2026/2027

Annual Business Plan and Budget

Adopted by Council on 7 July 2026

A safe, sustainable, vibrant **Community**

CAMPBELLTOWN
CITY COUNCIL

We acknowledge that we work, live and play on Kaurna Yarta. We respect the unique connection and relationship Kaurna Peoples have to Country and their ever-enduring cultural heritage.

Ivan-Tiwu Copley, local Kaurna / Peramangk elder.
Artwork above by Ivan-Tiwu Copley.

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Glossary

ABP&B	Annual Business Plan and Budget
ARAC	Audit and Risk Advisory Committee
ARC	Aquatic and Recreation Centre
AMP	Asset Management Plans
CEO	Chief Executive Officer
CPI	Consumer Price Index
CHSP	Commonwealth Home Support Program
ERA	Eastern Region Alliance
ESCOSA	Essential Services Commission of South Australia
LGAWCS	Local Government Association Workers Compensation Scheme
LGAMLS	Local Government Association Mutual Liability Scheme
LGPI	Local Government Price Index
LTFP	Long Term Financial Plan
WHS	Work Health and Safety

Message from the Mayor

Council knows many households are doing it tough right now. Council's responsibility is to support our Community while ensuring Campbelltown remains strong and sustainable for future generations.

Supporting Our Community Through Challenging Times

Council understands the real pressure many residents are feeling from rising interest rates, fuel costs and the increasing cost of living. We are committed to careful financial management that protects essential services, keeps rates fair and continues to invest in the things that matter most to our Community. We are focussed on intergenerational equity so that reserve funding is ready to replace infrastructure coming to the end of its useful life.

Keeping Costs Fair

- Council has limited the rate increase to the **December 2025 Adelaide CPI of 3.3%**, which is line with its Long Term Financial Plan and supported by the advice received from the Essential Services Commission of SA (ESCOSA). This retains future financial sustainability. In 2025, Campbelltown received one of the best financial assessments of all SA Councils by ESCOSA.

Investing in Safety and Infrastructure

- **Stage 1 lighting along the River Torrens Linear Park** will improve safety for walkers and cyclists after dark, while addressing the needs of nocturnal animals

- Spending on **roads and footpaths will increase by approximately 70%**, helping address damage caused by reactive local soils (Bay of Biscay) and age-related decay

- Fourteen roads will be renewed in **Athelstone and Newton**, six footpaths will be widened in **Rostrevor and Campbelltown**, with another five new footpaths constructed in response to requests from the community

- Council will work with the State Government as it upgrades Montacute Road and St Bernards Road, as well as the proposed redevelopment of the Magill University site.

Supporting Community Life

- The beloved low cost **Moonlight Markets**, Harmony Day and other valued community events will continue

- Our highly valued **library programs**, award winning playgrounds and free bus services (for older residents) remain a priority

- **Brookside Cellars**, a heritage community and arts hub, will continue to be upgraded, with further improvements planned

- **Campbelltown Tennis and Netball Club** plans will be redeveloped to upgrade the clubhouse

- Work will commence on significant improvements to the **Foxfield Oval Hall** with co-funding by the Federal Government.

Caring for Our Environment

- Tree planting continues as we work toward a **30% tree canopy by 2030**, helping create cooler, greener neighbourhoods

- The Federal Government and Council will work together to reduce costs and carbon emissions at The ARC Campbelltown in a wide-ranging program.

We are committed to future-proofing our City, caring for our Community, growing our economy and greening our environment so you can make Campbelltown, 'your town'.

Mayor Jill Whittaker OAM

Executive Summary

The ABP&B has been developed to comply with the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

The LTFP was revised and adopted on 3 March 2026 to reflect the latest financial information available to Council. With the adoption of the revised Plan, Council is able to provide the Community with the financial and rating implications for the next 10 years. The Plan can be found on Council's website under *Council / Council documents / Financial information / Long Term Financial Plan*. Council projects operating surpluses across the life of this Plan.

The key financial information proposed for 2026/2027 is summarised below:

General Rate Increase	3.30%
Rates Growth (from newly created and developed properties)	1.12%
Operating Income	$71,892,287
Operating Expense	$73,279,950
Operating Surplus/(Deficit)	**($1,387,263)**
Renewal and Replacement Expenditure	$15,856,050
Capital New Expenditure	$8,748,550
Building Asset Management Plan	$605,750
Master Plan Allocation Expenditure	$628,750
Public Art Fund	$20,650
Strategic Land Purchases	$316,800
Total Capital Expenditure	**$26,176,550**
Major Capital Expenditure	
Transport Asset Renewals	$7,800,000
The ARC – Heat Pump Upgrade & Car Park PV System	$5,200,000
Foxfield Oval Community Hall – Design & Construction	$2,940,000
River Torrens Linear Park Path Lighting Project – Stage 2	$2,500,000
Council Office Design	$1,500,000
Rostrevor Tennis Clubrooms Upgrade	$1,000,000

Key Financial Targets – Budget vs LTFP

Ratio	Budget	LTFP
Operating Surplus Ratio	(1.9%)	0.6%
Net Financial Liabilities Ratio	(60%)	(57%)
Asset Renewal Funding Ratio	149%	180%

Anticipated Financial Position

The projected operating income is not sufficient to meet Council's projected operating expenses (including depreciation) for 2026/2027, with an expected operating deficit of $1,387,263. This deficit has resulted from Council receiving an advanced payment of its Grants Commission grants in 2025/2026, totalling $1,938,000. This projection is worse than Council's adopted LTFP, which forecasts an operating surplus of $408,000. After adjusting for this advanced payment, Council's projected operating deficit is $1,530,000.

Achieving an operating surplus ensures that the principles of intergenerational equity are maintained; that is, today's ratepayers make a fair contribution to the services and assets they consume, to ensure they can continue to be used by future generations.

Council's high levels of cash and investments and no borrowings have placed it in a strong position to maintain its financial sustainability and achieve operating surpluses in the medium to longer term.

In February 2025, Council received its first Local Government Advice report from the Essential Services Commission of South Australia (ESCOSA). This document, along with Council's responses to some of the recommendations contained within the report can be found in Appendix 5 – ESCOSA Local Government Advice.

Purpose

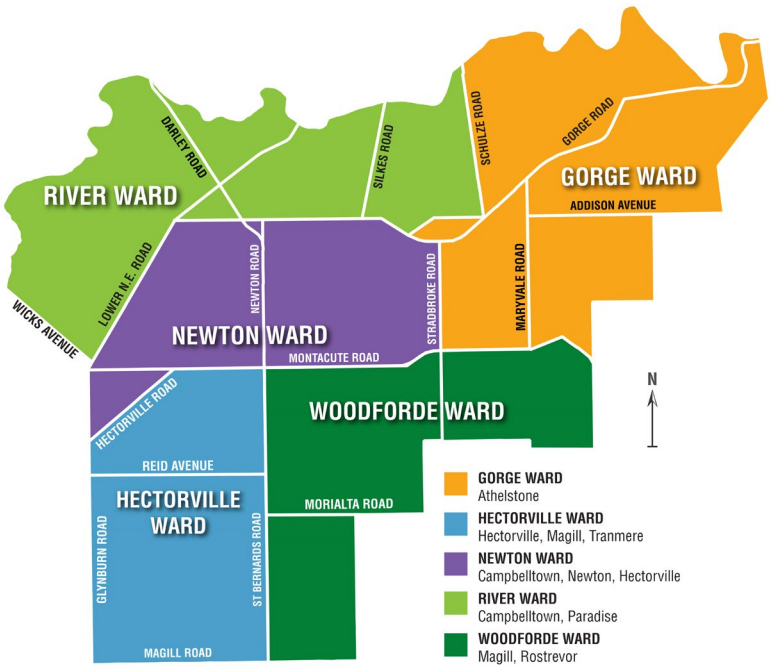
The purpose of this document is to assist the Community to understand the strategy behind Council's ABP&B so that informed Community responses can add value to Council's planning and budgetary processes.

The City of Campbelltown is an area covering 24.35 km^2 and is located in Adelaide's eastern suburbs, with the closest boundary (Hectorville Ward) approximately 6 km from the Adelaide GPO.

It is a medium sized metropolitan Council bounded by the River Torrens and the Adelaide foothills, and borders five other Councils.

The City is primarily comprised of residential zones, with some pockets of business, and light industrial zones in Magill and Newton. It has good quality open space, well maintained parks and reserves, and some natural bushland.

European habitation within the Council area dates from the 1830s with settlement commencing on the banks of the River Torrens and establishment of small townships. The area is well known for its market gardens history and multi-cultural influences. Italian migration post-World War II was significant, and many Italian migrants chose to settle in the area. Between 1960 and 1991 the City's population trebled (from 15,000 to 43,600); the population growth rate has slowed significantly since then, and the number of residents is currently 57,988 (Estimated Resident Population, 2024).



A City that is safe, sustainable and vibrant is a strong focus for Council and the Community and is the central theme of Council's mission in the Strategic Plan 2028.

This document sets out Council's programs, projects and services planned for the financial year. It aims to maintain and improve the City's service delivery and to continue the delivery of programs outlined in its Strategic Plan.

Council's expenditure for the period is provided in the Budget by Service section of this document.

Status of 2025/2026 Projects

Information about Council's progress in relation to projects funded in 2025/2026 is available in Appendix 1 – Progress of 2025/2026 Projects.

What are Council's Long Term Plans?

Council's Strategic Plan 2028 was adopted by Council on 17 September 2024.

Council's Vision is:

'A safe, sustainable, vibrant community'

In support of this, Council's strategic focus is on the following 4 key goals:

Goal 1 – Support our Community and Businesses

Council will use this Goal to:

- Support our Community members to participate actively in Community life. We will build on the connections already created through our highly productive library programs and events, activities at the ARC Campbelltown and other sports and leisure facilities, Community development and social inclusion programs, and business and organisational partnerships.

- Provide opportunities for our local business Community to support them to be successful in our Council area.

Goal 2 – Protect and Enhance our Environment

Following declaration of a Climate Emergency in 2019, Council has adopted a Climate Solutions Strategy and progressed urgent action regarding Climate Change. We are taking action to encourage our residents to contribute towards environmental sustainability, and to protect and enhance our natural environment; our creeks and trails, parks and reserves, street trees and verges. We are minimising our waste and improving sustainable kerbside collection processes, aiming to enable circular economy outcomes, and taking action to harness and improve our use of water.

Goal 3 – Manage our Assets Effectively

Through this Goal, Council will deliver on its commitment to creating and enhancing its assets, implementing the works required through our adopted Infrastructure Asset Management Plans. We will continue to proactively manage our assets to foster innovative, environmentally sustainable and emerging technologies in our operations, and improve Community members' experiences within the Council area. There is a sustained focus on stormwater management and providing facilities and green space that are safe, accessible and attractive for residents.

Goal 4 – Deliver Strong Leadership

This Goal focuses on improving our organisational culture, maintaining and improving strong partnerships with a range of stakeholders, and provision of corporate functions to support a safe, sustainable and vibrant future for our Community.

Council's Strategic Plan is supported by Council's Departmental Business Plans, Management Plans and Strategies.

Further information about the Strategic Plan and Management Plans is available from the Publications section of Council's website www.campbelltown.sa.gov.au.

What are the Significant Influences and Priorities?

A number of significant factors have influenced the preparation of the draft 2026/2027 ABP&B. These include:

- Consideration of Council's key financial targets, as adopted by Council at its meeting held on 20 January 2026
- Application of Year 1 of Council's LTFP, as adopted by Council at its meeting on 3 March 2026, which assumes a General Rate increase of 3.30%, being CPI, plus growth from newly created and developed properties of 0.79%. As at 30 June 2026, growth was 1.12%
- Adherence to Council's adopted AMPs
- Enterprise Bargaining Agreements which provide for employee cost increases for Council Staff
- The December CPI (Consumer Price Index - All Groups Index for Adelaide), which is a measure of the change in the price of a 'basket' of goods and services purchased by households. This increased by 3.30% for the 12 months ending December 2025
- Numerous suppliers have been notifying Council of price increases as a result of the Middle East conflict.

