

Town of Gawler

DRAFT - 2019/20 Budget Business Plan

(Incorporating annual review of Long Term Financial Plan)



DRAFT VERSION FOR PUBLIC CONSULTATION

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MAYOR'S MESSAGE



The Annual Budget / Business Plan illustrates the Council's proposed services, programs and projects for the 2019/20 financial year and has been developed within a prudent, longer term financial framework which seeks to achieve and maintain the long term financial sustainability of Council's operations.

The development of the Annual Budget / Business Plan is an important part of our planning, and has been guided by the various aspirational goals and strategies encapsulated within our Community Plan 2017-2027.

Some of the key initiatives for this year include:

- Replacement of main stadium floor at the **Gawler Sport & Community Centre**: \$155,000

- Murray Street Stage 7 Project**: between the Gawler Mill Inn Bridge and the intersection with Seventh / Tenth Street (*subject to Federal Government grant funding being received for 50% of the estimated project cost*): \$1,776,000 (if Council is successful with its grant funding application, Council's 50% share will be funded via the temporary deferral of other identified road infrastructure projects.)

- The expansion of the **Hard Waste Collection trial** to all residents within the Council area, following the introduction of the trial service for pensioners during 2018/19: \$120,000
- Replacement of irrigation system at **Princes Park**: \$109,000
- 1.5km of **new footpaths**: \$207,000
- 6.6kms of **road resealing (sealed roads)**: \$905,000
- 1.2kms of **road resheeting (unsealed roads)**: \$139,725
- **Upgrade of the Gawler Aquatic Centre changerooms**: \$539,445 (part funded from Federal Government Grant funding of \$409,445)
- Installation of new public lighting at the footbridges along the **Gawler Rivers linear (Tapa Pariara) path**, the **Willaston Oval carpark**, and the **Dog Park / Fitness Trail** adjacent Clonlea Reserve: \$231,500
- Gawler Central Urban Precinct Stage 1 (**Walker Place Project**): \$2.12m, incorporating the transformation of Walker Place into a shared-use public plaza space (works to include installation of trees and seating, paving, improved lighting, replacement of the Julian Tce public conveniences, and installation of a stand-alone digital wayfinding smartboard) (part funded by State Government grant of \$1m)
- **Karbeethan Reserve Master Plan Feasibility Study**: \$110,000
- The Town of Gawler is committed to securing the long term health, economic and environmental security/safety of our community by taking a strong stance on climate change and by developing a **Climate Emergency Action Plan** in partnership with our community (\$20,000)

The 2019/20 financial year will see the completion of the long awaited Gawler East Link Road which, on completion in early 2020, is expected to considerably alleviate traffic congestion currently being experienced in the town centre and Adelaide Road. Whilst the \$60m construction cost is being bankrolled by the State Government, Council is obligated to refund approximately \$8m to the State Government as a return on its capital investment in the road. This financial obligation includes a lump sum payment of \$2.4m to the State Government on practical completion of the road, which represents Council's contribution towards the upgrade of Potts Road as part of the overall Gawler East Link Road project.

The remainder of the \$8m contribution payable to the State Government will be progressively sourced from developers within the Gawler East Development Area (being the area that stands to particularly benefit from the construction of the Gawler East Link Road), on a per new allotment basis, as property development occurs. In this regard, such contributions to the State Government will only become payable upon receipt of such funds from the property developers.

Although the construction cost of the Gawler East Link Road is being funded from the State Government, the road will become a Council owned/managed asset on completion. In this context, the 2019/20 budget provides for new depreciation of \$200k for the road (for the period from practical completion of the road to 30 June 2020), with \$500k per annum then being provided for in subsequent years within Council's Long Term Financial Plan forward estimates.

The draft 2019/20 Budget / Business Plan provides for a small operating surplus of \$89,000, and a General rate increase of 3% from existing ratepayers to fund the various programs and activities outlined in this Plan.

Based on the favourable financial performance of the Northern Adelaide Waste Management Authority (NAWMA), which is a subsidiary of Gawler, Salisbury and Playford Councils and a clear industry leader relative to waste management activities, the draft budget currently provides for no increase in the individual property kerbside waste management collection / disposal service of \$186.

Council welcomes public feedback on the draft 2019/20 Budget / Business Plan. Public consultation on the Plan closes at **5pm on Friday 7 June 2019**, and feedback can be provided via the following forums:

- In writing, addressed to PO Box 130, Gawler SA 5118
- Via e-mail to budget@gawler.sa.gov.au
- Via Council's Facebook page
- Via 'Your Voice' Gawler at www.gawler.sa.gov.au
- In person, at a Special Council meeting scheduled to be held on 2 July 2019 @ 7pm at the Council Chambers, Gawler Civic Centre, Institute Building 89-91 Murray St, Gawler

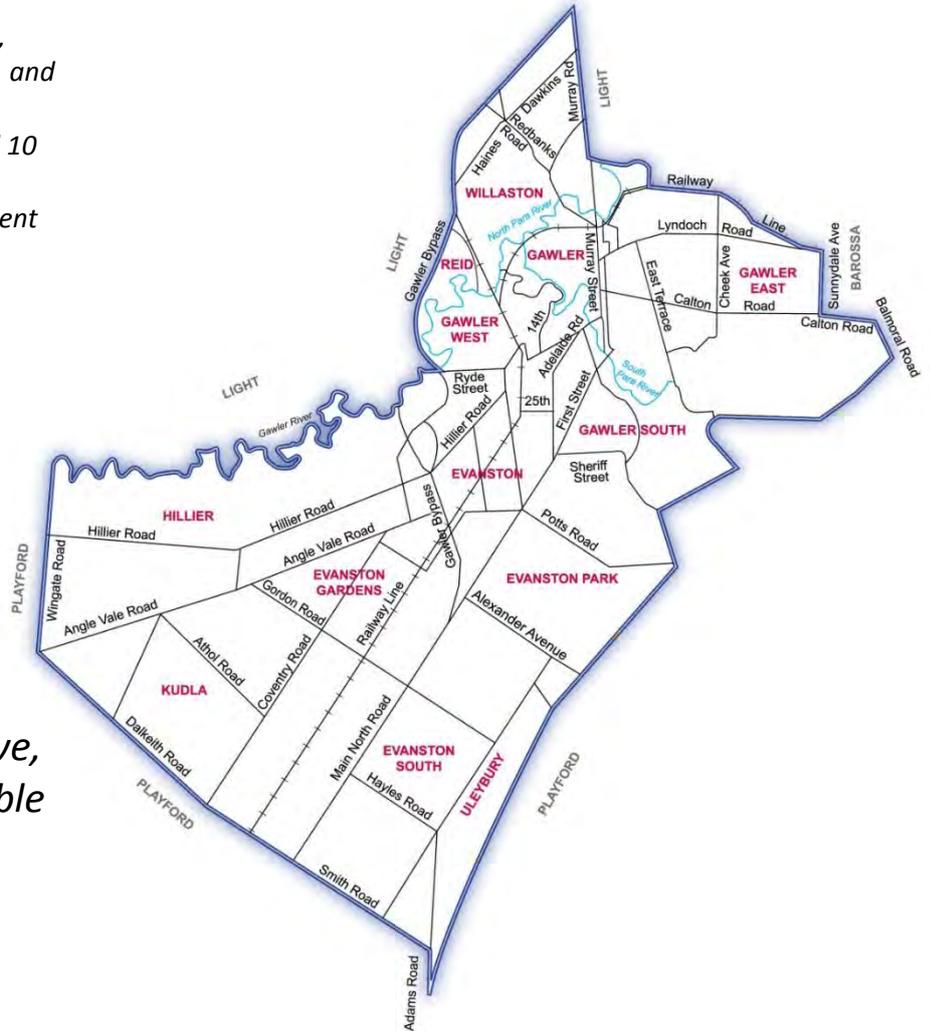
Council values your feedback and input, and I encourage you to take the time to review this important document for our community.

Karen Redman
MAYOR

COUNCIL PROFILE / VISION

Council Profile:

- **Population:** 23,583 (2016 census)
- **Area:** 41 square kilometres
- **Major industries:** Retail trade, Health & Community Services, and Education
- **Elected Members:** Mayor and 10 Elected Members
- **Staff:** 129.91 full-time equivalent
- **Road lengths:** 180kms sealed roads, 18kms unsealed roads
- **Rateable properties:** 11,379
- **Open Space:** 458 hectares
- **Recurrent Budget:** \$30.4m



Vision for Gawler....

A liveable, cohesive, active, innovative, and sustainable community



OVERVIEW OF BUDGET / BUSINESS PLAN

Operating Result

The key principle driving the preparation of the 2019/20 recurrent budget continues to be Council's core target of maintaining a financially sustainable operating position, whilst at the same time being cognisant of longer-term considerations and aspirations outlined in Council's Long Term Financial Plan. Council's measure of a financially sustainable operating position continues to be the achievement of a recurring operating surplus.

To this end, the 2019/20 draft budget provides for an **operating surplus result of \$89,000** (*the draft 2019/20 Statement of Comprehensive Income Statement is contained on page 43*).

From a revenue perspective, the budget provides for a **3% increase in General Rate revenue from existing ratepayers**, which translates to an increase of \$47 (or \$0.90 per week) for the average residential ratepayer. The budget also provides for no increase in the Waste Management Service Charge of \$186 for the weekly kerbside waste collection and disposal service. Further details regarding the expected impact on ratepayers is outlined in the Rating Strategy section on page 33.

There have been a number of recent key factors that have materially influenced the preparation of the draft 2019/20 recurrent budget as follows:

a) Increased depreciation as a result of asset revaluations as at 30 June 2018

1. Building Assets

A periodic independent revaluation of building assets was undertaken during July-August 2018, to inform the General Purpose Financial Statements as at 30 June 2018. The outcome from the revaluations, as disclosed in Note 7b of the 2017/18 General Purpose Financial Statements, was an estimated future increase of annual buildings depreciation expense in the order of \$400k.

As the actual revaluations were undertaken during July-August 2018, the financial outcome was not able to be used to inform the 2018/19 Budget adopted by Council in June 2018.

However, as noted in the external auditors Audit Completion Report for the year ended 30 June 2018, the Administration has since undertaken a review of useful lives for Council's building assets. This review was informed by a combination of the independent buildings revaluation undertaken, the separate independent building condition assessments undertaken, and local knowledge.

Further, as reported within the 2018/19 1st Quarter Budget Review, the Council has also since deleted from its asset register various leased buildings that are actually under the ownership and control of the lessee (as stipulated in the various lease agreements).

The combined effect of the above is that the annual net increase in buildings depreciation is in the order of **\$186k**, which has consequently been included in the draft 2019/20 budget.

2. Transport Assets

With regard to Council's transport assets (valued at over \$170m), large increases in road construction material costs and assigned project management costs (the latter relates to staff salaries associated with project management) has culminated in an annual increase

of depreciation expense in the order of **\$300k**.

Taking the above depreciation expense adjustments into consideration (i.e. \$186k + \$300k = \$486k), the forward estimates within the updated LTFP have been consequently adjusted.

b) Gawler East development

Council has previously adopted a funding model relative to the \$80m identified major infrastructure that will progressively be provided within the Gawler East development zones over the life of the development (the \$80m includes the cost of the Gawler East Link Road which is currently under construction).

Once fully developed, it is envisaged that the Gawler East development will comprise over 3,000 residential allotments supporting a population in the order of 10,000.

To secure appropriate developer contributions of \$25m, over the life of the development, towards the cost of the identified infrastructure to be provided within the development area, the funding model provides for developers to make a per-new-allotment contribution, with the contribution being payable upon the creation of each new allotment. Importantly, the contributions required are ultimately financially secured by the application of Separate Rates by Council (which are automatically postponed pending development occurring on the affected land).

Each per-new-allotment contribution received from the developers' incorporates a component that will become payable to the State Government, as a designated return on the State Government's investment in the Gawler East Link Road. Importantly, the \$5.8m payable to the State Government as a return on its investment only becomes incrementally payable upon the creation of each new residential allotment – thus, payments to the State Government will be commensurate with the actual rate of development that occurs.

The other components of the developer contributions to be received over the life of the development pertain to the future provision of traffic interventions (accounted for as capital revenue) and social and community infrastructure (accounted for as operating revenue). Such contributions will be transferred to the associated Equity Reserve within Council's Balance Sheet, pending the physical construction of the infrastructure that the contributions relate to.

In this regard, the initial development forecasts, based on the best available information at the time, was that 220 new residential allotments would be created within the Gawler East development area each year. Part of this assumption was predicated on the fact that the completion of the Gawler East Link Road and the creation of a commercial precinct within the Springwood development, would act as a trigger and catalyst for an increased rate of new residential allotments occurring.

Whilst this may yet be the case, new allotment growth forecasts within the Gawler East area have been revised consistent with the slowed rate of development that is actually occurring within the area, which is also consistent with other key residential development areas within Council.

As a result, the estimated rate of growth within the Gawler East development area has been materially downgraded from 220 to 100 new allotments each year. This has had a material consequential financial impact on the future *timing* of developer contributions, such that the 2019/20 draft operating budget has been adversely affected by **\$278k** when compared to the previous 2019/20 operating forecast contained within the adopted LTFP. This impact has been the result of a reduction in the estimated social/community infrastructure developer contributions for 2019/20 from \$508k to \$230k (as a direct result of the estimated new allotments to be created in 2019/20 reducing from 220 to 100 – noting that such contributions are accounted for as an operating revenue item).

c) **Accounting treatment of \$2.4m payment to State Government relative to Gawler East Link Road (pertaining to upgrade of Potts Road)**

In accordance with the funding Deed with the Minister for Transport & Infrastructure pertaining to the Gawler East Link Road, Council is required to make a \$2.4m contribution, towards the upgrade of Potts Road, within 30 days of practical completion of the road. This contribution effectively emanated from the basis that Council had previously provided similar funding in its Long Term Financial Plan towards the upgrade of Potts Road irrespective of whether the Gawler East Link Road was constructed or not.

Previously, the proposed accounting treatment of the contribution was as an operational expense recorded in the Statement of Comprehensive Income.

However, further consideration of this matter by the Administration, in conjunction with Council's external auditors, has now deemed that the \$2.4m payment be treated as a capital expenditure item.

This decision has been reached on the basis that the contribution is directly towards the reconstruction of Potts Road, as specifically outlined in the funding Deed with the Minister, which would normally be considered as a capital expenditure item.

As a result of this accounting treatment amendment, the value of *'Physical resources received free of charge'* previously estimated within the Statement of Comprehensive Income has been consequently diminished by \$2.4m to more appropriately reflect the net value of the Gawler East Link Road that is actually received 'free of charge' from the State Government.

A comprehensive analysis of Council's recurrent operational budget is included in *'Funding the Business Plan'* section, in addition to Appendices 3-4.

Efficiency & Effectiveness Program

The Council continues to apply priority focus towards identifying cost savings, efficiencies and effectiveness outcomes to facilitate favourable financial outcomes for the Council and the community. Such outcomes are reported to Council on an annual basis.

Examples of recent outcomes in this regard are outlined below:

1. **Dogs and Cats Online (DACO)** management - this has been a local government wide initiative that was introduced in the 2018/19 financial year which has delivered cost savings and efficiencies for Council and the community relative to the registration and management of dogs.
2. Council has implemented an **improved budget bid process** this financial year which has placed increased rigour and risk assessment consideration relative to the development of budget bids for the budget.
3. During the 2018/19 financial year Council received an **LGA WHS Best Practice award** in recognition of outstanding work being undertaken by the Council Administration in this space. Council received a **\$15,000 award** from the LGA in recognition of its achievements.
4. Council is currently exploring opportunities to **minimise its financial exposure to Fringe Benefits tax**. The opportunity currently being explored relates to the conversion of employee contributions to vehicles being converted from pre-tax to post-tax contributions (noting that post-tax contributions can be used to offset FBT whereas pre-tax contributions

cannot), thereby potentially realising FBT savings in the order of \$50,000 and net savings to Council in the order of \$20,000.

5. During 2018/19 Council has developed **Open-space management guidelines**, which will provide future guidelines to developers and Council staff relative to the design and management of the 458 ha of Open space managed by the Council.

6. In 2018/19, Council agreed to participate in the **Local Government Performance Excellence Program**. Developed by PwC, in partnership with Local Government Professionals Australia, the program was first developed in 2013 – and has since rapidly progressed to the extent that approximately 150 Councils, across New Zealand and Australia, now participate in the annual program.

The purpose of the program is to assist Councils better communicate, control and manage their internal business performance with their stakeholders through the use of comparative data analytics. During the program, PwC collects data from participating Councils and then transforms this data into key metrics, identifying trends and observations that focus on operational and management excellence.

The benefits to Councils include the ability to monitor and manage their internal business performance over time, as well as improve the prioritisation of change based on data driven decision making.

Council has a commitment to participate in the program for a three year period.

7. Wherever possible, Council is utilising technology to drive operational efficiencies, with recent examples being:

- Implementation of **integrated Risk Management Software**, which has enabled more efficient data processing, monitoring, and extraction relative to Risk Management processes and activities
- Implementation of **Business papers software** which has significantly streamlined and produced tangible efficiencies regarding the production of Council/Committee agendas and minutes
- Implementation of online software to (a) more efficiently manage the **Gawler Aquatic Centre's Learn to Swim program** (approximately 1200 people participate in the program each year) and (b) more effectively manage the Centre's casual staff roster
- Implementation of software providing an automated workflow signing process across various operational processes
- Implementation of **on-line processing of Development Applications**, from lodgement to final decision, which has replaced the previous paper based approach
- Implementation of **on-line Section 7 Property searches**, which has reduced staff time in processing search applications
- **Digitisation of Cemetery records**, which has facilitated more effective data management and information retrieval

Financial Position (Balance Sheet)

Consistent with the Statement of Comprehensive Income, the Balance Sheet reflects an increase of \$27m in the net worth of the Council (from \$244m to \$271m).

This increase is attributable to an estimated increase of \$10.1m in the value of Council's fixed (non-current) assets as a result of proposed capital works projects (refer Appendix 1) and the estimated value of contributed infrastructure assets received from property developers or the State Government value (\$24.6m), less depreciation (\$6m). The majority of the \$24.6m contributed assets relate to the Gawler East Link Road which will become a Council owned/managed asset on completion of the road in early 2020.

Conversely, the Balance Sheet estimates a \$2.021m increase in liabilities, which is

attributable to loan funding required to fund Council's \$2.4m contribution due to the State Government towards the upgrade of Potts Road as part of the Gawler East Link Road construction works.

The draft 2019/20 Balance Sheet is contained on page 44.

Treasury Management (Statement of Cashflows)

The cashflow statement reflects the estimated 2019/20 net cost of capital investment of \$9.143m (per Net Cash used in Investing Activities) being funded by recurrent revenue of \$6.606m (per Net Cash provided by Operating Activities) and net loan borrowings of \$2.527m (per Net Cash provided by Financing Activities).

The value of 'Net Cash provided by Operating Activities' is effectively the net cash available from operating activities after deducting non-cash depreciation expense.

In recent years the annual budget has included, for cash flow purposes, the sale of surplus property assets. The reliance of a component of the budget on the proceeds from sale of surplus assets, particularly when it is of a material amount, does present a financial risk to Council. This risk relates to property sales possibly ultimately not being progressed, for various reasons, and/or the actual sale value being lower than what was provided for as an estimate in the budget.

The current 2018/19 budget is reliant for cash flow purposes on receiving \$2.436m from the sale of surplus property assets. Based on properties sold to date and/or currently under contract, it is expected that Council will derive approximately \$2.246m from the sale of surplus property assets in 2018/19, thereby being \$190k (8%) short of the original budget estimate.

To mitigate the financial risk against the budget relative to the reliance of proceeds from the sale of surplus property assets, from the 2019/20 financial year the annual budget will no longer be reliant, for cash flow purposes, on the sale of surplus property assets.

This does not mean, however, that Council should not pursue the sale of assets that are deemed to be surplus to operational or community requirement. Rather, Council should still continue to progress sales, as deemed appropriate, but by removing the reliance of the budget on proceeds from sale of assets means that as soon as any such proceeds are received they can be immediately used to reduce debt.

The '*Proceeds from Borrowings*' outlines the amount of loan borrowings required to part-fund Council's capital investment in new and upgraded assets. Such proceeds are expected to continue to be accessed via Council's Cash Advance Debenture facility with the Local Government Finance Authority, which importantly can be repaid at any time as cashflow permits. The current variable-interest rate applicable to this facility is a historically low 3.6%.

The net new loan borrowings of \$2.527m is effectively due to the \$2.4m contribution that is payable to the State Government on completion of the Gawler East Link Road in early 2020. As a result, Council has taken the prudent approach, due to financial constraints, of ensuring that all other proposed capital works in 2019/20 are to be effectively funded via either operating revenue or external grant funds.

The '*Repayment of Borrowings*' (\$909k in 2018/19) provides for the ongoing principal repayments of historic long-term fixed-interest loans.

The draft 2019/20 Statement of Cashflows is contained on page 46.

Council Debt

Table 1 below outlines Council’s debt as at the end of March 2019.

Council’s debt is split between fixed interest rate loans and variable interest rate loans. The fixed interest rate loans relate to loans taken out during the 2007/08 to 2010/11 financial years. These loans are long-term loans over 15 years with *fixed* half yearly repayment amounts of principal and interest over the life of the loan. The fixed interest rates applicable to these loans range from 4.99% to 7.88%.

Conversely, the variable interest rate loans affectively act as a bank overdraft, and can be drawn down and re-paid at any time as cash flow permits. Importantly, this means during periods of peak cash inflows Council can immediately reduce debt, thereby minimising its net interest costs. The interest rate that currently applies against the bank overdraft is a competitively low 3.6%, with the interest rate having remained effectively unchanged for the last three years. Any loan borrowings that Council has required since the 2010/11 financial year has been utilised via the overdraft facility.

This change in Treasury management practices has delivered extensive savings to Council and has effectively minimised its net interest costs.

Whilst the interest rate applicable to the bank overdraft facility does fluctuate with market conditions, as noted above the interest rate has remained considerably stable for a number of years and, should interest rates materially increase in the future, then Council could elect to convert part of its bank overdraft debt into a fixed interest rate loan, thereby securing the interest rate for the life of the long-term loan. It is noted, however, that the interest rate currently applicable to fixed interest rate loans is actually slightly higher than the interest rate currently applicable to the bank overdraft facility.

In light of the above, Council’s forward estimates provided for in the Long Term Financial Plan assume that Council will continue to access loan borrowings, if and when required, by the bank overdraft facility, as this is the most cost-effective option for Council and one that is now being significantly utilised by the local government industry across the board.

Table 1 – Town of Gawler Debt portfolio as at 31 March 2019

Loan No.	Maturity Date	Amount Borrowed / Available	Interest Rate	Balance Outstanding	Loan purpose
<i>Fixed Interest Rate Loans: *</i>					
97	15/5/2023	\$3,000,000	7.88%	\$1,284,086	2007/8 Capital Works program
99	16/3/2024	\$3,000,000	4.99%	\$1,253,947	2008/9 Capital Works program
100	15/1/2025	\$3,000,000	6.80%	\$1,565,739	2009/10 Capital Works program
102	15/2/2026	\$3,000,000	6.85%	\$1,773,502	2010/11 Capital Works program
TOTAL FIXED INTEREST RATE LOANS				\$5,877,274	30%
<i>Variable Interest Rate Loans (overdraft facilities) **</i>					
96	15/06/2022	\$1,687,754	3.6%	\$1,612,229	Capital works program
101	28/04/2025	\$2,000,000	3.6%	\$0	Capital works program
103	15/09/2026	\$100,000	3.6%	\$10,000	Gawler Bowling Club
104	17/10/2026	\$5,600,000	3.6%	\$4,994,496	Capital works program
105	17/10/2026	\$4,400,000	3.6%	\$4,400,000	Capital works program
106	17/09/2028	\$3,000,000	3.6%	\$2,935,000	Capital works program
TOTAL VARIABLE INTEREST RATE LOANS				\$13,951,725	70%
TOTAL DEBT				\$19,828,999	

*Loans repaid via fixed half-yearly Principal/Interest repayments. Loan terms of 15 years

**Repayments off loan principal can be made at any time as cashflow permits

Growth Management considerations

The Town of Gawler continues to be one of the fastest growing Council's in the state, which subsequently presents considerable challenges (and opportunities) for the Council. The growth rate has consistently been in the order of 2% p.a. for an extended period.

In recent years, the development growth within the town has been reflected by ongoing staged residential land developments (predominantly in the suburbs of Gawler East, Evanston Gardens, and Evanston South).

The rapid growth of new residential development poses considerable challenges for the Council, most notably reflected by the extensive infrastructure that is received from developers and must then subsequently be maintained by Council. Such infrastructure includes roads, footpaths, kerbs, stormwater drainage systems, playgrounds, parks and reserves.

There are invariably no immediate new maintenance costs incurred for roads, footpaths, and kerbs acquired from developers within these developments (outside of depreciation, programmed street sweeping, stormwater system cleaning, and responsive maintenance to damage and vandalism, etc.). However, Open space management (i.e. playgrounds, parks and reserves) does immediately present new costs for Council as a result of the regular maintenance activities incurred – ranging from water consumption and infrastructure maintenance costs emanating from irrigated turf and landscaped gardens, water body management, playground inspections, tree inspection and maintenance, lawn mowing, garden bed maintenance, etc.

A further ongoing financial consideration for Council in this regard is service standards to the open spaces within these residential land developments. These service standards, and associated frequencies, have been revised with peer growth councils and established industry standards to then provide appropriate allocation of budget and associated resources. However, the service standards to which Council applies are not considered relative to the standard to which property developers maintain these open space areas having regard to such factors as nature of the tasks and visitation frequencies, which invariably are higher from property developers for commercial marketing and land sale purposes. In this regard, Council has recently developed an *Open Space Design Guideline* document which will assist both Council and future developers with the design of future open spaces to be ultimately managed and maintained by Council. It is currently planned that public consultation of the *Open Space Design Guideline* will be undertaken with the community and key stakeholders during May 2019, with feedback received to then be considered prior to Council considering formal adoption of the document in coming months.

Rapid population and development growth can also invariably lead to challenges and cost pressures within other areas of Council including, but not limited to, the following activities:

- Increased volume of side entry pits to be cleaned and maintained
- Increased volume of residential streets to be periodically swept. Council's existing service standard is for urban streets to be swept five times per annum
- Potential increase in home support services provided via the Community Home Support Program (this program is predominantly funded by Government subsidy, with Council providing in-kind administrative support)
- Increased patronage of various recreational facilities (e.g. Gawler Aquatic Centre, Gawler Sport & Community Centre) and Library facilities
- Increased parking and traffic management considerations
- Increased number of dogs registered, leading to increase in associated dog

management activities

- Increased number of development applications to be assessed
- Increased volume of household waste collected
- Increased number of rateable properties, leading to increased volume of property searches to be processed and increased volume of rate debtors to be managed

Gawler East Link Road

The 2019/20 financial year will see the completion of the long awaited Gawler East link Road. The \$60m road is being funded by the State government, but will become a Council owned and maintained asset on completion in early 2020.

As a result, the 2019/20 budget now provides for depreciation of the road following practical completion. In this regard, the budget provides for \$200,000 of depreciation in 2019/20 (part year only – i.e. for the period from practical completion of the road to 30 June 2020), and it is estimated that this will increase to as much as \$500,000 per annum in following years.

This marked increase in annual depreciation is a key factor behind Council forecasting that it will briefly return to an operating deficit position for the 2020/21 and 2021/22 financial years as outlined in the Long Term Financial Plan.

It is expected that the new road will facilitate an easing of traffic congestion currently being experienced in the town centre.

Federal / State Government relations

Federal Government

The 2019 Federal budget, announced in early April 2019, has had material consequences on the update of the draft 2019/20 budget.

In this regard, the Federal budget indicated that advance payments of the Financial Assistance / Local Roads Grant will continue, with 50% of Council's 2019/20 allocation to be received in June 2019. It is estimated that this will amount to approximately \$895,000 being received in June 2019, which will naturally assist Council's cash flow purposes.

The 2019 Federal budget suggests that advance payments will not be made in June 2020, and that as a result advance payments will no longer continue after the 2018/19 financial year (the previous Federal budget assumed that advance payments were not going to be made in June 2019). However, as the recent announcement confirms that advance payments will be made in June 2019, and also taking into consideration that advance payments have been made in all but one of the last 11 years, the 2019/20 draft budget now assumes continuation of advance payments in future years.

To remove the material financial performance distortion caused by the advance grant payments, Council uses its underlying operating result as its key financial performance measurement tool.

In the May 2017 budget, the Federal Government reinstated Supplementary Local Roads funding for all SA Councils for the 2017/18 and 2018/19 financial years. For Council, this has equated to approximately \$150k of funding each year.

In the recent 2019 Federal Government budget, it was announced that an additional \$40m of Supplementary Road Funding would be provided to South Australian Councils', which is due reward for the equitable funding campaign conducted by the Local Government Association of SA on behalf of the Local Government sector. Based on the 2019 Federal

Budget papers, it is expected that this funding will be received prior to 30 June 2019, and subsequently accounted for in the 2018/19 financial year.

The April 2019 Federal Budget also announced that 'Roads to Recovery' funding would be increased and extended out to 2023/24. Associated funding of \$647k has been estimated to be received in 2019/20.

State Government

State Government imposed Local Government Rate Capping Scheme

One of the key election platforms of the State Liberal Government was the introduction of rate capping of Local Government rates.

This proposed legislation has not since progressed to legislation, as it has not been supported by either the State Labor party or independent members.

The State Labor party have, nonetheless, since developed their own draft legislation in response to the State Government's proposed rate capping legislation. *The Local Government (Rate Payer Protection And Related Measures) Amendment Bill*, as proposed by the State Labor party, has also not progressed through to legislation due to it not being supported by the State Government.

However, the Local Government Association of South Australia, on behalf of the local government sector, is currently proactively advocating local government sector reform in conjunction with Councils' and the State government.

Some of these proposed reforms relate to items identified as 'cost shifting' from the State government below.

State Government Cost shifting

Cost shifting occurs when Councils have to fund an activity previously funded by State or Federal governments, or are required to take responsibility for new functions or policies that should be funded by another sphere of government. Some examples of cost shifting are:

- Transferring responsibility for a function to Councils without transferring an adequate funding source
- Requiring (usually by law) Councils to deliver services or collect taxes for another sphere of government without being provided with enough funds to cover the costs
- Stopping or reducing funding for a service or program when communities expect that Councils will continue to provide it
- Requiring Councils to forego revenue by providing mandatory rebates for activities that should be better supported by the State Government

Cost shifting is inconsistent with open, responsive and accountable government. When costs are shifted, responsibility and blame are also shifted. Many ratepayers are not aware of the State government costs that are being passed on to them through their Council rates including, but not limited to, the following:

- **Solid Waste Levy** – Councils with licenced waste depot facilities (e.g. NAWMA) are required to pay the State Government's Solid Waste Levy. In recent times there have been exorbitant increases in the levy rate as outlined in Table 2 below:

Table 2 – Solid Waste Levy (per tonne) 2014/15 – 2018/19

Financial Year	Levy rate per tonne	% Increase from previous year
2014/15	\$52	
2015/16	\$57	9.62%
2016/17 (1 July to 31 August)	\$62	8.77%
2016/2017 (1 September to 30 June)	\$76	22.58%
2017/18	\$87	14.47%
2018/19	\$100	14.97%

The impact of the above increases on Council's budget has been considerable, culminating in annual increases in the Waste Management Service Charge applied to ratepayers being substantially higher than otherwise required. Ideally, Council would seek that this levy not be applied and that the current \$120m within the State Government's Green Industry Fund, which is sourced from the Solid Waste Levy, be reinvested back into Local Government waste management initiatives.

- **Natural Resources Management (NRM) Levy** – Since 2004, Councils' have been required by the State Parliament to collect the NRM levy on behalf of the State Government. There are hidden administrative costs to Councils in collecting the levy on behalf of the state, particularly in relation to non-payment and rebates. Consequently, the small amount that Councils' are legally able to charge the State Government for providing the collection service do not cover the true costs incurred in collecting the levy on their behalf.
- **Community Housing rebates** – The State Government is transferring public housing properties to Community Housing Providers (CHPs) to facilitate their upgrade and renewal. This transfer makes properties eligible for a mandatory 75% rebate on Council rates, whereas the State Government previously paid full rates on these properties.

The State Government transferred 4,000 public housing properties to CHPs in September 2017. This followed the transfer of 1,100 properties in 2015.

For the Town of Gawler, the recent impact has been that 75 properties have been incrementally transferred into CHPs since 2014, resulting in new mandatory rebates having to be provided (equating to \$85k in 2018/19).

