7	220	220	0	11	0	11	
TRN	000233	St Kilda Master Plan - Stage 2 Implementation	1,600	900	700	0	0	0	0	235	130	105	0	23	0	23	23	430	100	330	(5,910)	26	0	26	26	6,971	0	6,971	32	0	32	
TRN	000341	Louisa Road / Deal Court - Paralowie - Upgrade	50	0	50	50	0	0	0	1,000	0	1,000	1,000	1	0	1	1	950	0	950	950	12	0	12	12	0	0	34	0	34		
TRN	000351	Diment Road Burton/Direk - Upgrade	350	0	350	350	0	0	0	350	0	350	350	0	0	0	0	350	0	350	350	0	0	0	0	350	0	350	0	0	0	
TRN	000400	Footpath Trading Pedestrian Protection	70	0	70	70	0	35	(35)	(35)	70	0	70	70	0	35	(35)	(35)	70	0	70	70	0	35	(35)	(35)	70	0	70	0	35	(35)
TRN	000401	Digital Signage	358	0	358	358	0	0	0	0	0	0	0	20	0	20	20	0	0	0	0	20	0	20	20	0	0	20	0	20		
Subtotal - New			7,920	3,324	4,596	1,273	45	35	10	65	6,280	1,746	4,534	1,757	117	35	82	75	5,390	1,351	4,039	(4,723)	145	35	110	102	10,633	825	9,808	171	35	136
Renewal																																
TRR	000236	Carpark Renewal Program	219	0	219	2	0	0	0	217	0	217	(2)	0	0	0	0	224	0	224	0	0	0	0	0	230	0	230	0	0	0	
TRR	000237	Bridge Renewal Program	268	0	268	0	0	0	0	273	0	273	0	0	0	0	0	278	0	278	0	0	0	0	0	285	0	285	0	0	0	
TRR	000238	Kerb Ramp Construction / Upgrade Program	423	0	423	0	0	0	0	428	0	428	0	0	0	0	0	438	0	438	0	0	0	0	0	443	0	443	0	0	0	
TRR	000239	Transportation Program Area - Planning Program	120	0	120	(18)	0	0	0	181	0	181	20	0	0	0	0	180	0	180	20	0	0	0	0	120	0	120	0	0	0	
TRR	000240	Bituminous Footpaths and Shared-Use Paths- Reseal / Upgrade Program	200	0	200	0	0	0	0	205	0	205	5	0	0	0	0	210	0	210	10	0	0	0	0	215	0	215	0	0	0	
TRR	000241	Bus Shelter Renewal and Bus Stop Improvement Program	143	0	143	31	0	0	0	104	0	104	0	10	0	10	10	106	0	106	0	10	0	10	10	108	0	108	10	0	10	
TRR	000242	Road Reseal / Reconstruction Program	8,635	0	8,635	0	52	0	52	0	8,813	0	8,813	0	53	0	53	0	9,000	0	9,000	0	54	0	54	0	9,180	0	9,180	55	0	55
Subtotal - Renewal			10,008	0	10,008	15	52	0	52	0	10,221	0	10,221	23	63	0	63	10	10,436	0	10,436	30	64	0	64	10	10,581	0	10,581	65	0	65
TOTAL - Transportation			17,928	3,324	14,604	1,288	97	35	62	65	16,501	1,746	14,755	1,780	180	35	145	85	15,826	1,351	14,475	(4,693)	209	35	174	112	21,214	825	20,389	236	35	201
Bid Project Asset Category: Salisbury Water Business																																
New																																
WBN	000280	Water Business Unit Program - Planning Program	35	0	35	0	0	0	0	0	0	0	0	1	0	1	1	0	0	0	0	1	0	1	1	0	0	1	0	1		
WBN	000281	Salisbury Water - Water Licence Purchase	100	0	100	0	0	0	0	100	0	100	0	0	0	0	0	100	0	100	0	0	0	0	0	100	0	100	0	0	0	
WBN	000282	Groundwater Community Bores - Tank and Booster Pump System	120	0	120	70	0	0	0	0	0	0	0	3	0	3	3	0	0	0	0	3	0	3	3	0	0	3	0	3		
WBN	000283	Salisbury Water Recycled Water Signage - New / Renewal	5	0	5	0	0	0	0	5	0	5	0	0	0	0	0	5	0	5	0	1	0	1	1	0	0	1	0	1		
WBN	000284	Salisbury Water Distribution Main Linkages	315	19	296	71	0	0	0	640	0	640	500	3	0	3	3	0	0	0	0	10	0	10	10	0	0	10	0	10		
WBN	000285	Salisbury Water Emergency Backup Power Supply	25	0	25	5	0	0	0	25	0	25	5	3	0	3	3	25	0	25	5	5	0	5	5	0	0	8	0	8		
WBN	000286	Salisbury Water Head Tank	0	0	0	0	0	0	0	500	0	500	0	0	0	0	0	0	0	0	0	(80)	0	(80)	20	0	0	20	0	20		
WBN	000287	Council Reserves Upgrade - Recycled Water Connections	150	0	150	0	0	0	0	3	0	3	0	2	0	2	2	0	0	0	0	2	0	2	2	0	0	2	0	2		
WBN	000348	Salisbury Water - Daniel Avenue Managed Aquifer Recharge (MAR) Extraction Capaci	90	0	90	90	0	0	0	0	0	0	0	4	0	4	4	0	0	0	0	4	0	4	4	0	0	4	0	4		
Subtotal - New			840	19	821	236	0	0	0	3	1,270	0	1,270	505	15	0	15	15	130	0	130	5	(56)	0	(56)	44	100	0	100	47	0	47
Renewal																																
WBR	000291	Salisbury Water - Asset Renewal	347	0	347	88	0	0	0	574	0	574	158	0	0	0	0	1,710	0	1,710	226	0	0	0	0	628	0	628	0	0	0	
Subtotal - Renewal			347	0	347	88	0	0	0	574	0	574	158	0	0	0	0	1,710	0	1,												

Budget Bids

2019/20 Financial Yr

Infrastructure & Operating Summary 2019/20 Financial Yr	2019/20									2020/21									2021/22									2022/23								
	CAPITAL 000'S			Variance to 18/19 Yr 2	OPERATING 000'S			Variance to 18/19 Yr 2	CAPITAL 000'S			Variance to 18/19 Yr 3	OPERATING 000'S			Variance to 18/19 Yr 3	CAPITAL 000'S			Variance to 18/19 Yr 4	OPERATING 000'S			Variance to 18/19 Yr 4	CAPITAL 000'S			Variance to 18/19 Yr 4	OPERATING 000'S							
	Exp	Funding	Net		Exp	Funding	Net		Exp	Funding	Net		Exp	Funding	Net		Exp	Funding	Net		Exp	Funding	Net		Exp	Funding	Net		Exp	Funding	Net	Exp	Funding	Net		
Plant, Furniture & Equipment																																				
New																																				
PFN 000306	(PBN000306) Mawson Lakes Central - CCTV	395	395	0	(35)	0	0	0	(11)	0	0	0	0	20	0	20	9	0	0	0	0	20	0	20	9	0	0	0	20	0	20					
PFN 000307	Plant & Fleet Replacement Program	1,615	377	1,238	195	0	0	0	0	1,447	382	1,065	(1)	0	0	0	0	0	0	0	1,503	364	1,139	(909)	0	0	0	0	2,269	517	1,752					
PFN 000308	Fleet Lease to Purchase	115	0	115	0	0	0	0	0	0	0	0	0	0	0	0	4	0	0	0	0	0	0	0	4	0	0	0	0	0	0					
PFN 000309	(PBN000309) Community Buildings - CCTV	155	0	155	85	7	0	7	0	0	0	0	0	0	0	0	(7)	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
PFN 000340	Purchase of Utility Vehicle for Infrastructure Management Team	45	0	45	45	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
PFN 000345	Purchase of Mini Excavator for Tree Planting	62	0	62	62	12	0	12	12	0	0	0	0	12	0	12	12	0	0	0	0	12	0	12	12	0	0	0	12	0	12					
PFN 000346	Purchase of Wide Area Mowers	22	0	22	22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
PFN 000353	(PBN000353) CCTV Renewal Program	30	0	30	30	5	0	5	5	30	0	30	30	8	0	8	8	0	0	0	30	0	30	30	10	0	10	10	30	0	30					
TOTAL - Plant, Furniture & Equipment		2,439	772	1,667	-404	24	0	24	6	1,477	382	1,095	29	40	0	40	25	1,533	364	1,169	(879)	42	0	42	34	2,299	517	1,782	45	0	45					
Operating Bids																																				
New																																				
OPN 000321	Salisbury Secret Garden	0	0	0	0	85	0	85	85	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
OPN 000354	SA Planning Portal State Government Levy	0	0	0	0	33	0	33	33	0	33	0	33	33	0	33	33	0	0	0	0	33	0	33	33	0	0	0	33	0	33					
OPN 000359	Economic Development Staffing	0	0	0	0	157	112	45	45	0	204	124	79	79	0	91	11	81	81	81	0	91	11	81	81	0	0	0	83	0	83					
OPN 000360	City Plan Consultation	0	0	0	0	35	0	35	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
OPN 000386	White Ribbon Event	0	0	0	0	22	0	22	22	0	10	0	10	10	0	10	0	10	10	10	0	10	0	10	10	0	0	0	0	0	0					
OPN 000389	Increase to Drug & Alcohol Testing - Heavy Vehicle Legislation	0	0	0	0	11	0	11	11	0	12	0	12	12	0	12	0	12	12	12	0	12	0	12	12	0	0	0	12	0	12					
OPN 000395	Marveloo - mobile accessible restroom for people with a severe disability	0	0	0	0	29	10	19	19	0	29	10	19	19	0	30	11	20	20	20	0	30	11	20	20	0	0	0	31	11	20					
OPN 000396	Project Steam Weed Trial 2019	0	0	0	0	15	0	15	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
OPN 000402	Innovation and Business Development	0	0	0	0	50	0	50	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
OPN 000403	Supporting Business Networking	0	0	0	0	35	0	35	35	0	35	0	35	35	0	35	0	35	35	35	0	35	0	35	35	0	0	0	35	0	35					
TOTAL - Operating Bids		0	0	0	0	472	122	350	350	0	322	135	187	187	0	211	21	190	190	190	0	211	21	190	190	0	0	0	193	11	182					
Information Technology																																				
New																																				
ITN 000301	Enabling functionality for future Pathway integration projects	0	0	0	(63)	0	0	0	(9)	63	0	63	63	9	0	9	0	0	0	0	0	9	0	9	0	0	0	0	10	0	10					
ITN 000344	(OPN000344) Implementation of an Asset Management Predictive Modelling Solution	50	0	50	50	10	0	10	10	0	0	0	0	10	0	10	10	0	0	0	0	10	0	10	10	0	0	0	10	0	10					
ITN 000347	(PFN000347) Fleet Management System Upgrade	50	0	50	50	7	0	7	7	0	0	0	0	7	0	7	7	0	0	0	0	7	0	7	7	0	0	0	7	0	7					
ITN 000350	Replacement Tablets for Environmental Health	0	0	0	0	5	0	5	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16	0	16					
ITN 000357	Tree Canopy Data for City of Salisbury (Purchase)	0	0	0	0	25	0	25	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	25	0	25					
ITN 000385	(OPN000385) Digital Assessment Software Product	0	0	0	0	9	0	9	9	0	(1)	0	(1)	(1)	0	(1)	(1)	0	0	0	0	(1)	0	(1)	(1)	0	0	0	(1)	0	(1)					
TOTAL - Information Technology		100	0	100	37	56	0	56	47	63	0	63	63	25	0	25	16	0	0	0	0	25	0	25	16	0	0	0	66	0	66					
TOTAL		43,352	7,470	35,882	6,474	1,766	157	1,610	614	41,862	4,178	37,684	11,734	1,872	170	1,702	894	37,496	4,765	32,731	1,643	2,083	56	2,027	1,330	35,456	1,342	34,114	2,434	46	2,388					
Total Infrastructure Program		40,813	6,698	34,115		1,215	35	1,180		40,322	3,796	36,526		1,485	35	1,450		35,963	4,401	31,562		1,805	35	1,770		33,157	825	32,332	2,130	35	2,095					
Total Plant, Furniture & Equipment		2,439	772	1,667		24	0	24		1,477	382	1,095		40	0	40		1,533	364	1,169		42	0	42		2,299	517	1,782	45	0	45					
Total Operating		0	0	0		472	122	350		322	135	187		322	135	187		0	0	0		211	21	190		0	0	0	193	11	182					
Total Information Technology		100	0	100		56	0	56		63	0	63		25	0	25		0	0	0		25	0	25		0	0	0	66	0	66					
TOTAL		43,352	7,470	35,882		1,766	157	1,610		41,862	4,178	37,684		1,872	170	1,702		37,496	4,765	32,731		2,083	56	2,027		35,456	1,342	34,114	2,434	46	2,388					

Less Operating Components of Infrastructure Program 2018/19		682	682
Operating Components of Strategic Property Program 2018/19		0	0
Operating Components of Information Technology Program 2018/19		341	341
Operating Components of PF&E 2018/19		17	17
Non-Recurring Operating Bids 2018/19		194	194
TOTAL 2018/19 FUNDED IMPACTS NOT RECURRING OR INCLUDED IN 2019/20 BIDS		1,234	0
TOTAL FUNDING REQUIREMENTS FOR 2019/20 NEW INITIATIVE BIDS	43,352	7,470	35,882
	532	157	376

ITEM	6.4.2
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Budget Status Update
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.4 Embed long term thinking, planning and innovation across the organisation.
SUMMARY	This report provides an update on the changes to the financial status of the budget following the Informal Budget Workshop 3 held on Wednesday 27 March 2019.

RECOMMENDATION

1. Information be received.
2. PSN000368 - Kentish Green Upgrade Freestanding Slide component be:
Option 1 – incorporated into PSN000275 Playspace / Playground Program in 2019/20 with additional funding of \$12,000.
OR
Option 2 – removed from further consideration in the 2019/20 budget.
3. STN000294 Salisbury Oval Master Plan Implementation funding be endorsed as non-discretionary with 2019/20 net expenditure totalling \$1.68M, subject to other Council decisions in relation to this project, and noting that the review of the master plan may impact on the funding requirements for this project.
4. DWN000255 Major Flooding Mitigation Program – Pauls Drive funding be endorsed as non-discretionary, with 2019/20 net expenditure totalling \$1.756M.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. PSN000262 Outdoor Furniture Program
2. PSR000275 Playspace Playground Program
3. PSN000263 Reserve Upgrade Program
4. PSN000398 Netball Courts at Salisbury North Oval and Salisbury Downs Oval
5. TRN000407 The Strand Bridge Collapsible Hand Rail - Mawson Lakes
6. STN000294 Salisbury Oval Master Plan Implementation (Non-Discretionary Bid)
7. DWN000255 Major Flooding Mitigation Projects (including Pauls Drive - Non-Discretionary)
8. Consolidated Summary
9. Consolidated Summary Adjustments

1. BACKGROUND

1.1 The Consolidated Summary is updated throughout the budget process to transparently report changes in the financial status of the budget. The consolidated summary was last presented to Elected Members on 27 March 2019, and this report explains the changes made following that workshop.

2. CONSULTATION / COMMUNICATION

2.1 Internal

2.1.1 There has been a number of workshops and meetings with Council to provide members with budget information for consideration prior to public consultation. Information has also been provided to the Audit Committee to enable the Audit Committee to review the annual plan and long term financial plan as required by S126(4)(ab) Local Government Act 1999.

2.2 External

2.2.1 The Consolidated Summary provides a snapshot of the budget, with the budget and annual plan available for Public Consultation in May.

3. REPORT

Audit Committee Review

3.1 The Audit Committee considered the 2019/20 Draft Annual Plan and Item 1 - Budget Status Update from the Budget Workshop 3, held on 27 March 2019, on 9 April 2019 and resolved the following:

That:

1. *The information be received.*
2. *It be noted that the Audit Committee has reviewed the Council's Annual Plan and Long Term Financial Plan in accordance with s126(4)(ab) of the Local Government Act 1999 and makes the following comments for Council consideration when setting its rating level for the 2019/2020 budget:*
 - a) *Recognising that the City of Salisbury is in a strong financial position, the rate scenario that enables Council to operate within Council endorsed targeted ranges for long term financial sustainability, retains Council's capacity to respond to emerging community needs and external impacts, and provides ongoing financial sustainability applying a conservative and prudent approach is a Rate increase of CPI+0.6% over the 10 years.*
 - b) *It is the assessment of the Audit Committee that adopting the following rate scenario of a rate increase of CPI+0.6% over the 10 years, with a one-off increase of only 2% in 2019/20, resulting in \$6.7M lower surplus over the life of the plan, falls outside of Council's endorsed targeted operating range, however could still be considered acceptable noting the lower surplus over the life of the plan and that Council would need to consider the risk to future new budget spending. The Audit Committee also notes that the risks as listed in para 2.c below also apply to this rates scenario, albeit to a lesser extent.*

- c) *It is the assessment of the Audit Committee that the risks of adopting any of the following rate scenarios:*
- *Rate increase of CPI+0.6% over the 10 years, with an increase of only 2% in years 1 and 2 (2019/20 and 2020/21), resulting in \$18.3M lower surplus over the life of the plan;*
 - *Rate increase of CPI+0.6% over the 10 years, with an increase of only 2% in years 1, 2 and 3 (2019/20, 2020/21 and 2021/22), resulting in \$30.0M lower surplus over the life of the plan; and*
 - *Rate increases at or below CPI over the 10 years, are significant, and include:*
 - *The compounding effect of lower income over the life of the long term financial plan;*
 - *Increased financial uncertainty created by State Government's policy and continued intention to introduce Council rate capping for future years;*
 - *The uncertainty surrounding State Government policy direction for funding infrastructure, and the implications for councils;*
 - *A one-off low increase at or below CPI makes it likely that at a point during the 10 year Long Term Financial Plan, Council will have to run a deficit budget;*
 - *Placing the burden of restoring financial stability on future Councils, this may involve higher rate increases, and/or reductions in services or service standards; and*
 - *Negatively impact on Council's ability to invest in infrastructure.*

Consolidated Summary

- 3.2 Members will find the updated Consolidated Summary reflecting the current status of the budget on Attachment 8, with changes detailed in the paragraphs below.

Operating Surplus & Bids

- 3.3 There are no further changes to the operating surplus or operating bids since the Informal Budget Workshop 3, 27 March 2019.

Capital Bids

- 3.4 Council resolutions in relation to Capital Bids passed at the March Council meeting were not able to be included in the budget status update presented at the Budget Workshop 27 March 2019 due to short lead times, with the Council meeting being 25 March. The financial impacts of these Capital Bids have now been included within the Consolidated Summary and updated bids are attached to this report for information:-
- 3.4.1 PSN000405 Shade Sail at Para Hills Community Hub has been incorporated into PSN000262 Outdoor Furniture Program as a discrete project with funding of \$30k (Resolution 0120/2019).

- 3.4.2 PSN000364 Tregoning Green Upgrade (Salisbury Park): The March Council resolution requested details of the scope of works required to establish a neighbourhood playground.

To deliver a neighborhood playspace and local level reserve upgrade the following scope and associated budget is proposed:

New playspace \$70,000 and shade structure \$30,000 has be incorporated into the PSN000275 Playspace / Playground Program.

Reserve Upgrade would require a budget of \$50,000, with \$33,000 for unsealed reserve path and connections to existing street footpath network and \$17,000 for irrigation and reserve upgrade elements, and these element have been incorporated into PSN000263 Reserve Upgrade Program.

When Bid PSN000364 was initially considered the funding included was \$150k to deliver a district level playspace. However to deliver a district level reserve as initially requested the playspace would require a budget of \$150,000 inclusive of shade, with the reserve requiring a further \$75,000, with a total project cost of \$225,000.

- 3.4.3 PSN000382 Desyllas Drive Playground at Direk: this bid has been incorporated into PSN000275 Playspace / Playground Program with an additional \$110k provided in year 1, with the rationale being that the needs of the growing community should be accommodated, and reflecting that the open space has only recently been handed over to Council (Council Resolution 0120/2019).
- 3.4.4 PSN000398 Netball Courts at Salisbury North Oval and Salisbury Downs: \$397k, has been included within the Parks and Streetscapes category within infrastructure bids budget considerations (Resolution 0120/2019).
- 3.4.5 PSN000370 Pioneer Avenue Reserve Upgrade perimeter pathway component has been included within PSN000263 Reserve Upgrade Program, with an \$11,900 increase in the bid in 2020/21, and bid PSN000370 has been removed from the 2019/20 budget bids (Council Resolution 0120/2019).
- 3.5 PSN000368 Kentish Green Playground Upgrade: The March Council resolution requested that costing details for the installing of a slide at Kentish Green, Para Vista be provided to enable consideration during the budget process. The installation of a freestanding slide will cost approximately \$12,000.
- 3.6 In addition, bid PSN000278 Reserve Fencing Program - \$54k, The Paddocks Soccer Surroundings Reserve Fencing Project is already included in STN000296 The Paddocks Masterplan and therefore PSN000278 has been removed.

Late Budget Bid

- 3.7 TRN000407 The Strand Bridge Collapsible Hand Rail - Mawson Lakes is a late bid and results from Item 2.6.2 Works & Services 15 April 2019 to be considered by Council tonight. It has an associated cost of \$150k, and has not been included in the budget at this time. Following Councils consideration of Item 2.6.2, should Council endorse the project, the bid and will be included in the draft annual plan for public consultation.

Non- Discretionary Bids

- 3.8 Members may wish to note that they have endorsed two non-discretionary budget bids for consideration in the 2019/20 Annual Plan and Budget. The recommendations within this report seeks to formally include the funding in the 2019/20 budget for these projects:-
- 3.8.1 In accordance with Resolution No 0072/2019, Council endorsed a non-discretionary budget bid for Salisbury Oval Master Plan Implementation being an increase of \$850k on year 2 of the 2018/19 bid, to enable construction of Brown Terrace roundabout and reserve entry \$700k and playground relocation and upgrade, an additional \$150k. It should be noted that the funding required may be impacted by the proposed review of the master plan, which forms part of the recommendations of the Strategic Property Development Sub-Committee this month.
- 3.8.2 In accordance with Resolution No 00912/2019, Council endorsed a non-discretionary budget bid for Major Flooding Mitigation Program – Paul Drive in the 2019/20 Annual Plan and Budget to enable procurement and delivery of this project to commence.

Belgravia Business Plan

- 3.9 The Belgravia Business Plan was presented at the Informal Budget Workshop 3 held on 27 March 2019. The business plan will be subject of a report to the Budget and Finance Committee in May, and will include consideration of fees and charges.

Council Fees & Charges

- 3.10 The fees and charges presented to Council at the Informal Workshop 3 held on 27 March 2019 reflect increases in only the fees that Council set, with many fees being gazetted in May / June 2019.
- 3.11 The overall movement in Fees & Charges form 2018/19 to 2019/20 is a decrease of \$107k or 1.9%, which is mainly associated with changes in volumes, including:-
- 3.11.1 Dog Registrations - \$87k decrease associated with legislation changes impacting on increase concessions due to increase in microchipped and desexed dogs. Fees held constant at 2018/19 fees and charges.
- 3.11.2 Retail Water Supply - \$35k decrease associated with a review of customer water usage. Fee increased from \$2.67 to \$2.78.

- 3.12 Council are encouraged to consider user pay principles, and that when these principles are not applied, then general rate revenue is used to cross subsidise these activities.
- 3.13 Members may wish to note that previous reports of fees and charges for business units presented to the Budget and Finance Committee on 18 March 2019 are consistent with the Fees and Charges Booklet.
- 3.14 The Fees and Charges Booklet included an error for a fee within Salisbury Memorial Park. The Lift & Lower – 10 – 15 years since burial was reported as \$2,855 on page 35 of the Fees and Charges Booklet, when it should be recorded as \$1,855. This has been updated and will be included in the Fees and Charge formal report to Council in May 2019 for endorsement.

Budget workshop actions

- 3.15 There are two actions noted from Budget Workshop 3, with all previous actions from Long Term Financial Plan elected member weekend and budget workshops have been completed and reported at the March Budget and Finance Meeting.

Item	Budget Workshop 2– 5 March 2019	Who	When	Method
WS3-1	Development Fees Is it possible to set lower development fees for not-for-profit entities than for commercial?	GMCiD	15 April 2019	Response Provided
	<i>Response: Council can determine lower fees, there is a delegation currently provided to staff to consider lower fees in certain circumstances detailed within an administrative policy.</i>			
WS3-2	Rate Impacts – Random Sample Can a copy of the random sample rate impacts be provided to members?	MFS	15 March 2019	Response Provided
	<i>Response: a draft version of the random sample for 2019/20 was circulated to elected members on 5 April 2019. An updated version is attached to the Rating Strategy item on tonight's agenda.</i>			

Consolidated Summary Scenarios

- 3.16 The Consolidated Summary Options reflect rate increases of 1.5%, 2.0% and 2.5% (being CPI plus 0.6%). Rates growth of 1.0% is included in each option, which will be monitored and updated with further Valuation data pending.

Consolidated Budget Summary 2019/20 as at 15th April 2019						
	2018/19	2019/20		2019/20		2019/20
	Budget	Option 1	Option 2	Option 3	Option 3	Option 3
	\$	1.50%	2.00%	CPI + 0.6%	2.50%	
		\$	%	\$	%	\$
OPERATING BUDGET SUMMARY						
Base Operating Budget (excluding rates)						
Expenditure as at 27th March 2019		116,212,789	1.2%	116,212,789	1.2%	116,212,789
Further Expenditure Adjustments						
Operating Budget Bids		1,766,234		1,766,234		1,766,234
Expenditure	114,785,227	117,979,023	2.8%	117,979,023	2.8%	117,979,023
Income as at 27th March 2019		21,348,746	-0.4%	21,348,746	-0.4%	21,348,746
Further Income Adjustments						
Operating Budget Bids		156,654		156,654		156,654
Income	21,429,920	21,505,400	0.4%	21,505,400	0.4%	21,505,400
Operating Net Bid (excluding Rate Revenue)	93,355,307	96,473,623	3.3%	96,473,623	3.3%	96,473,623
Rate Revenue						
Proposed Rate Increase	2.00%	1.50%		2.00%		2.50%
Growth	1.30%	1.00%		1.00%		1.00%
Total Increase	3.30%	2.50%		3.00%		3.50%
Rate Revenue - Base 2017/18 \$93988746	96,941,771	99,365,000		99,850,000		100,335,000
Operating Surplus/(Deficit) including Business Units	3,586,464	2,891,377		3,376,377		3,861,377
Operating Surplus Ratio	3.03%	2.39%		2.78%		3.17%
Operating Surplus/(Deficit) including Business Units LTFP YEAR 5		(11,285,408)		(2,211,105)		3,335,911
Operating Surplus Ratio LTFP YEAR 5		(8.9%)		(1.6%)		2.4%
Operating Surplus/(Deficit) including Business Units LTFP YEAR 10		(36,607,776)		(13,769,661)		2,359,960
Operating Surplus Ratio LTFP YEAR 10		(26.6%)		(8.9%)		1.4%
Adjustments						
Water Business Unit Surplus - Transfer to Reserves	402,910	427,758		427,758		427,758
Interest cost savings through application of PDR	1,704,600					
Underlying Surplus/(Deficit)	1,478,954	2,463,619		2,948,619		3,433,619
Underlying Operating Surplus Ratio	1.25%	2.04%		2.43%		2.82%
Underlying Surplus/(Deficit) including Business Units LTFP YEAR 5		(11,723,860)		(2,638,863)		2,908,153
Underlying Surplus Ratio LTFP YEAR 5		(8.9%)		(1.6%)		2.1%
Underlying Surplus/(Deficit) including Business Units LTFP YEAR 10		(37,035,534)		(14,197,419)		1,932,202
Underlying Surplus Ratio LTFP YEAR 10		(26.6%)		(8.9%)		1.1%

3.17 Council have determined that the operating surplus should be set in line with the following principles:

3.17.1 Business Unit surpluses are quarantined so that City of Salisbury remains financially sustainable without these commercial returns.

3.17.2 Impacts from one-offs should be excluded in setting rates to avoid unnecessary rate fluctuations, noting that none have been identified at this stage for the 2019/20 budget.

3.18 The underlying Operating Surplus Ratios (as circled above) provided for under the three scenarios are all within the 2018/19 endorsed range for this indicator, noting that this is subject to review through Item 6.2.1 Financial Sustainability Indicators on tonight's agenda. It should be also be noted that rates at 1.5% and 2.0% are not sustainable in the longer term, as indicated by the underlying deficit at Year 5, and Year 10.

3.19 It is appropriate to budget for a surplus, given that there are always some areas of uncertainty in formulating the budget, this level of surplus is not excessive. Risks include rates growth at less than 1.0%, Federal Assistance Grant decreases, higher levels of SA Housing Trust transfer of housing assets to Community Housing Associations. Also the impact of 2019/20 State Government budget which are unknown at this time.

3.20 In the past two years there has been expansion of service provision with funds allocated for increased verge mowing, expanded flood management program, expansion of the hard waste service, and additional funding for streetscapes. The ability for Council to manage these costs pressures has been possible due to the sound financial management adopted by Council over many years. It is appropriate for Council to continue managing its budget in a similar manner to ensure it has the ability to respond to any unplanned events.

Borrowings

3.21 Within the rate increase options below, our indicative Borrowings range from \$8M to \$9M, reflecting that borrowings will normally be required to fund the capital program. The operating surplus generated also impacts on the loan borrowings, as larger surpluses reduce our need to borrow funds externally.

Consolidated Budget Summary 2019/20 as at 15th April 2019						
	2018/19	2019/20		2019/20		2019/20
	Budget	Option 1	Option 2	Option 2	Option 3	Option 3
	\$	1.50%	2.00%	2.00%	2.50%	2.50%
		\$	\$	\$	\$	\$
		%	%	%	%	%
CAPITAL FUNDING SUMMARY						
Other - Non Operating Items						
Add Back Depreciation - non cash item	26,599,463	27,181,435	27,181,435	27,181,435	27,181,435	27,181,435
Transfer from Reserves - Footpath & Street Tree Reserve	200,000	205,000	205,000	205,000	205,000	205,000
Transfer from Reserves - Open Space Reserve	100,000	100,000	100,000	100,000	100,000	100,000
Transfer from Reserves - Drainage	360,000	50,000	50,000	50,000	50,000	50,000
Net gain (loss) on disposal or revaluation of assets	515,000	377,300	377,300	377,300	377,300	377,300
Loan Principal Repayments	(2,141,752)	(1,978,341)	(1,978,341)	(1,978,341)	(1,978,341)	(1,978,341)
Total Other	25,632,711	25,935,394	25,935,394	25,935,394	25,935,394	25,935,394
Funding Available for Capital	29,219,175	28,826,771	29,311,771	29,311,771	29,796,771	29,796,771
Indicative Borrowing Requirements						
General Purpose Borrowings / (Investments)	15,456,715	7,789,829	7,304,829	7,304,829	6,819,829	6,819,829
Business Unit Borrowings	821,000	1,168,000	1,168,000	1,168,000	1,168,000	1,168,000
Total Indicative Borrowings	16,277,715	8,957,829	8,472,829	8,472,829	7,987,829	7,987,829
Application of Cash Reserves	16,277,715					
Net Borrowings/(Investment)	-	8,957,829	8,472,829	8,472,829	7,987,829	7,987,829
Total Available for Capital	45,496,890	37,784,600	37,784,600	37,784,600	37,784,600	37,784,600
Capital Budget Bids (Net)						
Business Units Capital Investment	821,000	1,168,000	1,168,000	1,168,000	1,168,000	1,168,000
Plant Furniture & Equipment	3,581,000	1,666,700	1,666,700	1,666,700	1,666,700	1,666,700
Information Technology	893,000	100,000	100,000	100,000	100,000	100,000
Infrastructure, including Project Support Team	40,201,890	34,849,900	34,849,900	34,849,900	34,849,900	34,849,900
Total	45,496,890	37,784,600	37,784,600	37,784,600	37,784,600	37,784,600
Funding Surplus/(Deficit)		0	0	0	0	0

4. CONCLUSION / PROPOSAL

4.1 To ensure Council continues to equitably and sustainably manage its financial position by reducing major variations in rate increases a 2.5% rate increase (option 3) is being proposed as the basis for the budget for public consultation in Item 6.4.3 Rate Strategy on tonight's agenda, in line with the LTFP considerations which proposes an ongoing rate increase of CPI+0.6%.

4.2 This approach has allowed Council to continue to provide a high level of service to its community and respond to emerging needs without any major impact on its financial sustainability, while delivering major infrastructure projects.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019

2019/20 Financial Year	PSN000262
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Outdoor Furniture Program

Id Number:	4712
Program:	Outdoor Furniture Program
Department:	City Infrastructure
Key Direction:	The Living City
Est Completion Date:	

Financial Year:	2020
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Executive Summary:	This bid is for new outdoor furniture such as park benches picnic settings shelters bike racks drinking fountains and barbecues.
Scope:	<p>This program is for the supply and installation of new (additional) outdoor furniture such as park benches picnic settings shelters (other than playspace shelters) bike racks drinking fountains and barbecues within parks and reserves along linear park trails and road reserves in accordance with the Parks and Streetscapes Asset Management Plan (AMP).</p> <p>The program is separate to but related to the following bids:</p> <ul style="list-style-type: none"> • City Wide Trails Program. • Reserve Upgrade Program. • Bicycle Network Improvements Program. • Various master planned initiatives including: Salisbury City Centre / Salisbury Oval Precinct; St Kilda and The Paddocks. <p>Outdoor furniture design is to meet DDA requirements such as arm rests on seating DDA accessible picnic setting and sited in a location that is easily accessible.</p> <p>The scope includes public consultation (if required) design project implementation and supervision.</p> <p>Historically this bid has been split between 'Green Trails' related projects (eligible to be used for matching external grant funds refer to Budget "City Wide Trails Program" and reserves.</p> <p>The schedule of works is informed by agreed Service Levels as per the Parks and Streetscapes AMP specific resident requests and the results of periodic routine condition audits.</p> <p>In response to NOM presented by Council meeting December 2017 and in line with the responding report to Council in April 2018 barbecues are to be</p>

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	<p>installed at the following locations and have been incorporated into this bid:</p> <ul style="list-style-type: none"> • Pitman Park - Salisbury 2019/2020. • Kentish Green - Para Vista 2020/2021. • The Paddocks as part of the master plan rollout.
Justification:	<p>Council receives many requests from residents for public space furniture and facilities to be provided along access corridors streets and within reserves. The installation of picnic tables seats benches bike racks etc. along trails and in high-use public areas and reserves is required to meet the needs of the users of these spaces.</p> <p>A list of requests is maintained and updated by the Parks and Open Space Assets Team and actioned / prioritised as funds are approved for this program.</p> <p>This program is a key component of the 'City Pride' agenda.</p>

Project Stakeholders

Manager:	Dameon Roy
General Manager:	John Devine
Asset Owner:	Craig Johansen
Elected Member:	


Budget Bid Financial Summary

	2020	2021	2022	2023	Total
Capital Expenditure	184,000	216,000	159,000	161,000	720,000
Capital Income	0	0	0	0	0
Transfer From Reserves - Capital	0	0	0	0	0
Operating Expenditure	0	18,400	24,600	15,900	58,900
Operating Income	0	0	0	0	0
Transfer From Reserves - Operating	0	0	0	0	0
Net Budget Bid	184,000	234,400	183,600	176,900	778,900

Budget Bid Projects

	2020	2021	2022	2023	Total
City Wide Trails Furniture - Seating and Shelter	25,000	25,000	26,000	26,000	102,000
Unspecified Outdoor Furniture - Reserves	63,000	131,000	133,000	135,000	462,000

Jenkins Reserve - Salisbury Park - New Shelter and Seating Installation	36,000	0	0	0	36,000
Pitman Park - Salisbury - Barbeque Installation	0	3,000	0	0	3,000
Kentish Green - Para Vista - Barbeque Installation	0	60,000	3,000	0	63,000
Dry Creek Rubbish Bins	30,000	0	0	0	30,000
Para Hills Community Hub Shade Sail	30,000	0	0	0	30,000
Depreciation	0	15,400	21,600	15,900	52,900
			Total		778,900

2019/20 Financial Year		PSR000275
		Playspace / Playground Program
Id Number:	4930	
Program:	Play Space / Playground Program	
Department:	City Infrastructure	
Key Direction:	The Living City	
Est Completion Date:		
Financial Year:	2020	
Executive Summary:	This bid is for playspace / playground renewal and upgrades including new shade structures where identified.	
Scope:	<p>This bid is for the Playspace / Playground Renewal and Upgrade Program in accordance with the Parks and Streetscapes Asset Management Plan (AMP) including new shade structures where required.</p> <p>The scope includes public consultation; design; project implementation and supervision.</p> <p>The schedule of works was developed following an audit of all playspaces.</p> <p>In some instances there may be a need to include some new (additional) playground equipment and new playspaces for example as new reserve parcels are acquired.</p> <p>The need for playspaces across the city continuously evolves as the demographics of an area changes and development occurs. This means that there may also be some rationalisation of existing playspaces particularly where demographics dictate and/or where joint use agreements established with schools and/or the Department for Education and Child Development (DECD) are reviewed and Council transfers responsibility of the equipment to the external party. But similarly there is a need for new or larger play spaces in certain areas</p> <p>Works are also coordinated with various related reserve works.</p>	
Justification:	<p>This bid is for the playspace / playground program to meet the needs of the community. This Program is also link to upcoming Salsbury Activation Plan.</p> <p>A playground audit and the Parks and Streetscapes AMP have been used to develop a play space / playground replacement program generally based on 'like for like, current standards' replacements and in some situations</p>	

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	playspaces enhanced to 'District Level' playspaces. When possible concept designs will be undertaken in the year prior to construction to allow budgets to be reviewed at each annual budget cycle.
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Project Stakeholders

Manager:	Dameon Roy
General Manager:	John Devine
Asset Owner:	Craig Johansen
Elected Member:	

Budget Bid Financial Summary

	2020	2021	2022	2023	Total
Capital Expenditure	790,000	610,000	620,000	540,000	2,560,000
Capital Income	0	0	0	0	0
Transfer From Reserves - Capital	0	0	0	0	0
Operating Expenditure	0	0	0	0	0
Operating Income	0	0	0	0	0
Transfer From Reserves - Operating	0	0	0	0	0
Net Budget Bid	790,000	610,000	620,000	540,000	2,560,000


Budget Bid Projects

	2020	2021	2022	2023	Total
Preliminaries Consultation and Design - Playspace/Playground	30,000	30,000	30,000	30,000	120,000
The Paddocks - Para Hills West - Playspace/Playground	0	150,000	0	0	150,000
Allen Green - Para Hills West - Playspace/ Playground	100,000	0	0	0	100,000
Bush Park - Pooraka - Playspace/Playground	100,000	0	0	0	100,000
Amsterdam Crescent Reserve - Salisbury Downs - Playspace/ Playground	0	0	150,000	0	150,000
Seville Avenue Reserve - Gulfview Heights - Playspace/Playground	0	90,000	0	0	90,000

Yalumba Drive Reserve - Paralowie - Playspace/Playground	0	0	150,000	0	150,000
Settlers Park - Paralowie Playspace/Playground	150,000	0	0	0	150,000
Norwich Road Reserve - Salisbury East - Playspace/Playground	100,000	0	0	0	100,000
Makin Reserve - Ingle Farm - Playspace/Playground	100,000	0	0	0	100,000
Canterbury Drive Reserve - Salisbury Heights - Playspace/Playground Renewal	0	140,000	0	0	140,000
Orinoco Street Reserve - Paralowie - Playspace/Playground	0	100,000	0	0	100,000
Carlyle Reserve - Pooraka - Playspace/Playground	0	100,000	0	0	100,000
Barker Gully Reserve - Gulfview Heights - Playspace/ Playground Renewal	0	0	100,000	0	100,000
Middleton Green - Salisbury - Playspace/Playground	0	0	100,000	0	100,000
Baynes Green - Brahma Lodge - Playspace/ Playground Program	0	0	90,000	0	90,000
Cobbler Creek Reserve - Salisbury East - Playspace/Playground	0	0	0	100,000	100,000
Wesley Court Reserve - Salisbury Plain - Playspace/Playground	0	0	0	90,000	90,000
Andrews Street Reserve - Salisbury North - Playspace/ Playground Renewal	0	0	0	100,000	100,000
Peppercorns Circuit Reserve - Mawson Lakes - Playspace/Playground	0	0	0	120,000	120,000
Baloo Street Reserve - Ingle Farm - Playspace/ Playground Renewal	0	0	0	100,000	100,000
Desyllas Drive Playground at Direk	110,000	0	0	0	110,000
Tregoning Green Upgrade (Salisbury Park)	100,000	0	0	0	100,000
				Total	2,560,000

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2019/20 Financial Year		PSN000263
		Reserve Upgrade Program
Id Number:	4748	
Program:	Reserve Upgrade Program	
Department:	City Infrastructure	
Key Direction:	The Living City	
Est Completion Date:		
Financial Year:	2020	
Executive Summary:	This bid is to increase the level of service and standard of reserves where they fall short of agreed service levels as per the Parks and Streetscape Asset Management Plan and community expectations.	
Scope:	<p>This bid relates to an ongoing program to upgrade reserves by increasing the standard and service levels to meet community expectation in accordance with the Parks and Streetscapes Asset Management Plan (AMP).</p> <p>Minor amount in future year relate to plant establishment in the year following is aligned to other renewal programs such as playground and irrigation renewal programs</p>	
Justification:	<p>Council through Item 2.4.2 Works and Services Committee Report 16/09/2013 "Council Reserve Upgrade Program" and key strategic documents including 'The Game Plan'; City Landscape Plan and the Parks and Streetscapes AMP has identified the desire to create supportive environments for physical activity and to create opportunities for people to be active as part of their everyday lives.</p> <p>A new plan is currently being developed, the "Salisbury Activation Plan" which will consolidate a number of these plans to help provide a framework, vision and prioritisation for works in the bid in the future.</p> <p>Identification of the Reserves to be upgraded included the following considerations:</p> <ul style="list-style-type: none"> • Priorities and directions within the Game Plan and Play Space Action Plan (being replaced by the Salisbury Activation Plan). • Availability of existing useable open space within the locality. • Strategic location (Destination) within the locality. • Population growth and Growth Action Plan. • Priorities and feasibility for activation of irrigation. • Proximity to activity hubs such as schools and shopping centres. • Accessibility of the reserve by foot public transport and other means. 	

