



**DRAFT**

**ANNUAL BUSINESS PLAN  
2020/21**

## TABLE OF CONTENTS

<b>PREAMBLE .....</b>	<b>3</b>
<b>DRAFT ANNUAL BUSINESS PLAN 2020/21 .....</b>	<b>4</b>
A GUIDE TO READING AND USING THIS PLAN.....	4
<b>INTRODUCTION TO THE CITY OF CHARLES STURT.....</b>	<b>6</b>
<b>STRATEGIC CONTEXT.....</b>	<b>7</b>
A VISION FOR CHARLES STURT .....	10
KEY STRATEGIC ISSUES FOR CHARLES STURT.....	10
STRATEGIC PRIORITIES FOR CHARLES STURT IN 2020/21 .....	11
THEME AREAS, OBJECTIVES AND STRATEGIES .....	11
<b>LONG TERM FINANCIAL PLAN .....</b>	<b>18</b>
<b>WHAT SERVICES WE WILL DELIVER TO OUR COMMUNITY? .....</b>	<b>25</b>
ANNUAL OPERATING PROJECTS.....	26
CAPITAL PROJECTS .....	47
<b>HOW DOES COUNCIL PROPOSE TO FUND ITS PROGRAM?.....</b>	<b>62</b>
<b>WHAT DOES THIS MEAN FOR RATES? .....</b>	<b>65</b>
<b>MEASURING ACHIEVEMENT OF THE 2020/21 ANNUAL BUSINESS PLAN.....</b>	<b>69</b>
<b>OBJECTIVE - ADAPTIVE AND SUSTAINABLE MANAGEMENT OF THE CITY'S FINANCES.....</b>	<b>73</b>
ATTACHMENT A .....	76
LONG TERM FINANCIAL PLAN 2020-2030.....	91
ATTACHMENT C – CAPITAL RENEWAL PROJECTS.....	99

## Preamble

Under section 123 of the Local Government Act 1999 each council must have a budget for each financial year. This budget must be considered in conjunction with the Council's Annual Business Plan (and be consistent with that plan, as adopted) and must be adopted before 31 August for the financial year.

Each council must therefore also prepare, as part of its budget development process, an Annual Business Plan. Each Council's Annual Business Plan must:

- include a summary of the Council's long-term objectives (as set out in its strategic management plans)
- include an outline of —
  - (i) the Council's objectives for the financial year
  - (ii) the activities that the Council intends to undertake to achieve those objectives; and
  - (iii) the measures (financial and non-financial) that the Council intends to use to assess the performance of the council against its objectives over the financial year
- assess the financial requirements of the Council for the financial year and, taking those requirements into account, set out a summary of its proposed operating expenditure, capital expenditure and sources of revenue
- set out the rates structure and policies for the financial year
- assess the impact of the rates structure and policies on the community based on modelling that has been undertaken or obtained by the council, and
- take into account the Council's long-term financial plan and relevant issues relating to the management and development of infrastructure and major assets by the Council.

Before a Council adopts its Annual Business Plan it must prepare a Draft Annual Business Plan and undertake a public consultation process that, as a minimum, meets the requirements of section 123 (4) of the Local Government Act 1999. During the public consultation period copies of the Council's Draft Annual Business Plan and any other associated documents must be made available for inspection and purchase by the public at the principal office of the Council.

Once adopted by the Council, copies of the Annual Business Plan and Budget must be available for inspection or purchase at the principal office of the Council. Copies of a summary of the Annual Business Plan must be included with the first rates notice sent to ratepayers and available at the Council offices.

This Draft Annual Business Plan 2020/21 was adopted by the Council of the City of Charles Sturt at its meeting on Monday 14 April 2020 following endorsement by the Corporate Services Committee Meeting on the 6 April 2020.

# Draft Annual Business Plan 2020/21

## *A Guide to Reading and Using This Plan*

### **Introduction to the City of Charles Sturt**

The introductory section of the 2020/21 Annual Business Plan provides a summary of the key characteristics of the City.

### **Strategic Context**

This section provides a diagrammatical representation of how Council's various plans fit together to produce priorities and actions and identifies the key strategic issues facing the City.

### **Strategic Priorities for 2020/21**

This section of the Business Plan sets out an easy reference list of the Community Plan objectives which provide the framework for Council's short and medium term focus. Examples are provided of Council initiatives to be implemented in 2020/21 in direct response to each of the objectives.

### **Financial Strategy – Long Term Financial Plan**

This section provides an overview of the Long Term Financial Plan endorsed by Council for the period 2020/21 until 2029/30. It explains the strategy and key indicators used to evaluate its financial position and performance.

### **Proposed Budget Framework 2020/21**

From the tabled Long Term Financial Estimates, the high level parameters for the budget 2020/21 are listed including forecasts for income, expenditure and rates.

### **What Services will we deliver to the Community?**

In planning its activities for the coming year, and specifically for the purposes of financial planning, Council splits its activities into two categories – 'operational' and 'project'.

Those activities considered to be 'core' business of Council and which more or less continue to be provided each year, are dealt with as part of Council's operational budget.

The extent of these services is summarised in this section, with a comprehensive listing included as [Attachment A](#).

Those activities which support the current strategic focus of Council and/or which may be short term or one-off initiatives are considered annual operating projects and funded as part of the project budget. Proposed Annual Operating Projects under review for 2019/20 are listed in the section **Annual Operating Projects**.

Expenditure proposed on renewal/replacement and new/upgraded assets is discussed in the section **Capital Projects**.

Both annual operating projects and capital projects listings will be reviewed within the context of the Long Term Financial Plan parameters to determine a final list of projects for endorsement in the 2020/21 Annual Budget.

### **How Does Council propose to fund its Program?**

This section identifies potential revenue sources for 2020/21 excluding rates.

### **What does it mean for Rates?**

The rates structure and policies are discussed including an overview of proposed rate relief measures.

### **Measuring achievement of the 2020/21 Business Plan.**

This section discusses how Council measures and monitors its performance on a regular basis to ensure delivery of Community and Corporate Plan outcomes.

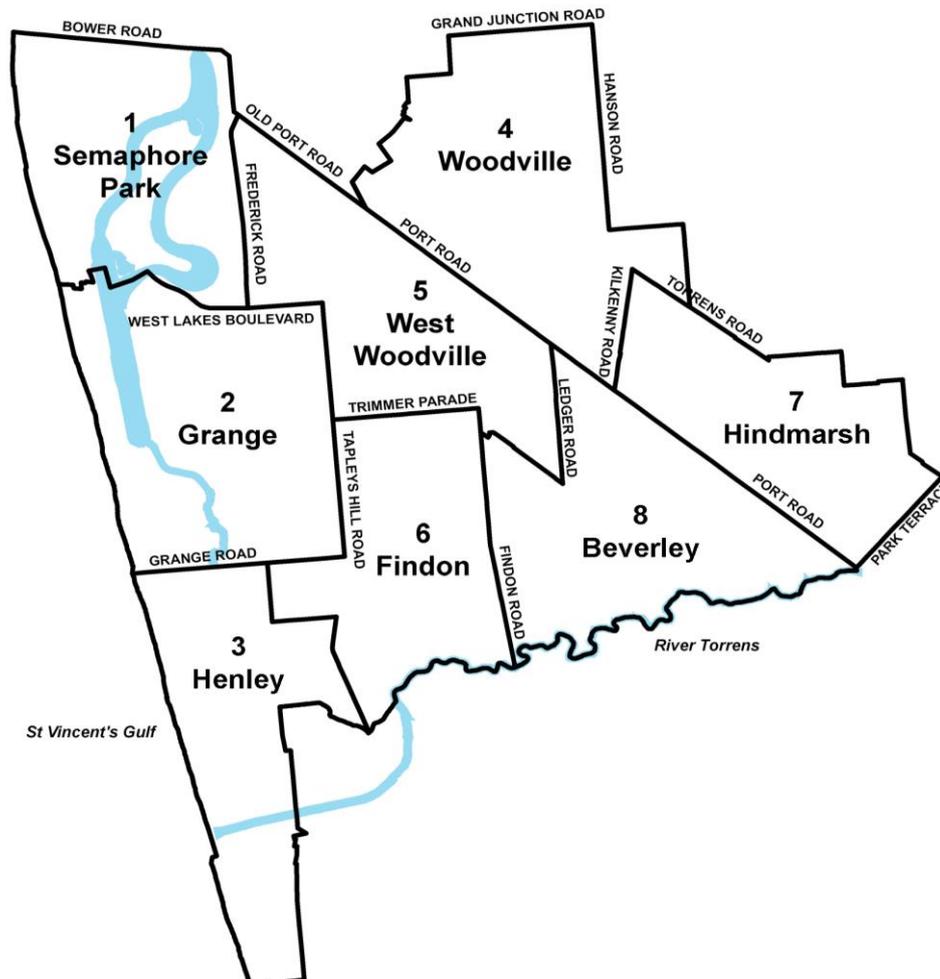
## Introduction to the City of Charles Sturt

The City of Charles Sturt is one of South Australia’s largest metropolitan council areas. The city spans approximately 5,500 hectares, has a population of around 115,000 and 56,000 rateable properties. Charles Sturt Council has developed a reputation for being as diverse as it is large, with the city providing a wide range of opportunities for housing, business, sporting and leisure.

People choose to live in the City because it is close to the beach, the City (of Adelaide), the port, the airport and regional shopping facilities. The City of Charles Sturt has long been considered the sporting and entertainment hub of Adelaide with national basketball, soccer and football stadiums, three privately owned golf courses, an international rowing course, the River Torrens Linear Park, the Coast and numerous highly regarded local sporting venues. The City is also well catered for in terms of schools, medical services, local sporting and community facilities including libraries and community centres.

The population of Charles Sturt is older than that of metropolitan Adelaide with a higher proportion of people aged 65 and over and a lower proportion aged 14 years and under (compared to metropolitan Adelaide). While most of the occupied dwellings within the City are occupied by families, the City has a high proportion of single person households compared to metropolitan Adelaide. The City is culturally diverse with people from in excess of 100 cultures living within the City.

The City is undergoing change led primarily by the development of improved transport infrastructure and the objectives of the 30 Year Plan for Greater Adelaide which forecasts an increase in population, predominantly along the City’s transport corridors.



## Strategic Context

This Draft Annual Business Plan 2020/21 for the City of Charles Sturt has been developed within an overall planning framework which sets the strategic directions for the Council over the medium and long term and converts these into annual actions and outcomes.

A 10-year Long Term Financial Plan summarises the financial impacts of Council's strategic directions and provides an indication of the sustainability of these plans. By evaluating our financial strategies over a planning horizon of 10 years we can determine how decisions we make now and for the 2020/21 budget will impact on future budgets and ensure the impact of rates is spread equitably across generations of ratepayers so that Council is financially sustainable over the long term and planned service standards and infrastructure levels can be met without unplanned and disruptive increases in rates or cuts to services.

The Community Plan 2016-2027 – *Charles Sturt – A Leading, liveable City*, is the lead document in council's strategic planning framework. Five theme areas developed through extensive community consultation reflect the community's aspirations and set down the broad direction and emphasis that Council will pursue over the next 20 years.

The Corporate Plan is the next step in the delivery of that plan and details the strategies and actions that will deliver, over the next 4 years, the first stage of the Community Plan. Progress and achievements from this Annual Business Plan will be reported each year through the Annual report.

As required by the Local Govt. Act, the Community Plan had been developed in the broader context of the State Strategic Plan and the State Government's seven key priorities:

- Supporting a clean green food industry
- Ensuring the mining boom stays on track and its benefits flow to the public
- Encouraging advanced manufacturing
- Nurturing a vibrant city
- Ensuring safe and active neighbourhoods
- Working on affordable living
- Focusing on early childhood development.

State Strategic Targets have been cross-referenced to the applicable strategies within the City of Charles Sturt Community Plan. It is important to note that the strategies within the Community Plan will not in themselves achieve the targets of the State Strategic Plan but will contribute to their achievement.

As per the Local Government Act 1999 Council's strategic planning documents must be reviewed within 2 years of a council's election. As such Council is currently reviewing its Community and Corporate Plan and will be out for consultation over the next 6 months for adoption by December 2020.

The Community plan and other relevant documents are all available from council's website:  
[www.charlessturt.sa.gov.au](http://www.charlessturt.sa.gov.au)

The following diagram depicts Council's strategic planning framework for the five theme areas.

# CITY OF CHARLES STURT STRATEGIC PLANS & FRAMEWORKS - ALIGNMENT TO COMMUNITY PLAN THEMES

## OUR COMMUNITY

Community Services Framework  
Regional Public Health Plan 2014-2019  
Animal Management Plan 2016-2020  
Marketing and Communications Plan

## OUR LIVEABILITY

Charles Sturt Development Plan  
Strategic Directions Report 2014  
Community Land Management Plans  
Place Making Framework  
Asset Management Plans  
Transport Plan 2016-2031  
Open Space Strategy 2025

## OUR ENVIRONMENT

Living Green Environmental Plan  
AdaptWest

## OUR ECONOMY

Economic Development Plan 2016-2021  
Building Western Adelaide

## OUR LEADERSHIP

Long Term Financial Plan  
Annual Business Plan & Budget  
Council Policy Framework  
Cultural Change Program  
City Survey

The diagram above reflects the integrated nature of our business unit specific strategies and plans which provide further subject specific detail and actions in alignment with our Community Plan theme areas.

This diagram depicts how Charles Sturt plans align with the state strategic directions



## ***A Vision for Charles Sturt***

The ultimate role and responsibility of Council in all of its endeavours is to provide for and respond to the needs of its community. Our Community Plan is our public commitment to our City that we value our strong and connected community, are dedicated to providing a liveable City of great places, that we continue to be environmentally sustainable, that our economic strategies are targeted and that our leadership is bold and innovative.

## ***Key Strategic Issues for Charles Sturt***

There are a number of challenges and opportunities facing the City today and into the future. These initiatives and pressures include:

- Infrastructure demands
  - ongoing maintenance of existing infrastructure is required to ensure continued benefit to the community
  - provision of new infrastructure to facilitate growth in services to meet increased demand
  - Significant commitment of resources for stormwater projects that will bring enormous benefit to the City through water harvesting/reuse and flood mitigation
- 30 Year Plan for Greater Adelaide – need to plan now to cater for future projected population growth
- Review of The City of Charles Sturt Development Plan - guided by the Strategic Directions Report, this will set the parameters for development within the City for the coming years
- Balancing the expectations of keeping rates low against increasing service delivery and infrastructure responsibilities and unavoidable cost increases
- Long term financial pressures with the need to ensure that Council can continue to meet its financial obligations without leaving a financial impost for future generations
- Increased focus on economic development and the need for employment-generating business growth
- Impact of Digital Economy through smart cities and e-commerce initiatives
- Encouraging and supporting greater participation and active engagement by the community in facilitating outcomes

For these reasons and more it is vital that we understand the future our community aspires to and that we work together to form a strong connected community with exciting places, sustainable strategies and economic opportunity. In this way we can demonstrate accountable leadership, working towards providing a sustainable future for generations to come in partnership with our community.

Council's extensive review of its Strategic Planning Framework has resulted in the Community Plan 2016 – 2027 which is a statement of how we will work with the community to achieve our shared vision. The Corporate Plan 2016-2020 is the second tier in our planning framework which identifies the strategies that will deliver our Community Plan objectives over the 4 years of the plan. It should be noted that both documents are currently under review as per LG Act requirements.

## ***Strategic Priorities for Charles Sturt in 2020/21***

The 5 theme areas for the City of Charles Sturt are listed below. Attached to each of these are a range of objectives and key strategies from which actions and key performance indicators (KPI's) are attributed. A range of key projects as detailed in the section on Annual Operating and Capital projects for the 2020/21 financial year align with the strategies. The detail of these key actions and KPI's which we will use to measure our success can also be found in the Charles Sturt Corporate Plan 2016 -2020 document.

### ***Theme Areas, Objectives and Strategies***

#### ***1. OUR COMMUNITY – A Strong and Connected Community***

<b>Objective</b>	<b>Strategies</b>
<i>Provide accessible social infrastructure and services that engage our diverse community</i>	<ul style="list-style-type: none"> <li>• <i>Leverage, reposition and align Council's social infrastructure to maximise resources and diversify service offerings to the community.</i></li> <li>• <i>Provide a range of inclusive and accessible programmes that build skills, capacities, confidence and networks.</i></li> <li>• <i>Support community and sporting groups to be viable and grow by providing high quality, accessible facilities.</i></li> <li>• <i>Develop digital technology to support inclusion and accessibility.</i></li> <li>• <i>Support citizens to age in place and continue to participate in community life.</i></li> <li>• <i>Provide opportunities for formal and informal recreation and leisure experiences.</i></li> </ul>
<i>Capitalise on partnerships, building community resilience and sense of belonging</i>	<ul style="list-style-type: none"> <li>• <i>Develop mutually beneficial partnerships with key stakeholders that effectively respond to and support community needs.</i></li> <li>• <i>Support Charles Sturt communities to celebrate their unique sense of identity.</i></li> <li>• <i>Strengthen the ability and skills of residents to adapt to changing circumstances and adversity.</i></li> <li>• <i>Work with the traditional owners to identify, promote and protect locations of significance to Kaurua heritage and culture.</i></li> </ul>

Objective	Strategies
	<ul style="list-style-type: none"> <li>• <i>Utilise innovative communications techniques to promote our City and bring people together.</i></li> <li>• <i>Actively support volunteering.</i></li> </ul>
<i>Create opportunities for community leadership and civic participation</i>	<ul style="list-style-type: none"> <li>• <i>Support and facilitate citizens to be engaged in their community and actively contribute to life in Charles Sturt.</i></li> <li>• <i>Upskill sporting and community groups to build sustainability.</i></li> <li>• <i>Promote local ownership and encourage residents to become actively involved in shaping our City.</i></li> </ul>
<i>Educate and regulate to enable a safe and healthy environment</i>	<ul style="list-style-type: none"> <li>• <i>Support community safety and positive health outcomes through prevention, education and encouragement.</i></li> <li>• <i>Administer and enforce delegated legislation and by-laws.</i></li> </ul>

## 2. OUR LIVEABILITY – A Liveable City of Great places

Objective	Strategies
<p><i>An urban environment that is adaptive to a changing and growing City.</i></p>	<ul style="list-style-type: none"> <li>• <i>Influence the design of urban renewal projects through master planning, policy and assessment.</i></li> <li>• <i>Ensure new developments complement and enhance the desired character and liveability of our city.</i></li> <li>• <i>Collaborate with government and the private sector to support residential development that delivers housing choice and affordability.</i></li> <li>• <i>Pursue opportunities to enhance parking provisions in areas of high demand across the City.</i></li> </ul>
<p><i>City assets and infrastructure are developed and well maintained on a strategic and equitable basis</i></p>	<ul style="list-style-type: none"> <li>• <i>Implement asset improvements and maintenance via Asset Management Plans to ensure they are fit for purpose and meet changing demands.</i></li> <li>• <i>Manage maintenance service levels and asset lifecycles to optimise design life and achieve service efficiency in line with community needs and diverse urban densities.</i></li> </ul>
<p><i>Create valued urban places that bring people together and reflect local character and identity.</i></p>	<ul style="list-style-type: none"> <li>• <i>Implement a coordinated approach to the creation of main streets and key place making precincts in collaboration with key stakeholders.</i></li> <li>• <i>Develop destinations that cultivate art, culture, place making and recognise heritage principles.</i></li> </ul>
<p><i>Drive an integrated, responsive transport system and network.</i></p>	<ul style="list-style-type: none"> <li>• <i>Continue to implement improvements to our transport network to improve road safety.</i></li> <li>• <i>Invest in upgrades to the whole transport network to promote a balanced distribution of residents walking, cycling, using public transport and driving.</i></li> <li>• <i>Advocate and improve access to and investment in public transport options, including light rail, across the city.</i></li> </ul>

Objective	Strategies
<p><i>Enhance the quality and diversity of open and public spaces.</i></p>	<ul style="list-style-type: none"> <li>• <i>Create public and open spaces that are engaging, safe and connected, and meet diverse community needs.</i></li> <li>• <i>Manage open spaces to facilitate sustainable and diverse community needs.</i></li> <li>• <i>Work regionally to enhance and optimise the use of Council owned sporting facilities.</i></li> <li>• <i>Enhance provision of and access to recreation facilities by collaborating with schools and clubs.</i></li> </ul>

### 3. OUR ENVIRONMENT – An Environmentally Responsible and Sustainable City

Objective	Strategies
<p><i>Continue to implement climate change mitigation and adaption solutions.</i></p>	<ul style="list-style-type: none"> <li>• <i>Identify priority areas and adaptation options to develop key actions and responsibilities associated with climate change mitigation and adaptation.</i></li> <li>• <i>Manage stormwater to mitigate the impacts of flood and climate change.</i></li> <li>• <i>Effectively manage and operate recycled water systems to provide alternative water sources for parks reserves and other open space environments (including schools).</i></li> <li>• <i>Influence key stakeholders and agencies to develop and implement strategies to protect our coast.</i></li> </ul>
<p><i>Enhance the state of the City's environment and biodiversity.</i></p>	<ul style="list-style-type: none"> <li>• <i>Enhance and protect biodiversity across the City.</i></li> <li>• <i>Develop, manage and maintain green infrastructure.</i></li> <li>• <i>Protect and enhance our urban tree canopy.</i></li> </ul>
<p><i>Lead and Educate to reduce the City's impact on the environment and build resilience.</i></p>	<ul style="list-style-type: none"> <li>• <i>Promote and implement sustainable business practices to minimise our impact on the environment.</i></li> <li>• <i>Incorporate sustainable design principles in development of public realm infrastructure.</i></li> <li>• <i>Develop understanding and appreciation of our environment and support citizen science.</i></li> <li>• <i>Promote sound waste management practices to reduce our City's amount of waste to landfill.</i></li> <li>• <i>Implement sustainable solutions that improve the efficiency of water use on public open space.</i></li> <li>• <i>Actively advocate and partner with relevant stakeholders to implement LED street lighting conversions.</i></li> </ul>

#### 4. OUR ECONOMY – An Economically Thriving City

Objective	Strategies
<p><i>Lead regional collaboration to promote the Western Adelaide economy</i></p>	<ul style="list-style-type: none"> <li>• <i>Develop Strategic Alliances to develop economic growth and resource sharing.</i></li> <li>• <i>Engage with business and key markets to encourage and support export orientated initiatives.</i></li> <li>• <i>Develop strategic alliances to grow defence, advanced manufacturing and health sectors in Western Adelaide.</i></li> <li>• <i>Maximise tourism investment to increase visitation and expenditure.</i></li> </ul>
<p><i>Support and enable local business prosperity and growth.</i></p>	<ul style="list-style-type: none"> <li>• <i>Support opportunities to ‘buy local’ via our procurement practices.</i></li> <li>• <i>Build capabilities to support entrepreneurialism, social enterprise, and grassroots business start-ups.</i></li> <li>• <i>Attract and support major events that link sport and tourism to local jobs.</i></li> <li>• <i>Educate and support local business to adapt to an increasingly digital environment.</i></li> <li>• <i>Reduce red tape and streamline processes to support business establishment and expansion.</i></li> </ul>
<p><i>Facilitate an environment for a diversity of business and industry types</i></p>	<ul style="list-style-type: none"> <li>• <i>Undertake initiatives to increase flexibility of employment land, industrial and commercial precincts to support growth.</i></li> <li>• <i>Actively advocate for advanced digital infrastructure that strengthens our economic base by providing for growth sectors and new industries.</i></li> </ul>

## 5. OUR LEADERSHIP – A Leading and Transformational Local Government Organisation

Objective	Strategies
<i>Be bold and innovative in our practises, leadership and decision making.</i>	<ul style="list-style-type: none"> <li>• <i>Review traditional ways of delivering services and solutions to cut red tape and improve efficiency.</i></li> <li>• <i>Lead through business excellence and exceptional customer service.</i></li> <li>• <i>Continue to drive innovation and efficiency through collaboration with other councils and external agencies.</i></li> <li>• <i>Leverage technology to develop Charles Sturt as a Smart City.</i></li> </ul>
<i>Adaptive and sustainable management of the City's finances</i>	<ul style="list-style-type: none"> <li>• <i>Review and regularly update the Long Term Financial Plan to ensure financial sustainability into the future.</i></li> <li>• <i>Vigorously pursue grant and co-funding opportunities.</i></li> <li>• <i>Influence State legislation to minimise the impact of cost shifting.</i></li> </ul>
<i>A collaborative, agile and high performing work place.</i>	<ul style="list-style-type: none"> <li>• <i>Continue to develop a constructive organisational culture with accountable leadership and performance.</i></li> <li>• <i>Develop staff and the workplace to meet the demands and expectations of future employment trends.</i></li> </ul>
<i>Practise transparent and accountable governance</i>	<ul style="list-style-type: none"> <li>• <i>Actively and effectively communicate Council decisions.</i></li> <li>• <i>Implement marketing and communication strategies to support and promote Council projects and initiatives.</i></li> <li>• <i>Ensure robust strategies and systems underpin decision making.</i></li> </ul>

## Long Term Financial Plan

Council uses financial modelling tools to examine the potential impact of its decisions over the long term in determining what the community can afford for a level of rates, debt and services. Council's long-term financial performance and position is considered to be financially sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services. The Long Term Financial Plan (LTFP) modelling provides a high level budget framework to guide us when preparing the budget detail and ensure we understand the impact of decisions made today on our future so we can be financially sustainable over the long term.