- **State Government regulated fees & charges** - Cost shifting also occurs when Councils' are required by legislation or an agreement with the State government to provide a service, but the regulated fee for providing that service falls well below costs.

An example of this is development application fees set by State Government for development assessment services undertaken by Councils'. The existing fees applied recover only 25% of the cost to Council in providing the associated development application assessment services.

Government Grant Funding

Council continues to be proactive in seeking external grant funding from the Federal and State Government, towards the delivery of various capital works programs. Such funding is generally provided on a 50:50 basis, such that Council invariably needs to fund 50% of the project cost.

Where possible, Council seeks grant funding initiatives that limit Council's own direct financial contribution.

The Council engages a professional Grants Writer, as needed, to assist in the preparation of grant applications. This service extends to supporting grant applications, where requested, from various local community and sporting groups.

Details of recent external grant funding secured is outlined in Table 3 over page:



Council has secured \$409,000 Government funding towards the upgrade of changeroom facilities at the Gawler Aquatic Centre.



The budget provides for \$155,000 to replace the main stadium floor at the Gawler Sport & Community Centre

Table 3 – Federal / State Government Grant funding secured

Project	State/Federal	Project Description	Funding Secured \$
Civic Centre redevelopment	Federal	Refurbishment of State heritage-listed Town Hall and Gawler Institute: new Centre to include a digital Library, Multi-Functional Space, Business Innovation Hub, various community meeting rooms, Youth Space, etc.	5,600,000
Murray Street upgrade (Stage 6)	Federal	Upgrade between Mitre 10 and Southern Hotel	600,000
Walker Place redevelopment	State	Gawler Central Urban Precinct redevelopment	1,006,361
Pioneer Park War Memorial	State and Federal	The installation of a new War Memorial in Pioneer Park	137,766
Gawler Nature Play Space	State	Installation of new playground at Elliott Goodger Park (Willaston Oval)	77,290
Gawler Sport & Community Centre – stadium floor resurfacing	State	Resurfacing of the stadium floor with a new concrete floor with acrylic finish	75,000
Upgrade CCTV in Town Centre	State	Replacement and extension of CCTV in Murray Street and key areas within the CBD	100,000
Gawler Active Town Precinct Project (Pioneer Park)	Federal	New outdoor facilities at Pioneer Park, including a cycling hub and the regions first electric car charging station	59,480
Gawler Urban Rivers Biodiversity Project	State	Six year project, including removal of woody weeds, erosion control, biodiversity planting, and rehabilitation of stormwater outlets	295,000
Gawler Bridge	Federal	Rehabilitation of Gawler Bridge	660,000
Biodiversity Management Plan	State	Development of a Biodiversity Management Plan for Town of Gawler	29,500
Cycle Tourism Strategy	Federal	Development of a Cycle Tourism Strategy for the Town of Gawler	19,900
Gawler Oval Grandstand	State	Construction of a shelter over the tiered seating area at Gawler Oval	150,000
Recreational Facilities at the Dog Park	State	Construction of recreational facilities and fitness trail adjacent to the Clonlea Reserve Dog Park	70,000
Gawler Sport & Community Centre – stadium roof replacement	State	Replacement of the Gawler Sport & Community Centre stadium roof	120,000
Gawler Connected Community	Federal	Development and implementation of an mCommerce solution for Gawler	250,000
Essex Park Master Plan	State	Development of a Master Plan for Essex Park and Gawler Showgrounds Regional Sporting Precinct	34,850
Gawler Community Safety Project	Federal	The installation of CCTV cameras and improved lighting in high visitation areas.	200,000
Greater Adelaide Youth Project	State	The Town of Gawler is sponsoring the Gawler Youth Workers Network to deliver a range of workshops and training for Gawler Youth.	49,160
Youth Week	State	Activation activities held during Youth Week 2019	2,000
Gawler Economic Development Strategy	Federal	The development of an Economic Development strategy for the Town of Gawler	20,000

Pedestrian and Cycling safety at Gawler and District College	State	The installation of an Emu Crossing and Koala crossing on Barnet Road, Evanston.	40,000
Gawler Aquatic Centre Changerooms upgrade	Federal	The upgrade of changeroom facilities at the Gawler Aquatic Centre	409,445
TOTAL			\$10,005,752

Community Support

The Council provides extensive financial and 'in-kind' support to numerous activities in support of various community groups/events.

Such support includes:

- Discretionary Rate rebates of \$65k (including \$31k for both Starplex and the Gawler & Barossa Jockey Club);
- Christmas Festival (\$28k) event in Pioneer Park;
- Community Grants Scheme (\$15k);
- Heritage walls restoration grants;
- Gawler Community House (\$15k);
- Australia Day breakfast and awards ceremony (\$7k);
- Community Loans (based on various loan application criteria) to local community/sporting clubs. In recent years, Council has approved community loans as follows:
 - **South Gawler Cricket Club** (\$20k interest-free) (towards the installation of a turf wickets at Gawler South Oval)
 - **Gawler Central Sporting Club** (\$30k interest-free) (towards new and improved lighting at the Gawler Oval)
 - **Gawler Central Sporting Club** (\$20k interest-free) (towards the renovation and extension of the Club's Administration Centre redevelopment)
 - **Gawler & District Netball Association** (\$20k interest-free) (towards the resurfacing of 12 netball courts with Synpave acrylic coating surface)
 - **Gawler Bowling Club** (\$100k) (towards the replacement of two synthetic bowling greens at the club)
 - **Gawler Community House** (\$150k interest-free) (towards the major redevelopment of Gawler Community House)
- Fee discounts for hire of Council facilities (\$220k)

GAWLER COMMUNITY PLAN 2017-2027

Council's Community Plan 2017-2027 was adopted in October 2017 and acts as the overarching plan driving the delivery of key outcomes and services to the community.

The key strategic directions and outcomes included in the Gawler Community Plan are outlined below.

GOAL 1- OUR IDENTITY

A Uniquely Identifiable Township

OBJECTIVES

- 1.1 Maintain a clearly defined township, one which is distinct from neighbouring areas
- 1.2 Build a local community that is proud of Gawler
- 1.3 Protect and promote Gawler's unique heritage
- 1.4 Foster a vibrant and active, event filled Council area
- 1.5 Promote cultural heritage and the creative sector to build community spirit pride

GOAL 2 - OUR GROWTH

Managed and Sustainable Growth

OBJECTIVES

- 2.1 Physical and social infrastructure to service our growing population and economy
- 2.2 Growth to be sustainable and respectful of cultural and built heritage
- 2.3 The local environment to be respected
- 2.4 Manage growth through the real connection of people and places
- 2.5 Local economic activity to create local job opportunities and generate increased local wealth

GOAL 3 - OUR COMMUNITY

A Healthy, Active, Safe, Engaged Community

OBJECTIVES

- 3.1 Health and social wellbeing services in Gawler to meet growing regional community needs
- 3.2 Sporting facilities to meet local and regional community needs
- 3.3 Provide facilities for a range of different recreational activities.
- 3.4 Gawler to be an inclusive and welcoming community
- 3.5 Recognise, respect, support and advocate on behalf of volunteers
- 3.6 Encourage the development of the Arts and the creative sector
- 3.7 Provision of library services

GOAL 4 - OUR ENVIRONMENT

To Respect and Nurture the Environment

OBJECTIVES

- 4.1 Create and maintain a riverine environment that reflects the social, cultural and landscape values of the river corridor
- 4.2 Support development that respects the environment and considers, the impacts of climate change
- 4.3 Protect environmentally significant areas of native vegetation for present and future generations
- 4.4 Support sustainable use of natural resources and minimise further waste to landfill
- 4.5 Support provision of useable open space that preserves natural habitat and biodiversity

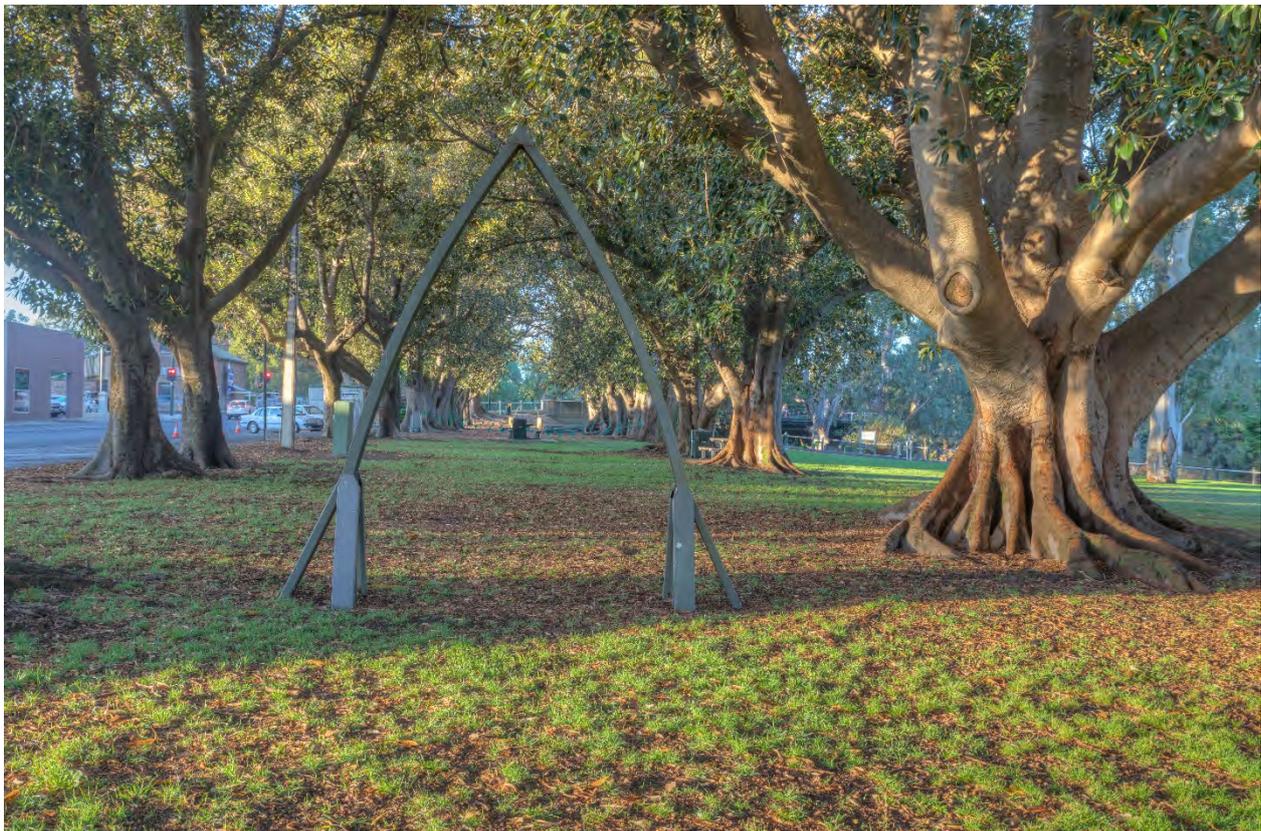
GOAL 5 - OUR LEADERSHIP

A Strong, Vibrant Community

OBJECTIVES

- 5.1 Support and encourage community teamwork
- 5.2 Be recognised as a 'best practice' Local Government organisation
- 5.3 Deliver ongoing effective and efficient services, including support for regional collaboration
- 5.4 Create a safe community environment

Proposed expenditure relating to each of the five goals is disclosed in Appendix 1 (capital works), Appendix 2 (New Initiative Bids), and Appendix 5 (operational Budgets by Community Plan Goals).



PROJECTS & SERVICES FOR THE YEAR

Capital Works & New Initiatives

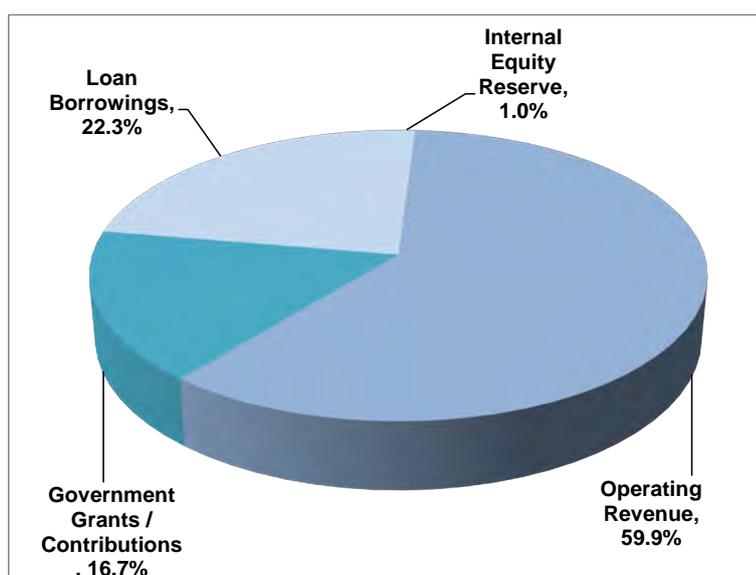
The proposed capital works and new initiatives for the 2019/20 financial year are outlined in Table 4 below.

Table 4 – Proposed Capital Works & New Initiatives 2019/20

Asset Type	Asset Investment Proposals (Capital)		New Initiative \$	TOTAL \$
	Replacement/ Renewal \$	New / Upgrade \$		
Buildings & property	461,310	694,445		1,155,755
Community Services			5,500	5,500
Fleet & Equipment	258,001	85,000		343,001
Footpaths	207,000	436,289		643,289
Growth Policies & Initiatives			50,000	50,000
Information Technology	121,000	126,263	7,400	254,663
Kerb & Gutter	287,000	226,500		513,500
New Employees			113,500	113,500
Open Spaces	210,500	405,928	15,000	631,428
Recreation and Sport	25,000	110,000	84,850	219,850
Regulatory Services			190,000	190,000
Roads	1,255,225	4,971,095		6,226,320
Stormwater		157,300		157,300
Street Assets	15,600	45,500		61,100
TOTAL	2,840,636	7,258,320	466,250	10,565,206

Further details regarding the proposed capital works program and new initiatives for 2019/20 is outlined in Appendix 1 and 2. The proposed capital works program of \$10.099M is to be funded as per Graph 1 below.

Graph 1 – Source of funding – proposed 2019/20 Capital Works Program (\$10.099M)



MEASURING OUR PERFORMANCE

Monitoring and measuring the performance of the Council (both financial and non-financial performance) is important to ensure our objectives are achieved.

Council currently monitors both financial and non-financial performance through the presentation of Quarterly Budget Reviews, Monthly Financial Reports and Annual Financial Statements.

Financial Measures

Council has a number of financial indicators to measure the impact of the annual budget on Council's financial performance/position.

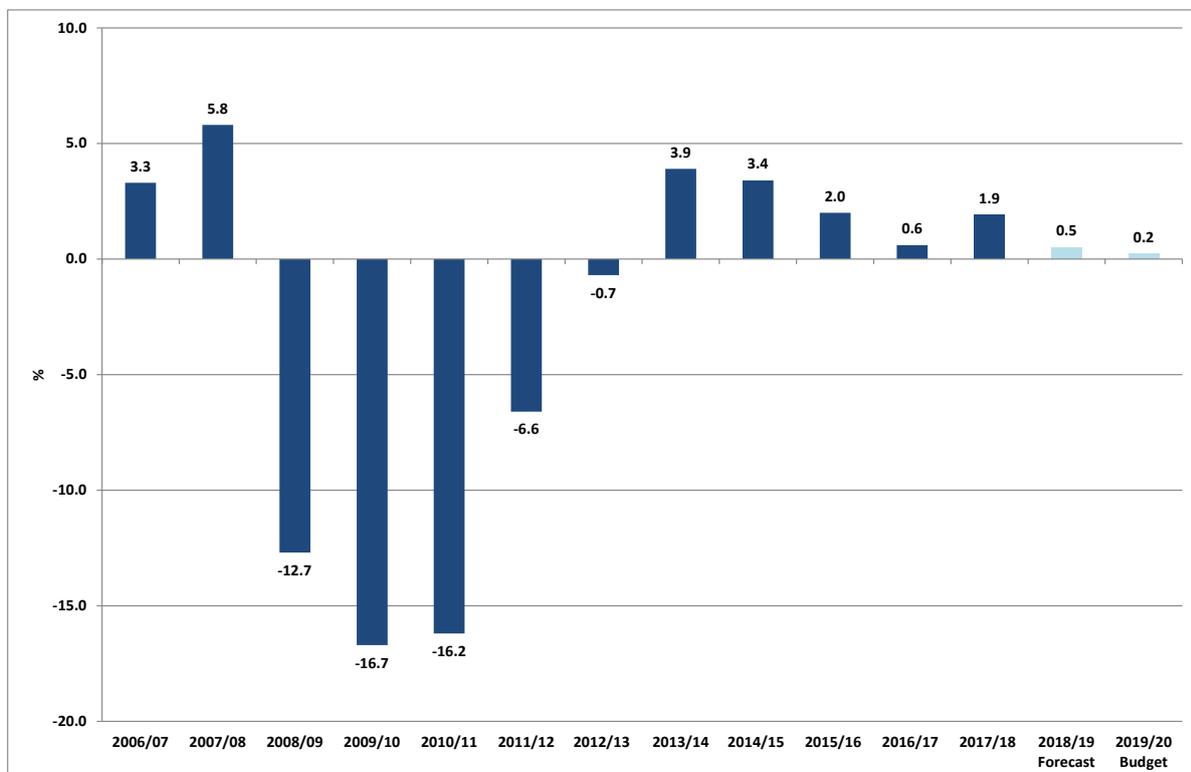
Each of the indicators, with associated comments, is outlined below.

Operating Ratio

This ratio measures the operating result (surplus or deficit) as a percentage of operating revenue. Council's current Treasury Management Policy prescribes that the target result is for the ratio to be between 0-10% (i.e. operating breakeven or surplus) over any five year rolling period.

Graph 2 below indicates that Council is forecasting to operate with a minor operating surplus for the 2019/20 financial year.

Graph 2 – Adjusted Operating Surplus / (Deficit) Ratio: 2006/07 – 2019/20 *



**Adjusted result after excluding impact of advance Federal Government grant payments. So that meaningful year comparisons are achieved, each year result is based on operating result as a percentage of total operating revenue*

Net Financial Liabilities Ratio

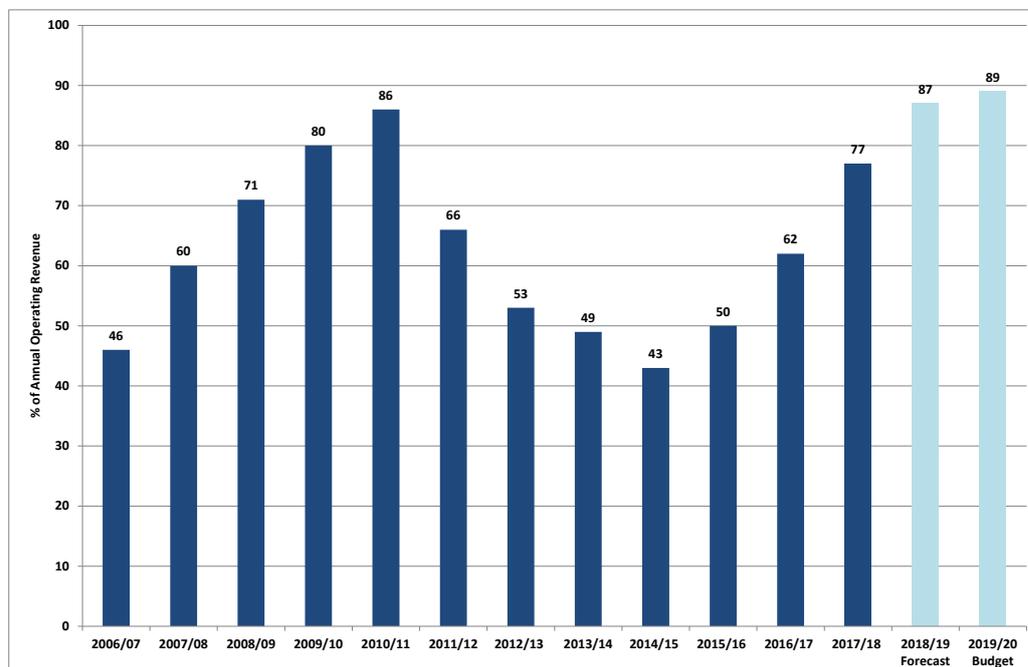
This ratio measures Council's net financial liabilities (i.e. total liabilities less financial assets) as a percentage of total operating revenue.

It is Council policy, and a widely accepted benchmark within the Local Government industry, that the net financial liabilities ratio not exceed 100% (effectively meaning that net financial liabilities not exceed the value of annual operating revenue).

Periodic fluctuations (either upwards or downwards) in the Net Financial Liabilities is to be expected, dependent on the timing/value of capital works programs outlined in Council's Long Term Infrastructure & Asset Management Plan. This is particularly relevant to the replacement and renewal of existing fixed assets, noting that at any point in time different assets will be at different stages of their useful life. Further, in a growth Council such as Gawler, there will be a continual expected demand for new and/or increased services/facilities, as the population of the Council continues to escalate.

In this regard, recent budgets have incorporated Council's investment in the restoration and refurbishment of the State heritage-listed Town Hall and Gawler Institute. Council's net contribution to this project, after allowing for a \$5.6m Federal Government grant, is being funded from a combination of operating revenue, external loan borrowings (via an increase in Council's overdraft facility with the Local Government Finance Authority), and the sale of surplus property assets. The increase in external loan borrowings has culminated in a planned increase in the ratio result as outlined in Graph 3 below.

Graph 3 – Net Financial Liabilities Ratio: 2006/07 – 2019/20



As part of its long-term financial planning approach, Council will be placing a financial priority and focus on debt reduction in coming years, with the intention of replicating a reduction in the Net Financial Liabilities ratio that occurred between the 2011/12 and 2014/15 financial years.

Achieving a material reduction in debt over coming years will naturally incrementally increase Council's borrowing capacity for future investment in major strategic projects. In this regard, Council has recently (March 2019 meeting) resolved that the construction of

a Regional Aquatic Centre and the redevelopment of Karbeethan Reserve are its strategic priority.

Further information relating to Council's long term financial planning is contained within the Long Term Financial Plan section of this paper (refer pages 50 to 65).

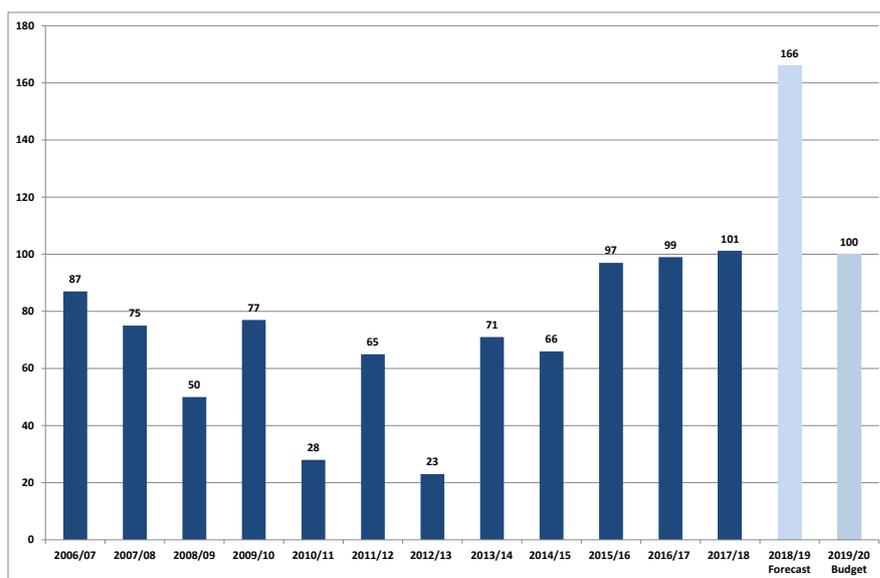
Asset Renewal Funding Ratio

This ratio measures net capital expenditure on the replacement and renewal of fixed assets (i.e. gross expenditure less proceeds from the sale of replaced assets) as a percentage of identified expenditure for such as disclosed in Council's Infrastructure and Asset Management Plan.

Consequently, this indicator aims to determine if assets are being renewed and replaced in an optimum way. Council's target range for this indicator is 90-100%.

Graph 4 below includes the actual ratio result for the 2006/07 to 2017/18 financial years and the forecast / budget estimate for the 2018/19 and 2019/20 financial years. Prior to the 2013/14 financial year the ratio was determined based on the value of depreciation expense, pending the completion of the Infrastructure and Asset Management Plan.

Graph 4 – Asset Sustainability Ratio: 2006/07 – 2019/20



Graph 4 indicates that Council is planning to achieve its ratio target of between 90-100% in 2019/20.

The spike in the 2018/19 ratio estimate result is simply due to the fact that during the 2018/19 financial year Council elected to transfer \$767,000 from the Walker Place redevelopment project (New/upgraded asset project) to the Murray Street Stage 6 project (Asset replacement / renewal project).

Non-Financial Measures

Council has various non-financial indicators upon which it measures performance and activity levels for various services provided. These indicators are reported to Council on a quarterly basis as part of Quarterly Budget Reviews presented to Council.

Appendix 5 includes service level measures (where appropriate) for the various services

provided by Council. Not all services have non-financial KPIs, and in many instances the measures applied are workload indicators for historic trend data analysis. In such instances, future KPI budgets are not necessarily appropriate or required.



The new Dog Park has been a hit with pets and their owners. The budget provides for new lighting being installed adjacent the facility.



Council is planning to invest \$361,000 in 1.5km of new footpaths in 2019/20.

FUNDING THE BUSINESS PLAN

Operating Revenue

Outside of rate revenue, local government has limited other recurrent revenue streams available to it. Subsequently, there is a significant industry reliance on general rates to fund the recurrent operations of the Council.

Outside of general and service rates and charges, the other recurrent revenue streams of Council are:

- **User pay charges set by Council** – these comprise charges for the Council’s fee-based facilities and services such as the Gawler Aquatic Centre, Gawler Sport and Community Centre, and Willaston Cemetery.
- **Statutory charges set by State Government** – these are fees and charges set by State Government regulation and received by the Council for regulatory functions undertaken such as assessment of development and building applications and dog control management.
- **Grants & Subsidies** – the Council seeks to attract as much grant funding from other tiers of government, thereby reducing the reliance on other revenue streams.
- **Investment Income** – interest received on cash investments held during periods of favourable cashflow.

Analysis of proposed 2019/20 Operating Revenue budget

- **Rates** - Draft budget provides for total revenue increase of 4.8% (\$1.071m) including:
 - 3% (\$637k) increase in General Rate revenue from existing ratepayers
 - 2% (\$424k) ‘new’ General Rate revenue from development growth, noting that based on known new allotment data for the 2019/20 rating year, it is currently anticipated that Council will again realise new rate revenue growth in the order of 2%
 - 1.3% (\$26k) increase in revenue from kerbside waste collection/disposal service (based on updated draft budget received from NAWMA), including revenue from ‘new’ bins serviced during the year. No increase in actual Waste Management Service Charge is proposed (i.e. the individual property charge is expected to remain at \$186), such that increase in revenue solely relates to new bins serviced from new residential development areas
 - 3% (\$39k) increase in rate rebates (i.e. mandatory and discretionary rebates)
 - 1.4% (\$5k) increase in NRM levy collected on behalf of the State Government
- **Statutory Charges** – Draft budget provides for total revenue decrease of 0.7% (\$5k) including:
 - 9.4% decrease (\$23k) in Development Application fees, due to an estimated decline in the volume of development applications lodged. This is reflective of the downturn of building approvals across the nation, with the ABS Building Approvals index disclosing an 18% reduction in dwelling approvals for the year ending November 2018. This has also been impacted by tighter lending standards now in force
 - 3.4% (\$5k) increase in parking expiations
 - 2.1% (\$1k) increase in property search fees
 - 4.8% (\$12k) increase in dog registration fees and associated expiations, informed by a 4.6% increase in the number of registered dogs during 2018/19

- **User Charges** – Draft budget provides for total revenue increase of 4.2% (\$68k) including:
 - 2.5% (\$9k) increase in revenue from the Gawler Aquatic Centre
 - 15.4% (\$64k) ‘one-off’ decrease in revenue from the Gawler Sport & Community Centre, due to the main stadium floor being refurbished during the 2019/20 year (refer budget bid #P190041)
 - 18.5% (\$36k) decrease in Cemetery fees, due to a continuing trend of reduced burials at the Willaston Cemetery
 - 2.6% (\$12k) increase in lease fees and property rentals
 - 3.8% (\$2k) decrease in revenue from the Visitor Information Centre. Revenue from accommodation bookings and ticket sales has been decreasing due to more customers now doing associated business direct with suppliers on-line (offset by associated expenditure reductions). The Council is currently exploring opportunities to consolidate the use of the building by a community arts group that could assist generate further income.
 - \$156k increase in revenue relating to the operational elements of the new Civic Centre (i.e. Business Innovation Hub, Multi-Function Space, Cultural Heritage Centre, etc.), given 2019/20 will be the first full year of operations at the Centre (noting certain operational elements of the Centre officially opened on 11 February 2019, with the remainder then opening in April 2019)

- **Grants, Subsidies and Contributions**– Draft budget provides for total revenue increase of 13.8% (\$491k) (when distortion caused by advance Federal Government grant payments is removed) including:
 - Cessation of \$150k Supplementary Local Roads funding (two year commitment from the Federal Government across the 2017/18 and 2018/19 financial years). Based on the recent 2019 Federal Budget, however, Council is likely to receive an additional estimated Supplementary Local Roads funding of \$320k, which has been provided for in the revised forecast position for 2018/19
 - 8.4% (\$139k) increase in Federal Government Financial Assistance / Local Roads grant
 - 153% (\$115k) increase in developer contributions towards Carparking, stormwater drainage, and footpaths. This revenue will fluctuate dependent on related level of development activity, but the proposed revenue for 2019/20 is based on known future contributions that will become due and payable during the year
 - 214% (\$441k) increase in Federal Government ‘Roads to Recovery’ funding (based on 2019 Federal Budget. Funding for the Scheme has now been extended to 2023/24)

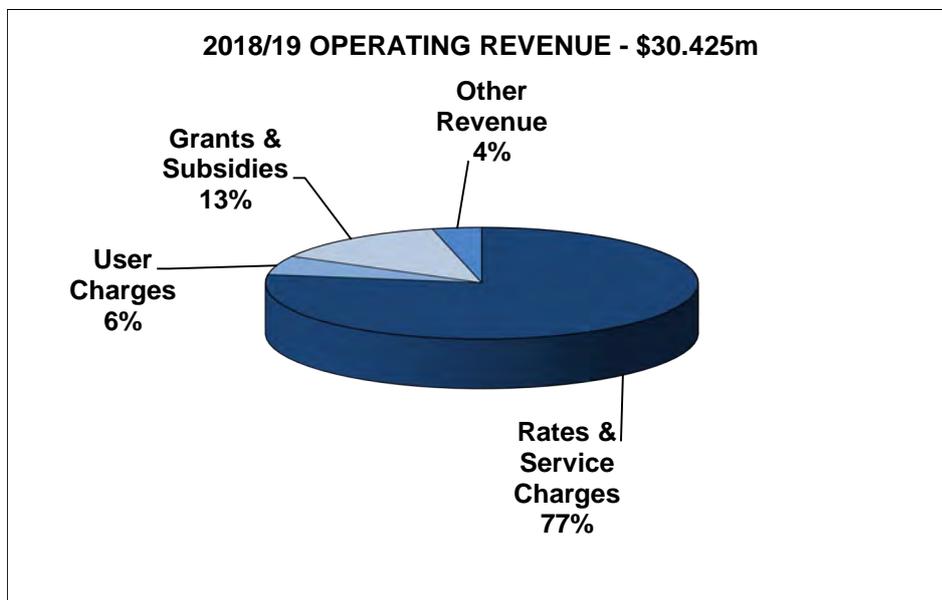
- **Investment Income** – the draft budget provides for nominal revenue of \$33k, based on indicative cashflows, noting that the only investment income source will be via the annual dividend received from the Local Government Finance Authority (LGFA), nominal interest on Council’s working capital account, interest payments received on Community Loans, and internal interest accumulations on various Internal Equity Reserves. Council will continue to rely on the overdraft facility (Cash Advance Debentures) with the LGFA, consistent with the sound treasury management principles outlined in Council’s Treasury Management Policy. This facility can be repaid at any time as cashflow permits, thereby minimising Council’s net interest costs.