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	Following on from the success of the program that initially upgraded 14 reserves this bid is now ongoing enabling the program to cycle through all reserves over time.
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Project Stakeholders

Manager:	Dameon Roy
General Manager:	John Devine
Asset Owner:	Craig Johansen
Elected Member:	

Budget Bid Financial Summary

	2020	2021	2022	2023	Total
Capital Expenditure	396,000	375,900	371,000	380,000	1,522,900
Capital Income	0	0	0	0	0
Transfer From Reserves - Capital	0	0	0	0	0
Operating Expenditure	0	44,400	68,667	93,401	206,468
Operating Income	0	0	0	0	0
Transfer From Reserves - Operating	0	0	0	0	0
Net Budget Bid	396,000	420,300	439,667	473,401	1,729,368

Budget Bid Projects

	2020	2021	2022	2023	Total
Preliminaries / Initial Concept Designs and Consultation Various Sites.	45,000	45,000	45,000	45,000	180,000
Settlers Park Paralowie - Reserve Upgrade	15,000	0	0	0	15,000
Kingswood Crescent Reserve - Paralowie - Reserve Upgrade	132,000	8,000	0	0	140,000
Unspecified Projects	50,000	28,000	53,000	137,000	268,000
Happy Home Reserve (NW Corner from Carpark) Salisbury North - Reserve Upgrade	4,000	0	0	0	4,000
Kiekebusch Road Reserve - Gulfview Heights - Reserve Upgrade	5,000	0	0	0	5,000

Allen Green - Para Hills West - Reserve Upgrade	95,000	8,000	0	0	103,000
Finniss Avenue Reserve - Ingle Farm - Reserve Upgrade	0	138,000	7,000	0	145,000
St Albans Estate Reserve - Salisbury Heights - Reserve Upgrade	0	0	75,000	6,000	81,000
Baltimore Reserve - Parafield Gardens - Reserve Upgrade	0	137,000	8,000	0	145,000
Yalumba Drive Reserve - Paralowie - Reserve Upgrade	0	0	108,000	12,000	120,000
Onsley Green - Salisbury East - Reserve Upgrade	0	0	75,000	10,000	85,000
Bolivia Crescent Reserve - Paralowie - Reserve Upgrade	0	0	0	85,000	85,000
Dunkley Green - Valley View - Reserve Upgrade	0	0	0	85,000	85,000
Depreciation	0	44,400	68,667	93,401	206,468
Pioneer Avenue Reserve Upgrade perimeter pathway	0	11,900	0	0	11,900
Tregoning Green Reserve Upgrade	50,000	0	0	0	50,000
				Total	1,729,368

2019/20 Financial Year	PSN000398
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Netball Courts at Salisbury North Oval and Salisbury Downs Oval

Id Number:	7121
Program:	Reserve Upgrade Program
Department:	Community Development
Key Direction:	The Living City
Est Completion Date:	

Financial Year:	2020
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Executive Summary:	Netball court at Salisbury North Oval Football ground and to re-instate the courts located at Salisbury West Football Club.
Scope:	<p>The need for a netball court in the vicinity of Salisbury North Football Club was discussed with Parks and Rec staff last year. The initial response was that SA Netball had identified St Kilda and Waterloo Corner as the next areas of potential growth for netball in the Northern suburbs. Salisbury North Football Club now have a growing netball club associated with them with around 8 teams that play at the Parafield Gardens Recreation Centre. They are looking for a netball court to be installed a lot closer to where they all live so that they can train the kids during the week without the expense of hiring courts at The Gardens.</p> <p>Salisbury West Football Club has identified that it would attract training netballers to their grounds if the courts located adjacent the Club were re-instated. Councilors report that they have been approached by members of the Salisbury Downs community regarding provision of outdoor netball courts in their local area.</p>
Justification:	<p>Playing netball closer to where members live and decreasing the need to pay for court hire elsewhere.</p> <p>Salisbury North discussions have been in train with clubs over the past year regarding their requirements, location and suitability of the site.</p> <p>Salisbury West Football Club recently raised with issue Council staff.</p> <p>Matters for Consideration: Number of Netball facility at the Garden Recreation space constraints of Salisbury North over provision of Netball courts with the sport in decline.</p>

Project Stakeholders

Manager:	Adam Trottman
General Manager:	Pippa Webb
Asset Owner:	Craig Johansen
Elected Member:	Cr Reynolds

Budget Bid Financial Summary					
	2020	2021	2022	2023	Total
Capital Expenditure	397,000	0	0	0	397,000
Capital Income	0	0	0	0	0
Transfer From Reserves - Capital	0	0	0	0	0
Operating Expenditure	0	2,000	2,000	2,000	6,000
Operating Income	0	0	0	0	0
Transfer From Reserves - Operating	0	0	0	0	0
Net Budget Bid	397,000	2,000	2,000	2,000	403,000

Budget Bid Projects					
	2020	2021	2022	2023	Total
Resurfacing of Netball Courts at Salisbury Downs Oval	157,000	0	0	0	157,000
Depreciation	0	2,000	2,000	2,000	6,000
Salisbury North Oval Netball Court	240,000	0	0	0	240,000
			Total		403,000

2019/20 Financial Year	TRN000407
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The Strand Bridge Collapsible Hand Rail - Mawson Lakes

Id Number:	7821
Program:	Minor Traffic Improvements Program
Department:	City Infrastructure
Key Direction:	The Prosperous City
Est Completion Date:	

Financial Year:	2020
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Executive Summary:	Supply and installation of collapsible hand rails to the Southern side of "The Strand Bridge", shared use path.
Scope:	Supply and installation of collapsible hand rails to the Southern side of "The Strand Bridge", shared use path. Installation of flashing lights showing the slowing of vehicles during normal school start and finishing hours and during smaller flood events, when the school is using the Strand Bridge.
Justification:	<p>"The Strand Bridge" is a large culvert crossing for Dry Creek, that at present has no railing on either side. Directly upstream of The Strand Bridge is the Mawson Lakes school who use the southern shared use path along The Strand Bridge when their local bridge access crossing between the campuses is flooded. Similarly, the shared use path is used constantly for School Children getting to and from the School. During discussions with the school a need was identified to create a barrier, hand rail, to give parents/teachers additional security to manage primary school students as they cross the Strand Bridge.</p> <p>Because The Strand Bridge floods in a greater than 30-40mm/hour event, the site cannot have permanent hand rails installed as they would be destroyed at each larger rain event, from debris from the flood waters hitting the hand rails. However there are collapsible hand rails that are spring loaded and lay down when the force of water is sufficient to bend the springs. Similarly, they stand back up, once the force of water has subsided.</p>

Project Stakeholders

Manager:	Dameon Roy
General Manager:	John Devine
Asset Owner:	Tony Calandro
Elected Member:	

Budget Bid Financial Summary					
	2020	2021	2022	2023	Total
Capital Expenditure	150,000	0	0	0	150,000
Capital Income	0	0	0	0	0
Transfer From Reserves - Capital	0	0	0	0	0
Operating Expenditure	0	7,500	7,500	7,500	22,500
Operating Income	0	0	0	0	0
Transfer From Reserves - Operating	0	0	0	0	0
Net Budget Bid	150,000	7,500	7,500	7,500	172,500

Budget Bid Projects					
	2020	2021	2022	2023	Total
The Strand Bridge - Collapsible Hand Rails in Mawson Lakes	150,000	7,500	7,500	7,500	172,500
			Total		172,500

2019/20 Financial Year		STN000294
		Salisbury Oval Master Plan Implementation (Non-Discretionary Bid)
Id Number:	5097	
Program:	New Infrastructure Bids	
Department:	City Infrastructure	
Key Direction:	The Living City	
Est Completion Date:		
Financial Year:	2020	
Executive Summary:	With the approval of the Salisbury Oval Master Plan, a program of works was determined and approved for delivery, this being the final year of this, known as the Salisbury Oval Master Plan Implementation Program.	
Scope:	<p>In alignment with the endorsed master plan for Salisbury Oval, a program of works was developed and endorsed to see the vision of the master plan achieved. This program known as Salisbury Oval Master Plan Implementation is in it's third and final year of funding. As reported via Works and Services Committee, January 2019, funding approval was required to commence the procurement stage and therefore this bid was endorsed as an approved non-discretionary 2019/20 budget bid.</p> <p>Funding for 2019/20 was approved to relocate and upgrade the playground (\$252k), making way for the construction of a new roundabout and entry road along Brown Terrace into the reserve (\$700k). In addition, the required stormwater, integrated path networks, verge development, lighting and car park improvements will also be delivered in 2019 (\$728k). By the inclusion of the playground, roundabout and entry road, the 2019/20 budget bid was approved to be increased from \$830k to \$1,680k. These works will be scheduled to minimise the impact to the community and reserve sporting commitments, and follow the completion of the new female friendly change facilities and amenities.</p>	
Justification:	<p>As approved, this program enables recreation and sporting needs identified within the approved Salisbury Oval Master Plan to be achieved. This program of works will deliver additional facilities and amenities to the community whilst improving paths of travel and traffic management.</p> <p>This bid was endorsed as an approved non-discretionary bid January 2019.</p>	
Project Stakeholders		

Manager:	Dameon Roy
General Manager:	John Devine
Asset Owner:	Dameon Roy
Elected Member:	

Budget Bid Financial Summary					
	2020	2021	2022	2023	Total
Capital Expenditure	1,680,000	0	0	0	1,680,000
Capital Income	0	0	0	0	0
Transfer From Reserves - Capital	0	0	0	0	0
Operating Expenditure	0	33,600	33,600	33,600	100,800
Operating Income	0	0	0	0	0
Transfer From Reserves - Operating	0	0	0	0	0
Net Budget Bid	1,680,000	33,600	33,600	33,600	1,780,800

Budget Bid Projects					
	2020	2021	2022	2023	Total
Salisbury Oval Carpark	450,000	0	0	0	450,000
Salisbury Oval / Brown Terrace - Playground Relocation & Upgrade	252,000	0	0	0	252,000
Brown Terrace Salisbury - Verge Upgrade	28,000	0	0	0	28,000
Salisbury Oval Drainage	250,000	0	0	0	250,000
Brown Terrace Roundabout & Reserve Entry	700,000	0	0	0	700,000
Depreciation	0	33,600	33,600	33,600	100,800
			Total		1,780,800

2019/20 Financial Year	DWN000255
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Major Flooding Mitigation Projects (including Pauls Drive - Non-Discretionary)

Id Number:	4635
Program:	Major Flooding Mitigation Projects
Department:	City Infrastructure
Key Direction:	The Sustainable City
Est Completion Date:	

Financial Year:	2020
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Executive Summary:	This program is generated from Council's Integrated Water Management Strategy which has identified some major flood mitigation projects.
Scope:	<p>This bid is for the implementation of Major Flood Mitigation Projects generally falling outside of any specific programmed drainage infrastructure renewal projects and outside of the projects listed in Budget Bids "Local Flooding Program" and "Bridge Program".</p> <p>The scope generally also excludes new stormwater drainage projects from new developments when constructed upfront as part of the development.</p> <p>This bid is related to but separate to the following two bids: Bid Local Flooding Program and Bid Watercourse Management Plan Works. The main differences between these three related bids are as follows: Local Flooding focuses on localised flooding issues; Watercourse Management Plan Works focuses on river and creek waterways and Major Flooding Mitigation Projects (this bid) focuses on major drainage infrastructure projects.</p> <p>As outlined in Item 2.1.3 Works and Services Committee 21/02/2011 'Update of Council's Flood Management Strategy' and Item 2.6.2 Works and Services Committee 16/04/2018 'Flood Planning Discussion Paper and Update of Council's Flood Management Strategy' there are still some significant flood mitigation projects to be undertaken. Some of these projects are currently being designed or currently under construction some via related programs.</p> <p>The Stormwater Management Authority (SMA) may provide 50% funding for approved major flood mitigation projects but requires flood modelling and Stormwater Management Plans (SMPs) to be developed prior to making funding available. Flood modelling and SMPs are being completed for the various catchments which will enable Council to apply for funding of major flood mitigation projects.</p> <p>As Stormwater Management Plans are completed for the various river and</p>

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	creek systems Council will become eligible for funding assistance through the State Government and Federal Government.
Justification:	<p>The City of Salisbury developed an Integrated Water Use Strategy as part of the Water Proofing Northern Adelaide Project. This included assessment of the requirement for flood proofing to 1 in 100 year ARI (Australian Rainfall Intensities). The City of Salisbury has a design principle of ensuring all homes and businesses will not have water entering them below a 1 in 100 year ARI event + 300mm.</p> <p>Prudent and robust engineering planning has meant that as wetlands and escarpment flood control dams such as Little Para Reservoir and Cobbler Creek Dam have been constructed the majority of the major historical flooding issues have been resolved. However with the increased density of housing on the Para Escarpment and the increase in industrial intensive agricultural practices in the west (such as the increased use of plastic and glasshouses) and with changing weather patterns (more intense storm events) the City of Salisbury still faces some significant major flood management issues to address.</p> <p>Flood modelling is also a means of identifying and verifying flooding potential and priorities including some sites that may have yet to experience any significant major flooding.</p> <p>Projects can be funded or part funded from Developer Drainage Contributions subject to available funding in the appropriate river catchment and assessment against other priorities.</p> <p>As Stormwater Management Plans are completed for the 3 Creek Systems Council, Dry Creek, Little Para and Helps Road/Greater Edinburgh Parks Drainage System will become eligible for funding assistance through the State Government and Federal Government.</p>

Project Stakeholders

Manager:	Dameon Roy
General Manager:	John Devine
Asset Owner:	Dameon Roy
Elected Member:	

Budget Bid Financial Summary

	2020	2021	2022	2023	Total
Capital Expenditure	1,886,000	1,342,000	2,102,000	1,320,000	6,650,000
Capital Income	0	0	0	0	0
Transfer From Reserves - Capital	0	0	0	0	0
Operating Expenditure	0	0	0	0	0

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Operating Income	0	0	0	0	0
Transfer From Reserves - Operating	0	0	0	0	0
Net Budget Bid	1,886,000	1,342,000	2,102,000	1,320,000	6,650,000

Budget Bid Projects	2020	2021	2022	2023	Total
Pauls Drive - Valley View - Major Flood Mitigation Project	1,756,000	0	0	0	1,756,000
Catteral Avenue Reserve Salisbury Heights - Major Flood Mitigation Project	0	0	332,000	0	332,000
2021/2022 - 2022/2023: Major Flood Mitigation Projects	0	0	200,000	320,000	520,000
Pratt Avenue - Pooraka - Major Flooding Mitigation Project	60,000	250,000	1,000,000	1,000,000	2,310,000
Ames Road Reserve Salisbury - Major Flood Mitigation Project	0	20,000	120,000	0	140,000
Kiekebusch Road Reserve - Gulfview Heights - Major Flood Mitigation Project	0	0	450,000	0	450,000
Taronga Court - Salisbury East - Major Flood Mitigation Project	20,000	120,000	0	0	140,000
Bluehills Reserve - Salisbury East - Major Flood Mitigation Project	50,000	550,000	0	0	600,000
Dawn Avenue Brahma Lodge (Stage 2 - if required)	0	402,000	0	0	402,000
			Total		6,650,000

Consolidated Budget Summary 2019/20 as at 15th April 2019							
	2018/19 Budget	2019/20 Option 1		2019/20 Option 2		2019/20 Option 3 CPI + 0.6%	
		1.50%		2.00%		2.50%	
	\$	\$	%	\$	%	\$	%
OPERATING BUDGET SUMMARY							
Base Operating Budget (excluding rates)							
Expenditure as at 27th March 2019		116,212,789	1.2%	116,212,789	1.2%	116,212,789	1.2%
Further Expenditure Adjustments		1,766,234		1,766,234		1,766,234	
Operating Budget Bids		117,979,023	2.8%	117,979,023	2.8%	117,979,023	2.8%
Expenditure	114,785,227						
Income as at 27th March 2019		21,348,746	-0.4%	21,348,746	-0.4%	21,348,746	-0.4%
Further Income Adjustments		156,654		156,654		156,654	
Operating Budget Bids		21,505,400	0.4%	21,505,400	0.4%	21,505,400	0.4%
Income	21,429,920						
Operating Net Bid (excluding Rate Revenue)	93,355,307	96,473,623	3.3%	96,473,623	3.3%	96,473,623	3.3%
Rate Revenue							
Proposed Rate Increase	2.00%	1.50%		2.00%		2.50%	
Growth	1.30%	1.00%		1.00%		1.00%	
Total Increase	3.30%	2.50%		3.00%		3.50%	
Rate Revenue - Base 2017/18 \$93988746	96,941,771	99,365,000		99,850,000		100,335,000	
Operating Surplus/(Deficit) including Business Units	3,586,464	2,891,377		3,376,377		3,861,377	
Operating Surplus Ratio	3.03%	2.39%		2.78%		3.17%	
Operating Surplus/(Deficit) including Business Units LTFF YEAR 5		(11,285,408)		(2,211,105)		3,335,911	
Operating Surplus Ratio LTFF YEAR 5		(8.9%)		(1.6%)		2.4%	
Operating Surplus/(Deficit) including Business Units LTFF YEAR 10		(36,607,776)		(13,769,661)		2,359,960	
Operating Surplus Ratio LTFF YEAR 10		(26.6%)		(8.9%)		1.4%	
Adjustments							
Water Business Unit Surplus - Transfer to Reserves	402,910	427,758		427,758		427,758	
Interest cost savings through application of PDR	1,704,600						
Underlying Surplus/(Deficit)	1,478,954	2,463,619		2,948,619		3,433,619	
Underlying Operating Surplus Ratio	1.25%	2.04%		2.43%		2.82%	
Underlying Surplus/(Deficit) including Business Units LTFF YEAR 5		(11,723,860)		(2,638,863)		2,908,153	
Operating Surplus Ratio LTFF YEAR 5		(8.9%)		(1.6%)		2.1%	
Underlying Surplus/(Deficit) including Business Units LTFF YEAR 10		(37,035,534)		(14,197,419)		1,932,202	
Operating Surplus Ratio LTFF YEAR 10		(26.6%)		(8.9%)		1.1%	
CAPITAL FUNDING SUMMARY							
Other - Non Operating Items							
Add Back Depreciation - non cash item	26,599,463	27,181,435		27,181,435		27,181,435	
Transfer from Reserves - Footpath & Street Tree Reserve	200,000	205,000		205,000		205,000	
Transfer from Reserves - Open Space Reserve	100,000	100,000		100,000		100,000	
Transfer from Reserves - Drainage	360,000	50,000		50,000		50,000	
Net gain (loss) on disposal or revaluation of assets	515,000	377,300		377,300		377,300	
Loan Principal Repayments	(2,141,752)	(1,978,341)		(1,978,341)		(1,978,341)	
Total Other	25,632,711	25,935,394		25,935,394		25,935,394	
Funding Available for Capital	29,219,175	28,826,771		29,311,771		29,796,771	
Indicative Borrowing Requirements							
General Purpose Borrowings / (Investments)	15,456,715	7,789,829		7,304,829		6,819,829	
Business Unit Borrowings	821,000	1,168,000		1,168,000		1,168,000	
Total Indicative Borrowings	16,277,715	8,957,829		8,472,829		7,987,829	
Application of Cash Reserves	16,277,715						
Net Borrowings/(Investment)	-	8,957,829		8,472,829		7,987,829	
Total Available for Capital	45,496,890	37,784,600		37,784,600		37,784,600	
Capital Budget Bids (Net)							
Business Units Capital Investment	821,000	1,168,000		1,168,000		1,168,000	
Plant Furniture & Equipment	3,581,000	1,666,700		1,666,700		1,666,700	
Information Technology	893,000	100,000		100,000		100,000	
Infrastructure, including Project Support Team	40,201,890	34,849,900		34,849,900		34,849,900	
Total	45,496,890	37,784,600		37,784,600		37,784,600	
Funding Surplus/(Deficit)							

2. Consolidated Summary 2019-20 - 15 April 2019

Proposed Budget Adjustments to Consolidated Summary as at 15th April 2019	
Changes from Base Operating Budget as at 15th April 2019	
Expenditure	\$
Expenditure as at 27th March 2019	116,212,789
Adjustments:-	
• NA	
Total Adjustments	
Expenditure as at 15th April 2019	116,212,789
Income	
Income as at 27th March 2019	21,348,746
Adjustments:-	
• NA	
Total Adjustments	
Income as at 15th April 2019	21,348,746
Changes from Operating Budget Bids as at 15th April 2019	
Operating Budget Bids	\$
Operating Budget Bids (Expenditure) - as at 27th March 2019	1,766,234
Adjustments:-	
• NA	
Total Adjustments	
Operating Budget Bids (Expenditure) as at 15th April 2019	1,766,234
Operating Budget Bids (Income) - as at 27th March 2019	156,654
Adjustments:-	
• NA	
Total Adjustments	
Operating Budget Bids (Income) as at 15th April 2019	156,654
Changes from Infrastructure Budget Bids as at 15th April 2019	
Net Infrastructure Budget Bids	\$
Net Infrastructure Budget Bids as at 27th March 2019	34,216,900
Adjustments:-	
• PSN000405 Shade Sail at Para Hills Community Hub included within PSN000262 Outdoor Furniture Program (Resolution 0120/2019)	(30,000)
• PSN000364 Tregoning Green Upgrade (Salisbury Park) included within PSN000275 Playspace / Playground Program (Resolution 0120/2019)	(150,000)
• PSN000382 – Desyllas Drive Payground at Direk included within PSN000275 Playspace / Playground Program (Resolution 0120/2019)	(110,000)
• PSN000398 Netball Courts at Salisbury North Oval and Salisbury Downs (Council Resolution 0120/2019)	(397,000)
• PSN000278 Reserve Fencing Program (The Paddocks Soccer Surroundings Reserve Fencing Project already included in STN000296 The Paddocks Masterplan)	54,000
Total Adjustments	(633,000)
Infrastructure Budget Bids as at 15th April 2019	34,849,900

2. Consolidated Summary 2019-20 - 15 April 2019

Changes from PF&E Budget Bids as at 15th April 2019	
<u>PF&E Budget Bids</u>	\$
PF&E Budget Bids as at as at 27th March 2019	1,666,700
Adjustments:-	
• NA	
Total Adjustments	
PF&E Budget Bids as at 15th April 2019	1,666,700
Changes from IT Budget Bids as at 15th April 2019	
<u>IT Budget Bids</u>	\$
IT Budget Bids as at 27th March 2019	100,000
Adjustments:-	
• NA	
Total Adjustments	
IT Budget Bids as at 15th April 2019	100,000
Other Nil Effect Adjustments as at 15th April 2019	
<u>Nil Effect Adjustments</u>	\$
Adjustments:-	
•	

2. Consolidated Summary 2019-20 - 15 April 2019

ITEM	6.4.3
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Rating Strategy 2019/20
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.4 Embed long term thinking, planning and innovation across the organisation.
SUMMARY	This item provides Council with information on property valuation changes and proposed rate changes to assist Council in the setting of rates for the 2019/20 budget year

RECOMMENDATION

1. Information be received.
2. The rate increase based on a 2.5% average increase, including the minimum, be endorsed as the basis for setting rates in 2019/20 and included in the Draft Annual Plan & Budget for public consultation.
3. The current general rate capping policy (as set out in section 3.6 of this report, Item No. 6.4.3, Budget and Finance Committee, 16/04/2018) remains unchanged for 2019/20.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Valuation Changes
2. Rate Calculation
3. Rate Impact Random Sample

1. BACKGROUND

- 1.1 The Rating Strategy adopted in setting the budget has a critical impact on our financial sustainability and has a significant impact on our ratepayers. The strategy adopted requires a balance between affordability for our ratepayers, whilst enabling the organisation to meet the service needs of our community.

Audit Committee Review

- 1.2 The Audit Committee has reviewed the Draft Annual Plan and Budget inclusive of the Long Term Financial Plan on 9 April 2019 and resolve the following:

1.3 The Audit Committee resolved as follows:

That:

1. *The information be received.*
2. *It be noted that the Audit Committee has reviewed the Council's Annual Plan and Long Term Financial Plan in accordance with s126(4)(ab) of the Local Government Act 1999 and makes the following comments for Council consideration when setting its rating level for the 2019/2020 budget:*
 - a) *Recognising that the City of Salisbury is in a strong financial position, the rate scenario that enables Council to operate within Council endorsed targeted ranges for long term financial sustainability, retains Council's capacity to respond to emerging community needs and external impacts, and provides ongoing financial sustainability applying a conservative and prudent approach is a Rate increase of CPI+0.6% over the 10 years.*
 - b) *It is the assessment of the Audit Committee that adopting the following rate scenario of a rate increase of CPI+0.6% over the 10 years, with a one-off increase of only 2% in 2019/20, resulting in \$6.7M lower surplus over the life of the plan, falls outside of Council's endorsed targeted operating range, however could still be considered acceptable noting the lower surplus over the life of the plan and that Council would need to consider the risk to future new budget spending. The Audit Committee also notes that the risks as listed in para 2.c below also apply to this rates scenario, albeit to a lesser extent.*
 - c) *It is the assessment of the Audit Committee that the risks of adopting any of the following rate scenarios:*
 - *Rate increase of CPI+0.6% over the 10 years, with an increase of only 2% in years 1 and 2 (2019/20 and 2020/21), resulting in \$18.3M lower surplus over the life of the plan;*
 - *Rate increase of CPI+0.6% over the 10 years, with an increase of only 2% in years 1, 2 and 3 (2019/20, 2020/21 and 2021/22), resulting in \$30.0M lower surplus over the life of the plan; and*
 - *Rate increases at or below CPI over the 10 years, are significant, and include:*
 - *The compounding effect of lower income over the life of the long term financial plan;*
 - *Increased financial uncertainty created by State Government's policy and continued intention to introduce Council rate capping for future years;*
 - *The uncertainty surrounding State Government policy direction for funding infrastructure, and the implications for councils;*
 - *A one-off low increase at or below CPI makes it likely that at a point during the 10 year Long Term Financial Plan, Council will have to run a deficit budget;*
 - *Placing the burden of restoring financial stability on future Councils, this may involve higher rate increases, and/or reductions in services or service standards; and*
 - *Negatively impact on Council's ability to invest in infrastructure.*

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 Rate increases have been discussed with Elected Members through the budget workshops and meetings in February and March. The Audit Committee has also reviewed the rate increase as part of its review of the Draft Annual Plan and Budget.

2.2 External

- 2.2.1 Rating strategy forms part of the Annual Plan which will be available for Public Consultation during May 2019.

3. REPORT

- 3.1 This item provides information on property valuation changes and proposed rate changes to assist Council in the setting of rates for 2019/20.

3.2 Valuation Changes

- 3.2.1 Council has received new property valuation details from the State Valuation Office. Although there has been some 'growth' included from new development etc. the main change of interest at this point is the market revaluation. A summary of the key changes is provided below with greater details provided in Attachment 1.

General Market Revaluation

Main Categories	Annual % Change	
	Dec 2017	Dec 2018
Average increase across All properties	2.0%	3.1%
Average increase across Residential properties	1.8%	3.2%
Average increase across Commercial/Industrial properties	2.7%	1.8%
Average increase across Vacant Land properties	3.0%	3.8%

- 3.2.2 The market revaluation is based on data up to 31 December 2018 and shows Salisbury property values across all categories are increasing. These figures are of course average and individual properties will vary according to the age/type of property and sales evidence. The above figures do not include any influence from growth.

- 3.2.3 The average residential property value in Salisbury is now \$315k (December 2018), increasing from \$306k (December 2017).

3.3 Valuation Growth

- 3.3.1 The value of the City increases each year from new development for both residential and industrial development, but is currently primarily driven through infill throughout the city.

- 3.3.2 The budget rate revenue estimate has been based on revenue growth of 1.0% from development within the city. The data received from the Office of the Valuer General supports a growth figure of 0.5%. The average over the past 4 years has been 1% growth, with growth still to flow through valuation data. We will continue to monitor this impact over the coming period and provide updates in future reports.

3.4 Rate Increase

- 3.4.1 Members are aware that estimates for rate revenue used to prepare the budget have been based on an average rate increase of 2.5%, excluding growth. By adding the estimated growth of 1.0%, our target for rate revenue is \$100.335M to produce an operating budget with a surplus aligned to our Long Term Financial Plan. It should be noted that the rate

increase for public consultation forms part of the recommendations of this report.

- 3.4.2 Based on the new valuation information and targeting a 2.5% average increase in residential rates the revenue projections have been modelled (see Attachment 2) and the results summarised below.
- 3.4.3 The rate revenue modelled on the valuer-general's information to date is \$100.195M, and is slightly below our required target of \$100.335M on the Consolidated Summary.

Assumption	2018/19	2019/20
Average Rate Increase (all categories, except minimum rates)	2.0%	2.5%
Minimum Rates	0.0%	2.5%

Outcomes	2018/19	2019/20	Increase
Rate Revenue	\$96,941,771	\$100,194,943	\$3,253,172
Average Residential Rate	\$1,336	\$1,373	\$37
Residential Rate in \$	0.4284	0.4253	
Minimum Rate (0.0% increase)	\$987	\$1,012	\$25
Commercial/Industrial Rate in \$	0.6419	0.6461	
Commercial/Industrial rate differential	49.9%	51.9%	
Vacant Land Rate in \$	0.5569	0.5529	
Vacant Land Rate differential	30%	30%	

- 3.4.4 In order to achieve an average 2.5% increase, last year's residential rate in the dollar is discounted by the average residential value increase (3.2%). Similarly for the commercial/industrial category last year's rate is reduced by the average comm/ind value increase (1.8%). The 2.5% rate increase is then applied to these discounted rates in the dollar to set the rate in the dollar for the next year.

3.5 Impact on Individual Properties

- 3.5.1 A random selection of individual properties has been analysed in Attachment 3 with residential properties broken down by suburb. As will always be the case there is some variation between suburbs as a result of market changes in the property values within those suburbs, and also individual properties being extended resulting in valuation changes above market movement. The average residential rate increase across the random sample is 3.1% which is higher than the 2.5% expected, which is due to the sample not being a perfect representation of the whole property database.

General Rate Capping

- 3.5.2 Council has a policy to cap rate increases in certain circumstances based on application. It is recommended that the policy outlined below remains unchanged:

'To provide relief against what would otherwise amount to a substantial change in rates payable, by a residential ratepayer due to rapid changes in market valuation, a rebate of general rates may be granted for the current financial year. Application to the Council can be made where the amount of any increase in general rates in monetary terms between the amount payable for the previous financial year (after any rebate was applied) and the amount imposed for the current financial year is greater than 12.5%.

The amount of the rebate will be negotiated, but will be no greater than the difference between the amount of the general rates, in monetary terms imposed for the current financial year and the amount of general rates in monetary terms payable for the previous financial year (after any rebate was applied, but prior to deducting any pensioner or other concessions), plus 12.5% of that amount.

The rebate will not apply where:

- *The land use category (LG Code) is not residential.*
- *Any such increase is due in whole or part to an increase in valuation of the land in the Assessment because of improvements made to the property, or the land has been subject to rezoning.*
- *The property is owned by a company or incorporated body.*
- *Any such increase is due, in full or in part, to the use of the land being different for rating purposes on the date the Council declared its general rates for the current financial year, than on the date the Council declared its general rates for the previous financial year.*
- *The ownership of the rateable property has changed since 1 July of the previous financial year.*

Any rebate will be negotiated.'

4. CONCLUSION / PROPOSAL

- 4.1 The Rate Modelling undertaken to date indicates that we will achieve the targeted rate revenue of a 2.5% rate increase (as per Option 3 of the Consolidated Summary attached to the Budget Status Update Item), and this supports the generating of an operating surplus in line with the Long Term Financial Plan.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019

Value Changes 2019/2020

LAND USE CODE LAND USE	TOTAL ALL	1 RESIDENT	2 SHOP	3 OFFICE	4 OTHER COM	5 LIGHT IND	6 OTHER IND	7 PRIM PROD	8 VACANT	9 OTHER	10 Marina Berth
General Valuation Increase											
Source: VG Report 30/03/2019											
All Land Use Categories											
Opening Total Value (incl Non Rateable) 30/6/16	21,811,694	16,989,265	645,194	155,576	1,501,467	125,770	699,074	96,865	363,333	1,235,151	0
Revaluations	674,982	550,820	7,041	3,092	30,535	2,570	14,285	7,214	13,759	45,666	0
Revaluation increase %	3.09%	3.24%	1.09%	1.99%	2.03%	2.04%	2.04%	7.45%	3.79%	3.70%	0.00%
Commercial and Industrial only											
Opening Total Value (incl Non Rateable) at 30/6	3,127,081		645,194	155,576	1,501,467	125,770	699,074				0
Revaluations	57,523		7,041	3,092	30,535	2,570	14,285				0
Revaluation increase %	1.84%		1.09%	1.99%	2.03%	2.04%	2.04%				0.00%
Growth Calculation											
Source: VG Report 30/03/2019											
Revisits	77,688	61,773	6,375	0	3,410	375	6,250	50	-2,963	2,418	0
Corrections	-7,743	1,428	-8,825	-550	20	0	-225	0	2,744	-2,335	0
Adhoc	0	0	0	0	0	0	0	0	0	0	0
New Assessments	116,127	27,876	18,025	0	0	0	0	0	55,006	15,220	0
Cancellations	-76,958	-32,775	-9,100	0	-4,640	0	0	0	-17,119	-13,324	0
Total Growth	109,114	58,302	6,475	-550	-1,210	375	6,025	50	37,668	1,979	0
Growth %	0.5%	0.3%	1.0%	-0.4%	-0.1%	0.3%	0.9%	0.1%	10.4%	0.2%	0.0%
Commercial and Industrial only											
Opening Total Value (incl Non Rateable) at 30/6	3,127,081		645,194	155,576	1,501,467	125,770	699,074				0
Total Growth	11,115		6,475	-550	-1,210	375	6,025				0
Growth %	0.4%		1.0%	-0.4%	-0.1%	0.3%	0.9%				0.0%

2019/2020 RATE REVENUE CALCULATION

(MINIMUM UP 2.5% TO \$1012 [$<35\%$ OF PROPS], AVG RES RATE INC OF 2.50%, DIFF ON VAC LND 30% AND COMM/IND Rate Inc 2.50%, DIFF 46.7%)

LAND USE CODE LAND USE	TOTAL ALL	1 RESIDENT	2 SHOP	3 OFFICE	4 OTHER COM	5 LIGHT IND	6 OTHER IND	7 PRIM PROD	8 VACANT	9 OTHER
RATEABLE PROPERTIES -		237,868	156,583	156,583	156,583	156,583	156,583	237,868	182,875	237,868
TOTAL	60,245	55,629	729	203	1,447	289	283	202	1,310	153
MINIMUM RATED	9,695	8,701	162	25	219	72	26	17	451	22
H/V REMISSION	2,931									
	21.0%									
CAPITAL VALUE -										
TOTAL (\$K)	21,334,862	17,533,029	667,993	154,052	1,483,313	134,040	641,885	94,143	429,711	196,696
MINIMUM RATED (\$K)	1,722,189	1,600,312	17,191	2,598	21,959	7,799	2,896	1,399	64,278	3,757
RATE (c\$)		0.4253	0.6461	0.6461	0.6461	0.6461	0.6461	0.4253	0.5529	0.4253
MINIMUM RATE (\$)		1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012
RATE REVENUE (\$)	100,194,943	76,384,191	4,368,776	1,003,844	9,663,436	888,507	4,154,820	411,644	2,476,891	842,834
AVERAGE RATES (\$)	3.4%	2.7%	1.9%	0.2%	2.7%	4.7%	3.7%	6.5%	38.7%	2.6%
	1,663	1,373	5,993	4,945	6,678	3,074	14,681	2,038	1,891	5,509

Rates by Sector	Number Properties	2019/20 S	2018/19 S	Change S
Residential	55,629	76,384,191	74,394,086	1,990,105
Commercial	2,379	15,036,056	14,699,064	336,992
Industrial	572	5,043,327	4,855,184	188,143
Primary Producti	202	411,644	386,360	25,284
Vacant Land	1,310	2,476,891	1,785,315	691,576
Other	153	842,834	821,761	21,072
	60,245	100,194,943	96,941,771	3,253,173