In response to these factors and to minimise the burden on ratepayers, this ABP&B has been prepared within the following guidelines:

- General Rate increase of 3.30%, plus growth from newly created and developed properties (1.12%)
- Include a rate cap for eligible residential properties at a rate of 6.60%, which is twice the General Rate increase
- Use of existing cash and investments to fund Capital-New expenditure before taking any new borrowings, in accordance with Council's Treasury Management Policy
- Inclusion of an additional $40,000 for fuel increases due to the Middle East Conflict, with Council absorbing recent supplier increases rather than passing on through an additional rate increase. Where cost increases eventuate, these will be managed during the year through budget reviews to identify any savings that may materialise, or consideration of temporary changes in service levels
- Council is projecting an operating deficit in 2026/2027 of $1,387,263, which is better than the adjusted LTFP target operating deficit of $1,530,000.

No additional income or expenses have been incorporated into the 2026/2027 ABP&B to take into account the proposed Boundary Realignment with Adelaide Hills Council, as it is currently being considered by the Local Government Boundaries Commission and no determination has been made.

Post Consultation Updates

Council endorsed the draft 2025/2026 ABP&B at its 5 May 2026 meeting for the purposes of Community consultation. Consultation will run from 7 May to 29 May 2026, with a Public Meeting to be held on 27 May 2026 in the Council Chambers.

Council considered feedback from the consultation at its 16 June 2026 meeting.

In accordance with the requirements of Section 123(6a) of the Local Government Act 1999, Council is required to report on the material amendments that have been made to the 2026/2027 ABP&B after it has been adopted by Council for Community consultation, which are summarised below:

Operating - $1,811,970 budget decline

- Financial Assistance Grant - $1,280,100 budget decline – advanced payment received in 2025/2026
- Local Road Grant - $657,900 budget decline – advanced payment received in 2025/2026
- Tranmere Bowling & Tennis Club – Shade Cloth Donation - $41,500 decline – funding provided to support the Club's request to replace shade cloth over their bowling rinks
- Tour Down Under Event - $20,000 budget decline – event to be held in the City during the Tour Down Under
- Staffing Costs - $28,900 budget decline – increase in the cost of Agency Staff due to the increase in the Minimum Wage announced in May 2026
- The ARC Campbelltown - $32,000 budget improvement – reduction in sewer costs following a review of entitlements available to Local Government
- Rates - $184,430 budget improvement – rates growth has increased from 0.79% to 1.12% ($171,480), reduction in number of properties eligible for rates cap ($18,250) and additional cost for the Valuer-General to supply the valuation roll ($5,300).

Capital Works - $1,055,000 budget decline

- Rostrevor Tennis Club – $1,000,000 budget decline - additional contribution to be provided by Council rather than via external funding
- Plant & Machinery Purchases – $35,000 budget decline - replacement of 2 mower trailers in 2026/2207 and the deferred replacement of 5 pieces of small plant to a future year
- Traffic Safety – Graves Street & Borillo Avenue Intersection - $20,000 budget decline – relocation of bus stop and parking control.

Service Provision

The Local Government Act 1999 prescribes a system of Local Government to enable Councils to govern and manage areas at a local level. Included in Council's principal role is the requirement 'to provide and co-ordinate various public services and facilities and to develop its Community and resources in a socially just and ecologically sustainable manner'.

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

- Regulatory activities, including voters' roll maintenance and Elected Members' support
- Setting rates, preparing an ABP&B, and determining longer-term strategic management and management plans, financial plans, Infrastructure Asset Management Plans, by-laws, policies and procedures for the area
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and stormwater drainage
- Street cleaning and rubbish collection
- Development control, including building safety assessment, and
- Provision of various environmental health services.

In response to Community needs, Council provides the following services and programs:

- Administration Buildings and Public Facilities
- Bridges
- Cemeteries
- City Planning & Development Assessment
- Civic Functions & Community Events
- Community Connections Management
- Community Services & Social Development
- Community Transport
- Corporate Services Management
- Council Subsidiaries
- Customer Experience
- Depot Operations
- Disability Access & Inclusions
- Economic Development
- Elected Members
- Environmental & Sustainability Services
- Executive Services
- Finance
- Footpaths & Walkways
- Golf Course
- Governance
- Information & Communication Technology
- Infrastructure, Planning and Sustainability Services Management
- Leisure Services
- Parks, Playgrounds & Reserves
- People and Culture
- Property & Lease Management
- Public Health
- Public Lighting
- Public Safety & Animal Management
- Services for Older People

- Shared Services & Private Works
- Sport & Recreation
- Stormwater & Creeklines
- The ARC Campbelltown
- Traffic Control
- Transport Assets
- Tree & Streetscape Management
- Waste Services
- Youth Development

Council seeks to be responsive to changing Community needs when developing, providing and discontinuing its programs, services, and projects. Council undertakes regular Community surveys to assess levels of satisfaction and to identify areas for improvement.

The Council also maintains a number of facilities on a subsidised fee for service basis. The following facilities and services provide important Community benefits whilst also generating contributory income for services and projects of benefit to the City:

- The ARC Campbelltown
- Community transport service
- Support at Home Program
- Community halls, ovals, courts, meeting rooms, parks and reserves for hire.

Outside of the proposed New Initiatives and Capital Works program, Council anticipates that existing service levels from the 2025/2026 financial year will be maintained during 2026/2027.

Council acknowledges the importance of Federal funding through the Financial Assistance Grants program for the continued delivery of its services and infrastructure, as well as other Federal and State Government grant funding received from time to time for Council projects and services.

Project Priorities for the Year

Council has undertaken a methodical and considered approach to determine its priorities for the forthcoming financial year. In accordance with Council's Budget Preparation Policy, the following steps were taken to determine the projects selected for 2026/2027:

- Elected Members, Management and Staff proposed projects that aim to assist in achieving Council's Strategic Plan goals, themes and focus areas, and perceived Community need

- Projects were divided into seven categories: New Initiatives, Capital New, Master Plan Allocation, Building Asset Management Plan, Public Art Fund, Strategic Land Purchases and Renewal & Replacement

- Renewal and Replacement projects were proposed in accordance with asset renewal and replacement needs that were identified using Council's adopted AMPs and associated asset replacement schedules

- Council adopted its LTFP at its 3 March 2026 meeting, which is used to determine the funding available for the seven project categories

- A bus tour of the City and workshop was held with Elected Members, who were also provided a pack containing information that helped provide a better understanding of the projects proposed. These projects were presented in line with the Executive Management Team's recommended order of priority

- Scores from Elected Members and the Executive Management Team on the ranked projects were collated and sorted from highest to lowest priority for each project category

- The project list was refined and finalised at the 7 April 2026 and 5 May 2026 Council meetings in preparation for the Public Consultation process. The budget and summary of each project can be found in Appendix 2 of this document

- Final selection of projects was made by Council following consideration of the feedback received from the Community consultation at its 16 June 2026 meeting. The final adoption of the budget occurred on 7 July 2026.

New Initiatives

New Initiatives are projects, programs or services provided for the first time. They may be once-off, short term in nature, or they may have ongoing consequences on future Council budgets (ie Recurrent). New Initiatives affect Council rates in the year that they are introduced.

Capital

Capital projects are made up of six components; Capital New, Master Plan Allocation, Building Asset Management Plan, Public Art Fund, Strategic Land Purchases and Renewal and Replacement:

- **Capital New**, **Master Plan Allocation**, **Building Asset Management Plan**, **Public Art Fund** and **Strategic Land Purchases** projects result in new assets being added to Council's existing asset complement or arise where an existing asset is replaced with an asset that provides additional capabilities or services.

  These projects do not affect Council rates in the year that the expenditure is incurred, however they will affect rates in future years by way of increased depreciation, maintenance and interest expenses.

  An example of these types of projects is the construction of new footpaths.

- **Renewal and Replacement** projects result in an existing asset's service life being extended through major repair or replacement, however its service capability is not improved. The renewal and replacement of existing assets is dictated by Council's AMPs and asset replacement schedules. These Plans tell Council when assets are at a stage in their lifecycle where they need to have money spent on them to prevent further deterioration (extend their useful life) or require replacement. Undertaking this type of expenditure at the right time will ensure assets provide the level of service they are expected to and also minimises ongoing maintenance costs.

  An example of Renewal and Replacement is a road reseal or the replacement of an existing footpath.

How Does Council Measure Performance?

Achievement of Council's ABP&B priorities is monitored through the budget review process (undertaken 3 times per year), regular Corporate Plan reporting and the following year's ABP&B.

Achievement of the Strategic Plan is monitored through reports to Council and Committee meetings, and updates provided through administrative processes such as CEO Briefings and Table of Actions reports.

Following adoption of the Strategic Plan by Council, Focus Areas (strategies) from the Strategic Plan are allocated to Departments. Each Department then develops a Business Plan to demonstrate how it will achieve the requirements of each allocated Focus Area. Management reports are prepared monthly to assist General Managers to monitor the progress of each Business Plan and a monthly Summary Report is presented to Council.

Financial Performance

At its meeting held on 20 January 2026, Council considered and adopted the following 3 financial targets, in line those required to be reported under the Local Government (Financial Management) Regulations 2011:

Target	Description	LTFP Target
1	Operating Surplus/(Deficit) Ratio - %	To achieve a ratio between 0% and 5%
2	Net Financial Liabilities Ratio - %	Less than 70%
3	Asset Renewal Funding Ratio - %	100% spend as per AMP and asset schedules on a rolling 5 year basis

A further explanation of the calculation of the three targets required to report on under the Regulations is provided in the following section.

Funding the Business Plan

The Long Term Financial Plan for 2026/2027 has been updated to reflect the most current information available which includes:

- Council's adopted key financial targets
- Audited Financial Statements for the year ended 30 June 2025
- Updates to relevant CPI and LGPI forecasts
- Review of all assumptions used in the Plan
- Proposed major projects
- AMPs and asset replacement schedules.

Staff reviewed all assumptions contained within the LTFP, with ARAC providing recommendations to Council on the key financial targets and the revised Plan. The review was used to ensure the Plan was structurally sound and prepared in accordance with relevant legislation and Australian Accounting Standards. Council adopted the LTFP at its meeting on 3 March 2026. A copy of the adopted LTFP Financial Statements are included in Appendix 3: Long Term Financial Plan.

The detailed document, including assumptions and commentary on the key financial targets can be found in the Financial Information section on Council's website.

Year 1 of the LTFP has been used to develop the budget for 2026/2027, noting that this Plan does not take into account the proposed Boundary Realignment with Adelaide Hills Council.

Commentary on Council's financial targets and performance is required under the Local Government (Financial Management) Regulations 2011 and is provided below.