- **Reimbursements** – Draft budget provides for total revenue increase of 31% including:
 - New revenue of \$123k relative to Council now hosting the Barossa Regional Procurement Group Co-ordinator role (\$82k) and ‘one-off’ revenue of \$40k relating to the Local Government Association funding the short-term secondment of Council’s WHS/Risk Officer to the sector. This revenue is effectively offset by the salary payable to the Barossa Regional Procurement Co-ordinator role and the engagement of a short-term part-time contract role to backfill the WHS/Risk Officer role whilst the incumbent is on secondment to the LGA

- \$31k reduction in Employee reimbursements towards the costs of vehicles provided for private/commuter use. This reduction is offset by an estimated \$53k reduction in Fringe Benefits Tax (i.e. net saving to Council of \$22k) by converting the employee reimbursements from 'pre' to 'post' tax payments. The reduction in the reimbursements is proposed such that for each individual staff member the fortnightly 'take home' pay remains unchanged (i.e. for each individual employee the reduction in the reimbursement received is offset by increased tax payable)
- **Net Gain – Joint Ventures (NAWMA)** – Draft budget provides for Council's 9.3% equity share in NAWMA's estimated operating result.

A graphical analysis of projected revenue from all sources for the 2019/20 financial year is outlined in Graph 5 below.

Graph 5 – 2019/20 Sources of revenue (incl. Federal grant advance payment)



For further information regarding Council's operating revenue, refer Appendix 3.



Operating Expenditure

The recurrent expenditures incurred by Council are:

- (a) **Employee Costs** – includes all labour related expenses such as wages and salaries, and on-costs such as allowances, leave entitlements and employer superannuation
- (b) **Contractual Services** – includes payments for the external provision of services
- (c) **Materials** – includes payments for physical goods such as fuel, water, energy, road materials, office consumables and stationery
- (d) **Finance Costs** – includes the interest costs of financing the Council's activities through borrowings or other types of financial accommodation
- (e) **Depreciation** – represents the annual consumption of Council's fixed assets (e.g. infrastructure, equipment, buildings, etc.) to deliver a service or program
- (f) **Other Expenses** – includes expenses not separately classified above, such as insurances, postage, telephone, government levies, and contributions and donations.

Analysis of proposed 2019/20 Operating Expenditure budget

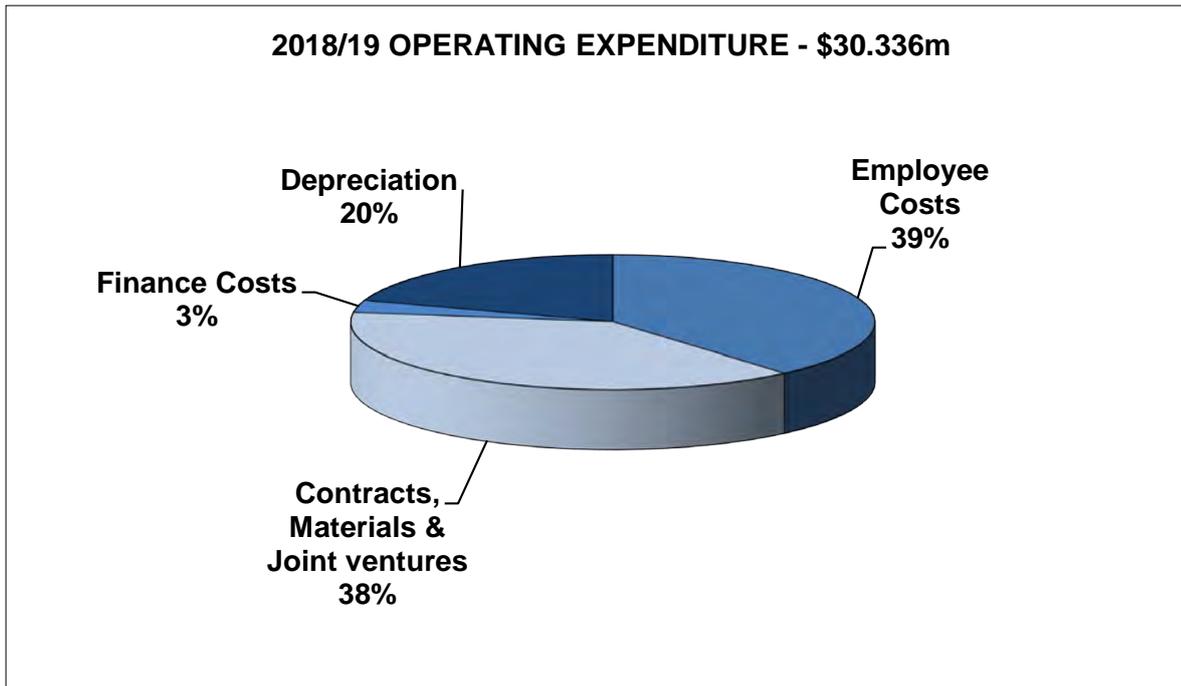
- **Employee Costs** - Draft budget provides for total expenditure increase of 8.5% (gross), or 2.5% (net) (which provides for Enterprise Bargaining Agreement increases (2%) and other nominal salary adjustments provision (0.5%)) when the following factors are removed:
 - \$113.5k for new staffing positions (1.65FTE)
 - \$145k reduction in capitalised salaries and wages
 - Funding for new positions that are being wholly or partly externally funded (i.e. Barossa Regional Procurement Group Co-ordinator role, short-term part-time contract role to backfill WHS/Risk Officer role, trainee role subsidies)
 - A component of staff previously engaged via employment agencies at the Gawler Aquatic Centre and Gawler Sport & Community Centre reverting to Council short-term employment contracts from 2019/20 as a cost saving exercise
- **Materials, Contracts & Other Expenses** overall, the draft 2019/20 budget provides for a decrease of 0.6%, summarised as follows:
 - \$2.032m (0.5% decrease) for Kerbside waste collection/disposal service (which includes costs from new bins serviced during the year) which is self-funded from the Waste Management Service Charge applied. A separate 2019/20 New Initiative budget bid (\$120,000 - #P190156) has been proposed to introduce a Hard Waste collection service (based on a one collection or voucher system), following the trial service introduced in 2018/19 for pensioners. It is further proposed that the cost of introducing the Hard Waste collection service be effectively funded from the \$125,000 surplus generated from the kerbside Waste Management Service operations in 2017/18, which would otherwise need to be rebated back to ratepayers in 2019/20. Should Council elect to continue the service after the 2019/20 financial year, it will need to then consider the funding consequences on the budget.
 - \$767k (2% decrease) for contributions towards various activities as follows:
 - \$366k (1.4% increase) payment of the NRM levy collected on behalf of the State Government (funded via Separate Rate applied)
 - \$176k (2% increase) contribution towards the Gawler Business Development Group (funded via Separate Rate applied against Commercial and Industrial properties) –
 - \$60k (8.3% increase) contribution to the Dog & Cat Management Board (based on 24% of dog registration fees received)
 - \$6k (79% decrease) contribution to State Government Planning Portal

- \$39k (1.63% increase) contribution to the Barossa Regional Development Australia (per funding agreement)
 - \$28k (2% increase) contribution to the Christmas Festival (per funding agreement)
 - \$18.5k (no increase) provision for Community Grants
 - \$15k (no increase) contribution to the Gawler Community House (\$10k of which is deducted as annual repayment of Community Loan)
 - \$5k (\$10k decrease) provision for Local Heritage grants
- \$757k (7.63% increase) for electricity consumption (including \$435k for streetlighting). The \$757k includes \$125k for the new Civic Centre building, and also reflects an estimated reduction of \$20k in electricity at the Gawler Administration Centre following the installation of solar panels
 - \$579k (9.19% decrease) for water consumption across all Council facilities (predominantly for irrigation of Council's ovals, reserves, parks and gardens). This decrease is solely due to the per kilolitre rate within the 2018/19 budget being overstated in addition to the fact that the per kilolitre rate will be reducing in 2019/20
 - \$384k (2.1% increase) for per-new-allotment developer contributions received relating to the Gawler East Link Road on-forwarded to the State Government in accordance with funding Deed with the Minister for Transport & Infrastructure
 - \$341k (19.52% decrease) for employment agency staff across various Council activities (due to a number of existing employment agency staff reverting to short-term employment contracts in 2019/20, and are thus included as 'Employee Costs' from 2019/20)
 - \$333k (7.74% decrease) for various annual software licence fees
 - \$271k (7.5% increase) for contractors providing client services as part of the Community Home Support Program (cost neutral program)
 - \$245k (2.36% increase) for Elected Member allowances
 - \$238k provision for New Initiatives funding
 - \$170k (1.13% decrease) for assets insurance (i.e. Bldgs & Contents, vehicles, etc.)
 - \$152k (1.6% increase) for periodic streetsweeping of CBD and urban streets
 - \$151k (11.03% increase) for road construction materials (i.e. rubble, bitumen, concrete, etc.)
 - \$148k (5.02% increase) provision for legal fees / advice
 - \$134k (9.12% increase) for staff training and development
 - \$133k (16.91% increase) for fuel for Council's heavy/light vehicle fleet, based on estimated utilisation and per-litre fuel costs
 - \$122k (16.66% increase) for communication expenses (e.g. landlines, mobile phones, etc.)
 - \$117k (66.74% increase) for external plant hire, predominantly relating to streets tree maintenance and roads maintenance
 - \$97k (20% decrease) for Fringe Benefits Tax (the decrease is proposed from a conversion of employee contributions towards vehicles provided for private/commuter use from 'pre' to 'post' tax – noting that 'post' tax contributions can be used to reduce FBT whereas 'pre' tax contributions cannot. Offset by a reduction in employee contributions, such that an individual employee's fortnightly take-home pay is unaffected, culminating in a net \$13k saving to Council)
 - \$89k (1.06% decrease) for Public Liability insurance
 - \$89k (55.81% increase) for Advertising costs (e.g. promotions, recruitment, statutory notifications, etc.), including new costs associated with the Civic Centre programs.
 - \$88k (73.8% increase) for minor plant & equipment purchases
 - \$70k (no increase) for bank fees and other transactional charges
 - \$66k (2.78% increase) for water supply charges
 - \$63k (2% increase) for road plant/machinery/vehicle parts
 - \$57k (14.14% increase) for gas charges (predominantly relating to costs associated with heating of the Gawler Aquatic Centre pools)
 - \$52k (1.96% increase) for motor vehicle registration fees
 - \$50k (8.91% decrease) for costs of goods sold (canteens stock)
 - \$48k (9.77% decrease) for postage costs (including quarterly rate notices, annual dog renewal notices, etc.)

- \$48k (1.01% decrease) for the provision of property valuations for rating purposes
 - \$42k (.38% increase) for catering costs
 - \$36k (40.23% decrease) for street/traffic control signs
 - \$35k (19.30% decrease) for stationery purchases
 - \$34k (18.5% decrease) for corporate wardrobe allowances
 - \$31k (2.4% increase) for external audit fees
 - \$28k (6.67% decrease) for printing costs (including quarterly rate notices, annual dog renewal notices, etc.)
 - \$27k (28.57% increase) for pool treatment chemicals
 - \$23k (1.76% increase) for freight/delivery charges
 - \$22k (3.92% increase) for public conveniences supplies
 - \$19k (14.82% decrease) for State Government Emergency Services Levy charges
- **Finance Costs** – Draft budget provides for total expenditure decrease of 0.6% including:
 - \$871k for interest expenses (split \$504k for variable interest rate loans (14% increase) and \$367k for fixed interest rate loans (14% decrease))
 - \$10k for Bank Guarantee charges associated with the Federal Government grant funding deed relative to the Evanston Gardens Community Centre construction. The Administration has reported to Council (February 2019) that the existing funding agreement will expire at the end of December 2019, following which the Department of Social Services has advised that a Memorandum of Understanding (MOU) will be negotiated with Council relative to the residual elements of the funding agreement. Importantly, the Department has recently advised that the MOU will acknowledge that Council has spent the previous grant funding provided in accordance with the funding deed and that no claim against the existing Bank Guarantee will be made. The Bank Guarantee will expire at the end of the term of the existing funding agreement at the end of December 2019. The draft budget provides for the half-yearly Bank Guarantee fee for the July-December 2019 period.
- **Depreciation** – Draft budget provides for total expenditure increase of 16.9% including:
 - \$653k (65% increase) for buildings depreciation. The increase is predominantly due to asset revaluations as at 30 June 2018 and the recent completion of the Civic Centre redevelopment (the latter has previously been provided for in the Long Term Financial Plan forward estimates)
 - \$4.548m (18% increase) for infrastructure depreciation. The increase is predominantly due to asset revaluations as at 30 June 2018, the estimated completion of the Gawler East Link Road in January 2020 (which will become a Council owned/maintained asset upon practical completion) and new infrastructure (such as roads, footpaths, kerb & gutter, stormwater drainage, etc.) acquired from developers as part of new residential land developments. The draft budget provides an indicative \$200k for depreciation of the Gawler East Link Road (for the period February-June 2020), the calculation of which will be further investigated and analysed as more accurate and reliable costing data becomes available.
 - \$631k (4% decrease) in equipment depreciation, primarily due to previously installed CCTV equipment having now been fully depreciated
 - \$197k (16% decrease) in other assets depreciation

A graphical analysis of projected operating expenditure for the 2019/20 financial year is outlined in Graph 6 below.

Graph 6 – 2019/20 Operating Expenditure analysis



For further information regarding Council's operating expenditure, refer Appendix 4.



RATING STRATEGY

Strategic Rating Policy

Council has a Strategic Rating Policy, reviewed annually, which provides policy guidance relating to Council's annual rating methodology.

The Council has recently completed its review of the Policy, and has endorsed it (without material change) for the purposes of public consultation, which will be undertaken in conjunction with the public consultation of this draft 2019/20 Budget / Business Plan.

A copy of the policy can be downloaded from Council's website at www.gawler.sa.gov.au.

The key rating elements comprised within the Strategic Rating Policy are outlined below.

Property Valuations

Council rates are a form of property taxation, and property values determine how much each property contributes towards funding the activities outlined in the annual budget / business plan.

The Council uses capital values as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.

General Rates

General rates payable for each ratepayer is determined by the capital valuation multiplied by the rate-in-the-dollar set by the Council, and Council also applies differential general rates based on the land use of the property. The land uses used for rating purposes are as follows:

- (a) Residential
- (b) Commercial
- (c) Industry
- (d) Primary Production
- (e) Vacant Land
- (f) Other

In accordance with Section 3.2.1.1 of the Strategic Rating Policy, Council will determine a base general rate (for properties contained within Residential, Primary Production and Other land use codes). Percentage loadings (on the base general rate) will then apply on all other land use categories.

The percentage loadings applied will be in recognition of the following factors:

- (a) A differential rate loading (above the base general rate) will apply on all Vacant land properties as a disincentive towards land banking;
- (b) A differential rate loading (above the base general rate) will apply on all Commercial and Industrial properties in consideration of the following factors:
 - i. Valuation methods involved within capital compared to site value;
 - ii. Overall service levels related to infrastructure maintenance and Council services;
 - iii. Tax deductibility;
 - iv. Relative rates in neighbouring Councils; and

v. Other relevant factors

However, in recognition of enhanced economies of scale and capacity to pay for large high-valued businesses (such as major national supermarket/retail chains), and to act as an economic stimulus in support of small low-valued businesses, the differential rate loadings for Commercial and Industrial properties will be applied on a progressive taxation basis, based on various valuation ranges determined by the Council pursuant to Section 158 of the Local Government Act 1999.

As part of the General rates, Council also applies a minimum rate, so that all ratepayers make an appropriate base-level contribution towards the cost of service delivery to our community.

Separate Rates

In accordance with Section 154 of the Local Government Act 1999, Council may levy a separate rate for a particular activity provided to specific properties within the community.

The current separate rates applied are outlined below.

(a) Business Development & Marketing Separate Rates

This separate rate is levied against commercial and industrial properties for the purpose of developing and promoting business. The funds generated are to cover the costs of operations of the Gawler Business Development Group, which acts as an advocate for the business community within Gawler.

The separate rate is raised and collected at no cost to the Gawler Business Development Group.

A higher contribution is sourced from properties within the Town Centre zone, in recognition of additional services provided by the Gawler Business Development in support of such properties.

(b) Natural Resources Management Levy

The Council collects this levy on behalf of the Adelaide & Mount Lofty Ranges Natural Resource Management Board.

In this capacity, the Council is operating as a revenue collector for the State Government and does not retain the revenue nor determine how it is spent.

Further information regarding the levy can be obtained from the Gawler Office of the Adelaide & Mount Lofty Ranges Natural Resource Management Board (Ph: (08) 8523 7700).

(c) Gawler East Development area Separate Rates

In accordance with Clause 3.3.5 of the Strategic Rating Policy, Council has Separate Rates to fund the provision of various infrastructure within the Gawler East development area.

The Separate Rates are applied towards the provision of various road and community infrastructure that will specifically benefit the occupiers of the land within that part of the area and visitors to that part of the area.

Service Rates & Charges

In accordance with Section 155 of the Local Government Act 1999, Council may levy a service charge for various prescribed services provided to the community.

The current service charge applied is outlined below.

(a) Waste Management Service Charge

The Council provides a kerbside waste management collection and disposal service, for general household waste, greenwaste and recyclable materials.

A service charge, to recover the cost of the service, is applied against all ratepayers (excluding vacant land properties and Primary Production properties with no (or minimal) built form) who are able to access the service, regardless of whether they use the service.

Withholding of Discretionary Rate Rebates for Commercial properties in a state of neglect

Introduced in the 2015/16 financial year, Council may continue to withhold discretionary rate rebates for Commercial properties in the Town Centre determined to be in a state of neglect and detracting significantly from the amenity of the locality.

In making any such determination the Council will have regard to the following considerations:

- a) The features which establish the amenity of the locality in which the property is situated;
- b) The aspects of the amenity of the locality which the Council seeks to preserve or encourage;
- c) The reasons why the particular property significantly detracts from the amenity of the locality; and
- d) Any other matters the Council considers relevant, including comment from affected property owners if provided

In its inception in 2015/16, three (3) properties had General rate rebates withheld as they were deemed to be in a state of neglect which detracted from the amenity of their locations.

As evidence that this initiative has worked as originally intended, the owners of each of the three properties have since undertaken major restoration works on their buildings, resulting in none of these properties having their rate rebate withheld in the 2018/19 financial year.

An assessment of any properties to be considered under this initiative for the 2019/20 financial year will be considered by relevant staff over coming months, and then considered by Council as part of its Rates adoption for the 2019/20 financial year.

The value of discretionary rate rebates withheld will be retained in a Property Improvement Reserve Fund. The money in the Fund will be made available to property owners or businesses (including those contributing rebates) in the Town Centre for improving the appearance of their premises.

Expected Impact on Ratepayers

Differential General Rates

Consistent with most other Councils, the Town of Gawler significantly relies on general rate revenue to fund the activities proposed in the annual budget / business plan.

The budget provides for a 3% increase in General rate revenue from existing ratepayers. Whilst individual property increases may fluctuate based on movements in individual property valuations, the average residential increase in General rates is estimated at approximately \$47 (i.e. approximately \$0.90 per week).

In accordance with Council's Strategic Rating Policy, the Council will continue to apply differential rate loadings on a progressive taxation basis for all Commercial and Industrial properties, based on a different net rate-in-the-\$ being applied against various property valuation ranges.

The indicative General Rate revenue to be sourced from each Differential Rate for the 2019/20 financial year (excluding growth) is outlined in Table 5 below.

Table 5 - 2019/20 Indicative General Rate revenue by Differential Rate Category (excluding new General Rate revenue from growth)*

Category	Indicative Gross General Rates \$	Indicative Rebates \$	Indicative Net General Rates \$
Residential	16,367,900	(283,700)	16,084,200
Commercial	3,661,100	(909,900)	2,751,200
Industry	217,300	(72,100)	145,200
Primary Production	693,600	-	693,600
Vacant Land	802,200	-	802,200
Other	129,400	(88,100)	41,300
TOTAL	21,871,500	(1,353,800)	20,517,700

**Final amounts adopted subject to change based on valuations / property nos. movement*

An increase of 3% in the Minimum Rate (from \$977 to \$1,006) has been provided for, the percentage increase being consistent with the overall percentage increase in General Rate revenue required to fund the budget (the average metropolitan Minimum Rate in 2018/19 was \$1,000).

Separate Rates

(a) Business Development & Marketing Separate Rate

The revenue to be collected from the separate rate will be determined by the value of funds required to fund the activities of the Gawler Business Development Group. The draft budget estimate of \$176k is based on an increase of 2% in the value of funds levied.

(b) Residential (Gawler East) & Residential Hills Zones Separate Rates

In accordance with Clause 3.3.5 of Council's Strategic Rating Policy, in 2017/18 Council introduced a funding model related to the Gawler East Link Road and other infrastructure (i.e. deferred infrastructure relative to the Gawler East Link Road, traffic interventions, and social/community infrastructure) to be provided within the Gawler East development area.

The funding model is predicated on the basis that the infrastructure to be provided in the Gawler East Development Area will be of benefit to the Gawler East Development Area as well as occupiers of and visitors to the Gawler East Development Area. Therefore those persons intending to develop the land are the expected beneficiaries of the infrastructure to be provided.

It is intended that contributions towards the infrastructure required for the Gawler East Development Area will be made pursuant to deeds of agreement between the Council and those intending to develop the land. The declaration of separate rates by the Council is for the purpose of ensuring the provision and delivery of the infrastructure that is required for the Gawler East Development Area. Traditionally bank guarantees have been sought from developers to secure developer contributions. The declaration of a separate rate has the benefit of constituting a statutory charge on the relevant land and also saving the developer the costs of establishing and maintaining bank guarantees.

Whilst the Separate Rates are a charge on the land, Council will postpone such Rates, in accordance with Section 182 of the Local Government Act 1999, until a trigger event occurs, which will be when a Section 51 Clearance is sought for a land division. Given Council is satisfied that the imposition of the Separate Rates would cause financial hardship (per Section 182(1) of the Local Government Act 1999), for the reasons set out in the **Gawler East Development – Infrastructure Funding policy (the Funding Policy)** subject to the conditions set out in the Funding Policy. A separate rate declared and payable in respect of a particular piece of land for a particular year will (unless the Council resolves otherwise) be remitted in whole or in part (as appropriate) immediately upon the declaration by the Council of a further separate rate in the following year in respect of the same land provided;

- the principal ratepayer of the land or any other person has not sought to have a certificate under Section 51 of the *Development Act 1993* issued for any division of the land involving the creation of one or more allotments intended for residential or commercial use; or
- development approval in relation to the land involving multiple dwellings or any commercial development on the land has not been granted; or
- payment has already been made to the Council (or security provided to the Council's satisfaction) in accordance with another mechanism (including under a deed) for an amount equivalent to the amount of the separate rate declared and payable in respect of the land; or
- in-kind capital works have been undertaken which the Council is satisfied in its absolute discretion are equivalent to the amount of the separate rate declared and payable in respect of the land.

A separate rate that is not subject to postponement or remission will be a liability of the principal ratepayer of the land, amongst others in accordance with the Act, and will be payable in accordance with Council's determination for payment in accordance with the Act and set out in the rate notices issued by the Council, or as otherwise agreed between the Council and the principal ratepayer.

Separate rates for the Gawler East Development Area will be considered and declared on an annual basis over the life of the development of the Gawler East Development Area, based on a number of factors including completed construction costs and revised estimates. The declaration of a separate rate creates a charge against the respective land. The amount of the separate rates for the Gawler East Development Area will likely change over time based on a number of factors including developer contributions received over the life of the development of the Gawler East Development Area. The Gawler East Link Road (including deferred infrastructure) and the Traffic Interventions Separate Rate are indexed by the Australian Bureau of Statistics *Roads and Bridges Construction Index* (ABS 6427.0 Table 17), whereas the Community Infrastructure Separate Rate is indexed by the *Local Government Price Index*.

For the 2018/19 financial year, Separate Rates of \$20,386,389 were applied and then automatically postponed. During the 2018/19 financial year, \$284,595 in contributions were received via developer deeds relating to the provision of various infrastructure within the Gawler East development area.

Separate Rates are declared on a proportional basis (with the proportional basis being the amount of developable land). 'Developable land' is determined as the component of an allotment that is deemed by Council to be capable of future development. This includes land that would be required for road reserves and areas of open space required to facilitate private development, but excludes land constrained by steep topography.

The different per developable hectare rates applied for Springwood Communities and Other Future

Developers is based on the different identified funding contributions required from each based on the overarching funding model established, deeds of agreement in place, and the actual location of future infrastructure to which the Separate Rates relate.

Gawler East Link Road (including deferred infrastructure): Indicative Separate Rates *

Map Ref	Assessment No.	Proportional Basis (developable land - hectares)	Infrastructure Charge per developable land (per hectare) \$	Total \$
Development Area - Springwood Communities				
1 & 2	140744	48.69	38,425.08	1,870,917.15
3	40868	22.39	38,425.08	860,337.54
4	144467	29.05	38,425.08	1,116,248.57
5	145438	20.00	38,425.08	768,501.60
Development Area - Other Future Developers (OFD)				
2	144572	1.601	68,960.38	110,405.57
3	144564	1.42	68,960.38	97,923.74
5	144556	2.10	68,960.38	144,816.80
6	68584	1.00	68,960.38	68,960.38
7	68576	1.00	68,960.38	68,960.38
8	68802	1.73	68,960.38	119,301.46
9	68827	3.26	68,960.38	224,810.84
10	68819	5.49	68,960.38	378,592.49
11	68568	1.31	68,960.38	90,338.10
12	88222	1.58	68,960.38	108,957.40
13	79776	1.38	68,960.38	95,165.32
14	67312	4.17	68,960.38	287,564.78
15	67337	1.61	68,960.38	111,026.21
16	67345	1.00	68,960.38	68,960.38
17	67434	1.25	68,960.38	86,200.48
18	71893	1.58	68,960.38	108,957.40
19	144653	2.10	68,960.38	144,816.80
20	67078	1.96	68,960.38	135,162.34
21	70808	1.81	68,960.38	124,818.29
22	67086	3.87	68,960.38	266,876.67
23	68535	0.53	68,960.38	36,549.00
24	67191	2.45	68,960.38	168,952.93
25	67183	2.10	68,960.38	144,816.80
26	67175	1.05	68,960.38	72,408.40
27	133356	0.00	68,960.38	-
28	133348	0.65	68,960.38	44,824.25
30	144491	3.20	68,960.38	220,673.22
31	67159	1.55	68,960.38	106,888.59
32	67142	0.59	68,960.38	40,686.62
33	5262	1.13	68,960.38	77,925.23
34	144661	1.05	68,960.38	72,408.40
35	146588	0.00	68,960.38	-

* Whilst the annual movement in the Australian Bureau of Statistics Roads and Bridges Construction Index (ABS 6427.0 Table 17) as at March 2019 will ultimately be utilised for indexing the Separate Rate per developable hectare for 2019/20 rating purposes, the annual movement in the index as at December 2018 was 3.75%.

Community Infrastructure: Indicative Separate Rates *

Map Ref	Assessment No.	Proportional Basis (developable land - hectares)	Infrastructure Charge per developable land (per hectare) \$	Total \$
Development Area - Springwood Communities				
1 & 2	140744	48.69	25,395.93	1,236,527.83
3	40868	22.39	25,395.93	568,614.87
4	144467	29.05	25,395.93	737,751.77
5	145438	20.00	25,395.93	507,918.60
Development Area - Other Future Developers (OFD)				
2	144572	1.601	36,336.39	58,174.56
3	144564	1.42	36,336.39	51,597.67
5	144556	2.10	36,336.39	76,306.42
6	68584	1.00	36,336.39	36,336.39
7	68576	1.00	36,336.39	36,336.39
8	68802	1.73	36,336.39	62,861.95
9	68827	3.26	36,336.39	118,456.63
10	68819	5.49	36,336.39	199,486.78
11	68568	1.31	36,336.39	47,600.67
12	88222	1.58	36,336.39	57,411.50
13	79776	1.38	36,336.39	50,144.22
14	67312	4.17	36,336.39	151,522.75
15	67337	1.61	36,336.39	58,501.59
16	67345	1.00	36,336.39	36,336.39
17	67434	1.25	36,336.39	45,420.49
18	71893	1.58	36,336.39	57,411.50
19	144653	2.10	36,336.39	76,306.42
20	67078	1.96	36,336.39	71,219.32
21	70808	1.81	36,336.39	65,768.87
22	67086	3.87	36,336.39	140,621.83
23	68535	0.53	36,336.39	19,258.29
24	67191	2.45	36,336.39	89,024.16
25	67183	2.10	36,336.39	76,306.42
26	67175	1.05	36,336.39	38,153.21
27	133356	0.00	36,336.39	-
28	133348	0.65	36,336.39	23,618.65
30	144491	3.20	36,336.39	116,276.45
31	67159	1.55	36,336.39	56,321.40
32	67142	0.59	36,336.39	21,438.47
33	5262	1.13	36,336.39	41,060.12
34	144661	1.05	36,336.39	38,153.21
35	146588	0.00	36,336.39	-

* Whilst the annual movement in the Local Government Price Index as at March 2019 will ultimately be utilised for indexing the Separate Rate per developable hectare for 2019/20 rating purposes, the annual movement in the index as at December 2018 was 2.7%.

Traffic Interventions: Indicative Separate Rates *

Map Ref	Assessment No.	Proportional Basis (developable land - hectares)	Infrastructure Charge per developable land (per hectare) \$	Total \$
Development Area - Springwood Communities				
1 & 2	140744	48.69	53,614.96	2,610,512.40
3	40868	22.39	53,614.96	1,200,438.95
4	144467	29.05	53,614.96	1,557,514.59
5	145438	20.00	53,614.96	1,072,299.20
Development Area - Other Future Developers (OFD)				
2	144572	1.601	15,310.05	24,511.39
3	144564	1.42	15,310.05	21,740.27
5	144556	2.10	15,310.05	32,151.11
6	68584	1.00	15,310.05	15,310.05
7	68576	1.00	15,310.05	15,310.05
8	68802	1.73	15,310.05	26,486.39
9	68827	3.26	15,310.05	49,910.76
10	68819	5.49	15,310.05	84,052.17
11	68568	1.31	15,310.05	20,056.17
12	88222	1.58	15,310.05	24,189.88
13	79776	1.38	15,310.05	21,127.87
14	67312	4.17	15,310.05	63,842.91
15	67337	1.61	15,310.05	24,649.18
16	67345	1.00	15,310.05	15,310.05
17	67434	1.25	15,310.05	19,137.56
18	71893	1.58	15,310.05	24,189.88
19	144653	2.10	15,310.05	32,151.11
20	67078	1.96	15,310.05	30,007.70
21	70808	1.81	15,310.05	27,711.19
22	67086	3.87	15,310.05	59,249.89
23	68535	0.53	15,310.05	8,114.33
24	67191	2.45	15,310.05	37,509.62
25	67183	2.10	15,310.05	32,151.11
26	67175	1.05	15,310.05	16,075.55
27	133356	0.00	15,310.05	-
28	133348	0.65	15,310.05	9,951.53
30	144491	3.20	15,310.05	48,992.16
31	67159	1.55	15,310.05	23,730.58
32	67142	0.59	15,310.05	9,032.93
33	5262	1.13	15,310.05	17,300.36
34	144661	1.05	15,310.05	16,075.55
35	146588	0.00	15,310.05	-

Whilst the annual movement in the Australian Bureau of Statistics Roads and Bridges Construction Index (ABS 6427.0 Table 17) as at March 2019 will ultimately be utilised for indexing the Separate Rate per developable hectare for 2019/20 rating purposes, the annual movement in the index as at December 2018 was 3.75%.

Map 1 (refer Appendix 6) outlines the delineation between Springwood Communities and Other Future Developers.

Council has recently updated its *Gawler East Development – Infrastructure Funding Policy*, which provides policy guidance relative to the application of the Gawler East development area Separate Rates. The Council welcomes feedback on the updated policy as part of its consultation of the draft 2019/20 Budget / Business Plan. Copies of this policy can be downloaded from Council’s website at www.gawler.sa.gov.au.

Service Charges

(a) Waste Management Service Charge

The kerbside waste collection and disposal service, upon which the service charge applied is based, is provided by the Northern Adelaide Waste Management Authority (NAWMA).

The Waste Management Service Charge is currently estimated to remain unchanged from \$186, based on the favourable financial performance of NAWMA.

The Waste Management Service Charge, nonetheless, continues to be adversely impacted by recent large increases in the State Government Solid Waste levy. The per-tonne levy fee has increased by 92% within the last five years (from \$52 to \$100 per tonne).

In accordance with Section 155 of the Local Government Act 1999, Council can only recover by way of a service charge the actual cost of providing the related service.