RATES TEST DATA - RANDOM SAMPLE 2019/2020							
VALUATION					RATES		
ASSESS No	CV 2018/19	Category	CV 2019/20	Value Change %	RATES 2018/19	RATES 2019/20	Rate Change %
Average rate Increase					2.00%	2.50%	
RESIDENTIAL BY SUBURB							
Rate in \$					0.004284	0.004253	
Minimum Rate					987	1,012	
BRAHMA LODGE							
1651	230,000	01	230,000	0.00	987.00	1,012.00	2.53
3135	240,000	01	240,000	0.00	1,028.16	1,020.72	-0.72
4647	235,000	01	235,000	0.00	1,006.74	1,012.00	0.52
4897	255,000	01	255,000	0.00	1,092.42	1,084.52	-0.72
6624	295,000	01	295,000	0.00	1,263.78	1,254.64	-0.72
6938	295,000	01	295,000	0.00	1,263.78	1,254.64	-0.72
BURTON							
23914	260,000	01	260,000	0.00	1,113.84	1,105.78	-0.72
23294	370,000	01	370,000	0.00	1,585.08	1,573.61	-0.72
25371	250,000	01	250,000	0.00	1,071.00	1,063.25	-0.72
26754	250,000	01	250,000	0.00	1,071.00	1,063.25	-0.72
27729	250,000	01	250,000	0.00	1,071.00	1,063.25	-0.72
GULFVIEW HEIGHTS							
19796	800,000	01	840,000	5.00	3,427.20	3,572.52	4.24
20699	620,000	01	650,000	4.84	2,656.08	2,764.45	4.08
21755	530,000	01	560,000	5.66	2,270.52	2,381.68	4.90
22809	570,000	01	600,000	5.26	2,441.88	2,551.80	4.50
22539	880,000	01	920,000	4.55	3,769.92	3,912.76	3.79
INGLE FARM							
12480	300,000	01	315,000	5.00	1,285.20	1,339.70	4.24
12377	305,000	01	320,000	4.92	1,306.62	1,360.96	4.16
13767	210,000	01	220,000	4.76	987.00	1,012.00	2.53
13286	305,000	01	380,000	24.59	1,306.62	1,616.14	23.69
14144	290,000	01	305,000	5.17	1,242.35	1,297.17	4.41
15622	310,000	01	325,000	4.84	1,328.04	1,382.23	4.08
15081	305,000	01	320,000	4.92	1,306.62	1,360.96	4.16
15502	305,000	01	320,000	4.92	1,306.62	1,360.96	4.16
15462	270,000	01	280,000	3.70	1,156.68	1,190.84	2.95
16584	255,000	01	270,000	5.88	1,092.42	1,148.31	5.12
16916	300,000	01	315,000	5.00	1,285.20	1,339.70	4.24
16500	300,000	01	315,000	5.00	1,285.20	1,339.70	4.24
17451	305,000	01	320,000	4.92	1,306.62	1,360.96	4.16
17411	285,000	01	300,000	5.26	1,220.94	1,275.90	4.50
18931	275,000	01	285,000	3.64	1,178.10	1,212.11	2.89
18245	270,000	01	280,000	3.70	1,156.68	1,190.84	2.95
64385	345,000	01	360,000	4.35	1,477.98	1,531.08	3.59
64386	350,000	01	365,000	4.29	1,499.40	1,552.35	3.53
MAWSON LAKES							
34828	610,000	01	630,000	3.28	2,613.24	2,679.39	2.53
35737	510,000	01	530,000	3.92	2,184.84	2,254.09	3.17
35587	490,000	01	500,000	2.04	2,099.16	2,126.50	1.30
34994	800,000	01	820,000	2.50	3,427.20	3,487.46	1.76
46955	540,000	01	560,000	3.70	2,313.36	2,381.68	2.95
55797	375,000	01	385,000	2.67	1,606.50	1,637.41	1.92
PARA HILLS							
20759	420,000	01	445,000	5.95	1,799.28	1,892.59	5.19
20310	255,000	01	265,000	3.92	1,092.42	1,127.05	3.17
20446	275,000	01	290,000	5.45	1,178.10	1,233.37	4.69
21663	265,000	01	280,000	5.66	1,135.26	1,190.84	4.90
22011	265,000	01	280,000	5.66	1,135.26	1,190.84	4.90
21870	265,000	01	280,000	5.66	1,135.26	1,190.84	4.90
21253	280,000	01	295,000	5.36	1,199.52	1,254.64	4.59
21222	315,000	01	330,000	4.76	1,349.46	1,403.49	4.00
21143	295,000	01	310,000	5.08	1,263.78	1,318.43	4.32
21163	315,000	01	330,000	4.76	1,349.46	1,403.49	4.00
21126	310,000	01	325,000	4.84	1,328.04	1,382.23	4.08
21265	295,000	01	310,000	5.08	1,263.78	1,318.43	4.32
22165	310,000	01	325,000	4.84	1,328.04	1,382.23	4.08
22607	265,000	01	280,000	5.66	1,135.26	1,190.84	4.90
20759/2019 Random Sample A	385,000	01	405,000	5.19	1,649.35	1,722.47	4.43

Item 6.4.3 - Attachment 3 - Rate Impact Random Sample

RATES TEST DATA - RANDOM SAMPLE 2019/2020							
ASSESS No	VALUATION				RATES		
	CV 2018/19	Category	CV 2019/20	Value Change %	RATES 2018/19	RATES 2019/20	Rate Change %
PARA HILLS WEST							
18396	315,000	01	335,000	6.35	1,349.46	1,424.76	5.58
19735	240,000	01	250,000	4.17	1,028.16	1,063.25	3.41
20016	280,000	01	295,000	5.36	1,199.52	1,254.64	4.59
22987	250,000	01	260,000	4.00	1,071.00	1,105.78	3.25
23602	220,000	01	220,000	0.00	987.00	1,012.00	2.53
PARA VISTA							
12495	340,000	01	360,000	5.88	1,456.56	1,531.08	5.12
14011	305,000	01	320,000	4.92	1,306.62	1,360.96	4.16
15053	405,000	01	425,000	4.94	1,735.02	1,807.53	4.18
15344	295,000	01	310,000	5.08	1,263.78	1,318.43	4.32
17015	270,000	01	285,000	5.56	1,156.68	1,212.11	4.79
17004	280,000	01	295,000	5.36	1,199.52	1,254.64	4.59
12496	370,000	01	390,000	5.41	1,585.10	1,658.67	4.64
PARAFIELD GARDENS							
38658	300,000	01	310,000	3.33	1,285.20	1,318.43	2.59
37969	255,000	01	265,000	3.92	1,092.42	1,127.05	3.17
37939	187,000	01	187,000	0.00	987.00	1,012.00	2.53
38412	225,000	01	230,000	2.22	987.00	1,012.00	2.53
39584	240,000	01	250,000	4.17	1,028.16	1,063.25	3.41
39091	305,000	01	315,000	3.28	1,306.62	1,339.70	2.53
39433	270,000	01	275,000	1.85	1,156.68	1,169.58	1.11
39998	235,000	01	245,000	4.26	1,006.74	1,041.99	3.50
41335	260,000	01	270,000	3.85	1,113.84	1,148.31	3.09
41398	240,000	01	250,000	4.17	1,028.16	1,063.25	3.41
42644	270,000	01	275,000	1.85	1,156.68	1,169.58	1.11
42682	305,000	01	315,000	3.28	1,306.62	1,339.70	2.53
42307	260,000	01	270,000	3.85	1,113.84	1,148.31	3.09
43783	295,000	01	305,000	3.39	1,263.78	1,297.17	2.64
43312	295,000	01	305,000	3.39	1,263.78	1,297.17	2.64
44394	255,000	01	265,000	3.92	1,092.42	1,127.05	3.17
44140	230,000	01	235,000	2.17	987.00	1,012.00	2.53
45018	295,000	01	305,000	3.39	1,263.78	1,297.17	2.64
45058	305,000	01	315,000	3.28	1,306.62	1,339.70	2.53
44838	360,000	01	370,000	2.78	1,542.24	1,573.61	2.03
44667	295,000	01	305,000	3.39	1,263.78	1,297.17	2.64
PARALOWIE							
23535	280,000	01	295,000	5.36	1,199.52	1,254.64	4.59
24793	315,000	01	330,000	4.76	1,349.46	1,403.49	4.00
24212	235,000	01	245,000	4.26	1,006.74	1,041.99	3.50
25975	275,000	01	290,000	5.45	1,178.10	1,233.37	4.69
25999	340,000	01	355,000	4.41	1,456.56	1,509.82	3.66
25819	255,000	01	270,000	5.88	1,092.42	1,148.31	5.12
25040	265,000	01	280,000	5.66	1,135.26	1,190.84	4.90
26443	280,000	01	295,000	5.36	1,199.52	1,254.64	4.59
27809	240,000	01	250,000	4.17	1,028.16	1,063.25	3.41
27175	245,000	01	255,000	4.08	1,049.58	1,084.52	3.33
27082	275,000	01	290,000	5.45	1,178.10	1,233.37	4.69
27452	245,000	01	255,000	4.08	1,049.58	1,084.52	3.33
28855	265,000	01	280,000	5.66	1,135.26	1,190.84	4.90
28770	310,000	01	325,000	4.84	1,328.04	1,382.23	4.08
28017	245,000	01	255,000	4.08	1,049.58	1,084.52	3.33
28999	290,000	01	305,000	5.17	1,242.36	1,297.17	4.41
29050	240,000	01	250,000	4.17	1,028.16	1,063.25	3.41
24795	350,000	01	370,000	5.71	1,499.40	1,573.61	4.95
POORAKA							
34944	315,000	01	325,000	3.17	1,349.46	1,382.23	2.43
34197	315,000	01	325,000	3.17	1,349.46	1,382.23	2.43
35746	315,000	01	325,000	3.17	1,349.46	1,382.23	2.43
35883	270,000	01	275,000	1.85	1,156.68	1,169.58	1.11
35465	275,000	01	280,000	1.82	1,178.10	1,190.84	1.08
35287	315,000	01	325,000	3.17	1,349.46	1,382.23	2.43
36739	280,000	01	285,000	1.79	1,199.52	1,212.11	1.05
37882	355,000	01	365,000	2.82	1,520.82	1,552.35	2.07
37729	360,000	01	370,000	2.78	1,542.24	1,573.61	2.03
SALISBURY							
71704	275,000	01	285,000	3.64	1,178.10	1,212.11	2.89

RATES TEST DATA - RANDOM SAMPLE 2019/2020							
ASSESS No	VALUATION				RATES		
	CV 2018/19	Category	CV 2019/20	Value Change %	RATES 2018/19	RATES 2019/20	Rate Change %
							(Note: calculations exclude the higher value property remission)
539	270,000	01	280,000	3.70	1,156.68	1,190.84	2.95
969	270,000	01	280,000	3.70	1,156.68	1,190.84	2.95
177	245,000	01	245,000	0.00	1,049.58	1,041.99	-0.72
54	255,000	01	255,000	0.00	1,092.42	1,084.52	-0.72
426	133,000	01	148,000	11.28	987.00	1,012.00	2.53
3019	225,000	01	235,000	4.44	987.00	1,012.00	2.53
2975	176,000	01	181,000	2.84	987.00	1,012.00	2.53
2418	275,000	01	285,000	3.64	1,178.10	1,212.11	2.89
2321	250,000	01	255,000	2.00	1,071.00	1,084.52	1.26
3920	260,000	01	270,000	3.85	1,113.84	1,148.31	3.09
5868	275,000	01	285,000	3.64	1,178.10	1,212.11	2.89
5481	355,000	01	370,000	4.23	1,520.82	1,573.61	3.47
6741	205,000	01	189,000	-7.80	987.00	1,012.00	2.53
6912	310,000	01	320,000	3.23	1,328.04	1,360.96	2.48
6486	370,000	01	380,000	2.70	1,585.08	1,616.14	1.96
SALISBURY DOWNS							
37397	215,000	01	215,000	0.00	987.00	1,012.00	2.53
37243	210,000	01	210,000	0.00	987.00	1,012.00	2.53
37281	235,000	01	245,000	4.26	1,006.74	1,041.99	3.50
38289	235,000	01	245,000	4.26	1,006.74	1,041.99	3.50
39480	255,000	01	270,000	5.88	1,092.42	1,148.31	5.12
39134	305,000	01	320,000	4.92	1,306.62	1,360.96	4.16
39985	305,000	01	320,000	4.92	1,306.62	1,360.96	4.16
41602	245,000	01	255,000	4.08	1,049.58	1,084.52	3.33
44630	335,000	01	355,000	5.97	1,435.14	1,509.82	5.20
SALISBURY EAST							
6508	250,000	01	260,000	4.00	1,071.00	1,105.78	3.25
6330	350,000	01	370,000	5.71	1,499.40	1,573.61	4.95
7378	240,000	01	250,000	4.17	1,028.16	1,063.25	3.41
7683	260,000	01	275,000	5.77	1,113.84	1,169.58	5.00
7894	360,000	01	380,000	5.56	1,542.24	1,616.14	4.79
7256	385,000	01	405,000	5.19	1,649.34	1,722.47	4.43
8430	300,000	01	315,000	5.00	1,285.20	1,339.70	4.24
8480	300,000	01	315,000	5.00	1,285.20	1,339.70	4.24
8352	335,000	01	350,000	4.48	1,435.14	1,488.55	3.72
9304	245,000	01	255,000	4.08	1,049.58	1,084.52	3.33
9746	290,000	01	305,000	5.17	1,242.36	1,297.17	4.41
9881	325,000	01	340,000	4.62	1,392.30	1,446.02	3.86
9205	260,000	01	275,000	5.77	1,113.84	1,169.58	5.00
9416	320,000	01	335,000	4.69	1,370.88	1,424.76	3.93
11006	215,000	01	260,000	20.93	987.00	1,105.78	12.03
10836	270,000	01	285,000	5.56	1,156.68	1,212.11	4.79
10241	210,000	01	210,000	0.00	987.00	1,012.00	2.53
11432	290,000	01	305,000	5.17	1,242.36	1,297.17	4.41
12214	325,000	01	340,000	4.62	1,392.30	1,446.02	3.86
12262	320,000	01	335,000	4.69	1,370.88	1,424.76	3.93
SALISBURY HEIGHTS							
7528	460,000	01	460,000	0.00	1,970.64	1,956.38	-0.72
9004	810,000	01	850,000	4.94	3,470.04	3,615.05	4.18
10538	280,000	01	280,000	0.00	1,199.52	1,190.84	-0.72
11498	340,000	01	345,000	1.47	1,456.56	1,467.29	0.74
12924	425,000	01	425,000	0.00	1,820.70	1,807.53	-0.72
12900	350,000	01	350,000	0.00	1,499.40	1,488.55	-0.72
SALISBURY NORTH							
30710	230,000	01	235,000	2.17	987.00	1,012.00	2.53
29923	173,000	01	173,000	0.00	987.00	1,012.00	2.53
30017	230,000	01	235,000	2.17	987.00	1,012.00	2.53
30336	285,000	01	295,000	3.51	1,220.94	1,254.64	2.76
31671	230,000	01	235,000	2.17	987.00	1,012.00	2.53
31463	158,000	01	158,000	0.00	987.00	1,012.00	2.53
31552	205,000	01	210,000	2.44	987.00	1,012.00	2.53
31882	161,000	01	161,000	0.00	987.00	1,012.00	2.53
31791	158,000	01	158,000	0.00	987.00	1,012.00	2.53
31027	245,000	01	250,000	2.04	1,049.58	1,063.25	1.30
31340	164,000	01	164,000	0.00	987.00	1,012.00	2.53
32497	200,000	01	210,000	5.00	987.00	1,012.00	2.53
47153	275,000	01	285,000	3.64	1,178.10	1,212.11	2.89
32088	230,000	01	235,000	2.17	987.00	1,012.00	2.53

Item 6.4.3 - Attachment 3 - Rate Impact Random Sample

RATES TEST DATA - RANDOM SAMPLE 2019/2020							
VALUATION					RATES		
ASSESS No	CV	Category	CV	Value Change %	RATES	RATES	Rate Change %
	2018/19		2019/20		2018/19	2019/20	
(Note: calculations exclude the higher value property remission)							
33644	235,000	01	240,000	2.13	1,006.74	1,020.72	1.39
33530	245,000	01	250,000	2.04	1,049.58	1,063.25	1.30
33522	245,000	01	250,000	2.04	1,049.58	1,063.25	1.30
33517	240,000	01	245,000	2.08	1,028.16	1,041.99	1.34
33843	205,000	01	210,000	2.44	987.00	1,012.00	2.53
SALISBURY PARK							
840	300,000	01	310,000	3.33	1,285.20	1,318.43	2.59
3308	295,000	01	305,000	3.39	1,263.78	1,297.17	2.64
5972	245,000	01	250,000	2.04	1,049.58	1,063.25	1.30
6727	325,000	01	335,000	3.08	1,392.30	1,424.76	2.33
6974	235,000	01	240,000	2.13	1,006.74	1,020.72	1.39
SALISBURY PLAIN							
847	280,000	01	280,000	0.00	1,199.52	1,190.84	-0.72
476	285,000	01	285,000	0.00	1,220.94	1,212.11	-0.72
1984	285,000	01	285,000	0.00	1,220.94	1,212.11	-0.72
2754	295,000	01	295,000	0.00	1,263.78	1,254.64	-0.72
4090	280,000	01	280,000	0.00	1,199.52	1,190.84	-0.72
VALLEY VIEW							
13521	435,000	01	460,000	5.75	1,863.54	1,956.38	4.98
14691	325,000	01	340,000	4.62	1,392.30	1,446.02	3.86
16805	300,000	01	315,000	5.00	1,285.20	1,339.70	4.24
16435	144,000	01	151,000	4.86	987.00	1,012.00	2.53
18734	300,000	01	315,000	5.00	1,285.20	1,339.70	4.24
13522	380,000	01	400,000	5.26	1,627.90	1,701.20	4.50
WALKEY HEIGHTS							
46864	435,000	01	450,000	3.45	1,863.55	1,913.85	2.70
46866	430,000	01	440,000	2.33	1,842.10	1,871.32	1.59
46867	410,000	01	425,000	3.66	1,756.45	1,807.53	2.91
46868	390,000	01	400,000	2.56	1,670.75	1,701.20	1.82
46870	440,000	01	455,000	3.41	1,884.95	1,935.12	2.66
46871	450,000	01	465,000	3.33	1,927.80	1,977.65	2.59
AVERAGE	303,570		314,976	3.76	1,317.91	1,359.00	3.12
LAND USE CODE 2 - COMMERCIAL - SHOPS							
Rate in \$					0.006419	0.006461	
Minimum Rate					987	1012	
346	1,625,000	02	1,750,000	7.69	10,434.13	11,306.75	8.36
1744	1,825,000	02	1,850,000	1.37	11,718.33	11,952.85	2.00
3820	227,103	02	231,556	1.96	1,458.23	1,496.08	2.60
47669	87,700,000	02	87,700,000	0.00	562,946.30	566,629.70	0.65
68363	590,751	02	604,649	2.35	3,793.21	3,906.64	2.99
69366	302,250	02	0	-100.00	1,940.75	1,012.00	-47.86
67132	355,099	02	355,100	0.00	2,280.09	2,294.30	0.62
63102	184,000	02	188,000	2.17	1,181.46	1,214.67	2.81
3826	182,000	02	184,800	1.54	1,168.62	1,193.99	2.17
AVERAGE	10,332,356		10,318,234	-0.14	67,057.50	66,778.55	-0.42
LAND USE CODE 3 - COMMERCIAL - OFFICE							
3855	425,250	03	432,000	1.59	2,730.53	2,791.15	2.22
4304	1,125,000	03	1,150,000	2.22	7,223.63	7,430.15	2.86
19727	325,000	03	335,000	3.08	2,086.83	2,164.44	3.72
AVERAGE	625,083		639,000	2.23	4,013.66	4,128.58	2.86
LAND USE CODE 4 - COMMERCIAL - OTHER							
5681	405,000	04	415,000	2.47	2,600.51	2,681.32	3.11
35552	385,000	04	390,000	1.30	2,472.09	2,519.79	1.93
71584	900,000	04	940,000	4.44	5,778.90	6,073.34	5.10

RATES TEST DATA - RANDOM SAMPLE 2019/2020							
VALUATION					RATES		
ASSESS No	CV 2018/19	Category	CV 2019/20	Value Change %	RATES 2018/19	RATES 2019/20	Rate Change %
(Note: calculations exclude the higher value property remission)							
AVERAGE	563,333		581,667	3.25	3,617.16	3,758.15	3.90
LAND USE CODE 5 - INDUSTRY - LIGHT							
190	860,000	05	870,000	1.16	5,522.06	5,621.07	1.79
5283	365,000	05	370,000	1.37	2,343.67	2,390.57	2.00
73410	12,305,000	05	12,535,000	1.87	79,010.41	80,988.64	2.50
34404	510,000	05	520,000	1.96	3,274.71	3,359.72	2.60
659	345,000	05	350,000	1.45	2,215.25	2,261.35	2.08
AVERAGE	2,877,000		2,929,000	1.81	18,473.22	18,924.27	2.44
LAND USE CODE 6 - INDUSTRY - OTHER							
1007	780,000	06	800,000	2.56	5,008.38	5,168.80	3.20
35248	260,000	06	265,000	1.92	1,669.46	1,712.17	2.56
36718	6,575,000	06	6,700,000	1.90	42,218.08	43,288.70	2.54
39801	1,300,000	06	1,325,000	1.92	8,347.30	8,560.83	2.56
AVERAGE	2,228,750		2,272,500	1.96	14,310.80	14,682.62	2.60
LAND USE CODE 7 - PRIMARY PRODUCTION							
					0.004284	0.004284	
					987	1012	
27616	163,000	08	180,000	10.43	987.00	1,012.00	2.53
29290	435,000	07	455,000	4.60	1,863.54	1,949.22	4.60
27394	445,000	07	490,000	10.11	1,906.38	2,099.16	10.11
56351	245,000	07	250,000	2.04	1,049.58	1,071.00	2.04
AVERAGE	322,000		343,750	6.75	1,451.63	1,532.85	5.60
LAND USE CODE 8 - VACANT LAND							
					0.005569	0.005529	
					987	1012	
24553	195,000	08	200,000	2.56	1,066.26	1,105.80	3.71
72585	550,000	01	570,000	3.64	3,007.40	3,151.53	4.79
9100	395,000	08	415,000	5.06	2,159.86	2,294.54	6.24
5287	193,000	08	205,000	6.22	1,055.32	1,133.45	7.40
63982	168,000	08	173,000	2.98	987.00	1,012.00	2.53
56534	193,000	08	199,000	3.11	1,055.32	1,100.27	4.26
49327	175,000	08	180,000	2.86	987.00	1,012.00	2.53
61236	830,000	08	850,000	2.41	4,538.44	4,699.65	3.55
AVERAGE	337,375		349,000	3.45	1,857.08	1,938.65	4.39

ITEM	6.4.4
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Higher Value Property Review
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This report provides details of the Higher Property Rate Remission that has been in place for a number of years, and reviews the parameters for the remission for the 2019/20 Budget year.

RECOMMENDATION

- The Higher Property Value Rate Remission for 2019/20 for residential properties be set on the following basis:

Tier	Value Range	Rate Adjustment
1	0- \$465,000	0
2	\$465,001 - \$515,000	10%
2	\$515,001 - \$625,000	15%
3	>\$625,000	35%

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- For many years Council has recognised that higher value residential properties are subject to unreasonably high rates compared to similar properties in other Councils. This has been due to the relatively low average values of property in Salisbury compared to some other local government areas.
- In order to address this problem and to ensure that there is a proper mix of development within the City, Council has provided a rate remission for residential properties above a certain value.

2. CONSULTATION / COMMUNICATION

2.1 Internal

2.1.1 N/A

2.2 External

2.2.1 Tier Remissions forms part of the rating strategy included in the Annual Plan which will be available for Public Consultation during May 2019.

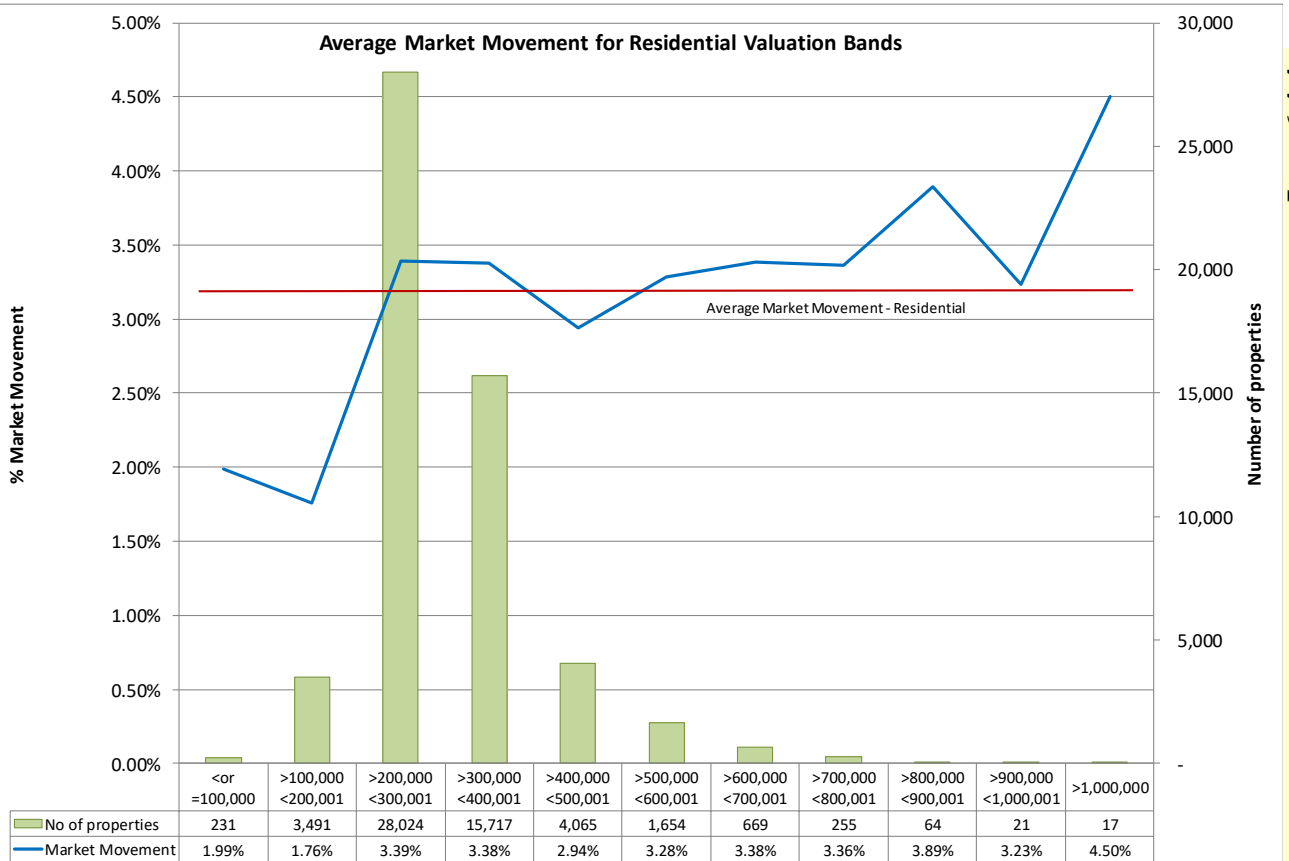
3. REPORT

3.1 The policy incorporates a system of tiered alterations to rates on high valued residential properties. In 2018/19 the tier adjustments were set at the level as per Table 1 below, and included an additional tier from \$450k-\$500k:

Table 1		
2018/2019 Tier Remissions		
Tier	Value Range	Rate Adjustment
1	\$0 - \$450,000	0
2	\$450,001 - \$500,000	10% reduction
3	\$500,001 - \$605,001	15% reduction
4	> \$605,001	35% reduction

3.2 As property values typically increase each year due to market movements, over time more and more properties will receive the Tier Remission. To remove this bracket creep, it is appropriate to increase the value ranges each year. In addition, this will assist in containing the cost of the remission.

3.3 The graph below illustrates average market movements for residential properties in different value ranges:



3.4 The average market movement is 3.2% for residential property, depicted by the red line. For higher value properties the average market movement is a similar percentage when compared with lower value properties, with the average market movement for properties valued above \$450k being 3.16%.

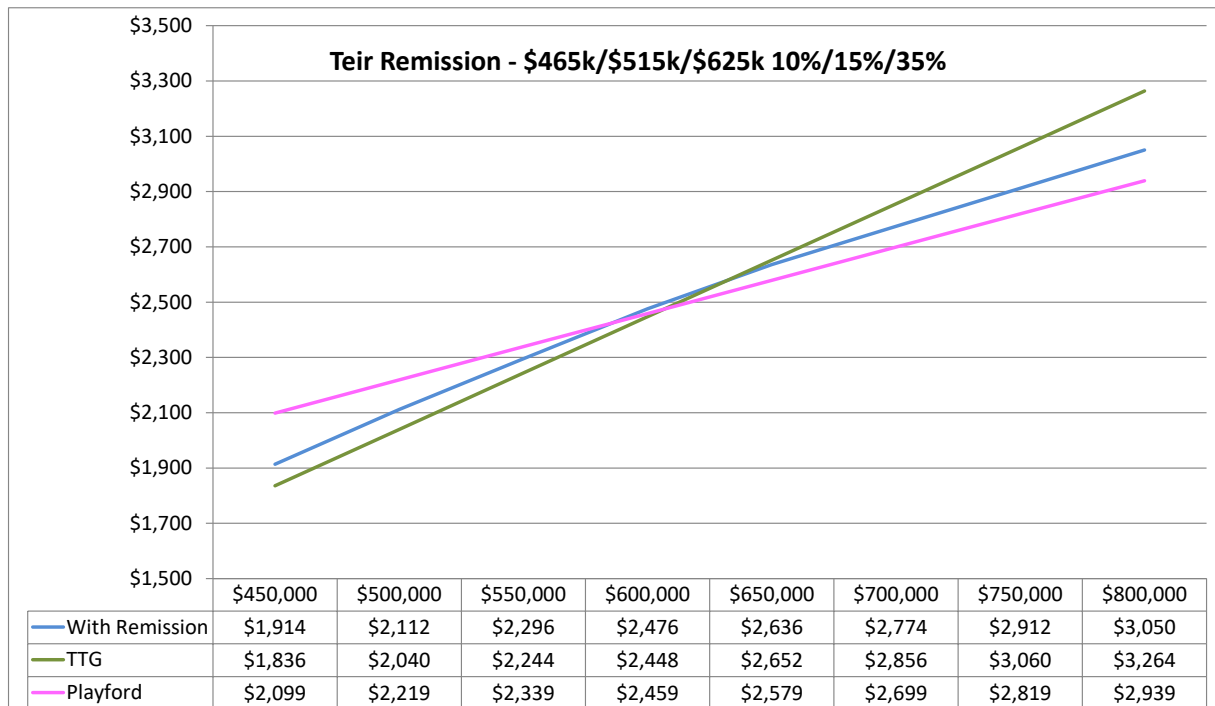
3.5 Adjusting the value ranges for the tiered remissions by the average market movement of 3.2% or by the higher value property increase of 3.16% makes no difference to the value ranges, as there is only a margin difference between the two percentages and also as the Valuer General tends to value to the nearest \$5k. Given the movement in higher value residential properties and the analysis of property data in Salisbury over the past year, the tiers have been adjusted to reflect this movement and are detailed in Table 2 below:

Tier	Value Range	Rate Adjustment
1	\$0 - \$465,000	0
2	\$465,001 - \$515,000	10% reduction
3	\$515,001 - \$625,001	15% reduction
4	> \$625,001	35% reduction

3.6 These ranges provide effective relief to high value property ratepayers and comparability of rates on these properties with neighbouring councils, which is the intent of the remission, and is detailed below in the table and graph.

SCENARIO -\$465k/ \$515k/\$625k & 10%/15%/35%					
Higher Value Property Rebate - Impact on Sample Property Values					
Property Value	2019/20 Salisbury		TTG	Playford	
	No Remission	With Remission			
Rate in \$*	0.004253		0.00398	0.002343	
				+ Fix Chg \$993	
			2.5%	2.5%	
\$450,000	\$1,914	\$1,914	\$1,836	\$2,099	
\$500,000	\$2,127	\$2,112	\$2,040	\$2,219	
\$550,000	\$2,339	\$2,296	\$2,244	\$2,339	
\$600,000	\$2,552	\$2,476	\$2,448	\$2,459	
\$650,000	\$2,764	\$2,636	\$2,652	\$2,579	
\$700,000	\$2,977	\$2,774	\$2,856	\$2,699	
\$750,000	\$3,190	\$2,912	\$3,060	\$2,819	
\$800,000	\$3,402	\$3,050	\$3,264	\$2,939	
\$900,000	\$3,828	\$3,327	\$3,672	\$3,179	
\$1,000,000	\$4,253	\$3,603	\$4,080	\$3,420	

* NB TTG & Playford rates 2018/19, increased by 2.50% to provide approx 2019/20 rates.



3.7 The impact on a range of property values provided above is compared with those in Tea Tree Gully and Playford (assuming a 2019/20 rate increase of 2.5% in those Councils consistent with that proposed for City of Salisbury).

- 3.8 The table below illustrates the cost and number of properties that will benefit compared to this year (2018/19):

	2018/19 \$450/\$500k/\$605k	2019/20 \$465/\$515k/\$625k	Increase / (Decrease)
Cost	\$343k	\$354k	\$11k
No of properties	4,176	4,213	37

- 3.9 Maintaining the tiers at the 2018/19 levels of \$450k, \$500k and \$605k respectively would result in a significant bracket creep with 11% more properties receiving the remission, at the expense of ratepayers at the lower end of the scale. It would also increase the cost of the remission by \$58k when compared to the proposed brackets.
- 3.10 Members may wish to note that during the 2018/19 budget deliberations Council resolved that the then 2 tier remission be expanded to include a third tier, which was at a lower property value, to provide relief to these home owners as well. This meant that we moved from tiers of \$490k 15% and \$595k 35% with a cost of \$277k in 2017/18, to \$450k 10%, \$500k 15%, and \$605k 35% with a cost of \$343k in 2018/19.
- 3.11 The current draft budget papers incorporate sufficient funding without further adjustment required to support the cost of the proposed remission tiers of \$465k/\$515k/\$625k.

4. CONCLUSION / PROPOSAL

- 4.1 The tier remission proposed strikes a balance between providing relief to those owning higher value property, whilst ensuring that the remission remains affordable.
- 4.2 There has been extensive review of property valuation data to determine the proposed level of the tiers to maintain relativity to prior year, and consider the market movement for the respective tiers.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019

ITEM	6.4.5
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Draft 2019/20 Annual Plan and Budget
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This report is for the adoption of the draft 2019/20 Annual Plan and Budget for public consultation as required by Section 123 of the Local Government Act 1999

RECOMMENDATION

1. Information be received.
2. Draft 2019/20 Annual Plan and Budget be endorsed for the purposes of Public Consultation, subject to further editing and formatting improvements without changing the substantive nature of the document, and changes required to reflect decisions of Council made at Budget and Finance Meeting 15 April 2019 and Council 22 April 2019.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Draft Annual Plan 2019/20

1. BACKGROUND

- 1.1 This report is for the adoption of the draft 2019/20 Annual Plan and Budget for public consultation as required by Section 123 of the Local Government Act 1999.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 The Audit Committee has reviewed the Draft Annual Plan in accordance with S126(4)(ab) of the Local Government Act.
- 2.2 External
 - 2.2.1 The Draft Annual Plan will be available for public consultation in May as detailed in the report

3. REPORT

- 3.1 The 2019/20 Draft Annual Plan, distributed to members, contains financial information reflecting just one scenario out of a number of scenarios under Councils consideration. The Budget and Finance Committee will be recommending to Council a number of budget parameters and elements through reports as part of tonight's agenda.
- 3.2 The Audit Committee has reviewed the draft Annual Plan at the April Audit Committee Meeting, held 9 April 2019. The Committee was also briefed on the long term financial plan, with those scenarios presented at the third budget workshop also being presented to the Audit Committee.
- 3.3 The Audit Committee resolved as follows:

That:

1. *The information be received.*
2. *It be noted that the Audit Committee has reviewed the Council's Annual Plan and Long Term Financial Plan in accordance with s126(4)(ab) of the Local Government Act 1999 and makes the following comments for Council consideration when setting its rating level for the 2019/2020 budget:*
 - a) *Recognising that the City of Salisbury is in a strong financial position, the rate scenario that enables Council to operate within Council endorsed targeted ranges for long term financial sustainability, retains Council's capacity to respond to emerging community needs and external impacts, and provides ongoing financial sustainability applying a conservative and prudent approach is a Rate increase of CPI+0.6% over the 10 years.*
 - b) *It is the assessment of the Audit Committee that adopting the following rate scenario of a rate increase of CPI+0.6% over the 10 years, with a one-off increase of only 2% in 2019/20, resulting in \$6.7M lower surplus over the life of the plan, falls outside of Council's endorsed targeted operating range, however could still be considered acceptable noting the lower surplus over the life of the plan and that Council would need to consider the risk to future new budget spending. The Audit Committee also notes that the risks as listed in para 2.c below also apply to this rates scenario, albeit to a lesser extent.*
 - c) *It is the assessment of the Audit Committee that the risks of adopting any of the following rate scenarios:*
 - *Rate increase of CPI+0.6% over the 10 years, with an increase of only 2% in years 1 and 2 (2019/20 and 2020/21), resulting in \$18.3M lower surplus over the life of the plan;*
 - *Rate increase of CPI+0.6% over the 10 years, with an increase of only 2% in years 1, 2 and 3 (2019/20, 2020/21 and 2021/22), resulting in \$30.0M lower surplus over the life of the plan; and*
 - *Rate increases at or below CPI over the 10 years, are significant, and include:*
 - *The compounding effect of lower income over the life of the long term financial plan;*
 - *Increased financial uncertainty created by State Government's policy and continued intention to introduce Council rate capping for future years;*
 - *The uncertainty surrounding State Government policy direction for funding infrastructure, and the implications for councils;*
 - *A one-off low increase at or below CPI makes it likely that at a point during the 10 year Long Term Financial Plan, Council will have to run a deficit budget;*

- *Placing the burden of restoring financial stability on future Councils, this may involve higher rate increases, and/or reductions in services or service standards; and*
- *Negatively impact on Council's ability to invest in infrastructure.*

This committee may wish to consider the above resolution in determining the rate increase applicable for the long term financial plan.

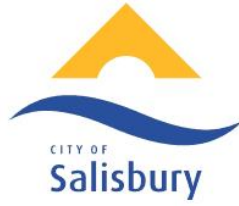
- 3.4 Any decision made at the Budget and Finance Committee Meeting on the 15 April and the Council Meeting on 22 April which impact on the Annual Plan and Budget will be incorporated into the final draft for public consultation.
- 3.4 The 2019/20 Draft Annual Plan will be made available to the public through various means including the City of Salisbury Website, Council Offices and various other Council locations.
- 3.5 The Annual Plan includes an Executive Summary which provides high-level information about the Budget and Annual Plan. This Summary will be provided separately on the website, as well as being embedded in the Draft Annual Plan.
- 3.6 The public consultation period will commence on Wednesday 8 May and conclude on Wednesday 29 May, with advertising to appear in the Messenger (News Review and Leader) on Wednesday 1 and 8 May and on our website during the public consultation period. Links will also be available via our social media pages Twitter and Facebook. During this time the public are welcome to make comment by letter, email or phone. Members should note that time will be set aside at the commencement of Council meeting on the 27 May so that members of the public can provide verbal feedback and comments.

4. CONCLUSION / PROPOSAL

- 4.1 The Draft Annual Plan, subject to refinements and adjustments to reflect decision of Council at tonight's Budget and Finance meeting and Council Meeting 22 April be adopted for the purposes of public consultation.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019



Public Consultation



To make a submission

If you wish to make a submission or comment on the Draft Annual Plan and Budget as currently presented, please send it to:

Financial.services@salisbury.sa.gov.au
or call Mechelle Potter on (08) 8406 8340

Alternatively please send to:

The General Manager Business Excellence
City of Salisbury
PO Box 8
SALISBURY SA 5108

All submissions or comments need to be received by no later than Wednesday 29 May 2019 in order for them to be given due consideration. Any submissions received after this date will not be considered as part of this current budget process. Submissions may influence decisions not only for this Annual Plan but also for future years as well.

Verbal Representation

If you wish to make a verbal representation regarding the Draft Annual Plan, there will be an opportunity to do so at the commencement of the May Council meeting on Monday 27 May 2019 in the Council Chamber at 6.30pm.

If you would like to have a say on Council's plans, budget and rates please register your interest by contacting Mechelle Potter by phone or by using the above email. (see contact details above).

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DRAFT NOT YET CONSIDERED BY COUNCIL

EXECUTIVE Summary

Purpose

The Annual Plan details Council’s services, including new services and projects, together with financial impacts. The purpose is to provide all information so that the community can judge the budget and how it aligns to the City Plan 2030. The Executive Summary provides a snapshot of the Annual Plan, and provides guidance as to where more information is available.

Rate Increase

The Annual Plan is based on a proposed 2.5% average rate increase, which is 0.5% higher than as last year, with the Long Term Financial Plan providing for smooth increases in rates to avoid large future increases. Further information about rates is in the Rating Strategy and Policy, pages 104 to 107.

	18/19 Actual	19/20 Budget
Rate Increase	2.0%	2.5%

Operating Surplus

This year, Council will make an Operating Surplus of \$3.9M or 3.2% Operating Surplus Ratio. Further information is in the Budgeted Financial Statements and Analysis on pages 38 to 42

Financial Sustainability

Being financially sustainable means having:

- The ability to have consistent services into the future
- Infrastructure, like roads, continuing to be maintained at an appropriate level
- Current ratepayers pay the costs associated with the services consumed
- New infrastructure provided to meet community expectations, balanced against increases in costs

We measure financial sustainability through 3 indicators. The Long Term Financial Plan (pages 10 to 13) shows that Council is budgeting and planning to be sustainable over the coming 10 year period.

Ratio	Target	19/20 Budget	
Operating Surplus	0.5%-5%	3.2%	✓
Asset Renewal Funding	90%-110%	100%	✓
Net Financial Liabilities	<40%	33.5%	✓

Service Provision

There are no reductions in services in the 2019/20 budget or the Long Term Financial Plan. More information about Council’s services are in Key Direction sections of the document, starting on page 46

Projects and Additional Services

All of Council's projects and additional services (Budget Bids) are detailed in the Annual Plan by category of spending, and can be found on pages 17 to 36.