Operating Surplus Ratio

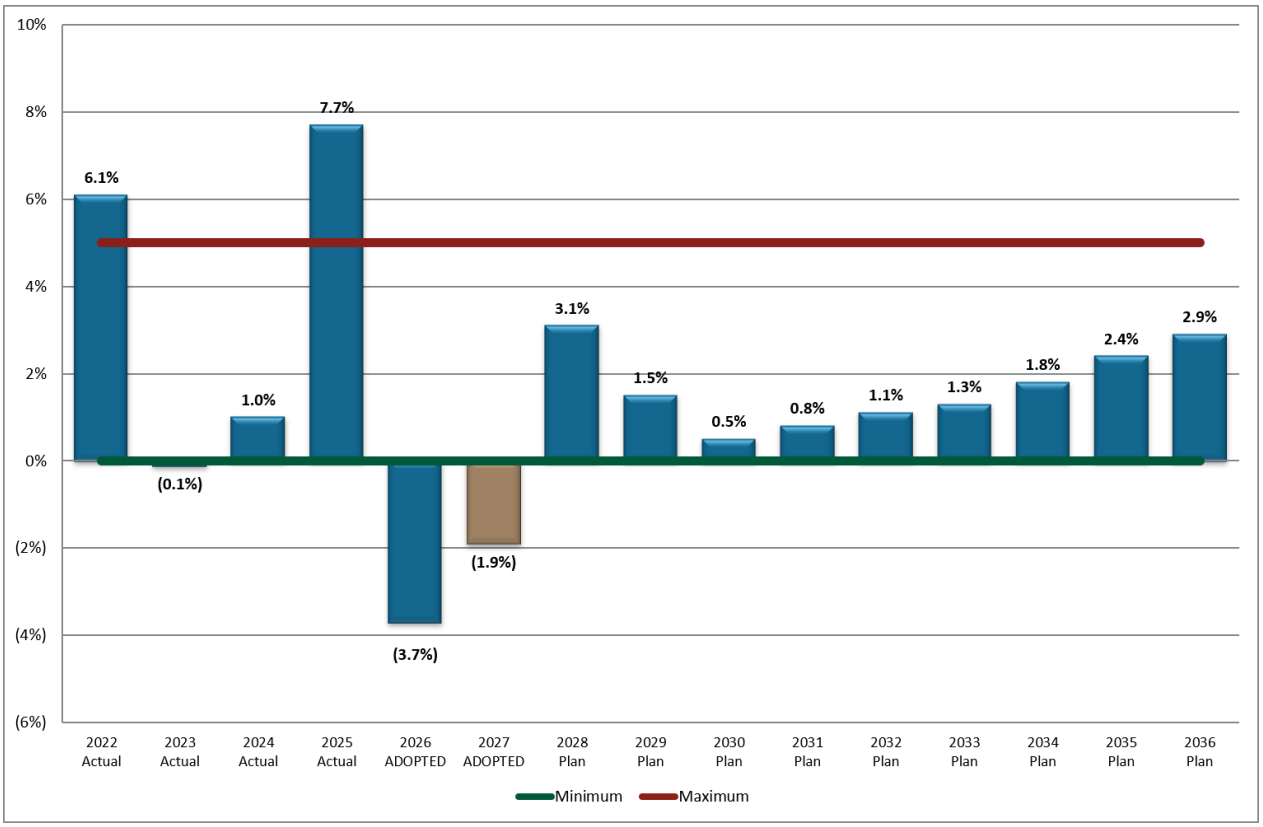
(the percentage that the major controllable income source varies from day to day expenses).

LTFP Financial Target

To achieve a ratio of between 0% and 5%

LTFP vs Budget

Adopted LTFP	Plus 0.6%
2026/2027 Budget	Minus 1.9%



The graph above shows that Council is projecting an operating deficit in 2026/2027, which is outside of the range for this key financial target due to the advance payment of Grants Commission grants totalling $1,938,000 in 2025/2026. Operating surpluses are projected across the subsequent years of the adopted LTFP.

When this target is 0% or higher, it means that ratepayers are meeting the costs of the services they have consumed in that year (including depreciation).

Net Financial Liabilities Ratio

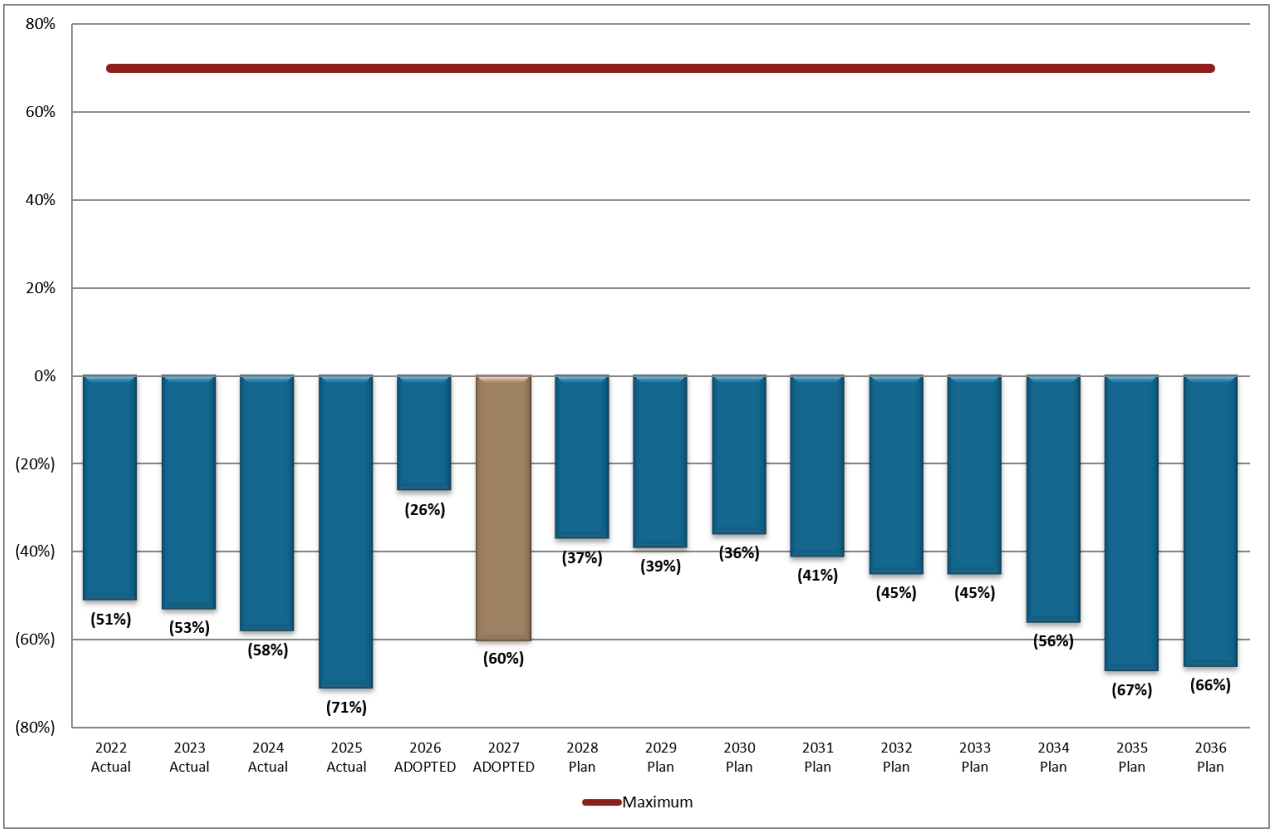
(how significant the net amount owed is compared with income).

LTFP Financial Target

Less than 70% (of Council's operating income)

LTFP vs Budget

Adopted LTFP	Minus 57%
2026/2027 Budget	Minus 60%



Over the life of the adopted plan, Council's net financial liabilities ratio will be well below the maximum target of 70%. This means that Council will have more liquid financial assets (ie cash and investments) than total liabilities (ie borrowings), which will result in a negative ratio.

While not planned at this stage, the result and projections of this target gives Council significant scope to be able to increase borrowings in the future should the need arise, without significantly threatening the maximum target.

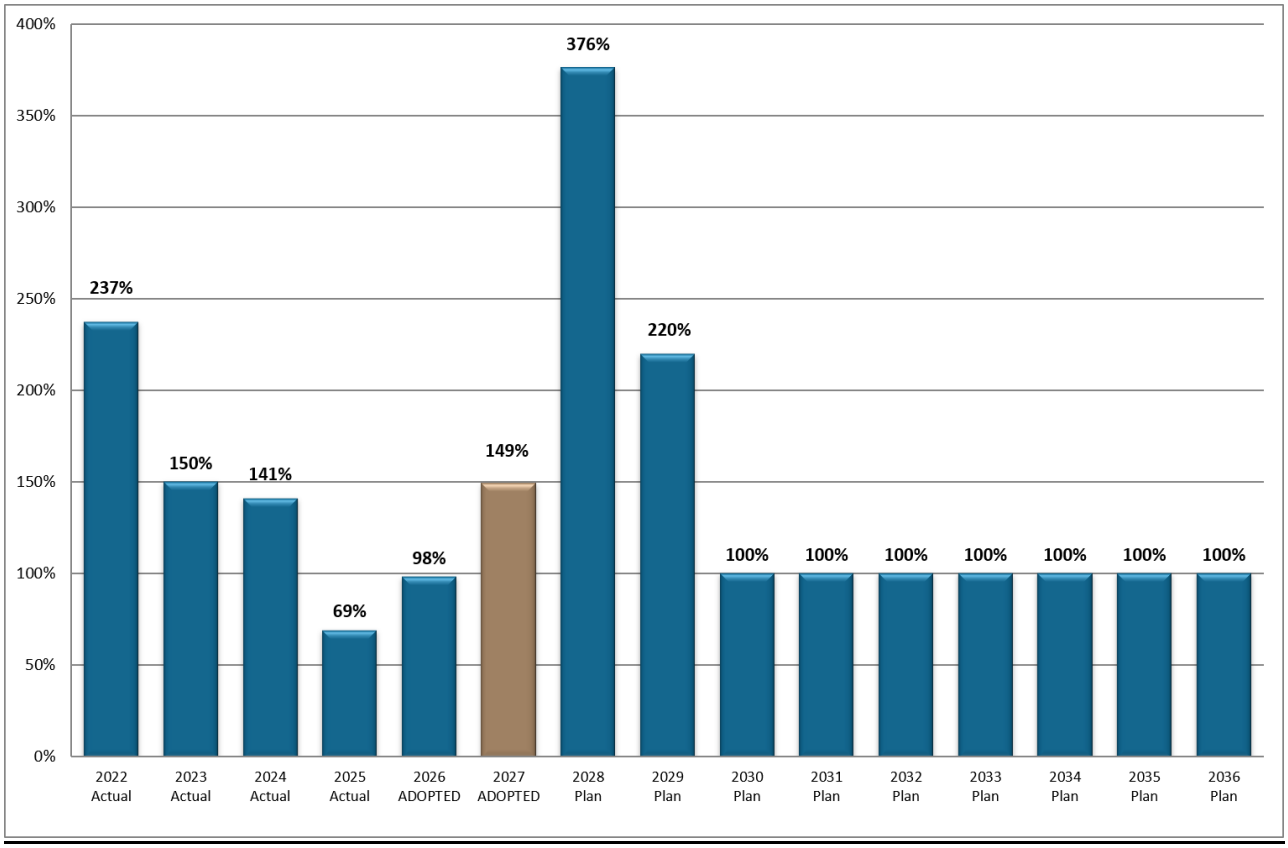
Asset Renewal Funding Ratio

(shows if assets being replaced at the rate they are wearing out).

LTFP Financial Target

Spend as per AMPs and Asset Schedules on a rolling 5 year basis

Adopted LTFP	180%
2026/2027 Budget	149%



Council's Renewal and Replacement is higher than the AMPs adopted in 2024, due to a number of Major Capital Projects that have been included in the adopted LTFP.

The projected ratios for 2028 and 2029 relate to the scheduled development of the Council Office at 172 Montacute Road, Rostrevor which will replace the existing Administration Building.

Impact of the Plan on Rates

Council will continue to use Capital Values as the basis for determining valuations in relation to its rating strategy for 2026/2027, while maintaining a single rate in the dollar, following a rating review undertaken when preparing the 2024/2025 ABP&B.

Council's Rating Policy, which outlines the methodology and principles to be applied when setting and collecting rates from its Community, is included in Appendix 4 – Rating Policy.

A summary of key rating information for 2026/2027 is summarised below, noting that this information does not take into account the proposed Boundary Realignment with Adelaide Hills Council:

Minimum Rate

For 2026/2027, the Minimum Rate is increasing by the General Rate increase (3.30%) to $1,239, which is a $39 increase on the previous year.