Our current 10-year Long Term Financial Plan is prepared using a number of tabled assumptions which reflect an assessment of the economic climate and predictions on variables which will impact on Council operations. The process is iterative, and assumptions are reviewed every 12 months using updated information and predictions on performance.

Given that Long Term Financial Plans are derived from a "best guess" estimate of future performance it should be appreciated that actual results are likely to vary from the information contained in the Long Term Financial Plan, and at times these variations could be material. The accuracy of predictions over the longer term decreases over time and major difficulties exist in the ability of Council to accurately predict the capital expenditure requirements for Council's extensive infrastructure and new capital.

Council Members were asked to review a scenario using a standard number of base assumptions to forecast future financial performance over the next 10 years. Following an analysis of key financial indicators and review of the impact on long term financial sustainability this scenario was adopted on 10 March 2020.

The scenario adopted identifies the high level parameters for total rates, borrowings, level of capital expenditure, annual operating projects and recurrent budget forecasts for development of the annual budget for 2020/21. As the actual inputs are refined over the budget process a comparison to the LTFP high level parameters adopted will determine any changes required to those high level parameters and a review of the impact on future financial forecasts.

Asset Management Plans (AMP) have been produced and reviewed regularly as required for asset renewal/replacement of each major asset category and which have been presented to Council for endorsement. These are used as the basis for predicting Council's ongoing commitment to infrastructure spending on asset renewal and replacement of its existing asset infrastructure based on assessments of useful life and condition. In 2020/21 the forecast renewal program is \$25.894m in 2020/21, increasing to \$28.291m in 2029/30.

Council's ongoing commitment to infrastructure, as reinforced in its Budget Principles, requires that an amount equal to that identified in relevant Asset Management Plans will be applied when possible to the rehabilitation and/or renewal of existing infrastructure with the balance of any funds applied to new/upgrade capital works.

Council staff have also been gathering financial forecast information on new/upgrade capital projects derived from existing strategic managements plans such the Open Space Strategy, Council resolutions supporting new projects and major project initiatives.

The projects included in the LTFP for new/upgrade capital were presented to Council at a workshop on 2 March 2020.

In 2020/21 Council's contribution to the level of new/upgrade works is \$7.122m and then increasing to \$16.379m in 2021/22, \$15.396m in 2022/23 and then decreasing to \$10.317m in 2029/30. The increase in upgrade capital works over 2021/23 is due to significant projects for Main Street/Military Road upgrade and Woodville Roads streetscape projects after which the program returns to a more "business as usual" program.

The modelling assumes that Council will continue to use debt where relevant as a mechanism for funding of its new/upgrade capital program to avoid unacceptable rates increases over the short term and as a way of achieving inter-generational equity.

Debt levels will be within the constraints dictated by Council's Borrowing Policy such that Council's total indebtedness or net financial liabilities ratio is less than 100%.

Although renewal capital expenditure is funded by rates, the level of new/upgrade works which is largely funded by loan borrowings over the life of these assets will impact the level of loan borrowings required over the forecast 10-year period. This means to fund these significant projects Council will need to make use of borrowings in spreading the cost across the generation of users but the increase is well within Council's borrowing limits.

Current depreciation rates for Council's assets have been applied and depreciation expense is based on adherence to Australian Accounting Standards.

Rateable property growth or new properties from development is based on achieving a continuing trend of 1% and is verified by council's Planning and Development department annually.

CPI forecasts are obtained from Deloitte Access Economics in an effort to obtain expert and independent assessments.

Wages forecasts are based on currently endorsed Enterprise Bargaining agreements and where they are not in place are based on Deloitte Access Economics predictions for wages growth in SA.

Other assumptions regarding items such as utilities costs are based on either known information or from discussions with relevant staff having regard to existing trends in performance.

The scenario modelled is based on maintaining existing council services over the 10 year period. It assumes forecast rates over the 10 years are equivalent to forecast CPI (Access Economics) plus growth. In 2020/21 a total rate rise of 1.94% plus projected property growth of 1.0% (new and developed properties) is assumed followed by increases of 2.17%, 2.33%, 2.38% and 2.21% plus growth of 1% annually.

For this level of projected rates income, annual operating projects or service level increases are forecast at \$2.381m, escalating by an approximation of CPI to \$2.928m per annum over 10 years.

In summary the high level parameters for 2020/21 which will be used to **guide** the development of the budget are:

- Total rates increase of 1.94% plus assumed property growth of 1.0%
- Total annual operating projects \$2.381m
- Total capital (renewal) \$25.894m
- Total capital New/Upgrade \$7.122m
- Operating surplus \$1.751m
- New Borrowings \$nil (use existing CAD facilities, noting with current COVID 19 crisis this will need to be reviewed having regard to future cash flow forecasts and need to provide financial support to community)
- Operating surplus ratio 1.4%
- Net Financial Liabilities ratio 53.2%
- Asset renewal funding ratio 100%

All assumptions used for the LTFP forecasts are detailed in [Schedule A](#) (located in attachment B) and are prepared on the basis of best estimates as to future events which Council expects are likely to take place.

To determine whether this financial plan achieves financial sustainability of Council operations over the long term a number of key financial indicators have been endorsed by Council. Indicators include the operating sustainability ratio, asset renewal funding ratio and net financial liabilities ratio and performance is monitored against benchmarks established which support the principles Council has been using over a number of years in striving to ensure;

- 1) operating revenues are sufficient to meet operating expenses such that ratepayers are paying for their consumption of resources in that year (**operating sustainability ratio >0% and <10%** calculated as operating surplus/deficit divided by total operating income)
- 2) that Council is ensuring it maintains the value of its asset stock by renewing or replacing council's assets such as buildings, footpaths, roads compared with what is needed to cost effectively maintain service levels in line with its asset management plans. (**asset renewal funding ratio (formerly asset sustainability ratio >80%)** calculated as capital expenditure on renewal of existing assets divided by renewal expenditure from Asset Management Plans) and;
- 3) that it is managing the total indebtedness of the Council including borrowings to ensure its liabilities and associated costs can be met comfortably from council's operating revenues without the prospect of disruptive service cuts and/or excessive rate increases (**net financial liabilities ratio <100%** calculated as total liabilities less financial assets divided by total operating income)
- 4) Council also uses the interest cover ratio as an indicator to ensure the interest costs associated with borrowings for new/upgrade capital works are not a significant impost on council revenues (**interest cover ratio <10%** calculated as net interest expenses divided by total operating income).

**Scenario Summary table of key high level parameters used as basis for development of Annual Budget.**

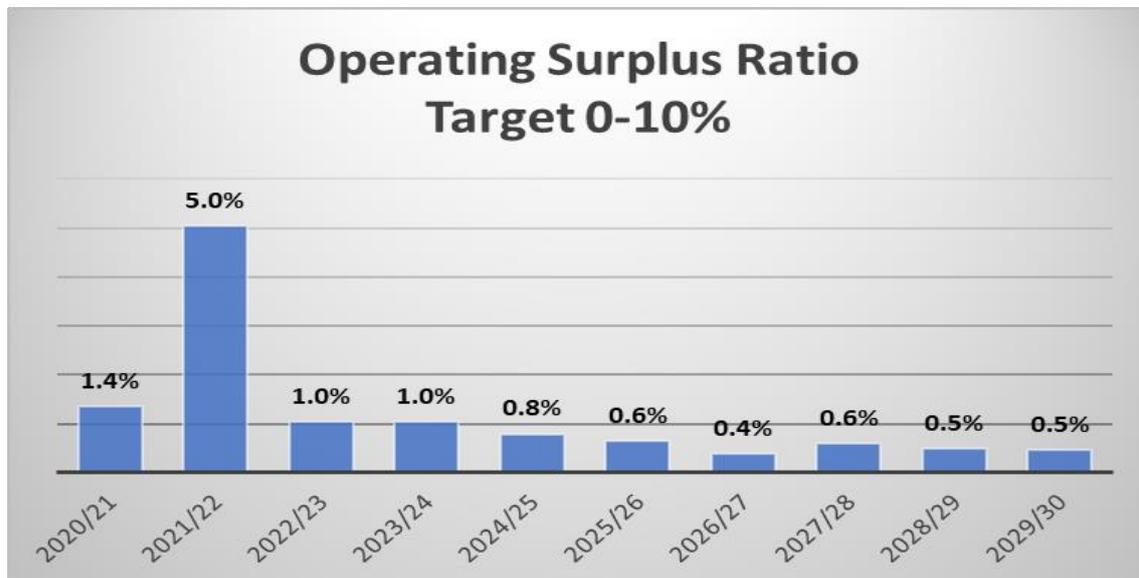
<b>City of Charles Sturt</b>												
<b>10 Year Financial Plan for the Years ending 30 June 2030 - High level Summary</b>												
	Audited	Adopted	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
CPI Increase			1.94%	2.17%	2.33%	2.38%	2.21%	2.23%	2.50%	2.54%	2.37%	2.20%
Rates Growth			1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
<b>Total Rates Income Increase</b>			<b>2.94%</b>	<b>3.17%</b>	<b>3.33%</b>	<b>3.38%</b>	<b>3.21%</b>	<b>3.23%</b>	<b>3.50%</b>	<b>3.54%</b>	<b>3.37%</b>	<b>3.20%</b>
<b>Profit and Loss Statement</b>												
Rates	106,223	109,861	113,093	116,681	120,563	124,642	128,637	132,795	137,439	142,310	147,112	151,813
Employee Costs	41,807	43,634	45,047	46,367	48,067	49,717	51,380	53,170	54,996	56,899	58,698	60,351
Depreciation	28,859	31,730	33,593	34,758	36,004	37,508	38,909	40,467	42,460	43,916	45,747	47,780
<b>Operating Surplus</b>	<b>6,797</b>	<b>5,028</b>	<b>1,751</b>	<b>6,974</b>	<b>1,440</b>	<b>1,490</b>	<b>1,154</b>	<b>964</b>	<b>608</b>	<b>947</b>	<b>811</b>	<b>802</b>
Asset Disposal & Fair Value	(7,243)	-	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifica	13,160	2,950	1,585	1,410	100	100	100	100	100	100	100	100
Physical Resources Receive	5,183	200	200	200	200	200	200	200	200	200	200	200
<b>Net Surplus / (Deficit)</b>	<b>17,897</b>	<b>8,178</b>	<b>3,536</b>	<b>8,584</b>	<b>1,740</b>	<b>1,790</b>	<b>1,454</b>	<b>1,264</b>	<b>908</b>	<b>1,247</b>	<b>1,111</b>	<b>1,102</b>
<b>Balance Sheet</b>												
Infrastructure PP&E	1,205,866	1,265,521	1,275,020	1,284,996	1,297,678	1,302,226	1,307,108	1,327,925	1,326,417	1,344,378	1,348,895	1,352,845
Borrowings	32,188	44,921	35,161	35,469	39,351	26,138	21,047	18,621	14,414	9,388	6,806	-
<b>KPI Ratios</b>												
<b>Operating Surplus Ratio</b>	Traffic Light											
	Actual Ratio	4.0%	1.4%	5.0%	1.0%	1.0%	0.8%	0.6%	0.4%	0.6%	0.5%	0.5%
<b>Net Financial Liabilities Ratio</b>	Traffic Light											
	Actual Ratio	58.4%	53.2%	50.2%	53.7%	43.1%	38.8%	36.4%	32.9%	29.1%	27.0%	19.7%
<b>Asset Renewal Funding Ratio</b>	Traffic Light											
	Actual Ratio	103.4%	100.0%	100.0%	100.0%	100.0%	100.0%	102.0%	104.8%	107.0%	109.9%	112.7%
<b>Interest Cover Ratio</b>	Traffic Light											
	Actual Ratio	1.4%	1.3%	1.3%	1.4%	1.1%	1.0%	0.9%	0.7%	0.6%	0.5%	0.3%
<b>Annual Operating Projects</b>		2,306	2,381	2,432	2,489	2,548	2,604	2,662	2,729	2,798	2,865	2,928
<b>Capital Program \$0,000 - Indexed after Yr5</b>												
Capital Renewal	27,604		25,894	23,374	26,377	22,224	23,772	27,211	26,359	28,769	28,390	28,291
Capital New	31,386		7,122	16,379	15,396	8,926	10,896	6,289	5,996	5,499	8,529	10,317
<b>Capital Net</b>	<b>58,990</b>		<b>33,015</b>	<b>39,753</b>	<b>41,773</b>	<b>31,150</b>	<b>34,668</b>	<b>33,500</b>	<b>32,356</b>	<b>34,268</b>	<b>36,919</b>	<b>38,608</b>
<b>Capital Program \$0,000 - Unindexed</b>												
Capital Renewal	27,604		25,894	23,374	26,377	22,224	23,772	26,680	25,149	26,888	25,826	25,104
Capital New	31,386		7,122	16,379	15,396	8,926	10,896	6,046	5,596	4,946	7,846	9,446
<b>Capital Net</b>	<b>58,990</b>		<b>33,015</b>	<b>39,753</b>	<b>41,773</b>	<b>31,150</b>	<b>34,668</b>	<b>32,726</b>	<b>30,745</b>	<b>31,834</b>	<b>33,672</b>	<b>34,550</b>

Ideally a council should raise enough revenue from rates to cover all of its operating expenses. This means that a council should aim for at least a ‘break even’ operating position where total income equals total expenses and ratepayers in that year are paying for all the resources consumed by the City.

Operating deficits are not sustainable or equitable in the long term as they result in services consumed by current ratepayers being paid for by future ratepayers. A fair and equitable tax system is one in which taxes paid by each generation is in proportion to the benefits that generation receives.

Local government costs for services such as waste, road materials, wages and stormwater increase greater than movements in the CPI. The rate revenue increases endorsed sustain a break even operating position over the forecast period such that operating revenues are sufficient to cover operating expenses while delivering an increased capital works program that accommodates both asset management plan requirements and anticipated new and upgraded infrastructure that delivers the community plan outcomes.

The Operating surplus ratio expresses the level of operating surplus/deficit as a percentage of Operating Income with a negative ratio highlighting the additional revenue percentage required to ensure current ratepayers are paying for their current consumption of resources. This ratio is positive over the forecast period for the adopted LTFP and within benchmarks set by Council, reinforcing Council’s ability to maintain its sustainable operating surplus position.



A council must also ensure its total debt does not exceed its ability to service this level of debt.

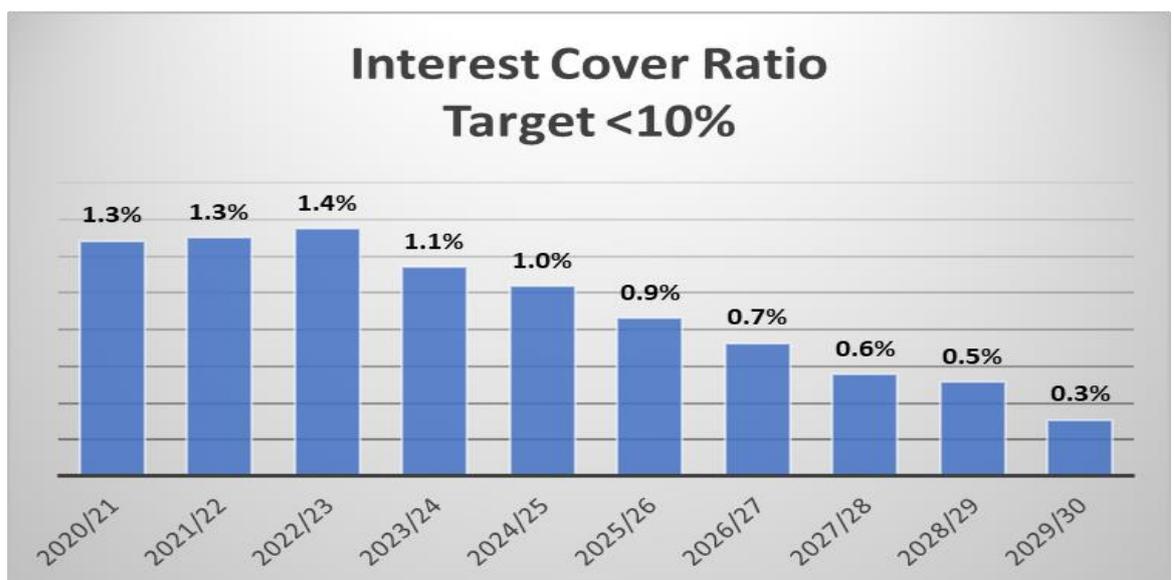
Net financial liabilities measure Council’s total indebtedness and includes not only its loans but its obligations for leave entitlements and provisions.

*\*5% Operating Surplus Ratio 2021/22 is in recognition of non-cash item to reflect Materials Recycling Facility (MRF) subsidiary.*

The Local Government endorsed ratios for a council’s indebtedness is for net financial liabilities as a percentage of operating revenue with acceptable limits between 0% and 100% and for an interest cover ratio with interest costs as a percentage of operating revenues within an acceptable benchmark of less than 10%.

The preferred scenario delivers a net financial liabilities ratio with a peak at 53.7% and an interest cover ratio less than 1.5% over the 10-year forecast period, all well within acceptable benchmarks.

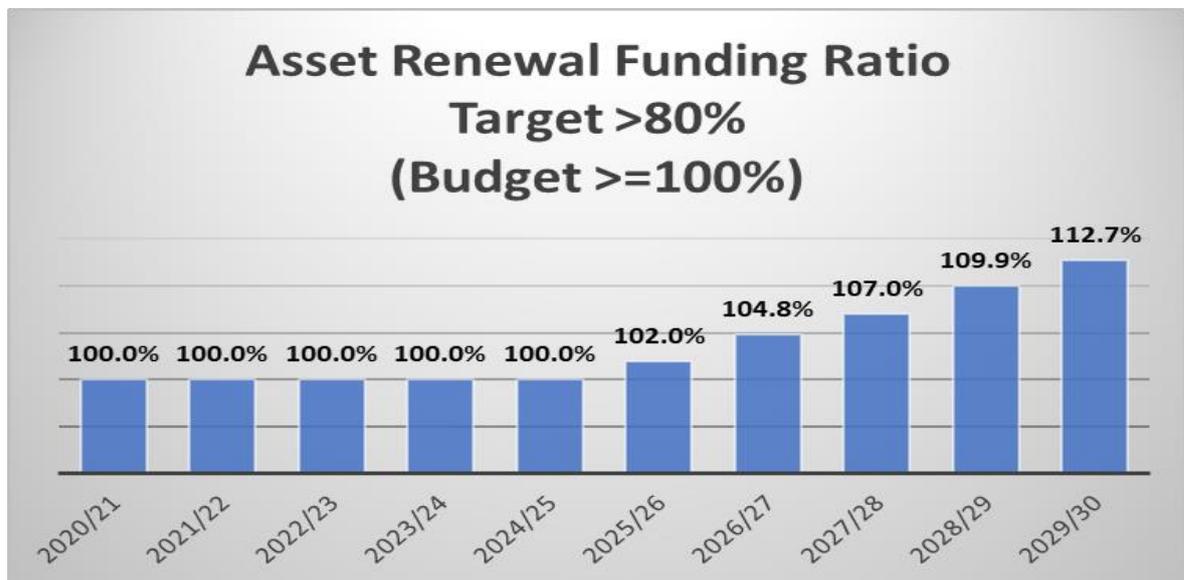
It should be noted that ideally renewal/replacement of existing infrastructure should be financed by current rate payers with any infrastructure backlog financed by an increase in debt to be repaid as quickly as possible by current ratepayers. New/upgrade capital expenditure should be financed by a long term increase in the volume of debt with the current generation of ratepayers meeting interest repayments on that debt.