Funds of \$14.9M are provided for asset updates / renewal in line with our Asset Management Plans, with significant items being:

- Road Reseal and Kerb Replacement \$8.6M
- Building Renewal \$1.3M
- Park, Sportsfield and Playground upgrades \$0.8M
- St Kilda Channel Breakwaters \$0.7M
- Watercourse Management works \$0.6M

Bridgestone Reserve Athletic Facility will commence construction in 2019/20 and will include Community Facility, Athletics track and sportsfield lighting, which will provide for the co-location of 3 athletic clubs to provide affordable and convenient access to top class facilities for the clubs and residents.

The Paddocks Masterplan has established a coordinated approach for capital investment and ongoing renewal of infrastructure and facilities at The Paddocks which is one of the most significant recreation and open space precincts within the City of Salisbury.

Salisbury City Centre Community Hub

To provide for the future needs of the Salisbury community, and to stimulate the revival of the City Centre, construction of the new Salisbury Community Hub will be completed in the second half of 2019

The Salisbury Community Hub will deliver an enhanced experience in delivery of various Council services, information and learning, civic spaces, and community accessible meeting spaces, together with the provision of a functional office space for Council's administration

This is an exciting time for our community as associated with the construction of the Salisbury Community Hub is the transformation to shift the organisation to a customer centric approach, with technology to better support service delivery, and greater community activation.

The project will be delivered within the budget estimate of \$43.8M, which is the total project costs, not just the built form. The project had been incorporated into Council's Long Term Financial Plan (LTFP), with no requirement to increase rates beyond the LTFP assumptions and maintaining Council's strong financial position.

MAYOR'S message



TO BE UPDATED.

A handwritten signature in black ink that reads "Gillian Aldridge".

Mayor, Gillian Aldridge

DRAFT - NOT YET CONSIDERED BY COUNCIL

ELECTED members

WEST WARD

Cr Beau Brug JP
0413 046 069
bbrug@salisbury.sa.gov.au

Cr Lisa Braun
0413 046 069
lbrown@salisbury.sa.gov.au

NORTH WARD

Cr David Hood
0432 799 931
dhoo@salisbury.sa.gov.au

Cr Graham Reynolds
0413 966 500
greynold@salisbury.sa.gov.au

MAYOR

Gillian Aldridge OAM
0411 703 706
galdridge@salisbury.sa.gov.au

CENTRAL WARD

Cr Chad Buchanan JP
0403 677 807
cbuchan@salisbury.sa.gov.au

Cr Donna Proleta
0433 750 832
dproleta@salisbury.sa.gov.au

PARA WARD

Cr Sarah Ouk
0423 002 064
souk@salisbury.sa.gov.au

Cr Kylie Grenfell
0433 703 691
kgrenfel@salisbury.sa.gov.au

EAST WARD

Cr Maria Blackmore
0411 281 164
mblackmore@salisbury.sa.gov.au

Cr Adam Duncan
0429 662 933
aduncan@salisbury.sa.gov.au

SOUTH WARD

Cr Natasha Henningsen
0477 413 108
nhennings@salisbury.sa.gov.au

**Cr Julie Woodman JP
Deputy Mayor**
0431 188 786
jwoodman@salisbury.sa.gov.au

HILLS WARD

Cr Peter Jensen
0437 987 990
pjensen@salisbury.sa.gov.au

Cr Shiralee Reardon JP
0427 095 566
sreardon@salisbury.sa.gov.au

Item 6.4.5 - Attachment 1 - Draft Annual Plan 2019/20

OUR vision

Our vision for Salisbury is simply:
'Salisbury - A flourishing City with opportunity for all'

If we are able to capture these opportunities, the community will see:

- Increased investment and a wider range of job opportunities
- Well designed and maintained neighbourhoods and places where people meet
- A strong economy consisting of well established businesses and innovative entrepreneurs
- A broader range of education options and more people engaged in learning
- More opportunities to use technology in the way they work, study, relax and interact with Council
- A healthy natural environment enjoyed by more people
- New communities and a regeneration of existing urban areas

A City that celebrates its diversity and provides opportunities for all to engage in community life; and

- A transport network that enables people to move easily around the City and supports freight movement.

Salisbury brands itself as the Living City. It has unique features that make it appealing for residents, visitors and businesses.

A Living City is a city that is flourishing and provides opportunity for our residents, businesses and visitors through investment in its future, by valuing our stunning natural environments, by providing a great lifestyle, encouraging and supporting a vibrant innovative culture, is a destination for business and is a diverse and proud community.

Salisbury is a Living City. A place we are proud to be part of. Salisbury is "a flourishing City with opportunity for all".

KEY directions

This Annual Plan contains four key directions. Each direction includes a statement of what we want to aspire to achieve during the life of the Annual Plan, how we will achieve it and the indicators that will tell us how our City is progressing.



The Prosperous City

Driving economic growth in South Australia, creating more jobs, providing people with the skills and knowledge to connect to those jobs and sustainably increasing our population.



The Sustainable City

A place where people actively experience and care for their natural environment, where green industries thrive and our urban and natural spaces are adaptive to future changes in climate.



The Liveable City

A welcoming community that celebrates its diversity, embraces change and where people are able to participate in community life. It is a City with interesting places and experiences.



Enabling Excellence

A Council where people work because they can make a difference, an organisation that anticipates, understands and meets community needs, a Council with a positive attitude.

Long Term Financial Plan 19/20 to 28/29

Long Term Financial Plan 19/20 to 28/29 Assumptions

YEAR ENDING 30 JUNE	Year 1 Budget 2020	Year 2 Plan 2021	Year 3 Plan 2022	Year 4 Plan 2023	Year 5 Plan 2024	Year 6 Plan 2025	Year 7 Plan 2026	Year 8 Plan 2027	Year 9 Plan 2028	Year 10 Plan 2029
Revenue Assumptions										
Rates - Growth	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Rates - Ave Increase	2.5%	2.9%	3.0%	3.0%	3.1%	3.1%	3.1%	3.1%	3.1%	3.1%
Expenditure Assumptions										
Inflation	1.9%	2.3%	2.4%	2.4%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Wages	2.5%	2.5%	3.0%	3.0%	3.5%	3.5%	3.5%	3.0%	3.0%	3.0%
Contractors & Materials	1.9%	2.3%	2.4%	2.4%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%

Overview

While seeking to achieve its corporate goals Council is mindful of its responsibilities to be financially sustainable. Being financially sustainable means having a financial position capable of meeting long term service and infrastructure levels and standards, acceptable to the community, without substantial increases in rates or disruptive cuts to services. It implies equity between generations. That is, each generation of ratepayers should pay for the services they consume. Future generations should not have to pay for the neglect of earlier generations to maintain and renew their assets appropriately, nor would they benefit at the expense of the current generation of ratepayers.

Maintaining services implies that infrastructure assets (roads, drains etc.) are also appropriately maintained and renewed, and that there is investment in new assets. Two significant costs associated with infrastructure assets are depreciation, which is the decline in value of assets through their use, and borrowing costs to fund new assets.

Council Asset Management Plans (AMPs) define the level of expenditure required to maintain and renew assets. The Long Term Financial Plan (LTFP) aligns to the AMPs, although in each budget year Council may vary its expenditure for a variety of reasons including updated asset information that indicates higher or lower levels of renewal expenditure are required.

Property development projects will continue to provide significant cash injections over the 10 year plan. Returns are based on the recently completed land feasibility and have been discounted reflecting that further detailed work is required to finalise financial returns on a project by project basis.

The Statement of Comprehensive Income (see next page) shows the Operating Surplus/(Deficit) before Capital Amounts, and reflects lower operating costs through program review activities, and also low interest costs resulting from low levels of debt.

Assumptions

The forecasts are based on a number of assumptions and as with all projections it is likely that actual events will turn out differently. These figures, however, represent our best estimates for planning purposes. Key assumptions are detailed in the table above, and commentary includes:

- Rates growth from new development in the city is projected at a low level reflecting primarily infill development.
- Strategic Property Developments financial returns average \$3.3m per annum over the 10 year plan, based on the recently completed land feasibility.
- The wages assumption includes superannuation guarantee which remains at 9.5% until 30 June 2021 and will increase to 12% by 30 June 2026.
- Inflation reflects Access Economic CPI forecasts.

Salisbury Water business returns are kept constant into the future, as our aim is to be financially sustainable without these returns.

Long Term Financial Plan 19/20 to 28/29

Estimated Statement of Comprehensive Income

YEAR ENDING 30 JUNE	2020 Budget Year 1 \$000's	2021 Plan Year 2 \$000's	2022 Plan Year 3 \$('000)	2024 Plan Year 5 \$('000)	2029 Plan Year 10 \$('000)
INCOME					
Rates	101,031	104,992	109,212	118,215	144,519
Statutory Charges	2,819	2,884	2,954	3,100	3,507
User Charges	5,004	5,120	5,244	5,503	6,226
Grants, Subsidies & Contributions	11,759	11,875	11,988	12,223	13,255
Investment Income	158	157	155	153	146
Reimbursements	217	222	227	238	269
Other Income	696	712	729	765	866
Total Revenues	121,684	125,962	130,509	140,197	168,788
EXPENSES					
Employee Costs	38,247	39,305	40,589	43,487	51,629
Materials, Contracts & Other Expenses	50,850	53,186	55,681	61,038	77,012
Depreciation, Amortisation & Impairment	27,316	28,400	29,514	31,670	37,590
Finance Costs	1,410	923	901	390	62
Total Expenses	117,823	121,814	126,685	136,585	166,293
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	3,861	4,148	3,824	3,612	2,495
Asset Disposal & Fair Value Adjustments	3,447	4,169	4,589	2,964	3,970
Amounts Received Specifically for New or Upgraded Assets	3,668	2,286	2,353	2,472	2,797
Physical Resources Received Free of Charge	1,000	1,000	1,000	1,000	1,000
NET SURPLUS/(DEFICIT)	11,976	11,613	11,766	10,048	10,262
OTHER COMPREHENSIVE INCOME					
Changes in Revaluation Surplus - I,PP&E	21,804	23,226	26,417	28,686	33,520
Total Other Comprehensive Income	21,804	23,226	26,417	28,686	33,520
TOTAL COMPREHENSIVE INCOME	33,780	34,839	38,183	38,734	43,782

The full ten year Long Term Financial Plan Budgeted Financial Statements are contained within Appendix A.

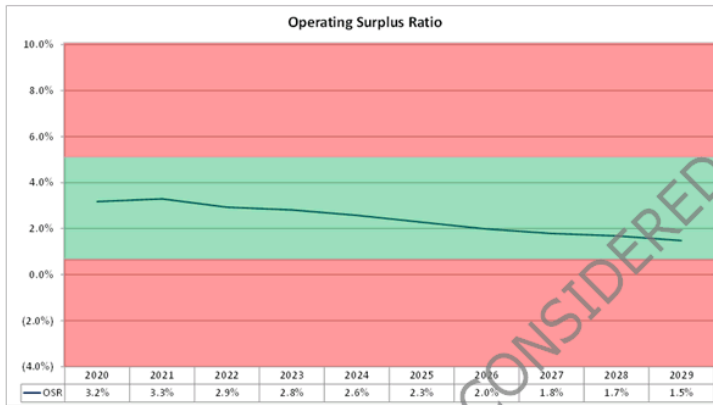
Long Term Financial Plan 19/20 to 28/29

Financial Indicators

As part of the emphasis for Councils to become financially sustainable standardised indicators have been developed. These indicators compliment the financial detail provided on the Long Term Financial Plan, and highlight our projected success at maintaining a financially sustainable Council.

- Within Endorsed Operating Range
- Outside Endorsed Operating Range

Operating Surplus Ratio



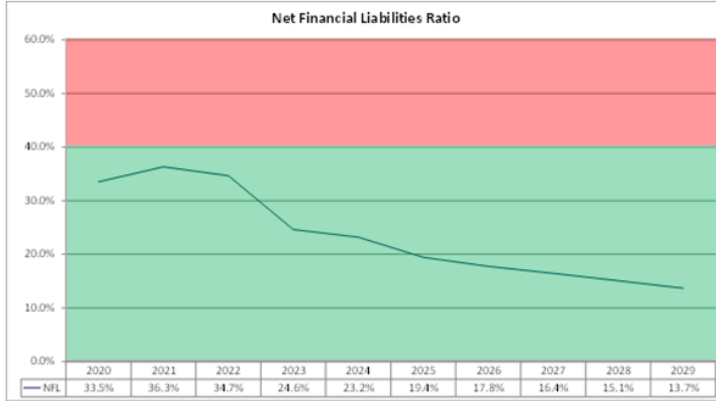
Calculation:
 Operating Surplus divided by
 total operating revenue
 Endorsed Operating Range:
 0.5%-5.0%

Councils with a positive Operating Surplus Ratio have current rate payers meeting the costs of the services that they are consuming. The larger the ratio the more rate revenue that is available to fund capital expenditure, thereby reducing debt. This is the primary indicator of Financial Sustainability.

Council is within the operating range for the indicator over the life of the plan.

Long Term Financial Plan 19/20 to 28/29

Net Financial Liabilities Ratio



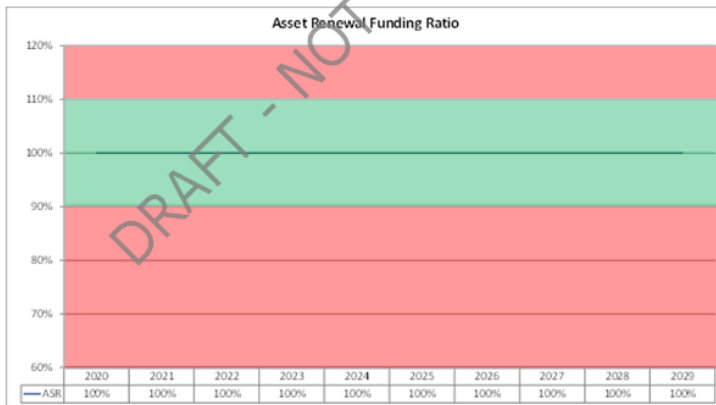
Calculation:
Net Financial Liabilities divided by Operating Revenue

Endorsed Operating Range:
<40%.

This ratio indicates the extent that Council can meet its net financial liabilities out of a single year's operating revenue. Council with a lower ratio are stronger in their capacity to meet their financial obligations.

City of Salisbury has a very low debt position, with property development proceeds in the 5 years prior to the budget year, and continuing over the life of the plan offsetting debt. Debt steadily declines over the plan with higher debt in 2020 and 2021 resulting from Council's continued investment in the new and upgraded assets, and offset over the plan by property development proceeds. However, over the 10 year life of the plan Net Financial Liabilities Ratio remains within the operating range.

Asset Renewal Funding Ratio



Calculation:
Asset Renewal Expenditure divided by Asset Management Plan Renewal Expenditure

Endorsed Operating Range:
90%-110%

This ratio indicates whether capital assets are being renewed in line with Asset Management Plans (AMP). A ratio of 100% means that Council is budgeting to renew assets as initially planned, and as AMP detail the optimum timing renewal and replacement of assets, a ratio of 100% means that infrastructure assets are maintained, as are service levels, at the lowest cost to the community.

However, given that AMP are long term plans, Councils will vary expenditure based on more up to date asset information, and also to time renewal works for projects that have new and renewal aspects to achieve better outcomes, and reduce cost to the community to achieve these outcomes. Over the life of the plan renewal expenditure is within the endorsed operating range.

Overview of Our Annual Plan 2019/20

Overview of Our Annual Plan for 2019/20

City of Salisbury's Annual Plan is an important part of our planning; one that links our overarching long term City Plan with our budget, the services delivered and rate levels.

Key Directions

Sustainable Futures - Salisbury City Plan outlines four Key Directions which guide our objectives and strategies over the long term:

- The Prosperous City
- The Sustainable City
- The Liveable City
- Enabling Excellence

Budget Pressures

City finances have been impacted by lower development growth and no large scale development currently underway. We are anticipating that grant funding will remain stable. With the State Budget not yet brought down for 2019/20 there may be impacts which are unknown at this time.

Sound Financial Management

The budget delivers an operating surplus to ensure our financial position is sustainable and equitable between generations of ratepayers, and builds capacity for the future.

The 2019/20 budget delivers:

- An operating surplus of \$3.9M
- Gross infrastructure investment of \$40.8M (including \$14.9M of asset renewal) and a net cost of \$34.1M including grants and property proceeds.
- Moderate and sustainable levels of debt, with net financial liabilities of \$41M or 33.5% of total operating revenue.

Rate Increase

The average proposed rate increase is 2.5%, which represents an increase of \$33 on the current average residential rate of \$1,334. The forecast Consumer Price Index for 2019/20 per Access Economics is 1.9%, and whilst some Local Government costs move in line with CPI, Councils purchase a different "basket of goods" to households, and consequently CPI is not fully reflective of Local Government cost increases.

More details are contained within the Rating Strategy and Policy section of this document.

Operating New Initiatives

Some of the projects included in the budget are:

Council Building Renewal Program	\$310,000
Building Upgrade Program	\$200,000
Economic Development Staffing *	\$157,000
Strategic Projects Planning Program	\$140,000
Local Flooding Program	\$132,000
Wellness Centres	\$100,000

*offset by grant funding

Full details of Council's operating bids are provided from page 17.

There is ongoing funding to improve council buildings which are reflected in our Asset Management Plans with capital expenditure of \$1.3M and associated with operating costs of \$310k.

The City of Salisbury has approximately 220 owned buildings with proposed building upgrade works prioritised in accordance with condition audits; compliance with current building standards and ongoing function and need. 2019/20 includes the Operation Centre and Pioneer Park Water Wheel Museum with capital expenditure of \$2.4M and associated with operating costs of \$200k.

The Economic Development Staffing seeks to resource and extend Council's current program that facilitates job creation and investment in the City by providing greater staffing stability in the economic development team with external funding to be sought.

Strategic Projects Planning Program is for the initial development of nominated high-level strategic project proposals and initiatives not wholly covered by one of the suite of specific Asset Management Plans.

Local Flooding Program provides for the design and construction of localised minor flood mitigation works, mainly as a result of flooding reports.

The City of Salisbury plans to undertake a detailed feasibility study to determine the future provision of indoor recreation wellness and aquatic facilities in the City of Salisbury which considers any unique selling proposition (wellness, rehabilitation, hydrotherapy).

Overview of Our Annual Plan 2019/20

Capital Program

Asset Renewal

Council manages community assets valued at over \$1.8 billion in the form of roads, footpaths, drains, buildings, parks etc. Many were created as the city developed rapidly in the 1960's, '70's and '80's. Our Asset Management Plans set our forward plan for how to most economically manage, maintain and renew our assets.

In 2019/20 Council will spend \$14.9M on renewal, with major items being:

- Road reseal and reconstruction \$8.6M
- Buildings (220 Council Owned building most of which are community and sporting club buildings) \$1.3M
- Park, Sportsfield and Playground upgrades \$0.8M
- St Kilda Channel Breakwater \$0.7M
- Watercourse Management works \$0.6M

Major Capital Works

The capital program includes a number of large scale projects, some of which are delivered over multiple years. 2019/20 expenditure details for these projects are detailed below:

Local Flooding and Flood Mitigation Projects *	\$2,491,000
Building Upgrade Program	\$2,350,000
The Paddocks Masterplan Implementation	\$2,054,000
Salisbury Oval Masterplan Implementation	\$1,680,000
Bridgestone Reserve Athletics Facility	\$1,596,000
Street Trees Program	\$1,367,000

*subject to grant funding

Full details of Council's four year capital works program is provided from page 23.

Local Flooding and Flood Mitigation

Council is maintaining our capability to respond to significant flooding events with funding providing for the design and construction for localised flood mitigation works.

Building Upgrade Program

In 2019/20 the Building Upgrade Program will see works at the Operation Centre and Pioneer Park Water Wheel Museum.

The Paddocks Masterplan Implementation

The Paddocks Masterplan has established a coordinated approach for capital investment and ongoing renewal of infrastructure and facilities at The Paddocks which is one of the most significant recreation and open space precincts within the City of Salisbury.

Salisbury Oval Masterplan Implementation

The Salisbury Oval Master Plan has been prepared to guide the future development of the Salisbury Oval precinct and identifies a number of actions for delivery in the short, medium and longer term.

Bridgestone Reserve Athletics Facility

Council is developing a new regional-level synthetic athletics facility at Bridgestone Reserve at Salisbury South which will provide for the co-location of 3 athletic clubs to provide affordable and convenient access to top class facilities for the clubs and residents.

Street Trees Program

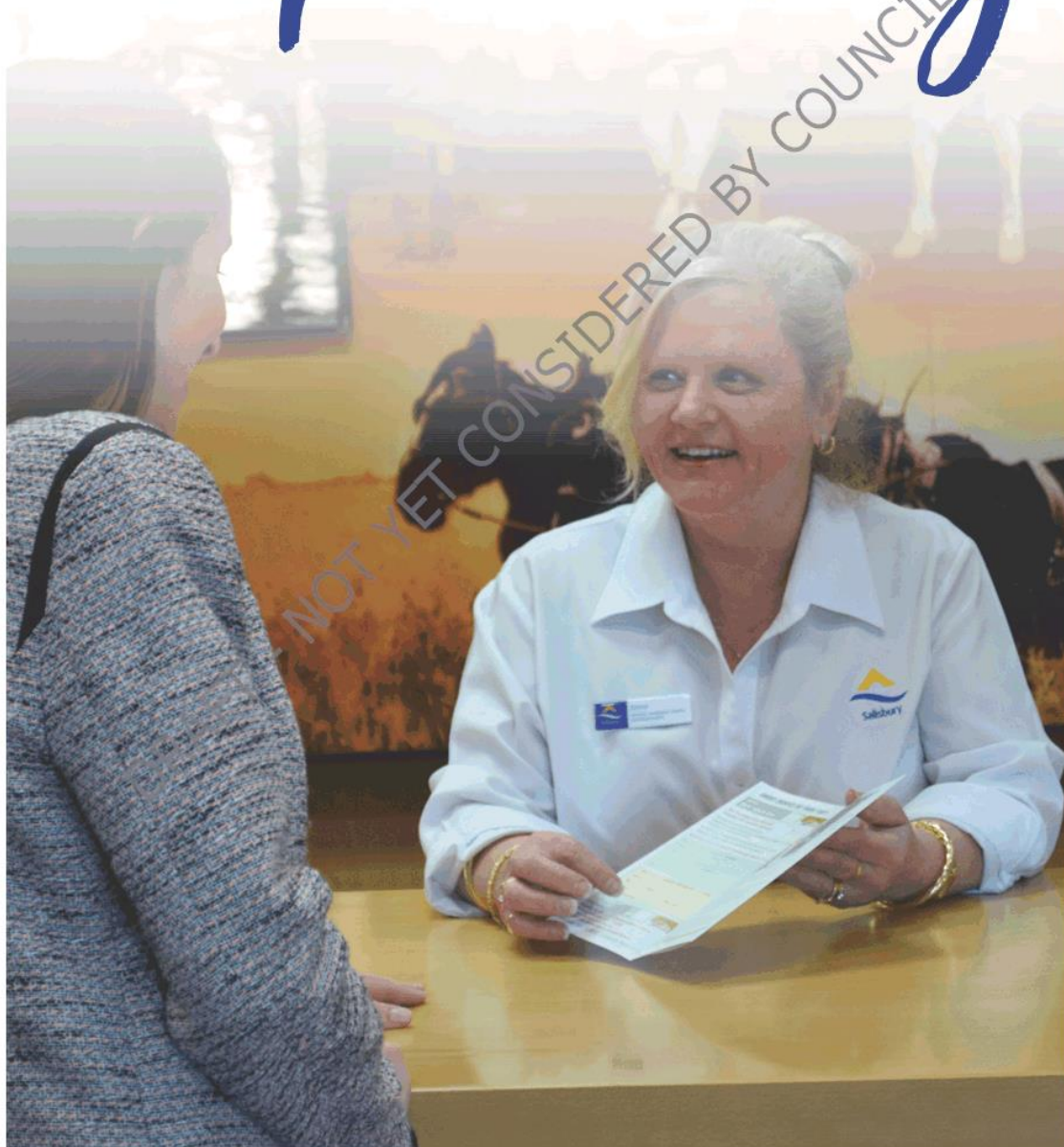
This program is focused on improving the amenity of streetscapes through the programmed updating of streetscapes with appropriate species for the sometimes limited spaces available within our streets.

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BUDGET BIDS

operating



CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 17

Operating Budget Bids

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
The Prosperous City						
Operating Bids						
Economic Development Staffing						
This project seeks to resource and extend Council's current program that facilitates job creation and investment in the City by providing greater staffing stability in the economic development team.	157	112	45	79	81	83
Innovation and Business Development						
This bid is required to support reviews or strategic initiatives that may emerge from the work of the Innovation Business Development Sub Committee.	50	0	50	0	0	0
Supporting Business Networking						
This Budget Bid aims to increase the range of business networking opportunities available in Salisbury by supporting local organisations, or organisations with substantial local memberships, to deliver networking events in Salisbury as well as provide a funding line for the Polaris Business and Innovation Centre to provide targeted networking opportunities.	35	0	35	35	35	35
Operating Components of Capital Bids (including Depreciation)						
Salisbury City Centre Revitalisation Projects	0	0	0	11	36	45
Local Flooding Program	132	0	132	117	128	134
Salisbury City Centre Land Development Strategy	51	0	51	49	0	0
Burton Community Hub	0	0	0	2	102	0
Wellness Centres	100	0	100	0	2	102
John Street and related SCC Improvements	0	0	0	23	23	23
Footpath Trading Pedestrian Protection	0	35	(35)	(35)	(35)	(35)
Other Operating Components of Capital Bids	0	0	0	23	55	40
TOTAL - The Prosperous City	525	147	378	305	426	427

Note: Operating components of Capital Bid is under review and depreciation will be listed separately within future reports.

Operating Budget Bids

	2019/20		2020/21		2021/22	2022/23
	\$000's		\$000's		\$000's	\$000's
	Exp	Funding	Net	Net	Net	Net
The Sustainable City						
Operating Bids						
Tree Canopy Data for City of Salisbury (Purchase)						
Economic development; liveability and water/ climate change resilience are all influenced by tree cover. Acquisition of this dataset will allow Council to make informed decisions and improve asset management and tree management plans. It complements tree asset audits and acquisition of thermal images.	25	0	25	0	0	25
Operating Components of Capital Bids (including Depreciation)						
Public Lighting Program	(30)	0	(30)	(85)	(140)	(195)
Street Tree Program	0	0	0	27	58	91
Salisbury Water Head Tank	0	0	0	0	(80)	20
Jones Road - Bolivar - Site Rehabilitation for Future Clean Fill Disposal Site	30	0	30	32	34	36
Irrigation Reactivation	50	0	50	108	166	224
Other Operating Components of Capital Bids	22	0	22	39	48	51
TOTAL - The Sustainable City	97	0	97	121	86	252

DRAFT - NOT YET CONSIDERED BY COUNCIL

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 19

Operating Budget Bids

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
The Living City						
Operating Bids						
Salisbury Secret Garden 2019/2020						
Salisbury Secret Garden is the City of Salisbury's flagship arts and cultural festival. The festival is a place activation initiative that contributes to the Salisbury City Centre Renewal Strategy and is recognised in the State's Northern Economic Plan.	85	0	85	0	0	0
White Ribbon Event						
This bid is for a White Ribbon Community, Staff & Business Event to raise awareness across Salisbury of the need to stand up, speak out and act to prevent violence against women.	22	0	22	10	10	0
Marveloo - mobile accessible restroom for people with a severe disability						
City of Salisbury will be the first in South Australia to have a portable toilet and change facility designed for people with a severe disability known as a Marveloo.	29	10	19	19	20	20
Operating Components of Capital Bids (including Depreciation)						
Minor Traffic Improvements Program	54	0	54	60	63	67
Major Traffic Improvements Program	0	0	0	29	52	60
Council Funded New Footpath Program	21	0	21	26	30	36
City Wide Trails Program	0	0	0	21	42	64
St Kilda Master Plan - Stage 2 Implementation	0	0	0	23	26	32
Building Upgrade Program	200	0	200	47	90	134
Building Renewal Program	310	0	310	370	380	390
Reserve Upgrade Program	0	0	0	44	69	93
Dog Parks for Small Dogs	5	0	5	10	23	32
Fitness Equipment Program	0	0	0	16	23	35
Salisbury Oval Master Plan Implementation	0	0	0	34	34	34
Bridgestone Reserve - Athletics Facility	15	0	15	58	62	69
Community and Public Art Program	20	0	20	22	3	3
Louisa Road / Deal Court - Paralowie - Upgrade	0	0	0	1	12	34
Unity Park - Pooraka - Additional New Toilet Facilities 2019/2020	0	0	0	16	32	26
Other Operating Components of Capital Bids	10	0	10	71	107	142
TOTAL - The Living City	771	10	761	877	1,077	1,270

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 20

Operating Budget Bids

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
Achieving Excellence						
Operating Bids						
SA Planning Portal State Government Levy 2019/20						
The state government has increased the levy imposed on councils for the establishment and maintenance of the SA Planning Portal.	33	0	33	33	33	33
City Plan Consultation						
Undertake community consultation to inform the review of Council's City Plan and to comply with legislative requirements	35	0	35	0	0	0
Digital Assessment Software Product						
To replace the current digital assessment software product with a new product to improve the accuracy and efficiency in the assessment of development applications.	9	0	9	(1)	(1)	(1)
Increase to Drug & Alcohol Testing - Heavy Vehicle Legislation						
It is proposed to increase the frequency of drug and alcohol screening for operators of heavy vehicles to ensure that City of Salisbury can demonstrate due diligence.	11	0	11	12	12	12
Project Steam Weed Trial 2019						
A Steam Weed Trial Project is proposed to evaluate the costs and effectiveness of steam weed control methods compared with herbicide application.	15	0	15	0	0	0
Operating Components of Capital Bids (including Depreciation)						
Road Reseal / Reconstruction Program	52	0	52	53	54	55
Clubs/Sporting Facilities (Minor Capital Grants Program)	34	0	34	44	53	63
Strategic Projects Program - Planning Program	140	0	140	161	165	169
Strategic Development Projects - Capitalised Resourcing	15	0	15	31	31	15
Other Operating Components of Capital Bids	29	0	29	59	67	76
TOTAL - Achieving Excellence	374	0	374	391	414	422
Total Operating Budget Bids	1,766	157	1,610	1,694	2,004	2,370

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 21

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BUDGET BIDS

capital



CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 23

Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
The Prosperous City						
New						
Salisbury City Centre Revitalisation Projects						
This program includes the general consultation and design of small infrastructure projects aimed at increasing the amenity of the Salisbury City Centre and gateways to the City Centre.	850	0	850	1,500	500	500
Local Flooding Program						
Design and construction of localised minor flood mitigation works mainly as a result of flooding reports in addition to miscellaneous minor drainage works not funded elsewhere.	655	50	605	700	360	370
Greater Edinburg Parks Regional Drainage						
As part of the construction of the Northern Connector project a segment of the Greater Edinburg Parks Regional Drainage System is currently being constructed under Robinson Road at Waterloo Corner.	300	0	300	1,650	0	0
The Paddocks Masterplan 2019/2020 to 2021/2022 Implementation Works						
The Paddocks Masterplan has established a coordinated approach for capital investment and ongoing renewal of infrastructure and facilities at The Paddocks which is one of the most significant recreation and open space precincts within the City of Salisbury.	2,054	0	2,054	1,250	500	0
Salisbury City Centre Land Development Strategy						
As a part of the Salisbury City Centre Renewal Strategy the City of Salisbury will work with private investors to deliver on commercial and residential development opportunities, leveraging Council's land holdings in the Salisbury City Centre	100	3,070	(2,970)	(1,395)	(2,500)	0
Burton Community Hub						
This bid is to prepare detailed concept design for a Burton Community Hub including community consultation with development in 2020/21.	30	0	30	5,000	0	0
Wellness Centres						
This bid is to fund a detailed feasibility study to determine the future provision of indoor recreation wellness and aquatic facilities in the City of Salisbury which considers any unique selling proposition (wellness, rehabilitation, hydrotherapy), focusing on the Community Hubs (Burton and Ingle Farm).	0	0	0	100	5,000	0
John Street and related SCC Improvements						
The John Street improvement plan will identify a number of physical improvements to John Street to assist in activation and investment attraction, building on the sound foundations that exist in the layout and function of John Street.	350	0	350	0	0	0
Footpath Trading Pedestrian Protection						
The supply and installation of energy absorbing bollards for footpath trading areas that have been identified as requiring bollards as part of their applications and permit conditions.	70	0	70	70	70	70
Digital Signage						
The proposed renewal of the existing tower entry signage in key locations around the City will aim to capitalise on the significant investment and improvements we have made to our City in recent years.	358	0	358	0	0	0
Total New	4,767	3,120	1,647	8,875	3,930	940
TOTAL - The Prosperous City	4,767	3,120	1,647	8,875	3,930	940

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 24

Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
The Sustainable City						
Renewal						
Watercourse Management Works Program						
This is an ongoing bid to renew and upgrade Council's waterways infrastructure.	575	0	575	779	781	785
St Kilda Channel Breakwaters - Renewal						
This bid is to further renew the St Kilda Breakwaters (sides of the Boat Channel) pending a proposed medium to long term major upgrade project.	650	0	650	0	0	0
Coleman Road Landfill - Waterloo Corner - Landfill Cap Improvements						
The Coleman Road Landfill closed in 1997 and ongoing management of the site requires groundwater monitoring minimisation of landfill gas emissions and improved onsite drainage.	75	0	75	30	30	30
Irrigation Program						
This program is for the replacement and minor upgrade of old inefficient irrigation systems located within parks and reserves.	223	0	223	301	232	262
Feature Landscapes Renewal Program						
This program is for the installation of both new and renewed plantings at nominated high profile locations across the City to enhance and promote the City of Salisbury through vibrant colours and contrasting vegetation in accordance with the vision of the City Landscape Plan to instill City Pride.	128	0	128	96	101	101
Tree Screen Renewal Program						
The Tree Screen Renewal Program is to rejuvenate and improve tree and shrub screens found within many road verges and around the perimeter of many parks and reserves.	220	0	220	239	135	119
Reserve Fencing Program						
This bid is to install bollards / fencing and gates on reserves primarily to reduce the unauthorised access of motor vehicles which in the past have caused damage to turf playing surfaces with anti-social behaviour and illegally dumped rubbish. Also for public safety near watercourses and other hazards.	24	0	24	43	45	33
Salisbury Water - Asset Renewal						
This bid is for renewal of Water Business Unit assets in accordance with the Salisbury Water Asset Management Plan.	347	0	347	574	1,710	628
Total Renewal	2,242	0	2,242	2,062	3,034	1,958

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 25

Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
New						
Public Lighting Program This program is for the installation of both new and renewed public lighting infrastructure on a priority basis including both street lighting and reserve lighting but excluding sportsfield lighting.	774	0	774	726	728	730
Automated Flood Release Gates This bid is for flood mitigation in large storm events that requires the ability to release water rapidly from detention basins and wetlands in a controlled manner.	80	0	80	0	0	0
Major Flooding Mitigation Projects (including Pauls Drive - Non-Discretionary) This program is generated from Council's Integrated Water Management Strategy which has identified some major flood mitigation projects.	1,886	0	1,886	1,342	2,102	1,320
Street Tree Program This bid is focused on improving the amenity of streetscapes through the programmed renewal (selective removal and replanting) of street trees with more appropriate species for the sometimes limited spaces available within our streets.	1,367	0	1,367	1,556	1,646	1,671
Water Business Unit Program - Planning Program This bid is to provide Salisbury Water Business Unit with funds for planning and execution of a 5 yearly Asset Management review.	35	0	35	0	0	0
Salisbury Water - Water Licence Purchase Purchase of permanent water licence locations, as and when they become available, on the open market.	100	0	100	100	100	100
Groundwater Community Bores - Tank and Booster Pump System Installation of tank and booster pump systems on Groundwater Community Bores to reduce the impact on these bores and the T1 aquifer during peak irrigation demand periods.	120	0	120	0	0	0
Salisbury Water Recycled Water Signage - New / Renewal Replacement of old faded or vandalised/damaged recycled water "advisory signage".	5	0	5	5	5	0

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 26

Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
Salisbury Water Distribution Main Linkages						
Construct up to 10kms of Salisbury Water distribution mains to improve operational functionality provide additional security of supply to existing customers and to secure connection of new customers.	315	19	296	640	0	0
Salisbury Water Emergency Backup Power Supply						
Retrofit key Salisbury Water pumping stations to facilitate emergency backup power supply in the event of a major power outage. This will enable rented transportable generators to be connected rapidly (without electricians) in order to ensure ongoing water supply.	25	0	25	25	25	0
Salisbury Water Head Tank						
Increase security of supply and improve distribution pressure within the Salisbury Water recycled water network through Para Hills Salisbury East Salisbury South Salisbury Park and Salisbury Heights.	0	0	0	500	0	0
Council Reserves Upgrade - Recycled Water Connections						
Construct new distribution mains to connect recycled water supply to Council reserves upgraded in conjunction with the Council Reserve Upgrade Program.	150	0	150	0	0	0
Salisbury Water - Daniel Avenue Managed Aquifer Recharge (MAR) Extraction Capacity Upgrade						
Expand extraction capacity at Daniel Avenue Managed Aquifer Recharge (MAR) scheme to maintain customer supply to the city-wide distribution network. This will provide security of supply for Salisbury Water customers in the western areas of the City, in particular while Kaurna Park and Edinburgh Parks South MAR facilities remain quarantined due to the Defence PFAS investigation.	90	0	90	0	0	0
Jones Road - Bolivar - Site Rehabilitation for Future Clean Fill Disposal Site						
This bid is to provide funding for the newly identified site at Jones Road for the maintenance as an Environment Protection Authority (EPA) approved fill containment site to replace previous site at Globe Derby Park ('Swan Alley').	50	0	50	50	50	50
Irrigation Reactivation						
This bid is for the reactivation at various reserves across the City of Salisbury to increase the level of service and standard of reserves to ensure residents have access to green irrigated spaces.	200	0	200	200	200	200
Total New	5,197	19	5,178	5,144	4,856	4,071
TOTAL - The Sustainable City	7,439	19	7,420	7,206	7,890	6,029

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 27

Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
The Living City						
Renewal						
Carpark Renewal Program						
This bid is for the resealing and upgrade of carparks including unsealed carparks.	219	0	219	217	224	230
Bridge Renewal Program						
This bid is to renew or replace road bridges footbridges and boardwalks as part of an ongoing program to ensure that the bridges continue to be fit for purpose. New bridges are handled via separate specific bids.	268	0	268	273	278	285
Kerb Ramp Construction / Upgrade Program						
This bid is for the proactive upgrading of kerb ramps (also known as pram ramps) to provide a continuous accessible path of travel network in conjunction with the Road Reseal / Reconstruction Program and Council Funded New Footpath Program including consideration of any Disability Discrimination Act related requests.	423	0	423	428	438	443
Bituminous Footpaths and Shared-Use Paths- Reseal / Upgrade Program						
This bid is for the programmed resealing and widening of existing asphaltic footpaths and shared-use paths outside of the City Wide Trails Program.	200	0	200	205	210	215
Bus Shelter Renewal and Bus Stop Improvement Program						
This bid is for the ongoing renewal of bus shelters owned by the City of Salisbury and also includes the upgrade of bus stop pads where required particularly to ensure universal design criteria are met at the stops.	143	0	143	104	106	108
Building Renewal Program						
For the renewal of various building elements for all buildings either owned or under the care and control of the Council.	1,306	0	1,306	1,230	1,261	1,290
Happy Home Reserve - Salisbury Swimming Pool - Structural Remedial Works to Pool						
To complete necessary structural repair works to both the main pool and learning pool at the Salisbury Recreation Precinct.	0	0	0	400	200	0
Playspace / Playground Program						
This bid is for playspace / playground renewal and upgrades including new shade structures where identified.	840	0	840	610	620	540
Outdoor Sealed Sporting Court Surfaces Program						
This bid is for the reseal and/or minor upgrade of outdoor sealed sports playing surfaces.	86	0	86	87	88	89
Total Renewal	3,485	0	3,485	3,554	3,425	3,200