Assistance Available

Rebates of Rates

The Local Government Act 1999 requires Councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, and educational institutions.

Discretionary rebates may be applied by the Council on land used for community purposes under Section 166 of the Act. A copy of Council's *Rate Rebates Policy*, which outlines the criteria under which Council may consider a Rate rebate, is available for inspection on Council's website www.gawler.sa.gov.au.

Table 6 below outlines the Discretionary Rate rebates provided in the 2018/19 financial year.

Table 6 – 2018/19 Discretionary Rate Rebates provided

Property No.	Location	General Rate rebate \$	Notes	Motion No. (if applicable)
Various	Various Commercial and Industrial properties	\$885,899	Rebates provided as part of Council's 'tiered' rating structure for Commercial and Industrial properties	As part of annual rates adoption
112227	Uniting Church 'Op Shop', Tod Street, Gawler	\$230	100% recurrent rebate	2012:12:397
112219	Uniting Church 'U Care' Office, Tod Street, Gawler	\$1,302		
14593	CWA, 29 Tod Street, Gawler	\$1,180	100% recurrent rebate	2010:01:020
16998	Gawler Apex Club, Gawler River Rd, Willaston	\$1,000	100% rebate whilst Apex Club leases the property	2015:07:293
88247	Starples, Alexander Ave, Evanston Park	\$30,904	Recurrent rebate such that the properties are	

122618	Gawler & Barossa Jockey Club, Barnet Rd, Evanston	\$30,882	rated under the 'Other' and not 'Commercial' land use category	2013:02:041
TOTAL				

Application forms, giving full criteria, are available from the Council.

Remission of Rates

Section 182 of the Local Government Act 1999 permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to telephone (08) 85229 211 to discuss the matter. Such inquiries are treated confidentially by Council.

Postponement of Rates – Seniors

In accordance with provisions of the Local Government Act 1999, persons who hold a current Seniors Card may apply to postpone any amount in excess of \$500 (\$125 per quarter) less any concession entitlement for their principal place of residence. Interest will accrue on postponed balances, with the accrued debt being payable on the disposal or sale of the property.

Residential Rate Capping

In accordance with Section 153(3) of the Local Government Act 1999, Council will continue to provide the application of a rates cap for Residential properties. The increase has been traditionally capped at 10% for self-funded retirees, or those ratepayers whose primary income source is fixed Government benefits, and 20% for all other ratepayers.

Application forms (including eligibility criteria) are available from Council's Principal Office at 43 High Street, Gawler East or can be downloaded from Council's website at www.gawler.sa.gov.au.

Rate Payment Options

Council provides for quarterly payments of rates in September, December, March and June each year.

Payments can be made via

- B-Pay – Biller Code 36129 and Customer Reference (Assessment) Number
- Direct Debit – monthly or quarterly option available
- Council's website – secure payment facility at www.gawler.sa.gov.au
- Post Billpay - in person at any Post Office, by phone 13 18 16 or www.postbillpay.com.au
- Council Phone Service – phone 1300 276 468 and enter Council's Biller Code 134 3300
- Centrepay – deductions from Centrelink payments (Town of Gawler CRN 555-066-349-C)
- Mail – Cheque or Money Orders to PO Box 130, Gawler SA 5118
- In person - cash/cheque/EFTPOS at the Town of Gawler Administration Centre (43 High Street, Gawler East), 9am-5pm Mondays - Fridays

Alternative Payment Arrangements

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard rate payment cycle may contact the Council on (08) 8522 9211 to discuss options for alternative payment arrangements. Such enquiries are treated confidentially.

FINANCIAL STATEMENTS

**TOWN OF GAWLER
DRAFT 2019/2020 BUDGET
STATEMENT OF COMPREHENSIVE INCOME
for the year ending 30 June 2020**

2018/2019 Adopted Budget	2018/2019 Forecast		2019/2020 Budget
\$'000	\$'000		\$'000
INCOME			
22,471	22,452	Rates	23,542
714	680	Statutory charges	709
1,623	1,605	User charges	1,691
2,745	3,577	Grants, subsidies and contributions	4,075
29	33	Investment income	33
253	401	Reimbursements	331
12	54	Other income	7
1	1	Net gain - Equity accounted Council businesses	37
27,848	28,803	Total Income	30,425
EXPENSES			
10,810	10,614	Employee costs	11,734
11,727	11,461	Materials, contracts & other expenses	11,652
887	870	Finance costs	882
5,159	5,645	Depreciation, amortisation & impairment	6,029
39	39	Net loss - Equity accounted Council businesses	39
28,622	28,629	Total Expenses	30,336
(774)	174	OPERATING SURPLUS / (DEFICIT)	89
OTHER COMPREHENSIVE INCOME			
(28)	1,522	Asset disposal & fair value adjustments	0
6,777	4,311	Amounts specifically for new or upgraded assets	1,975
5,000	3,082	Physical resources received free of charge	24,600
10,975	9,089	NET SURPLUS / (DEFICIT) TRANSFERRED TO EQUITY STATEMENT	26,664
		Other Comprehensive Income	
10,975	9,089	TOTAL COMPREHENSIVE INCOME	26,664

47	134	ADJUSTED OPERATING RESULT with distortion from advance Federal Government grant payments removed - SURPLUS / (DEFICIT)	71
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**TOWN OF GAWLER
DRAFT 2019/2020 BUDGET
BUDGETED BALANCE SHEET
for the year ending 30 June 2020**

2018/2019 \$'000 Adopted Budget	2018/2019 \$'000 Forecast	ASSETS	2019/2020 \$'000 Budget
		Current Assets	
110	110	Cash and cash equivalents	100
1,346	1,599	Trade & Other Receivables	1,649
12	17	Inventories	17
<u>1,468</u>	<u>1,726</u>	Total Current Assets	<u>1,766</u>
		Non-current Assets	
233	185	Financial Assets	205
3,493	3,574	Equity accounted investments in Council	3,611
243,428	265,938	Infrastructure, Property, Plant & Equipment	294,526
1,777		Work-in-Progress	0
<u>248,931</u>	<u>269,697</u>	Total Non-current Assets	<u>298,342</u>
250,399	271,423	TOTAL ASSETS	300,108
		LIABILITIES	
		Current Liabilities	
4,096	5,377	Trade & Other Payables	4,569
909	909	Borrowings	971
2,501	2,775	Provisions	2,775
<u>7,506</u>	<u>9,061</u>	Total Current Liabilities	<u>8,315</u>
		Non-current Liabilities	
17,606	17,667	Borrowings	20,132
498	281	Provisions	544
39	39	Liability - Equity accounted Council	78
<u>18,143</u>	<u>17,987</u>	Total Non-current Liabilities	<u>20,754</u>
25,649	27,048	TOTAL LIABILITIES	29,069
224,750	244,375	NET ASSETS	271,039
		EQUITY	
72,915	67,946	Accumulated Surplus	94,014
149,313	174,423	Asset Revaluation Reserve	174,423
2,522	2,006	Other Reserves	2,602
<u>224,750</u>	<u>244,375</u>	TOTAL EQUITY	<u>271,039</u>

TOWN OF GAWLER
DRAFT 2019/2020 BUDGET
BUDGETED STATEMENT OF CHANGES IN EQUITY
for the year ending 30 June 2020

2018/2019 Adopted Budget	2018/2019 Forecast		2019/2020 Budget
\$'000	\$'000		\$'000
ACCUMULATED SURPLUS			
62,446	59,050	Balance at end of previous reporting period	67,946
10,975	9,089	Net Result for Year	26,664
(619)	(306)	Transfers to Other Reserves	(721)
113	113	Transfers from Other Reserves	125
72,915	67,946	Balance at end of period	94,014
ASSET REVALUATION RESERVE			
149,313	174,423	Balance at end of previous reporting period	174,423
149,313	174,423	Balance at end of period	174,423
OTHER RESERVES			
2,016	1,813	Balance at end of previous reporting period	2,006
619	306	Transfers from Accumulated Surplus	721
(113)	(113)	Transfers to Accumulated Surplus	(125)
2,522	2,006	Balance at end of period	2,602
224,750	244,375	TOTAL EQUITY AT END OF REPORTING PERIOD	271,039

**TOWN OF GAWLER
DRAFT 2019/2020 BUDGET
BUDGETED CASH FLOW STATEMENT
for the year ending 30 June 2020**

**2019/2020
Budget**

**2018/2019
Adopted
Budget
\$(000's)**

**2018/2019
Forecast
\$(000's)**

\$(000's)

CASH FLOW FROM OPERATING ACTIVITIES

Receipts

27,768	28,969	Operating receipts	30,305
29	33	Investment receipts	33

Payments

(21,961)	(21,575)	Operating payments to suppliers and employees	(22,850)
(887)	(870)	Finance payments	(882)

4,949	6,557	Net Cash provided by (or used in) Operating Activities	6,606
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CASH FLOW FROM INVESTING ACTIVITIES

Receipts

4,229	3,629	Amounts specifically for new or upgraded assets	894
125	125	Sale of replaced assets	81
2,436	2,246	Sale of surplus assets	0
50	50	Repayments of loans by community groups	30

Payments

(3,985)	(6,840)	Expenditure on renewal/replacement of assets	(2,702)
(12,789)	(9,756)	Expenditure on new/upgraded assets	(7,396)
(120)	(120)	Loans made to Community groups	(50)

(10,054)	(10,666)	Net Cash provided by (or used in) Investing Activities	(9,143)
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CASH FLOWS FROM FINANCING ACTIVITIES

Receipts

5,956	4,758	Proceeds from Borrowings	3,436
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Payments

(851)	(851)	Repayment of Borrowings	(909)
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5,105	3,907	Net Cash provided by (or used in) Financing Activities	2,527
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0	(202)	NET INCREASE/(DECREASE) IN CASH HELD	(10)
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110	312	CASH & CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD	110
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110	110	CASH & CASH EQUIVALENTS AT END OF REPORTING PERIOD	100
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**TOWN OF GAWLER
DRAFT 2019/2020 BUDGET
BUDGETED UNIFORM PRESENTATION OF FINANCES
for the year ending 30 June 2020**

2018/2019 Adopted Budget	2018/2019 Forecast		2019/2020 Budget
\$'000			\$'000
27,848	28,803	Income	30,425
(28,622)	(28,629)	less Expenses	(30,336)
(774)	174	Operating Surplus / (Deficit)	89
less Net Outlays on Existing Assets			
(3,985)	(6,840)	Capital Expenditure on renewal and replacement of Existing Assets	(2,702)
5,159	5,645	less Depreciation, Amortisation and Impairment	6,029
125	125	less Proceeds from Sale of Replaced Assets	81
1,299	(1,070)		3,408
less Net Outlays on New and Upgraded Assets			
(12,789)	(9,756)	Capital Expenditure on New and Upgraded Assets	(7,396)
6,777	4,311	less Amounts received specifically for New and Upgraded Assets	1,975
2,436	2,246	less Proceeds from Sale of Surplus Assets	0
(3,576)	(3,199)		(5,421)
(3,051)	(4,095)	Net Lending / (Borrowing) for Financial Year	(1,924)

Net Lending / (Borrowing) equals Operating Surplus / (Deficit), less Net Outlays on non-financial assets. The Net Lending / (Borrowing) result is a measure of the Council's overall (i.e. Operating and Capital) budget on an accrual accounting basis. The Net Lending / (Borrowing) result can be expected to fluctuate from year to year, given the lumpy nature of some capital expenditure. Achieving a zero result on the Net Lending / (Borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's revenues. The amount of Net Lending in any one year decreases the level of Net Financial Liabilities in the year by that amount. Conversely, the amount of Net Borrowing increases the level of Net Financial Liabilities.

**TOWN OF GAWLER
DRAFT 2019/2020 BUDGET
FINANCIAL INDICATORS**

	2018/2019 Adopted Budget	2018/2019 Forecast	2019/2020 Budget	Policy Target result
	\$'000	\$'000	\$'000	\$'000
Operating Result - Surplus/(Deficit)	-774	174	89	>0
<i>Being the operating surplus (deficit) before capital amounts .</i>				
Adjusted Operating Result - Surplus/(Deficit)	47	134	71	>0
<i>Being the underlying operating result with distortion from advance Federal Government grant payments removed</i>				
Operating Ratio				
<u>Operating Surplus</u>	-2.8%	0.6%	0.29%	0-10%
Total Operating Revenue	<i>This ratio expresses the operating surplus as a percentage of total Operating revenue.</i>			
Adjusted Operating Surplus Ratio				
<u>Adjusted Operating Surplus</u>	-0.1%	0.5%	0.23%	0-10%
Total Operating Revenue	<i>The Federal Government made an advance grant payment of \$855k for 2018/19 in the 2017/18 financial year. The 2019 Federal Budget, announced in April 2019, indicated that a 50% advance payment of the 2019/20 grant would be received in June 2019. This has been estimated at \$895k. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the operating result for each year.</i>			
Net Financial Liabilities Ratio				
<u>Net Financial Liabilities</u>	86.0%	87.3%	89.1%	0-100%
Total Operating Revenue				
Asset Renewal Funding Ratio				
<u>Net Asset Renewals</u>	97%	166%	100%	90-100%
Infrastructure & Asset Management Plan required expenditure	<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>			

TOWN OF GAWLER
DRAFT 2019/2020 BUDGET
BUDGETED MOVEMENT IN EQUITY RESERVES
for the year ending 30 June 2020

	Forecast Balance 1/7/19 \$'000	2019/20 Transfers to Reserve \$'000	2019/20 Transfers from Reserve \$'000	Projected Closing Balance 30/6/20 \$'000	Note
Asset Revaluation Reserve	174,423			174,423	
Other Reserves:					
Carparking	451	5		456	1
Open Space	-	180		180	2
Stormwater Drainage	-	10		10	3
Property	1,138	11		1,149	4
Waste Management Service Charge	125		(125)	-	5
Discretionary Rate Rebates Withheld	6			6	
Willaston Cemetery Reserve	1			1	
Urban Tree Fund	13			13	
Gawler East Development	192	515		707	6
Historic Walls Scheme	80			80	7
Total Other Reserves	2,006	721	(125)	2,602	

Notes:

The designated Equity Reserves are not necessarily 'cashed-back', as Council utilises any surplus funds not immediately required for cashflow purposes towards debt reduction, in accordance with its Treasury Management Policy, thereby minimising its net interest costs. Consequently, Council's approach is to consider and manage its overall finances in a holistic manner. Where required, an internal rate of interest is applied against the Internal Equity Reserves, to recognise interest that would otherwise be earned on the Equity Reserve balance.

1. Transfer to Reserve represents estimated value of internal interest on Reserve balance
2. Transfer to Reserve represents estimated Developer contributions to be received
3. Transfer to Reserve represents estimated Developer contributions to be received
4. Transfer to Reserve represents estimated value of internal interest on Reserve balance
5. Transfer from Reserve to fund 2019/20 Hard Waste collection program
6. Transfer to Reserve represents estimated developer contributions received towards Gawler East Community infrastructure and traffic interventions to be constructed within the Gawler East development zones.
7. Balance of Reserve relates to accrued unspent funds for Historic Walls Scheme. Council allocation of \$25k per year for 10 years within recurrent budget. Any unspent funds of the annual recurrent allocation are transferred to this Reserve.

LONG TERM FINANCIAL PLAN

Overview

The Long Term Financial Plan (LTFP), which forecasts Council's financial performance/position over a 10-year horizon, is required to be reviewed and updated on an annual basis. The update of the LTFP is very much an iterative and fluid process, with ongoing review and refinements based on updated data and information as it becomes available.

The LTFP is informed in a number of ways.

Firstly, the proposed level of capital works over the life of the LTFP is informed by identified asset investment funding outlined within Council's Long Term Infrastructure & Asset Management Plan (LTAMP) (which is also prepared across a 10-year horizon).

Secondly, the estimated recurrent financial performance of the Council is informed by a series of 'high-level' modelling assumptions pertaining to Council's revenue and expenditure streams. These assumptions are informed by various external indices including:

- Local Government Price Index – 2.7% (December 2018)
- Consumer Price Index (Adelaide) – 1.6% (December 2018) (previously 2.7% June 2018 and 1.8% Sept 2018)
- Reserve Bank of Australia (RBA) inflation target 2-3% (*Source*: RBA website February 2019)
- Estimate of 2.1% inflation rate for 2019/20 (*Source*: RBA Statement on Monetary Policy (Feb 2019))

Consequently, the LTFP is compiled based on various key operating revenue / expenditure modelling assumptions and identified capital funding requirements outlined in the LTAMP.

Financial modelling recently undertaken and presented to Council was based on rating sensitivity analysis undertaken on General Rate revenue increases for existing ratepayers of 2%, 2.5% and 3% p.a. and bundled discretionary investment in 'New / Upgraded' assets of \$2m, \$2.5m and \$3m p.a. These indicative scenarios were effectively selected based on confining future General Rate increases for existing ratepayers to ideally between CPI and CPI + 1% (noting that the CPI has limited relevance in a Local Government setting) and limiting Council's investment in 'New / Upgraded' assets to a financially sustainable level, such that Council can materially reduce its debt over coming years, and thereby create future borrowing capacity, in the longer-term, for Council's next 'iconic' asset investment project.

An ongoing reduction in debt, which will automatically facilitate a reduction in Council's Net Financial Liabilities Ratio (and will also directly facilitate an improvement in the recurrent operating result via reduced finance charges) is an immediate aspirational goal of the Council, now that the investment in the 'multi-generational' project of the Civic Centre redevelopment has been completed and other significant projects (e.g. Murray Street Stage 6 and Gawler Mill Bridge upgrade) have also been extensively progressed or completed. Council's policy target, and the widely held industry view, is that the Net Financial Liabilities (NFL) Ratio should not exceed 100%, such that the value of Council's net financial liabilities does not exceed its total recurrent revenue.

Historically, Council's NFL peaked at 86% in 2010/11, which at the time coincided with unsustainable recurrent operating deficits in the order of \$3m. As a result of improved budget / treasury management techniques, and the challenge from the Council/Audit Committee to 'fast-track' a return to an operating surplus, the Council was able to achieve a reduction in its NFL Ratio to 43% in 2014/15 and achieve an operating surplus by 2013/14. It is important to note that had such a turn-around in both Council's financial performance and position not been achieved, then Council would definitively not have had the financial capacity to consider the major investment that has now been realised in the restoration and refurbishment of the State heritage listed Town Hall and Gawler Institute (i.e. Civic Centre).

Whilst the ability to undertake the Civic Centre project was also facilitated by Council securing a \$5.6m

Federal Government grant, Council's share of the investment cost of the project was naturally going to materially increase debt and, in turn, the NFL Ratio result.

For the 2018/19 financial year, Council's NFL Ratio is forecast to be 87% as at 30 June 2019 and, as a result, return to a similar ratio result of 2010/11. Council is now implementing a financial strategy to reduce debt and also return to an ongoing operating surplus (noting that LTFP suggests Council will potentially incur operating deficits between 2020/21 and 2022/23, primarily due to new depreciation relative to the Gawler East Link Road).

With regard to the NFL Ratio, albeit there is a widely accepted industry position that the ratio for a Council should be maintained between 0-100%, it is critical to note that there is no 'right' or 'wrong' answer as to what a particular Council's ratio result should particularly be at any point in time as there are many variables at play – e.g. the overall condition of a Council's stock of assets, where certain major assets are positioned relative to their remaining useful life, agreed service levels, the demand for new and/or upgraded assets (which is more prevalent in rapid growth Councils), a Council's overall profile, etc.

Nonetheless, a comparison of Gawler's NFL adjusted ratio result as at 30 June 2017 (67%), compared to all other Councils in the State is provided in Table 6 below (30 June 2017 has been used as this is the most recently available data from the SA Local Government Grants Commission database).

Table 6 – Net Financial Liabilities Ratio (30/6/17) for all SA Councils

Ratio range	No. of Councils *
< 0%	24
0% - 20%	15
21% - 40%	11
41% - 60%	7
61% - 80%	3
81% - 100%	3
> 100%	3
Total	66

*Data for two Councils were not included in the Grants Commission database

The Table above indicates that Council's NFL ratio of 67% was certainly at the higher end of the scale by comparison with other Councils', but it is important to emphasise that a Council with a low NFL ratio does by no way mean it is a better performing Council than one with a high NFL ratio, as it could simply be hiding, for example, an under investment in asset replacement and renewal. Consequently, the NFL ratio of a Council should not be considered in isolation to other key financial indicators (particularly the operating result and Asset Renewal Funding Ratio).

In relation to the operating revenue and expenditure forward estimates, the following key assumptions are outlined below.

Operating Result forward estimates – Key Assumptions

As part of the assessment of key annual incremental assumptions, the following factors have been taken into consideration:

1) Rates Revenue

- 2% p.a. 'new' General rate revenue from growth
- 3% p.a. increase in revenue from Separate Rates (i.e. State Government NRM levy and Gawler Business Development Group)
- 4% p.a. increase in revenue from the Waste Management Service Charge, which includes 'new' revenue each year from new waste bins serviced in new residential land divisions.

2) Statutory Charges Revenue

- 2% p.a. increase in all revenue streams, including dog registrations, development application fees,

property search fees, and parking expiations.

In many instances, the actual fee levied is determined by State Government legislation. Further to this, in some instances the amount of revenue actually received is outside of Council's immediate control (e.g. where revenue is based on number of development applications received or property search requests).

3) User Charges Revenue

- 2% p.a. increase in all revenue streams, including property leases and rentals (most of which are aligned to annual movements in the CPI index)

4) Grants, Subsidies & Contributions

- 2% p.a. increase in operating grants (e.g. Financial Assistance / Local Roads Grant, Library operating grant, Home Assistance Scheme grant) and developer contributions towards Open Space, Stormwater Drainage, Carparking, etc.).
- 'Roads to Recovery' grant ceasing in 2023/24 (as noted in 2019 Federal budget papers)
- Per new allotment developer contributions towards Gawler East development being received based on indicative allotment yields (partly offset by associated annual repayments to State Government towards the Gawler East Link Road)

5) Investment Income

As Council has effectively utilised its own internal cash reserves for previous capital works, the Council will continue to have an ongoing reliance on the Cash Advance Debenture (overdraft) facility with the Local Government Finance Authority (LGFA) to fund a component of its annual capital works programs.

Consequently, it is estimated that only nominal interest will be received over the life of the LTFP, comprising modest interest on Council's working account with the National Australia Bank, the annual bonus received from the LGFA, and internal interest on various internal equity reserves.

6) Reimbursements / Other Income

- 2% p.a. increase in reimbursements / other revenue streams

7) Employee Costs

- Employee Costs increase (for existing staff) of 2.5% p.a. to provide for Enterprise Bargaining Agreements movements (2%) and other nominal individual salary/wage adjustments (0.5%)
- Annual provision of 2.0 new FTE, in recognition of ongoing major growth occurring in the Council area, which will invariably trigger the demand for additional staff at various intervals. The need or otherwise for new staff is determined on a yearly basis relative to business needs. For example, the adjustment proposed in 2019/20 is for 1.65 FTE.

8) Materials, Contracts & Other Expenses

- Increase in Waste Management costs of 4% p.a. (including growth due to ongoing expansion of service to new development areas), offset by matching increase in Waste Management Service Charge revenue
- Increase in Water consumption costs of 4% (including allowance for the quantity of new reserves being acquired within various residential land developments).
- Increase in Fuel / Electricity costs of 2% p.a., noting that various solar panel installations will aim to reduce Council's power consumption/costs
- Increase in Open Space Management costs based on future annual cost increases – the respective new indicative costs for each year then compounded annually over the life of the Plan
- Cyclic cost of periodic Council elections (\$105k in 2018/19)
- Inclusion of new operational costs following completion of Civic Centre redevelopment (i.e. Business

Innovation Hub, Cultural Heritage Centre, etc.), which are predominantly offset by new revenue streams

- Reimbursements to the State Government towards the cost of Gawler East Link Road (including \$500k from Springwood in 2020/21; remaining contributions equal to value of developer contributions received each year)
- New Initiatives funding of \$200k in 2019/20, then indexed by 2.0% p.a.
- Increase in other Contracts & Materials of 2% p.a.

9) Finance Costs

- Plan provides for loan funding continuing to be sourced from the short-term variable interest rate overdraft facility with the LGFA – i.e. no fixed interest rate, long-term loans provided for (noting the fixed-interest long-term Debenture Loan rate is currently 4.4%, which is actually higher than the existing short-term variable CAD interest rate of 3.6%). The key benefit of this approach continues to be that overdraft debt can be repaid at any time as cashflow permits, thereby minimising net interest costs.
- However, Council may wish to consider 'locking-in' some of the overdraft should interest rates materially increase (noting that interest rates have been stable for an extended period, with the CAD variable interest rate being unchanged since August 2016)
- Amount of Finance costs will naturally be influenced by level of borrowings over the life of the Plan – i.e. reduced debt = reduced Finance costs, which then facilitates, all else being equal, an improved operating performance.

10) Depreciation

- Increase in depreciation expense (\$486k) as a result of revaluations undertaken as at 30 June 2018 and post construction of Civic Centre redevelopment (in the order of \$160k)
- Estimated new depreciation of \$500k p.a. for Gawler East Link Road upon estimated completion of the road in 2019 (\$200k provision in 2019/20 for the February-June 2019 period)
- An increase of 2% p.a. in the depreciation of buildings, equipment, and other assets
- Increase in infrastructure assets provides for depreciation of new assets received each year as part of new residential land developments (e.g. roads, footpaths, stormwater drainage, etc.) in addition to new depreciation from new and/or upgraded assets (e.g. upgraded assets resulting from Walker Place precinct redevelopment)

11) Net Gain/Loss – Equity Accounted Council Businesses

The estimated net gains disclosed in the forward estimates is based on the long term financial plan estimates previously provided by the Northern Adelaide Waste Management Authority (NAWMA). Council's equity share in NAWMA is 9.3%.

Capital Expenditure

As noted earlier, the capital expenditure included in the LTFP forward estimates is sourced and informed from the identified asset management funding towards the replacement and renewal of existing assets disclosed in the Long Term Asset Management Plan. Separate, and in addition to this, modelling scenarios presented to Council have been based on a 'bundled' funding provision for the investment in new and upgraded assets of \$2m, \$2.5m or \$3m p.a.

Based on Council's existing financial position / performance, it is proposed that the average annual investment in new and upgraded assets be confined within these value ranges, such that Council can then, all else being equal, reduce its debt and Net Financial Liabilities ratio to 'free-up' future borrowing capacity, similar to the approach within the last decade that facilitated the financial capacity for Council to undertake the Civic Centre redevelopment project (noting that the Civic Centre redevelopment project was a one in multi-generational project).

Council will naturally need to give consideration on an annual basis to the nature of projects it allocates any

investment in new/upgraded assets to. It is assumed that such projects would be informed by Council's funding priorities at any given point in time, as informed by priorities within the Community Plan 2017-2027 and/or the myriad of project studies undertaken by Council. Such project studies include, but are not limited to, the following:

- Gawler Open Space, Sport & Recreation Strategy
- Barossa, Light & Lower North Regional Open Space Sport and Recreation Plan
- Environmental Management Plan
- Gawler & Surrounds Stormwater Management Plan
- Biodiversity Management Plan
- Town Centre Carparking Strategy
- Town Centre Strategic Framework
- Strategic Directions Report
- Rural Land Use and Infrastructure Investigation
- Risk Management Framework
- Walking & Cycling Plan
- Gawler Urban Rivers Corridor Master Plan
- Asset Management Plans
- Open Space Guidelines
- Divestment Strategy
- Willaston Cemetery Conservation & Management Plan
- Willaston Local Area Traffic Management Plan
- Gawler Aquatic Centre Needs and Feasibility Analysis
- Youth Development Plan
- Gawler Arts & Culture Strategy
- Gawler Public Art Framework
- Gawler Activation Strategy
- Gawler Reconciliation Action Plan
- Gawler Disability Access and Inclusion Action Plan
- Social Infrastructure and Services Study
- Child Friendly Gawler Plan
- IT Strategy
- Smart Cities Strategy
- Economic Development Strategy
- Cultural Heritage Management Plan
- Regional Public Health Plan
- Regional Waste Management Strategy
- Building Condition Audit

It is noted, however, that Council will have future commitments in the longer term to construct social and community infrastructure and traffic interventions within the Gawler East development, with such investment to predominantly be funded via per-new-allotment contributions received by developers over the life of the Gawler East development. Given the significantly reduced rate of actual new property development that is currently occurring, it is now estimated that a component of such infrastructure may not be required within the 10 year horizon of the LTFP. In this context, it is assumed that the future timing of such infrastructure would be informed and triggered by certain population growth and the accumulated value of developer contributions received.

Where a financial contribution is required from Council towards the construction of such infrastructure within the Gawler East development, this will need to be funded from within Council's funding allocation for 'New / Upgraded' assets.

In terms of Council's annual capital works program, priority funding should always be provided towards the replacement/renewal of existing assets (which do not invariably trigger increased maintenance or depreciation costs) ahead of the investment in new/upgraded assets (which do lead to new and increased maintenance and depreciation costs).

Capital Revenue

The LTFP update incorporates the following capital revenue items:

- Residual Federal Government funding towards the Civic Centre redevelopment being received in 2018/19 (to date, \$4.928m of the \$5.7m secured funding has been received)
- \$1m towards the redevelopment of the Walker Place precinct (funding previously received) (2019/20)
- \$660k for Gawler Bridge rehabilitation works (2018/19)
- \$600k for Murray Street – Stage 6 works (funding previously received) (2018/19)
- \$200k for CCTV extension and improved public lighting (2019/20)
- \$75k towards the refurbishment of the Gawler Sport & Community Centre main stadium floor (funding previously received) (2019/20)
- \$409k towards the upgrade of the changerooms at the Gawler Aquatic Centre
- \$3m from developers towards future traffic interventions (within existing roads) as part of the Gawler East development (associated developer contributions towards social/community infrastructure are deemed to be recurrent, not capital, revenue)
- \$300k p.a. capital grants from 2020/21

Being cognisant of councils financial position, whilst Council will continue to proactively seek external grant funding towards capital works projects, the focus will nonetheless be on seeking external grant funding that reduces councils net capital investment in the purchase and/or construction of new and upgraded assets, as distinct from seeking grant funding that increases the scope of works for a capital works project.



Financial Indicators

Based on a recurring 3% increase in General rate revenue from existing ratepayers, and key long-term assumptions disclosed, indicative impacts on Council’s key financial indicators are outlined below.

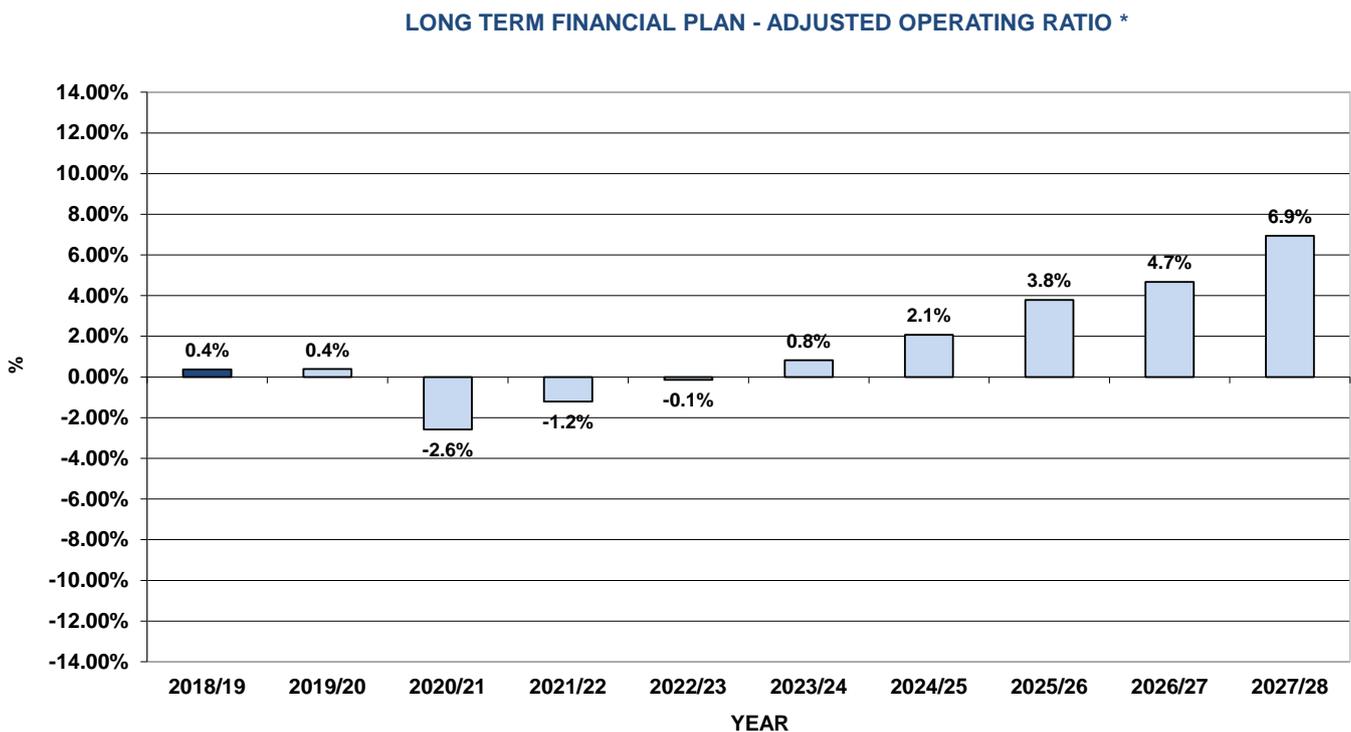
Operating Ratio

The operating ratio measures the operating result as a percentage of Council’s annual recurrent revenue, with Council’s policy position being that a 0-10% surplus be achieved over any five year rolling period.