General Rate Cap

The general rate cap percentage for 2026/2027 is 6.60%, which is twice the General Rate increase.

Summary of Key Rating Information

General Rate Increase	3.30%
Rates Growth from newly created and developed properties	1.12%
Total Rate Revenue Increase (including growth from newly created and developed properties)	4.42%
Minimum Rate	$1,239
Rates Cap	6.60%

Statement on Rate Revenue

Rates Revenue

	2025/2026 (as adopted)	2026/2027 (as adopted)		Change	Comments
General Rates Revenue					For 2026/2027, an expected increase in total General Rates revenue is 4.42%. This comprises the General Rate increase of 3.30%, growth of 0.90% (as defined in the Local Government (Financial Management) Regulations 2011) and additional rate revenue from other development activity of 0.22%.
General Rates (existing properties)		$53,752,244	*(a)*		
General Rates (new properties)		$508,500	*(b)*		
General Rates (GROSS)	**$51,963,788**	**$54,260,744**	*(c)*		
Less: Mandatory Rebates	($816,135)	($845,950)	*(d)*		
General Rates (NET)	**$51,147,653**	**$53,414,794**	*(e)*	**4.4%**	
		(e)=(c)+(d)			
Other Rates (inc. service charges)					
Regional Landscape Levy	$1,483,759	$1,546,800	*(f)*	The Regional Landscape Levy is a State tax, it is **not retained** by Council.	
	$52,631,412	$54,961,594			
Less: Discretionary Rebates	($22,690)	($35,350)	*(g)*		
Expected Total Rates Revenue	**$51,124,963**	**$53,379,444**	*(h)*	**4.4%**	Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.
		(h)=(e)+(g)			

Growth in Number of Rateable Properties

Number of rateable properties	**25,792**	**26,036**	*(i)*	**0.9%**	The net increase in rateable properties compared to the previous year is 244. 'Growth', as defined under Regulation 6(2), is expected to account for around 0.9% of the estimated increase in General Rates to be collected (refer b).
	Actual	*Estimate*			

'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to Council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.

Average General Rates per Rateable Property

Average per rateable property	**$2,015**	**$2,084**	*(j)*	**3.4%**	The estimated 'average' is based on the **total of all rateable properties** and is therefore not necessarily indicative of either the rate or change in rates that individual ratepayers will experience.
		(j)=(c)/(i)			

Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area).
The total General Rates paid by all rateable properties will equal the amount adopted in the

Notes

(d) Councils are **required** under the Local Government Act to provide a rebate to qualifying properties under a number of categories:

Health Services - 100 per cent — Religious purposes - 100 per cent — Royal Zoological Society of SA - 100 per cent
Community Services - 75 per cent — Public Cemeteries - 100 per cent — Educational purposes - 75 per cent

The rates which are foregone via Mandatory Rebates (refer d) are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).

(e) Presented as required by the *Local Government (Financial Management) Regulations 2011* reg 6(1)(ea)

Please Note: The percentage figure in *(e)* relates to the change in the total amount of General Rates revenue to be collected from all rateable properties, not from individual rateable properties (ie. individual rates will not necessarily change by this figure).

(f) Councils are required under the *Landscape South Australia Act 2019* to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's

(g) A council **may** grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).

(h) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.

(i) 'Growth' as defined in the *Local Government (Financial Management) Regulations 2011* reg 6(2)

Statement on Rate Revenue

Rates Revenue

	Total Revenue			No. of Rateable Properties		Average per Rateable Property				Cents in the $
	2025/2026	**2026/2027**	**Change**	2025/2026	**2026/2027**	2025/2026	**2026/2027**		**Change**	**2026/2027**
Land Use (General Rates - GROSS)										
Residential	$48,510,810	**$50,505,468**	**4%**	24,509	**24,658**	$1,979	$2,048	*(k)*	**$69**	**0.205820**
Commercial - Shop	$829,372	**$847,436**	**2%**	342	**337**	$2,425	$2,515	*(k)*	**$90**	**0.205820**
Commercial - Office	$173,346	**$197,132**	**14%**	80	**86**	$2,167	$2,292	*(k)*	**$125**	**0.205820**
Commercial - Other	$971,302	**$1,019,058**	**5%**	293	**292**	$3,315	$3,490	*(k)*	**$175**	**0.205820**
Industry - Light	$82,536	**$85,664**	**4%**	42	**41**	$1,965	$2,089	*(k)*	**$124**	**0.205820**
Industry - Other	$104,892	**$113,186**	**8%**	29	**30**	$3,617	$3,773	*(k)*	**$156**	**0.205820**
Primary Production	$7,402	**$5,148**	**-30%**	3	**2**	$2,467	$2,574	*(k)*	**$107**	**0.205820**
Vacant Land	$716,567	**$907,807**	**27%**	433	**531**	$1,655	$1,710	*(k)*	**$55**	**0.205820**
Other	$567,561	**$579,845**	**2%**	61	**59**	$9,304	$9,828	*(k)*	**$524**	**0.205820**
GRAND TOTAL (GROSS)	**$51,963,788**	**$54,260,744**	**4.4%**	**25,792**	**26,036**	**$2,015**	**$2,084**	*(k)*	**$69**	

Council currently uses a single rate in the dollar in its rating system.

Minimum Rate

	No. of properties to which rate will apply		Rate			
	2026/2027	**% of total rateable properties**	2025/2026	**2026/2027**		**Change**
Minimum Rate	**3,011**	**11.6%**	$1,200	**$1,239**	*(l)*	**$39**

The Minimum Rate provides a mechanism where lower valued properties do not pay less than a minimum amount as determined by Council. Typically, only a small number of all properties (with no more than 35%) are levied the Minimum Rate. Council proposes to set a minimum rate of $1,239, which shall be applied to all rateable properties. This will affect 11.6% of all rateable properties.

Adopted Valuation Method

Capital Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:
Capital Value – the value of the land and all improvements on the land; or
Annual Value – a valuation of the rental potential of the property.

Council believes the application of a general rate is the most fair and equitable to the Community for both business and residential properties when compared to other alternatives. Council is of the view that the use or location of land is not a relevant factor in levying rates. Despite the predominant land use within the City being residential, Council does not differentiate between residential and the non-residential community and therefore applies a single general rate.

Notes

(k) Average per rateable property calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, *divided* by number of rateable properties within that category in the relevant financial year.

(l) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

Budget by Service

An overview of amounts received and spent on each of Council's services is provided on the next page, while an overview of the projects proposed to be undertaken is provided in Appendix 2.

Where income is received for a particular service from external parties, it is allocated to the relevant service. This income is in the form of user charges, statutory charges, grants, subsidies and reimbursements.

Rate income is not allocated to individual services but is included as part of the Finance service income.

Service	Recurrent			New Initiatives			Capital-Renewal & Replacement			Capital-New		
	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Administration Buildings & Public Facilities	(242,600)	2,372,900	**2,130,300**	0	0	**0**	(1,400,000)	4,344,250	**2,944,250**	0	981,950	**981,950**
Bridges	0	274,800	**274,800**	0	0	**0**	0	0	**0**	0	0	**0**
Cemeteries	(1,500)	33,000	**31,500**	0	0	**0**	0	0	**0**	0	0	**0**
City Planning & Development Assessment	(730,000)	1,603,350	**873,350**	0	0	**0**	0	0	**0**	0	0	**0**
Civic Functions & Community Events	(41,200)	366,900	**325,700**	(25,000)	45,000	**20,000**	0	0	**0**	0	0	**0**
Community Connections Management	0	272,100	**272,100**	0	0	**0**	0	0	**0**	0	0	**0**
Community Services & Social Development	0	944,550	**944,550**	0	41,500	**41,500**	0	0	**0**	0	20,650	**20,650**
Community Transport	(1,000)	6,750	**5,750**	0	0	**0**	0	0	**0**	0	0	**0**
Corporate Services Management	0	227,100	**227,100**	0	0	**0**	0	0	**0**	0	0	**0**
Council Subsidiaries	(20,000)	0	**(20,000)**	0	0	**0**	0	0	**0**	0	0	**0**
Customer Experience	0	1,270,850	**1,270,850**	0	0	**0**	0	0	**0**	0	0	**0**
Depot Operations	(88,700)	82,400	**(6,300)**	0	0	**0**	0	854,100	**854,100**	0	0	**0**
Disability Access & Inclusion	0	13,000	**13,000**	0	0	**0**	0	0	**0**	0	0	**0**
Economic Development	(145,000)	605,500	**460,500**	0	0	**0**	0	0	**0**	0	0	**0**
Elected Members	0	511,050	**511,050**	0	0	**0**	0	0	**0**	0	0	**0**
Environment & Sustainability Services	0	958,750	**958,750**	0	75,000	**75,000**	0	0	**0**	0	0	**0**
Executive Services	0	1,716,850	**1,716,850**	0	0	**0**	0	0	**0**	0	0	**0**
Finance	(58,450,737)	4,160,850	**(54,289,887)**	0	0	**0**	0	0	**0**	0	0	**0**
Footpaths & Walkways	0	2,340,300	**2,340,300**	0	0	**0**	0	480,000	**480,000**	0	322,500	**322,500**
Golf Course	0	69,950	**69,950**	0	0	**0**	0	0	**0**	0	0	**0**
Governance	(100)	1,038,350	**1,038,250**	0	0	**0**	0	0	**0**	0	0	**0**
Information & Communication Technology	(500)	2,702,400	**2,701,900**	0	90,700	**90,700**	0	287,900	**287,900**	0	0	**0**
Infrastructure, Planning & Sustainability Services Mgt	(83,350)	2,979,500	**2,896,150**	0	0	**0**	0	0	**0**	0	0	**0**
Library Services	(443,350)	3,236,950	**2,793,600**	0	0	**0**	0	130,500	**130,500**	0	3,000	**3,000**
Parks, Playgrounds & Reserves	(46,800)	6,203,550	**6,156,750**	0	4,700	**4,700**	0	665,000	**665,000**	0	3,019,550	**3,019,550**
People and Culture	(2,600)	638,500	**635,900**	0	0	**0**	0	0	**0**	0	0	**0**
Property & Lease Management	(597,850)	233,150	**(364,700)**	0	0	**0**	0	0	**0**	0	0	**0**
Public Health	0	611,150	**611,150**	0	0	**0**	0	0	**0**	0	0	**0**
Public Lighting	(100)	702,100	**702,000**	0	0	**0**	0	0	**0**	0	0	**0**
Public Safety & Animal Management	(683,300)	763,200	**79,900**	0	118,650	**118,650**	0	0	**0**	0	10,000	**10,000**
Services for Older People	(420,750)	426,050	**5,300**	0	0	**0**	0	0	**0**	0	0	**0**
Shared Services & Private Works	(21,300)	21,300	**0**	0	0	**0**	0	0	**0**	0	0	**0**
Sport & Recreation	(307,900)	2,300,800	**1,992,900**	0	0	**0**	0	652,150	**652,150**	(2,452,850)	347,850	**(2,105,000)**
Stormwater & Creeklines	(27,350)	3,390,150	**3,362,800**	0	10,000	**10,000**	0	20,000	**20,000**	0	180,000	**180,000**
The ARC	(6,538,350)	7,561,850	**1,023,500**	0	0	**0**	0	394,150	**394,150**	0	5,200,000	**5,200,000**
Traffic Control	0	251,850	**251,850**	0	40,000	**40,000**	0	28,000	**28,000**	0	95,000	**95,000**
Transport Assets	(426,900)	11,592,550	**11,165,650**	0	0	**0**	(1,019,900)	8,000,000	**6,980,100**	0	140,000	**140,000**
Tree & Streetscape Management	(78,500)	2,359,250	**2,280,750**	0	75,000	**75,000**	0	0	**0**	0	0	**0**
Waste Services	(47,650)	7,896,750	**7,849,100**	0	0	**0**	0	0	**0**	0	0	**0**
Youth Development	0	38,650	**38,650**	0	0	**0**	0	0	**0**	0	0	**0**
TOTAL	**(69,447,387)**	**72,779,000**	**3,331,613**	**(25,000)**	**500,550**	**475,550**	**(2,419,900)**	**15,856,050**	**13,436,150**	**(2,452,850)**	**10,320,500**	**7,867,650**

