

2023/24 Annual Business Plan, Budget & Long-Term Financial Plan

Information Session 4
20 February 2023

Today's Session

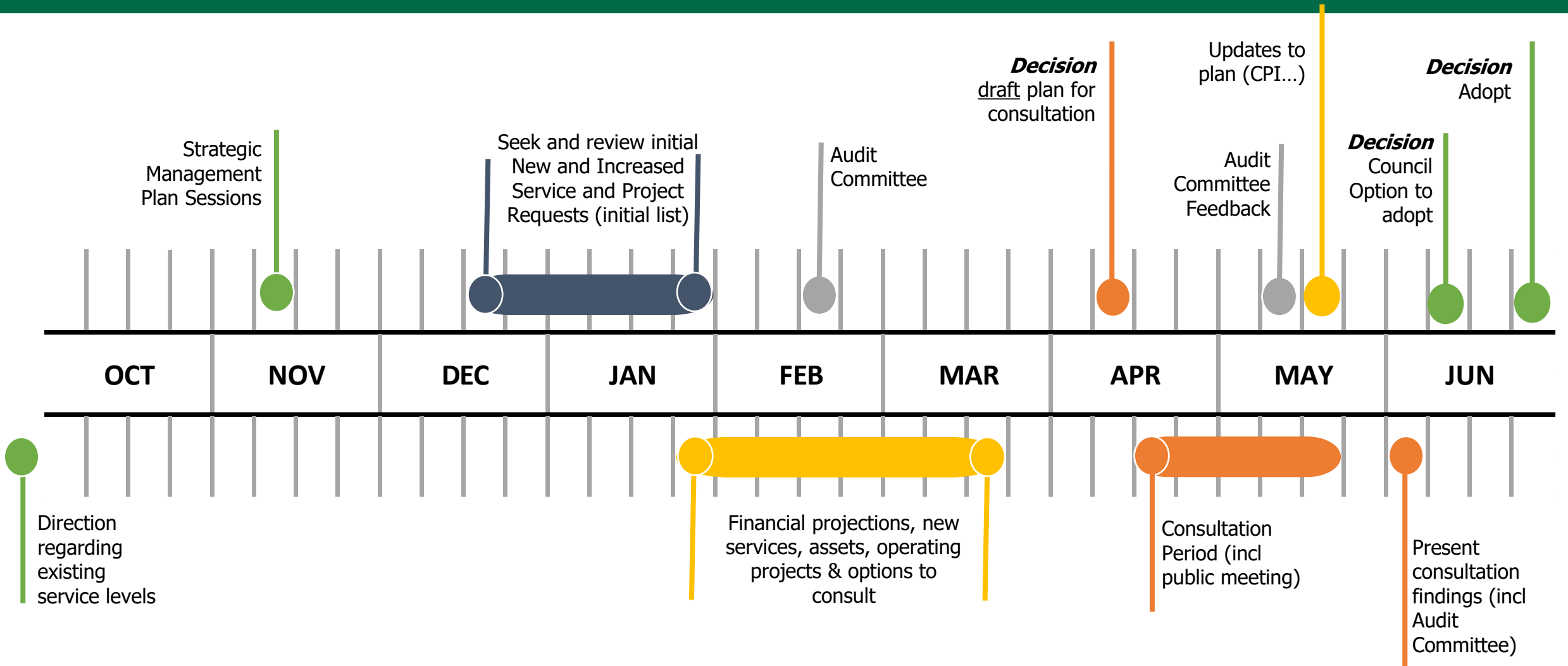
Briefing

- Financial Position

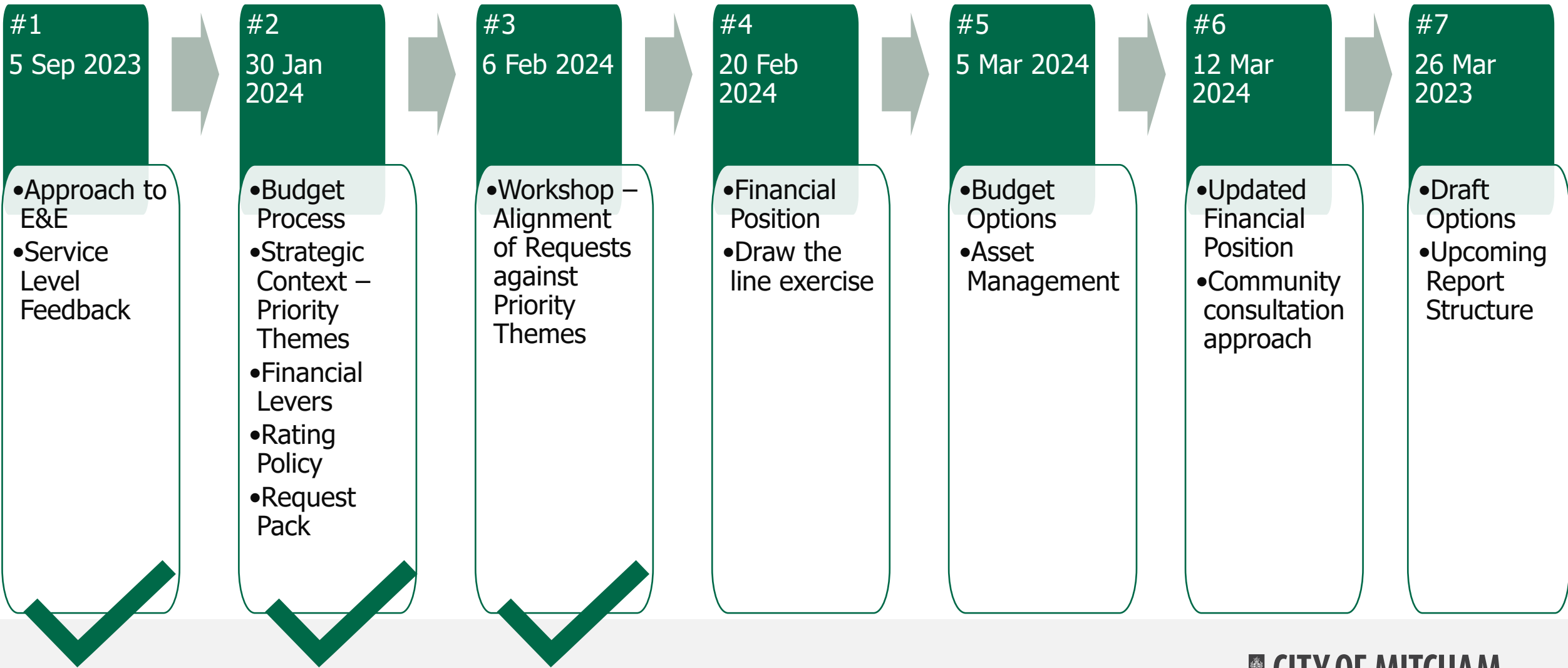
Workshop

- Your rate and services preferences to inform the building of draft budget options and the Four Year Delivery Plan

Timeline



Information Sessions



Council Member Outcomes

- ✓ Understanding Council's current financial position
- ✓ Understanding Council's potential rates position
- ✓ Familiarisation with strength of requests against Right Thing (strategic alignment), Right Reason, Right Time, Right People
- ✓ Opportunity to 'draw the line' on rates and indicate the services you support, to assist with preparing draft Budget Options and the draft Four Year Delivery Plan