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 28

Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
New						
Minor Traffic Improvements Program This bid is for the implementation of minor traffic control improvement works such as pedestrian refuge-type treatments / minor modifications to Local Traffic Management treatments and the installation of indented parking bays and various 'proactive and reactive' measures such as the installation of new pavement bar layouts - pavement markings and advance warning and regulatory signage.	215	0	215	60	110	120
Major Traffic Improvements Program This bid is the consolidated program to treat individual sites that require specific and significant traffic control measures e.g. the installation of Local Traffic Management Type Treatments.	2,055	1,337	718	813	234	230
School Zones and Pedestrian Crossings Program This bid is for the installation of new or upgraded 'school zones' and pedestrian crossing facilities on a 'needs' basis.	193	0	193	140	170	175
Council Funded New Footpath Program This bid is for the construction of new footpaths in older suburbs where footpaths do not already exist or where there is a need for additional footpaths in existing streets or reserves. The proposed locations are reviewed and prioritised by the Footpath Request Evaluation Team in accordance with Council's Footpath Policy and the Transport Asset Management Plan.	341	0	341	328	335	340
Bicycle Network Improvements Program This program is a collection of nominated projects responding to specific known bicycle network deficiencies including projects eligible for State Bicycle Funding or State Black Spot Program - Cycling Projects which both require a funding contribution from Council.	399	180	219	152	102	142
Information Signage Program (Parks and Reserves) Installation of new information / interpretive signage for nominated parks and reserves.	63	0	63	57	62	64
City Wide Trails Program This bid is for the continued development and upgrade of the 'Green Trails' network that follows the City of Salisbury's Open Space corridors with various connections mainly via reserves.	1,040	652	388	540	540	450
Sportsfield Lighting Program This bid is to fund lighting renewals and upgrades for sporting ovals based on condition and levels of service required. A condition audit and service level assessment of sportsfield lighting infrastructure will be used to formulate future proposed works. This bid is related to a separate bid Sportsfield Lighting Assistance Program.	170	0	170	200	70	180
St Kilda Master Plan - Stage 2 Implementation This bid is for the implementation of the St Kilda Master Plan - Stage 2 Works (Marine Recreation Precinct and Mangroves) over multiple years commencing with detail design and consultation and external funding negotiations which commenced in 2018/2019. In the event that external funding becomes available for the Boat Ramp or RV Site earlier these project budgets will be adjusted via Council's Quarterly Budgetary Review Process accordingly.	1,600	900	700	105	330	6,971
Building Upgrade Program Upgrades to Council owned buildings other than those that are submitted as a separate bid or included in the Building Renewal Program.	2,350	0	2,350	2,150	2,200	2,200
Priority Universal Design Upgrades - Buildings This bid is to implement priority access items following completion of a building condition audit.	118	0	118	120	122	124

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 29

Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
Outdoor Furniture Program This bid is for new outdoor furniture such as park benches picnic settings shelters bike racks drinking fountains and barbecues.	214	0	214	216	159	161
Reserve Upgrade Program This bid is to increase the level of service and standard of reserves where they fall short of agreed service levels as per the Parks and Streetscape Asset Management Plan and community expectations.	346	0	346	376	371	380
Dog Parks for Small Dogs The establishment of dog parks for small dogs co-located with existing dog parks.	79	0	79	79	80	80
Fitness Equipment Program Fitness equipment will provide additional value to various reserves across the City of Salisbury and appeal to those people wanting to increase their fitness.	120	0	120	135	135	60
Inclusive Play Spaces Program Upgrade of nominated local (neighbourhood) playspaces to be more inclusive and to ensure that there are safe and friendly play spaces for everyone and their careers to access. people. This bid will result in the delivery of a playspace which is inclusive of all abilities and age levels and cater for carers and other family members.	355	235	120	0	0	0
Salisbury City Centre Regional Community Hub The Salisbury Community Hub is a major strategic transitional project for Council that will deliver on multiple objectives.	1,000	0	1,000	0	0	0
Salisbury Oval Master Plan Implementation With the approval of the Salisbury Oval Master Plan, a program of works was determined and approved for delivery, this being the final year of this, known as the Salisbury Oval Master Plan Implementation Program.	1,680	0	1,680	0	0	0
Bridgestone Reserve - Athletics Facility This bid is to develop a new regional-level synthetic athletics facility at Bridgestone Reserve.	1,596	0	1,596	0	0	0
Community and Public Art Program Implementation of a community and public art program across the City of Salisbury.	30	0	30	30	0	0
Louisa Road / Deal Court - Paralowie - Upgrade To develop a concept design for the upgrade of Louisa Road/Deal Court with Construction in 2020/21	50	0	50	1,000	950	0
Unity Park - Pooraka - Additional New Toilet Facilities 2019/2020 This bid is for the design and installation of additional new public toilet facilities at Unity Park - Pooraka.	152	0	152	152	0	0
Netball Courts at Salisbury North Oval and Salisbury Downs Netball court at Salisbury North Oval Football ground and to re-instate the courts located at Salisbury West Football Club.	397	0	397	0	0	0
Historical Methodist Cemetery Stage 1 Upgrade Stage 1 landscape upgrade to the Historical Methodist Cemetery owned by the Uniting Church.	77	0	77	0	0	0
Total New	14,640	3,304	11,336	6,653	5,970	11,677
TOTAL - The Living City	18,125	3,304	14,821	10,207	9,395	14,877

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Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
Achieving Excellence						
Renewal						
Transportation Program Area - Planning Program						
This bid is to provide existing 'Transportation' Project Asset Category Programs with funding for the planning and development of the subsequent years' programs including various Transport Asset Management Plan (AMP) Asset Condition Audits.	120	0	120	181	180	120
Road Reseal / Reconstruction Program						
This bid is for the ongoing renewal of bituminous road surfaces and/or reconstruction of failed road pavements including all capitalised preparatory works such as crack sealing.	8,635	0	8,635	8,813	9,000	9,180
Property and Buildings Program Area - Planning Program						
This bid is to provide existing 'Property and Buildings' category programs with funds for planning and development of the subsequent years' programs including various Building Asset Management Plan asset condition audits.	200	0	200	80	80	80
Drainage and Waterways Program Area - Planning Program						
This bid is to provide existing 'Drainage and Waterways' category programs with funds for planning and development of the subsequent years' programs.	184	0	184	152	132	136
Parks and Streetscape Program Area - Planning Program						
This bid is to provide existing 'Parks and Streetscapes' category programs with funds for planning and development of future years' programs.	32	0	32	33	34	35
Mawson Lakes and Edinburgh - Renewal of Railway Corridor Sound Attenuation Walls						
This bid is for renewal of the sound attenuation walls adjacent to the railway corridors in Mawson Lakes and Edinburgh.	50	0	50	50	50	50
Total Renewal	9,221	0	9,221	9,309	9,476	9,601

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Capital Works Program

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
New						
Sportsfield Lighting Assistance Program						
This bid is for a nominal annual budget provision for Council matching funds to enable clubs to apply for State Government funding for sportsfield lighting projects.	100	50	50	50	50	50
Developer Funded Program						
This bid is to undertake a program of works including but not limited to planting of trees; building footpaths and parking bays in development areas where developers choose not to complete these works but provide a financial contribution to City of Salisbury in lieu to undertake the works post-initial development.	205	205	0	0	0	0
Clubs/Sporting Facilities (Minor Capital Grants Program)						
This bid is for the Minor Capital Works Grants Program to enable sporting and similar clubs to initiate minor improvements (buildings facilities and equipment) based on club needs.	326	0	326	333	339	347
Land Acquisition Program - Miscellaneous						
Provision for the unforeseen purchase of minor parcels of land to facilitate the construction of present and future infrastructure.	55	0	55	56	57	58
Strategic Projects Program - Planning Program						
Funds for the initial development of nominated high-level strategic project proposals and initiatives. This work is partly undertaken in the pre project stage to complete the necessary planning and business case development to enable a project or set of projects to be defined/ scoped.	100	0	100	0	0	0
Building Furniture and Equipment Program						
Renewal of inside furniture and equipment across all Council facilities	65	0	65	70	75	80
Diment Road Burton/Direk - Upgrade 2019/20						
Subject to external funding support this bid is for further staged widening-reconstruction and upgrading of Diment Road between Bolivar Road and Heaslip Road located predominantly in the commercial / industrial zone to cater for B-Double access. It should be noted that Heaslip Road is the responsibility of the Department of Planning, Transport and Infrastructure (DPTI).	350	0	350	350	350	350
Security Systems Upgrade – Intruder Detection Systems						
The upgrade of alarm system hardware to a versatile and functional intruder detection system that allows established control systems; allows a networked 'one platform standard' across City of Salisbury monitored alarm sites; reduces the requirement for physical swipe cards and allows for Bluetooth mobile technology control solutions – reducing time and costs to Council in managing access control.	90	0	90	70	0	0
Total New	1,291	255	1,036	929	871	885
TOTAL - Achieving Excellence	10,512	255	10,257	10,238	10,347	10,486
Total Renewal	14,948	0	14,948	14,925	15,935	14,759
Total New	25,895	6,698	19,197	21,601	15,627	17,573
Total Capital Works Program	40,843	6,698	34,145	36,526	31,562	32,332

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 32

BUDGET BIDS

information technology



CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 33

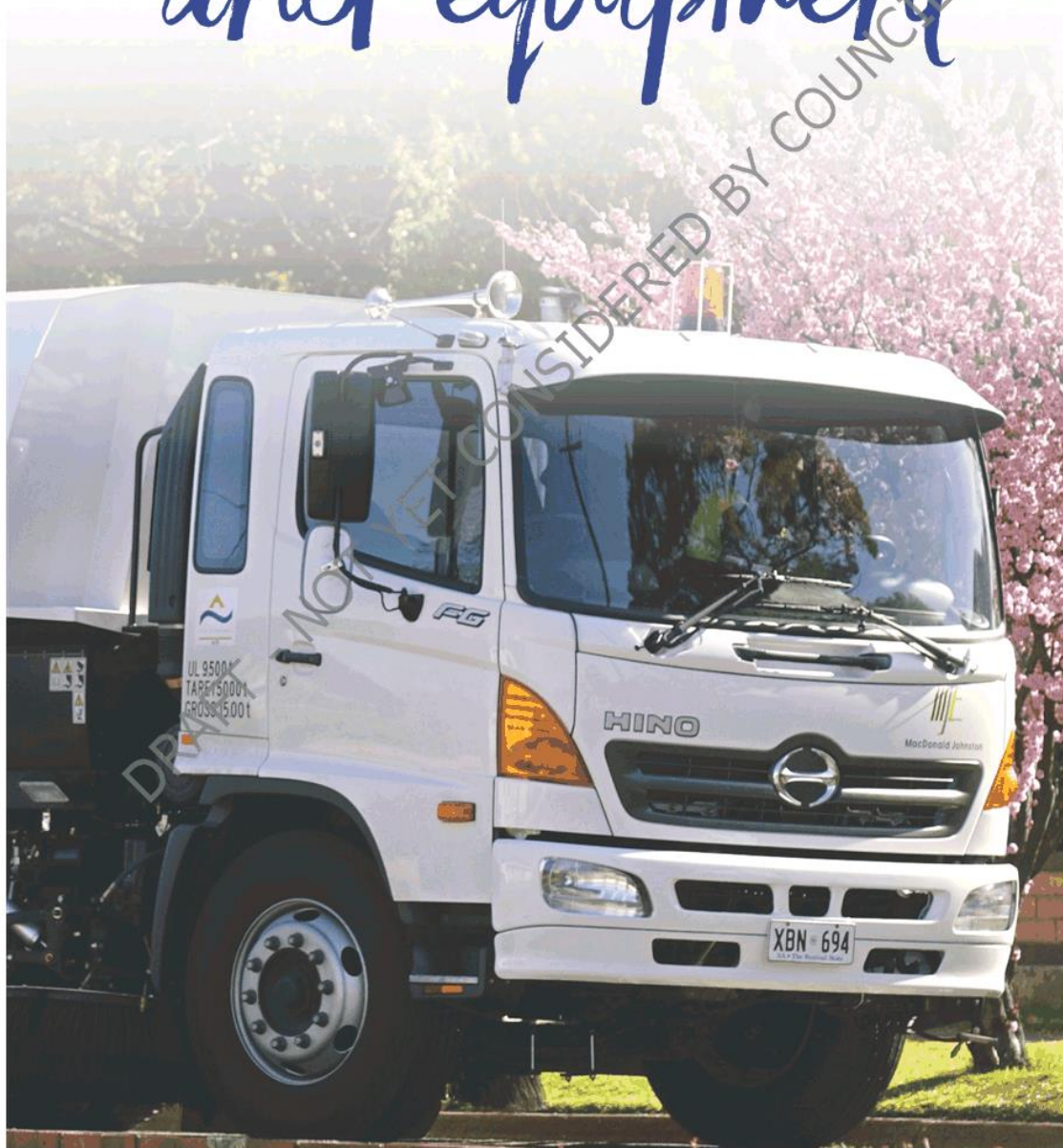
Information Technology Budget Bids

	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
Achieving Excellence						
Enabling functionality for future Pathway integration projects						
Implement functionality to provide a robust flexible platform for future projects to integrate to the Pathway solution.	0	0	0	63	0	0
Implementation of an Asset Management Predictive Modelling Solution						
To implement a predictive modelling solution to improve the development of Asset Management Operation Plans; renewal plans and maintenance plans and financial modelling.	50	0	50	0	0	0
Fleet Management System Upgrade						
With the current system no longer supporting upgrades or improvements, it is proposed to purchase a new Fleet Management System to be able to manage councils \$13M of fleet including light vehicles, heavy plant and minor equipment.	50	0	50	0	0	0
TOTAL - Achieving Excellence	100	0	100	63	0	0
Total IT Budget Bids	100	0	100	63	0	0

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BUDGET BIDS

plant, furniture and equipment



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Plant, Furniture and Equipment Budget Bids

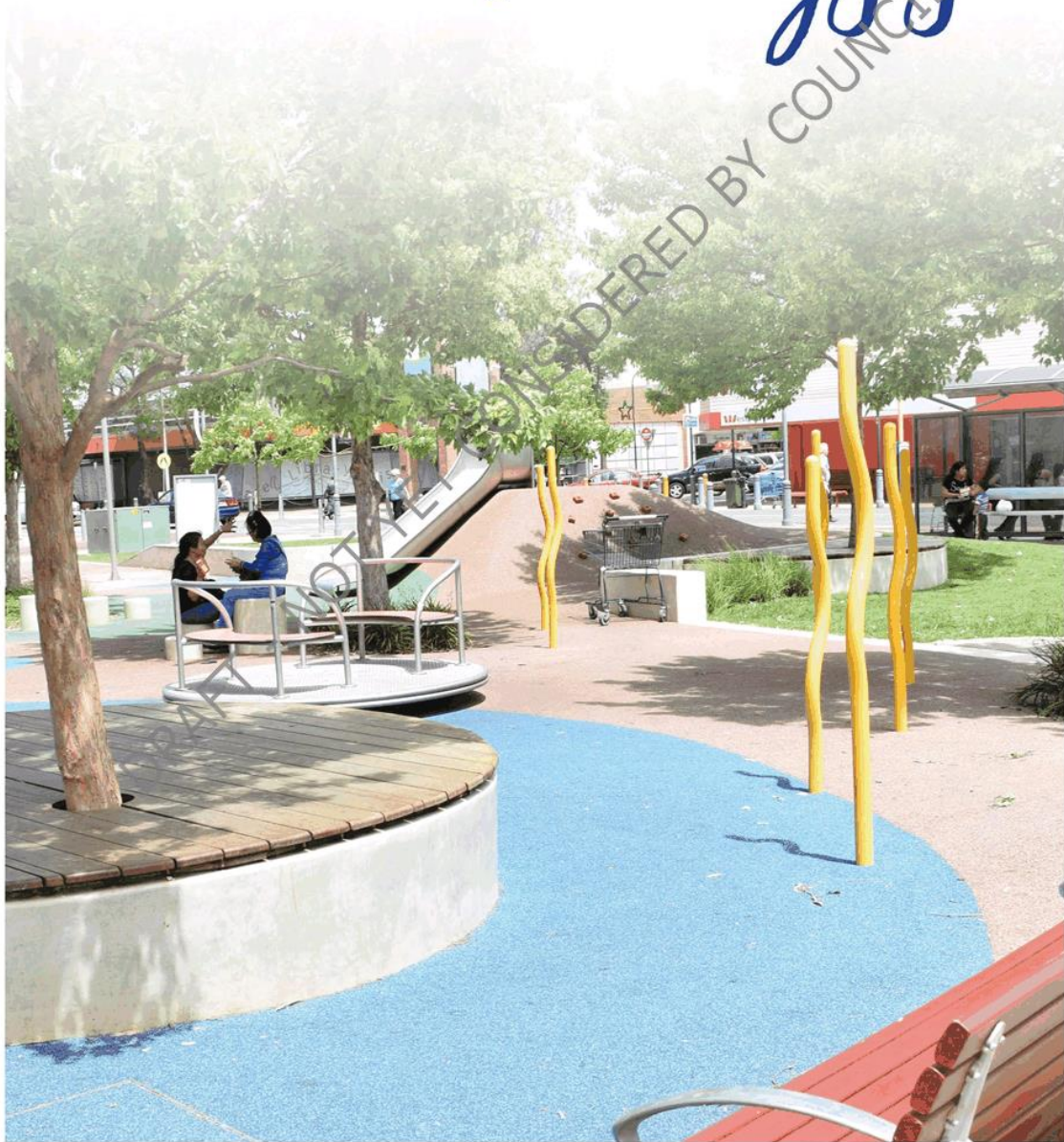
	2019/20		2020/21		2021/22	2022/23
	Exp	Funding	Net	Net	Net	Net
The Sustainable City						
Purchase of Mini Excavator for Tree Planting						
The purchase of a Mini Excavator aims to streamline the current methodology used to plant trees in the City of Salisbury. It will free up the large skid steer to increase service delivery in post rail repairs, reserve maintenance and minor earthworks. The mini excavator can also be utilised in summer for mulching garden beds and trenching for irrigation repairs.	62	0	62	0	0	0
Purchase of Wide Area Mowers						
It is proposed to purchase two (2) wide area mowers that increase the cutting footprint from 6ft to 11ft. This would reduce the need to replace four (4) standard six (6) ft cut front deck mowers. Wide area mowers would be deployed to cut the largest reserve areas to produce the maximum productivity gain.	22	0	22	0	0	0
Total New	84	0	84	0	0	0
TOTAL - The Sustainable City	84	0	84	0	0	0
Achieving Excellence						
Mawson Lakes Central - CCTV						
The project proposes installation of CCTV infrastructure to extend upon Council's existing CCTV network and to provide improved public realm safety in the Mawson Lakes Central precinct.	395	395	0	0	0	0
Plant & Fleet Replacement Program						
This bid is to deliver on a program for major plant and fleet replacement based on the Asset Management Programs that have been developed.	1,615	377	1,238	1,065	1,139	1,752
Fleet Lease to Purchase						
This bid is required to convert a further 2 vehicles in the fleet that are currently leased to become purchased vehicles.	115	0	115	0	0	0
Community Buildings - CCTV						
For the continued implementation of CCTV in Council's community buildings.	155	0	155	0	0	0
Purchase of Utility Vehicle for Infrastructure Management Team						
Purchase of a 4x2 crew cab utility vehicle for use by the newly created Compliance Officers.	45	0	45	0	0	0
CCTV Renewal Program						
Successful implementation of previous CCTV upgrades has led the city to an effective CCTV platform over the past 5 years for public safety and more recently with the community centre installation programme providing effective solutions to assist improving the security and safety of council assets and services.	30	0	30	30	30	30
Total New	2,355	772	1,583	1,095	1,169	1,782
TOTAL - Achieving Excellence	2,355	772	1,583	1,095	1,169	1,782
Total PFE Budget Bids	2,439	772	1,667	1,095	1,169	1,782

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DRAFT - NOT YET CONSIDERED BY COUNCIL

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BUDGETED financial statements and analysis



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Budgeted Financial Statements & Analysis 2019/20

This section of the report analyses the changes in budgeted operating revenues and expenses for the 2019/20 year.

1.0 Summary

Details	Adopted Budget 2018/19 \$000's	Proposed Budget 2019/20 \$000's	Variance Inc / (Dec) \$000's	Variance %
Operating Revenue	118,372	121,684	3,312	2.80%
Operating Expenditure	114,786	116,213	1,427	1.24%
Net Operating components of Capital Projects		1,180	1,180	
Net Operating New Initiative Bids		430	430	
Operating Surplus/(Deficit)	3,586	3,861	275	7.66%

1.1 Operating Revenue

Revenue Type	Reference	Adopted Budget 2018/19 \$000's	Proposed Budget 2019/20 \$000's	Variance Inc / (Dec) \$000's	Variance %
Rates	1.1.1	97,693	101,031	3,338	3.42%
Statutory Charges	1.1.2	2,860	2,819	(41)	(1.43%)
User Charges	1.1.3	4,888	5,004	116	2.38%
Operating Grants and Subsidies	1.1.4	11,908	11,759	(149)	(1.25%)
Investment Income	1.1.5	159	158	(1)	(0.91%)
Reimbursements	1.1.6	132	217	85	64.59%
Other Revenue	1.1.7	732	696	(36)	(4.94%)
Total Operating Revenue		118,372	121,684	3,312	2.80%

1.1.1 Rates (\$3,338k Increase)

The anticipated rate revenue in 2019/20 is \$101M which when compared to 2018/19 of \$97.7M represents an increase of \$3,338k or 3.42%. The proposed average rate increase is 2.50% and the proposed increase in rate revenue from growth is 1.00%.

1.1.2 Statutory Charges (\$41k Decrease)

Statutory fees relate to fees and fines levied in accordance with legislation and include Dog Registrations, Health Act Registrations, and Parking Expiations. Statutory fees are forecast to decrease by 1.43% or \$41k compared to 2018/19 resulting from changes in dog registration requirement.

This incorporates decreases in dog registration \$87k associated with legislation changes impacting on increase concessions due to increase in microchipped and desexed dogs, and an increase in Development Services Income including Building Rules Certification Income \$27k and Planning Assessment \$23k.

1.1.3 User Charges (\$116k Increase)

User Charges primarily relate to the recovery of service delivery costs through the charging of fees to the users' of the Council's services. These charges are forecast to be \$5M in 2019/20. This is an increase of 2.38% or \$116k compared to 2018/19.

The increase incorporates the commercial rental review and adjustment \$105k and Sporting Clubs rental review \$19k.

Budgeted Financial Statements & Analysis 2019/20

1.1.4 Operating Grants & Subsidies (\$149k Decrease)

Operating Grants and Subsidies for 2019/20 are forecast to be \$11.8M, which is a decrease of \$149k or 1.25% as compared to the budgeted amount of \$11.9M in 2018/19.

The forecast decrease in Operating Grants & Subsidies is the result of the one off Northern Adelaide catchment study grant \$100k and decrease of Home Assist Grant \$57k due to restructure of Commonwealth Home Support Program.

1.1.5 Investment Income (\$1k Decrease)

The Council earns investment income primarily in the form of interest from the investment of cash surpluses throughout the financial year.

Investment Income for 2019/20 is forecast to generate \$158k which is a minor decrease of \$1k compared to 2018/19.

1.1.6 Reimbursements (\$85k Increase)

From time to time the Council enters into commercial arrangements under which it performs services on behalf of third parties, and subsequently then seeks reimbursement for undertaking those services.

During 2019/20 it is estimated that the Council will seek reimbursement for \$217k as compared to \$132k in 2018/19. This represents an increase of \$85k or 64.59% which is related to additional school immunisation program increase in services.

1.1.7 Other Revenue (\$36k Decrease)

Other Revenue comprises all the miscellaneous items of revenue which do not fall into any of the aforementioned revenue categories.

During 2019/20 Other Revenue is forecast to decrease to \$696k as compared to the \$732k in 2018/19. This represents a decrease of \$36k or 4.94% which is mainly associated with a lower estimate for Worker's Compensation Scheme based on current year actuals.



Budgeted Financial Statements & Analysis 2019/20

1.2 Operating Expenditure

Expense Type	Reference	Adopted Budget 2018/19 \$000's	Proposed Budget 2019/20 \$000's	Variance Inc / (Dec) \$000's	Variance % %
Wages & Salaries	1.2.1	36,596	38,202	1,606	4.39%
Materials, Contracts & Other Expenses	1.2.2	49,819	49,284	(535)	(1.07%)
Finance Charges	1.2.3	1,641	1,410	(231)	(14.08%)
Depreciation	1.2.4	26,730	27,317	587	2.20%
Total Operating Expenses		114,786	116,213	1,427	1.24%

1.2.1 Wages & Salaries (\$1,606k Increase)

Wages and Salaries include all associated labour related on-costs such as allowances, leave entitlements and the Superannuation Guarantee Charges. Wages and Salaries costs takes into account the effects of EB Agreements, general salary increments and the impact on employee costs resulting from increases and decreases in grant funding.

During 2019/20 employee costs are forecast to increase to \$38.2M as compared to \$36.6M in 2018/19. This is an overall increase of \$1.6M or 4.39% which includes wage increases, and outcomes from organisational structural changes.

1.2.2 Materials, Contracts & Other Expenses (\$535k Decrease)

Materials, Contracts and Other Expenses includes purchases of consumables that are used throughout the Council for the provision of services, utility costs, works and services which the Council sources externally, so as to allow the Council to perform its operations. It also includes a broad range of other expense items including contributions to community groups, advertising, insurance, legal advice, motor vehicle registrations and numerous other miscellaneous expenses.

The budgeted amount for materials, contracts and other expenses is forecast for 2019/20 at \$49.3M as compared to \$49.8M in 2018/19. This is a decrease of \$535k or 1.07% with the most significant impacts being reduction of current year's election cost of \$478k. This is offset by budgeting \$130k each year for the next 4 years toward to the election in 2022.

Budgeted Financial Statements & Analysis 2019/20

1.2.3 Finance Costs (\$231k Decrease)

Borrowing costs relate to interest charged by financial institutions on funds that have been borrowed by the Council.

The interest costs of \$1.4M forecast for 2019/20 is an decrease of \$231k or 14.08% as compared with \$1.6M in 2018/19 with less loans being drawn down to fund the capital program delivery.

1.2.4 Depreciation, Amortisation & Impairment (\$587k Increase)

Depreciation is an accounting measure which attempts to measure the usage of the Council's infrastructure (such as roads and drains), property, plant and equipment over the estimated effective useful life of the assets.

In 2019/20 the forecast amount of depreciation is \$27.31M compared to \$26.73M for 2018/19. This is an overall increase of \$587k or 2.20%. This main increase is the result of depreciation for the Salisbury Community Hub.



Functional Presentation of the Budget

In this section of the Annual Plan the Operating Budget has been presented using a Functional View.

Full Cost

The City of Salisbury has a legislative obligation, under the Local Government Financial Management Regulations 2011, that requires Councils to ensure that externally provided financial information is made available on a full cost basis.

Full cost attribution is effectively a system under which all costs, including indirect and overhead costs, are allocated to a function, activity or program on a reliable and consistent basis. In other words full cost attribution seeks to determine the true cost of any function of Council by allocating indirect costs, including administration and management costs, to Council services.

The most prevalent reason to provide financial information on a full cost basis is that knowing and understanding the full cost of a service is essential information required in order for Council to continue to effectively manage and administer the City of Salisbury's budget.

Functional Presentation of the Budget

The presentation of the Budget has been aligned with the City of Salisbury's Planning Framework; that is the City Plan 2030. This Planning Framework is structured around four Key Directions, Prosperous City, Sustainable City, Liveable City and Enabling Excellence.

The various Council services are presented in accordance with the Key Direction they are related to. This has the effect of demonstrating the contribution each service area will achieve in working towards the goals outlined under each direction, as well as presenting key service levels and costs associated with the performance of these services.



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Budget Summary by Full Cost

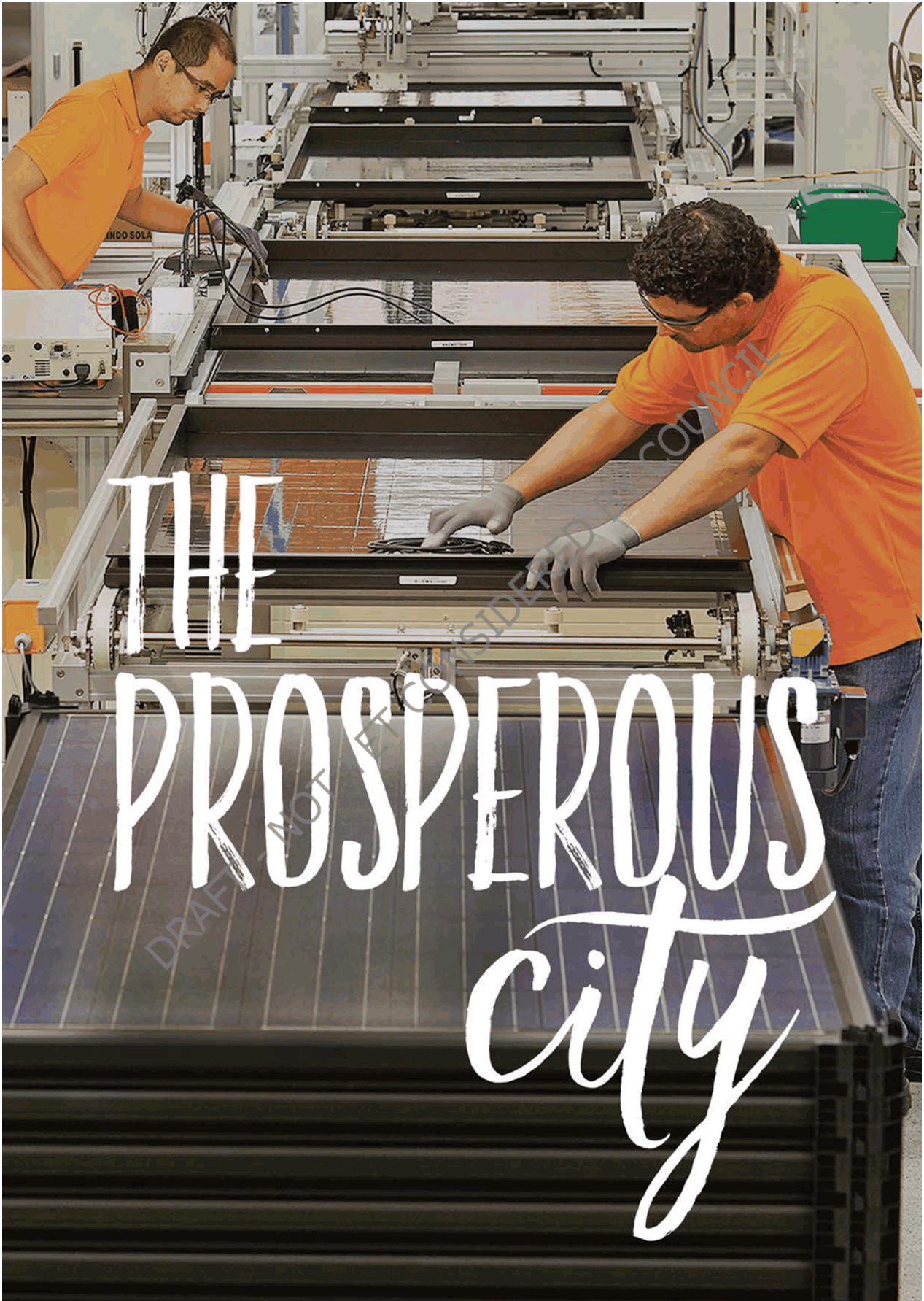
OPERATING BUDGET by KEY DIRECTION	2018/19				
	Direct Cost \$000's	Attributed Cost \$000's	Full Cost \$000's	Funding \$000's	Net \$000's
The Prosperous City					
Economic Development	1,053	394	1,447	64	1,383
Development Management	2,932	110	3,042	1,257	1,785
Urban Planning and Development	1,159	204	1,363	-	1,363
Roads	3,405	609	4,014	2,682	1,332
Footpaths	1,312	138	1,450	-	1,450
Total The Prosperous City	9,861	1,455	11,316	4,003	7,313
The Sustainable City					
Water Management	3,633	521	4,154	2,760	1,394
Waste Management	14,813	393	15,206	232	14,974
Parks & Landscapes	16,299	3,722	20,021	60	19,961
City Infrastructure	5,362	(5,362)	-	1,129	(1,129)
Total The Sustainable City	40,107	(726)	39,381	4,181	35,200
The Living City					
Community Development	2,271	308	2,579	9	2,570
Library Services	4,784	82	5,605	709	4,896
Community Centres	1,604	663	2,267	310	1,957
Recreation Services	1,653	176	1,829	-	1,829
Community Sport & Club Facilities	2,014	149	2,163	-	2,163
Community Health & Wellbeing	3,907	880	4,787	3,041	1,746
Cemetery	425	166	591	522	69
Food & Health Regulation	825	364	1,189	169	1,020
Inspectorate Services	571	194	765	380	385
Dog Control	1,169	556	1,725	1,145	580
Crime Prevention & Repair	532	207	739	-	739
Street Lighting	3,107	2	3,109	-	3,109
Total The Living City	22,862	4,486	27,348	6,285	21,063
Achieving Excellence					
Business Excellence	13,087	(13,033)	54	458	(404)
Council	2,826	(2,826)	-	2	(2)
Sundry *	26,043	(459)	25,584	6,501	19,083
Total Achieving Excellence	41,956	(16,318)	25,638	6,961	18,677
Capital Works & Project Preparation		1,811	1,811	-	1,811
Corporate Unallocated		5,251	5,251	-	5,251
Corporate Governance Overhead		4,041	4,041	-	4,041
Rate Revenue				96,942	(96,942)
TOTAL OPERATING SURPLUS / (DEFICIT)	114,786		114,786	118,372	3,586

Budget Summary by Full Cost

OPERATING BUDGET by KEY DIRECTION	2019/20				
	Direct Cost \$000's	Attributed Cost \$000's	Full Cost \$000's	Funding \$000's	Net \$000's
The Prosperous City					
Economic Development	878	394	1,272	65	1,207
Development Management	3,018	111	3,129	1,310	1,818
Urban Planning and Development	962	204	1,166	-	1,166
Roads	3,580	608	4,188	2,685	1,503
Footpaths	1,368	138	1,506	-	1,506
Total The Prosperous City	9,806	1,455	11,261	4,060	7,201
The Sustainable City					
Water Management	3,698	521	4,219	2,634	1,585
Waste Management	15,103	394	15,497	232	15,265
Parks & Landscapes	16,838	3,872	20,710	60	20,650
City Infrastructure	4,563	(4,563)	-	1,245	(1,245)
Total The Sustainable City	40,202	224	40,426	4,171	36,255
The Living City					
Community Development	2,203	307	2,510	8	2,502
Library Services	4,790	820	5,610	709	4,901
Community Centres	1,663	664	2,327	308	2,019
Recreation Services	1,646	176	1,822	-	1,822
Community Sport & Club Facilities	2,006	149	2,155	-	2,155
Community Health & Wellbeing	3,804	880	4,684	3,003	1,681
Cemetery	444	166	610	512	98
Food & Health Regulation	875	364	1,239	255	984
Inspectorate Services	582	194	776	388	388
Dog Control	185	556	1,741	1,059	682
Crime Prevention & Repair	605	207	812	-	812
Street Lighting	3,204	1	3,205	-	3,205
Total The Living City	23,007	4,484	27,491	6,242	21,249
Enabling Excellence					
Business Excellence	13,439	(13,400)	39	417	(378)
Council	2,426	(2,426)	-	2	(2)
Sundry *	27,333	(1,441)	25,893	6,456	19,437
Total Enabling Excellence	43,198	(17,266)	25,932	6,875	19,057
Capital Works & Project Preparation		1,811	1,811		1,811
Corporate Unallocated		5,251	5,251		5,251
Corporate Governance Overhead		4,041	4,041		4,041
Rate Revenue				100,335	(100,335)
Operating New Initiatives	1,766		1,766	157	1,610
TOTAL OPERATING SURPLUS / (DEFICIT)	117,979		117,979	121,840	3,861

* Sundry expenditure is primarily depreciation, with income being untied grant funding.

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 45



Our objectives are to:

1. Have a community with the skills, knowledge and agility to participate in a rapidly changing economy
2. Be the place of choice for businesses to invest and grow within South Australia, nationally and internationally
3. Have a thriving business sector that supports community wellbeing, is globally oriented and creates job opportunities
4. Have well planned urban growth that stimulates investment and facilitates greater housing and employment choice

We will:

- Improve pathways to employment by providing programs for people whether they are unemployed, seeking to enter the workforce or looking to change careers
- Support workers and families affected by the closure of the automotive sector
- Build on regional strengths in food processing, defence, logistics and education to attract new investment and support existing firms to grow
- Capitalise on the rollout of the NBN, expertise within the University of SA and the establishment of data centres to accelerate the growth of information-rich industries
- Build new industries around our region's research strengths
- Further develop Salisbury Water through research and development to provide a competitive edge for firms located in the region
- Develop a creative entrepreneurial community
- Encourage new business start-ups and improve the growth aspirations, management capability and leadership of existing business owners
- Support firms to access new markets
- Work with business to adopt digital technologies to improve productivity
- Partner and advocate to maximise the economic and social benefits of major infrastructure projects
- Encourage well designed infill development and unlock new urban development opportunities
- Regenerate the Salisbury City Centre into a vibrant, diverse and successful destination recognised as the business heart of northern Adelaide
- Ensure Council's regulations and procurement activities support local economic growth where possible

Our City's progress will be measured by:

- Size of workforce and participation rate
- Gross Regional Product
- Number of actively trading businesses
- Value of residential and commercial construction

Economic Development

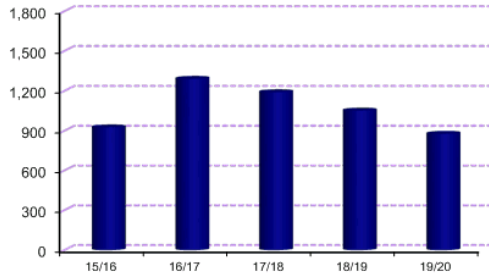


Economic Development contains the following Service Areas, Activities and Service Levels

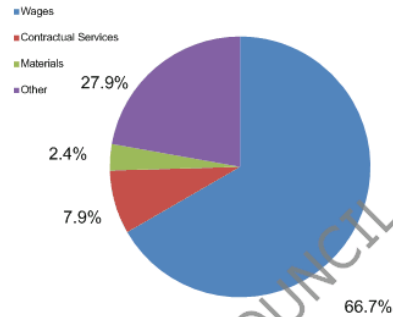
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Business Advisory Services (The Polaris Centre)</p> <p>Council supports people considering starting a business or who are already in business by providing information, advice, workshops and mentoring.</p>	<ul style="list-style-type: none"> • Provide support and training to businesses: over 500pa • Provide mentoring services to business owners: over 40pa • Increase the rate of new business formation in the region by providing start up programs • Provide digital support services to businesses including workshops (10), advisory (100 people) and roundtables (6) • Support firms to build their capacity to diversify into international markets: at least 10pa
<p>Economic Development</p> <p><i>Investment Attraction</i> Actively promote Salisbury as an investment location of choice through Salisbury Business and Invest Salisbury activity, investment program and actively works with firms considering relocating to Salisbury or expanding their operations within our City. This includes progressing Council's approach to business growth and investment through simpler and streamlined Council processes.</p> <p>Actively promote and position the City of Salisbury as a location of choice for business investment and expansion</p> <p><i>Policy & Advice</i> Provide economic advice and input to Council and external bodies regarding economic issues and opportunities.</p> <p><i>Salisbury City Centre</i> Contribute to, and, where appropriate, drive initiatives to progress Council's objectives for Salisbury City Centre Structure Plan, place management and liaison with businesses.</p>	<ul style="list-style-type: none"> • Engage with at least 100 firms as part of Council's business engagement program. • Case management of at least 20 investment leads • Continual delivery of Invest in Salisbury and work with at least 3 partner organisations to raise Salisbury's economic profile in key sectors. • As required develop and commence implementation of a future economic strategy for Salisbury. • Implementation of Salisbury City Centre investment attraction initiatives.