The key catalyst behind Council estimating that it will be incurring an operating deficit in the 2020/21 and the 2021/22 financial years is primarily due to the new depreciation that will be incurred relative to the Gawler East Link Road on practical completion of the road (currently estimated at \$500,000 per annum).

Rather than Council increasing general rates above 3% for the 2020/21 and 2021/22 years, so that it can achieve an operating surplus consistent with its policy target for these years, it is more appropriate that Council consider incurring a short-term operating deficit for these years, knowing that the forward estimates after such time suggest that Council will be able to return to a consistent operating surplus position thereafter.

Graph 7 – LTFP Operating Ratio (2018/19 – 2027/28)



**Adjusted result removes the distortion caused between financial years as a direct result of advance Federal Government grant payments received*

Net Financial Liabilities Ratio

The Net Financial Liabilities (NFL) Ratio measures Council’s net financial liabilities (i.e. Council’s total liabilities (e.g. debt, employee leave entitlements, etc.) less current assets) as a percentage of Council’s annual recurrent revenue. Council’s policy position, and the widely accepted industry view, is that the ratio result not exceed 100% - i.e. that Council’s net financial liabilities do not exceed annual operating revenue.

Based on Council restricting its investment in new and upgraded assets to an indexed \$3 million per annum (noting that the proposed net investment in new and upgraded assets for 2019/20 is \$3.2m – after excluding the \$2.4m capital contribution payable to the State Government towards the upgrade of Potts Road as part of the Gawler East Link Road construction works), the forward estimates in the long-term financial plan relative to the net financial liabilities ratio suggest that Council will be able to relatively quickly reduce its debt thereby incrementally creating future borrowing capacity for its next key strategic projects.

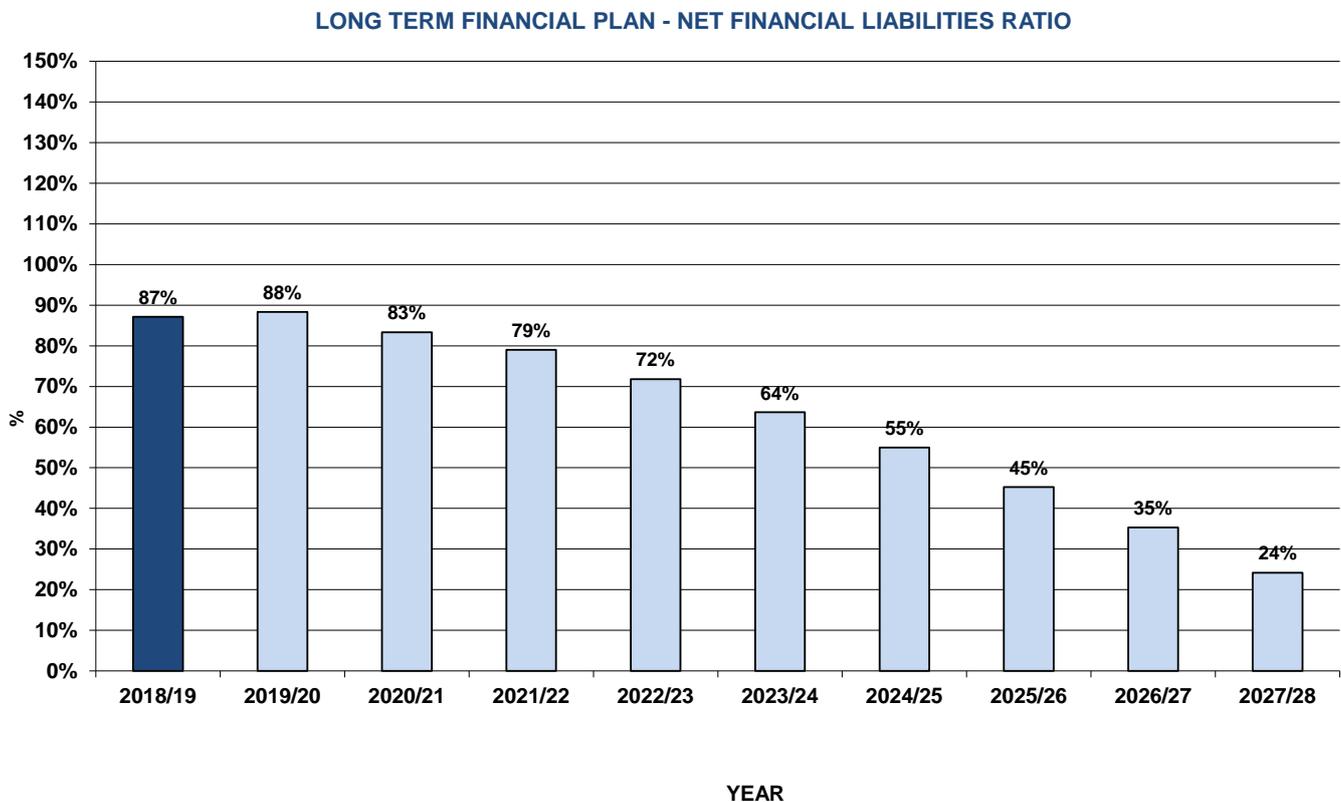
Council has recently determined that its next key strategic project investments relate to a Regional Aquatic Centre and the redevelopment of the Karbeethan reserve.

The forward estimates of the net financial liabilities ratio and the operating ratio suggests that Council will not only be able to reduce its net financial liabilities ratio from 87% to 64% by 2023/24 (thereby creating in the order of \$10 million borrowing capacity at such time), but that it would also then have the operating capacity to accommodate new depreciation and maintenance costs that would result from the investment in strategic initiatives such as these.

Should Council ultimately decide in 2023/24, for example, that it has \$10m financial capacity to fund its investment in a key strategic priority (noting that funding for either a Regional Aquatic Centre or the redevelopment of Karbeethan Reserve is not currently provided for in the forward estimates), then the future impact on the ratio results would be a return of the Net Financial Liabilities ratio to a similar amount as present, whereas the forward operating ratio results would be expected to also reduce to a nominal operating surplus position (as distinct from the incrementally large operating results currently forecast from the 2024/25 financial years).

To achieve such an aspirational financial outcome will naturally require ongoing financial discipline and constraints being continually applied by the Council, consistent with the key assumptions and capital investment projections disclosed in the Long Term Financial Plan.

Graph 8 – LTFP Net Financial Liabilities Ratio (2018/19 – 2027/28)



**LONG TERM FINANCIAL PLAN -
STATEMENT OF COMPREHENSIVE INCOME**

	2018/19 \$'000s Budget	2019/20 \$'000s Forecast	2020/21 \$'000s Forecast	2021/22 \$'000s Forecast	2022/23 \$'000s Forecast	2023/24 \$'000s Forecast	2024/25 \$'000s Forecast	2025/26 \$'000s Forecast	2026/27 \$'000s Forecast	2027/28 \$'000s Forecast
INCOME										
Rates	22,452	23,547	24,718	25,947	27,238	28,592	30,013	31,506	33,072	34,716
Statutory Charges	680	764	738	753	768	784	799	815	831	848
User Charges	1,605	1,661	1,731	1,774	1,810	1,847	1,884	1,923	1,962	2,001
Grants, subsidies and contributions	3,583	4,074	4,154	3,720	3,788	3,535	3,605	3,677	3,751	3,826
Investment Income	33	11	11	11	11	11	11	11	11	11
Reimbursements	401	291	297	304	220	224	229	233	238	243
Other Revenues	55	47	48	49	50	51	52	53	54	55
Net gain - Equity Accounted Council Businesses	1	37	59	72	98	126	144	242	218	348
TOTAL INCOME	28,810	30,433	31,757	32,630	33,983	35,169	36,738	38,459	40,137	42,048
EXPENSES										
Employee Costs	10,613	11,734	12,198	12,704	13,140	13,682	14,248	14,834	15,441	16,069
Materials, Contracts & Other Expenses	11,462	11,614	12,630	12,613	13,194	13,559	14,170	14,685	15,430	15,783
Finance Costs	870	883	934	864	819	735	635	537	416	280
Depreciation, Amortisation & Impairment	5,645	6,027	6,774	6,805	6,839	6,865	6,883	6,908	6,933	6,958
Net loss - Equity Accounted Council Businesses	39	39	39	39	39	39	39	39	39	39
TOTAL EXPENSES	28,629	30,297	32,575	33,026	34,031	34,880	35,976	37,003	38,259	39,129
OPERATING SURPLUS / (DEFICIT)	181	136	(818)	(396)	(48)	289	762	1,456	1,878	2,919
Asset Disposal & Fair Value Adjustments	1,522	0	0	0	0	0	0	0	0	0
Amounts received specifically for new or upgraded assets	4,311	1,974	590	596	602	608	614	620	627	633
Physical resources received free of charge	3,082	24,600	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
NET SURPLUS / (DEFICIT)	9,096	26,710	1,772	2,200	2,554	2,897	3,376	4,076	4,504	5,552
OTHER COMPREHENSIVE INCOME										
Changes in Revaluation Surplus	0	0	0	0	0	0	0	0	0	0
Share of Other Comprehensive Income - Equity Accounted Council Businesses	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	9,096	26,710	1,772	2,200	2,554	2,897	3,376	4,076	4,504	5,552
ADJUSTED OPERATING SURPLUS / (DEFICIT) *	141	118	(818)	(396)	(48)	289	762	1,456	1,878	2,919

* Adjusted operating result removes distortion caused by advance payments of Federal Government Financial Assistance / Local Roads Grant

LONG TERM FINANCIAL PLAN - BALANCE SHEET

	2018/19 \$'000s Forecast	2019/20 \$'000s Forecast	2020/21 \$'000s Forecast	2021/22 \$'000s Forecast	2022/23 \$'000s Forecast	2023/24 \$'000s Forecast	2024/25 \$'000s Forecast	2025/26 \$'000s Forecast	2026/27 \$'000s Forecast	2027/28 \$'000s Forecast
ASSETS										
Current Assets										
Cash and cash equivalents	110	100	100	100	100	100	100	100	100	100
Trade & other receivables	1,593	1,674	1,747	1,795	1,869	1,934	2,021	2,115	2,208	2,313
Loans to Community Groups	30	6	6	6	6	3	3	3	1	1
Inventories	17	17	17	17	17	17	17	17	17	17
Total Current Assets	1,750	1,796	1,869	1,918	1,992	2,055	2,141	2,235	2,325	2,431
Non-Current Assets										
Loans to Community Groups	185	229	223	217	211	208	205	202	201	200
Investments in subsidiaries	3,534	3,532	3,552	3,584	3,643	3,731	3,836	4,039	4,218	4,526
Infrastructure, Property, Plant & Equipment	265,938	294,529	295,867	297,357	298,469	299,274	300,337	301,426	302,517	303,762
Total Non-Current Assets	269,657	298,289	299,641	301,158	302,323	303,212	304,378	305,667	306,935	308,488
TOTAL ASSETS	271,407	300,086	301,511	303,076	304,315	305,267	306,518	307,902	309,261	310,919
LIABILITIES										
Current Liabilities										
Trade & Other Payables	5,377	4,569	5,077	4,584	4,592	4,601	4,609	4,617	4,626	4,635
Borrowings - Fixed Term Debentures	909	971	1,037	1,107	831	594	307	0	0	0
Provisions	2,775	2,775	2,775	2,775	2,775	2,775	2,775	2,775	2,775	2,775
Total Current Liabilities	9,061	8,315	8,889	8,466	8,198	7,970	7,691	7,392	7,401	7,410
Non-Current Liabilities										
Trade & Other Payables										
Borrowings - Fixed Term Debentures	4,848	3,877	2,840	1,733	902	308	0	0	0	0
Borrowings - Cash Advance Facility	12,835	16,205	16,111	16,790	16,353	15,005	13,234	10,602	7,204	3,051
Provisions	281	486	696	912	1,132	1,359	1,590	1,828	2,072	2,322
Other Non-Current Liabilities	0	0	0	0	0	0	0	0	0	0
Total Non-Current Liabilities	17,964	20,568	19,647	19,435	18,387	16,672	14,824	12,430	9,276	5,373
TOTAL LIABILITIES	27,025	28,883	28,536	27,901	26,586	24,641	22,515	19,823	16,677	12,782
NET ASSETS	244,382	271,203	272,975	275,175	277,729	280,626	284,003	288,079	292,584	298,136
EQUITY										
Accumulated Surplus	67,953	94,169	95,575	98,198	100,163	97,268	99,169	102,465	103,886	106,517
Asset Revaluation Reserve	174,423	174,423	174,423	174,423	174,423	174,423	174,423	174,423	174,423	174,423
Other Reserves	2,006	2,611	2,977	2,554	3,143	8,934	10,411	11,191	14,275	17,196
TOTAL EQUITY	244,382	271,203	272,975	275,175	277,729	280,626	284,003	288,079	292,584	298,136

**LONG TERM FINANCIAL PLAN -
STATEMENT OF CASHFLOWS**

	2018/19 \$'000s Budget	2019/20 \$'000s Forecast	2020/21 \$'000s Forecast	2021/22 \$'000s Forecast	2022/23 \$'000s Forecast	2023/24 \$'000s Forecast	2024/25 \$'000s Forecast	2025/26 \$'000s Forecast	2026/27 \$'000s Forecast	2027/28 \$'000s Forecast
CASH FLOWS FROM OPERATING ACTIVITIES										
<i>Receipts:</i>										
Investment receipts	33	11	11	11	11	11	11	11	11	2
Operating receipts	28,952	30,305	31,614	32,500	33,799	34,966	36,496	38,112	39,815	41,593
<i>Payments:</i>										
Finance payments	(870)	(883)	(934)	(864)	(819)	(735)	(635)	(537)	(416)	(280)
Operating payments to suppliers & employees	(21,575)	(22,760)	(24,110)	(25,594)	(26,105)	(27,007)	(28,178)	(29,273)	(30,619)	(31,594)
Net cash provided by (or used in) Operating Activities	6,540	6,673	6,581	6,052	6,887	7,235	7,694	8,313	8,791	9,722
CASH FLOW FROM INVESTING ACTIVITIES										
<i>Receipts:</i>										
Amounts specifically for new or upgraded assets	3,629	894	590	596	602	608	614	620	627	633
Sale of assets	2,371	81	50	50	50	50	50	50	50	50
Repayment of loans by community groups	50	30	6	6	6	6	3	3	3	1
<i>Payments:</i>										
Expenditure on renewal/replacement of assets	(6,840)	(2,727)	(3,162)	(3,285)	(2,880)	(2,536)	(2,749)	(2,735)	(2,695)	(2,807)
Expenditure on new/upgraded assets	(9,756)	(7,372)	(3,000)	(3,060)	(3,121)	(3,184)	(3,247)	(3,312)	(3,378)	(3,446)
Loans made to community groups	(120)	(50)	0	0	0	0	0	0	0	0
Net cash provided by (or used in) Investment Activities	(10,666)	(9,144)	(5,516)	(5,693)	(5,343)	(5,056)	(5,329)	(5,374)	(5,394)	(5,569)
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Receipts:</i>										
Proceeds from external borrowings (Fixed interest)	0	0	0	0	0	0	0	0	0	0
Proceeds from external borrowings (Variable interest)	4,774	3,370	0	679	0	0	0	0	0	0
Proceeds from Bonds & Deposits	0	0	0	0	0	0	0	0	0	0
<i>Payments:</i>										
Repayment of external borrowings (Fixed interest)	(851)	(909)	(971)	(1,037)	(1,107)	(831)	(594)	(307)	0	0
Repayment of external borrowings (Variable interest)	0	0	(94)	0	(437)	(1,348)	(1,771)	(2,632)	(3,398)	(4,153)
Repayment of Bonds & Deposits	0	0	0	0	0	0	0	0	0	0
Net cash provided by (or used in) Financing Activities	3,923	2,461	(1,065)	(358)	(1,544)	(2,179)	(2,365)	(2,939)	(3,398)	(4,153)
Net Increase/(Decrease) in Cash held	(203)	(10)	0	1	(1)	1	(0)	(0)	(0)	0
Cash at beginning of period	313	110	100							
CASH AT END OF PERIOD	110	100								

**LONG TERM FINANCIAL PLAN -
STATEMENT OF CHANGES IN EQUITY**

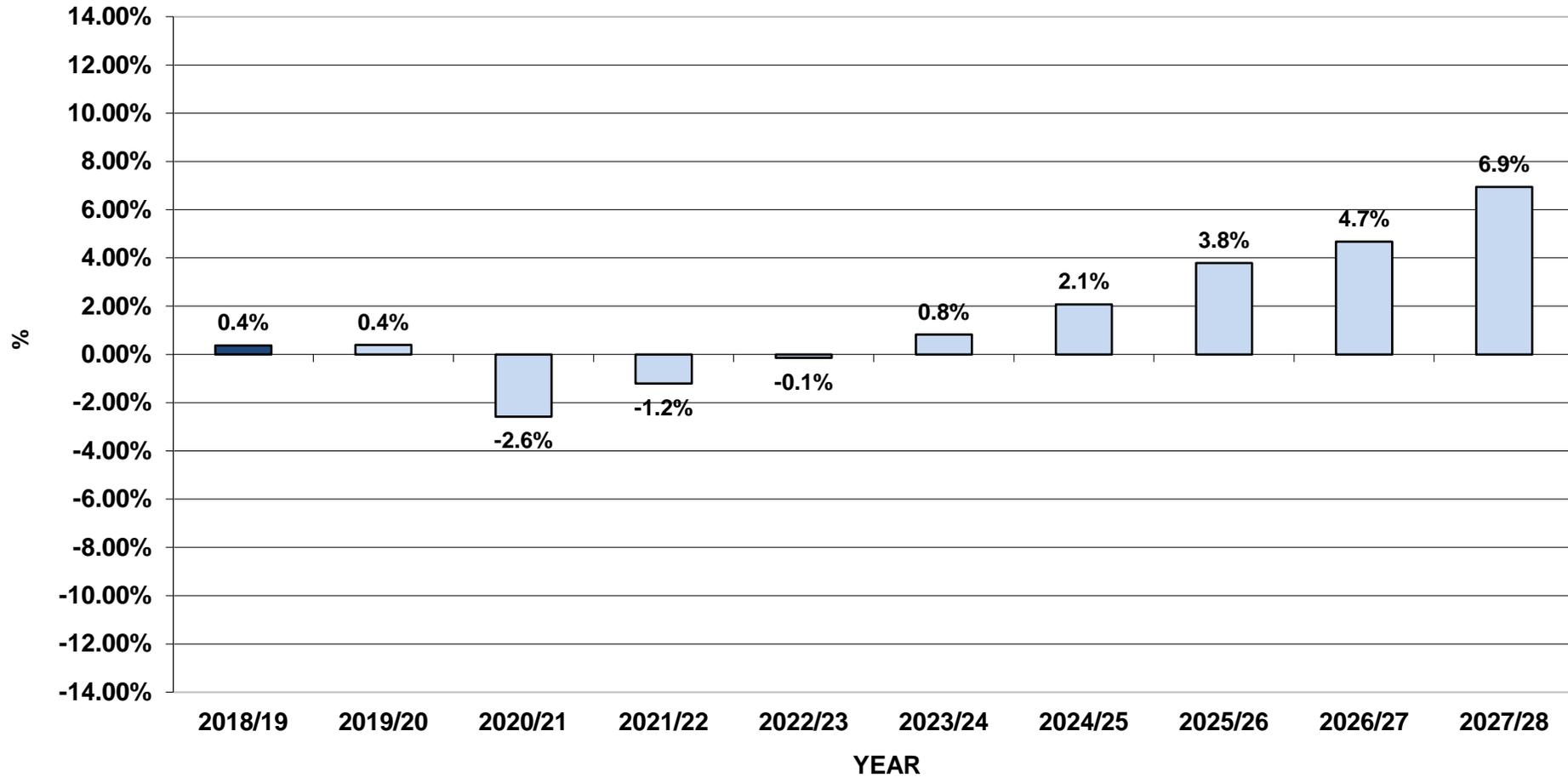
	2018/19 \$'000s Forecast	2019/20 \$'000s Forecast	2020/21 \$'000s Forecast	2021/22 \$'000s Forecast	2022/23 \$'000s Forecast	2023/24 \$'000s Forecast	2024/25 \$'000s Forecast	2025/26 \$'000s Forecast	2026/27 \$'000s Forecast	2027/28 \$'000s
ACCUMULATED SURPLUS										
Balance at end of previous reporting period	59,050	67,953	94,169	95,575	98,198	100,163	97,268	99,169	102,465	103,886
Net Surplus/(Deficit) for year	9,096	26,710	1,772	2,200	2,554	2,897	3,376	4,076	4,504	5,552
Transfers to Other Reserves	(114)	(206)	(16)	(16)	(6)	(6)	(6)	(7)	(7)	(7)
Transfers from Other Reserves	113	120	190	1,000	0	0	0	0	0	0
Balance at end of period	68,145	94,577	96,115	98,760	100,746	103,053	100,638	103,239	106,963	109,432
ASSET REVALUATION RESERVE	174,423	174,423								
OTHER RESERVES										
Car Parks										
Balance at end of previous reporting period	446	451	456	460	465	469	474	479	484	488
Transfers from Accumulated Surplus	5	5	5	5	5	5	5	5	5	5
Transfers to Accumulated Surplus	0	0	0	0	0	0	0	0	0	0
Balance at end of period	451	456	460	465	469	474	479	484	488	493
Open Space										
Balance at end of previous reporting period	0	0	180	0	0	0	0	0	0	0
Transfers from Accumulated Surplus	50	180	0	0	0	0	0	0	0	0
Transfers to Accumulated Surplus	(50)	0	(180)	0	0	0	0	0	0	0
Balance at end of period	0	180	0	0						
Property										
Balance at end of previous reporting period	1,142	1,138	1,149	1,161	172	174	176	178	179	181
Transfers from Accumulated Surplus	16	11	11	12	2	2	2	2	2	2
Transfers to Accumulated Surplus	(20)	0	0	(1,000)	0	0	0	0	0	0
Balance at end of period	1,138	1,149	1,161	172	174	176	178	179	181	183
Stormwater Drainage										
Balance at end of previous reporting period	0	0	10	0	0	0	0	0	0	0
Transfers from Accumulated Surplus	25	10	0	0	0	0	0	0	0	0
Transfers to Accumulated Surplus	(25)	0	(10)	0	0	0	0	0	0	0
Balance at end of period	0	10	0	0						
Gawler East Development										
Balance at end of previous reporting period	0	192	711	1,251	1,812	2,395	8,179	9,650	10,423	13,500
Transfers from Accumulated Surplus	192	519	540	561	583	606	732	773	800	874
Transfers to Accumulated Surplus	0	0	0	0	0	5,179	738	0	2,277	2,041
Balance at end of period	192	711	1,251	1,812	2,395	8,179	9,650	10,423	13,500	16,415
Other Reserves										
Balance at end of previous reporting period	225	225	105	105	105	105	105	105	105	105
Transfers from Accumulated Surplus	18	0	0	0	0	0	0	0	0	0
Transfers to Accumulated Surplus	(18)	(120)	0	0	0	0	0	0	0	0
Balance at end of period	225	105	105							
TOTAL OTHER RESERVES AT END OF PERIOD	2,006	2,611	2,977	2,554	3,143	8,934	10,411	11,191	14,275	17,196
TOTAL EQUITY AT END OF PERIOD	244,574	271,611	273,515	275,736	278,312	286,410	285,472	288,853	295,661	301,051

**LONG TERM FINANCIAL PLAN -
UNIFORM PRESENTATION OF FINANCES**

	2018/19 \$'000s Budget	2019/20 \$'000s Forecast	2020/21 \$'000s Forecast	2021/22 \$'000s Forecast	2022/23 \$'000s Forecast	2023/24 \$'000s Forecast	2024/25 \$'000s Forecast	2025/26 \$'000s Forecast	2026/27 \$'000s Forecast	2027/28 \$'000s
Operating Revenues	28,810	30,433	31,757	32,630	33,983	35,169	36,738	38,459	40,137	42,048
less Operating Expenses	(28,629)	(30,297)	(32,575)	(33,026)	(34,031)	(34,880)	(35,976)	(37,003)	(38,259)	(39,129)
Operating Surplus / (Deficit)	181	136	(818)	(396)	(48)	289	762	1,456	1,878	2,919
less Net outlays on existing Assets										
Capital expenditure on renewal and replacement of existing assets	4,203	2,727	3,162	3,285	2,880	2,536	2,749	2,735	2,695	2,807
less Depreciation, Amortisation and Impairment	(5,645)	(6,027)	(6,774)	(6,805)	(6,839)	(6,865)	(6,883)	(6,908)	(6,933)	(6,958)
less Proceeds from Sale of Replaced Assets	(125)	(81)	(50)	(50)	(50)	(50)	(50)	(50)	(50)	(50)
	(1,567)	(3,381)	(3,662)	(3,570)	(4,009)	(4,379)	(4,184)	(4,223)	(4,288)	(4,201)
less Net outlays on New and Upgraded Assets										
Capital expenditure on New and Upgraded Assets	12,535	7,372	3,000	3,060	3,121	3,184	3,247	3,312	3,378	3,446
less Amounts received specifically for New and Upgraded Assets	(4,311)	(1,974)	(590)	(596)	(602)	(608)	(614)	(620)	(627)	(633)
less Proceeds from Sale of Surplus Assets	(2,246)	0	0	0	0	0	0	0	0	0
	5,978	5,398	2,410	2,464	2,519	2,576	2,633	2,692	2,752	2,813
less repayment of loans from Community groups	(50)	(30)	(6)	(6)	(6)	(6)	(3)	(3)	(3)	(1)
Net Lending / (Borrowing) for Financial Year	(4,180)	(1,850)	440	716	1,448	2,098	2,316	2,990	3,417	4,308

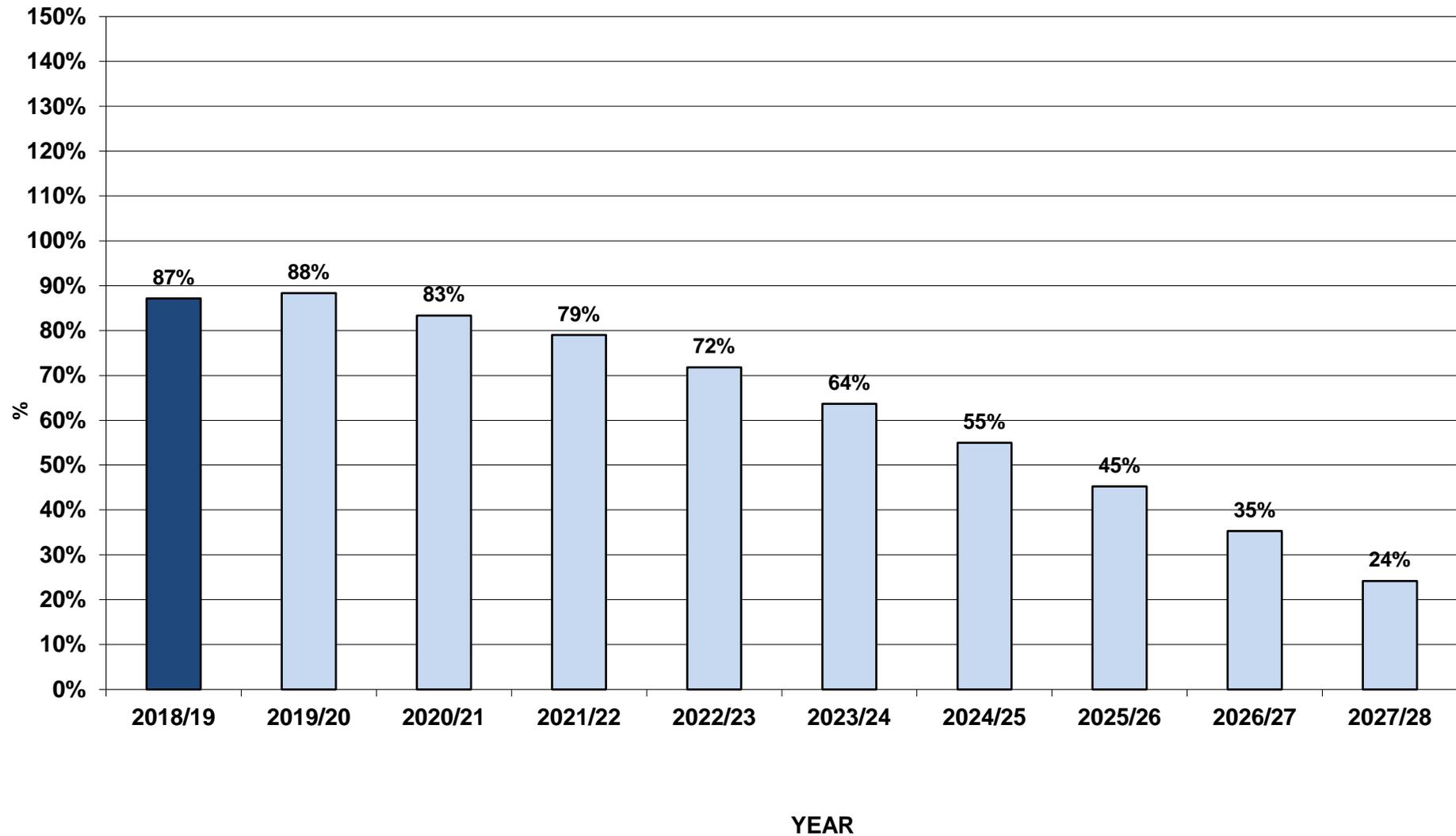
Net Lending / (Borrowing) equals Operating Surplus / (Deficit), less Net Outlays on non-financial assets. The Net Lending / (Borrowing) result is a measure of the Council's overall (i.e. Operating and Capital) budget on an accrual accounting basis. The Net Lending / (Borrowing) result can be expected to fluctuate from year to year, given the lumpy nature of some capital expenditure. Achieving a zero result on the Net Lending / (Borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's revenues. The amount of Net Lending in any one year decreases the level of Net Financial Liabilities in the year by that amount. Conversely, the amount of Net Borrowing increases the level of Net Financial Liabilities.