Financial Position

- CPI will be still be high (4.3%)
- Council's costs are currently projected to be (5.0%)
- Council's debt projections are higher than the adopted LTFP

What has changed since July 2023

1. End of financial year result (audited and finalised)
2. Council decisions & budget reviews
3. Economic indicators

Potential Rate Impacts – 24/25

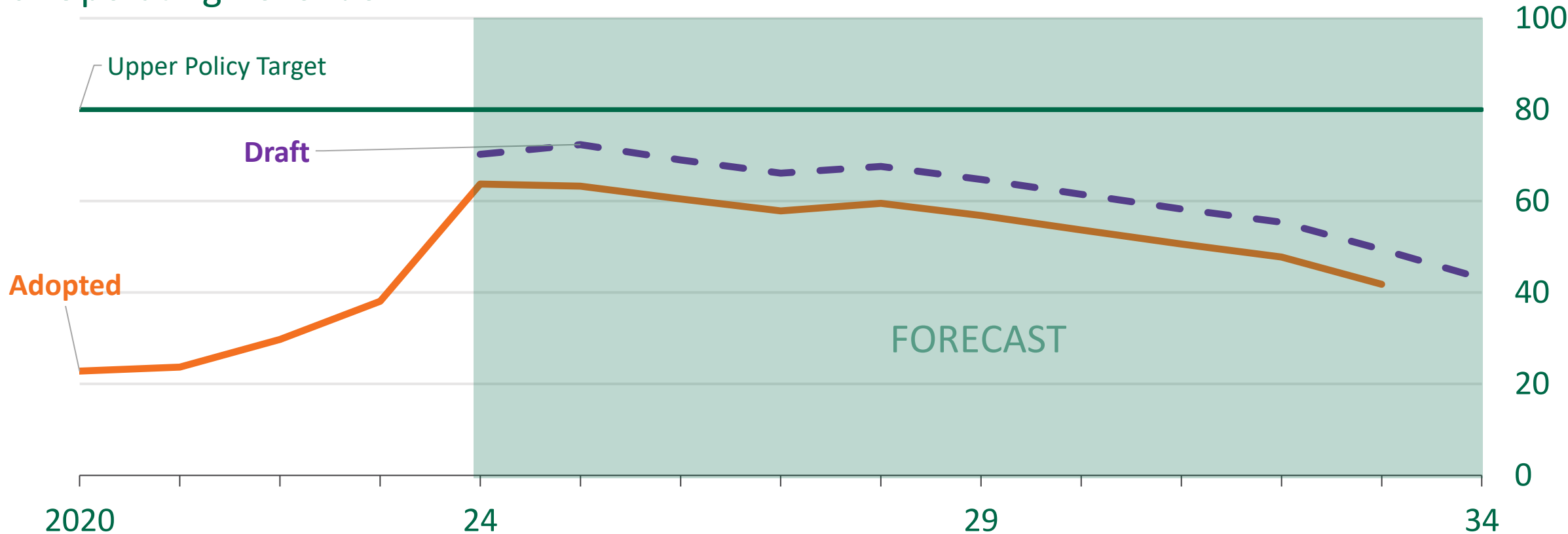
Budget Items	%	Average (\$)
Cost of existing services (<i>forecast</i>)	5.0	105
Savings required to keep existing services at CPI	(0.7)	(15)
2023/24 Council decisions to date	1.02	21
Cost shifting	0.09	2
Infrastructure Backlog (renewal)	0.42	9
Prior Priorities (Currently in the endorsed LTFP)	0.29	6