Budgeted Financial Statements

Budgeted Statement of Comprehensive Income

2024/2025 Actual	2025/2026 Adopted Budget		2025/2026 Third Review	2026/2027 Adopted Budget
$'s	$'s		$'s	$'s
		INCOME		
50,830,243	52,830,288	Rates	52,776,638	55,172,137
1,429,345	1,361,150	Statutory Charges	1,338,450	1,380,000
7,782,314	7,408,650	User Charges	7,775,450	7,816,600
2,252,730	928,850	Grants, Subsidies & Contributions - Capital	3,510,650	2,419,900
4,564,458	2,125,900	Grants, Subsidies & Contributions - Operating	2,497,100	1,426,150
2,524,067	2,306,050	Investment Income	2,724,900	2,826,450
243,943	234,750	Reimbursements	239,550	240,400
716,858	581,350	Other Revenues	1,195,650	590,650
77,907	19,000	Net Gain - Equity Accounted Council Businesses	7,150	20,000
70,421,865	**67,795,988**	**TOTAL INCOME**	**72,065,538**	**71,892,287**
		EXPENSES		
18,093,228	19,696,550	Employee Costs	19,540,350	21,350,050
28,646,481	31,136,400	Materials, Contracts & Other Expenses	33,029,750	31,754,650
18,281,571	19,496,650	Depreciation, Amortisation & Impairment	18,970,350	20,174,850
19	300	Finance Costs	-	-
-	-	Net Loss - Equity Accounted Council Businesses	-	-
65,021,299	**70,329,900**	**TOTAL EXPENSES**	**71,540,450**	**73,279,550**
5,400,566	**(2,533,912)**	**OPERATING SURPLUS/(DEFICIT)**	**525,088**	**(1,387,263)**
60,500	-	Physical Resources Received Free of Charge	63,200	-
(1,246,392)	-	Asset Disposal & Fair Value Adjustments	-	-
7,707	967,500	Amounts Specifically for New or Upgraded Assets	626,550	2,452,850
4,222,381	**(1,566,412)**	**NET SURPLUS/(DEFICIT)**	**1,214,838**	**1,065,587**
		OTHER COMPREHENSIVE INCOME		
		Amounts which will not be reclassified subsequently to operating result		
59,452,136	-	Changes in Revaluation Surplus - I,PP&E	-	-
4,949	-	Share of Other Comprehensive Income - Equity Accounted Council Businesses	-	-
59,457,085	**0**	**Total Amounts which will not be reclassified subsequently to operating result**	**0**	**0**
		Amounts which will be reclassified subsequently to operating result		
4,684	-	Other Equity Adjustments - Equity Accounted Council Businesses	-	-
4,684	**0**	**Total Amounts which will not be reclassified subsequently to operating result**	**0**	**0**
59,461,769	**-**	**TOTAL OTHER COMPREHENSIVE INCOME**	**-**	**-**
63,684,150	**(1,566,412)**	**TOTAL COMPREHENSIVE INCOME**	**1,214,838**	**1,065,587**

Budgeted Balance Sheet

2024/2025 Actual	2025/2026 Adopted Budget		2025/2026 Third Review	2026/2027 Adopted Budget
$'s	$'s		$'s	$'s
		ASSETS		
		Current Assets		
13,302,006	25,603,337	Cash & Cash Equivalents	11,370,737	6,543,874
4,590,379	3,601,591	Trade & Other Receivables	4,590,379	4,590,379
42,000,000	-	Other Financial Assets	42,000,000	42,000,000
24,838	21,049	Inventories	24,838	24,838
60,815	-	Other Current Assets	60,815	60,815
59,978,038	**29,225,977**	**Total Current Assets**	**58,046,769**	**53,219,906**
		Non-Current Assets		
292,585	229,045	Trade & Other Receivables	290,885	289,185
371,681	293,141	Equity Accounted Investments in Council Business	459,221	398,831
5,431,041	7,900,001	Other Non-Current Assets	5,431,041	5,431,041
987,265,326	765,426,878	Infrastructure, Property, Plant & Equipment	990,325,593	996,199,743
993,360,633	**773,849,065**	**Total Non-Current Assets**	**996,506,740**	**1,002,318,800**
1,053,338,671	**803,075,042**	**Total Assets**	**1,054,553,509**	**1,055,538,706**
		LIABILITIES		
		Current Liabilities		
7,165,887	8,931,250	Trade & Other Payables	7,165,887	7,085,497
-	-	Borrowings	-	-
2,462,030	1,996,420	Provisions	2,462,030	2,462,030
9,627,917	**10,927,670**	**Total Current Liabilities**	**9,627,917**	**9,547,527**
		Non-Current Liabilities		
-	-	Borrowings	-	-
808,365	837,097	Provisions	808,365	808,365
808,365	**837,097**	**Total Non-Current Liabilities**	**808,365**	**808,365**
10,436,282	**11,764,767**	**Total Liabilities**	**10,436,282**	**10,355,892**
1,042,902,389	**791,310,275**	**NET ASSETS**	**1,044,117,227**	**1,045,182,814**
		EQUITY		
109,001,574	120,286,544	Accumulated Surplus	114,240,112	108,439,449
835,662,594	594,152,223	Asset Revaluation Reserve	835,662,594	835,662,594
98,238,221	76,871,508	Other Reserves	94,214,521	101,080,771
1,042,902,389	**791,310,275**	**TOTAL EQUITY**	**1,044,117,227**	**1,045,182,814**

Budgeted Statement of Changes in Equity

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
	$'s	$'s	$'s	$'s
2024/2025 Actual				
Balance at End of Previous Reporting Period	116,629,042	776,888,021	85,701,176	**979,218,239**
Net Surplus/(Deficit) for Year	4,222,381			**4,222,381**
Other Comprehensive Income				
Share of Other Comprehensive Income - Equity Accounted Council Businesses	4,949	-		**4,949**
Gain on Revaluation of Infrastructure, Property, Plant & Equipment		59,452,136		**59,452,136**
Transfer to Accumulated Surplus on Sale of Infrastructure, Property, Plant & Equipment	677,563	(677,563)		**-**
Other Equity Adjustments - Equity Accounted Council Businesses	4,684	-		**4,684**
Other Comprehensive Income	**687,196**	**58,774,573**	**-**	**59,461,769**
Total Comprehensive Income	**4,909,577**	**58,774,573**	**-**	**63,684,150**
Transfers Between Reserves	(12,537,045)		12,537,045	**-**
Balance at End of Period	**109,001,574**	**835,662,594**	**98,238,221**	**1,042,902,389**
2025/2026 Adopted Budget				
Balance at End of Previous Reporting Period	132,107,106	594,152,223	66,617,358	**792,876,687**
Net Surplus/(Deficit) for Year	(1,566,412)			**(1,566,412)**
Total Other Comprehensive Income	**(1,566,412)**	**-**	**-**	**(1,566,412)**
Transfers Between Reserves	(10,254,150)		10,254,150	**-**
Balance at End of Period	**120,286,544**	**594,152,223**	**76,871,508**	**791,310,275**
2025/2026 Third Review				
Balance at End of Previous Reporting Period	109,001,574	835,662,594	98,238,221	**1,042,902,389**
Net Surplus/(Deficit) for Year	1,214,838			**1,214,838**
Total Other Comprehensive Income	**1,214,838**	**-**	**-**	**1,214,838**
Transfers Between Reserves	4,023,700		(4,023,700)	**-**
Balance at End of Period	**114,240,112**	**835,662,594**	**94,214,521**	**1,044,117,227**
2026/2027 Adopted Budget				
Balance at End of Previous Reporting Period	114,240,112	835,662,594	94,214,521	**1,044,117,227**
Net Surplus/(Deficit) for Year	1,065,587			**1,065,587**
Total Other Comprehensive Income	**1,065,587**	**-**	**-**	**1,065,587**
Transfers Between Reserves	(6,866,250)		6,866,250	**-**
Balance at End of Period	**108,439,449**	**835,662,594**	**101,080,771**	**1,045,182,814**

Budgeted Cash Flow Statement

2024/2025 Actual	2025/2026 Adopted Budget		2025/2026 Third Review	2026/2027 Adopted Budget
$'s	$'s		$'s	$'s
		CASH FLOWS FROM OPERATING ACTIVITIES		
		Receipts		
67,897,343	65,470,938	Operating Receipts	69,333,488	69,045,837
2,524,067	2,306,050	Interest Receipts	2,724,900	2,826,450
		Payments		
(48,010,744)	(50,832,950)	Operating Payments to Suppliers & Employees	(52,570,100)	(53,104,700)
(19)	(300)	Finance Payments	-	-
22,410,647	**16,943,738**	**Net Cash Provided by (or Used in) Operating Activities**	**19,488,288**	**18,767,587**
		CASH FLOWS FROM INVESTING ACTIVITIES		
		Receipts		
7,707	967,500	Amounts Received Specifically for New/Upgraded Assets	626,550	2,452,850
2,252,730	-	Grants Utilised for Capital Purposes	-	-
106,728	89,100	Sale of Replaced Assets	364,850	127,550
-	1,700	Repayments of Loans by Community Groups	1,700	1,700
		Payments		
(8,140,771)	(10,260,450)	Expenditure on Renewal/Replacement of Assets	(23,523,950)	(15,856,050)
(3,121,567)	(3,576,300)	Expenditure on New/Upgraded Assets	(7,024,750)	(10,320,500)
(6,880,000)	-	Net Purchase of Investment Securities	-	-
(15,775,173)	**(12,778,450)**	**Net Cash Provided by (or Used in) Investing Activities**	**(29,555,600)**	**(23,594,450)**
		CASH FLOWS FROM FINANCING ACTIVITIES		
		Receipts		
193,708	-	Proceeds from Bonds & Deposits	-	-
		Payments		
(1,709)	-	Repayment of Lease Liabilities	-	-
(670,848)	-	Repayment of Bonds & Deposits	-	-
(478,849)	**-**	**Net Cash Provided by (or Used in) Financing Activities**	**-**	**-**
6,156,625	**4,165,288**	**Net Increase/(Decrease) in Cash Held**	**(10,067,312)**	**(4,826,863)**
7,145,381	21,438,049	Cash & Cash Equivalents at Beginning of Period	21,438,049	11,370,737
13,302,006	**25,603,337**	**CASH & CASH EQUIVALENTS AT END OF PERIOD**	**11,370,737**	**6,543,874**
42,000,000	-	Investments on Hand - End of Year	42,000,000	42,000,000
55,302,006	**25,603,337**	**TOTAL CASH, CASH EQUIVALENTS AND INVESTMENTS**	**53,370,737**	**48,543,874**