LONG TERM FINANCIAL PLAN - ADJUSTED OPERATING RATIO *

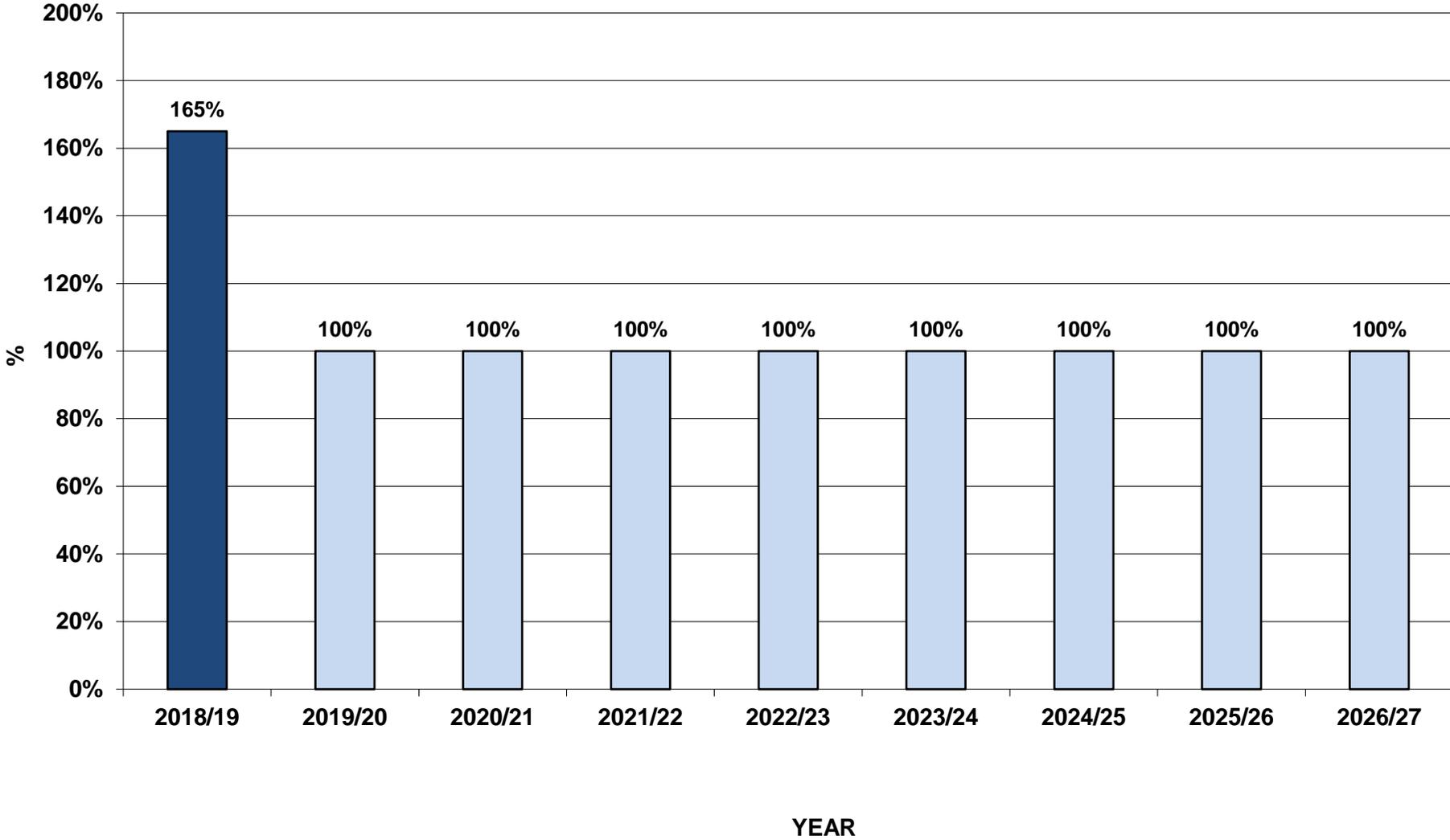


**Adjusted result removes the distortion caused between financial years as a direct result of advance Federal Government grant payments received*

LONG TERM FINANCIAL PLAN - NET FINANCIAL LIABILITIES RATIO



**LONG TERM FINANCIAL PLAN
ASSET RENEWAL FUNDING RATIO**



Appendix 1 - Capital Expenditure Budget Bids - Above the Line

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciation
P190040	Gawler Caravan Park Office Structural Repairs	The Building Condition Audit has highlighted repairs required to the Gawler Caravan Park office. The current roof and gutter design is resulting in water breaching the building resulting in internal building damage.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Medium	\$ 44,000	\$ -	\$ -	\$ -	\$ 44,000				\$ -	
P190041	Gawler Sport and Community Centre Stadium Floor Replacement	Replacement of Stadium Floor as per Sporting Surfaces Grant previously received.	Capital (Renew/Replace)	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 155,000	\$ -	\$ 75,000	\$ -	\$ 80,000					
P190090	Rehabilitate Gawler Aquatic Centre - Stage 5 of 5	Completion of the final year of the program to upgrade various existing pool assets to ensure the pool is fit for purpose.	Capital (Renew/Replace)	3 A Healthy, Active, Safe, Engaged Community	Medium	\$ 221,000	\$ -	\$ -	\$ -	\$ 221,000					
P190126	Visitor Information Centre Structural Investigations and Staircase Upgrade	The Building Condition Audit has noted two areas of subsidence and cracking in the VIC and adjoining public toilets. Investigation into cause and remedy required. External staircase is weathered and requires repainting, with possible tread repair.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000					
P190163	Roof Safe Equipment	Annual inspection of roof safe equipment has identified a number of issues which need to be addressed to ensure continued adherence to legislation	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 19,310	\$ -	\$ -	\$ -	\$ 19,310					
Total Buildings and Property						\$ 461,310	\$ -	\$ 75,000	\$ -	\$ 386,310	\$ -	\$ -	\$ -	\$ -	\$ -
P190103	Replace Major Plant Program	Replace John Deere 1445 front deck mowers (2)	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 79,090	\$ -	\$ -	\$ 10,000	\$ 69,090	\$ 134,000	\$ 293,000	\$ 31,000		
P190106	Replace Light Fleet Program	Light Fleet Renewal Program- Depot Coordinators utilities (2), Planning & Building Inspector utility (1), Asset Planning SUV (1) Mayor (1).	Capital (Renew/Replace)	5 A Strong Vibrant Community	Low	\$ 178,911	\$ -	\$ -	\$ 70,826	\$ 108,085	\$ 104,000	\$ 140,000	\$ 185,000		
Total Fleet and Equipment						\$ 258,001	\$ -	\$ -	\$ 80,826	\$ 177,175	\$ 238,000	\$ 433,000	\$ 216,000	\$ -	\$ -
P190101	Renew Footpaths Program (Note 1)	In accordance with Transport Assets Condition Audit, replacement of 1.5m wide footpaths in local roads and shared paths for walking and cycling. Scope: HIGH STREET (Calton Rd to Town Hall)(R); SCHEIBENER TERRACE (Tod St to Dundas St)(R); TOD STREET (Murray St to Reid St)(R); TOD STREET (Murray St to Reid St)(L); TOD STREET (Reid St to Dundas St)(L); TOD STREET (Reid St to Dundas St)(R); DUNDAS STREET (Scheibener Tce to Tod St)(L); DUNDAS STREET (Tod St to Jacob St)(L); WHITELAW TERRACE (Tod St to Walker Place); REID STREET (Jacob St to Finnis St)(L); REID STREET (Tod St to Jacob St)(L).	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 207,000	\$ -	\$ -	\$ -	\$ 207,000	\$ 446,000	\$ 307,000	\$ 390,000		
Total Footpaths						\$ 207,000	\$ -	\$ -	\$ -	\$ 207,000	\$ 446,000	\$ 307,000	\$ 390,000	\$ -	\$ -
P190001	TRIM Upgrade	Upgrading the Town of Gawler's Electronic Document and Records Management System (EDRMS), Content Manager from 9.1. to Version 9.3. This includes the following: Project Initiation & Management; Upgrade Test Environment; System Configuration; User Acceptance Testing; Upgrade production Environment; Post Development Support. This is required as TRIM v9.1 will not be supported in the future and it needs to be integrated with other upgraded software applications.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000					
P190010	Civica / Authority Software Upgrade	Upgrade of up to 3 Environments to Authority 7.1 from Authority 6.11 (incl Project Management). We are currently already 1 environment behind the latest upgrade. Civica will soon cease supporting our current version so the need to upgrade is routine and necessary. Upgrading will also eliminate the risk of new software products not integrating with the old version and will also allow us to have solutions to known issues and increase productivity.	Capital (Renew/Replace)	5 A Strong Vibrant Community	Low	\$ 96,000	\$ -	\$ -	\$ -	\$ 96,000					

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciation
Total		Information Technology				\$ 121,000	\$ -	\$ -	\$ -	\$ 121,000	\$ -	\$ -	\$ -	\$ -	\$ -
P190129	Renew Kerb and Gutter Program (Note1)	Renew kerb and gutter to the following streets: Refer list attached.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 287,000	\$ -	\$ -	\$ -	\$ 287,000	\$ 225,000	\$ 240,000	\$ 253,000		
Total		Kerb and Gutter				\$ 287,000	\$ -	\$ -	\$ -	\$ 287,000	\$ 225,000	\$ 240,000	\$ 253,000	\$ -	\$ -
P190027	Replace Irrigation Systems Program	SPORTSFIELDS: Princes Park - Supply and installation of a new irrigation system. The system is at end of life and requires additional ongoing maintenance to sustain. Lower service levels of turf surface for the community from current irrigation deficiency.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 109,000	\$ -	\$ -	\$ -	\$ 109,000	\$ 181,000	\$ 182,000	\$ 188,000		
P190070	Renew Fencing and Bollards Program 2019/20	Implement the removal/disposal of existing permapine fencing and procure, install new post and rail fencing (composite posts and steel rails). Hemaform Grove Road Reserve \$47,000.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 49,500	\$ -	\$ -	\$ -	\$ 49,500	\$ 30,000			\$ -	
P190107	Open Space Switchboard/Distribution Board Replacements	Replacement of non-compliant electrical switchboards at Pioneer Park, South Gawler Oval and Hemaform Grove. Required due to current switchboards/Distribution Boards being non-compliant.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Medium	\$ 31,000	\$ -	\$ -	\$ -	\$ 31,000					
P190146	Renew Hardscaping Program	Renewal of hardscaping assets that have reached the end of their useful service life including statues, structures, shelters, bbq's, park furniture and park lighting.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000	\$ 60,000	\$ 60,000	\$ 30,000		
Total		Open Spaces				\$ 210,500	\$ -	\$ -	\$ -	\$ 210,500	\$ 271,000	\$ 242,000	\$ 218,000	\$ -	\$ -
P190007	Gawler Aquatic Centre - Pool Cleaner	Purchase of new pool cleaner suitable for use in Gawler Aquatic Centre 50m pool	Capital (Renew/Replace)	3 A Healthy, Active, Safe, Engaged Community	High	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000					
Total		Recreation and Sport				\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
P190099	Road Patch and Repair Program	Hotmix asphalt patches to existing roads to ensure their remaining service life is met and potholes are addressed adequately. Roads patches scoped include a total area of 1,770 square metres and ensure potholes and other localized asphalt defects are repaired using hotmix asphalt to reduce ongoing maintenance of the road network.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Medium	\$ 56,000	\$ -	\$ -	\$ -	\$ 56,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	
P190100	Resheet Rural Roads Program	Resheet Rural Roads Program 2019/20. Roads for re-sheeting include: Winckel Road (Jack Cooper Dr to 230m south); O'Donogue Rd (Macalister Rd to Cooper Rd); Harris Rd (Hillier Rd to End).	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Medium	\$ 139,725	\$ -	\$ -	\$ -	\$ 139,725	\$ 130,000	\$ 120,000	\$ 126,000	\$ -	
P190135	Road Shoulders Program	Improvement to existing roadside shoulders with sprayed seal surface to Dalkeith Road (north side) to match the completed shoulder improvements to the southern side of Dalkeith Road.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Medium	\$ 154,500	\$ -	\$ -	\$ -	\$ 154,500	\$ 75,000	\$ 75,000	\$ 75,000		
P190136	Reseal Roads Program (Note 1)	Construct asphalt reseals in accordance with the Transport Assets Condition Audit.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 905,000	\$ -	\$ -	\$ -	\$ 905,000	\$ 838,000	\$ 877,000	\$ 918,000		
Total		Roads				\$ 1,255,225	\$ -	\$ -	\$ -	\$ 1,255,225	\$ 1,093,000	\$ 1,122,000	\$ 1,169,000	\$ -	\$ -
P190137	Renew Existing Street Furniture Program	Renew existing street furniture assets that have reached the end of respective useful service life.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 15,600	\$ -	\$ -	\$ -	\$ 15,600				\$ -	
Total		Street Assets				\$ 15,600	\$ -	\$ -	\$ -	\$ 15,600	\$ -	\$ -	\$ -	\$ -	\$ -
Total		Capital Budget Bids 2019/20 - Renew / Replace	Above the Line			\$ 2,840,636	\$ -	\$ 75,000	\$ 80,826	\$ 2,684,810	\$ 2,273,000	\$ 2,344,000	\$ 2,246,000	\$ -	\$ -
P190016	Sport and Community Centre solar installation and switchboard upgrade	Installation of a solar photo voltaic plant, battery storage and switchboard upgrade to the Sport and Community Centre	Capital (New/Upgraded)	4 To Respect and Nurture the Environment	Low	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ 50,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 2,000

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciation
P190121	Implement Willaston Cemetery Action Plan - Stage 5 of 6	Installation of concrete paving including associated earthworks located Block 4. Installation of stormwater drainage and associated works located Block 3. Installation of compacted rubble to aisles located Block 3.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 135,000	\$ -	\$ -	\$ -	\$ 135,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500	\$ 2,700
	Total	Buildings and Property				\$ 155,000	\$ -	\$ -	\$ -	\$ 155,000	\$ 150,000	\$ 105,000	\$ 105,000	\$ 5,500	\$ 4,700
P190112	New Horticulture Truck	Light duty truck - 7500kg GVM. The additional vehicle is required to gain further long term efficiencies in operations and delivery of services to the community with the ongoing growth through new assets to be maintained.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 85,000	\$ -	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ 10,625
	Total	Fleet and Equipment				\$ 85,000	\$ -	\$ -	\$ -	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ 10,625
P190094	Improve Accessibility to Community Infrastructure Program	Continuation of this annual program with the installation of pram ramps to DDA compliant standards at various locations around the Town of Gawler to improve accessibility.	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 53,500	\$ -	\$ -	\$ -	\$ 53,500				\$ 250	\$ 713
P190128	New Footpaths Program	Installation of new footpaths into existing streets where there is currently no footpath present to improve connectivity between streets, to schools, shopping precincts and other key destinations.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 361,000	\$ -	\$ -	\$ -	\$ 361,000				\$ 3,500	\$ 5,157
P190148	Engineering Design Program	Completion of design ahead of future construction in subsequent years: Evanston Gardens Primary School frontage footpath and kerb and gutter renewal design (\$15,000)	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Medium	\$ 21,789	\$ -	\$ -	\$ -	\$ 21,789				\$ 1,000	\$ 291
	Total	Footpaths				\$ 436,289	\$ -	\$ -	\$ -	\$ 436,289	\$ -	\$ -	\$ -	\$ 4,750	\$ 6,161
P190005	Recreation Services Booking and Point of Sales System	Review and upgrade/replacement of current booking and point of sales system for Council facilities (excluding Gawler Civic Centre)	Capital (New/Upgraded)	5 A Strong Vibrant Community	Medium	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ 25,000			\$ 1,000	\$ 6,000
P190062	Online Timesheet & Leave Application	Purchase of Online Timesheet and leave application module for Authority	Capital (New/Upgraded)	5 A Strong Vibrant Community	Low	\$ 27,000	\$ -	\$ -	\$ -	\$ 27,000				\$ 1,700	\$ 3,857
P190074	GIS - Regional Procurement Project	Opportunity for Gawler to collaborate with neighbouring Councils Light Region, Adelaide Plains, Barossa & Mid Murray on the procurement of a Geographical Information System that would result in a cross Council spatial tool with online portal capabilities and a shared environment. The current spatial software "Map Info" is soon to reach the end of it's 3 year service agreement and the current Mapping Viewer "Exponaire" is about to reach it's end of life and will soon be unsupported. Council will have to get quotes for future mapping solutions to avoid the risk of running unsupported software. A joint procurement across the region would reduce costs, creating ongoing savings and result in a collaborative solution.	Capital (New/Upgraded)	5 A Strong Vibrant Community	Low	\$ 69,263	\$ -	\$ -	\$ -	\$ 69,263				\$ 25,000	\$ 23,088
	Total	Information Technology				\$ 126,263	\$ -	\$ -	\$ -	\$ 126,263	\$ 25,000	\$ -	\$ -	\$ 27,700	\$ 32,945
P190077	Construct New Kerb and Gutter with On Street Parking Main North Rd (Stage 3/3)	Completion of the final section of new kerbing on Main North Road with associated on-street carparking from Sheriff Street to Second Street.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 226,500	\$ -	\$ -	\$ -	\$ 226,500				\$ -	\$ 2,831
	Total	Kerb and Gutter				\$ 226,500	\$ -	\$ -	\$ -	\$ 226,500	\$ -	\$ -	\$ -	\$ -	\$ 2,831
P190022	Paxton Street former landfill project, investigations and remediation actions	Undertake further investigations into the Paxton Street landfill site if required and implement outcomes.	Capital (New/Upgraded)	4 To Respect and Nurture the Environment	High	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 100,000	\$ 10,000	\$ 10,000	\$ -	\$ 5,000

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciation
P190057	CCTV Extension and Improved Public Lighting	An extension of the new CCTV system and improved pedestrian safety at the new Clonlea Dog Park and Fitness Trail as well as Dead Man's Pass, the multilevel car park and Pioneer Park which would essentially complete the CCTV coverage across the Gawler CBD. In addition, the installation of lighting along pedestrian pathways in areas such as Clonlea Park and Julian Terrace South and improved lighting in sporting precinct carparks to improve pedestrian safety and security. Council Motion: 2018:08:310	Capital (New/Upgraded)	5 A Strong Vibrant Community	Medium	\$ 231,500	\$ -	\$ 200,000	\$ -	\$ 31,500				\$ -	\$ 15,433
P190140	Hindmarsh Boulevard Amenity Landscaping	Improvements to the amenity of 180 Hindmarsh Boulevard, Evanston Gardens. Council Motion No: 2019:02:26:COU033.	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 77,700	\$ -	\$ -	\$ -	\$ 77,700				\$ 10,000	\$ 3,108
P190141	Southern Gateway Entrance Statement Supplementary Landscaping	Installation of additional landscaping on the mounds of the Southern Gateway Entrance Statement 'Land Lines' on both sides of Main North Road.	Capital (New/Upgraded)	1 A Uniquely Identifiable Township	High	\$ 38,228	\$ -	\$ -	\$ -	\$ 38,228				\$ 10,000	\$ 382
P190154	Willaston Cemetery Historic Headstone Preservation - Stage 1	Detailed removal of Pioneer Park headstones from their current location at the Willaston Cemetery and transfer to storage.	Capital (New/Upgraded)	1 A Uniquely Identifiable Township	Medium	\$ 8,500	\$ -	\$ -	\$ -	\$ 8,500				\$ -	\$ 8,500
Total		Open Spaces				\$ 405,928	\$ -	\$ 200,000	\$ -	\$ 205,928	\$ 100,000	\$ 10,000	\$ 10,000	\$ 20,000	\$ 32,424
P190166	Upgrade of the Gawler Aquatic Centre Change Rooms	Council has successfully applied to Sport Australia's Community Sport and Infrastructure Program for a grant of \$409,445 towards the upgrade of the Gawler Aquatic Centre Change Rooms. Council's contribution is \$130k cash resulting in a total gross project cost of \$539,445. The funding is for the entire overhaul of both male and female change rooms at the Aquatic Centre.	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 539,445	\$ -	\$ 409,445	\$ -	\$ 130,000				\$ -	\$ 10,789
P190004	Karbeethan Reserve - Stage 1	Finalisation and endorsement of Karbeethan Reserve Master Plan – Confirmation of Stage 1 Scope, Feasibility/Design Requirements	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Medium	\$ 110,000	\$ 100,000	\$ -	\$ -	\$ 10,000					\$ 5,500
Total		Recreation and Sport				\$ 649,445	\$ 100,000	\$ 409,445	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ 16,289
P190050	Engineering Investigations & Project Strategies 2019/20	Engineering Investigations & Project Strategies 2019/20	Capital (New/Upgraded)	5 A Strong Vibrant Community	Low	\$ 53,272	\$ -	\$ -	\$ -	\$ 53,272	\$ 575,000	\$ 585,000	\$ 600,000	\$ -	
P190092	Walker Place Redevelopment	Construct Urban Precinct Walker Place. State Government Places for People Grant (\$1.006m) has been successfully awarded to complete the project. The scope is the construction of Walker Place following on from design work completed in 2018/19. Council Motion: 2017:10:350	Capital (New/Upgraded)	2 Managed and Sustainable Growth	High	\$ 2,121,500	\$ -	\$ 1,006,361	\$ -	\$ 1,115,139				\$ 20,000	\$ 60,614
P190120	Temporary Safety Barrier System - Armorzone	Supply and delivery of temporary safety barriers used to provide work-zone protection to temporary construction sites and other roadside activities. Average cost to hire these safety barriers during the past four (4) budget periods has been \$8500 per year. Budget Bid is for Thirty (30) Standard Units and Four (4) End Treatment Units.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 45,835	\$ -	\$ -	\$ -	\$ 45,835				\$ -	\$ 3,056
P190133	Implement Road Safety Improvements	Implement road safety improvements to respond to community feedback and to reduce speeds on local roads. Includes new regulatory signs, parking controls, medians and road safety audits.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 32,369	\$ -	\$ -	\$ -	\$ 32,369	\$ 25,000	\$ 25,000	\$ 25,000	\$ 1,000	\$ 925
P190134	Rural Road Intersection Aprons Program	Installation of asphalt aprons to rural road intersections to improve road safety at rural unsealed road intersections.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 51,750	\$ -	\$ -	\$ -	\$ 51,750	\$ 100,000	\$ 100,000		\$ 2,500	\$ 1,479

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciation
P190142	Gawler East Link Road Integration Works	Construction of on-street car parking spaces and kerbing along Barnett Road to compliment the new cul-de-sac installation and facilitate additional 'kiss and drop' facilities and provide safe access to Gawler High School for pedestrians. Other integration works are expected to include shifting of existing bus stops on Para Road, minor civil roadworks and landscape integration works to ensure effective match into new infrastructure installed as part of the Gawler East Link Road Project.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Medium	\$ 216,941	\$ -	\$ -	\$ -	\$ 216,941				\$ 7,000	\$ 6,198
P190143	Engineering Investigations	Pavement investigation for the Gawler Oval Carpark, traffic and stormwater engineering studies for strategic infrastructure project planning and response to customer enquiries. This work is required as part of investigations to inform future works.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 49,428	\$ -	\$ -	\$ -	\$ 49,428				\$ -	\$ 1,977
P190159	Gawler East Link Road Project / Potts Road Upgrade - Contribution to SA Government	In accordance with the signed Deed Agreement between the Town of Gawler and the State Government of South Australia, this payment is a capital contribution towards the upgrade / construction of Potts Road as part of the overall Gawler East Link Road Project.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 2,400,000	\$ -	\$ -	\$ -	\$ 2,400,000				\$ -	\$ 40,000
	Total	Roads				\$ 4,971,095	\$ -	\$ 1,006,361	\$ -	\$ 3,964,734	\$ 700,000	\$ 710,000	\$ 625,000	\$ 30,500	\$ 114,249
P190089	Miscellaneous Stormwater Works Program	Construction of various ad-hoc stormwater works in response to complaints of flooding in local streets and project integration works throughout the year.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Medium	\$ 74,500	\$ -	\$ -	\$ -	\$ 74,500				\$ 500	\$ 745
P190144	Stormwater Drainage Improvement Works	Installation of grates and associated earthworks to improve the verge drainage at Gawler Terrace (west side) to manage stormwater runoff on the verge.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 82,800	\$ -	\$ -	\$ -	\$ 82,800				\$ 1,500	\$ 828
	Total	Stormwater				\$ 157,300	\$ -	\$ -	\$ -	\$ 157,300	\$ -	\$ -	\$ -	\$ 2,000	\$ 1,573
P190087	Improve Bus Stop Legislative Compliance Program	Upgrade various bus stops to DDA compliance to achieve full compliance target by 2022.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 45,500	\$ -	\$ -	\$ -	\$ 45,500				\$ 1,350	\$ 650
	Total	Street Assets				\$ 45,500	\$ -	\$ -	\$ -	\$ 45,500	\$ -	\$ -	\$ -	\$ 1,350	\$ 650
	Total	Capital Budget Bids 2019/20 - New / Upgraded	Above the Line			\$ 7,258,320	\$ 100,000	\$ 1,615,806	\$ -	\$ 5,542,514	\$ 975,000	\$ 825,000	\$ 740,000	\$ 91,800	\$ 222,446
	Total	Capital Budget Bids 2019/20 - Above The Line	Above the Line			\$ 10,098,956	\$ 100,000	\$ 1,690,806	\$ 80,826	\$ 8,227,324	\$ 3,248,000	\$ 3,169,000	\$ 2,986,000	\$ 91,800	\$ 222,446
		Capital Budget Bids 2019/20	2019/20 Long Term Financial Plan							\$ 8,400,000					

Note 1 Council Administration is considering undertaking an extension of the Murray Street Upgrade Project (Murray Street Southern Section Upgrade Project). To facilitate this additional work, a grant funding application for 50% of the project cost will be made through the Special Local Roads Program. If successful, Council will need to contribute \$887,695 to the project to match the grant funding. This is anticipated to be achieved by transferring 2019/20 budget allocations from other budget bids as follows:

<u>2019/20 Budget Bid</u>	<u>Description</u>	<u>Original Amount</u>	<u>Bid Reduction</u>
#P190101	Renew Footpaths Program (Note 1)	200,000	80,640
#P190129	Renew Kerb and Gutter Program (Note1)	260,000	116,593
#P190136	Reseal Roads Program (Note 1)	868,000	690,462
	Council Contribution	1,328,000	887,695
	Special Local Roads Program Funding		887,695
Total Project Cost	Murray Street Southern Section Upgrade Project		1,775,390

Appendix 2 - Capital Expenditure Budget Bids - Below the Line

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciation
P190043	Evanston Gardens Progress Hall - Timber Floor Replacement	The timber floor in the Heritage Listed Evanston Gardens Hall is damaged and not suitable for repair. The floor boards (and possibly some joists) require replacement.	Capital (Renew/Replace)	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 37,000	\$ -	\$ -	\$ -	\$ 37,000				\$ -	
P190122	Upgrade Building Management System - Gawler Administration Centre	The current Building Management System at the Gawler Administration Centre provides limited functionality to adjust airconditioning at the site. increased BMC functionality will provide cost savings and increased comfort levels.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000				\$ -	
P190123	Gawler Aquatic Centre - Building Engineering Investigations	Cracking is evident throughout the Gawler Aquatic Centre building. Investigations into the cause and severity required. Allowance included for minor repairs.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Medium	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000				\$ -	
P190124	Depot Concrete Shed Replacement	Replacement of the Concrete Shed at the Depot, currently planned for 18/19 but awaiting results of landfill investigations. Current shed un-stable and not in usable condition.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	High	\$ 80,000	\$ -	\$ -	\$ -	\$ 80,000				\$ 200	
P190125	Reid St Rotunda Replacement	Rotunda/shelter at Baxter Reserve, Reid St is unstable and requires repair or replacement. The structure is top heavy resulting in lateral movement within the supporting structure. Recommend for shelter to be demolished and new shelter erected, in line with other new shelter designs in Gawler.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	High	\$ 27,000	\$ -	\$ -	\$ -	\$ 27,000					
P190127	Gawler Sport and Community Centre - Pavillion Salt Damp	Repair of Heritage listed Pavillion Salt Damp and repointing where required.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 47,000	\$ -	\$ -	\$ -	\$ 47,000					
Total Buildings and Property						\$ 231,000	\$ -	\$ -	\$ -	\$ 231,000	\$ -	\$ -	\$ -	\$ 200	\$ -
P190048	Dead Man's Pass Stairs / Steps Renewal	Renewal of non compliant and dilapidated stairs to Dead Man's Pass Reserve - Design only. Consider for construction in 2020-21.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000					
P190104	Implement Public Reserve Landscaping Program	Unsuccessful bid in 18/19 PO377/1 - implement an ongoing garden bed planting renewal program on public streets and reserves. The upgrade will enhance and lift the public spaces visually by replacing some of the old vegetation with new species suitable for the areas.	Capital (Renew/Replace)	1 A Uniquely Identifiable Township	Low	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000				\$ -	
P190130	Hemaford Grove Improvement Program	Installation of a new playground at Hemaford Grove Reserve to replace the existing playground that has reached the end of its service life (\$140k) and replacement of irrigation system (\$30k).	Capital (Renew/Replace)	3 A Healthy, Active, Safe, Engaged Community	Medium	\$ 170,000	\$ -	\$ -	\$ -	\$ 170,000					
Total Open Spaces						\$ 215,000	\$ -	\$ -	\$ -	\$ 215,000	\$ -	\$ -	\$ -	\$ -	\$ -
P190033	Tod Street Carpark Upgrade	Carpark Renewal. Install drainage, concrete spoon drain, two garden bed renewals; Concrete Entrance Renewal and Asphalt Installation	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 92,850	\$ -	\$ -	\$ -	\$ 92,850				\$ 150	
P190034	Depot Upgrade Stage 2	Install new concrete spoon drains and asphalt to upgrade dilapidated infrastructure. Stage 2 works ongoing from Stage 1 completed in 2016-17.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 88,500	\$ -	\$ -	\$ -	\$ 88,500				\$ 100	
P190093	Road Crack Sealing Program	Continuation of annual crack sealing works to the existing sealed road and shared path network in the Town of Gawler to ensure road assets are protected throughout their remaining service life.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 30,000	\$ 30,000		
Total Roads						\$ 206,350	\$ -	\$ -	\$ -	\$ 206,350	\$ 25,000	\$ 30,000	\$ 30,000	\$ 250	\$ -
P190095	Replace Side Entry Pits & Pipes Program	Replace damaged side entry pits and pipes around the Town of Gawler to ensure stormwater assets are protected for their service life.	Capital (Renew/Replace)	2 Managed and Sustainable Growth	Low	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000				\$ -	
Total Stormwater						\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capital Budget Bids 2019/20 - Renew / Replace Below the Line						\$ 677,350	\$ -	\$ -	\$ -	\$ 677,350	\$ 25,000	\$ 30,000	\$ 30,000	\$ 450	\$ -
P190017	Gawler Aquatic Centre Solar Installation	Installation of solar panels at the Aquatic Centre with the aim of reducing power consumption costs.	Capital (New/Upgraded)	4 To Respect and Nurture the Environment	Low	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 3,000

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciated on
P190035	Extension of upgraded CCTV System to include Pioneer Park, Bike Hub and Visitor Information Centre	Replacement of existing analogue CCTV cameras and addition of new cameras to cover areas in and around Pioneer Park, including the VIC Carpark, Bike Hub, War Memorial, Entrance to Murray St and Public Toilets	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 33,000	\$ -	\$ -	\$ -	\$ 33,000				\$ 500	\$ 3,300
P190069	Lift at the Visitor Information Centre	Installation of a lift at the Visitor Information Centre enabling community access to Level 1. Subject to successful funding from Building Better Regions Fund. The project facilitates the creation of a local arts and cultural precinct incorporating the VIC and Pioneer Park.	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Medium	\$ 422,200	\$ -	\$ 422,200	\$ -	\$ -				\$ -	\$ 16,888
Total		Buildings and Property				\$ 485,200	\$ -	\$ 422,200	\$ -	\$ 63,000	\$ 30,000	\$ 5,000	\$ 5,000	\$ 5,500	\$ 23,188
P190102	Jack Bobridge Linkage to Stuart O'Grady Bicycle Track	Construction of the Jack Bobridge Linkage to Stuart O'Grady Bike Track subject to successful grant funding. Highest priority in Gawler's Walking and Cycling Plan 2018-2028 and provides a regional connection for walking and cycling across Gawler and for access to the Town Centre Precinct. Currently reliant on 100 % grant funding through Building Better Regions grant application for Gawler Tourism Precinct.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 1,426,915	\$ -	\$ 1,426,915	\$ -	\$ -				\$ 20,000	\$ 40,769
P190139	Implement Walking and Cycling Plan Program	Implementation of the 10-year Action Plan from the Gawler Walking and Cycling Plan 2018-2028. Scope includes installation of a new footpath around the perimeter of the Redbanks Road roundabout connecting to the bridge (east side) with supplementary landscaping around the perimeter of the roundabout.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 65,000	\$ -	\$ -	\$ -	\$ 65,000				\$ 1,000	\$ 867
P190145	Implement Gawler Disability Infrastructure Review (Year 1 of 5)	Implementation of high priority actions from the Gawler Disability Infrastructure Review for improved accessibility in the Town Centre Precinct. This work complements the Gawler Disability Access and Inclusion Plan Action Plan.	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Medium	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000				\$ 1,000	\$ 667
Total		Footpaths				\$ 1,541,915	\$ -	\$ 1,426,915	\$ -	\$ 115,000	\$ -	\$ -	\$ -	\$ 22,000	\$ 42,302
P190014	Wi-Fi Access Points	Purchase of further Wi-Fi access points to be installed at the Works Depot, Sports Community Centre and Evanston Gardens Library	Capital (New/Upgraded)	5 A Strong Vibrant Community	Low	\$ 10,500	\$ -	\$ -	\$ -	\$ 10,500				\$ -	\$ 2,100
P190079	Live Streaming Council Meetings	The purchase and configuration of equipment for the purpose of live streaming Council Meetings. Cost includes camera/cabling/configuration/staff time.	Capital (New/Upgraded)	5 A Strong Vibrant Community	Low	\$ 16,000	\$ -	\$ -	\$ -	\$ 16,000				\$ 250	\$ 2,667
Total		Information Technology				\$ 26,500	\$ -	\$ -	\$ -	\$ 26,500	\$ -	\$ -	\$ -	\$ 250	\$ 4,767
P190032	Two Wells Road New Kerb Install	250 lm of New Rollover Kerb and Watertable install on Eastern side of road. Linking completed works on Gawler River Road and Kelly Road. This is Stage 2 of the 2018-19 Two Wells Underground Drainage works completed by June 2019.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 81,873	\$ -	\$ -	\$ -	\$ 81,873				\$ 30	\$ 1,023
Total		Kerb and Gutter				\$ 81,873	\$ -	\$ -	\$ -	\$ 81,873	\$ -	\$ -	\$ -	\$ 30	\$ 1,023
P190046	Dead Man's Pass Carpark and Reserve Upgrade	Asphalt upgrade of Dead Man's Pass Carpark area. Shape Drainage and install rock swale with pipe to basin, Upgrade existing park furniture, Renew old permapipe fencing with Horticulture Recycle Fence program materials. Link existing paths and removal of non compliant stair structure (western side).	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 188,540	\$ -	\$ -	\$ -	\$ 188,540				\$ 3,000	\$ 7,542
P190096	Landscape Entry Statement - Redbanks Road Roundabout	Installation of landscape works to the Redbanks Road roundabout to define a northern entrance statement into Gawler. The installation continues from landscape design work completed in the 2018/19 financial year. Council Motion: 2018:03:80	Capital (New/Upgraded)	1 A Uniquely Identifiable Township	Low	\$ 211,000	\$ -	\$ -	\$ -	\$ 211,000				\$ 13,500	\$ 2,110
Total		Open Spaces				\$ 399,540	\$ -	\$ -	\$ -	\$ 399,540	\$ -	\$ -	\$ -	\$ 16,500	\$ 9,652