Long-Term Financial Plan Modelled on..

1. Financial Parameters & Economic assumptions endorsed by Audit & Risk Committee
2. Asset Renewal aligns with Asset Management Plans
3. The cost of providing existing services and new services are matched with an increase in revenue
4. Not deferring rate rises

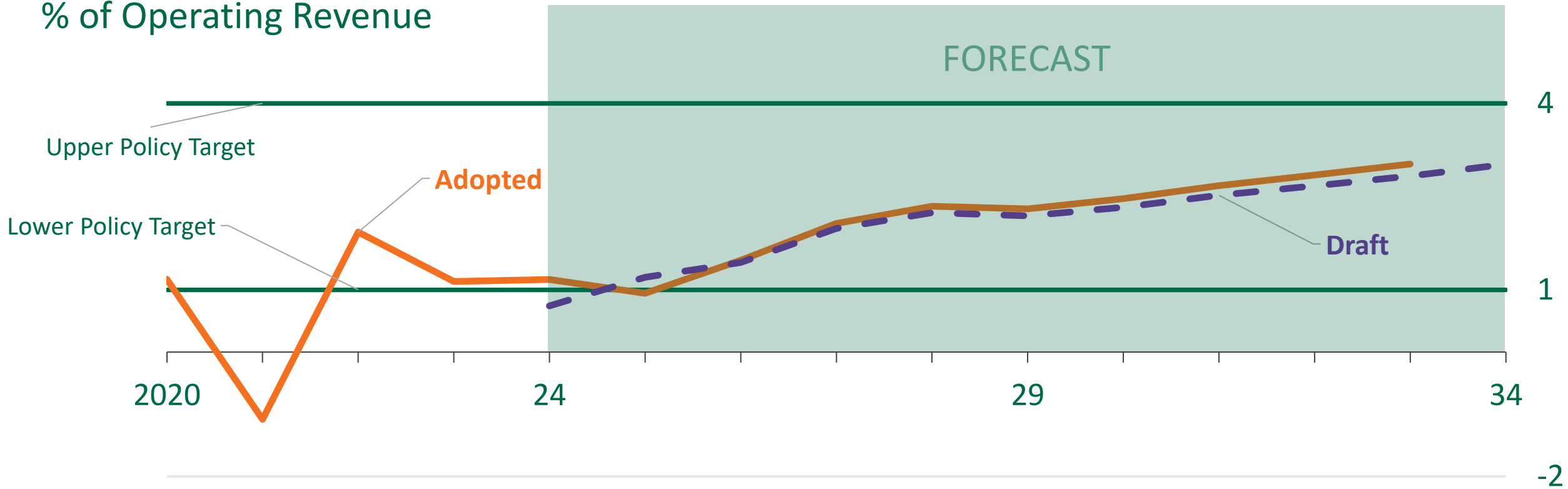
Debt Projection

Financial Liabilities (net)
% of Operating Revenue



Underlying Surplus / Deficit

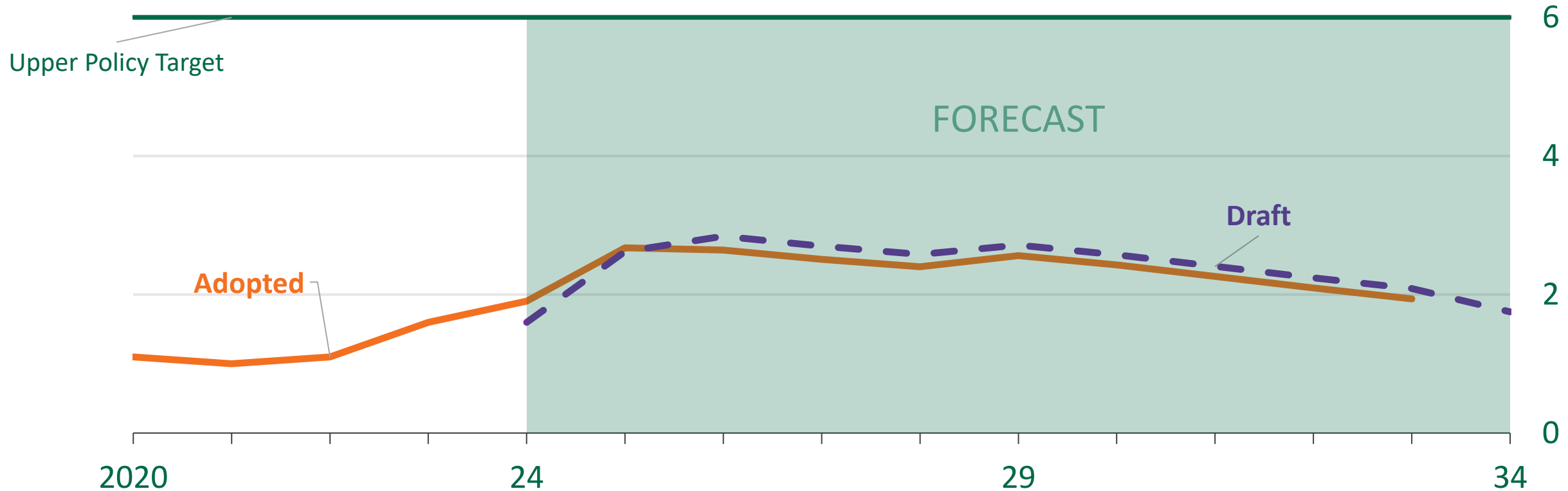
Underlying Operating Result % of Operating Revenue



Interest Coverage Ratio

Interest Costs

% of Rates



Financial Position

- CPI will be still be high (4.3%)
- Council's costs are currently projected to be (5.0%)
- Council's debt projections are higher than the adopted LTFP

Questions



Workshop

(e.g. a service/project from below the line you have drawn)

level increase/investments:

Investment 0.49%

Investment 0.51%

	Groupings – Rate Impact (%) / Average Residential Equivalent Increase (\$)					Remove (X) / Add (✓)
	5.5% / \$116	6.2% / \$130	7.0% / \$146	8.5% / \$179	8.9% / \$186	
	4.3%	4.3%	4.3%	4.3%	4.3%	
	5.32%	5.32%	5.32%	5.32%	5.32%	
	5.36%	5.36%	5.36%	5.36%	5.36%	
	5.52%	5.52%	5.52%	5.52%	5.52%	
	5.52%	5.52%	5.52%	5.52%	5.52%	
in order of strength against Right Thing (strategic alignment), Reason, Time and Place						
		5.54%	5.54%	5.54%	5.54%	
		5.65%	5.65%	5.65%	5.65%	
		6.07%	6.07%	6.07%	6.07%	
		6.13%	6.13%	6.13%	6.13%	
		6.20%	6.20%	6.20%	6.20%	
			6.24%	6.24%	6.24%	