Charles Sturt is the caretaker for more than \$1.0 billion of community assets and is responsible for maintaining the value of these assets.

Asset Management Plans have now been produced for all major asset classes and these have been used to more accurately predict Council’s ongoing commitment to infrastructure spending on renewal of Council’s existing assets based on assessment of condition and the useful life of those assets.

The asset renewal funding ratio indicates whether a council is renewing or replacing existing infrastructure assets compared with what is needed to cost effectively maintain service levels as prescribed by its adopted Asset Management Plans. The scenario endorsed by Council shows a ratio which assumes the renewal of infrastructure equates to that identified in its adopted Asset Management Plans.



Overall the strategy endorsed by Council positions itself over the forecast period to be able to meet its obligations for current service levels plus future infrastructure commitments without excessive rate increases or cuts to services. An operating surplus ratio of nil or greater is achieved across the planning period with a break even position continuing to be sustainable for council operations. Councils’ infrastructure works are met that address asset management plans and strategic management plans within acceptable benchmarks for council’s key financial targets which are used to guide its decision making.

A full copy of the Long Term Financial Plan 2020 -2030 is included as **Attachment B**.

***\*\*\*\* Since the adoption of the LTFP to guide the development of the Annual Budget the ongoing COVID 19 crisis has been unfolding. In response to this and over the consultation period, Council will be seeking to minimise its rates increase where practical , balancing its ongoing financial sustainability against ensuring Council continues to deliver services for our community throughout this public health emergency, including maximising opportunities to access state and federal stimulus.***

## What services we will deliver to our community?

### Recurrent Budget

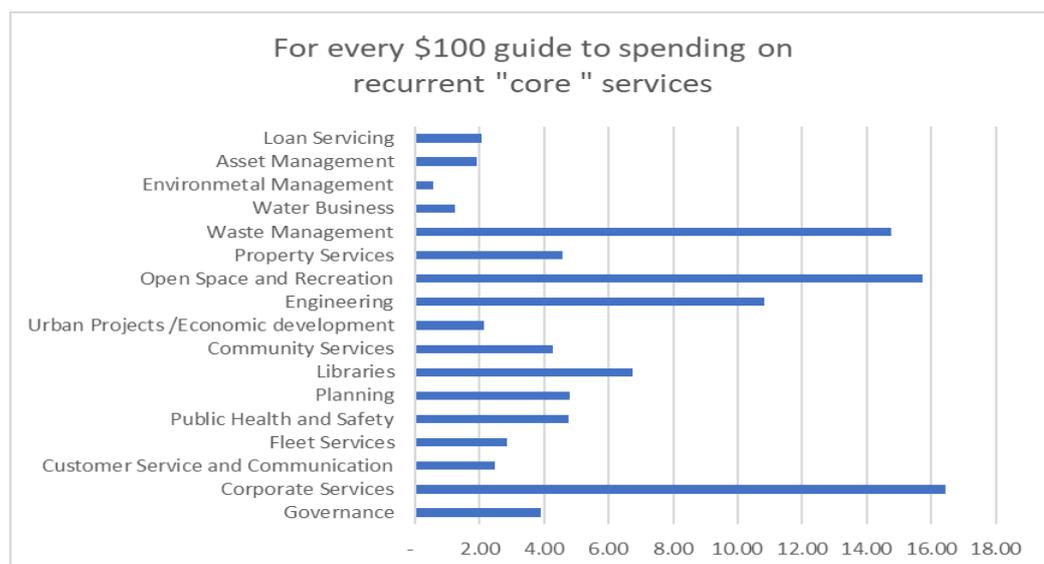
For 2020/21 it is forecast that Council will require approximately \$91.650m (operating expenses less depreciation) to deliver the core services. It is forecast that excluding rates \$16.282m will be sourced from non - rates operating income. As the COVID 19 crisis unfolds all non rate income will be reviewed, given current restrictions and extent to which further relief can be provided to support our community.

All councils have basic responsibilities under the Local Government Act 1999 and other relevant legislation. These include:

- Management of basic infrastructure include roads, footpaths, parks, public open space, street lighting and stormwater drainage
- Street cleaning and rubbish collection
- Development planning and control including safety assessment
- Various environmental health services
- Maintaining the voters roll and supporting the elected council, and
- Setting rates, preparing an annual budget and determining longer term strategic management plans for the area.

In response to community needs we also provide further services including;

- Libraries
- Community centres
- Community programs
- On street parking management
- Dog and cat management, and
- Verge mowing.



A comprehensive listing of Council’s core operational services as at June 2020 and which are funded by the recurrent budget is included as **Attachment A**.

## ***Annual Operating Projects***

In addition to Council's core activities monies are allocated to achieve a range of Annual Operating Projects. These activities support the current strategic focus of Council and /or which may be short term or one-off initiatives.

In 2020/21 the LTFP suggested for the high level parameters adopted, the funding of approximately **\$2.381m** in Annual Operating Projects. Council Members reviewed the list of potential annual operating projects and following its meeting 23 March 2020 Item 2.2 endorsed the following list of annual operating projects for consultation for a total of **\$2,467,019**.

Projects currently under consideration include:

<b>Name</b>	<b>Budget Bid Description</b>	<b>Budget Bid Income \$ 2020/21</b>	<b>Budget Bid Expenses \$ 2020/21</b>	<b>Net Budget Bid \$ 2020/21</b>
Tree Screen Renewal 20/21  Bid ID PBB-00000994	Complete the final section of programmed Tree Screen Renewal works in Bartley Terrace, West Lakes Shore. The section is on the eastern side of Bartley Terrace from Anglers Court to Neighbourhood South Reserve (opposite Fairford Terrace). This work will be coordinated with Engineering Strategy Assets Bartley Terrace Streetscape Upgrade.	\$0	\$48,000	\$48,000

<p>Whole Street Planting 2021</p>	<p>As part of the Whole Street Planting Program, a number of residential streets will be planted with semi advanced trees. A whole street approach provides a number of benefits to the residents of the street, Council and the community at large, including a consistent uniform planting which in time creates an 'avenue effect' of trees of a similar size, shape and appearance. The selection of streets is primarily based on the absence of trees in the street, the overall condition of the existing trees being in decline, whether the existing species are appropriate for the location and alignment with strategic documents (i.e Open Space Strategy, iTree Canopy Assessment, Urban Heat Island and Climate Change Plans). An integration approach with Engineering construction projects (i.e. road reconstruction and footpath programs) may also provide opportunity for street selection.</p>	<p>\$0</p>	<p>\$200,000</p>	<p>\$200,000</p>
<p>Bid ID PBB-00001004</p>				

<p>Planet Ark and Trees for the Future 2020/21</p> <p>Bid ID PBB-00001005</p>	<p>Planet Ark: To accommodate community and local schools' requests to participate in the National Tree Planting Day by planting juvenile trees and shrubs on Council reserves. In addition, to provide donations of plants to schools who wish to participate in this event with a preference to plant trees on school grounds.</p> <p>Trees for the Future To plant primarily native tree species on our reserves for future generations and to 'green' the City.</p>	<p>\$0</p>	<p>\$40,000</p>	<p>\$40,000</p>
<p>Ibis Management Strategy Implementation</p> <p>Bid ID PBB-00001018</p>	<p>In 2019 Council endorsed the Ibis Management Strategy (IMS) 2019-2025 which identified and prioritised a set of actions to investigate in relation to managing white ibis numbers. Actions are intended for trial initially at Freshwater Lake, West Lakes, with successful actions then able to be implemented elsewhere in the Council area where white ibis are identified as being overabundant and/or creating significant issues.</p>	<p>\$0</p>	<p>\$15,000</p>	<p>\$15,000</p>

<p>Tree Canopy Assessment - updated measure</p> <p>Bid ID PBB-00001021</p>	<p>In 2015 Council engaged a contractor to undertake i-Tree Canopy land cover assessments for the City of Charles Sturt. These assessments investigated land cover in the years 1998, 2008, and 2014, and land cover change trends between these years. Assessments were conducted for the whole of Council and each suburb; tenure trends at each of these scales was also investigated. It is intended that tree canopy land cover will be reassessed approximately every 5-6 years to allow for monitoring of tree planting and development objectives.</p> <p>The findings of this updated measure will be used to both engage with our community as well as inform Council's strategy to increasing tree cover across the City on public and private land to combat the urban heat island effect.</p>	<p>\$0</p>	<p>\$14,000</p>	<p>\$14,000</p>
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<p>Biodiversity Action Plan Implementation - review of plant lists, management typologies and citizen science</p> <p>Bid ID PBB-00001022</p>	<p>The Biodiversity Action Plan 2017-2030 identifies three actions to be undertaken in FY 2020/21. This bid is to deliver those actions which are:</p> <p>1/ Review existing planting lists for the City to improve species diversity</p> <p>and climate change adaptability within open spaces and corridors.</p> <p>2/ Develop and undertake community biodiversity education events to</p> <p>inform and inspire community action - namely a tree tag program that identifies for a selected range of Council trees - the species, height, age, carbon storage and oxygen producing abilities on a tag hanging on the tree itself</p> <p>3/Develop new, and review existing, guidelines for open space design</p> <p>which identify different management typologies, use appropriate plant</p> <p>species, and specifically aim to improve biodiversity benefits of</p> <p>plantings and design on both public and private land</p>	<p>\$0</p>	<p>\$43,500</p>	<p>\$43,500</p>
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<p>Verges Alive</p> <p>Bid ID PBB-00001025</p>	<p>The new Verge Guidelines have been developed to ease the permit process and encourage residents to maintain their verge. They include the installation of planter boxes in verges appropriate to this treatment and a variety of planting opportunities.</p> <p>A team of community members has been working with Council to develop a booklet of verge designs and planting plans for the use of residents, which will be accompanied by "10 for \$10" packs of verge plants available in addition to the standard '10 for \$10" programme.</p>	\$0	\$10,000	\$10,000
<p>Discretionary Ward Allowance for Council Members</p> <p>Bid ID PBB-00001028</p>	<p>To provide Council with discretionary funds to assist eligible, Not for Profit individuals, groups and organisations within the community who are seeking financial support for programs, projects, events and activities.</p>	\$0	\$276,000	\$276,000
<p>West Lakes Catchment SMP 2020-21</p> <p>Bid ID PBB-00001046</p>	<p>West Lakes Catchment Stormwater Management Plan 2020-21</p>	\$85,000	\$170,000	\$85,000

<p>Adelaide FREE Bikes</p> <p>Bid ID PBB-00001054</p>	<p>Adelaide Free Bikes has been operating successfully in CCS since 2012. The program currently provides free bike hire at 4 locations across the city. This includes the Discovery Holiday Park in Semaphore, and 3 separate Council libraries at Henley Beach, Hindmarsh and West Lakes. The program encourages an active healthy lifestyle and provides both visitors and residents with the opportunity to access FREE bike hire to explore and enjoy the City and surrounds.</p>	<p>\$0</p>	<p>\$20,000</p>	<p>\$20,000</p>
<p>Sand Drift Fencing 2020/2021</p> <p>Bid ID PBB-00001056</p>	<p>Replacing Sand Drift Fencing at various locations along the foreshore to assist in sand erosion control. Locations correspond with the sand shifting program undertaken by the Coast Protection Board (CPB) and are negotiated annually with the Coast Protection Board.</p>	<p>\$0</p>	<p>\$25,000</p>	<p>\$25,000</p>
<p>Council Owned Bus Shelter Major Maintenance - 2020/2021</p> <p>Bid ID PBB-00001065</p>	<p>Bus Shelter Condition Audit Data has identified a large number of Council owned shelters that require immediate maintenance to ensure shelters are safe for users until they reach the end of their useful life. The audit has also identified 16 shelters have reached their useful life and are required to be removed and disposed of.</p>	<p>\$0</p>	<p>\$200,000</p>	<p>\$100,000</p>

<p>Main Street Trader Support</p>	<p>This is a grants program where businesses in key Charles Sturt retail precincts who are working collaboratively can apply for funding each year to undertake activities that support and promote the precinct by way of marketing campaigns, activations and events, participation in major festivals and minor precinct upgrades. The program continues to provide support to the business associations previously supported by Council and opens up funding opportunities for collaborative groupings of businesses in other key precincts wishing to collectively undertake activities that support and promote their area. It will encourage business associations and trader groups to be strategic when it comes to expenditure of funds and reduce reliance on Place Leaders to manage funding and drive initiatives. End of year acquittal and reporting will be required to measure the effectiveness of activities funded and demonstrate that funds have been expended correctly.</p>	<p>\$0</p>	<p>\$50,000</p>	<p>\$50,000</p>
<p>Bid ID PBB-00001073</p>				

<p>Replenishment Program - Administrative Traineeships</p> <p>Bid ID PBB-00001079</p>	<p>This bid is for the development of a trainee program, (for two administrative trainees), who during this period would complete a Certificate III in Business Administration and work in various business units across the organisation. As a large public organisation we have the resources and capabilities to provide opportunities for young local people in our community to gain work skills that should place them in a good position to gain meaningful future employment. As well the organisation will receive additional resources to undertake a range of activities to increase business performance. This program forms part of Council's Workforce Planning Strategy.</p>	\$0	\$100,000	\$50,000
<p>Heritage Recognition Markers</p> <p>Bid ID PBB-00001083</p>	<p>Installation of Heritage Recognition Markers for the City's Heritage listed Places. The Heritage Recognition Marker project commenced in 2014/15. To date, the project has resulted in 49 markers, on key heritage properties in Woodville, Hindmarsh, Henley, Grange and Kilkenny. A further 10 makers have been committed for additional Heritage Places for 2019/20 in Bowden and Brompton. The markers have been well received by property owners and the community as a</p>	\$0	\$13,000	\$13,000

	valuable and effective means of educating and informing the public on significant sites.			
Mural Painting for Beverley Recycling and Waste Centre Bid ID PBB-00001087	Engage Painter to paint a mural on the large concrete wall at the front of the Beverley Recycling and Waste Centre.	\$0	\$7,500	\$7,500
Westside Place Makers Grant Program Bid ID PBB-00001092	Continuation of the Place Makers Grant Program to fund projects in public spaces undertaken by the community.  Projects undertaken must align to Charles Sturt's Place Making Framework.	\$0	\$60,000	\$60,000
Representation Review Bid ID PBB-00001094	Under the Local Government Act 1999 ("the Act"), a Council must ensure that all aspects of the composition of the Council, and the issue of the division, or potential division, of the area of the Council into wards, are comprehensively reviewed under Section 12(4) of the Local Government Act 1999 at least once in each relevant period as prescribed by the regulations.  Regulation 4 of the Local Government (General) Regulations 2013 states that for the purposes of Section 12(4) of the Act, the relevant period is the period determined by the Minister from time to time by notice published in the Gazette.	\$0	\$45,000	\$45,000

	<p>On 1 August 2019, the Minister for Transport, Infrastructure and Local Government published a schedule for the next round of representation review relevant periods. The City of Charles Sturt is in Tranche One June 2020 to June 2021</p> <p>A prescribed Representation Review must comprehensively examine all aspects of the composition of the Council and the division or potential division of the Council area into wards.</p> <p>The cost of this budget bid is to fund a consultant (selected through a competitive tender process) to undertake this work</p>			
<p>AdaptWest in Action - Climate Change Adaptation for Western Adelaide</p> <p>Bid ID PBB-00001095</p>	<p>To continue AdaptWest in Action - the regional climate change adaptation program that runs jointly between the 3 Councils in Adelaide's west (CCS, PAE and WTCC).</p> <p>In 2019, all three Councils approved the AdaptWest in Action Plan for 2019-2022 - this budget bid provides for the implementation of that plan.</p> <p>This bid covers year 3 of an overall 5 year program for AdaptWest delivery - the budget covers total expenditure across all 3 Councils, and income from WTCC and PAE for their share of costs.</p>	\$130,000	\$195,000	\$65,000

<p>Tennyson Dunes Reserve South Car Park Lock Up</p> <p>Bid ID PBB-00001103</p>	<p>To pay for contractors to open and close car park gates in the southern car park 7 days a week. Following the legal transfer of the care and control of the Tennyson Dunes Reserve car park to the City of Charles Sturt, CCS is now able to enforce the closure of the car park outside of designated opening hours. Both CCS staff and SAPOL have expiated a number of vehicles parked in the car park outside of opening times. SAPOL and NRM through the Tennyson Dunes Reserve Working Group, (TDRWG) have requested that Council now lock the gates outside of car park opening hours. SAPOL have provided advice that extra police have been working within the area and have conducted both Overt and Covert Operations and have made some impact. The ongoing illegal behaviour been going on for many years, with one serious incident. Bio-hazard clean ups have been undertaken by volunteers of the Tennyson Dunes to clear the mess left behind from the illegal behaviour.</p> <p>There is a multi-faceted approach outlined in the Tennyson Dunes Management Plan (currently in draft form,</p>	<p>\$0</p>	<p>\$18,000</p>	<p>\$18,000</p>
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	awaiting the Minister's signature) to help curb illegal behaviour, which also includes the taking of wildlife (particularly lizards) from the Reserve for sale on the black market.			
Investigation of Traffic Operation at Key Intersections - Findon Road, Flinders Park and Kidman Park  Bid ID PBB-00001104	Investigation of traffic demand and capacity at key intersections along Findon Road between Grange Road and Valetta Road to identify how these intersections are expected to function independent of DPA proposals in Findon Road and Grange Road to 2031 and identify whether upgrades may be required of DPTI to improve intersection capacity and safety, or whether these upgrades are regarded as the responsibility of the developers of DPA sites in this area.	\$0	\$15,000	\$15,000
Compulsory By-Law Review 2021  Bid ID PBB-00001105	Review of the Charles Sturt By-Laws in accordance with the legislative requirements. By-laws have a maximum life of 7 years as per the Local Government Act, with the current By-laws effective 2014 - 2021. Section 249(4) of the Local Government Act requires legal practitioner certification of the proposed By-Laws, as such, the budget bid will largely cover legal fees and public consultation costs associated with the development of new By-laws for the City of Charles Sturt.	\$0	\$30,000	\$30,000

<p>Woodville Town Hall - Annual Program of Events - 2020-21</p> <p>Bid ID PBB-00001110</p>	<p>Run an annual program of live music and events in line with Woodville Town Hall Business Plan Goals and Objectives in addition to the recurrent budget (income &amp; expenditure for venue hire). 2019/20 saw an increase in patronage of 50% from 24,000 to 37,000</p>	<p>\$10,000</p>	<p>\$156,000</p>	<p>\$146,000</p>
<p>West Lakes Boulevard Artwork</p> <p>Bid ID PBB-00001119</p>	<p>Continuation (stage 3) of the artwork along the rail corridor adjacent West Lakes Boulevard, Woodville West. This section is approximately 60 metres long and abuts the property owner at 2 Levi Street, Woodville West.</p>	<p>\$0</p>	<p>\$6,000</p>	<p>\$6,000</p>
<p>Heritage Conservation Grants Program</p> <p>Bid ID PBB-00001123</p>	<p>The Heritage Conservation Grants Program applies to property owners of local heritage places and contributory items as identified in Council's Development Plan and to owners of regulated and significant trees (as defined in the Development Act 1993) in the City of Charles Sturt. The Program provides financial assistance for conservation and restoration works to local heritage places and contributory items as well as to regulated and significant trees which require maintenance pruning.</p> <p>The Program has a recurrent budget of \$45,000 from last financial year. The additional operation</p>	<p>\$0</p>	<p>\$15,000</p>	<p>\$15,000</p>

	budget of \$15,000 will provide additional funds to the Grant Program to service the increased demand in the Program.			
Short-term FTE increase - waste initiatives, climate emergency  Bid ID PBB-00001125	Recycled waste and food waste initiatives, climate emergency and new suite of waste and recycling contracts (requiring implementation) have combined to substantially increase workload for the Waste and Sustainability Team. The level of effort required exceeds the team's standard 2.1 FTE allocation (shared across 3 part-time staff). The team has been temporarily increased from 2.1 FTEs to 3 FTEs until 30 June 2020. This project will extend that arrangement until 30 June 2021, at which time business needs will again be reviewed.	\$0	\$75,500	\$75,500
Jubilee Reserve Building & Sporting Facilities Feasibility Study  Bid ID PBB-00001126	The preparation of a feasibility study to determine the need for additional facilities for Jubilee Reserve sporting clubs. Things to consider as part of the study will include participation trends within the relevant sports, demographic trends, design and preliminary costings, life cycle and maintenance costs of assets, other case studies and funding opportunities.	\$0	\$30,000	\$30,000

<p>Outdoor Dining &amp; Business Improvement Fund</p> <p>Bid ID PBB-00001127</p>	<p>Continuation of matched funding to aid business and/or property owners to complete minor building improvements (including façade improvement, fit out, outdoor dining &amp; energy absorbing bollards where required to safety establish an outdoor dining area). These improvements contribute to the enhancement of precinct amenity and act as a catalyst to stimulate local business activity in key retail precincts across the City of Charles Sturt.</p>	<p>\$0</p>	<p>\$45,000</p>	<p>\$45,000</p>
<p>Events and Festivals Sponsorship 2020/21</p> <p>Bid ID PBB-00001131</p>	<p>Festivals and events provide opportunities for social gatherings within our community to celebrate significant creative, cultural, food and sporting events. Events can be a very effective mechanism for promoting our brand and assets such as reserves, the coast and community and sporting facilities. Events can also be an affective tool to attract visitors to the City of Charles Sturt. Events encourage community participation and engagement, civic pride and ownership and can build social cohesion. This program will provide funding to events that can demonstrate key economic, social, cultural and environmental benefits to the city.</p>	<p>\$0</p>	<p>\$95,000</p>	<p>\$95,000</p>