Budgeted Uniform Presentation of Finances / Funding Plan

2024/2025 Actual	2025/2026 Adopted Budget		2025/2026 Third Review	2026/2027 Adopted Budget
$'s	$'s		$'s	$'s
		Income		
50,830,243	52,830,288	Rates	52,776,638	55,172,137
1,429,345	1,361,150	Statutory Charges	1,338,450	1,380,000
7,782,314	7,408,650	User Charges	7,775,450	7,816,600
2,252,730	928,850	Grants, Subsidies & Contributions - Capital	3,510,650	2,419,900
4,564,458	2,125,900	Grants, Subsidies & Contributions - Operating	2,497,100	1,426,150
2,524,067	2,306,050	Investment Income	2,724,900	2,826,450
243,943	234,750	Reimbursements	239,550	240,400
716,858	581,350	Other Revenues	1,195,650	590,650
77,907	19,000	Net Gain - Equity Accounted Council Businesses	7,150	20,000
70,421,865	**67,795,988**		**72,065,538**	**71,892,287**
		Expenses		
18,093,228	19,696,550	Employee Costs	19,540,350	21,350,050
28,646,481	31,136,400	Materials, Contracts & Other Expenses	33,029,750	31,754,650
18,281,571	19,496,650	Depreciation, Amortisation & Impairment	18,970,350	20,174,850
19	300	Finance Costs	-	-
-	-	Net Loss - Equity Accounted Council Businesses	-	-
65,021,299	**70,329,900**		**71,540,450**	**73,279,550**
5,400,566	**(2,533,912)**	**Operating Surplus/(Deficit)**	**525,088**	**(1,387,263)**
(1,153,404)	-	Net Timing Adjustment for General Purpose Grant Funding	-	-
(2,252,730)	(928,850)	Less: Grants, Subisides and Contributions - Capital	(3,510,650)	(2,419,900)
1,994,432	**(3,462,762)**	**Adjusted Operating Surplus/(Deficit)**	**(2,985,562)**	**(3,807,163)**
		Net Outlays on Existing Assets		
(8,140,771)	(10,260,450)	Capital Expenditure on Renewal and Replacement of Existing Assets	(23,523,950)	(15,856,050)
18,281,571	19,496,650	*add back* Depreciation, Amortisation and Impairment	18,970,350	20,174,850
106,728	89,100	*add back* Proceeds from Sale of Replaced Assets	364,850	127,550
10,247,528	**9,325,300**		**(4,188,750)**	**4,446,350**
		Net Outlays on New and Upgraded Assets		
(3,121,567)	(3,576,300)	Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(7,024,750)	(10,320,500)
2,252,730	928,850	*add back* Amounts Received Specifically for New andGrants, Subisides and Contributions - Capital New/Upgraded	3,510,650	2,419,900
7,707	967,500	*add back* Amounts Received Specifically for New and Upgraded Assets	626,550	2,452,850
(861,130)	**(1,679,950)**		**(2,887,550)**	**(5,447,750)**
11,380,830	**4,182,588**	**Net Lending/(Borrowing) for Financial Year**	**(10,061,862)**	**(4,808,563)**

Budgeted Key Financial Targets

2024/2025 Actual	2025/2026 Adopted Budget		2025/2026 Third Review	2026/2027 Adopted Budget
		Operating Surplus Ratio		
5,400,566	(2,533,912)	Operating Surplus (a)	525,088	(1,387,263)
70,421,865	67,795,988	Total Operating Income (b)	72,065,538	71,892,287
7.7%	**(3.7%)**	**Operating Surplus Ratio = (a) divide (b)**	**0.7%**	**(1.9%)**
		Net Financial Liabilities Ratio		
(49,748,688)	(17,669,206)	Net Financial Liabilities (Total Liabilities less Financial Assets) (c)	(47,815,719)	(43,067,546)
70,421,865	67,795,988	Total Operating Income (d)	72,065,538	71,892,287
(71%)	**(26%)**	**Net Financial Liabilities Ratio = (c) divide (d)**	**(66%)**	**(60%)**
		Asset Renewal Funding Ratio		
8,140,771	10,260,450	Net Asset Renewals (e)	23,523,950	15,856,050
11,588,100	10,436,950	Infrastructure Asset Management Plan Required Expenditure (f)	10,436,950	10,659,900
70%	**98%**	**Asset Sustainability Ratio = (e) divide (f)**	**225%**	**149%**