			6.35%	6.35%	6.35%	
			6.96%	6.96%	6.96%	
				6.99%	6.99%	
				7.01%	7.01%	
				7.50%	7.50%	
				7.91%	7.91%	



Example: Drawing the line here indicates:
 - This will fund all items highlighted green (current services and commitments and first 5 additional services)
 - You are comfortable with a rate rise of 6.20%

Two Activities

Year 1 (2024/25) Ongoing Requests

Draw a Line to inform the building of draft Budget Options

Information Session 20 February 2024

- Task:
- Draw a line on the list below to indicate your current level/rate and the included service/s (e.g. the further down the list you draw a line, indicates a higher rate and more services included - refer to examples - You can select one of the colour groupings or anywhere in between).
 - In the 'Remove / Add' column:
 - Put a 3 next to any service/project you would like to take off the list (e.g. a service/project from above the line you have drawn)
 - Put a 4 next to any service/project you would like to add to your list (e.g. a service/project from below the line you have drawn)
 - Please rank from 1-5 (1 being your highest priority) the service level increases/adjustments:
 - Tree Maintenance Service Increase / Investment 0.01%
 - Footpath and Road Maintenance Service Increase / Investment 0.40%
 - Street Sweeper Service 0.41%
 - Parks and Reserves Maintenance Service Increase / Investment 0.51%
 - Increasing Maintenance of Street Furniture and Community Infrastructure 0.10%
- Council Member Name:

Requests and associated Rate Impact (%)	Groupings - Rate Impact (%) / Average Residential Equivalent Increase (\$)				
	5.5% / \$114	6.1% / \$122	6.8% / \$139	6.4% / \$125	6.6% / \$133
Current Services & Commitments					
Maintain Existing Service Level (incl. \$450k efficiencies 4.3%)	4.3%	4.3%	4.3%	4.3%	4.3%
2023/24 Council decisions 1.02%*	5.32%	5.32%	5.32%	5.32%	5.32%
Implementing the Brown Hill Kew Creek Stormwater Master Plan 0.04%	5.36%	5.36%	5.36%	5.36%	5.36%
Forecast Cost Shifting 0.10%	5.45%	5.45%	5.45%	5.45%	5.45%
Current Services & Commitments	5.45%	5.45%	5.45%	5.45%	5.45%

Additional Services - listed in order of strength against Right Thing (strategic alignment, Reason, Time and Place)	Remove (3) / Add (4)				
	5.47%	5.47%	5.47%	5.47%	5.47%
Investing in Water Sensitive Urban Design (WSUD) 0.02%	5.49%	5.49%	5.49%	5.49%	5.49%
Extending and Upgrading the Stormwater Network 0.11%	5.59%	5.59%	5.59%	5.59%	5.59%
Investing in the Infrastructure Renewal Backlog 0.42%	6.00%	6.00%	6.00%	6.00%	6.00%
Cyber Security Program 0.05%	6.05%	6.05%	6.05%	6.05%	6.05%
South Road - Garden Bed and Road Reserve Maintenance 0.07%	6.12%	6.12%	6.12%	6.12%	6.12%
Tree Assistance Fund 0.04%	6.16%	6.16%	6.16%	6.16%	6.16%
Tree Maintenance Service Increase / Investment 0.01%	6.78%	6.78%	6.78%	6.78%	6.78%
Gl Langley Building Upgrade 0.03%	6.81%	6.81%	6.81%	6.81%	6.81%
Oral Lighting at Montook Park 0.02%	6.83%	6.83%	6.83%	6.83%	6.83%
Footpath and Road Maintenance Service Increase / Investment 0.40%	7.23%	7.23%	7.23%	7.23%	7.23%
Street Sweeper Service 0.41%	7.73%	7.73%	7.73%	7.73%	7.73%
Parks and Reserves Maintenance Service Increase / Investment 0.51%	8.24%	8.24%	8.24%	8.24%	8.24%
Provision of Annual Community Facilities Grants 0.01%	8.25%	8.25%	8.25%	8.25%	8.25%
Extending the Footpath Network 0.11%	8.36%	8.36%	8.36%	8.36%	8.36%
Adelaide Bus Shelters 0.004%	8.36%	8.36%	8.36%	8.36%	8.36%
Herndon Drive Pedestrian Islands (as/b/y) 0.01%	8.37%	8.37%	8.37%	8.37%	8.37%
Free Compostable Bags & Kiosk Caddies 0.04%	8.41%	8.41%	8.41%	8.41%	8.41%
Public Arts Grants Funding 0.09%	8.50%	8.50%	8.50%	8.50%	8.50%
Waburna Avenue Pedestrian Crossing Upgrade (as/b/y) 0.01%	8.51%	8.51%	8.51%	8.51%	8.51%
Sub Risk Reserve Public Total 0.10%					

Year 1 (2024/25)

Annual Business Plan

Years 2-4 (2025/26 - 2027/28) Ongoing Requests

Support for services/projects to inform the building of the draft Four Year Delivery Plan

Information Session 20 February 2024

- Task:
- Tick the additional services that you support being included in Years 2 - 4 (2025/26, 2026/27, 2027/28) of the Four Year Delivery Plan.
 - List any additional services that are currently identified in Year 1 (2024/25) that you would like considered in Years 2-4 instead.
- Council Member Name:

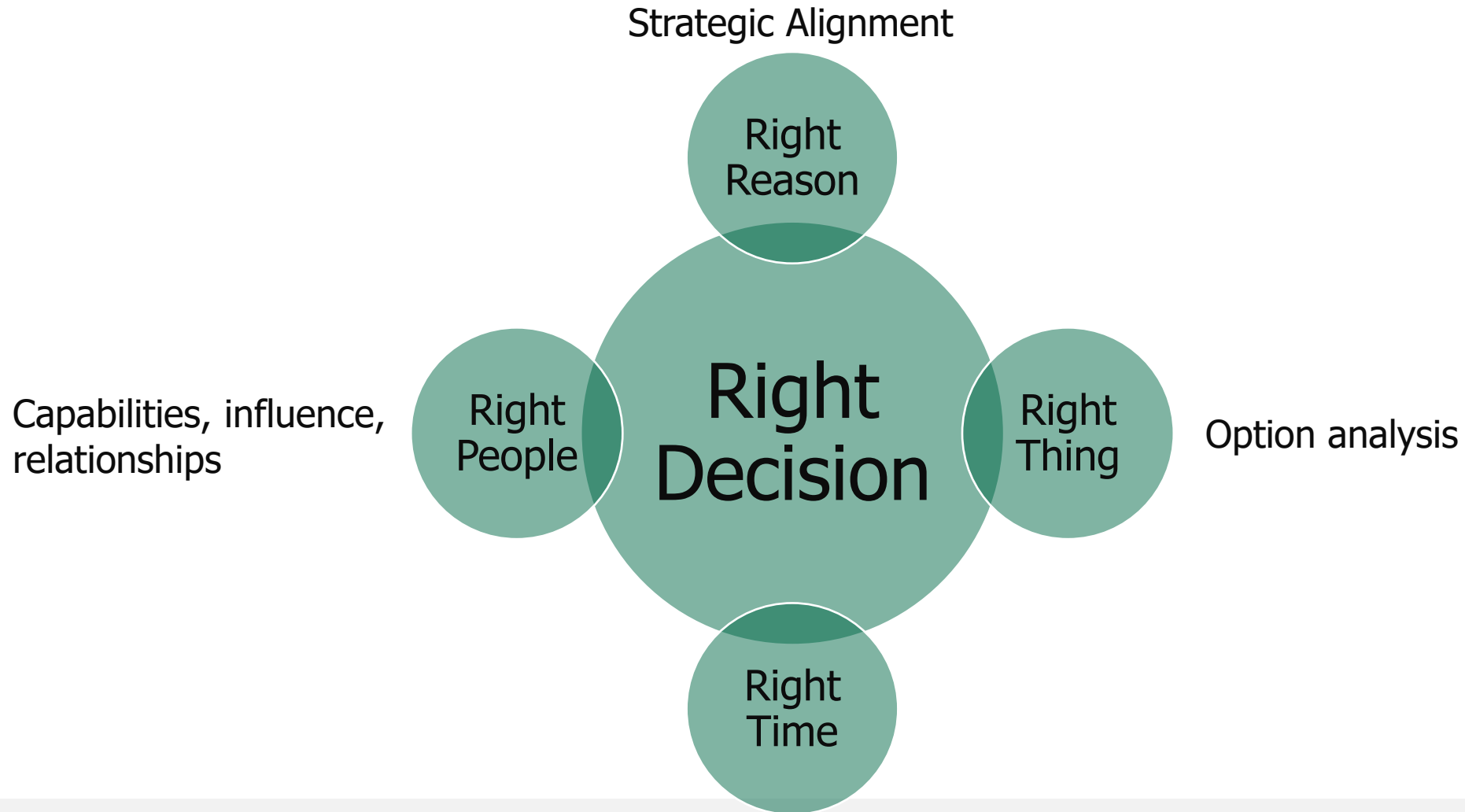
Requests and associated Rate Impact (%)	Options - Rate Impact (%) / Average Residential Equivalent Increase (\$)			Tick if you support the service being included in the Four Year Delivery Plan
	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	
Services currently in Long Term Financial Plan				
Investing in Water Sensitive Urban Design (WSUD)	0.02%	0.02%	0.02%	
Extending and Upgrading the Stormwater Network	0.11%	0.11%	0.11%	
Investing in the Infrastructure Renewal Backlog	0.42%	0.42%	0.42%	
Provision of Annual Community Facilities Grants	0.01%	0.01%	0.01%	
Extending the Footpath Network	0.11%	0.11%	0.11%	
Additional Services - listed in order of strength against Right Thing (strategic alignment, Reason, Time and Place)				
Demolition of JPA and Non-to-Buildings, Lanes, Plastic Area and Flaming Duffer - Former Dooling Divers & Arco Association Premises at Newbank	0.07%			
Demolition of the Girl Guides Building and Landscaping	0.04%			
Activation of Stable, Pedestrian Plaza, Play Space & Pavilion		0.16%		
CC Hood Stages 2 & 3	0.06%			
Baseball Infrastructure	0.05%			
Pasadena Community Centre Carpark and Landscaping	0.10%			
Pasadena Community Centre Information Technology	0.10%			
Sturt River Linear Trail		0.31%		
Reinstating St Mags - Stages 2 & 3			0.06%	
Implementation of the Kingswood, Mithum, Newbury and Torrens Park Traffic Study	0.03%			
Semi-Permanent Traffic Calming Measure	0.03%			
Additional Services	0.38%	0.53%	0.00%	

List any additional services that are currently identified in Year 1 (2024/25) that you would like considered in Years 2-4 instead	Tick which year if you have a preference		
	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28

Years 2-4 (2025/26-2027/28)

Four Year Delivery Plan

Making the right decision...