<p>Small Business Grant</p> <p>Bid ID PBB-00001138</p>	<p>The intent of this budget bid is to provide small business grants to support entrepreneurship, start-ups, encourage innovation and build business capability.</p> <p>The focus will be on the businesses obtaining expert advice in areas of finance, marketing, property, business planning etc. rather than for capital costs, compliance, fit out etc.</p>	<p>\$0</p>	<p>\$20,000</p>	<p>\$20,000</p>
<p>Customer Relationship Management System - Single View of the Customer</p> <p>Bid ID PBB-00001141</p>	<p>This project is to firstly scope and then implement additional elements to our Customer Request system by implementing a single view of the customer component, enabling staff and customers to view and action information, including requests, in one place. This is a collaborative project, undertaken jointly with PAE and CoM sharing the costs of implementing the same software and enhancing our customers experience when interacting with Council. This project will further enhance and modernise our Customer Relationship Management (CRM) System and enable the City of Charles Sturt to provide an improved and high standard of customer experience, enabling staff to access, view and track information about</p>	<p>\$0</p>	<p>\$35,000</p>	<p>\$35,000</p>

	<p>projects, work orders, requests for services, and customer information in a fast, seamless way.</p> <p>Providing a single view of the customer so staff are able to access all information in one place, respond to multiple issues and track requests. This will also provide the customer the opportunity to change and update information and details effectively and easily. Our understanding of the customer will increase and be comprehensive which will increase our ability to provide exemplary customer experience.</p>			
<p>Automating Records Management</p> <p>Bid ID PBB-00001144</p>	<p>This bid will automate repetitive and manual tasks associated with keeping records and managing organisational information using technology to identify, process, assign and access information from hard copy scanned records and digital records across the whole organisation, including invoices, planning documents and content management documents.</p>	\$0	\$60,000	\$58,500
<p>Implement an Online Recruitment Solution</p> <p>Bid ID PBB-00001148</p>	<p>This proposal is to procure an online recruitment solution that will manage the end-to-end process of recruiting staff at CCS from job requisition, candidate evaluation and selection,</p>	\$0	\$59,800	\$59,800

	through to the hiring of an employee and their on-boarding replacing manual and disparate processes for P&C staff, admin professionals and panel members across the organisation.			
Cross council collaboration and productivity tools  Bid ID PBB-00001150	Design and implement the Office365 environment to seamlessly support cross council collaboration by staff, and delivering training to enable effective use of tools such as team sites, shared calendars, video-conferencing and instant messaging.	\$0	\$10,000	\$10,000
Replacement Online Event Management Solution  Bid ID PBB-00001151	Implement an online booking system for the public to book events and for staff to efficiently manage their program bookings, payments and reporting.	\$0	\$39,240	\$39,240
Online Room Hire and Facilities Booking Solution  Bid ID PBB-00001152	Implement an online room hire and facilities booking solution for the public to view and book spaces and reserves within CCS, and provide staff with an automated streamlined solution to manage the administration of booking requests.	\$0	\$41,540	\$41,540
Works, Assets and Fleet Management module migrations  Bid ID PBB-00001153	Migrate from TechnologyOne Ci to Ci Anywhere for Works, Assets and Fleet Management modules in accordance with business readiness and priorities, technical and integration dependencies, and maturity of the vendor's Ci Anywhere roadmap. Ci is being deprecated by the vendor and Ci	\$0	\$92,240	\$92,240

	Anywhere is the fully supported replacement.			
Cross Council - Business Intelligence & Analytics (BI&A)  Bid ID PBB-00001154	Implement enterprise Business Intelligence and Analytics solution and capability to support reporting and analysis to better inform city planning, decision-making and productivity and performance management.  This is a cross council initiative with the City of Marion and the City of Port Adelaide and Enfield. A cross council business case has been developed identifying key priorities, resources and costs for each council.	\$0	\$98,859	\$98,859
Cross council HR/Payroll module migrations  Bid ID PBB-00001155	To progressively migrate from TechnologyOne Ci to Ci Anywhere HR/Payroll modules, in accordance with business readiness and priorities, technical and integration dependencies, and maturity of the vendor's Ci Anywhere roadmap. Includes electronic timesheeting. Ci is being depreciated by the vendor and CiA is the fully supported replacement.	\$0	\$167,480	\$167,480
Cross council ePlanning portal (State Government) transition  Bid ID PBB-00001156	Analysis and implementation of Council-specific requirements for transition of planning processes to the DPTI ePlanning portal and impact on Council's related functions, systems and reporting.	\$0	\$29,600	\$29,600

IT Server Room Consolidation - Civic and Beverley Centres  Bid ID PBB-00001158	This project is to scale down and decommission some of the on-premise physical servers at both Beverley and Civic Centres. The cloud migration project is migrating all virtual machines to AWS, so the server room size can be reduced and the free space re-purposed.	\$0	\$68,100	\$68,100
Replacement Digital Asset Management Solution  Bid ID PBB-00001161	Implement an enterprise Digital Asset Management Solution to store and search digital assets such as photos and images for CCS use in publication and materials. This will replace Cumulus our current solution that does not meet the current and emerging business and technical needs. Cumulus is an end of life product and is no longer technically supported and needs to be replaced.	\$0	\$44,160	\$44,160
Verge Mowing Service Level Increase 2020/21  Bid ID PBB-00001163	Currently the verge mowing budget allows for four cuts per year on local roads and eight per year on main roads. Additional funds are requested to enable one additional cut (from four to five) on local roads in 2020/21.	\$0	\$60,000	\$60,000
<b>Total</b>		<b>\$225,000</b>	<b>\$2,843,519</b>	<b>\$2,467,019</b>

***All annual operating projects submitted as part of budget bid process will be reviewed by Council following community consultation. Projects will be reviewed to ensure alignment with community and corporate plan objectives and based on priority and ability to deliver within existing resources, having regard to the impact of the COVID 19 crisis and LTFP parameters over the 2020/21 financial year.***

## ***Capital Projects***

The City of Charles Sturt is responsible for a vast portfolio of assets with a carrying value in excess of a billion dollars. It is therefore critical for long term sustainability of assets that Council engages in practices that optimise the assets' useful lives for the benefit of the community.

The City of Charles Sturt, like other government infrastructure asset owners, is faced with an increasing demand to provide services in an environment of ageing infrastructure, increased liability and reduced funding. In response to this an Asset Management Policy and Strategy has been adopted by Council.

The purpose of the Asset Management Policy is to set a broad framework for undertaking asset management in a structured and co-ordinated manner.

The broad goals identified are as follows:

- to ensure the right assets are provided to meet community needs
- to provide sustainable infrastructure through leadership and vision
- to be financially responsible by providing appropriate resources for the delivery of services
- to continually improve our knowledge of Council assets and their lifecycles
- to manage our assets in a manner that is fair for present and future users in terms of benefits and costs.

To ensure the value of our assets are maintained our long term strategy provides for us to fund a capital expenditure program based on Council endorsed Asset Management Plans for each asset. The Asset Management Plans determine future funding requirements based on life and condition assessments of Council's existing asset stock and which will be continually refined and updated with the best available information. Where Asset Management Plans do not exist for a category of asset we will fund a level of renewal/replacement expenditure for existing assets based on depreciation estimates.

For New and upgraded infrastructure, Council staff have also been gathering financial forecast information on New/Upgrade capital projects derived from existing strategic managements plans such the Open Space Strategy, Council resolutions supporting new projects and major project initiatives such as Port Road Flood Mitigation and the St Clair Precinct upgrade.

Capital projects included in the LTFP for New/Upgrade capital were presented to Council at a workshop on 2 March 2020.

In 2020/21 the Long Term Financial Plan suggests a net total capital program of approximately \$33.015m with approximately \$25.894m allocated to renewal/replacement of existing assets as prescribed in adopted asset management. New and upgraded infrastructure which includes funding for projects such as the Woodville Road streetscape upgrade is forecast at \$7.122m.

Council Members reviewed the list of potential Capital projects and following its meeting 23 March 2020, Item 2.2 endorsed a total net capital program for consultation of **\$32,703,730** comprising **\$24,929,595** for Council's contribution to renewal capital works and **\$7,774,135** for Council's contribution to new/upgrade capital projects.

Renewal Projects which are derived from Adopted Asset Management Plans and which forecast replacement of existing assets and infrastructure based on an independent assessment of condition and asset life can be found in **Appendix C**.

New/Upgraded capital projects are those which increase Council's current asset stock or significantly enhance an existing asset to provide a higher level of service or extends the life beyond that which it had originally.

**New/Upgrade** Projects currently under consideration include:

Name	Budget Bid Description	Budget Bid Income \$ 2020/21	Budget Bid Expenses \$ 2020/21	Net Budget Bid \$ 2020/21	Nature of Works
2020/21 - Community Connections - Brocas Carpark drainage and DDA Upgrade  Bid ID PBB-00000981	Brocas Gravel Carpark - Excavate and shape entire car park for storm water drainage and allow disabled access throughout the carpark and access into all Community buildings onsite. At present the carpark floods during rain periods and does not allow disabled access.	\$0	\$45,000	\$45,000	Upgrade
New Paths Program 2020/21  Bid ID PBB-00000982	Design and construction of new paths on streets and reserves for the 2020/2021 financial year in response to community requests that have been assessed by staff as providing strategic benefit to the community.	\$0	\$500,000	\$500,000	New

	Design for 2021/2022 path projects.				
Public Lighting - New 2020/21  Bid ID PBB-00000989	Design and installation of new LED public lighting on the following car parks, paths and reserves as identified or as requested by the Community. 1. Laneway - between Bartley Tce and Manly Crs 2. Carnegie Carpark 3. Nancy Fisher Reserve 4. Aquatic Reserve 5. Todd Place Reserve 6. Greenfield Reserve	\$0	\$310,000	\$310,000	New
New Playground and Irrigation Renewal - Birkdale Reserve, West Lakes  Bid ID PBB-00000995	At its meeting on 17 June 2019 (Item 3.52), the Asset Management Committee endorsed that an additional budget for the upgrade of Birkdale Reserve and landscaping at St Andrews Way Reserve, West Lakes, be considered as part of Council's 2020/21 budget preparations. This was then endorsed at the 24 June 2019 Full Council meeting. The playground at St Andrews Way Reserve is due for renewal in 2020/21. Following community consultation and a deputation to the Asset Management Committee, Council agreed to leave the existing playground at this reserve and reallocate funding to	\$0	\$283,000	\$283,000	New

	<p>nearby Birkdale Reserve. This funding is in addition to existing AMP funding of \$133,400, and will provide landscaping, footpaths, fencing and furniture. The project total will therefore be \$320,400.</p> <p>Forecast renewal expenditure of \$96,000 for St Andrews Way Reserve playground has been transferred from the AMP playground renewals budget bid (PBB-00000966), to this bid for Birkdale Reserve upgrade, as per the Council resolution on 24 June 2019 (Item 3.52 of the Asset Management Committee meeting 17 June 2019).</p>				
<p>Construction of new Dog Park at Semaphore Park Reserve</p> <p>Bid ID PBB-00001001</p>	<p>Construction of a new dog park at Semaphore Park Reserve, Semaphore Park, following community consultation and detailed design completed in 2019/20.</p>	\$0	\$450,000	\$450,000	New
<p>Construction of new Dog Park at Woodville West Reserve</p> <p>Bid ID PBB-00001002</p>	<p>Construction of a new dog park at Woodville West Reserve, Woodville West, following community consultation and detailed design completed in 2019/20.</p>	\$0	\$100,000	\$100,000	New
<p>Roof Height Safety - Civic centre &amp; Grange Kiosk</p> <p>Bid ID PBB-00001006</p>	<p>An audit was undertaken of selected roof areas to ensure safe access to solar panels &amp; air conditioning plant.</p> <p>The audit recommends additional height</p>	\$0	\$10,000	\$10,000	Upgrade

	safety items to improve access to the Civic Centre & Grange Kiosk.				
Cheltenham Community Centre – Acoustic Panel installation  Bid ID PBB-00001008	Installation of acoustic panels to walls & ceiling in the main hall to address reverberation issues of the main hall. The removal of the suspended ceiling and replacement with a new raked ceiling in 18/19 exposing the original raked ceiling has affected the acoustics creating an echo in the main hall. The project will address this issue making the hall more attractive for hire.	\$0	\$39,000	\$39,000	New
Sporting Club Changeroom Upgrade - Fawk Reserve  Bid ID PBB-00001015	Undertake upgrade works to existing change room facilities to ensure unisex change rooms are made available to the sporting club users and that Council as a building owner provides equity to male and female participants.	\$0	\$300,000	\$300,000	Upgrade
Frederick Miller Community Garden  Bid ID PBB-00001020	Provide the basic Infrastructure for the existing Frederick Miller Community Garden group to further develop the degraded Frederick Miller Reserve, situated between Third and Fourth Avenues, Semaphore Park, into a functioning, independent, open community garden. This Reserve has not been upgraded for	\$0	\$20,000	\$20,000	New

	<p>many years and irrigation has not been recommissioned after the drought, Local residents have started developing the Reserve, planting fruit trees and irrigating plantings in an effort to improve the amenity of the site. Community and neighbourhood connections have grown, and the group would like to formalise as a group and the site the site and create a formal Community Garden.</p>				
<p>St Clair Community Garden</p> <p>Bid ID PBB-00001023</p>	<p>Provide the basic Infrastructure for the establishment of a Community Garden at St Clair. The St Clair community are asking for assistance in establishing a Community Garden, where they can "share and cooperate to create and sustain a healthy community by growing food and caring for nature within their urban environment" A petition will be presented to Council in March proposing that the garden be located at the end of Crompton Drive, St Clair.</p>	\$0	\$40,000	\$40,000	New
<p>Sporting Club Changeroom Upgrade - Woodville Oval Bowling and Tennis Club</p> <p>Bid ID PBB-</p>	<p>Undertake upgrade works to existing change room facilities to ensure unisex change rooms are made available to the sporting club users and that Council as a</p>	\$0	\$300,000	\$300,000	Upgrade

00001026	building owner provides equity to male and female participants				
Don Klæbe Reserve Clubrooms- Disability Toilet  Bid ID PBB-00001027	The installation of a DDA complaint access toilet is required to comply with the Development Application for last financial years wet area renewal project.	\$0	\$150,000	\$150,000	New
Bartley Terrace Streetscape Upgrade - Detailed Design of Stage 2 & 3  Bid ID PBB-00001032	Complete consultation and detailed design of stages 2 &3 of the Bartley Terrace Streetscape between West Lakes Boulevard and Greenfield Crescent.	\$0	\$50,000	\$50,000	Upgrade
Woodville Road Streetscape Upgrade - Detailed Design  Bid ID PBB-00001034	Detailed Design of Woodville Road Streetscape Upgrade between Railway Line and Port Road.	\$0	\$150,000	\$150,000	Upgrade
Woodville Road - Undergrounding of Electrical Infrastructure Council Contribution  Bid ID PBB-00001035	Contribution to SA Power Networks to undertake alterations to existing lighting infrastructure to facilitate underground installation along Woodville Road between Port Road and Norman Street.	\$0	\$380,000	\$380,000	Upgrade
Military Road and Main Street Henley Beach Streetscape - Under Grounding Power Lines Stage 1 - Council Contribution  Bid ID PBB-00001036	This bid is Council's 1/3 contribution to stage 1 of the under grounding of power lines along Main Street Henley Beach and the section of Military Road between North Street and South Street, prior to the construction of the Military Road and Main Street streetscape project.	\$0	\$208,000	\$208,000	Upgrade

<p>Solar PV on Council Buildings - phase 2</p> <p>Bid ID PBB-00001037</p>	<p>Solar energy systems on Council owned buildings helps Council reduce rates and reduces Council's greenhouse gas emissions. This project is phase 2 of the 2019/20 capital project Solar PV installations on Council buildings (3121). Phase 1 was for the tender, supply and installation of solar PV on 7 council buildings and phase 2 for supply and installation on the remaining 6 buildings. Phase 2 of the project will deliver electricity cost savings of \$15,000 per annum ongoing, and approximately 24% of the sites' combined electricity consumption. With an asset life of 25-30 years the project will have significant financial and environmental benefits.</p>	\$0	\$145,000	\$145,000	New
<p>Realignment of the Intersection at Dampier Avenue and Barker Avenue, Findon</p> <p>Bid ID PBB-00001038</p>	<p>Design and consultation on realignment of the intersection of Dampier Avenue and Barker Avenue in Findon with construction to occur in conjunction with future road works.</p>	\$0	\$25,000	\$25,000	New
<p>Pedestrian Safety Improvements - Hendon Primary School</p> <p>Bid ID PBB-00001040</p>	<p>Consultation and detailed design of an Emu (children's) crossing to be installed in Risely Avenue, Hendon to service Hendon Primary School.</p>	\$0	\$25,000	\$25,000	New

Welland Avenue Welland - New Road Humps and Raised Intersection  Bid ID PBB-00001041	Construction of 1 x Raised Intersection and 6 x road humps in Welland Avenue, between Port Road and Grange Road, in conjunction with the planned reconstruction of the road.	\$0	\$200,000	\$200,000	New
Butler Avenue Pennington - School Crossing Upgrade - Design and Construction  Bid ID PBB-00001042	Design and Construction of an Upgrade of Existing School ("Emu") Crossing to a Wombat Crossing (raised pedestrian crossing) at Pennington Children's Centre - Butler Avenue Pennington. Works to occur in conjunction with road reconstruction project.	\$0	\$100,000	\$100,000	Upgrade
Design and Consultation for new Park - 1 Hurtle Street, Croydon  Bid ID PBB-00001045	Design and Consultation for a new local park at 1 Hurtle Street, Croydon.	\$0	\$16,000	\$16,000	New
Sustainable Transport Infrastructure 2020/21  Bid ID PBB-00001052	Design and consultation of: (1) Grange Greenway - review of Frederick Road crossing location and identification of future connections to Grange Railway station and Grange Lakes path; (2) Grange Lakes and School Transport - new pedestrian crossing on Cudmore Terrace connecting Grange Lakes to St Michael's College (3) School Transport - new pedestrian crossing on Lawrie Street Henley Beach to improve walking and riding to St Michael's College (4) School Transport - new	\$30,500	\$91,500	\$61,000	New

	pedestrian crossing on West Street Semaphore Park to improve walking and riding to Westport Primary School.				
Grange Lakes Stage 4B - Detailed Design  Bid ID PBB-00001053	Detailed Design of Stage 4B of the Grange Lakes Corridor Shared Use Path	\$0	\$15,000	\$15,000	Upgrade
Woodville Road Streetscape Upgrade - Watermain alteration  Bid ID PBB-00001055	Contribution to SA Water for alteration of water infrastructure in Woodville Road between Port Road to Railway line to facilitate future construction of central median islands and landscape plantings.	\$0	\$265,000	\$265,000	Upgrade
Stormwater Clovelly Avenue Lateral Upgrade  Bid ID PBB-00001059	Upgrade stormwater network in Clovelly Avenue Royal Park in the Port Road stormwater catchment	\$0	\$2,000,000	\$2,000,000	Upgrade
LED Public Lighting Infill and Improvement  Bid ID PBB-00001061	While undertaking the bulk LED street light program council undertook an audit of streets to identify where street lighting did not meet Australian Standard or community expectation. This project was included in the LED street light forward works program and LTFP. The project will prioritise those council streets where traffic control devices are not appropriately lit and those streets that depart furthest from Australian Standard AS/NZS 1158 road	\$0	\$867,915	\$867,915	New

	lighting standard.				
Stormwater - WSUD - Tracey Avenue Catchment Raingardens  Bid ID PBB-00001064	Construction of Thistle Avenue raingardens designed in 2019/20 as part of the Water Sensitive Urban Design water quality improvement strategy in the Tracey Avenue Catchment Area.	\$50,000	\$100,000	\$50,000	New
Woodville Oval Community Complex - Security Upgrade  Bid ID PBB-00001068	A SAPOL audit identified a number of existing security items needed maintaining and/or upgraded to protect Council assets and the assets of the multiple clubs using the complex facilities.	\$0	\$55,000	\$55,000	Upgrade
New Pitch Lighting - Woodville Croquet Club  Bid ID PBB-00001075	To upgrade the existing pitch lighting at the Woodville Croquet Club.	\$0	\$16,100	\$16,100	Upgrade
Outer Harbor Greenway - Shared Street - Drayton Street Bowden/Brompton - Design  Bid ID PBB-00001076	Partner with Renewal SA to design a shared street along the section of Drayton Street in Bowden which runs parallel to the railway line. This section of street forms part of the Outer Harbor Greenway which is a strategic walking and cycling corridor between the CBD and Outer Harbor.	\$0	\$20,000	\$20,000	Upgrade
Accommodation Costs - Creation of new meeting rooms and office desk space (1st Floor- Civic Offices)  Bid ID PBB-00001077	Office accommodation (1st floor) redesign and fit out, due to availability of space now created by the removal of computer hardware, associated with the moving of infrastructure to the cloud project. It is expected that much needed additional	\$0	\$70,000	\$70,000	Upgrade

	meeting rooms, office desk spaces and new “hot desks”, that will be shared by staff, will be created and various business units will be able relocate officers to better suit business requirements.				
Pedestrian and Bicycle Link - Intersection of Coglin Street and Third Street Brompton - Design and Consultation  Bid ID PBB-00001084	Design and Consultation for a Pedestrian and Bicycle Link - Intersection of Coglin Street and Third Street in Brompton	\$0	\$10,000	\$10,000	New
Consultation and Preliminary Design of Traffic Safety Improvements - Intersection of Frederick Street and Brand Avenue, Welland  Bid ID PBB-00001086	Consultation and Preliminary Design of Traffic Safety Improvements at the Intersection of Frederick Street and Brand Avenue, Welland.	\$0	\$15,000	\$15,000	Upgrade
Pedestrian and Cyclist Safety Improvements - Murray Street Road Closure, Albert Park - Consultation and Preliminary Design  Bid ID PBB-00001090	Consultation and Preliminary Design of improvements to Pedestrian and Cyclist Safety at the Murray Street Road Closure, Albert Park.	\$0	\$5,000	\$5,000	Upgrade
Cooke Reserve Car Park - Consultation, Design & Construction  Bid ID PBB-00001091	Cooke Reserve Carpark (adjacent to Girl Guides Community Hall). - Consultation, Design & Construction	\$0	\$60,000	\$60,000	Upgrade
New shade structure at Parkway Reserve	Design and construction of new shade structure at	\$0	\$55,000	\$55,000	New

playground  Bid ID PBB-00001099	Parkway Reserve playground, Fulham Gardens.				
Investigate heat mitigation opportunities at Boucatt Reserve, Brompton  Bid ID PBB-00001109	Investigation, design and consultation of heat mitigation opportunities at Boucatt Reserve, Brompton.	\$0	\$20,000	\$20,000	New
Additional play equipment at Rowley Reserve, Woodville  Bid ID PBB-00001115	Consultation, design, procurement and installation of additional play equipment at Rowley Reserve, Woodville, to complement the existing equipment.	\$0	\$30,000	\$30,000	New
New fitness equipment at MJ McInerney Reserve, Kilkenny  Bid ID PBB-00001117	Design, consultation and installation of new fitness equipment and associated softfall and concrete edging at MJ McInerney Reserve, Kilkenny	\$0	\$86,000	\$86,000	New
New public toilet at Parfitt Square, Bowden  Bid ID PBB-00001118	Design and consultation for a new toilet at Parfitt Square, Bowden.	\$0	\$190,000	\$10,000	New
Additional furniture at Greenfield Reserve, West Lakes Shore  Bid ID PBB-00001120	Installation of additional park furniture at Greenfield Reserve, West Lakes Shore, to complement the renewal of irrigation and footpaths in 2019/20.	\$0	\$13,000	\$13,000	New
West Lakes Shore Oval - Viewing Deck  Bid ID PBB-00001128	The need has been identified for a potential deck/viewing area at West Lakes Shore Oval between the club rooms and the oval. This platform installation will address DDA & safety concerns re: the various levels	\$0	\$100,000	\$100,000	New

	identified at the front of the club, as well as enhancing the viewing.				
West Torrens District Cricket Club - Practice Facility Upgrade  Bid ID PBB-00001133	West Torrens District Cricket Club are seeking to upgrade & expand their existing practice facility, to provide premier practice facilities for the club's growing participant base as well as the local community who use the facilities.  The project is for a contribution only.	\$0	\$15,000	\$15,000	Upgrade
Concept Plan for Aquatic Reserve Building – Paddle SA  Bid ID PBB-00001140	Paddle SA (and sub-licensee, Dragon Boats) have grown in size over the decades and need more boats and storage to facilitate/run training and regattas. The paddle clubs now have 1000 members and a cramped club house on Aquatic Reserve, West Lakes. Paddle SA now seek support for their future storage aspirations.	\$0	\$15,000	\$15,000	Upgrade
Upgrade of Port Road median opposite Station Place, Hindmarsh  Bid ID PBB-00001145	Upgrade of Port Road median opposite Station Place, Hindmarsh, including irrigated turf, post and rail fencing and an access gate.	\$0	\$34,000	\$34,000	Upgrade
Council Chamber Lighting Upgrade  Bid ID PBB-00001147	Upgrade the existing lighting to LED lighting  The Chamber was originally constructed in 1997. Since then, the chamber central lighting has deteriorated and has	\$0	\$10,120	\$10,120	Upgrade

	not been upgraded. A lighting level reading has been conducted and the Lux levels are not consistent throughout the space.				
New audiovisual equipment at various Community Connection sites  Bid ID PBB-00001167	New audiovisual equipment is required at Bower Cottages, Arch Paterson and Findon Library to support and provide community services delivery.  To increase utilisation on the centres and library by being able to provide contemporary facilities	\$0	\$30,000	\$30,000	New
	<b>Total</b>	<b>\$80,500</b>	<b>\$8,034,635</b>	<b>\$7,774,135</b>	