Appendix 1 – Progress of 2025/2026 Projects

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
The ARC Campbelltown Swimming Pool - Swim Storage Bin Replacement Replacement of the swim storage bins at The ARC Campbelltown	0	700	0	700	Project completed.
The ARC Campbelltown - Parents Room Chair Replacement Replacement of the parents room chair at The ARC Campbelltown	0	350	0	350	Project completed.
The ARC Campbelltown Cafe - Café Table Replacement Replacement of two American Oak tables in the café which have reached the end of their life	0	1,500	0	1,500	This purchase is expected to be carried forward to 2026/2027 due to lead in times required to receive tables.
The ARC Campbelltown - Replacement of Group Fitness Studio Equipment Replacement of various pieces of Les Mills group fitness equipment	0	19,100	0	19,100	Project completed.
The ARC Campbelltown - Spin Bike Replacement Replacement of five spin bikes which have reached the end of their useful lives	0	13,000	0	13,000	Project completed.
The ARC Campbelltown - Replacement of Health Club Rowers Replacement of two rowers which have reached the end of their useful lives	0	2,750	0	2,750	Project completed.
The ARC Campbelltown - Aquatic Area Mobile Vacuum Replacement Replacement of the mobile pool vacuum and vacuum head which has reached the end of its useful life	0	4,600	0	4,600	Project completed.
The ARC Campbelltown - Aquatic Area Fans Replacement Replacement of a pedestal industrial fan and two wall mounted industrial fans which have reached the end of their useful lives	0	9,300	0	9,300	Project completed.
The ARC Campbelltown Swimming Pool - 2 Way Radio Replacement Replacement of two base stations and six radios which have reached the end of their useful lives	0	5,100	0	5,100	Project completed.
The ARC Campbelltown - Replacement of Laundry Equipment Replacement of a vacuum, washer and dryer which have reached the end of their useful lives	0	2,000	0	2,000	Project completed.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
The ARC Campbelltown Café - Café Kitchen Project Replacement of the six burner cooktop and oven, and a two basket fryer, along with the purchase of an additional two basket fryer	**0**	**10,250**	**6,500**	**16,750**	Project completed.
The ARC Campbelltown Gym - Cardio Equipment Replacement Replacement of the two Powermills and six Treadmills	**0**	**112,100**	**0**	**112,100**	Project completed.
The ARC Campbelltown Gym - Replacement of the Group Fitness Studio's Audio System Replacement of the \Audio System in the ARC Group Fitness Studio 1 and 2	**0**	**6,800**	**0**	**6,800**	Project completed.
Steve Woodcock Sports Centre - Stage 2 Buildings, Carpark and Pitch Lighting Replacement of the existing board room, car park and lighting for the bottom training pitch	**0**	**2,000,000**	**0**	**2,000,000**	Project completed.
Wadmore Park Signage Replacement of wayfinding signage to protect biodiversity at the park, help with wayfinding and improve the aesthetics at the park	**0**	**35,000**	**0**	**35,000**	Project completed.
Library - Replacement of Seating in the Children's Area Replacement of the chairs and stools in the children's area with a variety of seating options including sensory seating	**0**	**8,400**	**0**	**8,400**	Some seating in the children's area has been replaced and is in use. There are components waiting to be assembled, then all seating replacement will be complete.
Library - Replacement of Meeting Room and Study Chairs Replacement of the Library meeting room and study chairs which are due for replacement	**0**	**10,200**	**0**	**10,200**	Suitable replacement chairs haven been purchased.
Library - Replacement of Display Screens Replacement of a component of the existing Multiscreen Communication System at the Library with freestanding display screens	**0**	**6,500**	**0**	**6,500**	Old screens have been replaced, with new ones fully operational.
Library - Library - Replacement Library Microphone, Speaker and Stand Replacement of the Library microphone, speaker and stand as they have reached the end of their useful lives	**0**	**1,600**	**0**	**1,600**	Items have been replaced with new items fully operational.
Library - Replacement RFID Scanning Wand Replacement of the current Live Scanning Radio Frequency Identification Wand with the latest version	**0**	**2,600**	**0**	**2,600**	Old scanning wand has been replaced and fully operational.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Library - Replacement of Free Standing and Table Lamps Replacement of the existing lamps in the Library as they are due for replacement and some are broken	**0**	**2,100**	**0**	**2,100**	Replacement lamps have been purchased
Library - Replacement of Armchairs and Task Chairs Replacement of the existing furniture which has reached the end of its useful life	**0**	**20,900**	**0**	**20,900**	Replacement chairs have been purchased
Library - Replacement of Projectors - IT suite and Library Lounge Replacement of two existing projectors which have reached the end of their useful life	**0**	**10,000**	**0**	**10,000**	Old projectors have been replaced and fully operational.
Library - Replacement of a Bar Refrigerator in the Meeting Room Replacement of the bar refrigerator for use by meeting room hirers and for Library programs and events	**0**	**500**	**0**	**500**	The replacement fridge has been purchased andinstalled
Library - Replacement of Tables for Community Use Replacement of tables which have reached the end of their useful life	**0**	**2,500**	**0**	**2,500**	Replacement tables have been seleced.
Library - Scanner for Local History Material Purchase a scanner to ensure best practice digitisation of local history material	**0**	**0**	**5,100**	**5,100**	Scanner have been purchased and fully operational.
Asset Management Plan - Information Technology Replacement of the following IT equipment: - PC's - $83,850 - Mobile Devices - $27,050 - Servers and Storage - $44,000 - Network and Backup Infrastructure - $12,150 - Printers and Scanners - $100,500 - CCTV - $189,400	**0**	**456,950**	**0**	**456,950**	Project has been completed.
Installation of Power Board and Water Supply at Thorndon Park Oval The installation of a power board and water supply on the western side of the oval adjacent to the pathway and kiosk building to support the delivery of Community events	**0**	**0**	**23,000**	**23,000**	Project has been completed.
Library - Mobile Interactive Smart Board Purchase a large-scale computer touch screen with a stand to use for Library programs and events	**0**	**0**	**8,500**	**8,500**	Smart board has been purchased and is fully operational.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Council Office - Meeting Room Upgrades Upgrade the meeting rooms with technology that focuses on creating a more efficient, user-friendly meeting room	**0**	**0**	**27,000**	**27,000**	Project has been completed.
ARC Campbelltown – Lynxight Drowning Prevention Technology Installation of the Lynxight Artificial Intelligence (AI) drowning prevention program	**37,800**	**0**	**46,700**	**84,500**	Project has been completed.
ARC Campbelltown - Communication Access Symbol Accreditation To gain accreditation for The ARC Campbelltown to enhance communication accessibility at each of Council's customer-oriented sites	**19,000**	**0**	**0**	**19,000**	The accreditation process is underway with materials being finalised for the different ARC functions. ARC Staff and Council's Disability Access & Inclusion Committee have all been involved in the development of the materials.
Rostrevor Tennis Club - Tennis Court Lighting Upgrade Upgrade of the court lights to reduce electricity consumption and to ensure the ongoing use of the facilities	**0**	**140,000**	**0**	**140,000**	Project has been completed.
Tranquil Court Reserve Playground Renewal of the existing playground, footpath and pram ramps	**0**	**96,000**	**21,000**	**117,000**	Project has been completed.
Max Amber Sportsfield Soccer Pitch Lighting Installation of an additional light tower to the western side of the pitch	**0**	**0**	**75,000**	**75,000**	Project has been completed.
Spencer Street Reserve Accessibility Improvements Stage 2 Installation of a shelter and a BBQ. This will be offset with a commitment from InHousing to contribute $7,500 for the BBQ	**0**	**0**	**47,000**	**47,000**	Project has been completed.
Daly Oval Pump Track - Jumps Line Project To design and build a pump track (or jumps line) for Community use to support skill progression, user satisfaction and user safety. This style of pump track/jumps line will be accessible to bikes, skateboards and scooters	**0**	**0**	**30,000**	**30,000**	Works have been awared to Trail Collective. Project has been delayed due to weather (as recommended by the Contractor). Remaining funds will be carried forward to 2026/2027.
Pamela Avenue Reserve Upgrade Installation of a shelter, picnic setting, bin, play equipment, permeable paving, gate and drinking fountain	**0**	**0**	**260,000**	**260,000**	Project has been completed.
Campbelltown Memorial Oval (CMO) - Replacement of Audio Visual (AV) System Replacement of the existing AV System at CMO which has reached the end of its useful life	**0**	**19,000**	**0**	**19,000**	Project has been completed.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Replacement of Telephone System Replacement of the current telephone system, which is now outdated and lacks the modern capabilities necessary to effectively serve our Community	**0**	**22,300**	**0**	**22,300**	Project has been completed.
Additional Staff - Communications – Video Production (0.2 FTE) Additional Staff hours to focus on video production content for use to promote activities, events and projects to the Community	**25,000**	**0**	**0**	**25,000**	Position has been filled, with additional hours utililised by existing Staff member.
Additional Staff – Rates Officer (0.4 FTE) Additional Staff hours to provide a more proactive approach to Rates	**42,350**	**0**	**0**	**42,350**	This position has been filled to provide additional support to the Rates team using a reallocation of existing Staff resources.
Customer Experience Audit and Quality Assurance Program To engage an external provider to undertake a benchmarking program regarding customer satisfaction and customer service delivery across the organisation	**31,000**	**0**	**0**	**31,000**	This project has not yet started, so these funds will need to be carried forward to 2026/2027.
Industrial Master Plan Implementation To engage a consultant to develop a staging plan with concepts and costings to progress the masterplans for Magill and Newton industrial precincts	**50,000**	**0**	**0**	**50,000**	Survey component of this project has been delayed with the concept design for Magill at 50%. Any remaining funds will be carried forward to 2026/2027.
Community Event To hold an event for the whole Community	**20,000**	**0**	**0**	**20,000**	These funds were used to fund the Tour Down Under Start and Finish in January 2026.
Lighting Upgrades - Library, Thorndon Park and Depot Upgrade of the lighting at these sites to reduce energy consumption	**0**	**41,000**	**0**	**41,000**	Project has been completed.
Campbelltown Library Solar Upgrade Installation of a 45kW solar PV system to reduce energy consumption costs	**0**	**0**	**57,000**	**57,000**	These funds are to be carried forward to 2026/2027, as per the Council resolution to combine with the additional solar installation project.
Replacement of Fleet Vehicle To replace a vehicle to support the Biodiversity maintenance team	**0**	**65,000**	**0**	**65,000**	This electric vehicle has been delivered.
Strategic Land Purchases To provide an annual allocation of funding for strategic land acquisitions for the purpose of open space development as opportunities arise. This amount is annually indexed by CPI	**0**	**0**	**306,700**	**306,700**	No land has been purchased at this time. Any unspent funds will be carried forward to 2026/2027.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Purchase of Rubbish Bins To purchase rubbish bins for newly created properties	0	0	80,000	80,000	This is an ongoing purchase to supply bins to newly built houses.
Third Creek Erosion Control Works - Stage 2 To rehabilitate the bed and banks of parts of the Third Creek catchment. The Gums Landcare Group will be seeking a State Government grant of $210,000 to help fund this project	0	0	50,000	50,000	Project has been completed.
Replacement of Reserve Signs Creation of a rolling program to replace reserve signs as they require replacement	0	100,000	0	100,000	This project is on held due to Council's signage strategy.
Replacement of Plant and Machinery Replacement of the following plant and machinery: - 1 x Loader - 3 x Ride-on Mower - 2 x Chippers - 1 x Ute - 2 x Trailers - 24 x Handheld Blowers - 4 x Brush Cutters - 3 x Hedge Trimmers - 3 x Quick Cut Saws - 2 x Vibrating Plates - 2 x Mowers - 1 x Aerator Income for this project represents budgeted trade-in proceeds and transfer from the Asset Replacement Reserve	0	451,900	0	451,900	Most items have been delivered. Any undelivered by year end will be carried forward to 2026/2027 due to supply time frames or unit review requirements.
Replacement of the Cricket Pitch at Campbelltown Memorial Oval (CMO) Replacement of the hard cricket pitch at CMO. This will be part funded by club contributions and State Government grants	0	20,000	0	20,000	As the Club failed to secure grant funding, this amount will be carried forward to 2026/2027.
Rostrevor Tennis Clubrooms Upgrade Renewal of the Rostrevor Tennis Clubrooms, which is partly funded from the Master Plan Allocation and Buildings Asset Management Plan	0	380,700	369,300	750,000	Design has been completed and are awaiting development approval. Tender process to commence in July 2026.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Road Transport Asset Renewal Program To renew the roads at the following locations in accordance with Council's adopted Asset Management Plans: ***Athelstone*** - Spartan Crescent - $198,000 **Hectorville** - Dutton Avenue - $250,000 ***Magill*** - Gladstone Avenue - $1,115,000 - Bonython Avenue - $180,000 - Carter Street - $383,000 ***Newton*** - Wessen Street - $305,000 - Farmer Street - $475,000 ***Paradise*** - Reservoir Road - $157,000 ***Rostrevor*** - Highland Avenue - $295,000 - Alguna Crescent - $570,000 - Arrana Avenue - $552,000 The cost of these works are offset by the Commonwealth Government's Roads to Recovery grant ($858,850)	**0**	**3,621,150**	**0**	**3,621,150**	All roads have been completed with the exceptioon of Gladstone Avenue, Magill. This is scheduled to be completed in early July 2026.
Public Art Fund An annual allocation of $20,000 to fund public art and a further $4,000 in 2025/2026 to fund the purchase of a Max Lyle sculpture	**0**	**0**	**24,000**	**24,000**	The Sculpture is installed at the Campbelltown Library and was officially launched on 25 March 2026.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Building Asset Management Plan Allocation An annual allocation used to fund Capital-New works resulting from Council's Building Asset Management Plan. This will be used to fund: - Lochend House Shed - $10,000 - Marchant Community Centre and Kindergarten - $8,500 - Campbelltown Council Depot Tool Shed - $2,000 - Rotary Club of Campbelltown – Shed 1 - $1,000 - Rotary Club of Campbelltown – Shed 2 - $2,000 - Nightingale Reserve – First Magill Scout Hall - $25,000 - Nightingale Reserve – Magill Girl Guides Hall - $8,000 - Residential Dwelling – 174 Montacute Road - $1,000 - Residential Dwelling – 166 Montacute Road - $700 - Residential Dwelling – 135 Montacute Road - $5,200 - Residential Dwelling – 5 Julia Avenue - $600 - Meredith Street Depot – Office 2 - $400 - Residential Dwelling – 28 Anderson Court - $600	**0**	**0**	**65,000**	**65,000**	This project has been completed, with no works required following inspection works.
Footpath Program - Community Requested Footpaths - Junction Road, Paradise (Lincoln Road to Pam Street) This has been identified as part of Council's Footpath Asset Management Plan adopted on 5 November 2024	**0**	**0**	**16,000**	**16,000**	Project has been completed.
Footpath Program - Community Requested Footpaths - Ann Street, Campbelltown (Chapel Street to Jennier Drive) This has been identified as part of Council's Footpath Asset Management Plan adopted on 5 November 2024	**0**	**0**	**110,000**	**110,000**	Project has been completed.
Hambledon Hub Design Costs To complete the design works for the new Hambledon Hub to be built in Campbelltown	**450,000**	**0**	**0**	**450,000**	Procurement commenced in May, so a component of this budget will need to be carried forward to 2026/2027.
Gorge Road Stormwater Upgrade To address stormwater and flooding issues at 301 Gorge Road	**0**	**142,000**	**0**	**142,000**	Project has been completed.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Asset Management Plan - Open Space To undertake renewal of the following assets: - Solar brick lights (56 locations) - $51,950 - Lights (17 locations) - $146,850 - 2 x Drink Fountains - $11,050 - 3 x Park Benches - $4,850 - Playground Rubber Softfall (3 locations) - $4,350 - Playground Equipment (3 locations) - $10,500 - Monument - $3,900 - Shade Structure - $25,000 - Gate - $1,600 - Tennis Net - $500	**0**	**260,550**	**0**	**260,550**	This project has been completed, with no works required following inspection works.
Hallett Avenue Stormwater To install additional underground drainage infrastructure at 27a and 34c Hallett Avenue to address incidents of localised flooding	**0**	**0**	**265,000**	**265,000**	Project has been completed.
City Wide Stormwater Management Plan (SMP) - Stage 1 This is a staged approach to delivering a SMP for the entire City, based off the three major creek tributaries, Third, Fourth and Fifth Creeks.	**100,000**	**0**	**0**	**100,000**	This is a 2 year project with any remaining funds to be carried forward to 2026/2027. Staff will be submitting a funding application in August 2026.
Renewal of Bridge - River Torrens Linear Park Replacement of the deck and kick rail on a bridge which borders with the City of Port Adelaide Enfield	**0**	**21,500**	**0**	**21,500**	Project has been completed.
Max Amber Sportsfield Footbridge, Connectivity and Lighting Replacement and reorientation of the existing footbridge across Fifth Creek, together with modifying existing footpath connectivity and adding new lighting	**0**	**60,000**	**0**	**60,000**	Project has been completed.
Additional Footpath - Gurners Reserve Construct a footpath from Leabrook Drive to the Exeloo toilet, with directional signage	**0**	**0**	**16,000**	**16,000**	Project has been completed.
Additional Footpath - Greenwillow Avenue Construct a footpath to connect Greenwillow Avenue with a recent housing development in Michele Road, Paradise	**0**	**0**	**20,000**	**20,000**	Project has been completed.
River Torrens Linear Park (RTLP) Lighting Project Complete the detailed design and procurement stages of the RTLP Lighting Project	**0**	**0**	**400,000**	**400,000**	Remaining funds to be carried forward to 2026/2027, with construction to occur during 2026/2027 and 2027/2028.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Fourth Creek Bridge Pedestrian Lighting To light the pathway connecting Leabrook Drive to the Campbelltown Function Centre car park	**0**	**0**	**25,000**	**25,000**	Project has been completed.
Footpath Renewal Program - Moules Road, Rostrevor To replace the narrow concrete footpath at this location. This is in line with Council's Footpath Asset Management Plan which was adopted 5 November 2024	**0**	**210,000**	**0**	**210,000**	Project has been completed.
Footpath Renewal Program - Ballantyne Street, Magill To replace the footpath at this location which has tripping hazards. This is in line with Council's Footpath Asset Management Plan which was adopted 5 November 2024	**0**	**23,000**	**0**	**23,000**	Project has been completed.
Footpath Renewal Program - Koonga Avenue, Rostrevor To replace the footpath at this location. This is in line with Council's Footpath Asset Management Plan which was adopted 5 November 2024	**0**	**22,000**	**0**	**22,000**	Project has been completed.
Footpath Renewal Program - Morialta Road, Rostrevor To replace the footpath at this location. This is in line with Council's Footpath Asset Management Plan which was adopted 5 November 2024	**0**	**28,000**	**0**	**28,000**	Project has been completed.
Galloway Reserve Half-Court Basketball Court To instal a half-court basketball court at Galloway Reserve, Tranmere	**0**	**0**	**55,000**	**55,000**	Project has been completed.
Lochend House Restoration Works Works to address signs of dampness in the cellar and to prevent further damage in the future	**0**	**80,000**	**0**	**80,000**	Project has been completed.
Thorndon Park Kiosk Upgrade Extension of the existing building, including an updated fit out of the kitchen	**0**	**270,000**	**200,000**	**470,000**	Works are scheduled to be completed in August/September 2026 due to Rotary's schedule and off-season timing to minimise impact on trade.
Green Flag Award Feedback Installation of new signage, picnic settings and rubber matting at Lochiel Park	**0**	**21,000**	**0**	**21,000**	The picnic table has been purchased, howevere the remaining works are scheduled to be undertaken in 2026/2027.
Additional Staff - Communications Officer (0.6 FTE) To help maintain the intergrity and quality of Council's website and to develop a more strategic approach to communication of Councill-wide projects. Other key opportunities include reviewing internal communication processes and development of collateral for our multicultural Community.	**70,000**	**0**	**0**	**70,000**	Position has been filled with recruitment of new Staff member.