Economic Development

Budgeted Economic Development Operating Expenditure (\$000')



Economic Development (Expenditure)



	2018/19 Budget \$000's	2019/20 Forecast \$000's
EXPENDITURE		
Business Advisory Services	177	178
Economic Development	876	700
DIRECT EXPENDITURE	1,053	878
FULL COST ATTRIBUTION	394	394
TOTAL EXPENDITURE	1,447	1,272
INCOME		
Business Advisory Services	64	65
TOTAL INCOME	64	65
NET IMPACT TO COUNCIL		
Business Advisory Services	113	113
Economic Development	876	700
FULL COST ATTRIBUTION	394	394
TOTAL NET IMPACT TO COUNCIL	1,384	1,207

Development Management

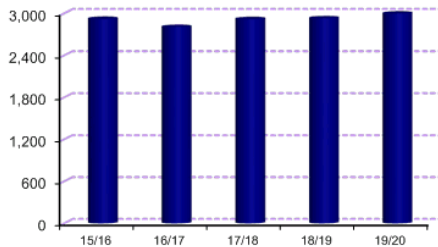


Development Management contains the following Service Areas, Activities and Service Levels

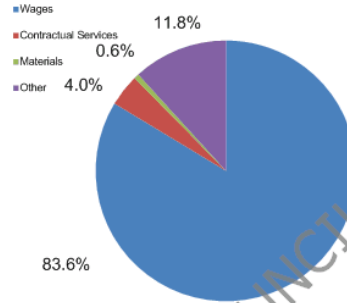
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building</p> <p>Assessment of applications, provide general advice to community regarding building matters, respond to complaints, and inspect approved developments.</p>	<ul style="list-style-type: none"> • General Advice: 2,100pa • Applications: 2,500pa • Building Compliance: 600pa • Building Application Inspections: 600pa
<p>City Development Administration</p> <p>Responsible for administration support services and the overall management and leadership of the City Development Department.</p>	<ul style="list-style-type: none"> • Section 7 Statements: 3,000pa • Rates Certificates: 3,100pa • Plan searches: 110pa • Register development applications and generate application decision notification forms: within 1 business day of registration/decision
<p>Corporate Signage</p> <p>Provide and promote corporate directional signage primarily on main roads, to assist visitors to find business locations. The program aim is to be self-funding.</p>	<ul style="list-style-type: none"> • 35 signs located across the City
<p>Development Engineering</p> <p>Processes applications for land divisions to ensure new roads, footpaths and stormwater drains meet Council standards. Deals with engineering aspects (e.g. traffic and stormwater) for major developments.</p>	<ul style="list-style-type: none"> • Engineering Assessment Approval and Bonding of land divisions: 8pa • Building Developments: 40pa • Construction Compliance Inspections: 50pa • Engineering advice: 520pa
<p>Planning</p> <p>Assessment of applications, provide general advice to community regarding planning matters and ensure compliance with legislative requirements.</p>	<ul style="list-style-type: none"> • Applications: 2,300pa • Planning Application Inspections: 650pa • Planning Compliance: 185pa • General Advices: 8,000pa

Development Management

Budgeted Development Management Operating Expenditure (\$'000')



Development Management (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Building	766	798
City Development Administration	1,026	1,061
Corporate Signage	7	7
Development Engineering	207	210
Planning	926	942
DIRECT EXPENDITURE	2,932	3,018
FULL COST ATTRIBUTION	111	111
TOTAL EXPENDITURE	3,042	3,128
INCOME		
Building	726	772
City Development Administration	103	101
Corporate Signage	10	23
Planning	419	415
TOTAL INCOME	1,258	1,310
NET IMPACT TO COUNCIL		
Building	41	27
City Development Administration	922	960
Corporate Signage	(3)	(16)
Development Engineering	207	210
Planning	507	526
FULL COST ATTRIBUTION	111	111
	1,784	1,818

Urban Planning and Development



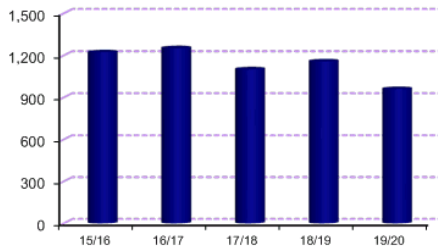
Urban Planning and Development contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Strategic Development Projects</p> <p>Oversees Council's strategic development projects from inception through to completion including:</p> <ul style="list-style-type: none"> • Identification and development of surplus Council land • Preparation of project feasibilities and business cases for identified potential future developments. • Investigating opportunities and coordinating key development projects to contribute to the renewal of the Salisbury City Centre. 	<ul style="list-style-type: none"> • Complete delivery of the Tranche 2 project Boardwalk at Greentree including the delivery of 122 residential allotments including 15% affordable housing. • Deliver balance Tranche 2 projects residential sales, subject to outcome of business case considerations. • Commence implementation on the year 2 short term five year priority actions identified within the Strategic Land Review Implementation Plan. • Complete residential project feasibilities identified by Council in respect to the residential Tranche 3 projects • Contribute to the delivery of all Year 1 actions as identified in the Salisbury Oval Masterplan including completion of an EOI process on the residential land offering and commencement of sales. • Provide internal support and project coordination to facilitate the construction of the Salisbury Community Hub.
<p>Urban Policy</p> <p><i>Strategic Planning</i></p> <p>Research and develop policies in relation to land use planning, environmental sustainability and industry growth.</p> <p><i>Urban Policy</i></p> <p>The Planning, Development & Infrastructure Act requires each Council to have a Development Plan to guide development and assessment of development applications. Statewide implementation of the Planning, Development & Infrastructure Act will require Council to work closely with the relevant State Government agencies. Council regularly reviews its development plan to respond to changing needs and expectations to achieve economic, social and environmental objectives.</p>	<ul style="list-style-type: none"> • Develop a Structure Plan for the Northern Connector road corridor and identifying future development opportunities. • Continue neighbourhood planning for those areas likely to experience increases in population as identified in the Growth Action Plan, commencing with Ingle Farm. • Review changing housing needs within our community. • Collaborate with other councils to progress a regional climate adaptation agenda. • Monitor implementation of City Plan and reporting on city indicators • Monitor new technologies that have the potential to influence or shape how cities function with particular application to the City of Salisbury. • Coordinating initial elements to implement Paddocks Masterplan • Continue to work closely with the State Government on the implementation of the Planning, Development & Infrastructure Act. • Investigate need for further DPAs relating to infill development, flooding, implications of strategic land review and Northern Connector • Conclude Rural (aircraft noise) Direk Industry and Residential Interface DPA • Develop design guidelines to address specific urban policy issues if required • Progressing elements of Council's Strategic Transport Plan agenda • Identification of opportunities to improve parking provision and management in Mawson Lakes and Salisbury City Centre.

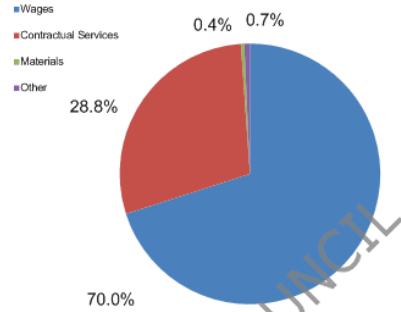
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Urban Planning and Development

Budgeted Urban Planning and Development Operating Expenditure (\$'000')



Urban Planning and Development (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Strategic Development Projects	399	448
Urban Policy	760	514
DIRECT EXPENDITURE	1,159	962
FULL COST ATTRIBUTION	204	204
TOTAL EXPENDITURE	1,363	1,166
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Strategic Development Projects	399	448
Urban Policy	760	514
FULL COST ATTRIBUTION	204	204
TOTAL NET IMPACT TO COUNCIL	1,363	1,166

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 53

Roads



Key Partners:

- Department of Planning, Transport & Infrastructure (DPTI)
- Federal Government
- Developers
- SAPOL

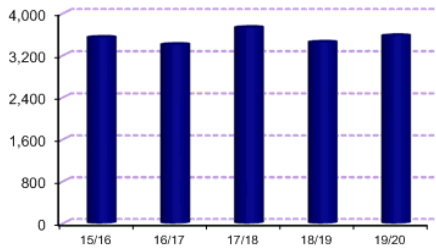
Roads contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Road Maintenance</p> <p>Maintenance of kerb and gutter, road maintenance and repair damage due to storms. There is 1,750km of kerbing and 800km of road in the city.</p> <p>Service levels determined by Asset Management Plans and audit processes</p> <p><i>Road Safety Maintenance</i> Traffic signal/pedestrian and school crossing maintenance.</p> <p><i>Road Sweeping</i> Provision of clean and tidy streetscape and prevention of debris entering drainage system.</p> <p><i>Bridge Maintenance</i> There are 167 footbridges/boardwalks and 23 major road bridges within the Council area.</p>	<ul style="list-style-type: none"> • Roads maintained to Road Pavement Condition Index rating of 8 • Council repairs road failures throughout the year as required • Council has an asset management program for road resealing and renewal that forms part of the Capital Works Program • Line marking is carried out throughout the city over a 12-24 month interval • Pot holes are repaired on a responsive basis within 5 days of notification. • Maintenance of 13 pedestrian/school crossings, 13 Emu Crossings, 16 Koala Crossings and 5 Wombat Crossings • Six week cycle for nine months of the year meeting EPA guidelines cycle, reduced to 3-4 weeks during the summer months to accommodate additional leaf litter • A program of formal audits are undertaken every one to two years • Regular inspections and maintenance is undertaken six monthly and repairs completed as required
<p>Road Safety Engineering</p> <p>Project management of design and receipt of customer complaints regarding traffic design issues.</p>	<ul style="list-style-type: none"> • Council has completed the LATM's for the City, with traffic data showing the 50km/h speed limits are being adhered to by road users. However, hoon driving is an ongoing challenge with the Council's traffic staff liaising with SAPOL to address these issues
<p>Signs and Street Furniture Structure</p> <p><i>Street Signs:</i> Maintenance and replacement of 4,000 street signs and 37,000 other road signage including suburb, warning, regulatory and information signs.</p> <p><i>Street Furniture:</i> About 700 seats/benches and shelters maintained.</p> <p><i>Bus Shelter Maintenance:</i> Council has over 254 bus shelters. New stops are made compliant with DDA requirements.</p>	<ul style="list-style-type: none"> • All signage is repaired on an as needs basis • Maintenance of seats/benches and various shelters throughout the City including repainting/sealing, graffiti removal, vandalism and repairs • Program of inspection and condition auditing • Maintenance of bus shelters throughout the City including repainting/graffiti removal, vandalism and pavement repair.

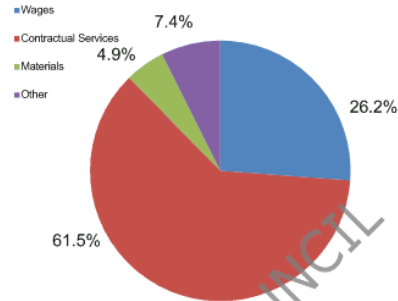
CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 54

Roads

Budgeted Roads Operating Expenditure
(\$000')



Roads (Expenditure)



	2018/19 Budget \$000's	2019/20 Forecast \$000's
EXPENDITURE		
Road Maintenance	2,540	2,616
Road Safety Engineering	505	633
Signs and Street Furniture Structure	360	331
DIRECT EXPENDITURE	3,405	3,580
FULL COST ATTRIBUTION	608	608
TOTAL EXPENDITURE	4,014	4,188
INCOME		
Road Maintenance	2,682	2,685
TOTAL INCOME	2,682	2,685
NET IMPACT TO COUNCIL		
Road Maintenance	(142)	(69)
Road Safety Engineering	505	633
Signs and Street Furniture Structure	360	331
FULL COST ATTRIBUTION	608	608
TOTAL NET IMPACT TO COUNCIL	1,332	1,503

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Footpaths



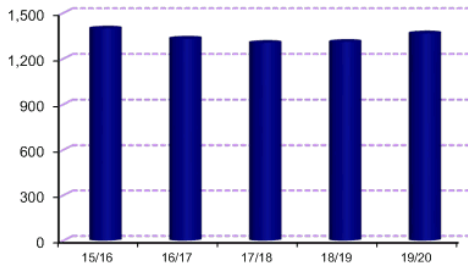
Footpaths contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Footpath Maintenance</p> <p>A program of footpath auditing is conducted every two years to gather data which is used to quantify the overall condition of the network. This data is also used to identify priority areas for maintenance works based on proximity to critical pedestrian generating activities.</p> <p>Customer requests not previously identified are investigated and considered along with the faults identified by the audit. Council also maintains footpaths and bicycle lanes through public reserves.</p>	<ul style="list-style-type: none"> • Provision of a footpath on one side of a road/street where appropriate as a minimum service standard. • To repair footpath faults > 25mm and according to identified risk factors. • Council repairs footpath failures throughout the year based on a program of priority works and on customer requests where appropriate.

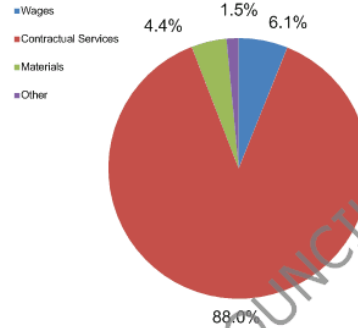
DRAFT - NOT YET CONSIDERED BY COUNCIL

Footpaths

Budgeted Footpaths Operating Expenditure (\$'000')

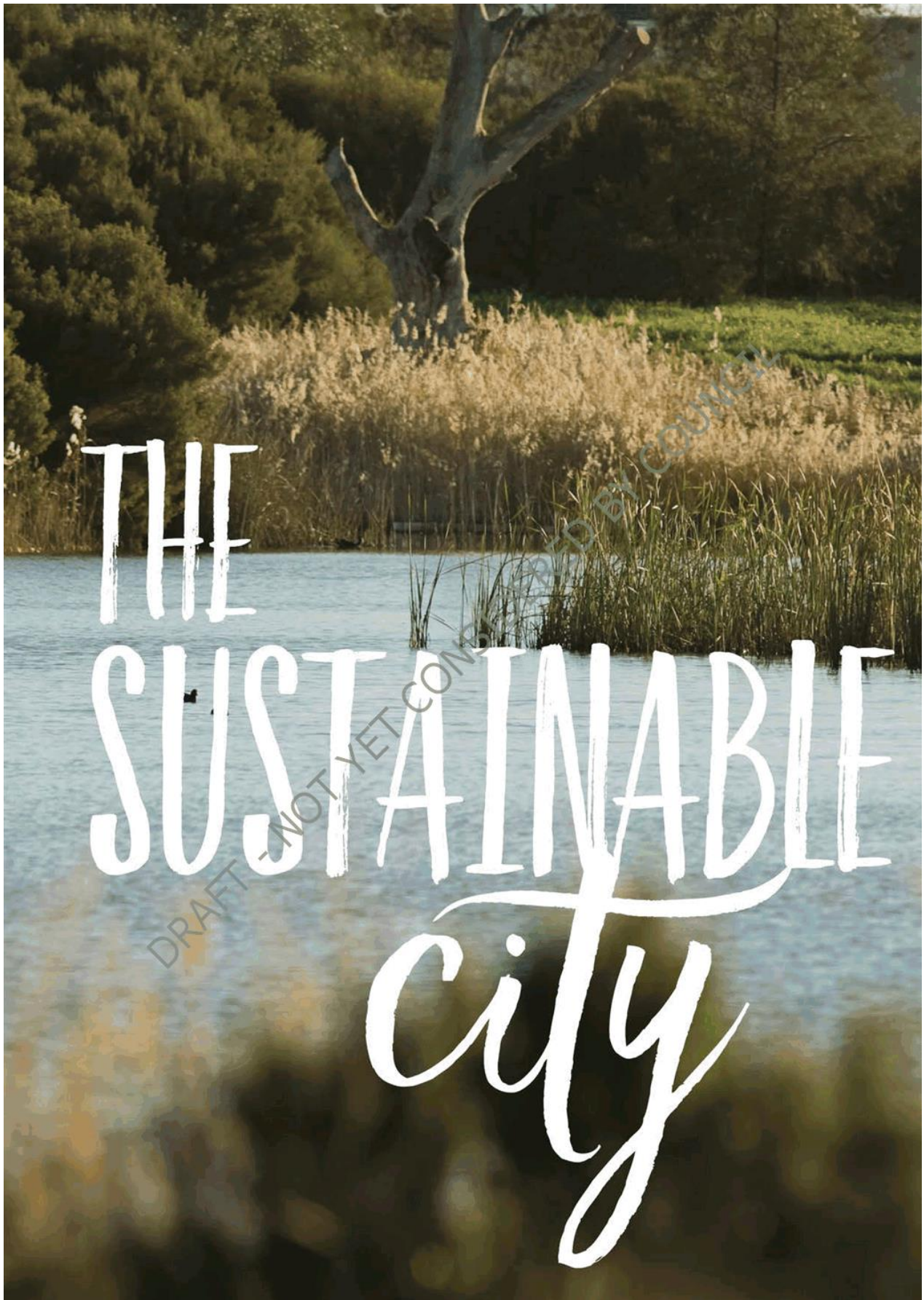


Footpaths (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Footpath Maintenance	1,312	1,368
DIRECT EXPENDITURE	1,312	1,368
FULL COST ATTRIBUTION	138	138
TOTAL EXPENDITURE	1,450	1,506
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Footpath Maintenance	1,312	1,368
FULL COST ATTRIBUTION	138	138
TOTAL NET IMPACT TO COUNCIL	1,450	1,506

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 57



Our objectives are to:

1. Capture economic opportunities arising from sustainable management of natural environmental resources, changing climate, emerging policy direction and consumer demands
2. Have a community that is knowledgeable about our natural environment and embraces a sustainable lifestyle
3. Have natural resources and landscapes that support biodiversity and community wellbeing
4. Have urban and natural spaces that are adaptive to future changes in climate

We will:

- Support businesses to minimise resource usage and waste production
- Develop a strong reputation as a location known for its green industries
- Assist the community to reduce cost of living pressures through the adoption of energy efficient technologies
- Provide information and events that enable people to better understand and care for their environment
- Work with our community to reduce waste
- Manage our natural spaces and landscapes to support the health of local habitats
- Improve our attractiveness as a visitor destination and a place to live through the management of our trees, parks and wetlands
- Manage coastal environments to ensure their future natural, economic and recreational value
- Recognise the importance of open space for community wellbeing and its importance to our community
- Ensure long term flexibility in the management of our urban spaces (assets and infrastructure) to adapt to a changing environment
- Proactively manage stormwater to reduce its impact on communities and the natural environment
- Moderate the impact of extreme heat events through Council's approach to urban place management

Our City's progress will be measured by:
Volume of stormwater captured
Percentage of waste diverted from landfill
Community perceptions of open space
Percentage of Council area with tree canopy cover

Water Management



Key Partners:

- Australian Government Department of the Environment and Energy
- SA Department for Environment and Water (DEW)
- Renewal SA
- SA Water
- Tea Tree Gully Council
- Playford Council
- Department of Defence

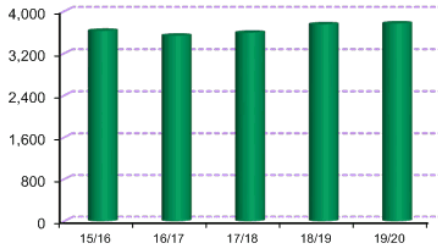
Water Management contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Drainage Systems</p> <p>The Drainage Asset Management Plan consists of maintenance and cleaning trash collection devices, on a continuous basis during winter. The maintenance of drainage generally (including the clearing of underground pipes from obstructions such as siltation and root penetration), the desilting, rubbish removal and repair of open drains. The servicing of flood retention dam penstocks and the cleaning of all side entry pits. The desilting of blocked drains within the drainage network and the inspection and maintenance of the City's flood control dams.</p>	<ul style="list-style-type: none"> • Maintain over 140 trash collection devices at less than 25% full of trash • Service 14,000 Side Entry Pits and Junction Boxes on a 5 year cycle • Ongoing inspection and cleanout of underground drains when necessary • Annual inspection of all open drains with desilting, root & tree removal and repair where necessary • Ongoing inspection of all flood control dams, including servicing and checking the operation of all penstocks
<p>Salisbury Water (Business Unit)</p> <p>Implementation of the Recycled Water Risk Based Management Plan and implementation of the Salisbury Water Business Plan to facilitate operation as a licenced water retailer under the Water Industry Act.</p>	<ul style="list-style-type: none"> • Operate 8 Managed Aquifer Recharge (MAR) schemes with 31 MAR wells • Operate 22 Groundwater bores • Licenced monitoring and reporting on all operational sites and associated groundwater monitoring points • Harvest, cleanse & store up to 5GL/year of stormwater • Retail, on average, 2.5GL/year of recycled water to over 1000 internal and external customers.
<p>Water Systems</p> <p>Preparation and implementation of Stormwater Management Plan(s) and implementation of the Watercourse Management Plan.</p>	<ul style="list-style-type: none"> • Drainage infrastructure planning and asset management • Coordination of all flood risk assessments and flood mitigation activities • Environmental Watercourse monitoring and reporting • Watercourse water quality improvement activities
<p>Wetland and Biodiversity</p> <p>Planning and Asset Management of wetlands, watercourses and habitat reserves.</p>	<ul style="list-style-type: none"> • 46 wetlands, total area exceeding 290ha

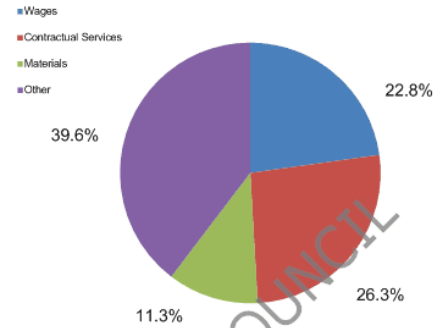
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Water Management

Budgeted Water Management Operating Expenditure (\$'000')



Water Management (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Drainage Systems	819	988
Salisbury Water	2,134	1,981
Water Systems	319	320
Wetland & Biodiversity	361	409
DIRECT EXPENDITURE	3,633	3,698
FULL COST ATTRIBUTION	521	521
TOTAL EXPENDITURE	4,154	4,219
INCOME		
Salisbury Water	2,537	2,408
Water Systems	223	225
TOTAL INCOME	2,760	2,634
NET IMPACT TO COUNCIL		
Drainage Systems	819	988
Salisbury Water	(403)	(428)
Water Systems	96	95
Wetlands & Biodiversity	361	409
FULL COST ATTRIBUTION	521	521
TOTAL NET IMPACT TO COUNCIL	1,394	1,585

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 61

Waste Management



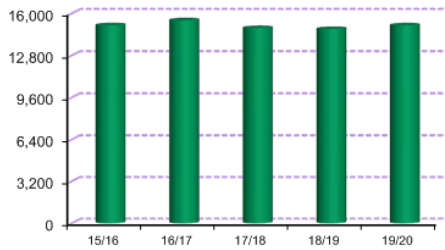
Waste Management contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Coleman Road Landfill</p> <p>Landfill operation closed in 1997. Ongoing monitoring of the site will continue for a 25 year period post closure.</p>	<ul style="list-style-type: none"> Monitoring of gas extracted from the landfill site Annual monitoring of groundwater within the site
<p>Domestic Hard Waste Collection</p> <p>Managed by NAWMA with all hard waste collection services provided through a booking arrangement. Residents may also receive a voucher for free disposal of prescribed materials at the Pooraka Transfer Station in lieu of property collection.</p>	<ul style="list-style-type: none"> Council provides the option of either two hard waste home collection services or two vouchers for use at the Waste Transfer Station or a combination of one of each. About 2,020 tonnes of waste are collected each year by the property collection service and the voucher service
<p>Domestic Refuse Collection</p> <p>Council provides a weekly domestic refuse collection service (operated by NAWMA) for residents using a 140 litre bin.</p>	<ul style="list-style-type: none"> Weekly to residential properties (140L bin) Domestic Refuse: 31,600 tonnes pa
<p>Green Waste Kerbside Service</p> <p>Council provides a collection service run by NAWMA for all residents who wish to participate and purchase a 240 litre bin for the purpose.</p>	<ul style="list-style-type: none"> Fortnightly to residential properties (240L bin) Green waste conversion: 13,500 tonnes pa
<p>Kerbside Recycling</p> <p>Council provides a 240 litre bin recycling collection service and all recyclables are processed at the NAWMA Materials Recovery Facility (MRF).</p>	<ul style="list-style-type: none"> Fortnightly to residential properties (240L bin) Kerbside recycling: 11,400 tonnes pa
<p>Loose Litter</p> <p>Provides for the collection and disposal of rubbish dumped on Council reserves and roads. Also the collection of waste from public rubbish bins. The Department of Correctional Services provide litter collection to arterial and collector roads.</p>	<ul style="list-style-type: none"> Programmed loose litter and litter bin collection 3 day cycle for high traffic locations Ad-hoc collection of dumped rubbish on verges/road reserves Cyclic collection of litter from collector/distributor for roads Removal of dead animals from public places
<p>Pooraka Waste Transfer Station</p> <p>The Transfer Station is available seven days per week except Christmas Day, New Year's Day, Good Friday & ANZAC day.</p>	<ul style="list-style-type: none"> Visits: 40,000 pa Annual disposal of: General waste 6,200t, Green waste 3,700t, Concrete 2,100t, Oil 42,000L, Tyres 2,300, Metals 500t and E-waste 400t

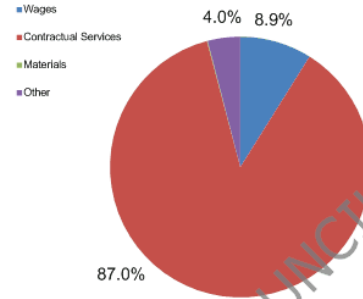
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Waste Management

Budgeted Waste Management Operating Expenditure (\$'000')



Waste Management (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Coleman Road Landfill	105	105
Domestic Hard Waste Collection	734	749
Domestic Refuse Collection	8,027	8,268
Green Waste Kerbside Service	1,502	1,547
Kerbside Recycling	1,789	1,843
Loose Litter	2,648	2,586
Pooraka Waste Transfer Station	7	5
DIRECT EXPENDITURE	14,813	15,103
FULL COST ATTRIBUTION	394	394
TOTAL EXPENDITURE	15,206	15,497
INCOME		
Domestic Hard Waste Collection	4	4
Domestic Refuse Collection	48	48
Pooraka Waste Transfer Station	180	180
TOTAL INCOME	232	232
NET IMPACT TO COUNCIL		
Coleman Road Landfill	105	105
Domestic Hard Waste Collection	730	745
Domestic Refuse Collection	7,980	8,221
Green Waste Kerbside Service	1,502	1,547
Kerbside Recycling	1,789	1,843
Loose Litter	2,648	2,586
Pooraka Waste Transfer Station	(173)	(175)
FULL COST ATTRIBUTION	394	394
TOTAL NET IMPACT TO COUNCIL	14,975	15,265

Parks and Landscapes



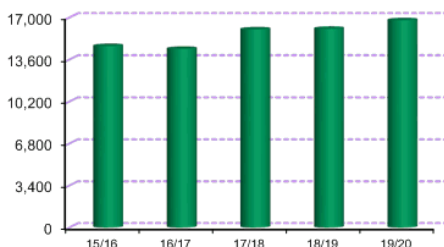
Parks and Landscapes contain the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Field Services Administration</p> <p>The Parks and Streetscapes Asset Management Plan provides direction to focus services and service levels across the division.</p>	<ul style="list-style-type: none"> Maintenance program ensures delivery of fit for purpose parks that are safe, reliable and provide community amenity value
<p>Landscapes</p> <p>Consists of feature gardens and lawns which surround Council buildings, entry statements and roundabouts.</p>	<ul style="list-style-type: none"> Frequency based maintenance regimes to sites based upon profile and landscape type
<p>Mangrove Trail</p> <p>Provision and maintenance of St Kilda Mangrove Trail Interpretative Centre and Boardwalk.</p>	<ul style="list-style-type: none"> Maintenance of the Interpretative Centre, Boardwalk, toilet facilities and signage
<p>Pest</p> <p>Control of nuisance pests and weeds on Council reserves, verges and around buildings.</p>	<ul style="list-style-type: none"> Programmed and reactive pest and weed control services
<p>Public Toilets</p> <p>Maintenance and cleaning of public toilets throughout the City</p>	<ul style="list-style-type: none"> Daily cleaning of all public toilets within the City Sharps containers emptied fortnightly or more frequent if required
<p>Reserves and Playgrounds</p> <p>Maintenance of reserves and open space including grass cutting, litter removal, turf maintenance, irrigation maintenance, park furniture maintenance, fencing and reserve signage. Maintenance of play spaces, shade structures and fitness equipment throughout the City</p>	<ul style="list-style-type: none"> Total areas managed: 1,900ha of reserves Frequency based mowing and reserve maintenance depending on reserve classification 9 Dog parks and 6 BMX Tracks 143 Play Spaces Weekly, fortnightly and monthly audits depending on classification Repairs as required
<p>Tree Management</p> <p>Tree planting and establishment, tree pruning, tree removal and tree inspections on verges and Council reserves.</p>	<ul style="list-style-type: none"> Replace 1,500 street trees pa Programmed street tree pruning on a 5 yearly cycle, reactive tree pruning, responsive tree assessment processes and risk based inspection regimes Reserve tree planting program
<p>Verges (Road Reserves)</p> <p>Council provides for grass mowing of un-maintained residential verges and collector road verges.</p>	<ul style="list-style-type: none"> Residential verges: 7 cuts pa Collector roads: 8 cuts pa Litter collection, blow down of paths and driveways, edging of paths, weed control Street sweeping within 24-48 hours Occur mostly in the growing season from February to December

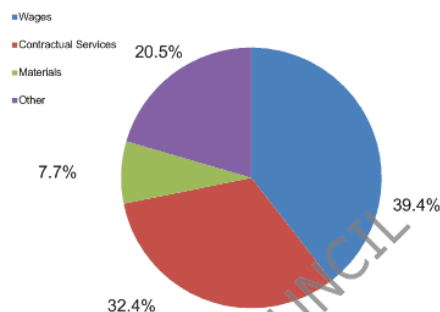
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Parks and Landscapes

Budgeted Parks and Landscapes Operating Expenditure (\$'000')



Parks and Landscapes (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Field Services Administration	1,979	2,186
Landscapes	1,296	1,218
Mangrove Trail	19	49
Pest	392	455
Public Toilets	227	200
Reserves and Playgrounds	7,698	7,687
Tree Management	2,953	3,244
Verges (Road Reserves)	1,736	1,800
DIRECT EXPENDITURE	16,299	16,838
FULL COST ATTRIBUTION	3,723	3,872
TOTAL EXPENDITURE	20,021	20,710
INCOME		
Tree Management	60	60
TOTAL INCOME	60	60
NET IMPACT TO COUNCIL		
Field Services Administration	1,979	2,186
Landscapes	1,296	1,218
Mangrove Trail	19	49
Pest	392	455
Public Toilets	227	200
Reserves and Playgrounds	7,698	7,687
Tree Management	2,893	3,184
Verges (Road Reserves)	1,736	1,800
FULL COST ATTRIBUTION	3,723	3,872
TOTAL NET IMPACT TO COUNCIL	19,961	20,650

City Infrastructure



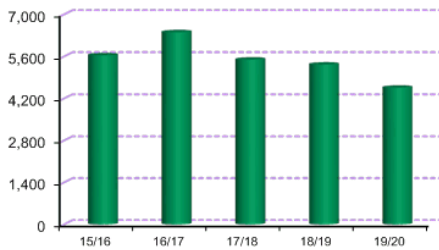
City Infrastructure contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Business Support Administration</p> <p>Provides for the maintenance and renewal of fleet/plant. Provides customer service and divisional administrative support to assist the delivery of corporate objectives.</p>	<ul style="list-style-type: none"> Acquisition, maintenance and disposal of fleet / plant Maintain Asset Information System Data Integrity Support service delivery to operational divisions
<p>Infrastructure Delivery</p> <p>Provides for building, civil and landscape infrastructure design and construction.</p>	<ul style="list-style-type: none"> Complete building, civil and landscape projects within approved timelines and budgets Deliver Council's annual capital works program Projects delivered in line with Project Management Standards
<p>City Infrastructure Administration</p> <p>Provides for the overall management and leadership of the City Infrastructure Department.</p>	<ul style="list-style-type: none"> Deliver overall departmental support and governance in delivering Corporate objectives
<p>Infrastructure Management</p> <p>Provides for the strategic infrastructure management, including asset management, infrastructure planning and landscape / engineering program and project development.</p>	<ul style="list-style-type: none"> Complete and manage seven asset management plans for the City's \$1.8 billion of physical assets including the development of KPIs, service levels and community consultation. Planning and Program development for the City's infrastructure. Traffic management planning and review Deliver biodiversity programs Deliver energy efficiency program Planning and development of Stormwater Management Plans including major and minor flood mitigation programs. Planning and development of Council's public realm, reserves and open spaces including reserve and playground upgrade and renewal programs.
<p>Property and Building Services Administration</p> <p>Core functions include property acquisition and disposal, sporting and community club leasing, casual hire of Council's reserves, leasing of community land, negotiation of easements, property and building maintenance, graffiti removed and security services.</p>	<ul style="list-style-type: none"> 50 Sporting & Community Club Rental Agreements 116 Commercial Lease Agreements 2 Residential Rental Agreements Land acquisition and disposal as required

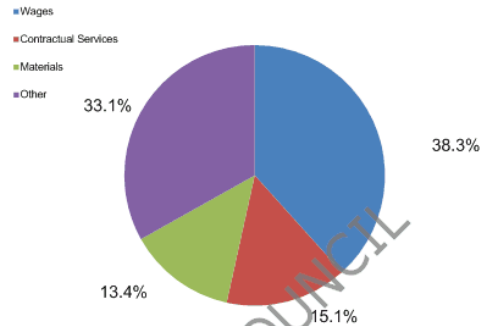
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City Infrastructure

Budgeted City Infrastructure Operating Expenditure (\$'000')

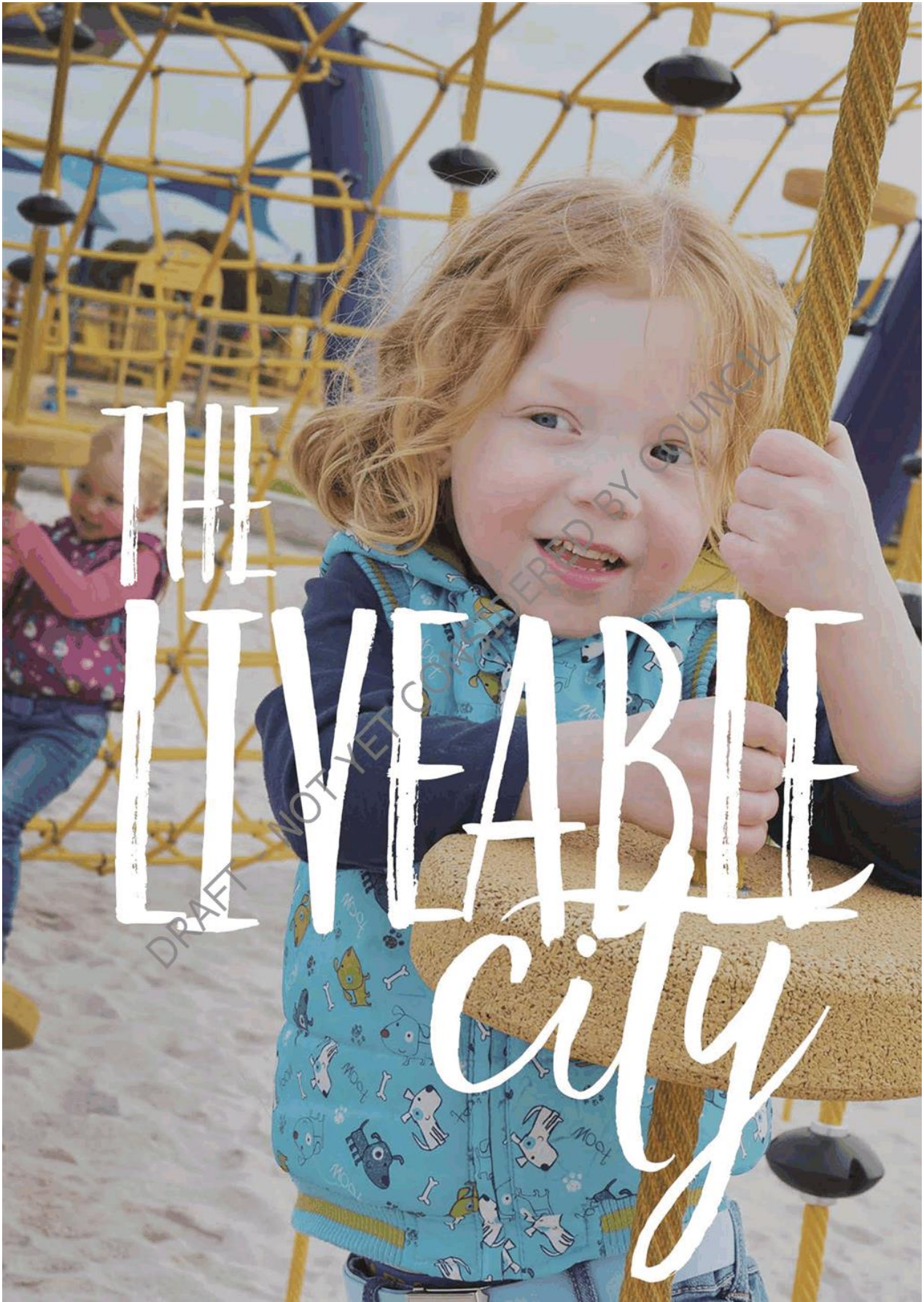


City Infrastructure (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Business Support Administration	1,416	1,475
Infrastructure Delivery	926	303
City Infrastructure Administration	518	531
Infrastructure Management	706	380
Property and Building Services Admin	1,795	1,874
DIRECT EXPENDITURE	5,362	4,563
FULL COST ATTRIBUTION	(5,362)	(4,563)
TOTAL EXPENDITURE		
INCOME		
Business Support Administration	274	246
Infrastructure Management	2	2
Property and Building Services Admin	854	997
TOTAL INCOME	1,129	1,245
NET IMPACT TO COUNCIL		
Business Support Administration	1,143	1,228
Infrastructure Delivery	926	303
City Infrastructure Administration	518	531
Infrastructure Management	704	378
Property and Building Services Admin	942	877
FULL COST ATTRIBUTION	(5,362)	(4,563)
TOTAL NET IMPACT TO COUNCIL	(1,129)	(1,245)

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 67



Our objectives are to:

1. Be an adaptive community that embraces change and opportunities
2. Have interesting places where people want to be
3. Be a connected city where all people have opportunities to participate
4. Be a proud, accessible and welcoming community

We will:

- Connect people to information, people and programs that support them to achieve their life goals
- Provide opportunities for the community to engage in learning
- Provide people with infrastructure, skills and knowledge to effectively participate in the digital age
- Foster a community that is adaptive to social and economic change
- Enhance our neighbourhoods, streets and public spaces so they are welcoming and connected
- Provide experiences that make our places livelier and more interesting
- Provide well maintained, clean and attractive places and facilities
- Work with key partners to ensure transport options efficiently link people to jobs, services, recreation and social activities
- Provide volunteering programs that harness the strength of our community's diversity and enable learning opportunities
- Encourage wellbeing through healthy lifestyles, sport, social and recreational opportunities
- Develop a community where peoples' culture, ideas and their capacity to achieve is supported and valued
- Build on our community's strong sense of spirit and purpose
- Provide for a range of housing options appropriate for our diverse community
- Develop a community where people feel safe

Our City's progress will be measured by:
Wellbeing
Socio-economics Indexes for Areas (SEIFA)
Percentage of residents who have participated in local community activities
Perception of quality of life and perceptions of Salisbury

Community Development



Key Partners:

- Belgravia Leisure Services
- Community Centres SA
- Community Centre Associations
- Department of Health
- Department of Education and Child Development
- Department of Communities and Social Inclusion
- Reconciliation Australia
- Public Library Service of South Australia
- University of SA