***All capital projects submitted as part of budget bid process will be reviewed by Council following community consultation. Projects will be reviewed to ensure alignment with Community and Corporate Plan objectives and based on priority and ability to deliver within existing resources, having regard to the impact of the COVID 19 crisis and LTFP parameters over the 2020/21 financial year.***

## How does Council propose to fund its program?

Although rates provide the main source of income for Council to fund its operations and infrastructure requirements, other source of revenue include:

### ***Statutory Charges***

Statutory Charges relate mainly to fees and fines levied in accordance with legislation and include development application fees, animal registrations, health act registrations and parking fines.

### ***User Charges***

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include charges for the use of Council facilities, library charges for photocopying, section 7 searches and fees for the operation of Council's Waste Management facility at Toogood Avenue, Beverley.

### ***Grants***

Grants include monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards property development costs.

### ***Investment Income***

Investment income includes interest on investments and rate arrears.

### ***Reimbursements***

This includes income from recouping specific costs of Council activities and private works.

### ***Other Income***

Other income relates to a range of unclassified items that do not fit within the main income categories.

### ***Amounts for new/upgraded assets***

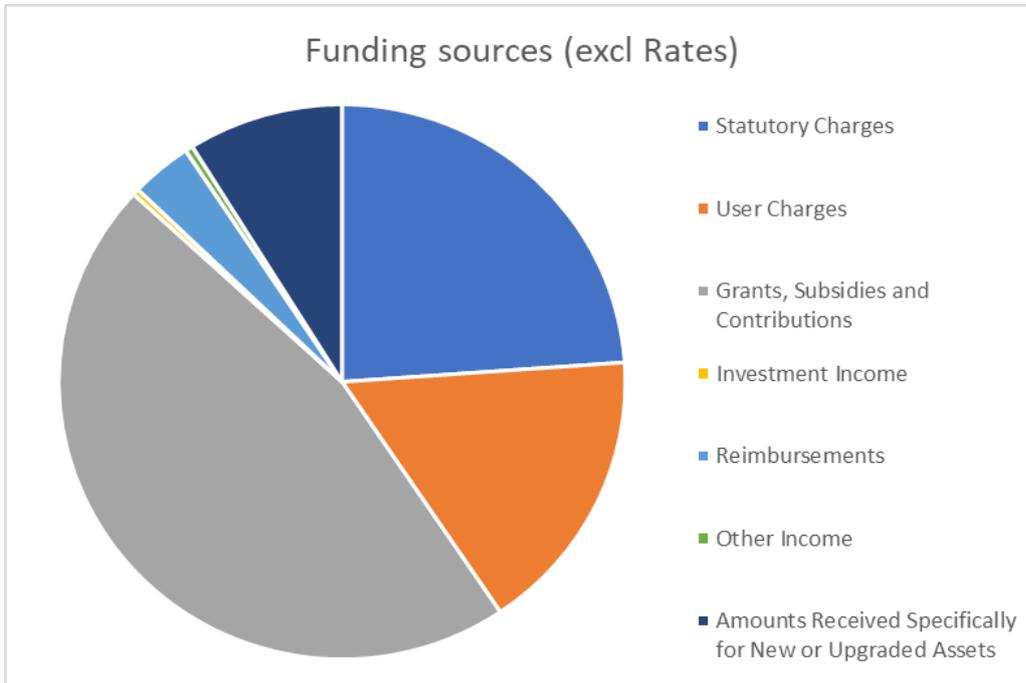
Amounts for new/upgraded assets include grants from State, Federal and community sources for the specific purpose of funding new capital expenditure.

### ***Borrowings***

Loan borrowings are considered an important source of funding for asset acquisition and upgrade. Ideally infrastructure backlog should be financed in the short term by an increase in debt to be repaid as soon as possible by current ratepayers. New capital expenditure should be financed by a long-term increase in the volume of debt with the current generation only meeting interest payments on that debt.

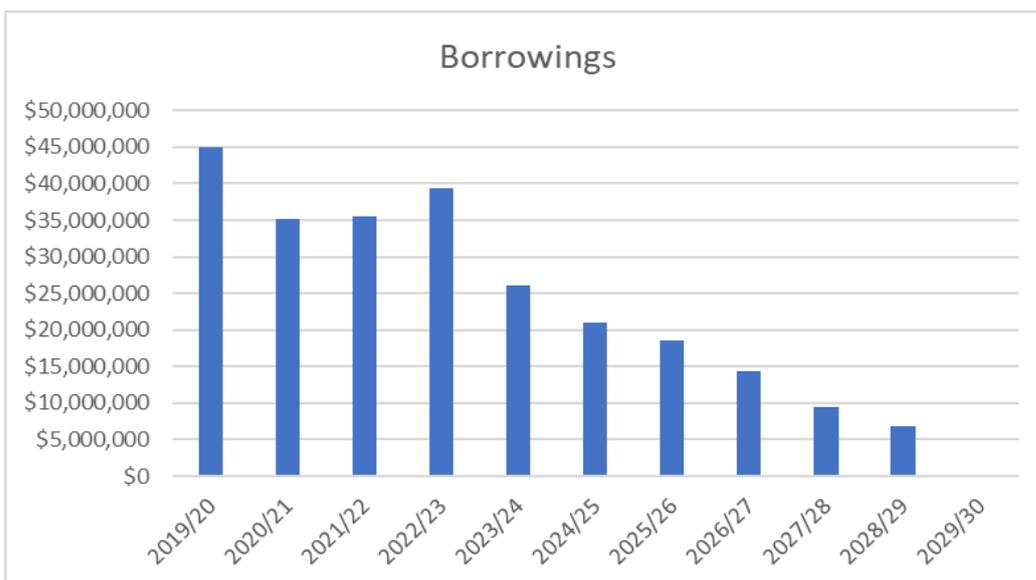
Infrastructure renewal/replacement should be financed by rates with ratepayers in any year paying for the resources they consume.

Under the adopted high level LTFP parameters for 2020/21, Income from Other Operating income sources (excluding net rates) is projected to be \$16.282m.



Total loan borrowings as a consequence of new/upgrade works are forecast at \$35.161m in 2020/21. (If we were to compare Councils' projected loans to that of a ratepayer earning approximately \$100k this would equate to a total borrowing of approximately \$27k).

It must be noted however that the level of loans assumes a conservative level of works in progress at year end and assumes the effective use of its cash advance debentures (interest only loans) in line with Council's Treasury policy where surplus cash is used before considering any borrowings.



Loan borrowings will be reassessed having regard to the COVID19 crisis and to ensure Council can support its community through this time in providing both financial support and in continuing to support business and economic recovery. Additional access to Cash Advance Debenture facilities (interest only loans) will be put in place within the constraints of Councils key financial targets to be able to support its community and their potential inability to pay rates and other charges in a timely manner.

## What does this mean for rates?

Rates are Council's main source of income to deliver the services and maintain the infrastructure required by our community.

In the community there is always pressure to provide more services but it is important that this is balanced against the community's ability to pay today and into the future.

Rates are a form of property taxation and property values play an important part in determining how much each individual ratepayer contributes. As it is a system of taxation the rates paid may not directly relate to the services used by each ratepayer. Generally, it is assumed the higher the value of the property relative to others in the community the higher the rates paid.

Local Government rates are based on:

- The value of the property
- A rate (in the dollar).

Under the Local Government Act 1999 councils may use one of three valuation methodologies:

1. **Capital value** - value of land and all improvements
2. **Site value** - value of land and any improvements which permanently affect the amenity of use of the land, such as drainage works but excluding value of buildings and other improvements, or
3. **Annual value** - valuation of the rental potential of the property.

The City of Charles Sturt, as with most other metropolitan councils, uses **Capital value**. This is because it is a well understood concept and most of us can relate fairly easily to the market value of our property.

In applying the principles of any taxation it is important that the 5 principles of taxation (equity, benefit, ability to pay, efficiency, simplicity) are balanced against the need to raise revenue and the effects of the tax on the community.

Rates are a property tax that provide an independent indication of the relative wealth of a ratepayer. The system of rate rebates, remissions and postponement is designed to enable issues of hardship and temporary incapacity to pay to be specifically targeted for special treatment amongst identified classes of ratepayer.

In determining how rates are applied and in determining the rate in the dollar Council's also have a number of options:

**Single Rate.** This is where the same rate in the dollar is applied to the value of properties from using a single rate in the dollar regardless of what the land is being used for.

**Differential General Rate.** This is where a council may charge a different rate in the dollar depending on whether the land is used for residential, commercial, primary production or other purposes.

**A Minimum Amount.** This provides a mechanism by which lower valued properties pay not less than a flat (minimum) amount determined by Council. No more than 35% of properties can be on the minimum.

**Tiered Rates.** This is where Council can adopt a tiered rating scale where rates can be altered for properties within specified valuation ranges.

**A Fixed Charge.** Under this system some revenue will be raised by applying a fixed charge (a flat amount) to all ratepayers to ensure everyone contributes a base equal amount. The remaining revenue is then collected from ratepayers based on the value of each ratepayer's property.

Charles Sturt uses a **differential rating system** with a **minimum** amount.

Valuation information on land use and property values for use in determining how much each ratepayer is levied is purchased from the Valuer General. A ratepayer may object to the valuation by the Valuer General in writing setting out the reasons for the objection within 60 days of receiving the notice of the valuation.

Although property valuations are used as an indicator of ability to pay rates, where property valuation increases across the city are inconsistent the effect of growth in one ratepayers' property compared to others may lead that ratepayer to believe they are paying more than their fair share compared to others in the community. This can also be an issue where ratepayers are on fixed incomes and there is significant growth in the valuation of their property.

This is where rate rebates or remissions can be used. By targeting this rate relief Council endeavour to address potential inequities.

**For 2020/21 the adopted LTFP forecasts we require a total rates increase of 1.94%** (plus growth or forecast new properties of 1.0%) on 2019/20 to fund the high level parameters for the core service levels, projects and capital expenditure projected for 2020/21.

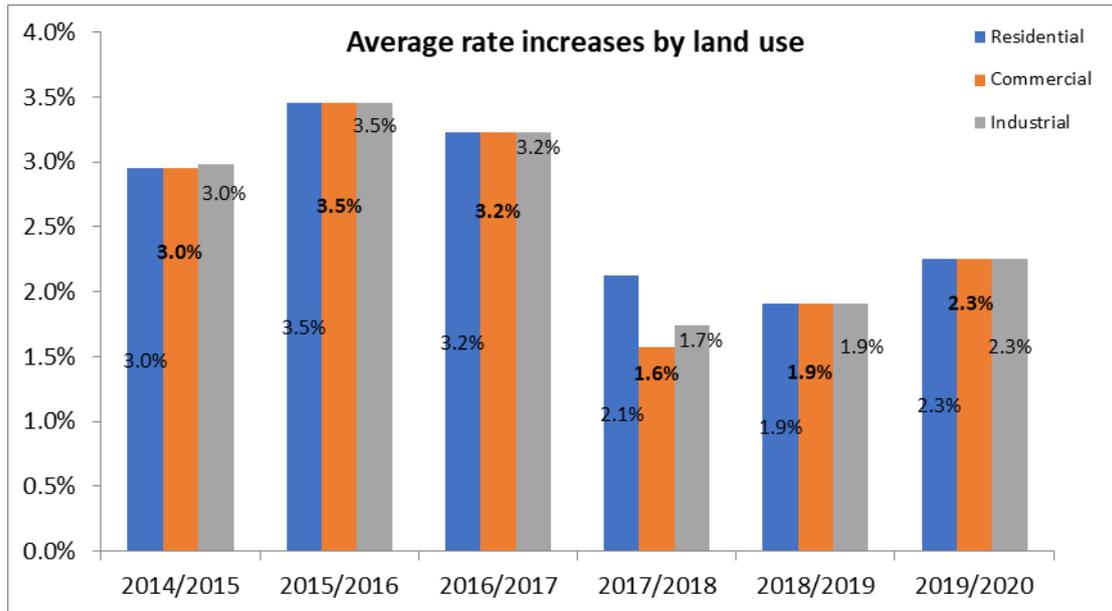
Although we are still to receive final valuations from the Valuer-General, based on modelling in previous years and general trends **we would expect "typical" ratepayers for each land use category to pay between a 1.5% and 2.2 % increase on 2019/20 rates.** This is against a forecast CPI (as provided by Access Economics for 2020/21 of 1.94% and The All Groups Adelaide CPI for December 2019 of 2.1% (Australia 1.6%) and a Local Government Price Index of 1.6% for the December quarter.

As with previous year's rating strategies it is proposed to continue to increase the minimum rate to ensure we remain within the legislated maximum of 35% of properties.

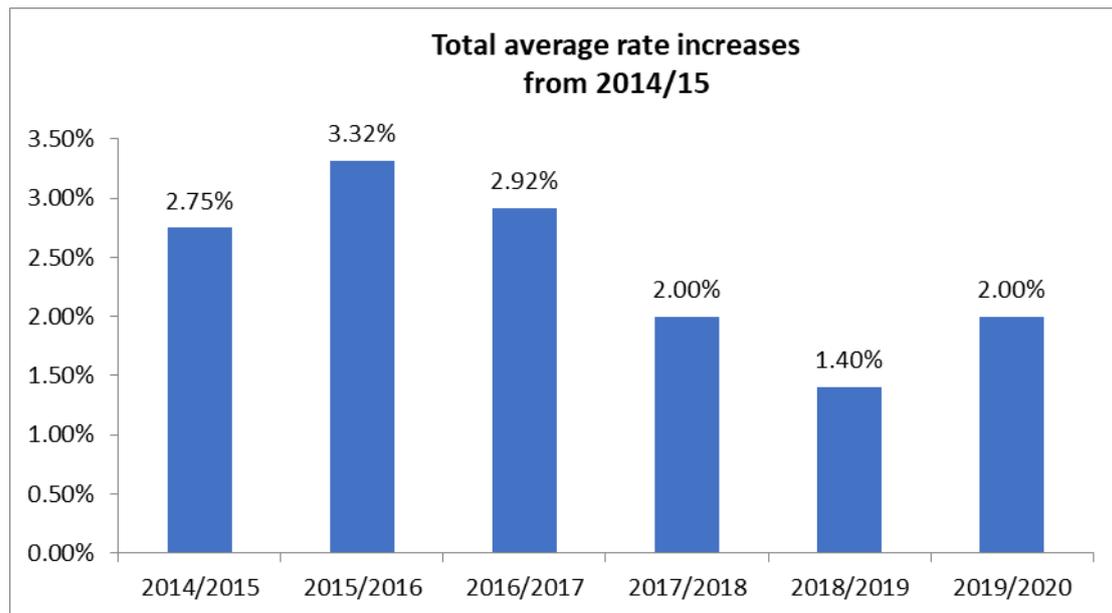
Since the adoption of the LTFP to guide the development of the Annual Budget the ongoing COVID 19 crisis has been unfolding. Council recognises that this pandemic will have both

social and economic impacts for our community. In response to this and over the consultation period Council will be seeking to reduce the rates increase where practical in contrast to the adopted framework. Any increase will seek to take account of the current restrictions while at the same time ensuring Council continues to deliver affordable services for our communities throughout this public health emergency and maximises opportunities to access state and federal stimulus funding to bring forward projects and help drive economic recovery.

**Average rate increases since 2014/2015**



Since 2014/15 the average residential rate increase has been approximately 2.7% with the industrial 2.7% and commercial land use categories 2.6%. However, over the last 2 years the average residential increase has been 2.1%, commercial 2.1% and industrial 2.1% as Council seeks to drive efficiencies in service delivery and reduce the impost of rate increases. Council has endeavoured to ensure the relative distribution from all categories has been constant to ensure greater equity across all land uses in relative contributions. It is envisaged that this consistent relative contribution from all land use codes will continue and consequently the average increase from all land use codes will be uniform.



### ***Proposed Rate Relief***

To address any potential inequities in how the rates are levied across the city the following rate relief options are proposed:

#### ***Rate Capping***

This option will provide relief where a ratepayer is levied an increase in rates greater than 12.5% (after considering other rebates) and ensure no ratepayer will pay any more than 12.5% on the previous year in "rates". This rebate would not apply where:

- The increase is due to an increase in valuation as a result of improvements greater than \$20,000
- The increase is as a result of a change in land use
- Ownership of the property has changed since July 2018
- The increase is applicable to land use categories of commercial, industrial, primary production, vacant land and other.

This rebate is effectively applicable to the residential land use category only.

#### ***Residential construction***

The vacant land rate in the dollar is usually three times higher than the residential rate and it is proposed to maintain that comparative for 2020/21. For the purposes of securing the proper development of the area a rebate however will be given to ratepayers who are assessed as vacant land as at 30 June 2020 but who build their new family home on that land and can demonstrate that they will live in this house for at least 1 year. If the footings are poured prior to 31 December 2020 a full rebate will be given. If the footings are poured after 31 December 2020 a 50% rebate will be granted. This rebate is designed only for principal ratepayers who build on vacant land and then live in that property and is not applicable to investment properties.

***Pensioner rebates – minimum rate***

For pensioners and self-funded retirees who are on fixed incomes and who are on the minimum rate in 2020/21 we propose to continue the targeted rate rebate or remission we have had in place over previous years. This means those pensioners and self-funded retirees who are on the minimum in 2020/21 **and** who received a rebate in 2019/20 will continue to have their rates capped at the average increase for residential ratepayers.

***Postponement of rates***

In accordance with the new provisions of the Local Government Act 1999, persons who hold a current Seniors Card will be eligible to postpone any amount in excess of \$500 (\$125 per quarter) less any concession entitlement. Interest will accrue on postponed balances as per Section 182A (12) of the Act (ie with a premium of 1% over the cash advance debenture rate).

***Hardship***

Any ratepayer experiencing difficulties in meeting rates payments or experiencing financial hardship will be able to access payment plans tailored to meet their particular circumstances. All arrangements will be strictly confidential.

All future fines and interest imposed under the Local Government Act 1999 will be waived as required over the COVID19 crisis as it unfolds.

We will be exploring options for targeted discretionary rebates and in particular for our small business community that meet specific hardship criteria based on feedback from the consultation.

## **Measuring Achievement of the 2020/21 Annual Business Plan**

Measuring performance is an important factor in ensuring Council is delivering on the community's aspirations as expressed in Charles Sturt's Community and Corporate Plan. For each key objective in the Corporate Plan, Council has identified a number of key indicators to measure and track our success.

This range of indicators, in addition to progress against our annual operating and capital project outcomes are monitored via regular reports presented to Council and through our Annual report.

Below are our current indicators used to measure our performance. We are currently consulting on a revised Community and Corporate Plan as per the Local Government Act 1999. Any changes therefore as a result of that consultation will update our key performance indicators.