Resources, readiness, dependencies, Elections

Insights from Administration (Dan)

- Service increases / investments
 - Tree Maintenance 0.61%
 - Street Sweeper Service 0.41%
 - Footpath and Road Maintenance 0.49%
 - Parks and Reserves Maintenance 0.51%
 - Maintenance of Street Furniture and Community Infrastructure 0.16%
- Extending & upgrading the Stormwater Network
- Transport projects
 - Watahuna Ave Pedestrian Crossing Upgrade (safety) 0.01% - Year 1
 - Hawthorndene Drive Pedestrian Islands (safety) 0.01% - Year 1
 - Implementation of Kingswood, Mitcham, Netherby & Torrens Park Traffic Study 0.03% - Year 2
 - Semi-Permanent Traffic Calming Measures 0.03% - Year 2

Insights from Administration (Craig)

- Mortlock Park projects
 - Gil Langley Building Upgrade 0.03% - Year 1
 - Oval Lighting at Mortlock Park 0.02% - Year 1
 - Demolition of the Girl Guides Building & Landscaping 0.01% - Year 2
 - Baseball Infrastructure 0.05% - Year 2

Activity 1 – informing 2024/25 Budget

Year 1 (2024/25) Ongoing Requests

Draw a Line to inform the building of draft Budget Options

Information Session 20 February 2024

Task:

1. Draw a line on the list below to indicate your comfort level with rates and the included services (e.g. the further down the list you draw a line, indicates a higher rate and more services included - refer to example. You can select one of the colour groupings or anywhere in-between).
2. In the 'Remove / Add' column:
 - Put a X next to any service/project you would like to take off the list (e.g. a service/project from above the line you have drawn)
 - Put a ✓ next to any service/project you would like to add to your list (e.g. a service/project from below the line you have drawn)
3. Please rank from 1-5 (1 being your highest priority) the service level increase/investments:
 - Tree Maintenance Service Increase / Investment 0.81%
 - Footpath and Road Maintenance Service Increase / Investment 0.49%
 - Street Sweeper Service 0.41%
 - Parks and Reserves Maintenance Service Increase / Investment 0.51%
 - Increasing Maintenance of Street Furniture and Community Infrastructure 0.16%

Council Member Name:

Requests and associated Rate Impact (%)	Groupings – Rate Impact (%) / Average Residential Equivalent Increase (\$)				
	5.5% / \$114	6.1% / \$128	6.8% / \$142	8.4% / \$175	8.8% / \$181
Current Services & Commitments					
Maintain Existing Service Level (incl. \$450k efficiencies 4.3%)	4.3%	4.3%	4.3%	4.3%	4.3%
2023/24 Council decisions 1.02%*	5.32%	5.32%	5.32%	5.32%	5.32%
Implementing the Brown Hill Keswick Creek Stormwater Master Plan 0.04%	5.36%	5.36%	5.36%	5.36%	5.36%
Forecast Cost Shifting 0.16%	5.45%	5.45%	5.45%	5.45%	5.45%
Current Services & Commitments	5.45%	5.45%	5.45%	5.45%	5.45%