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance	Depreciation
P190006	Lockers for Community Recreation Facilities - Sport & Community Centre, Aquatic Centre	Purchase and installation of lockers at Gawler Sport & Community Centre and Gawler Aquatic Centre. Lockers would allow for facility patrons to safely and securely store belongings while participating in activities. The lockers would also provide an additional minor income opportunity for the centres.	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000				\$ 500	\$ 1,000
Total	Recreation and Sport					\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ 500	\$ 1,000
P190085	Clonlea Reserve Car Park Upgrades and On-Street Parking	On-street car parking spaces that extend north approximately 90m from existing on-street carparking spaces including additional minor carpark asphalt sealing works at Clonlea Park.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 87,000	\$ -	\$ -	\$ -	\$ 87,000				\$ -	\$ 2,486
P190097	Sealing Unsealed Urban Roads Program	Unsealed urban roads to be sealed in 2019/20 in accordance with Council's Policy for Management of Unsealed Urban Roads: Glenelg Lane from Twelfth Street to Fourteenth Street including drainage works.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Medium	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000				\$ 4,000	\$ 4,286
P190098	Unsealed Urban Roads Program - Design	Detailed engineering design of unsealed urban roads in preparation for construction in subsequent years. Design works include: JERSEY STREET - St Albans Road to End; WRIGHT STREET - Howard Street to Closure; NEVILLE STREET - St Albans Road to End; TURNER STREET - Gully South to Rudall St; WEAVER DRIVE - 50m North to Bright Street; STATION LANE - Thirteenth Street to Seventeenth Street; PATERNOSTER ROAD - Lot 100 to End	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 40,000	\$ -	\$ -	\$ -	\$ 40,000				\$ 5,000	\$ 1,143
P190147	Construction of the Link Road	Construction of the Link Road - External Project Management	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 80,000	\$ -	\$ -	\$ -	\$ 80,000				\$ -	\$ 2,286
Total	Roads					\$ 357,000	\$ -	\$ -	\$ -	\$ 357,000	\$ -	\$ -	\$ -	\$ 9,000	\$ 10,200
P190028	Ford Crossings Safety Improvement Project	New swing gates & signage to assist with closure of fords during flood events. Locations include Murray Road North (North Para River), Murray Street South (South Para River) and Fourteenth Street (South Para River) including: Design; Consultancy; Survey, Service locations; Construct and install gates; warning signage; Fencing, Safety barriers and Lighting.	Capital (New/Upgraded)	3 A Healthy, Active, Safe, Engaged Community	Medium	\$ 105,000	\$ -	\$ 73,500	\$ -	\$ 31,500				\$ 1,000	\$ 7,000
P190088	Dead Man's Pass Ford Upgrade Stage 2	Upgrade to major headwall structures, protection works to existing culverts, and road safety improvements at the Dead Man's Pass ford. The culverts works have been identified as high priority works due that require immediate rectification.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	High	\$ 121,000	\$ -	\$ -	\$ -	\$ 121,000				\$ 2,500	\$ 1,210
P190152	Erosion Control Gawler River Outfalls	Construct Erosion Control at Gawler River Outfalls due to the condition of existing infrastructure / headwall outlets. Installation of rock erosion control at the channel outlet either side of the headwalls is required to protect the existing stormwater assets and stabilise embankments from further erosion.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Medium	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000				\$ 3,000	\$ 1,500
Total	Stormwater					\$ 301,000	\$ -	\$ 73,500	\$ -	\$ 227,500	\$ -	\$ -	\$ -	\$ 6,500	\$ 9,710
P190138	Implement New Street Furniture Program	Installation of new street furniture and bins in the Town of Gawler Council area.	Capital (New/Upgraded)	2 Managed and Sustainable Growth	Low	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000				\$ 2,000	\$ 2,000
Total	Street Assets					\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
Total	Capital Budget Bids 2019/20 - New / Upgraded	Below the Line				\$ 3,238,028	\$ -	\$ 1,922,615	\$ -	\$ 1,315,413	\$ 30,000	\$ 5,000	\$ 5,000	\$ 62,280	\$ 103,842
Total	Capital Budget Bids 2019/20 - Below The Line	Below the Line				\$ 3,915,378	\$ -	\$ 1,922,615	\$ -	\$ 1,992,763	\$ 55,000	\$ 35,000	\$ 35,000	\$ 62,730	\$ 103,842

Appendix 2 - Operating Initiative Budget Bids - Above the Line

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23
New Initiative Budget Bids 2019/20			Yes / above the line										
P190165	Contribution towards Armistice & ANZAC Services	Increase in contribution to the RSL to undertake Armistice, ANZAC March and ANZAC Dawn Services. Council Resolution 2019:03:COU118	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 5,500	\$ -	\$ -	\$ -	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
Total			Community Services			\$ 5,500	\$ -	\$ -	\$ -	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
P190054	Economic Development Strategy	An Economic Development Strategy will contribute significantly to Council's considerations relative to economic development within Gawler, more specifically the interactions between Council, the Gawler Business Development Group, the Business Innovation Hub, Regional Development Australia (Barossa), the Gawler Visitor Information Centre and local and regional businesses. The Strategy will also provide input into other Council Business Enterprises and guidance regarding both investment and service delivery opportunities that may provide either cost savings or alternate revenue streams for Council. Council Motion 2018:10:395	Operating Initiatives	2 Managed and Sustainable Growth	Medium	\$ 20,000	\$ -	\$ 20,000	\$ -	\$ -	\$ 10,000	\$ -	\$ -
P190067	Boundary Realignment Investigations	Work with a consultant team to understand the potential for realignment of Council's boundaries in accordance with new legislation. What are the opportunities, costs, benefits, etc...	Operating Initiatives	1 A Uniquely Identifiable Township	High	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000			
P190083	Rural Areas Development Plan Amendment	Implementation of land use policy changes including associated investigations within the Rural Zone as per SA State Government requirements.	Operating Initiatives	2 Managed and Sustainable Growth	Medium	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000			
Total			Growth Policy and Initiative Investigations			\$ 50,000	\$ -	\$ 20,000	\$ -	\$ 30,000	\$ 10,000	\$ -	\$ -
P190051	Microfiche Scanning	Digitisation of Microfiche files, This has been an annual project for 2 years. This bid will finalise all of the remaining scanning that needs to be process, therefore completing the project.	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000			
P190157	Elected Member IT Allowance	IT Allowance for elected members to consolidate and compensate for the transition to electronic communications from a paper environment, and to help offset the data and associated cost that Elected Members incur.	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 2,400	\$ -	\$ -	\$ -	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
Total			Information Technology			\$ 7,400	\$ -	\$ -	\$ -	\$ 7,400	\$ 2,400	\$ 2,400	\$ 2,400
P190075	Casual employee budget increase for Customer Service	Increase the casual staffing budget for Customer Service by \$20,000. The need for this increase has arisen due to the number of transactions at customer service points steadily increasing. As well as larger volume of calls being answered by the team. The budget increase is required in particular for peak times such as rate payments and dog registrations.	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000			
P190108	Library and Community Services Support Officer 0.4 increase in FTE	This role is critical in assisting the formation and implementation of policy and strategy in the Library and Community Services Division. The role is currently funded at a 0.6 FTE. The 0.4 increase in FTE would make the role full time which is particularly important with the strategy work being undertaken by the Division now and in the next 1-5 years. In particular the implementation of the Gawler Open Space Sport and Recreation Plan, the Social and Community Infrastructure Study and the organisational wide Customer Service Strategy.	Operating Initiatives	5 A Strong Vibrant Community	Medium	\$ 37,500	\$ -	\$ -	\$ -	\$ 37,500			

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23
P190118	Financial Analyst / Internal Auditor	New position to provide critical financial analysis support across the organization. Reporting to the Manager - Finance & Corporate Services, this new role will provide important organizational capacity to oversee and facilitate key financial analysis - ranging from coordinating the development of Service Level policies, facilitating the review of various expenditure, facilitating internal processes review, and assisting the Manager with the Division's input into various strategic investigations. The position will also provide capacity for the creation of an Internal Audit function, which has been identified as a need via the development of the Strategic Risk Management Framework and Strategic Risk register	Operating Initiatives	5 A Strong Vibrant Community	Medium	\$ 56,000	\$ -	\$ -	\$ -	\$ 56,000	\$ 108,120	\$ 110,282	\$ 112,488
Total	New FTEs					\$ 113,500	\$ -	\$ -	\$ -	\$ 113,500	\$ 108,120	\$ 110,282	\$ 112,488
P190164	Gawler Improvement / Beautification Programme	A common theme encountered while campaigning prior to the election was the wish for Council to place a greater emphasis on improving the appearance of the district i.e. roads, footpaths, road verges, street trees, public spaces, town entrances, etc. This programme would seek to develop strategies (costed and prioritised for future implementation) to improve the physical appearance of Gawler. The programme would require a review of Council's current maintenance regime and the exploring of initiatives to provide and maintain an attractive environment. Council Resolution 2019:03:COU119.	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Total	Open Spaces					\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
P190003	Essex Park & Gawler Showgrounds Master Plan	Development of a Master Plan for the Essex Park and Gawler Showgrounds Regional Sporting Precinct. Council has successfully submitted an Expression of Interest to the Office for Recreation, Sport & Racing, culminating with the full application for funding being successful. Council Resolution 2018:12:COU497	Operating Initiatives	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 84,850	\$ -	\$ 34,850	\$ -	\$ 50,000	\$ -	\$ -	\$ -
Total	Recreation and Sport					\$ 84,850	\$ -	\$ 34,850	\$ -	\$ 50,000	\$ -	\$ -	\$ -
P190026	Dog Door Knock	Undertake a dog door knock for unregistered dogs in the Gawler area	Operating Initiatives	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 40,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -
P190031	Review of Council By-Laws	Council passed its By-laws on 28 August 2012 and they were gazetted on 13 September 2012. The by-laws will expire on 1 January 2020. It is proposed that an internal review be commenced that will require legal assistance in drafting new by-laws and carrying out the Legislative Review Process. It is also proposed to include the new draft cat by-law in this process as we may also be seeking to prepare a by-law covering the use of drones.	Operating Initiatives	3 A Healthy, Active, Safe, Engaged Community	High	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -
P190156	Hard Waste Program	To provide a one collection or voucher hard waste service per household per year for all residents of the Town of Gawler	Operating Initiatives	4 To Respect and Nurture the Environment	Low	\$ 120,000	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ 120,000
P190160	Climate Emergency Action Plan	Preparation of climate emergency action plan in accordance with Council Resolution 2019:03:COU086	Operating Initiatives	4 To Respect and Nurture the Environment	High	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -
Total	Regulatory Services					\$ 190,000	\$ 120,000	\$ 60,000	\$ -	\$ 10,000	\$ 120,000	\$ 120,000	\$ 120,000
Total	New Initiative Budget Bids 2019/20		Yes / above the line			\$ 466,250	\$ 120,000	\$ 114,850	\$ -	\$ 231,400	\$ 261,020	\$ 253,182	\$ 255,388
	New Initiative Budget Bids 2019/20									\$ 390,000			

Appendix 2 - Operating Initiative Budget Bids - Below the Line

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance
New Initiative Budget Bids 2019/20			No / below the line											
P190105	Building Asset Management Plan Development	Development of a ISO55000 aligned Building Asset Management plan using the Building Condition Assessment Data, including establishment of Levels of Service and Forward Works Program	Operating Initiatives	2 Managed and Sustainable Growth	Low	\$ 30,500	\$ -	\$ -	\$ -	\$ 30,500				\$ -
P190109	Community Lease Policy Review	Legal and Peer review of the current Community Lease Policies including consultation on proposed policy prior to commencement of negotiations with the current community lessee's (majority of community leases expire in 2020 and 2021).	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000				\$ -
P190162	Council Building Painting Program	Council building painting program - rotating program over 7 years to address all buildings.	Operating Initiatives	2 Managed and Sustainable Growth	Low	\$ 48,000	\$ -	\$ -	\$ -	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ -
Total Buildings and Property						\$ 88,500	\$ -	\$ -	\$ -	\$ 88,500	\$ 48,000	\$ 48,000	\$ 48,000	\$ -
P190008	Gawler Public Art Register	Development of register that captures all public art within Gawler, as per the Gawler Arts and Culture Strategy and Public Art Framework. This register will guide future decisions regarding maintenance and de-accessioning of works.	Operating Initiatives	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000				\$ -
P190009	Gawler Ageing Strategy	Development of Gawler Ageing Strategy to ensure Council can strategically respond to the community's ageing population and changes within the external aged services sector.	Operating Initiatives	3 A Healthy, Active, Safe, Engaged Community	Low	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000				\$ -
P190020	Gawler Sustainable Living Festival partnership/sponsorship	Council to sponsor and council logo to appear on promotional materials, sign boards at event	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000			\$ -
P190066	Corporate Photo Shoot	Professional photographs taken of Community assets - eg Parks, reserves, buildings, public art. To be used for marketing and promotion as well as Council publications. Updated video - Welcome to Gawler.	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000				\$ -
P190111	Investigation into the viability of the Commonwealth Home Support Program	Federal funding for the Commonwealth Home Support Program concludes June 30th 2020. An investigation is required to test the viability of running the Commonwealth Home Support Program as a Council Business. External support is required to undertake this investigation.	Operating Initiatives	3 A Healthy, Active, Safe, Engaged Community	High	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000				\$ -
P190113	Implement the Disability Access and Inclusion Plan (DAIP)	This phase of implementation of the DAIP includes the development and design of a Gawler mobility map.	Operating Initiatives	3 A Healthy, Active, Safe, Engaged Community	Medium	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000				\$ -
P190115	Implement the Reconciliation Action Plan (RAP)	This phase of implementation includes the development and installation of statement of acknowledgment plaques on Council owned buildings	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000				\$ -
P190119	Community Grants allocation increase	Community grants is an important initiative that supports community members to implement a range of activities. It allows requests from community groups for sponsorship/support to be streamlined by the Community grants program. Given the number of quality and worthwhile applications in 2018, it would appropriate to expand program. Supplemented by the Environmental Community Grant Program \$5k.	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000				\$ -
P190158	2020 Gawler Fringe	The allocated budget for the Walker Place Fringe Event is \$25,000 plus in-kind support (e.g. staffing). Due to a general increase in costs (e.g. security, hire costs) the forecast for the 2020 event is \$30,000. This requires an increase of \$5000 to the budget, as per the budget bid.	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000				\$ -
Total Community Services						\$ 135,000	\$ -	\$ -	\$ -	\$ 135,000	\$ 5,000	\$ -	\$ -	\$ -
P190002	Internal Audit Program	External provider engaged to conduct internal audit program: (a) test internal processes; (b) compliance against procedure; (c) reduce risk that Council is exposed to.	Operating Initiatives	5 A Strong Vibrant Community	Medium	\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance
Total	Corporate and Finance					\$ 25,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
P190052	Economic and Community Profile Tool	A software package designed to provide economic and community profiles for Town of Gawler with the ability to compare with Barossa, Light and Lower North SA Government Region and South Australia. Provides real-time statistical analysis of demographics, income streams, employment categories, working in Gawler and outside, who travels in from other areas, etc... Extremely useful tool for development of grant applications as well as informing strategic planning.	Operating Initiatives	2 Managed and Sustainable Growth	High	\$ 22,500	\$ -	\$ -	\$ -	\$ 22,500	\$ 23,063	\$ 23,640	\$ 24,231	\$ -
P190053	LGA and Planning Area Forecasts	A software tool that forecasts the impacts of growth within the Council area. It takes the current ABS data and extrapolates it to predict what changes in the economy/community will occur as population grows. It provides comparison with 10 small areas as well as cumulative data sets for the LGA region.	Operating Initiatives	2 Managed and Sustainable Growth	High	\$ 18,000	\$ -	\$ -	\$ -	\$ 18,000	\$ 18,450	\$ 18,911	\$ 19,385	\$ -
P190055	Cost Benefit Analysis Reports	Applications for Government Grants are becoming increasingly competitive and the guidelines are regularly requiring independent cost/benefit analysis reports when submitting an application. The cost of these reports varies based on the funding ask and outcomes required but generally they cost approximately \$10,000.	Operating Initiatives	2 Managed and Sustainable Growth	High	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -
P190080	Adelaide Gawler Rail Corridor Uplift Development Plan Amendment Review	Engaging a professional town planning consultancy firm to review aspects of the Ministerial Development Plan Amendment.	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000				\$ -
P190082	Concordia Land Use Investigations	Engagement of specialist town planning and engineering services to plan for, and respond to, proposed development with Concordia - new growth area with 30 Year Plan for Greater Adelaide.	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000				\$ -
P190086	Heat Island Mapping Software	Purchase Heat Island Mapping software to mitigate the impact of Climate Change	Operating Initiatives	2 Managed and Sustainable Growth	Low	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000				\$ -
Total	Growth Policy and Initiative Investigations					\$ 110,500	\$ -	\$ -	\$ -	\$ 110,500	\$ 61,513	\$ 62,551	\$ 63,616	\$ -
P190012	Mail Courier Services	Courier services for Australia Post mail pick up and delivery	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 7,800	\$ -	\$ -	\$ -	\$ 7,800				\$ -
P190060	Creditcard Redaction Project	Purchase of Software to aid redaction of CreditCard or Tax file numbers from corporate documentation	Operating Initiatives	5 A Strong Vibrant Community	High	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000				\$ 3,000
P190065	SharePoint Development	Development of Intranet and migration to Office 365 creating a future financial saving	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000				\$ 20,000
P190076	Ezescan Upgrade	Upgrade to a premium scanning service by purchasing some extra modules within Ezescan that create efficiencies for the end user. These automated solutions will reduce the labour required to bulk scan and enter documents into the records management system	Operating Initiatives	5 A Strong Vibrant Community	Low	\$ 7,500	\$ -	\$ -	\$ -	\$ 7,500				\$ 2,000
P190084	3D Modelling for Town of Gawler	Purchase GIS data sets to create a 3D model of the exiting township to assist in Development Assessment process.	Operating Initiatives	1 A Uniquely Identifiable Township	Low	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000				\$ -
Total	Information Technology					\$ 120,300	\$ -	\$ -	\$ -	\$ 120,300	\$ -	\$ -	\$ -	\$ 25,000

ProjectID	Project/Activity Title	Description/Scope	Expenditure Type	Goal	Risk Matrix Outcome	Gross Cost	Total Internal Equity Reserve	Total External Funding	Total Asset Sales	Net Cost	Gross Cost Fin Year 2020/21	Gross Cost Fin Year 2021/22	Gross Cost Fin Year 2022/23	Annual Maintenance
P190114	Community Land Management Plan Updates	Consultant and Legal Costs associated with redevelopment of the Council Community Land Management Plans in light of the Supreme Court "Coast Park" case.	Operating Initiatives	2 Managed and Sustainable Growth	Low	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -
Total	Land					\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -
P190021	Community emissions inventory & follow up after 12 months	Engage with a consultant to undertake an inventory of community emissions that includes a greenhouse gas emissions profile in response to climate change. Greenhouse gas (GHG) emissions are a major impact to climate change. The Town of Gawler needs to embrace a carbon neutral philosophy and be a leader in environmental change.	Operating Initiatives	4 To Respect and Nurture the Environment	Low	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 8,000	\$ -	\$ -
Total	Regulatory Services					\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 8,000	\$ -	\$ -
P190149	Asset Management - import new assets into GIS system	The importation of new open space assets (i.e. playgrounds, fencing, bollards, gates, retaining walls) and civil assets (i.e. footpaths, roads, kerbs and stormwater assets) created through land development into Council's corporate Geographical Information System (GIS) system.	Operating Initiatives	2 Managed and Sustainable Growth	Low	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Total	Stormwater					\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Total	New Initiative Budget Bids 2019/20		No / below the line			\$ 524,300	\$ -	\$ -	\$ -	\$ 524,300	\$ 149,513	\$ 143,551	\$ 136,616	\$ 25,000

Appendix 3 - Operating Revenue Analysis

Recurrent Revenue	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
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Consistent with other financial reporting to Council, variances between the 2018/19 Adopted Budget and the 2019/20 draft Budget that are greater than 5% and \$10k are shaded in green (favourable variance) or red (unfavourable variance).

Rates

General Rates (incl natural growth)	(21,220,000)	(21,200,000)	(22,281,000)	5.0%	Incorporates 3% base increase and 2% growth from new property development
Waste Management Service Charge	(1,986,576)	(1,969,576)	(2,012,289)	1.3%	Service charge levied for kerbside waste collection/disposal service. Increase includes revenue from new waste bins collected from new residential land developments. Service surplus of \$120k from 2017/18 proposed to fund introduction of Hard Waste Service for 2019/20
Late payment penalty fines	(50,000)	(62,000)	(65,000)	30.0%	Increase based on actual revenue 2018/19
<i>Separate Rates:</i>					
Gawler Business Development Group (Business marketing & development)	(172,591)	(172,591)	(176,043)	2.0%	Collected on behalf of the Gawler Business Development Group - offset by matching contribution payment
Natural Resources Management Levy	(361,432)	(361,432)	(366,464)	1.4%	Collected on behalf of State Government - offset by payment made (less minor admin. Fee retained by Council)
<i>Less Rebates & Remissions:</i>					
Mandatory Rebates	366,799	363,031	377,803	3.0%	Mandatory rebates provided to Schools, Hospitals, Churches, etc.
Discretionary Rebates	947,341	950,575	975,761	3.0%	Includes rebates provided based on 'tiered' rating methodology for Commercial and Industrial properties that was introduced in 2012
Remissions (Valuation objections, etc.)	5,600	600	5,600	0.0%	Provision for remissions based on property valuation objections.
TOTAL	(22,470,859)	(22,451,393)	(23,541,632)	4.8%	

Statutory Charges

Dog Registration Fees & Expiations	(252,846)	(259,581)	(265,000)	4.8%	No increase in set registration fees proposed. Increase due to increase in number of registered dogs from approx. 5,300 to 5,600.
Development Application Fees	(249,880)	(221,400)	(226,500)	-9.4%	Revenue determined by volume/nature of applications received. Reduction in revenue due to reduced no. of applications
Parking fines	(145,000)	(129,000)	(150,000)	3.4%	Revenue based on no. of expiations issued - 1,800 expiations estimated for 2018/19; 1,940 for 2019/20
Food inspections & audits	(12,380)	(12,380)	(12,600)	1.8%	Revenue based on food audits and inspections undertaken
Property search fees	(48,000)	(48,000)	(49,000)	2.1%	Revenue based on volume of property searches

Recurrent Revenue	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
Other fines & expiations	(6,089)	(10,089)	(6,150)	1.0%	Other sundry fines & expiations (e.g. inflammable undergrowth expiations, swimming pool regulations)
TOTAL	(714,195)	(680,450)	(709,250)	-0.7%	

User Charges

Aquatic Centre	(370,000)	(373,745)	(379,325)	2.5%	Includes revenue from canteen sales, swimming lessons, seasonal swimming passes and casual entry fees, etc. The centre attracts over 60,000 visitors a year.
Sport & Community Centre	(411,500)	(385,000)	(347,990)	-15.4%	Includes revenue from canteen sales, skating programs and other programs conducted at the Centre. Estimated 'one-off' reduction in revenue due to temporary closure of main stadium due to floor refurbishment works
Leases & Rentals	(469,190)	(469,190)	(481,398)	2.6%	Includes rental/lease fees for various Council sites/facilities, primarily including Gawler Administration Centre, Fasta Pasta, 12 Reid St (Cunningham Accountants), Telstra Towers, and Gawler Caravan Park
Cemetery fees	(196,700)	(181,700)	(160,269)	-18.5%	Estimated reduction in revenue based on recent trend of reducing number of burials
Visitor Information Centre	(51,250)	(63,815)	(49,300)	-3.8%	Souvenir sales, accommodation bookings, various ticket sales. Revenue streams decreasing due to competing direct online / internet access.
Civic Centre operations	(10,000)	(20,000)	(166,950)	1569.5%	Business Innovation Hub membership fees, hire of Civic Centre facilities, Cultural Heritage Centre revenue. Increase as a result of first full year of operations of the Civic Centre in 2019/20. Centre open from 11 February 2019
Immunisation program fees	(12,000)	(12,000)	(11,000)	-8.3%	
Elderly Centre	(69,400)	(57,000)	(52,500)	-24.4%	Hire of Elderly Centre. Reduction due to relocation of Gawler Club back to Civic Centre site
Other User charges	(32,500)	(42,500)	(42,300)	30.2%	Includes Waste management services to Gawler Retirement Villages, Library services, and other sundry user charges
TOTAL	(1,622,540)	(1,604,950)	(1,691,032)	4.2%	

Grants, Subsidies & Contributions

Note: This does not include Capital Grants

<i>Federal Government grants:</i>					
Financial Assistance Grant	(1,314,059)	(1,392,903)	(1,448,022)	10.2%	For meaningful comparisons, distortion caused by advance grant payments has been removed (e.g. 2018/19 advance payment received in 2017/18 has been included in \$ shown). Increase in 2019/20 based on actual revenue received in 2018/19. 2019/20 Budget assumes continuation of advance payments being received
Local Roads Grant	(337,357)	(337,357)	(342,798)	1.6%	

Recurrent Revenue	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
Supplementary Local Roads Grant	(150,000)	(479,609)	0	-100.0%	2019 Federal Budget provides for additional funding to SA Councils, estimated at \$320k for Gawler. Expected to be paid before 30 June 2019
'Roads to Recovery' Grant	(206,000)	(206,000)	(646,934)	214.0%	Based on advice from Federal Government. Funding agreement to 2023/24
<i>State Government grants:</i>					
Library / Community Services Operating Grant	(65,000)	(67,707)	(67,707)	4.2%	
Home Assistance Scheme	(693,484)	(698,853)	(674,880)	-2.7%	Service is cost neutral (excluding in-kind support costs provided)
Fuel Tax rebates	(13,500)	(13,500)	(13,500)	0.0%	Rebates received from Federal Government
Car Parking, Drainage & Open Space Contributions	(75,000)	(152,164)	(190,000)	153.3%	Includes Developer contributions towards footpaths, stormwater drainage & carparking and other minor grants. Value of contributions will fluctuate in line with volume of associated Development applications received
Gawler & Surrounds Stormwater Management Project	(50,000)	(50,000)	(50,000)	0.0%	'One-off' project funding
Gawler East Development (incl. Link Road)	(602,000)	0	(614,000)	2.0%	Developer contributions based on 100 new allotments. Partly offset by contributions to State Government towards Gawler East Link Road
Other Grants, Subsidies & Contributions	(59,500)	(138,044)	(9,000)	-84.9%	2018/19 includes 'one-off' funding of \$44k relating to New Initiative Bids
TOTAL	(3,565,900)	(3,536,137)	(4,056,841)	13.8%	

Investment Income

Developer funds interest	(16,247)	(16,247)	(17,168)	5.7%	Based on value of associated equity funds held towards future capital works. Internal rate of interest applied
LGFA/National Bank interest	(11,400)	(15,400)	(16,000)	40.4%	Based on projected future cashflows. Amount includes annual bonus received from LGFA and nominal interest from NAB trading account
Community Loans - interest repayments	(983)	(983)	0	-100.0%	It is estimated that interest-applicable loan to Gawler Bowling Club will be repaid in full during 2018/19, hence no income identified for 2019/20. All other existing community loans are interest free
TOTAL	(28,630)	(32,630)	(33,168)	15.9%	

Reimbursements

Other Councils	(10,500)	(10,500)	(10,500)	0.0%	Adelaide Plains Council contribution towards variable supplementary library services provided at Two Wells
Vehicle contributions	(100,500)	(103,768)	(69,000)	-31.3%	Employee contributions. Reduction in contributions due to change in contributions from 'pre' to 'post' tax. Offset by \$53k savings in FBT expense

Recurrent Revenue	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
Legal fees (including Debtor recovery)	(20,000)	(20,000)	(10,000)	-50.0%	Recovery of legal fees. Reduction due to ongoing effective debtor management practices, resulting in less legal action required. Offset by reduced Debt recovery costs incurred
Insurance - claims, rebates, distributions	(60,000)	(78,439)	(60,000)	0.0%	Rebates from Local Government Risk Services insurance schemes.
Traineeship rebates	(12,167)	(12,167)	(6,819)	-44.0%	Revenue based on number of trainees engaged
Staff salary reimbursements	0	(69,236)	(122,769)		New revenue as 1.) Council is now hosting the BRPG officer role and 2.) LGA is reimbursing Council for short-term secondment of Council's WHS/Risk Officer to the sector. Offset by new employee costs for the BRPG position / admin. support role and short-term part-time contract position to backfill WHS/Risk Officer role
Other reimbursements	(49,547)	(106,892)	(52,800)	6.6%	Other sundry reimbursements
TOTAL	(252,714)	(401,002)	(331,888)	31.3%	

Other Income

Sundry income - Commissions	(1,825)	(2,650)	(2,180)	19.5%	Commissions from various activities at the Visitor Information Centre
Sundry income - Other	(9,850)	(40,815)	(3,900)	-60.4%	
Donations	(750)	(11,401)	(750)	0.0%	Various 'one-off' donations
TOTAL	(12,425)	(54,866)	(6,830)	-45.0%	

Net Gain - Joint ventures & Associates

Northern Adelaide Waste Management Authority	(930)	(930)	(37,000)	3878.5%	Movement in Council's equity share - based on previous estimates provided by the Authority
TOTAL	(930)	(930)	(37,000)	3878.5%	

TOTAL INCOME	(28,668,193)	(28,762,358)	(30,407,641)	6.1%	
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Recurrent Expenditure	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
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Consistent with other financial reporting to Council, variances between the 2018/19 Adopted Budget and the 2019/20 draft Budget that are greater than 5% and \$10k are shaded in green (favourable variance) or red (unfavourable variance).