### ***1. OUR COMMUNITY – A Strong and Connected Community***

***Objective - Provide accessible social infrastructure and services that engage our diverse community***

***We will know our social infrastructure and services are highly valued and engaging by .....***

- ❖ *Our community positively rates the provision of services and facilities.*

- ❖ *% of Charles Sturt residents are active library members.*
- ❖ *Membership of sporting facilities provided by Charles Sturt as a percentage of our population.*
- ❖ *The number of participant contacts at Council's community centres.*
- ❖ *The number of Community Care service outputs compared to our Commonwealth funding targets.*
- ❖ *The utilisation of Council owned halls is growing with an increase of 20% by 2020.*
- ❖ *Number of people participating in community programs.*

**Objective - Capitalise on partnerships, build community resilience and sense of belonging**

**We will know our community feels connected and supported by ....**

- ❖ *% of volunteer positions occupied.*
- ❖ *Number of total and unique website visits and disengagement rate within social media platforms.*
- ❖ *People have strong networks of support from family, friends and neighbours.*

**Objective - Create opportunities for community leadership and civic participation**

**We will know our community members are participating in active citizenship by .....**

- ❖ *The number of new Australian Citizens conferred in CCS.*
- ❖ *Number of people (or % of population) participating in consultation projects.*
- ❖ *% of sports clubs participating in Council's professional development program.*
- ❖ *Voter turnout: % of eligible population voting in Council elections.*
- ❖ *Number of people and projects supported through Young Changemakers program.*

**Objective - Educate and regulate to enable a safe and healthy environment**

**We will know our proactive and compliance activities support positive health and safety outcomes by .....**

- ❖ *Our citizens feel safe in their neighbourhood.*
- ❖ *% of immunisation coverage in Charles Sturt.*
- ❖ *% of dogs desexed compared to State average.*
- ❖ *% of building inspection policy quotas completed.*
- ❖ *% of food premises inspections that resulted in a Improvement Notice being issued.*

**2. OUR LIVEABILITY – A Liveable City of Great Places.**

**Objective – An urban environment that is adaptive to a changing and growing City**

**We will know our city is meeting the needs of a changing community by ....**

- ❖ *Monitoring our population growth.*
- ❖ *The number of new dwellings that deliver housing choice in the City.*
- ❖ *Number of (or % increase/decrease in number of) development applications lodged.*

**Objective – City assets and infrastructure are developed and well maintained on a strategic and equitable basis**

**We will know our asset renewal is in line with Asset Management Plans and community needs by .....**

- ❖ *Asset sustainability ratio.*
- ❖ *% of assets actually renewed in line with AMP renewal schedule.*

**Objective - Create valued urban places that bring people together and reflect local character and identity**

**We will know our city comprises vibrant and unique precinct by .....**

- ❖ *Number of collaborative partners involved in delivering events funded by the Strategic Events Partnerships budget.*
- ❖ *Average participation in business association meetings.*
- ❖ *Annual designated place community satisfaction survey.*

**Objective - Drive an integrated, responsive transport system and network**

**We will know our roads are safe and our citizens are exercising choice of travel mode by .....**

- ❖ *% of population utilising non-car travel modes to travel to work.*
- ❖ *Public transport patronage.*
- ❖ *Number of motor vehicles per household.*
- ❖ *% of local roads with a 40km/h speed limit.*
- ❖ *Number road crashes (Council & all City roads) is reducing.*

**Objective - Enhance the quality and diversity of open and public spaces**

**We will know our public and open spaces are well maintained and utilised by .....**

- ❖ *% of surveyed residents positively rating their satisfaction with our public spaces.*
- ❖ *% of residents that live within 300m of quality open space.*
- ❖ *% of programmed tree pruning completed.*
- ❖ *% of programmed reserve mowing completed.*

### **3. OUR ENVIRONMENT – An Environmentally Responsible and Sustainable City**

**Objective - Continue to implement climate change mitigation and adaptation solutions****We will know our adaption and resilience projects are progressing by .....**

- ❖ The Urban Heat Island project stage 1, is complete.
- ❖ Integration of climate change considerations into Asset Management Plans.
- ❖ Stage 3 AdaptWest is complete and adaptation pathways considered.

**Objective - Enhance the state of the City's environment and biodiversity****We will know our biodiversity and tree canopy cover are improving by .....**

- ❖ Number of understorey plants planted in biodiversity sites.
- ❖ % of tree canopy cover (city / public / private land).

**Objective - Lead and educate to reduce the City's impact on the Environment and build resilience****We will know our environmental management and efficiency is improving by.....**

- ❖ Decrease in the reliance of potable water.
- ❖ Decrease in waste sent to landfill.
- ❖ Stability or a reduction in our Green House Gas emissions.

**4. OUR ECONOMY – An Economically Thriving City****Objective - Lead regional collaboration to promote the western Adelaide economy****We will know our strategic alliances are supporting the growth of our economy by .....**

- ❖ 5% per annum increase in number of Western Region businesses participating in business development events.
- ❖ Increase in Gross Regional Product for the Western Region.
- ❖ Increase in tourism visitation and expenditure.

**Objective - Support and enable local business prosperity and growth****We will know our local businesses are growing by .....**

- ❖ Increase in Gross Regional Product (CCS).
- ❖ Increase in number of business in CCS.
- ❖ An increase in employment/output in identified growth sectors.
- ❖ Growth in annual employment numbers.
- ❖ % of surveyed Charles Sturt businesses satisfied with Council support for business.

- ❖ *Net increase in the annual number of business start-ups.*

***Objective - Facilitate an environment for a diversity of business and industry types***

***We will know our industry sectors are diversifying by .....***

- ❖ *% of employment in a range of sectors in CCS.*
- ❖ *Growth in annual development application value by sector.*

***5. OUR LEADERSHIP – A Leading and Transformational Local Government Organisation***

***Objective - Be bold and innovative in our practices, leadership and decision making***

***We will know our organisation is innovative and achieves business excellence by ....***

- ❖ *Customer service satisfaction.*
- ❖ *Smart City gains.*
- ❖ *Identified reductions in Council business processes.*
- ❖ *We are achieving our key priorities.*

***Objective - Adaptive and sustainable management of the City's finances***

***We will know our finances are sustainable by .....***

- ❖ *Operating surplus ratio is  $\geq 0\%$  and  $<10\%$ .*
- ❖ *Net financial liabilities ratio is  $<100\%$ .*
- ❖ *Asset sustainability ratio is  $>80\%$ .*
- ❖ *\$ value of grants and co-funding received.*
- ❖ *Resident acceptance of Council rates as value for money.*

***Objective - A collaborative, agile and high performing work place***

***We will know our organisational culture is collaborative, agile and high performing by .....***

- ❖ *85% of our Portfolios are demonstrating the benchmark level of constructive culture.*

***Objective - Practise transparent and accountable governance***

***We will know our organisation is transparent and accountable by .....***

- ❖ *% of Council and Committee items considered in confidence.*
- ❖ *Number of website visits and interactions via our social media platforms.*
- ❖ *Biannual review of marketing and communications benchmarking survey.*
- ❖ *S270 review of decisions undertaken.*

## Conclusion

The 2020/21 Annual Business Plan is presented in the context of the Council endorsed strategic directions for the City. The document reflects Council's continuing focus on ensuring that the physical infrastructure of the City is fit for use and maintained in a cost-effective way. Through implementation of this year's Annual Business Plan, we aim to deliver to residents and ratepayers a well-managed, sustainable City environment for current, as well as future generations.

*The City of Charles Sturt is looking for your input into its 2020/21 budget development process.*

The Long Term Financial Plan models Council's financial performance over the next 10 years. Based on this modelling the high level parameters of the 2020/21 budget are set including the proposed total rates increase.

This public consultation process provides you with the opportunity to have your input into the detail and budget priorities for 2020/21 **before** the final budget and list of capital and operating projects are finalised by Council.

It also enables you to comment on the rates increase proposed and the trade-off between the level of rates required to fund additional services and infrastructure provided, as well as the potential distribution of rates across the City and any rate relief options we should consider or issues we should be aware of when we model our valuation data and determine the distribution of rates for 2020/21.

Every dollar collected of your rates tax gets invested in your community.

This is your chance to make sure these dollars are spent on delivering the community you want to live in.

We encourage you to take part in this community involvement process and look forward to your input.

***We understand that the current COVID-19 situation is rapidly changing and all projects, service levels and priorities will be re-assessed over the period of consultation.***

Submissions will be accepted by 5.00pm Friday 8 May 2020, by email to: [council@charlessturt.sa.gov.au](mailto:council@charlessturt.sa.gov.au) or by mail to:

2020/21 Budget Consultation  
City of Charles Sturt  
PO Box 1  
Woodville SA 5011

We also encourage you also to go to our website [www.charlessturt.sa.gov.au](http://www.charlessturt.sa.gov.au) where you are able to make on line submissions and ask any questions you may have regarding the Draft Annual Business Plan and any projects under review.

All persons who may want to make a submission direct to Council (deputation) are invited to attend the Council meeting at 7.00pm on 27 April 2020 when you will be given the opportunity to address Council members on this Draft Annual Business Plan. You will need to contact Council on 8408 1213 (Brenda Julian) if you wish to make a deputation.

**Attachment A****City of Charles Sturt Core Operational Services**

Below is a comprehensive listing of our core operational services as at June 2020.

<b>Core Business</b>	<b>Key Outputs</b>
<b>Community Services</b>	
<ul style="list-style-type: none"> <li>• Community Development</li> </ul>	<ul style="list-style-type: none"> <li>– Work with disadvantaged communities and other partners to provide support and to facilitate the coordination of services.</li> <li>– Assist community groups to seek out grant funding.</li> </ul>
<ul style="list-style-type: none"> <li>• Youth Services</li> </ul>	<ul style="list-style-type: none"> <li>– Provide support staff in The Brocas a community space for young people.</li> <li>– Implement Council’s Youth Policy and Action Plan.</li> </ul>
<ul style="list-style-type: none"> <li>• Crime Prevention</li> </ul>	<ul style="list-style-type: none"> <li>– Implement the Crime Prevention Through Environmental Design principles.</li> </ul>
<ul style="list-style-type: none"> <li>• Graffiti</li> </ul>	<ul style="list-style-type: none"> <li>– Remove 15,600 square metres of graffiti from private property and bus shelters within 5 working days.</li> </ul>
<ul style="list-style-type: none"> <li>• Community Centres</li> </ul>	<ul style="list-style-type: none"> <li>– Provide support staff in Community Centres at Findon, Cheltenham, Henley &amp; Grange, Bower Cottages, 19 On Green and West Lakes; with 95,000 participants supported by 15,799 volunteer hours.</li> <li>– Implement and deliver on actions in the Community Plan 2016-17.</li> </ul>
<ul style="list-style-type: none"> <li>• Community Care – Transport</li> </ul>	<ul style="list-style-type: none"> <li>– Assist 700 clients with transport. Provide 9,500 return trips to local shopping centres and social programs.</li> </ul>
<ul style="list-style-type: none"> <li>• Community Care – Volunteers</li> </ul>	<ul style="list-style-type: none"> <li>– Coordinate the efforts of approximately 550 volunteers supporting various community service programs and donating around 46,000 hours per year.</li> </ul>

**Core Business**

- Community Care – Aged & Disability Services
- Home Maintenance & Security

**Contracted Services**

- Cleaning Council Property
- Graffiti
- Herbicide & Pesticide Spraying
- Kerb and Gutter replacement
- Litter Bins
- Playground Maintenance
- Road Reseal Program
- Segmental Paved Footpaths
- Verge Mowing
- Waste Management

**Key Outputs**

- Implement Council's 'Ageing in Charles Sturt' action plan.
- Assist approximately 500 residents with 8,000 hours of domestic assistance.
- Provide 250 residents with 30,000 hours of social support and activities.
- Provide 3,500 hours of home maintenance and security to approximately 1,700 clients.
- Manage the contract for the cleaning of Council property, Halls etc.
- Manage the contract for the removal of Graffiti from Council owned property.
- Manage the contract for spraying of weeds by Contractors.
- Assist Engineering & Construction to manage the contract for kerb and gutter replacement work in conjunction with the Road Reseal Backlog program.
- Manage the contract for emptying the Street/Reserves/Foreshore litter bins, including bins on jetties
- Manage the contract for maintenance of Council playgrounds.
- Assist Engineering & Construction to manage the contract for road reseal works.
- Assist Engineering & Construction to manage the contract for the installation of segmental paved footpaths.
- Manage the contract for verge mowing which provides for mowing of verges on local roads up to 4 times per year and those on main roads up to 8 times per year.
- Manage the contract for waste management which provides for a weekly domestic waste collection, fortnightly recycling, fortnightly green waste service and an at call hard waste collection.

**Core Business****Key Outputs*****Admin/Governance***

- Research & Analysis
  - Provide coordinated research and business analysis support to all business units.
  - Provides leadership/management of demographics information, provides research and analysis for major projects and customer service management.
- Information Services
  - Establish, maintain and support all of Council's IT and administrative systems.
  - Deliver property certification for land transfers and sales.
  - Provide record management services for all administrative processes.
- Financial Services
  - Manage Council's requirements for financial reporting, processing and internal controls.
  - Manage administration of rates assessment book and collection of rates income.
  - Manage Council's loan portfolio.
  - Maintain base property and street numbering information.
- Governance & Risk
  - Provide risk management advice and services in relation to Council's operations, goods and services.
  - Ensure Council operates in line with good governance practices, legislative requirements and Council procedures.
  - Manage Council's fleet requirements.
  - Provide procurement services, including tender preparation and evaluation.
  - Provide support to Council Members.
  - Maintain electoral roll information.
  - Manages the Work Health and Safety of our employees.
  - Manages Workers Compensation claims and employee rehabilitation programs.

**Core Business**  
***Admin/Governance (cont.)*****Key Outputs**

- Human Resource Management
  - Supports and guides People and Culture issues that meet both the human resource needs of the organisation and the satisfaction and development needs of staff.
  - Ensure staff are paid accurately and on time.
  - Manage employment records and documentation.
  - Manage and ensures compliance with the industrial instruments relating to employment conditions.
  - Manages non work-related injuries and fitness for work process for employees.
  
- Asset Management
  - Development of strategic asset management plans for all assets including identification of demand for services and the whole of life costs for each asset.
  
- Waste & Environment Sustainability Programs
  - Coordinate Council's environmental response by developing and implementing our environmental plan 'Living Green to 2020'.
  - Implement the AdaptWest Climate Change Adaptation Program in partnership with the Cities of Port Adelaide Enfield and West Torrens, to identify and manage risks and opportunities presented by a changing climate.
  - Coordinate programs to reduce environmental impacts from Council operations.
  - Provide strategic direction/advice to Council Members on best practice waste and recycling services and environment sustainability issues and programs.
  - Coordinate programs to engage with the community for positive environmental outcomes.

### **Core Business**

- Waste & Environment Sustainability Programs **continued**

### ***Customer Relations***

- Corporate Promotions
  
- Communications

### **Key Outputs**

- Advocate and build partnerships with State and Federal Governments to secure funding and identify other opportunities.
- Provide opportunities to build capacity and understanding of current environmental issues and programs for staff and Elected Members to inform decision making.
  
- Continue to develop the relationship between Council and our community.
- Communicate and promote Council's programs, events and activities.
- Manage Council's communication activities including media liaison.
- Provide 4 Council newsletters 'Kaleidoscope'.
- Manage community events.
- Assist business units with undertaking effective community consultation.
- Management of Council's website and digital mediums.

**Core Business*****Engineering***

- | <b>Core Business</b>   | <b>Key Outputs</b>   |
|--|--|
| <ul style="list-style-type: none"> <li>• Road Maintenance</li> </ul>           | <ul style="list-style-type: none"> <li>– Manage and maintain 604kms of sealed local roads and associated infrastructure, including kerb and gutter.</li> <li>– Deliver projects in line with the approved Road Reseal/Reconstruction programs.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Footpath Maintenance</li> </ul>       | <ul style="list-style-type: none"> <li>– Manage and maintain 1,012kms of concrete, paved and asphalt footpaths.</li> <li>– Deliver projects in line with the approved New Footpath and Footpath Reconstruction programs.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Drainage Maintenance</li> </ul>       | <ul style="list-style-type: none"> <li>– Manage and maintain 431kms of stormwater drainage as well as 14,936 stormwater pits. Deliver projects in line with the approved Stormwater Management program.</li> <li>– Deliver projects in line with the approved Box Culvert Replacement program.</li> <li>– Deliver projects in line with the approved Pump Station Upgrade program.</li> <li>– Continue with the development of the Urban Stormwater Master Plan across the remainder of the City.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Foreshore Maintenance</li> </ul>      | <ul style="list-style-type: none"> <li>– Manage and maintain 11.5kms of foreshore.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Street Sweeping</li> </ul>            | <ul style="list-style-type: none"> <li>– Main roads swept weekly, residential roads every 6 weeks, with additional autumn and coastal sweepings done weekly.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Traffic Management</li> </ul>         | <ul style="list-style-type: none"> <li>– Effectively respond to the community regarding the management of traffic and transport across the City.</li> <li>– Deliver projects in line with the approved Traffic Management program.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Public Lighting</li> </ul>            | <ul style="list-style-type: none"> <li>– Effectively respond to the community regarding the provision of public lighting along Council managed roads, reserves and walkways.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Recycled water</li> </ul>             | <ul style="list-style-type: none"> <li>– Maintain and operate councils recycled water system and wetlands.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Recycling and Waste Centre</li> </ul> | <ul style="list-style-type: none"> <li>– Receives and recycles waste from both internal and external customers.</li> </ul>   |

**Core Business*****Library Services***

- Library Service

**Key Outputs**

- Deliver a range of library products and services including access to print and audio-visual collections and resources, community language collections, community information, internet and wireless service access, literacy programs, lifelong learning programs and recreational programs.
- Service a membership of near 50,000 people, over 500,000 visits and 1 million loans annually.
- Provide 5 branch libraries across the City plus a mobile library and home service.
- Provide services and programs to Culturally and Linguistically Diverse Communities.
- Deliver a selection of Council Customer Services, including a rate payment service.

***Open Space, Recreation & Property***

- Arboriculture

- Undertake tree assessments and inspections as required under Council Policy and the Local Government Act.

- Open Space Planning

- Natural Resource Management.
- Environmental Management.
- Development of social connections through open space community initiatives.

- Sporting Club Support

- Maximise the use of Council's 70 sporting facilities and 49 clubrooms.
- Provide support to around 65 sporting clubs operating on community land in the City.

- Urban design Projects

- Design and deliver endorsed open space landscape and public place projects.

- Property Management

- Manage over 300 Council properties including commercial, community and residential properties. Manage the acquisition and disposal process of properties. Management and maintain Council's Community Land Management Plan register. Manages the upgrades of Council owned buildings.

- Property Maintenance

- Maintain and repair Council property including bus shelters, public toilets, playgrounds and administration, recreation and sporting facilities.

**Core Business*****Planning & Development***

- Development Assessment
- Development Control
- Development Compliance

***Emergency & After Hours Response***

- Rapid Response
- After Hours Callout

***Public Health & Safety***

- Customer Contact
- Community Safety

**Key Outputs**

- Provide pre-lodgement advice and process Development Applications for approximately 3500 projects per year.
- Inspect approximately 40% of approvals per year to ensure compliance with the Building Code of Australia and conditions of approval.
- Respond to complaints and identify illegal activity related to land use and planning conditions.
- Attend to over 5,000 customer requests per year to make the roads and footpaths safe for residents, undertake minor pruning of street trees and collect dumped litter and waste.
- Attends customer requests afterhours between the hours of 4.00pm and 7.00 am 7 days a week.
- Process approximately 34,000 transactions per year and provide general information to the community on both Council and community issues.
- Manage Council's call centre operations fielding approximately 128,000 calls per year within an average of 21 seconds.
- Monitor customer perceptions and satisfaction levels.
- Process 9,000 customer requests for service.
- Respond to approximately 8,000 complaints regarding parking, dogs, Local Government Act, Metropolitan Fire Services Act and general by-law issues.
- Respond to approximately 800 complaints in relation to trees overhanging footpaths, overgrown grass and illegal backyard burning.
- Attend to 2,000 reports of rubbish dumped on Council land.





**Core Business**

- Economic Development
  
  
  
  
  
  
  
  
  
  
- Major Projects
  
  
  
  
  
  
  
  
  
  
- Planning Policy
  
  
  
  
  
  
  
  
  
  
- Community Engagement
  
  
  
  
  
  
  
  
  
  
- Place Making

**Key Outputs**

- Support the growth of local employment and export opportunities by engaging with major local businesses through the Western Business Leaders group and facilitating programs and initiatives.
  
- Work collaboratively with the Western Region Councils through the Western Alliance to promote and facilitate economic development outcomes and grow local employment.
  
- Facilitate Council's response to major projects and identify value adding opportunities to optimise outcomes.
  
- Identify and promote economic development opportunities through major urban development projects.
  
  
  
  
  
  
  
  
  
  
- Formulate planning policy that reflects the needs of the community and the State Planning Strategy and ensure Council's Development Plan is relevant and up to date.
  
  
- Manage corporate community engagement policy and procedures, tools and initiatives.
  
- Conduct community engagement on key strategic project as determined.
  
  
  
  
  
  
  
  
  
  
- Provide a focused approach to enhancing the public realm in key locations across the city.
  
  
- Collaborate with businesses and communities to create social and economic opportunities through advice, marketing community engagement and funding.

## Attachment B

# Long Term Financial Plan

### Executive Summary

This document details the City of Charles Sturt's current financial position and outlook to 2029/30 as at January 2020.

The key issues arising from these Long Term Financial Plan estimates are:

- A strong alignment with Council's Community and Corporate Plan.
- Achievement of an ongoing sustainable operating surplus position
- An ongoing commitment to asset rehabilitation and replacement to ensure the proper management of the community's infrastructure assets.
- A commitment to the long term sustainability of Council operations by ensuring all key financial indicator benchmarks are met for key ratios such as operating surplus, net financial liabilities and asset renewal funding ratio.
- The use of debt as a means of funding new asset and upgrade works. Debt levels will be within the constraints of ensuring Council's net financial liabilities (Council's total indebtedness, which includes all of Council's obligations including provisions for employee entitlements and creditors) is less than 100% of Council's total operating revenue and/or council's net interest expense is less than 10% of council's total operating revenue.
- The Long Term Financial Plan estimates are predicated on achieving ongoing operational efficiencies.

The Long Term Financial Plan forecasts have been prepared using anticipated CPI movements over the outlook period based on forecasts provided by Deloitte Access Economics as at January 2020.

### LTFP

The Long Term Financial Plan estimates are presented as a series of reports comprising the following:

- Estimated Comprehensive Income Statement
- Estimated Balance Sheet
- Estimated Cash Flow Statement
- Summary Statement including financing transactions

These are detailed in [Schedule B](#)

A number of assumptions have been made in constructing the LTFP estimates and these are detailed in [Schedule A](#).