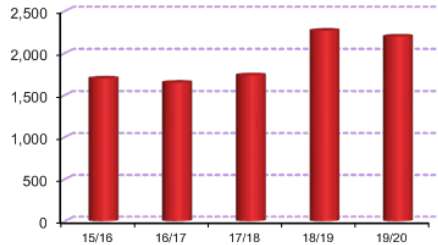
Community Development contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES SERVICE LEVELS
<p>Community Development Administration</p> <p>Provides for executive management and associated support staff for the functions of the Community Development Department.</p>	<ul style="list-style-type: none"> • Manage 3 divisions and Social Policy, Strategic and International Partnerships
<p>Community Grants</p> <p>Management and allocation of the Community Grants Program which provides grants for community and sporting organisations undertaking projects of benefit to the local community.</p>	<ul style="list-style-type: none"> • Applications received: approx. 70pa
<p>Community Planning & Vitality</p> <p><i>Cultural Development</i> Researches, develops and implements policy and program delivery that responds to the cultural development needs of the community that lives, works and studies within the City.</p> <p><i>Sport and Recreation</i> Undertakes research and develops policy and program delivery in relation to open space, recreation, leisure and sports development for the City for community wellbeing. Programs focus on increasing the physical activity levels within the City.</p> <p><i>Social Policy</i> Implementation of the Reconciliation Action Plan, Community Safety and Strategic and International Partnerships.</p>	<ul style="list-style-type: none"> • Deliver a cultural program of events, exhibitions and celebrations • Collaborate with organisations and businesses to support cultural activities • Place curation to activate spaces • 10 exhibitions organised in the John Harvey Gallery • Administration of Watershed Art Prize, Staging of the Writers' Festival, Vietnam Veterans and Asbestos Victims ceremonies, other place activations and Salisbury Secret Garden • Review community recreation and open space needs • Provide leadership and support to sporting club development • Provide advice related to sport and recreation facility development • Review and implement the Game Plan • Contract management of the Leisure Services Contract for the operation of Council recreation facilities • Policy and Maintenance Framework for Sister City and Friendship City • Liaise with SAPOL, agencies and businesses on Community Safety • Provide statistical analysis to social service delivery

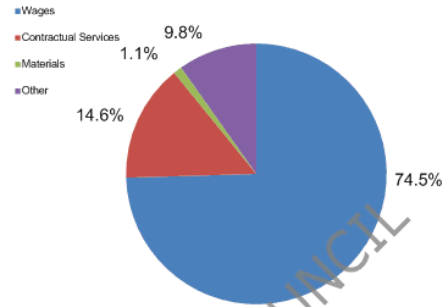
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Community Development

Budgeted Community Development Operating Expenditure (\$'000')



Community Development (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Community Development Administration	874	896
Community Grants	144	141
Community Planning & Vitality	1,253	1,166
DIRECT EXPENDITURE	2,271	2,203
FULL COST ATTRIBUTION	307	307
TOTAL EXPENDITURE	2,579	2,510
INCOME		
Community Planning & Vitality	9	8
TOTAL INCOME	9	8

	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
NET IMPACT TO COUNCIL		
Community Development Administration	874	896
Community Grants	144	141
Community Planning & Vitality	1,244	1,158
FULL COST ATTRIBUTION	307	307
TOTAL NET IMPACT TO COUNCIL	2,570	2,502

Library Services



Key Partners:

- Public Library Services (PLS)
- State Library of South Australia
- Department of Industry and Skills (DSI)
- Public Libraries SA (PLSA)

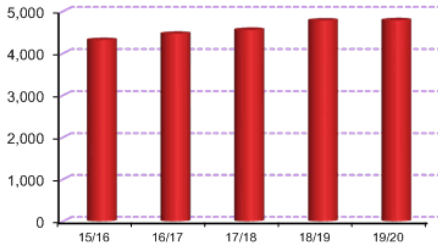
Library Services contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance Libraries The maintenance cost of library buildings.</p>	
<p>Community Learning and Programs Learning programs include literacy and reading, digital literacy, STEM, English as a second language and employment skills. Services include a range of formal and informal engagement opportunities for people of all ages and abilities including local schools and community groups.</p> <p>All programs and services are specifically designed to respond to the needs of the community and a wide range of social and learning opportunities for all.</p> <p>Strategic partnerships are actively initiated to attract and secure relevant grant funding.</p>	<p>Children's program visit total: 11,000pa</p> <ul style="list-style-type: none"> • Early literacy: 7,000pa • STEM activities: 1,000pa • School holidays: 1,200pa • Other children's / youth programs: 1,800pa <p>Adult program visit total: 3,300pa</p> <ul style="list-style-type: none"> • ESL, literacy, numeracy programs: 1,900pa • Digital literacy: 1,000pa • Other adult programs: 600pa <ul style="list-style-type: none"> • JP visits: estimate for 18/19 26,000pa
<p>Library Admin & Policy <i>Library Collection Development</i> Manage and develop library collections, including e-resources, to ensure the provision of, and access to, resources in a variety of formats that meet the educational, information, recreational and cultural needs of the Community. Manage the local history collection which supports the Salisbury community to understand its local identity.</p> <p><i>Online</i> Manages Library Management System and provision of online content to support Library services and programs.</p>	<ul style="list-style-type: none"> • New items: 26,000pa • Total collection: 166,000pa • Size collection per capita: 1.45 • Total number of visits for 17/18: 584,400 • Visits per capita: 4.11 • Expenditure per capita: \$36.00 <ul style="list-style-type: none"> • PC Website visits: estimate for 18/19 176,000pa • Facebook/Twitter likes and followers as at 31.12.18: 1691 • Online tutorials: 398pa
<p>Library Branch Services Services are offered at five key locations at Ingle Farm, Para Hills Community Hub, Len Beadell, Mawson Lakes and Salisbury West. Services include access to collections, reference and community information, public Internet and Wi-Fi, sporting equipment and toys. Spaces for community use include quiet study areas, bookable meeting rooms, youth and children's areas. Home library service delivers items to those who cannot visit Salisbury library locations due to difficulties associated with disability, age, geographical isolation or frailty.</p>	<ul style="list-style-type: none"> • Loans: 18/19 estimate 676,000 • E-book and audio book loans: 10,000pa • PC uses by the public: estimate 18/19 78,500 • Members: estimate 18/19 31,000

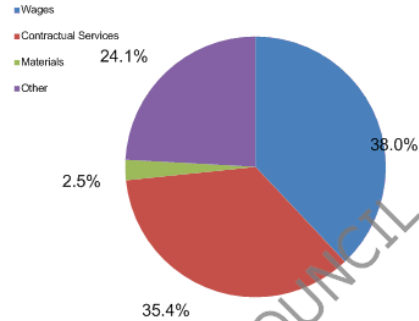
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Library Services

Budgeted Library Services Operating Expenditure (\$'000')



LibraryServices (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Building Maintenance Libraries	95	116
Community Learning and Program	1,483	1,466
Library & Community Centres Admin and Policy	401	416
Library Branch Services	2,805	2,793
DIRECT EXPENDITURE	4,784	4,790
FULL COST ATTRIBUTION	821	821
TOTAL EXPENDITURE	5,605	5,610

INCOME		
Community Learning and Program	200	200
Library & Community Centres Admin and Policy	380	380
Library Branch Services	130	129
TOTAL INCOME	710	709

	2018/19 Forecast \$'000's	2019/20 Forecast \$'000's
NET IMPACT TO COUNCIL		
Building Maintenance Libraries	95	116
Community Learning and Program	1,283	1,266
Library & Community Centres Admin and Policy	21	36
Library Branch Services	2,676	2,664
FULL COST ATTRIBUTION	821	821
TOTAL NET IMPACT TO COUNCIL	4,895	4,901

Community Centres



Key Funding Providers and Partners:

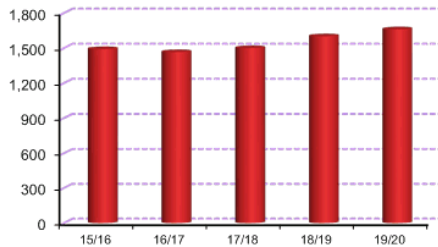
- Community Centres SA
- Non-Government Organisations
- Department of Human Services
- Department of Industry and Skills
- Department of Education and Child Development
- University of South Australia
- Flinders University

As part of Community Capacity and Learning Division Community Centres contain the following Service Areas, Activities and Service Levels

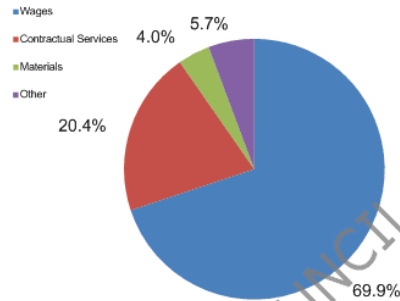
SERVICE AREAS	ACTIVITIES SERVICE LEVELS
<p>Building Maintenance Community Centres</p> <p>The maintenance cost of Community Centre buildings.</p>	
<p>Community Centres</p> <p>Deliver learning and engagement activities for all ages across Bagster Road, Burton, Mawson Lakes, Morella, Pooraka Farm, Salisbury East, Para Hills Community Hub and Twelve25 Salisbury Youth Enterprise Centre.</p> <p>Services and programs foster wellbeing, promote health and fitness, enhance social connections, develop language and literacy skills and celebrate and entertain.</p> <p>Community learning is achieved through programs that support our community's educational and social needs. Various sessions of structured community adult education are offered, with average visitation of 140,000 Salisbury residents to the City's community centres.</p> <p>Funding from Government grants and volunteer contributions are key to the success of program delivery. Strategic partnerships and working collaboratively continue to be strong drivers for successful, responsive and cost effective service delivery.</p>	<ul style="list-style-type: none"> • Structured learning youth activity sessions: 5,586pa • Children's program visit total: 32,320pa • School holiday programs: 1,848pa • Other children's / youth programs: 30,472pa • Adult program visits total: 85,772pa • ESL, literacy and numeracy programs: 6,024pa • Digital literacy: 3,708pa • Social support: 27,536pa • Other adult programs: 48,508pa • Support and advice to Community Centres Association <ul style="list-style-type: none"> • Total people visits – 140,000pa • Volunteers: 250 • Volunteers contribute approximately 20,000 hours pa to City of Salisbury via their participation across the centres
<p>Para Hills Community Hub</p> <p>The extension of the Para Hills Library and Positive Ageing Centre to create the Para Hills Community Hub opened on 11 August 2018. This extension includes multifunction meeting rooms, community activity spaces, kitchen facilities and outdoor areas and it currently provides a range of programs for people of all ages and abilities that support our Community's educational and social needs and promote wellbeing.</p>	<p>This site opened on Saturday 11 August 2018 with over 3000 community members attending the celebration.</p>

Community Centres

Budgeted Community Centres Operating Expenditure (\$'000')



Community Centres (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Building Maint Community Centres	298	359
Community Centres	764	798
Community Centre Administration	100	72
Youth Enterprise Centre - "Twelve25"	442	435
DIRECT EXPENDITURE	1,604	1,663
FULL COST ATTRIBUTION	664	664
TOTAL EXPENDITURE	2,267	2,327

INCOME		
Community Centres	14	
Community Centre Administration	213	221
Youth Enterprise Centre - "Twelve25"	83	86
TOTAL INCOME	311	308

	2018/19 Forecast \$'000's	2019/20 Forecast \$'000's
NET IMPACT TO COUNCIL		
Building Maint Community Centres	298	359
Community Centres	750	798
Community Centre Administration	(113)	(150)
Youth Enterprise Centre - "Twelve25"	358	348
FULL COST ATTRIBUTION	664	664
TOTAL NET IMPACT TO COUNCIL	1,957	2,019

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Recreation Services



Key Partners:

Service Delivery – Belgravia Leisure

Financially affiliated to:

- Netball SA; Royal Life Saving Assoc. of SA; Squash SA; Tennis SA; Council of the Aging (COTA); Recreation SA; Recreation SA; AustSwim

Partnerships:

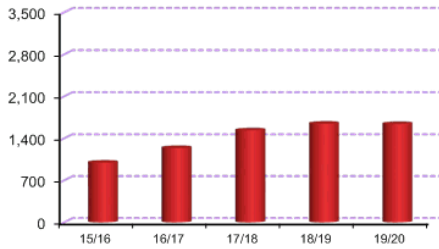
- Dept. Education & Children’s Services; Office for Recreation & Sport; University of SA; Basketball Australia; Maxima Employment Services; 3 Ballin SA; Swimming Australia

Recreation Services contains the following Service Areas, Activities and Service Levels

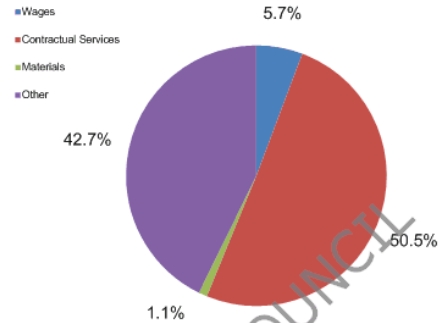
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance The maintenance cost of recreation buildings.</p>	
<p>Recreation Services Contract City of Salisbury provides recreation services through an outsourced business model with Belgravia Leisure being the contract provider. Services are provided as follows: <i>Ingle Farm Recreation Centre</i> The Centre consists of 3 multi-sport courts, 4 squash courts, training rooms, offices and a function room with a fully equipped catering kitchen. The Centre offers a wide variety of recreational activities such as basketball, netball, roller skating, kindigym, archery, squash, birthday parties and much more. The Centre also accepts payments for rates, fines and dog registration on behalf of Council.</p> <p><i>Gardens Recreation Centre</i> Is a multi-purpose sporting complex providing opportunities for activities such as basketball, netball, kindigym, Futsal and community events such as the annual Craft Fair and Hobby Fair. Also providing access opportunities for organisations such as table tennis, martial arts, Comrec, Novita Children’s Services and dance groups. The Centre also plays hosts to many national, state and local sporting events and shows.</p> <p><i>Salisbury Recreation Precinct</i> Provides aquatic and tennis facilities in a parkland setting including 8 tennis courts (4 of which are Australian Open Standard), a 50m pool, 25m undercover pool, toddler’s pool and large open space surrounds. The Precinct provides a range of aquatic and leisure opportunities including lap swimming, swimming lessons, pool parties and Tennis.</p> <p><i>Little Para Golf Course</i> Is located at Martins Road, Paralowie. 9 hole, par 3 course winding through the Little Para River with a 300m driving range consisting of 8 bays, a clubhouse and pro-shop, BBQ Alfresco area undercover.</p>	<ul style="list-style-type: none"> • Direct customer visits: approx. 175,000pa • Average teams registered: 116pa • Customer visits: 130,000pa • Teams registered: 210pa • Customer visits: approx. 60,000pa • Rounds: approx. 15,000pa • Driving Range balls: approx. 40,000pa

Recreation Services

Budgeted Recreation Services Operating Expenditure (\$'000')



Recreation Services (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Building Maintenance	213	196
Recreation Services Contract Management	1,439	1,451
DIRECT EXPENDITURE	1,653	1,646
FULL COST ATTRIBUTION	176	176
TOTAL EXPENDITURE	1,829	1,822
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Building Maintenance	213	196
Recreation Services Contract Management	1,439	1,451
FULL COST ATTRIBUTION	176	176
TOTAL NET IMPACT TO COUNCIL	1,829	1,822

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Community Sport and Club Facilities



Key Partners:

- Sporting & Community Clubs

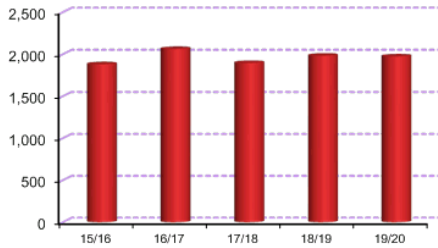
Community Sport and Club Facilities contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance Sporting & Community Facilities</p> <p>Maintenance of the clubroom and change room structures including general repairs and programmed maintenance.</p>	<ul style="list-style-type: none"> • Electrical & Plumbing Service: <ul style="list-style-type: none"> - Priority 1 - Emergency within 2 hours - Priority 2 – within 24 hours - Priority 3 - General seven days (maximum)
<p>Turf & Irrigation</p> <p>Maintained to standards to ensure the grounds are 'fit for use' for the sport being played.</p>	<ul style="list-style-type: none"> • 30 sites comprising 54 fields • Turf renovation and mowing, turf cricket wicket preparation, covering and uncovering of concrete wickets, goal post installation, maintenance and removal

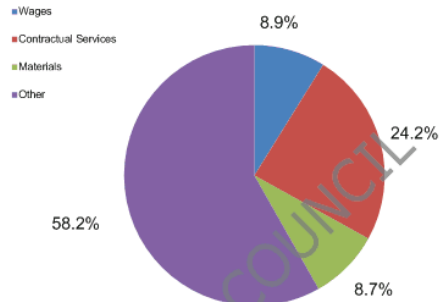
DRAFT - NOT YET CONSIDERED BY COUNCIL

Community Sport and Club Facilities

Budgeted Community Sport and Club Facilities Operating Expenditure (\$000')



Community Sport and Club Facilities (Expenditure)



	2018/19 Budget \$000's	2019/20 Forecast \$000's
EXPENDITURE		
Building Maintenance Sport and Community Facilities	502	452
Turf & Irrigation	1,513	1,554
DIRECT EXPENDITURE	2,014	2,006
FULL COST ATTRIBUTION	149	149
TOTAL EXPENDITURE	2,163	2,155
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Building Maintenance Sport and Community Facilities	502	452
Turf & Irrigation	1,513	1,554
FULL COST ATTRIBUTION	149	149
TOTAL NET IMPACT TO COUNCIL	2,163	2,155

Community Health and Wellbeing



Key Partners:

- Commonwealth Department of Health; State Department for Communities and Social Inclusion
- COTA SA – Council on the Ageing; Volunteering SA; Northern Volunteering; Multicultural Aged Care; Multicultural SA; Ethnic Link; Active Ageing SA Inc; TAFE SA; Aged & Community Services (SA & NT), SAMRI Wellbeing and Resilience Centre, Flinders University, Bhutanese Australian Association of SA (BAASA), CO.AS.IT SA, Adelaide Festival Centre, Paralowie R-12

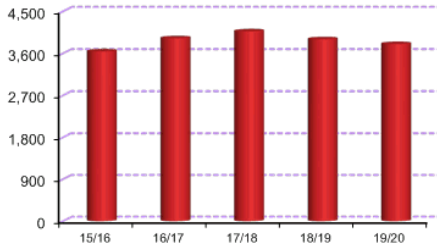
Community Health and Wellbeing contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Aged Care Policy, Planning & Co-ordination Service development, management of human & financial resources, co-ordination of consultation & collaborative processes & promotion of positive images of ageing. Promotion of an Age Friendly Salisbury where all have the opportunity to be involved in community life.</p>	<ul style="list-style-type: none"> • 170 volunteers • Panel of contractors: 40-50 • 3,000 Salisbury Seniors Magazines distributed (3 editions) • Monthly communication updates including a wellbeing newsletter, special and upcoming events publication, radio announcements and a bi-monthly wellbeing newsletter.
<p>Volunteer Development Services Co-ordination of volunteer programs across Council, responsible for the development and review of Council's volunteer management practices & systems to ensure they meet audit, legislative, funding and policy requirements & responsible for the recruitment, registration & recognition of Council's volunteers.</p>	<p>Data for 2017/18</p> <ul style="list-style-type: none"> • 600 enquiries • 152 new volunteers • 627 active volunteers contributing 76,044 hours and \$2,753, 564 economic value
<p>Disability programs</p> <ul style="list-style-type: none"> • The Shed; Fun on Friday; Salisbury Social Group; 	<ul style="list-style-type: none"> • Participants: 50-60 pa
<p>Health and Inclusion Undertakes research, community & stakeholder engagement, projects, policy & strategy development in relation to community health & wellbeing; access & inclusion; mental wellbeing & resilience; aged friendly cities & intercultural communities</p>	<ul style="list-style-type: none"> • Community needs, trends and expectations identified and translated into Council direction. • Strategic partnerships developed • Salisbury Seniors Alliance • Salisbury Intercultural Alliance • Develop, implement, report and evaluate the City of Salisbury's Framework and Strategic Plans, i.e. Age-Friendly Salisbury Strategy 2015-2020, Intercultural Strategy 2017-2027, Ability and Inclusion Strategic Plan 2019-2023
<p>Salisbury Home and Community Services and Housing Support Program (CSHSP) Is funded by a mix of Commonwealth, State, National Disability Insurance Scheme and Council to provide basic maintenance support services to frail older people, younger people with disability and carers to support independent living at home and in the community. It involves household maintenance and support with activities of daily living. Community based support includes social participation, meals, ongoing learning, wellbeing and physical activities and opportunities. Programs also cater for a range of culturally and linguistically diverse consumers.</p>	<ul style="list-style-type: none"> • Number of individual residents receiving support: 3,000pa • Domestic assistance: 6,719 hours pa • Social Support Groups (Centre Based Day Care): 82,000 hours pa • Social support individual: 2,265 hours pa • Number of meals: 22,200pa • Number of transport trips: 12,000pa • Home modifications: \$106,600pa • Hours of home maintenance: 3,300pa • Number of people assisted by the Housing Support program: 80-90pa

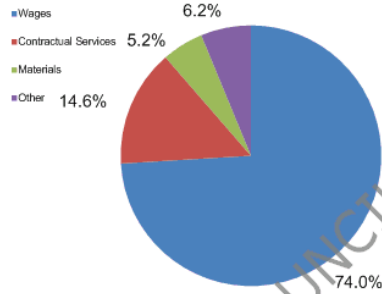
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Community Health and Wellbeing

Budgeted Community Health and Wellbeing Operating Expenditure (\$000')



Community Health and Wellbeing (Expenditure)



	2018/19 Budget \$000's	2019/20 Forecast \$000's
EXPENDITURE		
Aged Care Policy Planning & Coordination	167	170
Volunteer Development Services	214	218
Disability Program	219	212
Health and Inclusion	115	114
Salisbury Home and Community Services and Hosing Support Program	3,192	3,090
DIRECT EXPENDITURE	3,907	3,804
FULL COST ATTRIBUTION	880	880
TOTAL EXPENDITURE	4,787	4,684
INCOME		
Aged Care Policy Planning & Coordination		
Disability Program	252	245
Salisbury Home and Community Services and Hosing Support Program	2,788	2,758
TOTAL INCOME	3,041	3,003
NET IMPACT TO COUNCIL		
Aged Care Policy Planning & Coordination	167	170
Volunteer Development Services	214	218
Disability Program	(33)	(32)
Health and Inclusion	115	114
Salisbury Home and Community Services and Hosing Support Program	403	331
FULL COST ATTRIBUTION	880	880
TOTAL NET IMPACT TO COUNCIL	1,747	1,682

Cemetery



Key Partners:

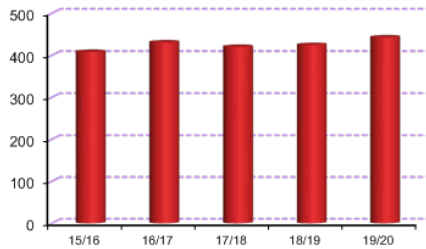
- Chapel of the Holy Family Mausoleum
- Cooke Concrete
- Garner Memorials
- Arrow Bronze
- Cemeteries Association of SA
- Mattiske Funerals
- Simplicity Funerals

Cemetery contains the following Service Areas, Activities and Service Levels

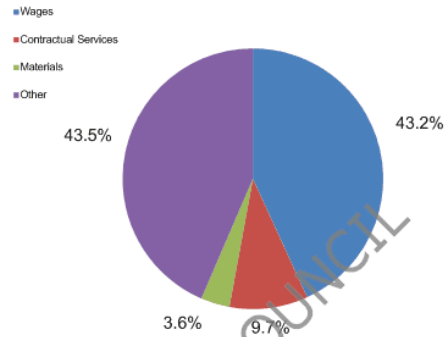
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Salisbury Memorial Park Cemetery</p> <p><i>Lawn Burials</i> In ground burial services.</p> <p><i>Vault Burials</i> Below ground burial with concrete walls surrounding the burial plot preventing any contact with the earth.</p> <p><i>Inurnments</i> The burial of cremated remains within the Rose Garden, Rotunda, Water Feature or sealed in one of the cemetery's niche walls.</p> <p><i>Licences</i> Licences for burial/inurnment are required under the Local Government Act and can be purchased on an as needed or pre-need basis.</p>	<ul style="list-style-type: none"> • Standard burials: 70pa • Vault burials: 1pa • Inurnments: 70pa • Licence sales: 90pa

Cemetery

Budgeted Salisbury Memorial Park Operating Expenditure (\$'000')



Salisbury Memorial Park (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Salisbury Memorial Park Cemetery	425	443
DIRECT EXPENDITURE	425	443
FULL COST ATTRIBUTION	166	166
TOTAL EXPENDITURE	591	609
INCOME		
Salisbury Memorial Park Cemetery	522	512
TOTAL INCOME	522	512
NET IMPACT TO COUNCIL		
Salisbury Memorial Park Cemetery	(97)	(68)
FULL COST ATTRIBUTION	166	166
TOTAL NET IMPACT TO COUNCIL	69	97

Food and Health Regulation



Key Partners:

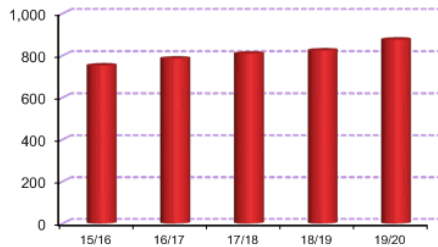
- Department of Health
- Environment Protection Authority
- Environmental Health Australia
- Local Government Association

Food and Health Regulations contains the following Service Areas, Activities and Service Levels

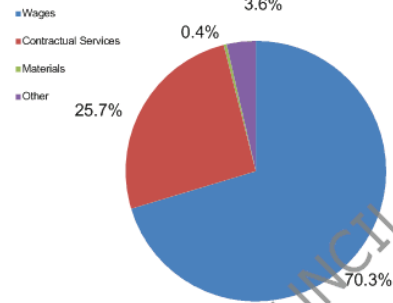
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Health External Services</p> <p>Health Services are provided to Roxby Downs Council on a contractual basis.</p>	<ul style="list-style-type: none"> • Monthly visits to enforce the Food Act and Public Health Legislation Food complaint Investigations: 100pa
<p>Food and Health Act Administration</p> <p>Council provides a range of services that aim to protect and promote a high standard of public and environmental health, through the administration and enforcement of provisions under the following legislation:</p> <ul style="list-style-type: none"> • Public Health Act • Food Act • Environment Protection Act • Local Nuisance and Litter Control Act 	<ul style="list-style-type: none"> • Food premises inspection: 850pa • Food safety audits: 65pa • Food complaint investigations: 100pa • Health premises inspections: 100pa • Enforcements under public and environmental health legislation: 700pa • High Risk Manufactured Water System Registrations: 60pa
<p>Immunisation</p> <p>Council provides an immunisation program so as to prevent the occurrence and spread of notifiable diseases, as required under the Public Health Act.</p>	<ul style="list-style-type: none"> • Vaccines administered at free clinics: 2,600pa • Vaccines including Meningococcal B administered through schools program: 10,000pa • Target of 95% immunisation rate by 63 months old consistent with State/Federal aspirational targets.

Food and Health Regulation

Budgeted Food and Health Regulation Operating Expenditure (\$'000')



Food and Health Regulation (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
External Services - Health	9	9
Food and Health Act Administration	685	680
Immunisation	131	187
DIRECT EXPENDITURE	825	875
FULL COST ATTRIBUTION	364	364
TOTAL EXPENDITURE	1,189	1,240
INCOME		
External Services - Health	10	10
Food and Health Act Administration	102	104
Immunisation	56	141
TOTAL INCOME	169	256
NET IMPACT TO COUNCIL		
External Services - Health	(1)	(1)
Food and Health Act Administration	582	576
Immunisation	75	45
FULL COST ATTRIBUTION	364	364
TOTAL NET IMPACT TO COUNCIL	1,020	984

Inspectorate Services



Key Partners:

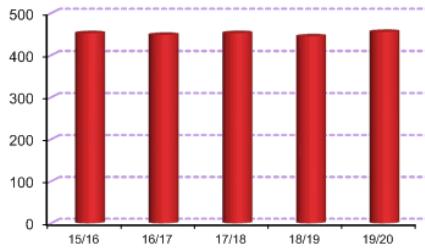
- Local Government Association
- Authorised Persons Association
- Bushfire Management Committee
- Country Fire Service

Inspectorate Services contains the following Service Areas, Activities and Service Levels

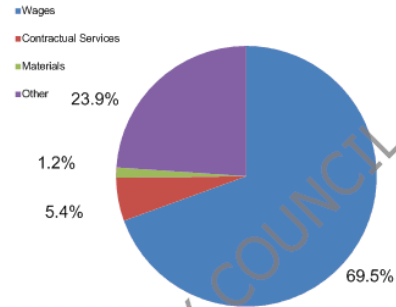
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Inspectorate Services</p> <p>Ensures that community members are complying with applicable parking and road rules legislation so as to enhance and protect the safety of pedestrians and road users</p> <p>Minimises traffic congestion and ensures adequate and equitable car parking is available for customers in shopping precincts by ensuring turnover of parking.</p> <p>Aims to improve the safety and amenity of the area through the effective enforcement of the relevant sections of the Local Government Act, Bylaws and Local Nuisance and Litter Control Act applicable to the section.</p> <p>Undertake activities required for the development and effective operations of the responsibilities for Bushfire Management and Planning.</p> <p>Improve the safety and amenity of the area through the effective enforcement and administration of the relevant sections of the Fire and Emergency Services Act required for the effective control and reduction of risks from fuel hazards on private properties.</p> <p>Issue burning and hot works permits and ensure all applicants take appropriate action to burn as per permit conditions.</p>	<ul style="list-style-type: none"> • Parking, expiations and warnings: 3,000pa • Abandoned vehicles: 500pa • Backyard burning: 100pa • Footpath trading permits: 25pa • Other animal and bird nuisances: 150pa • Littering: 900pa • Fuel hazard inspections: 3,000pa • Burning permits: 50pa

Inspectorate Services

Budgeted Inspectorate Services Operating Expenditure (\$000')



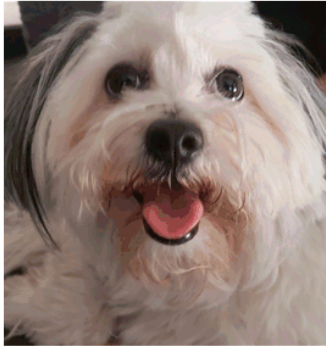
Inspectorate Services (Expenditure)



	2018/19 Budget \$000's	2019/20 Forecast \$000's
EXPENDITURE		
Inspectorate Services	571	582
DIRECT EXPENDITURE	571	582
FULL COST ATTRIBUTION	194	194
TOTAL EXPENDITURE	765	776
INCOME		
Inspectorate Services	381	388
TOTAL INCOME	381	388
NET IMPACT TO COUNCIL		
Inspectorate Services	191	193
FULL COST ATTRIBUTION	194	194
TOTAL NET IMPACT TO COUNCIL	385	387

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Dog Control



Key Partners:

- Dog and Cat Management Board
- Animal Welfare League
- Local Government Association
- Authorised Persons Association

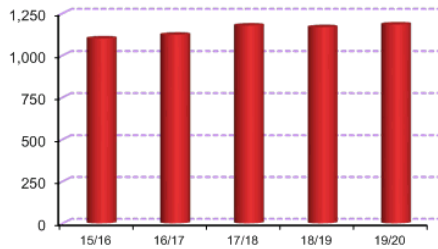
Dog Control contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Dog Control</p> <p>Administering the Dog and Cat Management Act to ensure that community members are complying with legislative requirements relating to responsible dog ownership, so as to protect and promote a high standard of public safety and environmental quality, strives for a better-informed community, and promote effective and suitable dog management practices through information and education.</p> <p>Produce and review Council's Animal Management Plan.</p>	<ul style="list-style-type: none"> • Registered dogs: 22,000pa • Dogs wandering at large: 1,200pa • Dog attack investigations: 50pa • Dog noise and nuisance complaints: 140pa • Property visits as part of a dog registration survey: 5,000pa • Inspections of premises with guard dogs: 30pa • Bylaw exemptions for keeping more than two dogs: 200pa • Provision of nine dog friendly parks and one small dog park

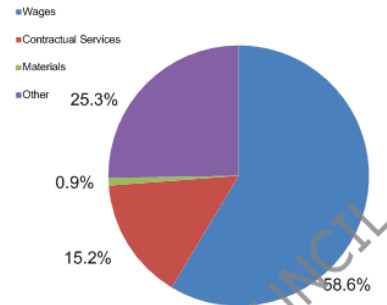
DRAFT - NOT YET COMPLETED BY COUNCIL

Dog Control

Budgeted Dog Control Operating Expenditure (\$'000')



Dog Control (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Dog Control	1,169	1,185
DIRECT EXPENDITURE	1,169	1,185
FULL COST ATTRIBUTION	556	556
TOTAL EXPENDITURE	1,725	1,741
INCOME		
Dog Control	1,145	1,059
TOTAL INCOME	1,145	1,059
NET IMPACT TO COUNCIL		
Dog Control	24	126
FULL COST ATTRIBUTION	556	556
TOTAL NET IMPACT TO COUNCIL	580	682

Crime Prevention and Repair



Key Partners:

- Residents
- Police
- Volunteers

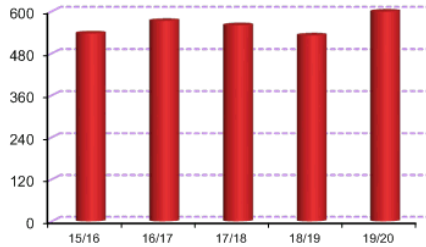
Crime Prevention and Repair contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Building Maintenance Graffiti</p> <p>Provides for the removal of graffiti from all Council-owned buildings and other infrastructure. Graffiti is also removed from the frontages of residential properties. Council provides a volunteer service to assist with graffiti removal.</p>	<ul style="list-style-type: none"> • Priority 1 – Offensive: Removal within 24 hours • Priority 2 – Removal within 14 days • Priority 3 – 4-6 weeks

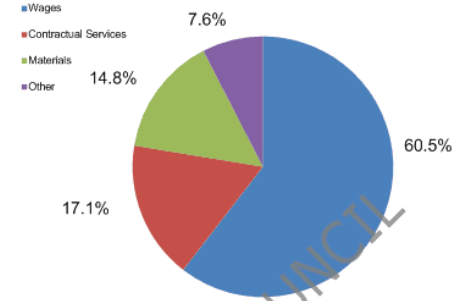
DRAFT - NOT YET CONSIDERED BY COUNCIL

Crime Prevention and Repair

Budgeted Crime Prevention and Repair Operating Expenditure (\$'000')



Crime Prevention and Repair (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Building Maintenance Graffiti	532	605
DIRECT EXPENDITURE	532	605
FULL COST ATTRIBUTION	207	207
TOTAL EXPENDITURE	739	812
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Building Maintenance Graffiti	532	605
FULL COST ATTRIBUTION	207	207
TOTAL NET IMPACT TO COUNCIL	739	812

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Street Lighting



Key Partners:

- SA Power Networks
- Local Government Association
- Department of Transport, Energy & Infrastructure

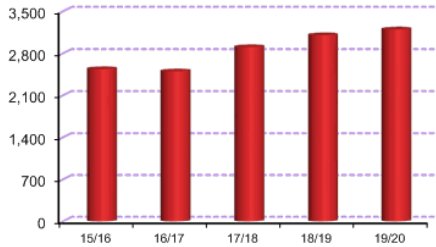
Street Lighting contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Lighting</p> <p>There are over 16,000 street lights within the City that are maintained by SA Power Networks.</p> <p>There are 4,400 Council owned street lights in suburbs that include Mawson Lakes, Walkley Heights, Gulfview Heights, Spring Bank Waters and John Street Salisbury. Council is responsible for the maintenance of these lights. Council also owns and is responsible for the maintenance of 830 mains powered lights in total and a further 120 solar lights.</p> <p>Power for public lighting is purchased as part of a combined contract with State and other Local Government agencies.</p>	<ul style="list-style-type: none"> • Ongoing reviews occur on the adequacy of existing street lighting to identify needs for upgrading of infrastructure with respect to on ground Lux levels and associated Classification. • Replacement of defective lights and repairs of damaged infrastructure • Ensure Public Lighting is of suitable type (assessed against both energy efficiency and ease of maintenance/replacement)

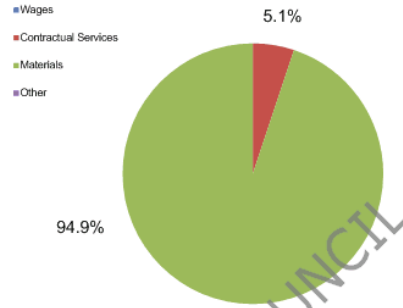
DRAFT - NOT YET CONSIDERED BY COUNCIL

Street Lighting

Budgeted Street Lighting Operating Expenditure (\$'000')

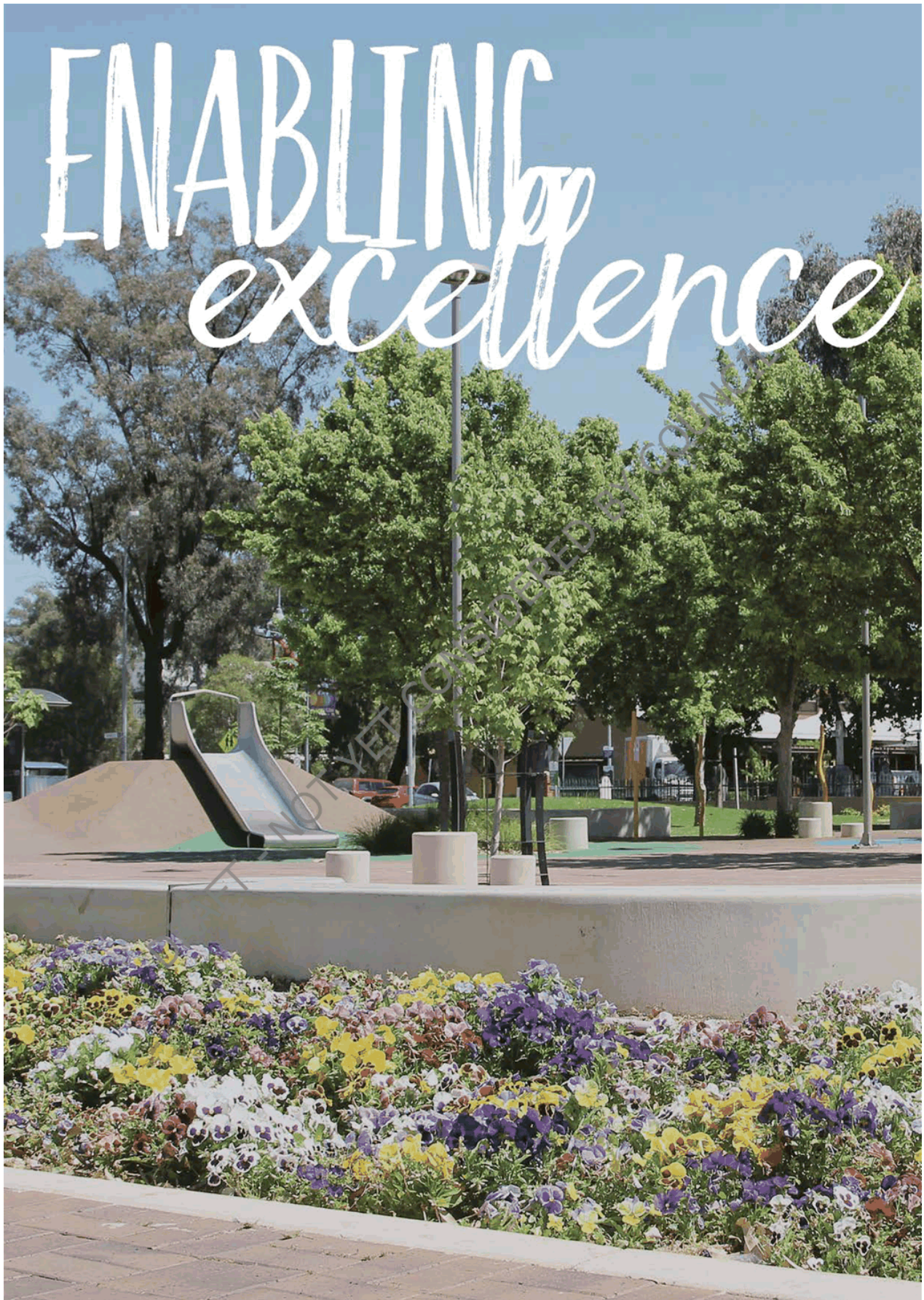


Street Lighting (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Lighting	3,107	3,204
DIRECT EXPENDITURE	3,107	3,204
FULL COST ATTRIBUTION	1	1
TOTAL EXPENDITURE	3,109	3,205
INCOME		
TOTAL INCOME		
NET IMPACT TO COUNCIL		
Lighting	3,107	3,204
FULL COST ATTRIBUTION	1	1
TOTAL NET IMPACT TO COUNCIL	3,109	3,205

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 93



Our objectives are to:

1. Strengthen partnerships that enable us to better address our community's priorities
2. Develop strong capability and commitment to continually improve Council's performance
3. Have robust processes that support consistent service delivery and informed decision making
4. Embed long term thinking, planning and innovation across the organisation

We will:

- Work with neighbouring councils to address issues of regional importance
- Work with State and Federal governments to influence policy and investment decisions
- Develop stronger partnerships with business and industry to address the challenges facing our region
- Collaborate with our community to ensure our services are relevant
- Build strong leadership capabilities within Council and the community
- Communicate well with our community and partners
- Apply learning and innovation to transform the way Council operates
- Develop a consistent customer first approach across Council
- Develop a flexible, capable and engaged workforce that can meet the changing needs of Council and our community
- Develop a shared focus on accountability and performance
- Provide a safe working environment
- Continually improve business practices to remove barriers and ensure appropriate levels of service that respond to emerging needs and opportunities
- Use technology to support transformation within Council and proactively address community needs
- Ensure Council decision making is well informed, inclusive, transparent and complies with legislative and policy requirements
- Ensure long term sustainability through good financial practices, sound business planning and asset management
- Introduce a structured approach to developing and resourcing longer term policies and strategies
- Design Council's strategic development projects so they can flexibly adapt to accommodate future opportunities
- Ensure Council's processes enable people to work across boundaries and with the community
- Collect and analyse information and data that enables Council to anticipate and respond to emerging needs and opportunities

Our City's progress will be measured by:
Targeted survey of our partners
Customer satisfaction survey
Financial sustainability
Benchmarking our performance through people, systems and processes

Business Excellence



Business Excellence contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Accounting Services</p> <p>Provides for business support, management accounting, financial accounting, tax compliance, external and statutory reporting. Further, the team provides reporting services to all departments/divisions of the organisation, the Executive Management and Council, including the preparation of the Council Budget and Annual Plan.</p>	<ul style="list-style-type: none"> • Annual Plan and Budget • Annual Financial Statements • Long Term Financial Plan • Quarterly Budget Reviews and Monthly Reporting • Grant Acquittals • Divisional Planning support
<p>Assets & Projects Accounting</p> <p>Provides specialised accounting services for infrastructure and other assets, particularly with respect to valuation and depreciation. Also provides financial support to Council projects as required and delivers the Accounts Payable service.</p>	<ul style="list-style-type: none"> • Provide financial advice and support for Salisbury Water • Valuation and Depreciation for \$1.9 billion of Council assets • Invoices processed: 30,000pa
<p>Business Excellence Administration</p> <p>Provides for the Executive Management and associated support staff for the overall management and leadership of the Business Excellence Department.</p>	<ul style="list-style-type: none"> • Leadership of the Business Excellence department and accountability for outcomes assigned to the department
<p>Information Technology Services</p> <p>Responsible for the delivery, management and enhancement of information technology solutions within the organisation.</p> <p>Continuous Improvement Services</p> <p>Advocate and promote the use of continuous improvement techniques and methodologies</p> <p>Planning and Business Engagement Services</p> <p>Responsible for the alignment of information technology solutions with organisational and Community needs</p>	<ul style="list-style-type: none"> • Solutions meet organisational availability and performance metrics • Agreed services and solutions are under relevant maintenance and support contracts • Organisational continuous improvement framework • Organisational reporting on continuous improvement initiatives • Digital and information technology related strategy, frameworks and standards
<p>Strategic Procurement</p> <p>Management of contract and purchasing policies, procedures and delegations. Provision of support and advisory services as well as monitoring compliance.</p>	<ul style="list-style-type: none"> • Benefit Target: capture, measure and monitor the tangible value added by Strategic Procurement (value for money). • Northern Region Economic Benefit: Focus on supporting northern region business where it represents value for money.