Town Planning Services	727,557	287,557	590,750	-18.8%	Includes per new allotment payments to State Government re Gawler East development (offset by revenue received), legal costs, sundry consultancy costs, Local Heritage grants, CAP Independent member fees, referral fees payable to State Govt, contribution to State Govt planning portal, etc. Decrease due to \$100k one-off costs in 2018/19 and \$30k increase in State Govt Planning portal contribution - excluding these the budget \$ are effectively unchanged
Building Control Services	33,880	35,980	28,351	-16.3%	Includes vehicle running costs, sundry consultants, Bldg Fire Safety Committee expenses, etc.
Health Control Services	13,204	15,529	13,050	-1.2%	Software licence costs, advertising, other sundry expenses
Immunisation	26,300	26,300	26,300	0.0%	Cost of immunisation clinics and immunisation programs
Inflammable Undergrowth Services	3,350	4,850	3,000	-10.4%	Slashing of high undergrowth where not undertaken by owner (costs recovered from property owners)
Waste Management	2,042,376	2,042,376	2,032,289	-0.5%	Includes kerbside waste collection services (NAWMA)
Economic Development, Marketing & Communications					
Information Technology Services	713,094	700,240	717,870	0.7%	Software licence costs, software/hardware maintenance, hardware lease costs, communication costs, etc.
Records Management	74,260	84,560	73,860	-0.5%	Software maintenance, Postage, FOI costs, etc.
Economic Development, Marketing & Communications Management	80,623	93,119	92,198	14.4%	Vehicle running costs, Grants Submission Writer costs, Barossa RDA contribution, etc. Increase due to \$12k vehicle running costs previously elsewhere allocated
Civic Centre Operations	93,000	109,900	252,250	171.2%	\$160k cost increase due to new costs associated with running of Civic Centre operations. Offset by new revenue from Civic Centre operations
Gawler Business Development Group	172,591	172,591	176,043	2.0%	Payment of funds collected on behalf of the GBDG
Visitors Information Centre	86,635	95,395	59,343	-31.5%	Cost of operations for the Centre (including cost of Souvenirs sold). Reduction due to \$20k 'one-off' cost in 2018/19
Communication & Marketing	53,600	73,713	57,754	7.8%	Sundry contractors, advertising, Murray Street banners program costs
Heritage	94,750	85,179	3,930	-95.9%	2018/19 includes \$66k for opening exhibition of Cultural Heritage Centre. Recurrent costs include \$25k for Heritage Walls program
Finance & Corporate Services					
Finance & Corporate Services Management	17,440	14,616	16,200	-7.1%	LG Performance Excellence program costs, Annual report costs

Recurrent Expenditure	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
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Financial Services	133,592	144,368	135,290	1.3%	Audit Committee Independent Member fees, Internal Controls software licence fees, External Auditor fees, Bank fees/charges, etc.
Governance Services	2,050	550	2,000	-2.4%	Sundry expenses, including legal fees provision
Human Resources	199,120	247,020	167,060	-16.1%	Staff recruitment costs, staff training, HR consultant, etc. Decrease due to reduction in HR consultants provision
General Administration	487,236	384,393	479,041	-1.7%	Stationery, Value of in-kind support to Community Groups, Insurance, Barossa Regional Procurement Group admin costs, Vehicle running costs, etc.
General Administration - New Initiatives provision	-	-	237,900		Provision for new initiatives consistent with LTFP. Refer separate list of associated Budget bids
Rates Administration	103,750	106,285	90,483	-12.8%	Property valuation services, Debt collection costs, rate notice printing costs, etc. Reduced debt collection costs offset by reduced reimbursements income
Crime Prevention	7,472	7,472	7,600	1.7%	CCTV costs
Council Buildings	604,039	667,045	774,213	28.2%	Insurance, Electricity, Water rates, Security, Pest control services, Cleaning services, Emergency Services Levy, Bldg maintenance services, etc. Cost increase due to new costs associated with Civic Centre maintenance (incl. electricity, insurance, cleaning, etc.)
Property Management Administration	42,521	42,521	34,113	-19.8%	Includes vehicle running costs, Asset Divestment Strategy costs
Car Parks	92,238	83,338	80,355	-12.9%	Multi-Level Carpark maintenance, including security and lighting costs
Infrastructure & Engineering Services					
Depot Operations	226,461	226,306	157,005	-30.7%	Mobile phones, Utilities costs, Insurance, site maintenance, Depot loose tools, etc. 2018/19 includes \$80k for 'one-off' costs
IES, Depot & Property Management	4,870	4,870	24,268	398.3%	2019/20 includes vehicle running costs for new vehicle
Engineering Services	303,866	389,040	219,566	-27.7%	Vehicles running costs, Sundry consultants, Asset Management Plan costs, etc. 2018/19 includes \$103k 'one-off' costs
Parks & Gardens	688,474	600,287	740,485	7.6%	Site spraying, trees maintenance, water consumption, playgrounds maintenance, fertiliser, internal plant hire costs, lawn mowing, etc.
Sports Facilities Outdoor	491,833	499,740	504,114	2.5%	2019/20 increase due to new reserves to be maintained from new residential developments

Recurrent Expenditure	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
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Street Beautification	159,894	175,267	253,934	58.8%	Garden beds and street trees maintenance. 2019/20 increase includes \$20k for street trees and increased maintenance and \$20k for SAPN amenity pruning under powerlines (per Council resolution 23/4/19)
Street Cleaning	150,000	150,000	153,900	2.6%	Periodic cleaning of CBD and urban streets
Street Lighting	484,610	484,610	434,610	-10.3%	Electricity costs
Roads	542,882	542,882	586,750	8.1%	External plant hire, road materials, internal plant hire, etc. Increase due to increase in external plant hire and light fleet costs
Traffic Management	25,000	10,672	-	-100.0%	2018/19 includes LATM study costs
Stormwater Drainage	186,305	235,132	195,239	4.8%	Trash racks cleaning, stormwater pipes flushing & repairs, GRFMA contribution. 2019/20 includes \$25k for purchase of heavy-duty Side Entry Pits to replace existing pits that are damaged by heavy vehicles
Public Conveniences	16,766	18,566	16,056	-4.2%	Cleaning supplies, water consumption, etc.
Town Maintenance	265,679	247,679	255,331	-3.9%	Internal plant hire, linemarking, road signs, etc.
Litter Control	3,600	3,600	2,600	-27.8%	Litter bins, Internal plant hire
Cemetery Operations	68,562	68,562	43,857	-36.0%	Water consumption, site maintenance, grave digging, etc. 2019/20 reduction due to reductions in burials (offset by reduction in Cemetery fees revenue)
Plant Operations	(520,058)	(515,758)	(555,174)	6.8%	Vehicles servicing, repairs and maintenance, FBT, vehicle fuel, insurance, Internal plant hire cost recovery. 2019/20 includes \$53k reduction in FBT due to converting employee contributions from 'pre' to 'post' tax
Library & Community Services					
Community Services Management	35,440	38,140	36,514	3.0%	Vehicles running costs, sundry materials
Community Home Support Program	327,232	326,351	337,193	3.0%	Includes Service provider contractors. Service is cost neutral
Elderly Citizen Facilities	10,848	10,848	10,874	0.2%	Electricity, Insurance, minor equipment
Community Support	191,178	191,178	188,405	-1.5%	Australia Day, Christmas Festival, Gawler Show, Gawler Community House, Gawler Activation Program, Reconciliation Action Pla, Community Grants, etc.
Sports Facilities Indoor	247,206	227,916	197,017	-20.3%	Canteen supplies, Insurance, Agency staff, Water consumption, Electricity, minor equipment, etc. 2019/20 reduction due to Agency staff reverting to Council payroll (offset by increased Employee Costs)
Recreation Services Administration	20,000	63,000	-	-100.0%	Karbeethan Master Plan and Governance support to KSA

Recurrent Expenditure	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
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Libraries	211,299	215,907	172,870	-18.2%	Insurance, software licences, Courier services, Local book purchases, Cleaning services, etc. 2018/19 includes purchase of stock for new Library
Youth Services	65,000	124,306	61,600	-5.2%	Youth Week, Youth Advisory Committee costs, Youth events, etc.
Volunteer Services	28,595	28,595	33,794	18.2%	Graffiti Removal program (including vehicle running costs), National Volunteer Week, etc.
Gawler Aquatic Centre	491,281	425,772	457,883	-6.8%	Canteen supplies, water treatment chemicals, water consumption, gas, electricity, Agency staff, advertising, minor equipment, etc. \$32k Agency staff in 2018/19 will transfer to short-term contract staff included in Employee Costs in 2019/20
Customer Services	18,409	18,409	23,864	29.6%	After Hours Call Service, other minor expenses
TOTAL	11,727,442	11,461,749	11,651,579	-0.6%	

Finance Costs

Bank Guarantee Charges	20,560	20,560	10,280	-50.0%	Costs relative to Housing Affordability Funding agreement with the Federal Government which expires in December 2019. Only applies for 6 months in 2019/20
Overdraft Interest	441,600	424,900	504,000	14.1%	Based on estimated cashflows / utilisation of LGFA variable interest rate overdraft facilities. Increase due to increasing reliance on overdraft facility to fund capital works (current interest rate = 3.6%), which can importantly be repaid at any time as cashflow permits
Interest Payments Bank Loans	424,863	424,863	367,233	-13.6%	Based on fixed-interest rate long-term Debenture Loan repayment schedules. Decrease due to fixed loans being incrementally repaid. Existing fixed loans will be repaid in full by 2024/25 (current interest rate that applies for new fixed loans is 4.4%)
TOTAL	887,023	870,323	881,513	-0.6%	

Depreciation

Plant & Equipment	657,700	657,700	631,376	-4.0%	
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Recurrent Expenditure	Adopted Budget 2018/2019	Forecast 2018/2019	Budget 2019/2020	% Variance (Adopted / Budget)	Notes
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Consistent with other financial reporting to Council, variances between the 2018/19 Adopted Budget and the 2019/20 draft Budget that are greater than 5% and \$10k are shaded in green (favourable variance) or red (unfavourable variance).

Buildings	395,586	581,586	653,000	65.1%	Increase during 2018/19 due to revaluations as at 30 June 2018. Increase in 2019/20 due to new costs associated with Civic Centre redevelopment works
Other Assets	235,717	235,717	196,951	-16.4%	
Infrastructure	3,869,864	4,169,864	4,548,268	17.5%	Increase during 2018/19 due to revaluations as at 30 June 2018. Increase in 2019/20 due to new costs associated with Gawler East Link Road (estimated completion of road in February 2020) and new assets constructed during 2018/19. The Gawler East Link Road will become a Council owned/maintained depreciable asset on practical completion
TOTAL	5,158,867	5,644,867	6,029,595	16.9%	

Net Loss - Joint Ventures & associates

Gawler River Flood Management Authority	38,520	38,520	39,000	1.2%	
TOTAL	38,520	38,520	39,000	1.2%	
TOTAL EXPENSES	28,622,002	28,628,737	30,336,039	6.0%	

Goal 1 – Our Identity*A uniquely identifiable township*

SERVICES	SERVICE LEVEL
Street cleaning & beautification	<ul style="list-style-type: none"> • Periodic cleaning of streets (Murray Street 3 x per week, Urban Streets 5 x per annum, Heavy leaf fall streets 7 x per annum) • Maintenance of street furniture • Maintenance of street trees
Public Conveniences	<ul style="list-style-type: none"> • 7 sites cleaned daily
Town Maintenance services	<ul style="list-style-type: none"> • Dumped rubbish removal • Rapid Response Team • Cleaning of Council BBQs' • Road linemarking • Sign maintenance
Litter Control	<ul style="list-style-type: none"> • Murray Street bins emptied daily • Other bins emptied less regularly
Council Buildings and property management	<ul style="list-style-type: none"> • Programmed maintenance of Council buildings • Asset Divestment Strategy • Building Asset Management Plans • Administer building leases and rentals
Civic Centre	<ul style="list-style-type: none"> • Facilities include: Business Innovation Hub, Multi-Functional Space, Youth Space, Meeting Rooms, Digital Library, Heritage Collection Display
Heritage	<ul style="list-style-type: none"> • Heritage grants • Digitisation of Cultural Heritage collection

EXPENDITURE	2019/2020 BUDGET
Street Cleaning & Beautification	641,549
Public Conveniences	89,582
Town Maintenance Services	793,837
Litter Control	63,917
Council Buildings and Property Management	1,720,075
Civic Centre	463,629
Heritage	4,294
TOTAL EXPENDITURE	3,776,883
INCOME	
Council Buildings and Property Management	(529,048)
Civic Centre	(170,600)
TOTAL INCOME	(699,648)
TOTAL NET COST TO COUNCIL	3,077,235

Goal 2 – Our Growth

Managed and Sustainable growth

SERVICES	SERVICE LEVEL
Engineering Services	<ul style="list-style-type: none"> Annual review of Infrastructure & Asset Management Plans Asset valuations and condition assessments Projects management New Land Division Open Space guidelines
Town Infrastructure <i>Includes roads, kerb & gutter, footpaths, bridges, and roundabouts</i>	<ul style="list-style-type: none"> Sealed roads maintenance and periodic resealing Unsealed roads maintenance and periodic resheeting Other road infrastructure maintenance in accordance with service standards
Traffic Management	<ul style="list-style-type: none"> Traffic control signs maintenance and repairs Collection and analysis of Road Traffic Counters data
Car Parks	<ul style="list-style-type: none"> Maintenance of carparks (including Multi-Level carpark)

EXPENDITURE	2019/2020 BUDGET
Engineering Services	1,146,147
Town Infrastructure	4,952,964
Traffic Management	6,730
Car Parks	81,092
TOTAL EXPENDITURE	6,186,933

INCOME	
Engineering Services	(61,748)
Town Infrastructure	(993,160)
TOTAL INCOME	(1,054,908)

TOTAL NET COST TO COUNCIL	5,132,025
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Goal 3 – Our Community

A healthy, active, safe, engaged community

SERVICE	SERVICE LEVEL
Parks & Gardens	<ul style="list-style-type: none"> Maintenance of parks and gardens in accordance with service standards Programmed maintenance and inspection of playground equipment
Outdoor Sports Facilities	<ul style="list-style-type: none"> Maintenance of sporting surfaces and facilities to appropriate 'fit for purpose' standards
Street Lighting	<ul style="list-style-type: none"> Facilitate community safety through the provision of appropriate streetlighting
Willaston Cemetery	<ul style="list-style-type: none"> Maintain Willaston Cemetery to an appropriate standard Administration of burials and burial plot leases
Crime Prevention	<ul style="list-style-type: none"> Usage of CCTV systems to facilitate reduction in anti-social behaviours
Community Services Management	<ul style="list-style-type: none"> Administration of Community Services activities
Community Home Support Program	<ul style="list-style-type: none"> Support services to assist aged/disabled to live independently in their homes Social support services (in conjunction with Gawler Health Service) Host and facilitate 'Ageing in Style' Expo Number of clients – 600-700 Number of service hours – approx. 11,000 Jobs Completed – over 7,000 p.a.
Elderly Centre	<ul style="list-style-type: none"> Maintenance of Elderly Centre to an appropriate standard Administer and promote usage of Centre Support the operations of the Elderly Centre Advisory Group Elderly Centre Facility Utilisation Rate approx. 37% p.a.
Community Support	<ul style="list-style-type: none"> Development and implementation of key Community Development Strategic documents (Disability Access and Inclusion Plan, Reconciliation Action Plan, Gawler Arts & Culture Strategy and Public Arts Framework) Community Engagement – 'Your Voice' Gawler Support operations of the Gawler Community House - \$15k contribution Delivery of Council Community Grants program - \$15k

	<ul style="list-style-type: none"> • Delivery and/or Support of key local activities and events (e.g. Gawler Fringe, Outdoor Cinemas, National Reconciliation Week, NAIDOC Week, Gawler Carols, ANZAC Day, Australia Day breakfast)
Gawler Sport & Community Centre	<ul style="list-style-type: none"> • Provision of community recreation facility - key programs include skating, fitness programs, facility hire • Actively promote and encourage community use of the facility • Management and booking for other Council facilities (e.g. Elderly Centre, Princes Park, Willaston Oval, Gawler South Oval, Karbeethan Reserve, Gawler Oval) • Event Management and/or Event Liaison for events held at Gawler Showgrounds including Gawler Show and Swap Meets
Library	<ul style="list-style-type: none"> • Provide a welcoming, relevant, accessible, and inclusive library service that supports the recreational and lifelong learning needs of the community • Provide a socially inclusive place to interact and access services, collections, programs and events that enhance the life and lifestyle of the community • This includes programming with a focus on STREAM (Science, Technology, Reading, Engineering, Arts and Maths) including early literacy story-time sessions, after-school craft programs, coding clubs, early childhood science clubs, book groups, author events and information sessions, and a home visits service for community members who are unable to travel to the library • Number of active borrowers – approx. 6,000 • Number of Loans – over 80,000 p.a. • Library users as % of population – 20% • Library Events Held – over 200 held • Attendees at Library Events – approx. 3,000 p.a. • Opening Hours: Evanston Gardens Library 15hrs per week across Monday-Friday; Gawler Civic Centre 9am-5pm Monday-Wednesday, Friday; Thursday 10am-6pm; Saturday 9am-1pm
Youth Services	<ul style="list-style-type: none"> • Support operations and activities of the Gawler Youth Advisory Committee (GYAC) (monthly meetings held) • Development and implementation of a robust Youth Leadership Program that feeds into the GYAC • Implementation of the Gawler Youth Development Plan • Recognise and celebrate South Australian Youth Week (April) • Activate the Gawler Youth Precinct and Skate Park • Provide an engaging Urban Arts Program • Deliver and support Youth Development School Holiday Programs
Volunteer Services	<ul style="list-style-type: none"> • Recognise and celebrate National Volunteer Week

	<ul style="list-style-type: none"> • Co-ordinate Council volunteer programs (Visitor Information Centre, Library, Youth, Gawler Sport & Community Centre, Clock Tower, Graffiti Removal Program) • Graffiti Hits Removed (over 1,000 volunteer hours each year) • National Volunteer Week celebrated annually (in May each year)
Gawler Business Development Group	<ul style="list-style-type: none"> • Support the operations of the Gawler Business Development Group Inc. via administration and collection of associated Separate Rate levied
Visitor Information Centre	<ul style="list-style-type: none"> • Support the operations and activities of the Gawler Visitor Information Centre • Number of visitors (over 17,000 p.a.) • Volunteer hrs. (over 5,000 p.a.) • Opening hrs. Mon-Fri 9am-5pm, Weekends & Pub. Holidays 10am-4pm. Closed Xmas/Good Friday
Parking Control	<ul style="list-style-type: none"> • Monitor parking control for time zones, permit zones and disabled bays • Monitoring private parking areas • Impounding of abandoned vehicles (as required) • No. of expiations issued (approx. 1,800 p.a.)
Gawler Aquatic Centre	<ul style="list-style-type: none"> • Manage and maintain the Gawler Aquatic Centre as a community aquatic facility in accordance with legislated health standards • Deliver key programs - Learn to Swim, Lap Swimming, Recreational Swimming, Facility Hire • Actively promote and encourage community use of the facility • Number of visitors (over 60,000 p.a.) • Swim School Enrolments (approx. 1,200 p.a.)
Animal & Pest Control	<ul style="list-style-type: none"> • Facilitate the effective control and regulation of companion animals • Compliance with Dog & Cat Management Act 1995 • Provision of effective pest/vermin control services and eradication programs • Destruction of European wasp nests • Birds of abundance management program • Number of registered dogs (approx. 5,300) • Dog expiations issued • Responding to dog attacks • Transition to 'Dogs and Cats Online' (DACO) from 1 July 2018

<p>Health Control Services</p>	<ul style="list-style-type: none"> • Provision of technical advice and monitoring services of a broad range of public and environmental health services in accordance with legislative requirements • Register and inspect food premises, and respond to requests from the Department of Health to investigate outbreaks of food poisoning and communicable disease • Risk based food premises inspections • Public Health Inspections • Supported Residential Facilities inspections • Number of Food inspections (>150 p.a.) • Food audits
<p>Immunisation Program</p>	<ul style="list-style-type: none"> • Delivery of immunisation programs for the community, schools and specialised vaccines such as the flu vax • Number of immunisations provided (approx. 1400 p.a.) • Immunisation clinics - 3 times per month • Immunisation program for two local schools
<p>Inflammable Undergrowth management</p>	<ul style="list-style-type: none"> • Minimise inflammable undergrowth through monitoring and enforcement of fire safety regulations • Issuing of fire prevention notices and expiations relating to inflammable undergrowth

EXPENDITURE	2019/2020 BUDGET
Parks and Gardens	1,739,969
Outdoor Sports Facilities	770,326
Street Lighting	434,610
Willaston Cemetery	178,085
Crime Prevention	7,600
Community Services Management	310,515
Community Home Support	674,880
Elderly Centre	11,217
Community Support	292,475
Gawler Sport & Community Centre	381,468
Library	990,890
Youth Services	198,582
Volunteer Services	247,362
Gawler Business Development Group	176,043
Visitors Information Centre	152,505
Parking Control	182,173
Gawler Aquatic Centre	883,448
Animal & Pest Control	270,060
Health Control Services	150,016
Immunisation Program	50,367
Inflammable Growth Management	43,711
TOTAL EXPENDITURE	8,146,302

INCOME	
Willaston Cemetery	(160,269)
Community Services Management	(5,900)
Community Home Support	(674,880)
Elderly Centre	(52,500)
Gawler Sport & Community Centre	(347,990)
Library	(88,257)
Youth Services	(4,500)
Outdoor Sports Facilities	(17,500)
Gawler Business Development Group	(176,043)
Visitors Information Centre	(51,380)
Parking Control	(150,000)
Gawler Aquatic Centre	(383,325)
Animal & Pest Control	(265,000)
Health Control Services	(16,250)
Immunisation Program	(12,300)
Inflammable Growth Management	(2,000)
TOTAL INCOME	(2,408,094)

TOTAL NET COST TO COUNCIL	5,738,208
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Goal 4 – Our Environment

To respect and nurture the environment

SERVICE	SERVICE LEVEL
Stormwater Drainage	<ul style="list-style-type: none"> • Maintenance of stormwater drainage infrastructure • Cleaning of side-entry pits • Upgrade/replace stormwater infrastructure in accordance with Asset Management Plan • Support the provision of flood monitoring systems
Town Planning Services	<ul style="list-style-type: none"> • Deliver efficient and effective development assessment / compliance processes • Support Council's Development Assessment Planning decisions • Number of development applications (approx. 650 p.a.)
Building Control Services	<ul style="list-style-type: none"> • Assess building applications and administer compliance with Building Rules • Support the operations of the Building Fire Safety Committee • Assess Council Assets for Disability Discrimination Act and Fire Safety • Building applications lodged (currently approx. 650 p.a.) • Building notifications (approx. 900 p.a.) • Building inspections (approx. 180 p.a.)
Development & Regulatory Services Administration	<ul style="list-style-type: none"> • Management of Development & Regulatory Services teams
Waste Management	<ul style="list-style-type: none"> • Provide an effective kerbside domestic/green waste and recycling collection and disposal service • Administer joint-owner responsibilities of Northern Adelaide Waste Management Authority (NAWMA) • Waste collected – Recycled (approx. 2,000 tonnes p.a.) • Waste collected - Green Waste (approx. 2,200 tonnes p.a.) • General Waste collected (approx. 5,000 tonnes p.a.)
Other Environmental and Regulatory Services	<ul style="list-style-type: none"> • Administer collection/payment of State Government Natural Resource Management levy • Promote and participate in environmental initiatives (including Clean-up Australia Day) • Provide advice on environmental queries • Monitor compliance with associated Acts and Regulations and by-laws

EXPENDITURE	2019/2020 BUDGET
Stormwater Drainage	1,199,773
Town Planning Services	1,362,292
Building Control	233,955
Development & Regulatory Services Administration	912,799
Waste Management	2,041,758
Other Environmental & Regulatory Services	383,823
TOTAL EXPENDITURE	6,134,400
INCOME	
Town Planning Services	(986,200)
Building Control	(45,300)
Development & Regulatory Services Administration	(6,516)
Waste Management	(2,069,289)
Other Environmental & Regulatory Services	(371,864)
TOTAL INCOME	(3,479,169)
TOTAL NET COST TO COUNCIL	2,655,231

Goal 5 – Our Leadership

A strong, vibrant community

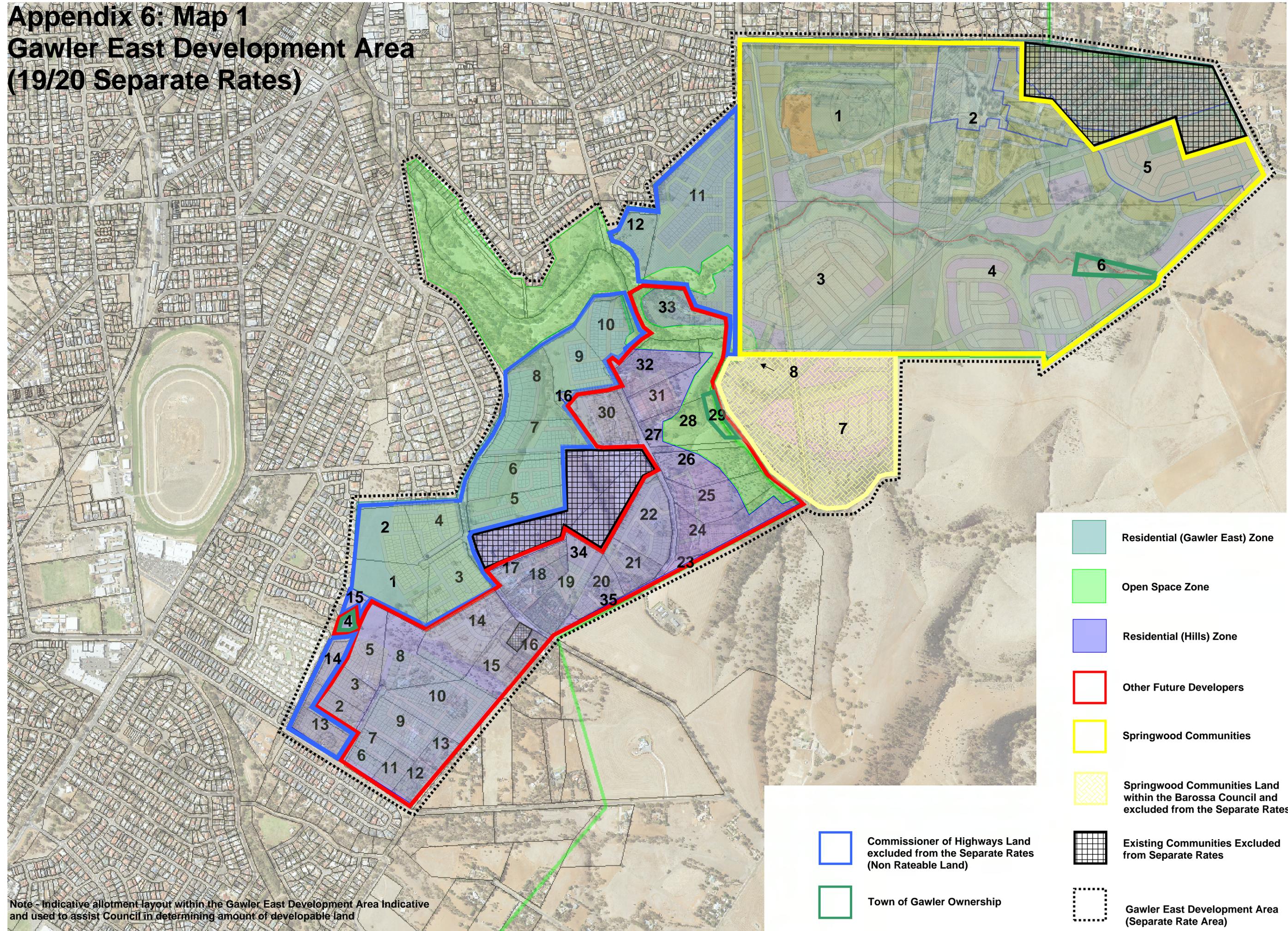
SERVICE	SERVICE LEVEL
Council Member Services	<ul style="list-style-type: none"> • 1 Mayor and 10 Councillors • Provision of facilities and support to the Council Members I • Mayor's Christmas Card competition • Citizenship ceremonies • Periodic Council elections (next four-year election due in November 2022)
Financial Services	<ul style="list-style-type: none"> • Development of Annual Budget • Annual Financial Statements • Monthly Finance Reports • Quarterly Budget Reviews • Comparative Data reports • Support the operations of the Audit Committee • GST/FBT administration • Accounting support services (Accounts payable, Accounts Receivable processing) • Review Internal Financial Controls • SA Local Government Grants Commission statistical reporting
Finance & Corporate Services Management	<ul style="list-style-type: none"> • Annual review of Long Term Financial Plan • Finance policy development and review • Management of Finance & Corporate Services Division
Governance	<ul style="list-style-type: none"> • Minute taking of Council / Committee meetings • Co-ordinate review of Council policies • Provision of Governance advice across the organisation • Oversee and co-ordinate preparation of Council / Committee meeting agenda papers
Information Technology	<ul style="list-style-type: none"> • Deliver the objectives of the Smart Community, Cloud and ICT Strategies • Maintain, develop and update existing information technology systems and infrastructure • Manage IT security systems to ensure the integrity of the data and systems operated by the Council • Visits to Council website (over 120,000 p.a.)
Records Management	<ul style="list-style-type: none"> • Registering of incoming correspondence into Electronic Data Records Management System (approx. 100,000 records p.a.) • Storage of historical records in accordance with legislative and regulatory requirements • Retrieval of records from State Records as required • Administer Freedom of Information (FOI) requests
Human Resources	<ul style="list-style-type: none"> • Fortnightly payroll processing (128 FTE) • Staff recruitment processes • Facilitate annual performance development reviews of all staff

	<ul style="list-style-type: none"> • Facilitate and co-ordinate staff training and development program • Co-ordinate random drug and alcohol testing of staff • Administer WHS activities • Oversee traineeship and work experience programs • Facilitate Council's participation in Human Synergistics program
Rates Administration	<ul style="list-style-type: none"> • Accurate and timely update of property / rating database (e.g. new allotments advices, weekly valuation updates, property ownership transfers, etc.) • Process Property Search requests • Preparation of rate modelling scenarios for Council • Distribution of quarterly rate notices (approx. 11,300 properties) • Annual Review of Strategic Rating Policy • Administer collection of outstanding rate debtors (policy target of <4% outstanding as at 30 June each year) • Completion of various LGA rating surveys
Depot Operations	<ul style="list-style-type: none"> • Manage and administer activities of Council's outdoor staff • Provide appropriate training and development of staff • Provide appropriate protective clothing and safety equipment to staff to minimise personal injury exposure
Plant Operations	<ul style="list-style-type: none"> • Maintain an appropriate fleet of road plant and machinery to facilitate effective service delivery • Programmed servicing regime • Annual review of internal hire rates
Economic Development, Marketing & Communications	<ul style="list-style-type: none"> • Management of Council's media channels • Co-ordinate responses to media enquiries • Implementation of Murray Street banners schedule (cross street and portrait banners) • Co-ordinate and administer Grant funding applications
Customer Services	<ul style="list-style-type: none"> • Provision of high quality customer service, in person and via telephone, in accordance with the Customer Service Charter • Processing of Property Search requests (>700 p.a.) • Lodgement of customer requests via the Customer Request Management (CRM) system (> 5,000 p.a.) • Receipting/banking of revenue received, including quarterly rates payments and dog registrations
General Administration	<ul style="list-style-type: none"> • Facilitate minimisation of Council's exposure to risk via effective Risk Management programs • Administer effective purchasing & procurement practices • Preparation and distribution of Council / Committee agendas / minutes • Preparation of Annual Report

- Effective management of Council's Administration and associated legislative obligations

EXPENDITURE	2019/2020 BUDGET
Elected Members Services	340,432
Financial Services	1,427,063
Finance & Corporate Services Management	265,563
Governance	138,518
Information Technology	1,196,673
Records Management	220,005
Human Resources	509,467
Rates Administration	284,171
Depot Operations	(648,265)
Plant Operations	(106,197)
Economic, Development, Marketing & Communications	627,930
Customer Services	267,438
General Administration	1,568,723
TOTAL EXPENDITURE	6,091,521
INCOME	
Elected Members Services	(10,000)
Financial Services	(1,495,670)
Information Technology	(5,848)
Records Management	(107,251)
Human Resources	(82,537)
Rates Administration	(5,900)
Depot Operations	(4,710)
Plant Operations	(13,500)
Economic, Development, Marketing & Communications	(5,848)
Customer Services	(49,000)
General Administration	(21,003,466)
TOTAL INCOME	(22,783,730)
TOTAL NET COST TO COUNCIL	(16,692,209)

Appendix 6: Map 1 Gawler East Development Area (19/20 Separate Rates)



Note - Indicative allotment layout within the Gawler East Development Area Indicative and used to assist Council in determining amount of developable land

- Residential (Gawler East) Zone
- Open Space Zone
- Residential (Hills) Zone
- Other Future Developers
- Springwood Communities
- Springwood Communities Land within the Barossa Council and excluded from the Separate Rates
- Existing Communities Excluded from Separate Rates
- Gawler East Development Area (Separate Rate Area)
- Commissioner of Highways Land excluded from the Separate Rates (Non Rateable Land)
- Town of Gawler Ownership