## **Financial Indicators**

A series of Key Financial Indicators tabled by the LGA for the local government industry have been identified and included in the suite of reports. These indicators are:

- Operating surplus/deficit
  - This is an indication of whether Council's operations are generating an operating surplus or deficit. An operating surplus indicates the extent to which operating revenue is sufficient to meet all of Council's operating expenses and therefore not transferring a burden that will need to be met by future ratepayers. For the planning period council continues to forecast a break even position.
- Operating surplus ratio
  - This ratio expresses the operating surplus/deficit as a percentage of operating Income and where the ratio is negative indicates the percentage in operating income required to achieve a break even operating result. Ideally Council should be aiming to achieve a breakeven operating surplus ratio and over the forecast period council has continued to budget for this outcome. Council has set a range of >0% and <10% to ensure each generation is paying for its consumption equitably without overtaxing any generation.
- Net financial liabilities ratio
  - This ratio indicates the extent to which the net financial liabilities of Council or its total indebtedness can be met by Council's total operating revenue. Net financial liabilities measure a council's indebtedness. It is a broader measure than net debt as it includes all of a council's obligations including provisions for employee entitlements and creditors. Net financial liabilities equals total liabilities less financial assets where financial assets include cash, investments, loans to community groups, receivables and prepayments. The target for the ratio should be greater than zero but less than 100%.
- Interest cover ratio
  - This ratio indicates the extent to which Council's commitment to interest expenses can be met by total operating revenues. A ratio of less than 10% is considered a reasonable limit to ensure net interest costs can be met comfortably by operating revenues.
- Asset renewal funding ratio
  - This ratio indicates whether Council's capital expenditure on renewal/replacement of existing assets is what is needed to cost effectively maintain services levels as prescribed in Council's adopted Asset Management Plans (AMP). Council strives for a ratio >80% (although budgets for 100%).

## **Commentary**

### **Long Term Financial Plan**

The Statement of Comprehensive Income forecasts small operating surpluses over the forecast period (operating surplus ratio is 0% and <10%) as Council ensures it sustains its relative break even position.

Over the next 5 years total net rate increases (based on the assumptions detailed in **Schedule A**) and excluding growth estimates for new developments are projected to be commensurate with forecast CPI (as provided by Deloitte Access Economics) from 2020/21 at rate increases projected of 1.94%, 2.17%, 2.33%, 2.38%, and 2.21% until 2024/25.

Although the Local Government basket of goods and increasing cost pressures with imposed legislation, government levies, utilities, governance and infrastructure material costs has put pressure on Council's budget, through long term planning Council has been able to position itself to be able to meet these pressures coupled with effective cost control and quarantining of operational efficiencies.

The Balance Sheet forecasts an increase in total assets from \$1.301.6b in 2020/21 to \$1.379.5b in 2029/30. Over the planning period total liabilities are expected to decrease from \$75.8m in 2020/21 to \$47.9m in 2029/30 as the impact of borrowings reduces with the increasing ability of rates levied available to fund capital expenditure over and above depreciation without increasing Council's level of net financial liabilities or total debt.

Loan borrowings are forecast at \$35.161m in 2020/21 after an expected peak in 2019/20 following 3 years of a significant capital program and then decrease to nil in 2029/30.

Council's total equity or net assets is forecast to increase from \$1.225b in 2020/21 to \$1.331b in 2029/30.

## Key Performance Indicators

The Key Financial Indicators support a positive forward outlook and adherence over the longer term to Council's Budget Principles and financial sustainability of Council operations.

Council continues to sustain its break even operating position without imposing an additional rate burden on future ratepayers.

The Operating Surplus ratio is positive over the planning period demonstrating that Council has the ability to reduce its net financial liabilities with an increasing percentage of total rates available to fund capital expenditure over and above depreciation expenses.

The Net Financial Liabilities ratio decreases from 53.2% in 2020/21 to 19.7% in 2029/2030, well within the 100% ceiling. (This ratio effectively means if the Council had to pay out all of its liabilities in 2020/21 including all of its staff entitlements, borrowings etc it would only use 53.2% of its total income and 46.8% of its total income would then be available to be repaid to its ratepayers).

Of its total net financial liabilities, net borrowings as a percentage of income decreases from 27.2% in 2020/21 to nil% in 2029/30.

The interest cover ratio is also well within the accepted benchmark of 10% rising to a maximum ratio of 1.4% in 2022/23.

In line with Council's ongoing commitment to capital expenditure, spending on renewal/replacement of existing assets is targeted at > 80% of what is forecast in the adopted asset management plans, as is evidenced by the asset renewal sustainability ratio. Ideally council should be spending 100% of what is prescribed in the asset management plans but realistically following consultation and taking account of projects which for a variety of reasons remain incomplete at each year end, 80% is more reflective of actual performance.

It should be noted that forecasts for capital are based on currently available information and recognise that staff planning is more accurate over the first 4 year planning period with the level of capital expenditure most difficult to predict especially for new/upgrade components. These estimates will continually be revisited based on competing priorities, however the forward plan demonstrates Council has an ability to meet any capital new/upgrade opportunities presented.

The Indicators enable an assessment of Council's long term financial performance and position and are used to guide its decision making based on the assumptions contained in the modelling. The LTFP allow council to position itself using the benchmarks for sustainability indicators as a guide to ensure that anticipated services and infrastructure projects can be met without significant rates increases or disruptive cuts to services.

## Long Term Financial Plan 2020-2030

### Schedule A – Assumptions

#### General Assumption Drivers

The Long Term Financial Plan is prospective information. Actual results are likely to vary from the information presented and the variations are likely to be material. The delineation of the Long Term Financial Strategy is financial forecast information; consequently, the information presented is prepared on the basis of best estimate assumptions as to future events which Council expects are likely to take place. These estimates arise from information known as at 31 January 2020.

Rates income to Council is a product of price and quantity. The number of rateable properties has consistently risen by an average of 1.0% in the recent past. These growth forecasts are verified by council's Planning and Development department annually.

Salary and Wage forecasts for the next 10 years are based on an Enterprise Bargaining Agreement (EBA) where it exists, and a Wages Price Increase (WPI) based on Deloitte Access Economics SA average weekly earnings growth projections where it doesn't.

Cost price Index (CPI) Forecasts are the South Australian CPI projections. These indices are purchased from Deloitte Access Economics, experts in the field, providing a sound scale of increments that this LTFP model is based on.

LTFP Indices	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
CPI	1.94%	2.17%	2.33%	2.38%	2.21%	2.23%	2.50%	2.54%	2.37%	2.20%
Rates Growth	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Rate Revenue	2.94%	3.17%	3.33%	3.38%	3.21%	3.23%	3.50%	3.54%	3.37%	3.20%
Waste	4.44%	4.67%	4.83%	4.88%	4.71%	4.73%	5.00%	5.04%	4.87%	4.70%
Water	2.94%	3.17%	3.33%	3.38%	3.21%	3.23%	3.50%	3.54%	3.37%	3.20%
Maintenance	2.94%	3.17%	3.33%	3.38%	3.21%	3.23%	3.50%	3.54%	3.37%	3.20%
Electricity	2.47%	2.39%	2.79%	2.31%	2.21%	2.39%	2.46%	2.30%	2.03%	1.95%
Fuel	2.47%	2.39%	2.79%	2.31%	2.21%	2.39%	2.46%	2.30%	2.03%	1.95%

Where knowledge exists of a change in price or quantity of a revenue or expense that Council incurs in the provision of services to the community, that change is factored into the LTFP. Examples of these are:

- Landfill levy imposed by the Environmental Protection Agency (EPA) has risen from \$103 per tonne to \$140 per tonne in a staged increase since June 2019.
- Increasing recycling costs as a result of the China Sword issue. Recyclables (yellow top bins) must be clean and capable of being packaged into sellable commodities. Contaminated recyclables are buried as landfill which is significantly more expensive and environmentally unfriendly.
- Parking expiations are decreasing due to driver compliance with parking regulations.
- Postage is increasing from \$1.00 to \$1.10 (a 10% increase)
- Water usage is increasing in correlation with Adelaide's hotter, drier summers. There is also more grass cover to irrigate, like the turfed median strip in Port Road.
- The community's increasing use of kitchen caddies has resulted in more expense on compostable bags.

- 7,600 streetlights have been updated with new technology LED luminaires offering energy and tariff savings.
- An IT to cloud migration project will shift costs previously recorded as capital to operating expense.
- Council is collaborating with Port Adelaide Enfield with the construction of a Materials Recovery Facility MRF. The MRF will be its own business entity so will borrow to buy land and build the facility. Being a Joint Venture, Charles Sturt's share is 50% of the Net Assets of the business. This "equity" will be recognised as an investment asset to council, and any fluctuations in value will be recognised in Council's Profit and Loss Statement.
- A new accounting standard on Lease Accounting requires that previously recorded operating lease rentals are to be recognised on the Balance Sheet as a Right of Use Asset and corresponding Lease Liability. Both will decrease over the term of the lease.

Interest is calculated on loans outstanding. Council has one \$10m loan at fixed interest rate of 3.85% and the remainder of funding is achieved via an "overdraft" arrangement, Cash advance Debentures (CAD) at a competitive variable interest rate. Council's variable funding rate is the reserve Bank of Australia (RBA) cash rate plus a modest margin. Council is financed through the Local Government Finance Authority (LGFA).

Annual Operating projects of \$2.38m are planned for 2020/21, increasing by forecast CPI each year of the plan. Last year's projects (2019/20) undertaken by council has been factored into the recurrent headcount of staff by 1.2 Full Time Equivalent (FTE), included in this plan, at an estimate of \$120k.

Depreciation increases as brand new infrastructure is completed and also as the remainder is revalued to contemporary replacement cost. Depreciation is a non-cash-flow item that represents an allocation of historical costs over the useful lives of the assets. Depreciation isn't a proxy for future asset replacement costs, but rather asset management plans indicate future funding requirements.

Council's Budget Principles don't support the reliance on gains made from asset sales to fund core services.

Operating cash surpluses are used to fund Capital Expenditure on Renewal & Replacement and then New & Upgraded Assets. The balance of available surplus funds will be used to pay down debt or offset the use of new debt.

Capital expenditure for asset renewal is determined by Council's adopted Asset Management Plan (AMP). They are reviewed annually and presented to Council for review and endorsement. The planned amounts for Capital renewal have been indexed in the LTFP, leading to an Asset Funding Sustainability Ratio returning a reading of greater than 100% in 2020/21.

New and Upgrade forecasts are based on current Strategic Management Plans and Council in principle adopted projects. These projects will be presented to Council at the workshop in March 2020.

<b>Capital Program \$0,000</b>											
Capital Renewal	27,604	25,894	23,374	26,377	22,224	23,772	26,680	25,149	26,888	25,826	25,104
Capital New	31,386	7,122	16,379	15,396	8,926	10,896	6,046	5,596	4,946	7,846	9,446
<b>Capital Net</b>	<b>58,990</b>	<b>33,015</b>	<b>39,753</b>	<b>41,773</b>	<b>31,150</b>	<b>34,668</b>	<b>32,726</b>	<b>30,745</b>	<b>31,834</b>	<b>33,672</b>	<b>34,550</b>

In the model we have assumed indexation of the capital program after 5 years.

<b>Capital Program \$0,000 - Indexed after Yr5</b>											
Capital Renewal	27,604	25,894	23,374	26,377	22,224	23,772	27,211	26,359	28,769	28,390	28,291
Capital New	31,386	7,122	16,379	15,396	8,926	10,896	6,289	5,996	5,499	8,529	10,317
<b>Capital Net</b>	<b>58,990</b>	<b>33,015</b>	<b>39,753</b>	<b>41,773</b>	<b>31,150</b>	<b>34,668</b>	<b>33,500</b>	<b>32,356</b>	<b>34,268</b>	<b>36,919</b>	<b>38,608</b>

Loans outstanding are due to the level of new/upgrade capital expenditure. Recent large projects include the Port Road Flood Mitigation program, the St Clair recreation centre, West Beach Rockwall, SAPN lighting rollout and West Lakes Hub. Borrowings increased in 2019/20 as these projects were paid for. The LTFP now shows a reducing borrowings profile in correlation with the lower forecast capital expenditure on new infrastructure. In line with previous years' experience on project delivery a consistent amount of works in progress is assumed (20%) and reflected in level of borrowings forecast.

### **Key Outcomes**

Importantly the current LTFP demonstrates that the Council is financially sustainable over the 10 year term of the LTFP, whilst achieving the objectives outlined in the Strategic Plan.

This includes:

- Implementation and funding of the appropriate level of maintenance and renewal of the portfolio of infrastructure assets
- Meeting the ongoing expectations of service delivery to our community
- Managing the impact of cost shifting from other levels of government
- The appropriate use of debt as a means of funding asset upgrade and renewal
- Ensuring the financial sustainability of Council's operations.

Financial sustainability has been demonstrated through adherence to the agreed target ranges in all of the following three key ratios:

- Operating Surplus Ratio, target range 0% to 10%
- Net Financial Liabilities Ratio, target range 0% to 100%
- Asset sustainability Ratio, target range 80% to 110%

<b>KPI Ratios</b>											
<b>Operating Surplus Ratio</b>	Traffic Light										
	Actual Ratio	4.0%	1.4%	5.0%	1.0%	1.0%	0.8%	0.6%	0.4%	0.6%	0.5%
<b>Net Financial Liabilities Ratio</b>	Traffic Light										
	Actual Ratio	58.4%	53.2%	50.2%	53.7%	43.1%	38.8%	36.4%	32.9%	29.1%	27.0%
<b>Asset Renewal Funding Ratio</b>	Traffic Light										
	Actual Ratio	103.4%	100.0%	100.0%	100.0%	100.0%	100.0%	102.0%	104.8%	107.0%	109.9%
<b>Interest Cover Ratio</b>	Traffic Light										
	Actual Ratio	1.4%	1.3%	1.3%	1.4%	1.1%	1.0%	0.9%	0.7%	0.6%	0.5%

**Significant Assumption Risks:**

**Interest Rate Risk**

Interest Rate Risk is significant when Financial Liabilities are approximately \$80 Million such that a 2.8% interest rate rise would require approximately an additional 1.0 % increase in rate revenue.

**Wage Growth Index Forecast Risk**

With employee costs comprising approximately 35% of total operating expenditure a 1% error in anticipated wage growth can result in a \$532k misstatement in the 2020/21 operating result and up to a \$573k misstatement in the 2029/30 year.

***Please note the impact of COVID19 has not been factored into any long term planning at the time of adoption by Council.***

Schedule B

City of Charles Sturt												
10 Year Financial Plan for the Years ending 30 June 2030												
INCOME STATEMENT - CITY OF CHARLES STURT												
	Actuals	Current Year	Projected Years									
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>												
Rates	106,223	109,861	113,093	116,681	120,563	124,642	128,637	132,795	137,439	142,310	147,112	151,813
Statutory Charges	4,018	4,383	4,268	4,361	4,462	4,568	4,669	4,773	4,892	5,017	5,136	5,249
User Charges	2,881	3,304	2,981	3,046	3,117	3,191	3,261	3,334	3,417	3,504	3,588	3,666
Grants, Subsidies and Contributions	9,329	8,806	8,266	8,445	8,642	8,848	8,800	8,996	9,221	9,455	9,680	9,892
Investment Income	98	102	64	65	67	69	70	72	73	75	77	79
Reimbursements	2,947	616	625	639	654	669	684	699	717	735	753	769
Other Income	169	174	78	80	82	84	85	87	90	92	94	96
Net gain - equity accounted Council businesses	62	-	-	5,000	-	-	-	-	-	-	50	100
<b>Total Income</b>	<b>125,727</b>	<b>127,246</b>	<b>129,375</b>	<b>138,316</b>	<b>137,586</b>	<b>142,070</b>	<b>146,207</b>	<b>150,757</b>	<b>155,849</b>	<b>161,189</b>	<b>166,489</b>	<b>171,665</b>
<b>Expenses</b>												
Employee Costs	41,807	43,634	45,047	46,367	48,067	49,717	51,380	53,170	54,996	56,899	58,698	60,351
Materials, Contracts & Other Expenses	47,321	44,982	47,259	48,356	49,900	51,512	53,080	54,708	56,529	58,434	60,302	62,123
Depreciation, Amortisation & Impairment	28,859	31,730	33,593	34,758	36,004	37,508	38,909	40,467	42,460	43,916	45,747	47,780
Finance Costs	943	1,872	1,725	1,861	1,925	1,692	1,583	1,373	1,206	968	932	609
Net loss - Equity Accounted Council Businesses	-	-	-	-	250	150	100	75	50	25	-	-
<b>Total Expenses</b>	<b>118,930</b>	<b>122,218</b>	<b>127,624</b>	<b>131,342</b>	<b>136,146</b>	<b>140,580</b>	<b>145,052</b>	<b>149,793</b>	<b>155,241</b>	<b>160,242</b>	<b>165,678</b>	<b>170,863</b>
<b>Operating Surplus / (Deficit)</b>	<b>6,797</b>	<b>5,028</b>	<b>1,751</b>	<b>6,974</b>	<b>1,440</b>	<b>1,490</b>	<b>1,154</b>	<b>964</b>	<b>608</b>	<b>947</b>	<b>811</b>	<b>802</b>
Asset Disposal & Fair Value Adjustments	(7,243)	-	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	13,160	2,950	1,585	1,410	100	100	100	100	100	100	100	100
Physical Resources Received Free of Charge	5,183	200	200	200	200	200	200	200	200	200	200	200
<b>Net Surplus / (Deficit)</b>	<b>17,897</b>	<b>8,178</b>	<b>3,536</b>	<b>8,584</b>	<b>1,740</b>	<b>1,790</b>	<b>1,454</b>	<b>1,264</b>	<b>908</b>	<b>1,247</b>	<b>1,111</b>	<b>1,102</b>
<b>Amounts which will not be reclassified subsequently to operating result</b>												
Changes in Revaluation Surplus - I,PP&E	33,000	33,139	9,877	4,781	6,713	10,707	8,923	19,583	397	17,409	5,144	12,923
<b>Total Other Comprehensive Income</b>	<b>33,000</b>	<b>33,139</b>	<b>9,877</b>	<b>4,781</b>	<b>6,713</b>	<b>10,707</b>	<b>8,923</b>	<b>19,583</b>	<b>397</b>	<b>17,409</b>	<b>5,144</b>	<b>12,923</b>
<b>Total Comprehensive Income</b>	<b>50,897</b>	<b>41,317</b>	<b>13,413</b>	<b>13,365</b>	<b>8,453</b>	<b>12,497</b>	<b>10,377</b>	<b>20,847</b>	<b>1,304</b>	<b>18,656</b>	<b>6,255</b>	<b>14,025</b>

City of Charles Sturt												
10 Year Financial Plan for the Years ending 30 June 2030												
BALANCE SHEET - CITY OF CHARLES STURT												
	Actuals	Current Year	Projected Years									
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>												
<b>Current Assets</b>												
Cash & Cash Equivalents	4,616	4,000	500	500	500	500	500	500	500	500	500	5,909
Trade & Other Receivables	5,294	6,654	6,496	6,655	6,790	6,986	7,127	7,321	7,541	7,770	7,994	8,210
Inventories	135	101	106	109	112	116	119	123	127	131	135	139
<b>Total Current Assets</b>	<b>10,045</b>	<b>10,755</b>	<b>7,102</b>	<b>7,263</b>	<b>7,402</b>	<b>7,601</b>	<b>7,746</b>	<b>7,944</b>	<b>8,168</b>	<b>8,401</b>	<b>8,629</b>	<b>14,258</b>
<b>Non-Current Assets</b>												
Equity Accounted Investments in Council Businesses	138	138	138	5,138	4,888	4,738	4,638	4,563	4,513	4,488	4,538	4,638
Infrastructure, Property, Plant & Equipment	1,205,866	1,265,521	1,275,020	1,284,996	1,297,678	1,302,226	1,307,108	1,327,925	1,326,417	1,344,378	1,348,895	1,352,845
Right of Use Asset ROUA		3,186	2,832	2,478	2,124	1,770	1,416	1,062	708	354	(0)	(0)
Other Non-Current Assets	20,319	17,697	16,508	15,901	16,709	12,460	13,867	12,450	12,107	8,854	8,984	7,722
<b>Total Non-Current Assets</b>	<b>1,226,323</b>	<b>1,286,542</b>	<b>1,294,498</b>	<b>1,308,513</b>	<b>1,321,399</b>	<b>1,321,194</b>	<b>1,327,029</b>	<b>1,346,000</b>	<b>1,343,744</b>	<b>1,358,073</b>	<b>1,362,417</b>	<b>1,365,205</b>
<b>TOTAL ASSETS</b>	<b>1,236,368</b>	<b>1,297,297</b>	<b>1,301,600</b>	<b>1,315,776</b>	<b>1,328,801</b>	<b>1,328,795</b>	<b>1,334,775</b>	<b>1,353,944</b>	<b>1,351,912</b>	<b>1,366,475</b>	<b>1,371,046</b>	<b>1,379,463</b>
<b>LIABILITIES</b>												
<b>Current Liabilities</b>												
Cash Advance Debenture	25,264	38,953	30,187	31,528	36,483	24,385	20,451	18,621	14,414	9,388	6,806	-
Trade & Other Payables	17,232	20,738	21,505	22,074	22,778	23,507	24,222	24,967	25,792	26,656	27,501	28,321
Provisions	8,348	8,749	8,955	9,207	9,503	9,794	10,084	10,393	10,742	11,109	11,464	11,793
<b>Total Current Liabilities</b>	<b>50,844</b>	<b>68,441</b>	<b>60,648</b>	<b>62,809</b>	<b>68,764</b>	<b>57,686</b>	<b>54,757</b>	<b>53,982</b>	<b>50,948</b>	<b>47,154</b>	<b>45,771</b>	<b>40,114</b>
<b>Non-Current Liabilities</b>												
Trade & Other Payables	6,057	6,057	6,057	6,057	6,057	6,057	6,057	6,057	6,057	6,057	6,057	6,057
Borrowings	6,924	5,968	4,973	3,941	2,868	1,754	596	-	-	-	-	-
Provisions	1,507	1,292	1,323	1,361	1,405	1,448	1,491	1,537	1,589	1,644	1,697	1,746
PV Lease Liabilities	-	3,186	2,832	2,478	2,124	1,770	1,416	1,062	708	354	(0)	(0)
<b>Total Non-Current Liabilities</b>	<b>14,488</b>	<b>16,503</b>	<b>15,186</b>	<b>13,836</b>	<b>12,454</b>	<b>11,028</b>	<b>9,560</b>	<b>8,656</b>	<b>8,354</b>	<b>8,055</b>	<b>7,754</b>	<b>7,803</b>
<b>TOTAL LIABILITIES</b>	<b>65,332</b>	<b>84,943</b>	<b>75,833</b>	<b>76,646</b>	<b>81,217</b>	<b>68,714</b>	<b>64,317</b>	<b>62,639</b>	<b>59,302</b>	<b>55,208</b>	<b>53,524</b>	<b>47,917</b>
<b>Net Assets</b>	<b>1,171,036</b>	<b>1,212,353</b>	<b>1,225,766</b>	<b>1,239,131</b>	<b>1,247,584</b>	<b>1,260,081</b>	<b>1,270,458</b>	<b>1,291,305</b>	<b>1,292,610</b>	<b>1,311,266</b>	<b>1,317,522</b>	<b>1,331,546</b>
<b>EQUITY</b>												
Accumulated Surplus	486,640	494,818	498,354	506,938	508,678	510,468	511,923	513,186	514,094	515,341	516,452	517,554
Asset Revaluation Reserves	684,396	717,535	727,412	732,193	738,906	749,613	758,536	778,119	778,516	795,925	801,069	813,992
<b>Total Equity</b>	<b>1,171,036</b>	<b>1,212,353</b>	<b>1,225,766</b>	<b>1,239,131</b>	<b>1,247,584</b>	<b>1,260,081</b>	<b>1,270,458</b>	<b>1,291,305</b>	<b>1,292,610</b>	<b>1,311,266</b>	<b>1,317,522</b>	<b>1,331,546</b>