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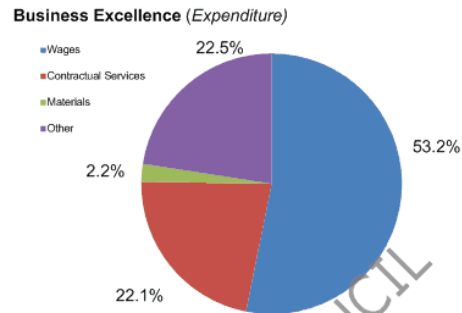
Business Excellence (continued)

Business Excellence contains the following Service Areas, Activities and Service Levels

SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Corporate Communications</p> <p>Drives strategic outcomes by strengthening Council's relationship with the community and other key audiences, through proactive media and communications.</p>	<p>Core responsibilities:</p> <ul style="list-style-type: none"> • Media liaison • Proactive communications • Digital communication (social media and online) • Corporate Publications
<p>Customer Centre</p> <p>Provides a central point of contact for the Community and aims to assist customers to conduct their business with the Council efficiently and, where appropriate, links them to other Government and community services.</p>	<ul style="list-style-type: none"> • Call volume: 83,500pa • Receipt numbers: 33,700pa • Counter enquiries: 18,500pa • Customer requests via Email/Website/post: 1,960pa
<p>Information Management</p> <p>Oversee the flow of corporate information in to and out of the organisation, ensuring information management legislation is complied with, including Freedom of Information responsibilities.</p>	<ul style="list-style-type: none"> • Compliance with organisational information management framework and South Australian Government information retention requirements • Response to Freedom of Information requests within legislative timeframes.
<p>Insurance</p> <p>This area provides for the management of corporate insurance policies and associated claims.</p>	<ul style="list-style-type: none"> • Administration of organisational insurance requirements including processing of insurance claims and liaison with Local Government Risk Services.
<p>People and Culture</p> <p>Provide a range of people management services including general Human Resources and Employment Relations services, payroll, wellbeing and Work Health and Safety, Organisational Development, Learning and Development and strategic workforce development and planning. This includes providing policies, systems and processes used to manage the employment life cycle, guide decision-making and manage risk.</p>	<ul style="list-style-type: none"> • Organisational development programs – change management, culture development, leadership development, team development, and individual capability and commitment programs. • Workforce planning and succession planning, HR Services including recruitment, induction, policy advice, payroll, workplace Health and Safety and wellbeing programs.
<p>Rate Collection & Property Data</p> <p>This area involves the maintenance of the property data for rating and electoral purposes and the collection of rate and other revenue.</p>	<ul style="list-style-type: none"> • Rateable Properties: 59,540pa • Total Rate Notices: 182,367pa, Overdue Notices: 43,590pa • Changes to Property Data: 12,368pa

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Business Excellence



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Accounting Services	1,655	1,591
Accounts Payable	178	179
Business Excellence Administration	428	440
Business Systems and Solutions	4,218	4,528
Strategic Procurement	468	400
Corporate Communications	895	937
Customer Centre	964	973
Information Management	712	729
Insurance	518	519
People & Culture	2,177	2,244
Rate Collection & Property Data	873	901
DIRECT EXPENDITURE	13,087	13,439
FULL COST ATTRIBUTION	(13,033)	(13,400)
TOTAL EXPENDITURE	54	39
INCOME		
Corporate Communications	9	9
People & Culture	303	272
Rate Collection & Property Data	146	136
TOTAL INCOME	458	417

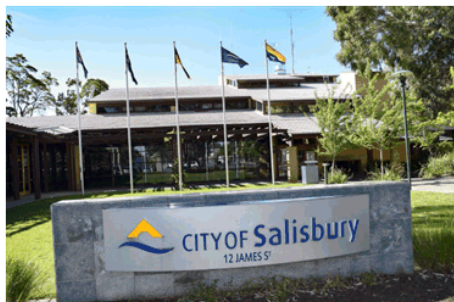
Business Excellence (continued)

	2018/19 Budget \$000's	2019/20 Forecast \$000's
NET IMPACT TO COUNCIL		
Accounting Services	1,655	1,591
Accounts Payable	178	179
Business Excellence Administration	428	440
Business Systems and Solutions	4,218	4,528
Strategic Procurement	468	400
Corporate Communications	886	928
Customer Centre	964	973
Information Management	712	729
Insurance	518	519
People & Culture	1,874	1,972
Rate Collection & Property Data	727	765
FULL COST ATTRIBUTION	(13,033)	(13,400)
TOTAL NET IMPACT TO COUNCIL	(404)	(378)

DRAFT - NOT YET CONSIDERED BY COUNCIL

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Council

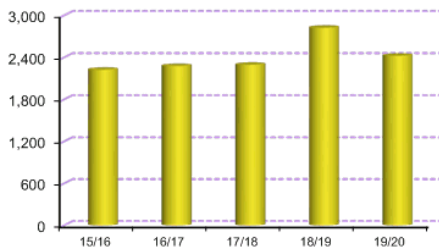


Council contains the following Service Areas, Activities and Service Levels

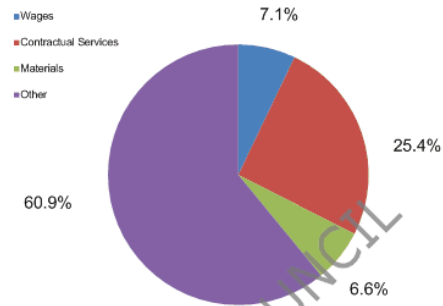
SERVICE AREAS	ACTIVITIES AND SERVICE LEVELS
<p>Civic and Ceremonial Funds civic and ceremonial responsibilities of Council, including citizenship ceremonies.</p>	<ul style="list-style-type: none"> • Organisation of civic events and citizenship ceremonies
<p>Corporate Memberships Funds corporate memberships for required bodies.</p>	<ul style="list-style-type: none"> • Local Government Association membership
<p>Council Funds the management and administration of the Elected Member governance responsibilities.</p>	<ul style="list-style-type: none"> • Production and distribution of business papers • Administrative support is provided to 6 standing committees, 5 sub-committees and Council • Monitor and review of the City's compliance with legislation • Elected Member training and development • Administration of Elected Member Allowances and Benefits
<p>Elections Provides resources for elections within the City.</p>	<ul style="list-style-type: none"> • Manage the Local Government election for over 90,000 eligible voters
<p>Executive Management Funds the Chief Executive Officer and executive support function that is responsible for the management of the organisation, the support of and accountability to Council.</p>	<ul style="list-style-type: none"> • Executive support for the Chief Executive Officer and Mayor
<p>Governance Is a resource supporting Elected Members and staff in their decision making processes. The team provides information, advice and assistance to ensure obligations under legislation and policy frameworks are reflected in City of Salisbury work practices.</p>	<ul style="list-style-type: none"> • Support Council and organisational Governance processes • Risk management, internal audit and program review • Undertake annual risk review • Provide advice and support to ensure operational risks are minimised • Support the Audit Committee of Council • Application and monitoring of the Governance framework • Council meeting administration and support • Elected Member support & communications • Delegations • Application and monitoring - Policy and Procedure Framework • Coordination of legal advice and oversight of Council Solutions Legal Services contract

Council

Budgeted Council Operating Expenditure
(\$'000')



Council (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Civic & Ceremonial	53	49
Corporate Memberships	95	95
Council	736	713
Elections	571	195
Executive Management	636	650
Governance	735	724
DIRECT EXPENDITURE	2,826	2,426
FULL COST ATTRIBUTION	(2,826)	(2,426)
TOTAL EXPENDITURE		
INCOME		
Council	2	2
TOTAL INCOME	2	2
NET IMPACT TO COUNCIL		
Civic & Ceremonial	53	49
Corporate Memberships	95	95
Council	734	711
Elections	571	195
Executive Management	636	650
Governance	735	724
FULL COST ATTRIBUTION	(2,826)	(2,426)
TOTAL NET IMPACT TO COUNCIL	(2)	(2)

Sundry

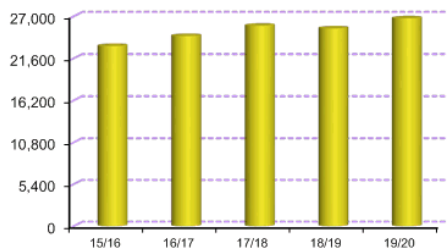


Sundry contains the following Service Areas, Activities and Service Levels

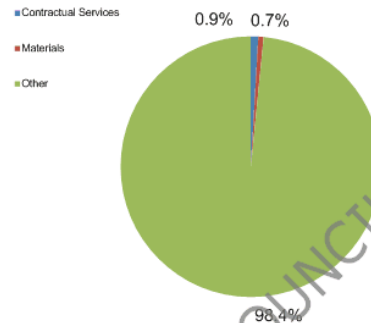
SERVICE AREAS	
Accommodation	The operating costs of Council's municipal offices.
Grants Commission	Represents the general purpose Financial Assistance Grant provided by the Federal Government via the Grants Commission. The quantum is determined by population and "effort neutral" needs assessment.
Infrastructure Depreciation	Provides for depreciation of public infrastructure where not provided for within functional cost centres.
Rates	Provide for rates revenue, fines and penalties, rebates, concessions and discounts.
Treasury	Provides for the transactions associated with borrowing and lending funds and the associated interest received or paid.
Wages and Salary Provision	An allocation to provide for variations in remuneration as a result of agreements, contracts and reclassifications.

Sundry

Budgeted Sundry Operating Expenditure
(\$'000')



Sundry (Expenditure)



	2018/19 Budget \$'000's	2019/20 Forecast \$'000's
EXPENDITURE		
Accommodation	459	1,441
Infrastructure Depreciation	22,839	22,590
Rates	2,182	2,182
Treasury	1,062	955
DIRECT EXPENDITURE	26,043	27,333
FULL COST ATTRIBUTION	(459)	(1,441)
TOTAL EXPENDITURE	25,584	25,893
INCOME		
Accommodation		12
Grants Commission	5,590	5,590
Rates	752	697
Treasury	159	158
TOTAL INCOME	6,501	6,456
NET IMPACT TO COUNCIL		
Accommodation	459	1,441
Grants Commission	(5,590)	(5,590)
Infrastructure Depreciation	22,839	22,590
Rates	1,431	1,486
Treasury	903	798
Wages & Salaries Provision	(500)	165
FULL COST ATTRIBUTION	(459)	(1,441)
TOTAL NET IMPACT TO COUNCIL	19,083	19,448

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Rating Strategy and Policy

What are Rates?

Rates are the principal source of funding for Council services representing approximately 83% of the total operating revenue. Rates are levied as a tax on property in accordance with the provisions of the Local Government Act. They are not a service or user charge. Consequently, some property owners may choose not to use various council services but nevertheless make a contribution through their rates. As rates are levied on the value of property as determined by the State Valuation Office, those in higher valued properties pay more than those in lower valued properties, noting the higher value property adjustment detailed on page 109.

Capital Value as a basis for Rating

The Council has adopted the capital value method to value properties in its area, in common with most other Adelaide metropolitan Councils. This method values the land and all of the improvements on the land.

While no valuation method is considered perfect the capital value method was considered the most equitable because:

- It is the most appropriate measure of relative wealth in the community
- As a measure of wealth it most closely reflects the capacity to pay of property owners
- It accords with the taxation principle, that people should contribute to community social and physical infrastructure, in accord with their capacity to pay, as measured by property wealth

Other valuation methods available are site value (value of land only) and annual value (value of rental potential of property). These are not considered appropriate in Salisbury's situation.

Strategic Focus

In setting its rates for the 2019/20 financial year the Council considered its City Plan 2030, and other strategic planning documents including Asset Management Plans and the Long Term Financial Plan.

Setting Rates

Apart from the need to ensure sufficient revenue to meet its expenditure needs, Council is always mindful of the impact and affordability of rates to the community, both residential and business, and regularly makes comparison of its rates across Council areas.

In 2018/19 Salisbury's average residential rate was the 3rd lowest of the metropolitan Councils.

The first action in setting the new rate is to adjust for the impact of the average increase or decrease in market property values over the past year so that the rate increase is not compounded by property value increases.

This year the average 'market' increase for the key rating categories are:

Residential	3.2%
Commercial / Industrial	1.8%

Secondly, Council considers the appropriate average rate increase to apply taking into account a number of factors. Council have undertaken a comprehensive program review which has considered current service levels, and the communities current and future needs, and the methods by which services are provided. Council each year consider the budget in detail, and reviews requests for new expenditure and how it contributes to the delivery of the City Plan. Consideration is also given having capacity to respond to community's changing needs.

Rating Strategy and Policy

After critically reviewing expenditure priorities and income from other sources Council propose to increase residential rates by an average of 2.5% for properties not on the minimum rate. The minimum rate is also proposed to increase by 2.5% from \$987 to \$1,012 for 2019/20.

Council has maintained surplus operating budgets since 2008/09 which is a significant achievement. This has resulted from maintaining existing assets and avoiding escalating costs that can result through neglect, by reviewing and refining service provision, and utilising property development proceeds to reduce debt levels resulting in lower interest costs.

Categories of Rates

General Rates

General rates are levied on capital values according to the differential rating system outlined below. Property valuations are performed independently by the State Valuation Office on an annual basis and an owner has up to 60 days from notification in which to object.

A minimum rate applies to all properties where the value falls below a certain level. The minimum rate is imposed to ensure all properties make a fair contribution to general community facilities.

No more than 35% of properties can be subject to the minimum rate. The minimum rate will increase to \$1,012 for 2019/20

Differential Rating

Differential rates may be applied according to land use. A differential loading is applied to commercial and industrial properties and to vacant land. Residential and other properties pay the base rate.

- a. The purpose of the differential on commercial and industrial properties is to:
- Recover from the business sector a greater share of costs relating to:
 - Economic development and promotion
 - City amenities which enhance retailing
 - More intensive road and traffic requirements
 - Extra capacity requirements for drainage
 - Partially recognise the benefit of tax deductibility available to business
 - Maintain the revenue contribution from this sector given inconsistent changes in property values as compared with residential properties
- b. The purpose of the differential on vacant land is to:
- Provide a disincentive to withholding land from development
 - Recognise the cost of surrounding infrastructure

The differential rate for vacant land is 30% higher than for residential properties. This is consistent with the previous year which was also 30%.

Rating Strategy and Policy

Separate Rates

Council uses its separate rating powers to collect rates for three existing purposes:

Salisbury City Centre Business Association Inc.

Rates are collected for the Salisbury Business Association, from commercial properties within the Salisbury City Centre to enable it to market and promote the centre. All funds collected are passed on to the association.

Globe Derby Community Club Inc.

Rates are collected for and passed on to the community club based on a fixed amount per share in common land, so that the club can maintain an area of common land.

Adelaide and Mount Lofty Ranges Natural Resources Management Board

The Council acts as agent for the collection of rates for the Adelaide & Mount Lofty Ranges Natural Resources Management Board who determines their own rate levels. This policy does not refer to those rates.

Residential Impact Statement

The average increase for residential properties is 2.5%. However, the actual increase to an individual property will vary depending on the actual changes in valuation above or below the average valuation increase of 3.1%.

In order to achieve an average rate increase of 2.5% the rate (cents in the \$) will decrease from 0.4284 to 0.4253.

An assessment of the resulting rate increases suggests the following impact on residential property owners:

Percentage Rate Increase	Number of Properties
< or = 0%	7,315
0.1 - 1.0%	768
1.1 - 2.0%	6,059
2.1 - 3.0%	16,922
3.1 - 4.0%	8,616
4.1 - 4.0%	11,830
5.1 - 6.0%	3,179
6.1 - 8.0%	128
8.1 - 10.0%	59
10.1 - 12.5%	30
>12.5%	113
Total Number of Properties	55,019

Rating Strategy and Policy

Payment of Rates

Quarterly Billing

Payment of rates may be made in quarterly instalments due in September, December, March and June each year. Rate notices will be issued prior to each quarterly instalment.

Payment methods are described on the reverse of the rate notice.

Advance Payments

Ratepayers may choose to make fortnightly or monthly payments in advance towards their rates if this suits their budgetary circumstances. No interest is paid on these amounts due to the additional transaction processing costs associated with this service.

Seniors Postponement of Rates

Residential property owners with a Seniors Card may apply to postpone payment of rates until the property is sold. Seniors who opt to postpone rates are required by the Local Government Act to pay \$500 in rates each year, with the balance being postponed. Postponed rates are a charge on the land and statutory interest continues to be charged on postponed rates and will be payable on sale of the property.

Adjustments and Rebates

High Value Property Adjustment

Council has recognised that higher value residential properties are subject to unreasonably high rates, due to the relatively low average value of properties in Salisbury, compared to some other Local Government areas. Council is also concerned to ensure there is a proper mix of development within the city.

To overcome this problem Council has provided an adjustment for residential properties with a value over \$465,000 in 2019/20 on the following basis:

\$465,001 to \$515,000: a reduction of 10% of the normal rate on the amount above \$465,000, which is an increase on the 2018/19 tier of \$450,001-\$500,000.

\$515,001 to \$625,000 : a reduction of 15% of the normal rate on the amount above \$515,001, which is an increase on the 2018/19 tier of \$500,000-\$605,000.

\$625,001+: a reduction of 35% of the normal rate on the amount above \$625,000, with the 2018/19 tier being \$605,001

The adjustment and its limits are determined annually by Council prior to the setting of rates

Discretionary Rebates

The Local Government Act 2011 enables Council to grant discretionary rebates up to 100% for land used for the purposes of a community benefit.

Council has adopted a policy concerning such rebates, a copy of which is available from our Rates Section (Telephone. 08 8406 8255).

Rate Capping

Council has a policy to cap rate increases in the following circumstance:

- **Market Valuation Increase Cap** - for residential property which is the ratepayers principal residence, and the ratepayers is a natural person, the maximum increase in the general rate will be 12.5% of that paid in the previous year where that increase is as a result of significant valuation movements but not as a result of improvements, a change to the land use or zoning, a change in ownership, or a correction the property value.

Disclaimer

A rate cannot be challenged on the basis of non-compliance with this policy and rates must be paid in accordance with the required payment provisions.

Appendix A: Long Term Financial Plan

ESTIMATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDING 30 JUNE	2020 Budget Year 1 \$000's	2021 Plan Year 2 \$000's	2022 Plan Year 3 \$('000)	2023 Plan Year 4 \$('000)	2024 Plan Year 5 \$('000)	2025 Plan Year 6 \$('000)	2026 Plan Year 7 \$('000)	2027 Plan Year 8 \$('000)	2028 Plan Year 9 \$('000)	2029 Plan Year 10 \$('000)
INCOME										
Rates	101,031	104,992	109,212	113,559	118,215	123,062	128,107	133,360	138,828	144,519
Statutory Charges	2,819	2,884	2,954	3,024	3,100	3,177	3,257	3,338	3,422	3,507
User Charges	5,004	5,120	5,244	5,369	5,503	5,640	5,781	5,926	6,074	6,226
Grants, Subsidies & Contributions	11,759	11,875	11,988	12,098	12,223	12,351	12,482	12,616	12,932	13,255
Investment Income	158	157	155	154	153	152	150	149	147	146
Reimbursements	217	222	227	232	238	244	250	257	263	269
Other Income	696	712	729	747	765	785	804	824	845	866
Total Revenues	121,684	125,962	130,509	135,183	140,197	145,411	150,831	156,470	162,511	168,788
EXPENSES										
Employee Costs	38,247	39,305	40,589	41,912	43,487	45,119	46,810	48,329	49,895	51,629
Materials, Contracts & Other Expenses	50,850	53,186	55,661	58,266	61,038	63,940	66,977	70,156	73,486	77,012
Depreciation, Amortisation & Impairment	27,316	28,400	29,514	30,622	31,670	32,767	33,907	35,092	36,319	37,590
Finance Costs	1,410	923	901	579	390	269	146	94	75	62
Total Expenses	117,823	121,814	126,685	131,379	136,585	142,095	147,840	153,671	159,775	166,293
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	3,861	4,148	3,824	3,804	3,612	3,316	2,991	2,799	2,736	2,495
Asset Disposal & Fair Value Adjustments	3,447	4,169	4,589	8,990	2,964	7,931	3,310	2,589	2,397	3,970
Amounts Received Specifically for New or Upgraded Assets	3,668	2,296	2,353	2,412	2,472	2,534	2,597	2,662	2,729	2,797
Physical Resources Received Free of Charge	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
NET SURPLUS/(DEFICIT)	11,376	11,613	11,766	16,206	10,048	14,781	9,898	9,050	8,862	10,262
OTHER COMPREHENSIVE INCOME										
Changes in Revaluation Surplus - I,PP&E	21,804	23,226	26,417	27,499	28,686	29,560	30,484	31,376	32,253	33,520
Total Other Comprehensive Income	21,804	23,226	26,417	27,499	28,686	29,560	30,484	31,376	32,253	33,520
TOTAL COMPREHENSIVE INCOME	33,780	34,839	38,183	43,705	38,734	44,341	40,382	40,426	41,115	43,782

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 108

Appendix A: Long Term Financial Plan

ESTIMATED STATEMENT OF FINANCIAL POSITION

YEAR ENDING 30 JUNE	2020 Budget Year 1 \$'000's	2021 Plan Year 2 \$'000's	2022 Plan Year 3 \$('000)	2023 Plan Year 4 \$('000)	2024 Plan Year 5 \$('000)	2025 Plan Year 6 \$('000)	2026 Plan Year 7 \$('000)	2027 Plan Year 8 \$('000)	2028 Plan Year 9 \$('000)	2029 Plan Year 10 \$('000)
ASSETS										
Current Assets										
Cash & Cash Equivalents	0	0	0	0	0	0	0	0	0	703
Trade & Other Receivables	5,308	5,429	5,604	5,784	5,978	6,179	6,388	6,605	6,846	7,056
Inventories	2,155	2,169	2,184	2,199	2,216	2,233	2,251	2,270	2,289	2,310
Total Current Assets	7,463	7,598	7,788	7,983	8,194	8,412	8,639	8,875	9,135	10,069
Non-Current Assets										
Financial Assets	395	366	335	304	271	237	202	165	127	128
Equity Accounted Investments in Council Businesses	3,877	3,877	3,877	3,877	3,877	3,877	3,877	3,877	3,877	3,877
Infrastructure, Property, Plant & Equipment	1,506,433	1,545,184	1,581,739	1,612,358	1,649,088	1,687,901	1,725,470	1,763,425	1,801,841	1,842,642
Other Non-Current Assets	23,986	25,007	26,096	27,225	28,437	29,704	31,031	32,420	33,874	35,413
Total Non-Current Assets	1,534,691	1,574,434	1,612,047	1,643,764	1,681,673	1,721,719	1,760,580	1,799,887	1,839,719	1,882,060
TOTAL ASSETS	1,542,154	1,582,032	1,619,835	1,651,747	1,689,867	1,730,131	1,769,219	1,808,762	1,848,854	1,892,129
LIABILITIES										
Current Liabilities										
Cash Advance Debentures	14,336	20,497	21,154	9,961	9,980	6,597	5,090	3,359	1,447	0
Trade & Other Payables	14,853	15,505	16,201	16,922	17,698	18,509	19,356	20,240	21,168	22,146
Borrowings	1,773	735	1,321	1,409	1,504	636	36	38	39	41
Provisions	7,058	7,058	7,058	7,058	7,058	7,058	7,058	7,058	7,058	7,058
Total Current Liabilities	38,020	44,795	45,734	35,350	36,240	32,800	31,540	30,695	29,712	29,245
Non-Current Liabilities										
Borrowings	6,825	5,090	3,769	2,360	856	220	184	146	107	66
Provisions	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662	1,662
Total Non-Current Liabilities	8,487	6,752	5,431	4,022	2,518	1,882	1,846	1,808	1,769	1,728
TOTAL LIABILITIES	46,507	51,547	51,165	39,372	38,758	34,682	33,386	32,503	31,481	30,973
NET ASSETS	1,495,647	1,530,485	1,568,670	1,612,375	1,651,109	1,695,449	1,735,833	1,776,259	1,817,373	1,861,156
EQUITY										
Accumulated Surplus	374,209	385,821	397,589	413,795	423,843	438,623	448,522	457,573	466,434	476,697
Asset Revaluation Reserves	1,097,146	1,120,371	1,146,789	1,174,288	1,202,974	1,232,535	1,263,018	1,294,394	1,326,647	1,360,167
Other Reserves	24,292	24,293	24,292	24,292	24,292	24,291	24,293	24,292	24,292	24,292
TOTAL EQUITY	1,495,647	1,530,485	1,568,670	1,612,375	1,651,109	1,695,449	1,735,833	1,776,259	1,817,373	1,861,156

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 109

Appendix A: Long Term Financial Plan

ESTIMATED STATEMENT OF CASH FLOWS

YEAR ENDING 30 JUNE	2020 Budget Year 1 \$000's	2021 Plan Year 2 \$000's	2022 Plan Year 3 \$('000)	2023 Plan Year 4 \$('000)	2024 Plan Year 5 \$('000)	2025 Plan Year 6 \$('000)	2026 Plan Year 7 \$('000)	2027 Plan Year 8 \$('000)	2028 Plan Year 9 \$('000)	2029 Plan Year 10 \$('000)
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts										
Operating Receipts	121,252	125,750	130,255	134,927	139,933	145,144	150,563	156,198	162,221	168,495
Investment Receipts	158	157	155	154	153	152	150	149	147	146
Payments										
Operating Payments to Suppliers and Employees	(89,730)	(93,018)	(96,826)	(100,754)	(105,138)	(109,699)	(114,455)	(119,185)	(124,112)	(129,411)
Finance Payments	(1,410)	(923)	(901)	(579)	(390)	(269)	(146)	(94)	(75)	(62)
Net Cash provided by (or used in) Operating Activities	30,270	31,966	32,683	33,748	34,558	35,328	36,112	37,068	38,181	39,168
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Amounts Received Specifically for New/Upgraded Assets	3,668	2,296	2,353	2,412	2,472	2,534	2,597	2,662	2,729	2,797
Sale of Replaced Assets	377	382	392	402	412	422	433	444	455	466
Sale of Real Estate Developments	3,070	3,787	4,197	8,588	2,552	7,509	2,877	2,145	1,942	3,504
Repayments of Loans by Community Groups	32	34	30	31	32	34	35	36	38	39
Payments										
Expenditure on Renewal/Replacement of Assets	(16,443)	(16,402)	(17,468)	(17,058)	(22,638)	(24,542)	(23,101)	(23,360)	(23,737)	(25,683)
Expenditure on New/Upgraded Assets	(27,159)	(26,451)	(21,109)	(15,608)	(15,998)	(16,398)	(16,809)	(17,228)	(17,658)	(18,101)
Net Cash Provided by (or used in) Investing Activities	(36,455)	(36,354)	(31,605)	(21,233)	(33,168)	(30,441)	(33,968)	(35,301)	(36,231)	(36,978)
CASH FLOWS FROM FINANCING ACTIVITIES										
Payments										
Repayments of Borrowings	(1,978)	(1,773)	(1,735)	(1,321)	(1,409)	(1,504)	(636)	(36)	(38)	(39)
Net Cash provided by (or used in) Financing Activities	(1,978)	(1,773)	(1,735)	(1,321)	(1,409)	(1,504)	(636)	(36)	(38)	(39)
Net Increase/(Decrease) in Cash Held	(8,163)	(6,161)	(657)	11,194	(19)	3,383	1,508	1,731	1,912	2,151
Cash & Cash Equivalents at Beginning of Period	(6,173)	(14,336)	(20,497)	(21,155)	(9,961)	(9,980)	(6,598)	(5,090)	(3,359)	(1,448)
Cash & Cash Equivalents/Movements in Borrowings at End of Period	(14,336)	(20,497)	(21,154)	(9,961)	(9,980)	(6,597)	(5,090)	(3,359)	(1,447)	703

CITY OF SALISBURY DRAFT ANNUAL PLAN 19/20 110

Appendix A: Long Term Financial Plan

SUMMARY STATEMENT OF CHANGES IN EQUITY

YEAR ENDING 30 JUNE	2020 Budget Year 1 \$'000's	2021 Plan Year 2 \$'000's	2022 Plan Year 3 \$('000)	2023 Plan Year 4 \$('000)	2024 Plan Year 5 \$('000)	2025 Plan Year 6 \$('000)	2026 Plan Year 7 \$('000)	2027 Plan Year 8 \$('000)	2028 Plan Year 9 \$('000)	2029 Plan Year 10 \$('000)
Opening Balance	1,461,867	1,495,647	1,530,485	1,568,670	1,612,375	1,651,109	1,695,450	1,735,833	1,776,258	1,817,374
Net Surplus / (Deficit) for Year	11,976	11,612	11,768	16,206	10,048	14,780	9,899	9,050	8,862	10,262
Other Comprehensive Income										
- Gain (Loss) on Revaluation of I,PP&E	21,804	23,226	26,417	27,499	28,886	29,560	30,484	31,376	32,253	33,520
Other Comprehensive Income	21,804	23,226	26,417	27,499	28,886	29,560	30,484	31,376	32,253	33,520
Total Comprehensive Income	33,780	34,838	38,185	43,705	38,734	44,340	40,383	40,426	41,115	43,782
Transfers between Equity	0	0	0	0	0	0	0	0	0	0
Balance at end of period	1,495,647	1,530,485	1,568,670	1,612,375	1,651,109	1,695,449	1,735,833	1,776,259	1,817,373	1,861,156

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Appendix A: Long Term Financial Plan

UNIFORM PRESENTATION OF FINANCES

YEAR ENDING 30 JUNE	2020 Budget Year 1 \$'000's	2021 Plan Year 2 \$'000's	2022 Plan Year 3 \$('000)	2023 Plan Year 4 \$('000)	2024 Plan Year 5 \$('000)	2025 Plan Year 6 \$('000)	2026 Plan Year 7 \$('000)	2027 Plan Year 8 \$('000)	2028 Plan Year 9 \$('000)	2029 Plan Year 10 \$('000)
Income	121,684	125,962	130,509	135,183	140,197	145,411	150,831	156,470	162,511	168,788
less Expenses	(117,823)	(121,814)	(126,685)	(131,379)	(136,585)	(142,095)	(147,840)	(153,671)	(159,775)	(166,293)
Operating Surplus / (Deficit)	3,861	4,148	3,824	3,804	3,612	3,316	2,991	2,799	2,736	2,495
Less: Net Outlays on Existing Assets										
Capital Expenditure on Renewal/Replacement of Existing Assets	(16,443)	(16,402)	(17,468)	(17,058)	(22,638)	(24,542)	(23,101)	(23,360)	(23,737)	(25,683)
less Depreciation, Amortisation & Impairment	27,316	28,400	29,514	30,622	31,670	32,767	33,907	35,092	36,319	37,590
less Proceeds from Sale of Replaced Assets	377	382	392	402	412	422	433	444	455	466
	11,250	12,380	12,438	13,966	9,444	8,647	11,239	12,176	13,037	12,373
Less: Net Outlays on New and Upgraded Assets										
Capital Expenditure on New /Upgraded Assets	(27,159)	(26,451)	(21,109)	(15,608)	(15,998)	(16,398)	(16,809)	(17,228)	(17,658)	(18,101)
less Amounts Specifically for New /Upgraded Assets	3,668	2,296	2,358	2,412	2,472	2,534	2,597	2,662	2,729	2,797
less Proceeds from Sale of Surplus Assets	3,070	3,787	4,197	8,588	2,552	7,509	2,877	2,145	1,942	3,504
	(20,421)	(20,368)	(14,559)	(4,608)	(10,974)	(6,355)	(11,335)	(12,421)	(12,987)	(11,800)
Net Lending / (Borrowing) for Financial Year	(5,310)	(3,540)	1,703	13,162	2,082	5,608	2,895	2,554	2,786	3,068

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DRAFT - NOT YET CONSIDERED BY COUNCIL


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ITEM	6.8.1
	BUDGET AND FINANCE COMMITTEE
DATE	15 April 2019
HEADING	Project Budget Delegations
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.2 Develop strong capability and commitment to continually improve Council's performance.
SUMMARY	<p>This report considers and seeks endorsement of the continuation of the Financial Delegation provided to General Managers to increase approved budgets of individual capital projects in the financial year, provided that that the program and sub-classification would not exceed budget, and no change scope to projects would result.</p> <p>The delegation limit is currently set at \$15,000 per individual capital project with a budget up to \$150,000 in each financial year, and 10% of the project value for projects with budgets greater than \$150,000 in each financial year.</p> <p>Reporting of when this delegation is exercised is via a separate standalone report to be presented to the Budget and Finance Committee at the end of the quarter and also reported in the Quarterly Budget Review.</p>

RECOMMENDATION

1. A Financial Delegation (the Project Budget Delegation) continue to be provided to the relevant General Manager to increase an approved budget of an individual capital project in the financial year provided that the program (Information Technology, Transportation, Property and Buildings, Drainage and Waterways, Parks and Streetscapes, Plant, Furniture and Equipment, Water Business Unit, Strategic Projects and Strategic Property) and sub-classification (new, renewal) will not exceed budget, and that there is no change in project scope as a result.
2. The Project Budget Delegation limit continue to be set at \$15,000 per individual capital project with a budget up to \$150,000 in each financial year, and 10% of the project value for projects with budgets greater than \$150,000 in each financial year.
3. In any quarter when the Project Budget Delegation is exercised a separate standalone report continue to be presented to the Budget and Finance Committee at the end of that quarter with details also to be reported in the Quarterly Budget Review.
4. The Project Budget Delegation be reviewed during the 2020/21 Budget process.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 This delegation has been in place since 2014, and has been provided to the General Managers to increase an approved budget of an individual capital project in the financial year provided that the program and sub-classification (new, renewal) do not exceed budget, and that there would be no change in project scope as a result.
- 1.2 The delegation limit has been set at \$15,000 per individual capital project with a budget up to \$150,000 in each financial year, and 10% of the project value for projects with budgets greater than \$150,000 in each financial year.
- 1.3 Each year the delegation is reviewed during the budget process.

2. CONSULTATION / COMMUNICATION

N/A

3. REPORT

- 3.1 This report reviews the application of the Financial Delegation that has been provided and seeks endorsement for the continuation of the Financial Delegation, subject to review, as part of each year's budget process.
- 3.2 The delegation provides a level of flexibility to General Managers to deliver programs and projects within overall budget constraints and with consideration of budgets provided at program levels and sub-classifications, detailed further in paragraph 3.5.
- 3.3 This delegation has been in place since 2014, and has been provided to the General Managers to increase an approved budget of an individual capital project in the financial year provided that the program and sub-classification (new, renewal) do not exceed budget, and that there would be no change in project scope as a result.
- 3.4 Throughout the 2018/19 Financial Year the delegation provided to General Managers has not been utilised to date, however there is significant merit in retaining it as this will enable the continuation of transparent and active management of budgets against projects.
- 3.5 It is recommended that the financial delegation granted to the relevant General Managers be retained whereby a Council decision is not required to re-allocate funds in circumstances where an individual Capital Project is anticipated to vary from its approved budget by less than \$15,000 for Capital Projects of up to \$150,000 or 10% of the approved budget for Capital Projects with expenditure budgets in excess of \$150,000, provided that the overall program (Information Technology, Transportation, Property and Buildings, Drainage and Waterways, Parks and Streetscapes, Plant, Furniture and Equipment, Water Business Unit, Strategic Projects and Strategic Property) and sub-classification (new, renewal) will not exceed budget, and that there is no change in the project scope as a result of the proposed reallocation.

- 3.6 Should an individual Capital Project be anticipated to vary from its approved budget by more than \$15,000 for Capital Projects of up to \$150,000 or 10% of the approved budget for Capital Projects with expenditure budgets in excess of \$150,000 Council approval will be required
- 3.7 Further, and as is the current practice, Council approval will still be required for any changes in the scope of a project, to establish a new project, to cancel an existing project or to move funds between the aforementioned programs or sub-classifications.
- 3.8 Oversight and reporting of the Financial Delegation will occur, by a separate quarterly report in those quarters where it is utilised, as well as summarised in the respectively quarterly budget review.
- 3.9 As this is a Financial Delegation, rather than a legislated delegation, it is proposed that the most appropriate time to review the delegation is as part of each year's budget process.

4. CONCLUSION / PROPOSAL

- 4.1 It is recommended that the financial delegation provided to General Managers be retained to enable the continuation of transparent and active management of budgets against projects.

CO-ORDINATION

Officer: Executive Group
Date: 08/04/2019