Additional Services – listed in order of strength against Right Thing (strategic alignment), Reason, Time and Place	Rate Impact (%) / Average Residential Equivalent Increase (\$)					Remove (X) / Add (✓)
	5.5% / \$114	6.1% / \$128	6.8% / \$142	8.4% / \$175	8.8% / \$181	
Investing in Water Sensitive Urban Design (WSUD) 0.02%*	5.47%	5.47%	5.47%	5.47%	5.47%	
Extending and Upgrading the Stormwater Network 0.11%*	5.58%	5.58%	5.58%	5.58%	5.58%	
Investing in the Infrastructure Renewal Backlog 0.42%*	6.00%	6.00%	6.00%	6.00%	6.00%	
Cyber Security Program 0.06%	6.06%	6.06%	6.06%	6.06%	6.06%	
South Road - Garden Bed and Road Reserve Maintenance 0.07%	6.13%	6.13%	6.13%	6.13%	6.13%	
Tree Assistance Fund 0.04%			6.17%	6.17%	6.17%	
Tree Maintenance Service Increase / Investment 0.81%			6.78%	6.78%	6.78%	
Gil Langley Building Upgrade 0.03%				6.81%	6.81%	
Oval Lighting at Mortlock Park 0.02%				6.83%	6.83%	
Footpath and Road Maintenance Service Increase / Investment 0.49%				7.32%	7.32%	
Street Sweeper Service 0.41%				7.73%	7.73%	
Parks and Reserves Maintenance Service Increase / Investment 0.51%				8.24%	8.24%	
Provision of Annual Community Facilities Grants 0.01%*				8.25%	8.25%	
Extending the Footpath Network 0.11%*				8.36%	8.36%	
Additional Bus Shelters 0.004%					8.36%	
Hawthorndene Drive Pedestrian Islands (safety) 0.01%					8.37%	
Free Compostable Bags & Kitchen Caddies 0.04%					8.41%	
Public Arts Grants Funding 0.09%					8.50%	
Walahuna Avenue Pedestrian Crossing Upgrade (safety) 0.01%					8.51%	
Suffolk Reserve Public Toilet 0.10%					8.61%	
Hannaford Park Mowing 0.02%					8.63%	
Norman Reserve Water Fountain 0.00%					8.63%	
Christine Avenue Reserve Picnic Infrastructure 0.002%					8.64%	
Increasing Maintenance of Street Furniture and Community Infrastructure 0.16%*					8.80%	
Mayoral Receptions 0.01%*					8.81%	
Current Services & Commitments + Additional Services	5.45%	6.13%	6.78%	8.36%	8.64%	

Task 2

Task 1: Draw a Line

Example: Drawing the line to be used to indicate the level of services to be included in the budget. The line will read all items below the line of green, which are committed and included in the budget. Items above the line are not included in the budget.

1. Where would you draw the line on rates?
2. In the Remove / Add column, tick or cross any items you want to add or take off your list.
3. Rank from 1-5 the service level increase/investments.

* In LTFF
* Not included in assessment against Right Thing, Reason, Time, Place

Activity 2 – informing Years 2-4 of the draft Four Year Delivery Plan

Years 2-4 (2025/26 - 2027/28) Ongoing Requests Support for services/projects to inform the building of the draft Four Year Delivery Plan

Information Session 20 February 2024

Task:

1. Tick the additional services that you support being included in Years 2 - 4 (2025/26, 2026/27, 2027/28) of the Four Year Delivery Plan.
2. List any additional services that are currently identified in Year 1 (2024/25) that you would like considered in Years 2-4 instead.

Council Member Name:

Task 1 Requests and associated Rate Impact (%)	Options – Rate Impact (%) / Average Residential Equivalent Increase (\$)			Tick if you support the service being included in the Four Year Delivery Plan <input checked="" type="checkbox"/>
	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28	
Services currently in Long Term Financial Plan				
Investing in Water Sensitive Urban Design (WSUD)	0.02%	0.02%	0.02%	
Extending and Upgrading the Stormwater Network	0.11%	0.11%	0.11%	
Investing in the Infrastructure Renewal Backlog	0.42%	0.42%	0.42%	
Provision of Annual Community Facilities Grants	0.01%	0.01%	0.01%	
Extending the Footpath Network	0.11%	0.11%	0.11%	
Additional Services – listed in order of strength against Right Thing (strategic alignment), Reason, Time and Place				
Demolition of AFA and lean-to Buildings, Lawns, Florio Area and Planting Buffer – Former Bowling Greens & Airforce Association Precinct at Hawthorn	0.07%			
Demolition of the Girl Guides Building and Landscaping	0.01%			
Activation of Stable, Pedestrian Plaza, Play Space & Pavilion		0.16%		
CC Hood Stages 2 & 3	0.06%			
Baseball Infrastructure	0.05%			
Pasadena Community Centre Carpark and Landscaping	0.10%			
Pasadena Community Centre Information Technology	0.10%			
Sturt River Linear Trail		0.31%		
Revitalising St Margs - Stages 2 & 3		0.06%		
Implementation of the Kingswood, Mitcham, Netherby and Torrens Park Traffic Study	0.03%			
Semi-Permanent Traffic Calming Measures	0.03%			
Additional Services	0.38%	0.53%	0.00%	

1. Tick the additional services you support being included in Years 2-4.
2. Mark with an arrow any changes to timing.
3. Add anything from Year 1 that you support being in Years 2-4 instead.

Task 2 List any additional services that are currently identified in Year 1 (2024/25) that you would like considered in Years 2-4 instead	Tick which year if you have a preference <input checked="" type="checkbox"/>		
	Year 2 2025/26	Year 3 2026/27	Year 4 2027/28

Next Steps

- 5 March Information Session
 - Draft Budget Options
 - Asset Management
- 12 March Information Session
 - Community consultation approach
 - Feedback on proposed draft budget options
- Council Report: Draft ABP & LTFP for consultation
 - 9 April (decision)