City of Charles Sturt												
10 Year Financial Plan for the Years ending 30 June 2030												
CASH FLOW STATEMENT - CITY OF CHARLES STURT												
	Actuals	Current Year	Projected Years									
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>												
<b>Receipts:</b>												
Rates Receipts	106,197	109,592	113,023	116,603	120,479	124,553	128,550	132,704	137,338	142,204	147,008	151,711
Statutory Charges	4,018	4,129	4,290	4,342	4,442	4,547	4,649	4,753	4,869	4,992	5,113	5,227
User Charges	2,881	3,090	3,045	3,033	3,103	3,176	3,247	3,320	3,401	3,487	3,571	3,651
Grants, Subsidies and Contributions (operating purpose)	9,329	7,892	8,636	8,444	8,858	8,808	8,809	8,958	9,177	9,410	9,636	9,851
Investment Receipts	98	95	70	65	67	68	70	71	73	75	77	78
Reimbursements	2,820	829	624	637	651	667	682	697	714	732	750	766
Other	49	4,697	112	330	178	399	394	409	449	468	465	459
<b>Payments:</b>												
Payments to Employees	(41,192)	(43,460)	(44,740)	(46,013)	(47,641)	(49,301)	(50,964)	(52,725)	(54,505)	(56,382)	(58,201)	(59,891)
Payments for Materials, Contracts & Other Expenses	(49,672)	(43,245)	(45,645)	(47,545)	(50,420)	(46,963)	(54,195)	(52,988)	(55,846)	(54,826)	(60,084)	(60,521)
Finance Payments	(943)	(1,872)	(1,725)	(1,861)	(1,925)	(1,692)	(1,583)	(1,373)	(1,206)	(968)	(932)	(609)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>33,585</b>	<b>41,747</b>	<b>37,690</b>	<b>38,035</b>	<b>37,791</b>	<b>44,262</b>	<b>39,659</b>	<b>43,826</b>	<b>44,463</b>	<b>49,194</b>	<b>47,402</b>	<b>50,722</b>
<b>Cash Flows from Investing Activities</b>												
<b>Receipts:</b>												
Amounts Received Specifically for New/Upgraded Assets	13,160	2,950	1,585	1,410	100	100	100	100	100	100	100	100
Sale of Replaced Assets	948	945	-	-	-	-	-	-	-	-	-	-
Sale of Surplus Assets	10	-	-	-	-	-	-	-	-	-	-	-
Distributions Received from Equity Accounted Council Businesses	62	-	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>												
Expenditure on Renewal/Replacement of Assets	(22,574)	(27,604)	(25,894)	(23,374)	(26,377)	(22,224)	(23,772)	(27,211)	(26,359)	(28,769)	(28,390)	(28,291)
Expenditure on New/Upgraded Assets	(37,755)	(31,386)	(7,122)	(16,379)	(15,386)	(8,926)	(10,896)	(14,289)	(13,996)	(15,499)	(16,529)	(10,317)
Capital Contributed to Equity Accounted Council Businesses	(62)	-	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(46,211)</b>	<b>(55,095)</b>	<b>(31,430)</b>	<b>(38,343)</b>	<b>(41,673)</b>	<b>(31,050)</b>	<b>(34,568)</b>	<b>(41,400)</b>	<b>(40,256)</b>	<b>(44,168)</b>	<b>(44,819)</b>	<b>(38,508)</b>
<b>Cash Flows from Financing Activities</b>												
<b>Receipts:</b>												
Proceeds from CAD	-	13,689	-	1,341	4,955	-	-	-	-	-	-	-
Proceeds from Borrowings	13,052	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Aged Care Facility Deposits	1,140	500	-	-	-	-	-	-	-	-	-	-
Proceeds from Bonds & Deposits	438	-	-	-	-	-	-	-	-	-	-	-
<b>Payments:</b>												
Repayments of CAD	-	-	(8,766)	-	-	(12,098)	(3,933)	(1,830)	(4,207)	(5,026)	(2,583)	(6,806)
Repayments of Borrowings	-	(956)	(994)	(1,033)	(1,073)	(1,115)	(1,158)	(596)	-	-	-	-
Repayment of Aged Care Facility Deposits	(371)	(500)	-	-	-	-	-	-	-	-	-	-
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>14,259</b>	<b>12,733</b>	<b>(9,760)</b>	<b>308</b>	<b>3,882</b>	<b>(13,212)</b>	<b>(5,091)</b>	<b>(2,426)</b>	<b>(4,207)</b>	<b>(5,026)</b>	<b>(2,583)</b>	<b>(6,806)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>1,633</b>	<b>(616)</b>	<b>(3,500)</b>	<b>(0)</b>	<b>5,409</b>							
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>2,983</b>	<b>4,616</b>	<b>4,000</b>	<b>500</b>								
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>4,616</b>	<b>4,000</b>	<b>500</b>	<b>5,909</b>								
Cash & Cash Equivalents - end of the year	4,616	4,000	500	500	500	500	500	500	500	500	500	5,909
Investments - end of the year	-	-	-	-	-	-	-	-	-	-	-	-
<b>Cash, Cash Equivalents &amp; Investments - end of the year</b>	<b>4,616</b>	<b>4,000</b>	<b>500</b>	<b>5,909</b>								

City of Charles Sturt 10 Year Financial Plan for the Years ending 30 June 2030 EQUITY STATEMENT - CITY OF CHARLES STURT												
	Actuals 2018/19 \$'000	Current Year 2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	Projected Years					
							2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
<b>Opening Balance</b>	1,120,139	1,171,036	1,212,353	1,225,766	1,239,131	1,247,584	1,260,081	1,270,458	1,291,305	1,292,610	1,311,266	1,317,522
Net Surplus / (Deficit) for Year	17,897	8,178	3,536	8,584	1,740	1,790	1,454	1,264	908	1,247	1,111	1,102
Other Comprehensive Income												
- Gain (Loss) on Revaluation of I,PP&E	33,000	33,139	9,877	4,781	6,713	10,707	8,923	19,583	397	17,409	5,144	12,923
<b>Other Comprehensive Income</b>	33,000	33,139	9,877	4,781	6,713	10,707	8,923	19,583	397	17,409	5,144	12,923
<b>Total Comprehensive Income</b>	50,897	41,317	13,413	13,365	8,453	12,497	10,377	20,847	1,304	18,656	6,255	14,025
Transfers between Equity	-	-	-	-	-	-	-	-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>	<b>1,171,036</b>	<b>1,212,353</b>	<b>1,225,766</b>	<b>1,239,131</b>	<b>1,247,584</b>	<b>1,260,081</b>	<b>1,270,458</b>	<b>1,291,305</b>	<b>1,292,610</b>	<b>1,311,266</b>	<b>1,317,522</b>	<b>1,331,546</b>

City of Charles Sturt 10 Year Financial Plan for the Years ending 30 June 2030 UNIFORM PRESENTATION OF FINANCES - CITY OF CHARLES STURT												
	Actuals 2018/19 \$'000	Current Year 2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	Projected Years					
							2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
<b>Operating Activities</b>												
Income	125,727	127,246	129,375	138,316	137,586	142,070	146,207	150,757	155,849	161,189	166,489	171,665
less Expenses	(118,930)	(122,218)	(127,624)	(131,342)	(136,146)	(140,580)	(145,052)	(149,793)	(155,241)	(160,242)	(165,678)	(170,863)
<b>Operating Surplus / (Deficit)</b>	<b>6,797</b>	<b>5,028</b>	<b>1,751</b>	<b>6,974</b>	<b>1,440</b>	<b>1,490</b>	<b>1,154</b>	<b>964</b>	<b>608</b>	<b>947</b>	<b>811</b>	<b>802</b>
<b>Capital Activities</b>												
<b>less (Net Outlays) on Existing Assets</b>												
Capital Expenditure on Renewal and Replacement of Existing Assets	(22,574)	(27,604)	(25,894)	(23,374)	(26,377)	(22,224)	(23,772)	(27,211)	(26,359)	(28,769)	(28,390)	(28,291)
add back Depreciation, Amortisation and Impairment	28,859	31,730	33,593	34,758	36,004	37,508	38,909	40,467	42,460	43,916	45,747	47,780
add back Proceeds from Sale of Replaced Assets	948	945	-	-	-	-	-	-	-	-	-	-
<b>(Net Outlays) on Existing Assets</b>	<b>7,233</b>	<b>5,070</b>	<b>7,700</b>	<b>11,384</b>	<b>9,627</b>	<b>15,285</b>	<b>15,137</b>	<b>13,256</b>	<b>16,101</b>	<b>15,147</b>	<b>17,357</b>	<b>19,489</b>
<b>less (Net Outlays) on New and Upgraded Assets</b>												
Capital Expenditure on New and Upgraded Assets												
(including Investment Property & Real Estate Developments)	(37,755)	(31,386)	(7,122)	(16,379)	(15,396)	(8,926)	(10,896)	(14,289)	(13,996)	(15,499)	(16,529)	(10,317)
add back Amounts Received Specifically for New and Upgraded Assets	13,160	2,950	1,585	1,410	100	100	100	100	100	100	100	100
add back Proceeds from Sale of Surplus Assets												
(including Investment Property & and Real Estate Developments)	10	-	-	-	-	-	-	-	-	-	-	-
<b>(Net Outlays) on New and Upgraded Assets</b>	<b>(24,585)</b>	<b>(28,436)</b>	<b>(5,537)</b>	<b>(14,969)</b>	<b>(15,296)</b>	<b>(8,826)</b>	<b>(10,796)</b>	<b>(14,189)</b>	<b>(13,896)</b>	<b>(15,399)</b>	<b>(16,429)</b>	<b>(10,217)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(10,555)</b>	<b>(18,338)</b>	<b>3,914</b>	<b>3,389</b>	<b>(4,229)</b>	<b>7,949</b>	<b>5,495</b>	<b>30</b>	<b>2,813</b>	<b>696</b>	<b>1,738</b>	<b>10,074</b>

**Attachment C – Capital Renewal Projects**

<b>Name</b>	<b>Budget Bid Description</b>	<b>Budget Bid Income \$ 2020/21</b>	<b>Budget Bid Expenses \$ 2020/21</b>	<b>Net Budget Bid \$ 2020/21</b>
Path Renewals 2020/21  Bid ID PBB-00000983	Renewal of paths in line with Path Asset Management Plan recommendations and Condition Audit which have been scoped as being warranted for renewal or which provide a significant strategic benefit.	\$0	\$2,025,000	\$2,025,000
Bus Stop Renewals 2020/21  Bid ID PBB-00000984	Renew Bus Stops and bring them in line with the requirements of the Disability Discrimination Act, including adequate clear space, tactile ground surface indicators and access to the bus stop. Upgrade bus stop pavements in line with the Department of Planning Transport and Infrastructures' design layout where possible or DDA requirements as a minimum.	\$0	\$400,000	\$400,000
Road Reconstruction Program of Works 2020/21  Bid ID PBB-00000985	The reconstruction of road pavements and associated kerb and gutters that have reached the end of their useful life and/or due to poor pavement condition it cannot be rehabilitated. The proposed Road Reconstruction Program of Works for 2020/21 includes the following:  - Lamont St, Renown Park  - GlengarrySt, Woodville South  - Welland Ave, Welland  - Military Road, Henley Beach  - Burke St/Duncan Rd/Herbert Rd, West Croydon  - Windsor Ave, Woodville Park	\$0	\$6,448,490	\$6,448,490

	Refer CM 19/356665 for full details.			
Road Rehabilitation Program of Works 2020/21  Bid ID PBB-00000987	Undertake works to extend the useful life of road pavements by using the following rehabilitation treatments:  1. Crack Sealing treatment  2. Kerb & Gutter Renewal  3. Road Preservation & Rejuvenation treatments  4. Road Asphalt overlay  5. Large Area Patching using Plane & Reinstatement treatment	\$0	\$5,239,874	\$5,239,874
Car Park Renewal Program of Works 2020/21  Bid ID PBB-00000988	Renewal of Carparks in accordance with the Asset Management Plan renewal program forecast.  The following assets are included in this plan:  - All construction types of car park surfaces (bitumen, paving and rubble)  - Car park kerb & gutter  - Access roads  - Access roads kerb & gutter  - Wheel stops	\$0	\$160,000	\$160,000
Public Lighting 2020/21 - Design  Bid ID PBB-00000990	Detailed design of future lighting renewal projects for 2021/2022 financial year.	\$0	\$14,000	\$14,000
2020/21 - Asset Contingency Building Works  Bid ID PBB-00000991	This project is for contingency funding across all Council Building assets for emergency breakdowns including hot water services, electric and gas stoves, whitegoods, switchboards and air conditioners. It also allows for emergency building works, building stormwater services,	\$0	\$130,000	\$130,000

	sewer and minor building works, in five aged care complexes (91 Units), 50 Sporting Clubs, Commercial Properties, Civic and Admin buildings, Community Centre and Libraries, Community Halls and Toilet Facilities.			
2020/21 AMP Council Building Renewals  Bid ID PBB-00000992	Council Building component renewal works based on the condition and the remaining life of the component, As listed in the description within Property Services - Council-owned Buildings Asset Management Plan.  Council Buildings Include  Public Toilets \$45,000  Community Centres \$302,000  Commercial Properties \$93,000  Sporting Clubs \$167,000	\$0	\$607,000	\$607,000
AMP Playground Renewals 2020/21  Bid ID PBB-00000996	To renew playgrounds in 2020/21, as outlined in the endorsed Open Space & Recreation Infrastructure Asset Management Plan 2019-2030 (AMP) at Almond Reserve, Pennington Oval, Sparrow Reserve (x2 playgrounds) and Harold & Cynthia Anderson Reserve.	\$0	\$685,593	\$685,593
AMP Fences, Walls & Bollards Renewals 2020/21  Bid ID PBB-00000997	Renewal of fences, walls and bollards in 2020/21, in accordance with the endorsed Open Space & Recreation Infrastructure Asset Management Plan (AMP).	\$0	\$172,133	\$172,133
AMP Reserve & Street Furniture Renewals 2020/21  Bid ID PBB-00000998	Renewal of open space furniture assets in 2020/21, in accordance with the endorsed Open Space & Recreation Infrastructure Asset Management Plan (AMP).	\$0	\$208,494	\$208,494
AMP Sports Accessories Renewals 2020/21	Renewal of sports accessories across the city, in accordance with the endorsed Open Space & Recreation Infrastructure	\$0	\$198,264	\$198,264

Bid ID PBB-0000999	Asset Management Plan (AMP).			
AMP Irrigation Renewals 2020/21 Bid ID PBB-00001000	Renewal of irrigation systems and controllers across the city, as outlined in the endorsed Open Space & Recreation Infrastructure AMP.	\$0	\$961,280	\$961,280
2020/2021 - Faith Montessori - Internal Kitchen Renewal Bid ID PBB-00001003	Renewal of kitchen cupboards and benchtops which were noted as non-compliant with current food safety legislation during property inspection	\$0	\$10,000	\$10,000
Office Furniture Renewals Bid ID PBB-00001011	There is a requirement to continually update office furniture in Council operated properties including Community Centres, Libraries, the Beverley Centre, the Civic Centre and other council occupied facilities regularly. This is to ensure the furniture remains safe and functional.	\$0	\$45,000	\$45,000
Contribution for the West Beach Surf Life Saving Club Upgrade Bid ID PBB-00001024	<p>Renewal of the West Beach Surf Lifesaving Club building in line with the PLEXUS model for the renewal of surf lifesaving clubs across the state.</p> <p>Council will contribute 33% of the total construction cost with the balance to be provided by Surf Life Saving Australia (56%) and the West Beach Club (11%)</p> <p>The new clubroom will remain at the existing location. Construction is anticipated to commence in the last quarter of the financial year with works undertaken over two financial years. The LTFP shows the work being done in 20/21.</p>	\$0	\$1,600,000	\$1,600,000

<p>Council-owned Buildings -Truss Renewal and engineer inspections</p> <p>Bid ID PBB-00001029</p>	<p>Renewal of timbers trusses and associated works following inspections of Council owned ageing buildings to provide long term durability and strength to the buildings.</p> <p>The Henley Library needs major modifications to the existing roof trusses to make this building safe for public use as per recommendations from the structural engineers.</p> <p>The Percy Fox grandstand needs remedial work to make safe the upper brick parapet wall.</p>	\$0	\$440,000	\$440,000
<p>Renew of electrical switchboards on Council owned buildings</p> <p>Bid ID PBB-00001031</p>	<p>An audit on electrical switchboards has been undertaken and recommends switchboards are renewed as major insulation failure could result in faults or complete failure of the electrical switchboard.</p> <p>Also, old electrical switchboards have asbestos material, does not have RCD protection and has been identified as fire safety hazard. Sites are Woodville Bowling Club, Croydon Bowling Club, Pennington Oval Clubrooms and Albert Greenshields Reserve clubrooms.</p>	\$0	\$90,000	\$90,000
<p>Bridge Renewal - Grange Jetty Reserve Boardwalk</p> <p>Bid ID PBB-00001033</p>	<p>Design and construction of new superstructure and decking of Grange Jetty Reserve Boardwalk.</p>	\$0	\$430,000	\$430,000
<p>Chief Street Brompton - Streetscape Renewal - Consultation and</p>	<p>Community engagement and development of concept designs for streetscape renewal in the section of Chief Street between</p>	\$0	\$80,000	\$80,000

Concept Design Bid ID PBB-00001048	Port Road and Hawker Street.			
Traffic Control Renewals 2020/21 Bid ID PBB-00001051	Design and Consultation for Traffic Control Renewal at the Intersection of Croydon Avenue and Hurtle Street in West Croydon.  This bid also includes design and construction of traffic controls associated with road reconstruction / rehabilitation program.	\$0	\$350,000	\$350,000
Breakout Creek Stage 3 Redevelopment Bid ID PBB-00001057	Council contribution to Breakout Creek Stage 3 redevelopment project paid to the NRM Board to convert the artificial channel designed for flood mitigation to a more naturalised creek providing open space, habitat and water quality improvements	\$2,000,000	\$3,000,000	\$1,000,000
DDA Access Ramp Renewal Program 2020/2021 Bid ID PBB-00001058	Renewal of access ramps associated with Path Renewal Program and Road Rehabilitation program and in response to DDA community requests.	\$0	\$200,000	\$200,000
Concrete & Block Paving Footpath Renewal 2020/2021 Bid ID PBB-00001066	Renewal of sections of existing concrete and paved footpaths as identified by the Asset Management Audit Data, CRM's and risk management audits. Reduction of trip hazards throughout the city caused by raised, cracked and deteriorating concrete and paved footpaths.	\$0	\$1,600,000	\$1,600,000
Renewal of billboard components, Port Road median Bid ID PBB-00001078	Structural renewal of the billboard at intersection of Old Port Road and Port Road which Council owns and uses to promote Council services. The infrastructure is on DPTI land, but the structure is owned by Council. It is in visible disrepair and at end of useful life.	\$0	\$35,000	\$35,000
Light Fleet Replacement	To replace Light Fleet that has reached the optimum replacement point in	\$634,502	\$1,198,780	\$564,278

Bid ID PBB-00001089	accordance with the Fleet Asset Management Plan (CL 25/02/2019, Part 1.2.2 Item 3.05) to provide fit for purpose vehicles.			
Major Heavy Plant Replacement Bid ID PBB-00001098	Major Heavy Plant Replacement program to replace Council's major plant in accordance with the Fleet Asset Management Plan (CL 25/02/2019, Part 1.2.2. Item 3.05). Emissions, fit for purpose and cost effective replacement point.	\$292,351	\$1,241,540	\$949,189
Stormwater Pump station - Renewal/Upgrades Design Only Bid ID PBB-00001142	Renew Storm Water Pump stations as per Asset Management Plan. Design and Quotes only for: - - Chief Street - Pumps - HMAS - Civil - Rosetta - Full - Marlborough - Instruments and Mechanical	\$0	\$40,000	\$40,000
Local Area Stormwater Renewal - Neighbourhood Reserve Outlet Bid ID PBB-00001149	Local Area Stormwater Renewal - Neighbourhood Reserve Outlet Retaining wall and fence renewal	\$0	\$20,000	\$20,000
Council Chambers and CC1 Audio Visual and hearing loop renewal Bid ID PBB-00001157	Refresh of Audio-visual equipment, Microphone conferencing solution and hearing loop in Council Chamber.  Refresh of microphone conferencing solution and hearing loop in Meeting room CC1	\$0	\$155,000	\$155,000
Refresh of Audio-Visual equipment at various Community Centres Bid ID PBB-00001159	Refresh of audio-visual equipment at Findon and Henley Community Centres, and Bower Cottages as the equipment is end of life.	\$0	\$36,000	\$36,000
Replacement of Sign Shop Printer Bid ID PBB-00001160	Replace Sign shop printer as it is end of life	\$0	\$35,000	\$35,000
<b>TOTAL</b>		<b>\$2,926,853</b>	<b>\$27,856,448</b>	<b>\$24,929,595</b>