Project	Net Cost to Council				Progress
	New Initiatives	Renewal & Replacement	Capital New	Total	
Property & Rating – CiAnywhere Upgrade To fund the upgrade to the latest software module of CiAnywhere's Property and Rating	**235,000**	**0**	**0**	**235,000**	Project has commenced, however unspent funds will need to be carried forward to 2026/2027.
Housing Strategy To support the establishment of a housing strategy, including investigation of the Community's housing needs and options to influence issues around housing affordability	**70,000**	**0**	**0**	**70,000**	The Housing Strategy is currently undergoing public consultation, it will be brought back to Council for further consideration in September 2026
GRAND TOTALS	**1,150,150**	**8,839,900**	**2,608,800**	**12,598,850**	

Appendix 2 – Project Summary 2026/2027

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Goal 1 - Supporting our Community and Businesses													
Sustainability Event To hold a one-day sustainability fair called Naturally Campbelltown to showcase Council's commitment to environmental leadership, circular economy principles and Community engagement.	1.1	0	35,000	**35,000**	0	0	**0**	0	0	**0**	**0**	**35,000**	**35,000**
Library - Board Books Shelving Units To replace two large units with four smaller units on casters to make them easier to move when setting up for various library programs. The current unitsare quite worn and discoloured with sticky tape and repair glue holding laminate strips onto the sides and their appearance detracts from an otherwise inviting space.	1.1	0	0	**0**	0	4,000	**4,000**	0	0	**0**	**0**	**4,000**	**4,000**
Library - Storytime Tree Audio and Lighting To replace the Library Storytime Tree audio and lighting due to issues relating to the age of the system and replacement parts no longer available. A new system for audio and visuals would allow more functionality and upgraded features due to new technology now available.	1.1	0	0	**0**	0	31,500	**31,500**	0	0	**0**	**0**	**31,500**	**31,500**
Library - Public Address and Paging System To replace the public address, paging system and associated speakers as they have passted their useful life. The system is having intermittent issues affecting the ability for Staff to broadcast announcements over the system. A new system would allow Staff to communicate important public address information to our customers throughout the library.	1.1	0	0	**0**	0	30,000	**30,000**	0	0	**0**	**0**	**30,000**	**30,000**
Library - Washing Machine and Dryer To purchase a new washing machine and dryer for Campbelltown Library to maintain cloth items borrowed from the Toy Library and to reduce the spread of germs.	1.2	0	0	**0**	0	0	**0**	0	3,000	**3,000**	**0**	**3,000**	**3,000**
The ARC - Staff Desk Chair Replacement To replace chairs that have reached the end of their useful life.	1.1	0	0	**0**	0	4,100	**4,100**	0	0	**0**	**0**	**4,100**	**4,100**
The ARC - Gym Cardio Cycle Replacement To replace two upright cycles and two recumbent cycles.	1.1	0	0	**0**	27,900	37,000	**9,100**	0	0	**0**	**27,900**	**37,000**	**9,100**
The ARC - Function Room Projector Replacement To replace the Meeting Room projector.	1.1	0	0	**0**	0	4,500	**4,500**	0	0	**0**	**0**	**4,500**	**4,500**
The ARC - Female Change Double Bench Replacement To replace the double bench in the female change rooms.	1.1	0	0	**0**	0	2,100	**2,100**	0	0	**0**	**0**	**2,100**	**2,100**
The ARC - Board/Meeting Room Chairs Replacement To replace 16 chairs in The ARC Board/Meeting Room.	1.1	0	0	**0**	0	6,500	**6,500**	0	0	**0**	**0**	**6,500**	**6,500**
The ARC - Courts Scoreboard Replacement To replace the main scoreboard and two court scoreboards with a LED multi-purpose scoreboard/screen that can be used as a full scoreboard/screen or two individual scoreboards/screens. Multi-purpose use includes scoring, game video/replays, player presentations, advertising and movies/TV.	1.1	0	0	**0**	0	103,000	**103,000**	0	0	**0**	**0**	**103,000**	**103,000**

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
The ARC - Lockers and Locks Replacement To replace 161 lockers and locks in the aquatic area, health club and Staff rooms.	1.1	0	0	**0**	0	82,000	**82,000**	0	0	**0**	**0**	**82,000**	**82,000**
The ARC - Aquatic Area Clock Replacement To replace four digital clocks in the aquatic area.	1.1	0	0	**0**	0	5,400	**5,400**	0	0	**0**	**0**	**5,400**	**5,400**
The ARC - Aquatic Area Lane Rope Reel Replacement To replace the 100m lane rope reel.	1.1	0	0	**0**	0	3,300	**3,300**	0	0	**0**	**0**	**3,300**	**3,300**
The ARC - Pool Overflow Grate Replacement To replace the grating for pool overflow channels on the 25 metre and leisure pools.	1.1	0	0	**0**	0	100,000	**100,000**	0	0	**0**	**0**	**100,000**	**100,000**
Campbelltown Tennis & Netball Club - Detailed Design To undertake detailed design works for Campbelltown Tennis & Netball Club, which is one of the major capital projects identified in Council's adopted Long Term Financial Plan	1.2	0	75,000	**75,000**	0	0	**0**	0	0	**0**	**0**	**75,000**	**75,000**
Rostrevor Tennis Clubrooms Upgrade To fully fund the redevelopment of the Rostrevor Tennis Clubrooms in lieu of obtaining 50% from external parties	1.2	0	0	**0**	0	652,150	**652,150**	0	347,850	**347,850**	**0**	**1,000,000**	**1,000,000**
Tranmere Bowling & Tennis Club - Shade Cloth Donation To provide a donation towards the replacement of the shade cloth at the Club	1.2	0	41,500	**41,500**	0	0	**0**	0	0	**0**	**0**	**41,500**	**41,500**
Magill Senior Citizens Hall Furniture Replacement To replace existing furniture in the Hall and Clubroom, including flip tables on wheels for ease of movement, lighter chairs (with trolley) and small tables.	1.3	0	0	**0**	0	46,250	**46,250**	0	0	**0**	**0**	**46,250**	**46,250**
Tour Down Under Event To hold an Community event in conjunction with the Tour Down Under 2027.	1.4	25,000	45,000	**20,000**	0	0	**0**	0	0	**0**	**25,000**	**45,000**	**20,000**
TOTAL Goal 1 - Supporting our Community and Businesses		**25,000**	**196,500**	**171,500**	**27,900**	**1,111,800**	**1,083,900**	**0**	**350,850**	**350,850**	**52,900**	**1,659,150**	**1,606,250**
Goal 2 - Protect and enhance our Environment													
The ARC - Heat Pump Upgrade and Car Park PV System To integrate the facility's existing gas boilers with a suitable heat pump system. To offset the additional electricity usage of the Heat Pump, this project will also install a 750kW car park solar system. The cost of this project is offset by a Commonwealth Grant ($2,452,850).	2.1	0	0	**0**	0	0	**0**	2,452,850	5,200,000	**2,747,150**	**2,452,850**	**5,200,000**	**2,747,150**
Hectorville Community Hall Renewable Energy System Expansion To replace and expand the existing solar system at Hectorville Community Hall with a 15 kW solar system.	2.1	0	0	**0**	0	3,000	**3,000**	0	15,000	**15,000**	**0**	**18,000**	**18,000**
Campbelltown Library - Renewable Energy System Replacement To replace the existing Campbelltown Library solar system that has reached the end of its useful life with a 95 kW solar system.	2.1	0	0	**0**	0	65,000	**65,000**	0	0	**0**	**0**	**65,000**	**65,000**
Irrigation Controller Upgrade To transition to a cloud-based system to automatically adjust or suspend irrigation, preventing watering during rain events and improving efficiency and responsiveness.	2.1	0	4,700	**4,700**	0	0	**0**	0	14,000	**14,000**	**0**	**18,700**	**18,700**

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Wadmore Park/Pulyonna Wirra Path Hierarchy Guideline and Concept Design To establish a Wadmore Park/Pulyonna Wirra Path Hierarchy Guideline and develop a concept design for an Immobility Impaired/Assisted Path at the Park.	2.1	0	0	**0**	0	20,000	**20,000**	0	0	**0**	**0**	**20,000**	**20,000**
Water Sensitive Urban Design Road Renewal - Quondong Avenue, Athelstone To address issues caused by tree roots along this road by using new sustainable construction practices to reduce the risk of infrastructure failure, including the trees in the median.	2.2	0	10,000	**10,000**	0	200,000	**200,000**	0	0	**0**	**0**	**210,000**	**210,000**
Wadmore Park/ Pulyonna Wirra Fire Management Plan Review To prepare a new plan to ensure that bushfire risk to the park and adjacent residential areas is properly managed.	2.2	0	40,000	**40,000**	0	0	**0**	0	0	**0**	**0**	**40,000**	**40,000**
Water Backflow Device Renewals To replace 12 priority backflow devices, used to prevent contaminated water from flowing back into the clean, potable water supply, with modern testable units to maintain compliance, improve testing access, reduce reactive repairs and support a shift toward a planned renewal program under Council's Asset Management framework.	2.2	0	0	**0**	0	0	**0**	0	60,000	**60,000**	**0**	**60,000**	**60,000**
Strategic Land Purchases An annual allocation of funding for strategic land acquisitions as opportunities arise. This amount will be combined with the allocation not spent in 2025/2026 (currently $1,911,450).	2.2	0	0	**0**	0	0	**0**	0	316,800	**316,800**	**0**	**316,800**	**316,800**
Thorndon Park - Water Tank Connection To activate the existing 150,000 litre tank to irrigate the eastern oval using groundwater from the Max Amber Sportsfield bore, avoiding lake or mains water during summer. The system would still be able to switch between tank, lake and mains as needed, ensuring resilience during peak demand or maintenance, saving approximately $25,000 per year in water costs.	2.4	0	0	**0**	0	0	**0**	0	110,000	**110,000**	**0**	**110,000**	**110,000**
TOTAL Goal 2 - Protect and enhance our Environment		**0**	**54,700**	**54,700**	**0**	**288,000**	**288,000**	**2,452,850**	**5,715,800**	**3,262,950**	**2,452,850**	**6,058,500**	**3,605,650**
Goal 3 - Manage our Assets effectively													
Asset Management Plan - Open Space Renewals To undertake renewal works identified through the Open Space Asset Management Plan. Works include: - sign at Charlesworth Park - coaches box at Steve Woodcock Sports Centre - practice net golf matting at Geoff Heath Golf Course - edging on Montacute Road/ Stradbroke Road round-a-bout and Pacific Avenue Reserve.	3.1	0	0	**0**	0	20,000	**20,000**	0	0	**0**	**0**	**20,000**	**20,000**

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Replacement of Plant and Machinery Replacement of the following plant and machinery: - 1 x water truck - 1 x spray tank - 17 x chainsaws - 1 x chainsaw pole - 5 x hedgetrimmers - 10 x brushcutters - 1 x van - 1 x ute - 5 x pool vehicles - 2 x mower trailers. Income for this project represents budgeted trade-in proceeds and transfer from the Asset Replacement Reserve.	3.1	0	0	**0**	465,950	854,100	**388,150**	0	0	**0**	**465,950**	**854,100**	**388,150**
Brookside Cellars - Internal Painting To repaint the main hall walls, ceiling beams and cellar.	3.1	0	0	**0**	0	8,850	**8,850**	0	0	**0**	**0**	**8,850**	**8,850**
Asset Management Plan - Buildings To undertake works idnetified through the Building Asset Management Plan. These funds will be rolled over to 2027/2028 to offset the budget required to fund the major capital projects identified in the adopted Long Term Financial Plan.	3.1	0	0	**0**	0	0	**0**	0	605,750	**605,750**	**0**	**605,750**	**605,750**
Footpath Renewal Program - Narrow Footpath Replacement - Medway Crescent, Rostrevor To replace the narrow footpath between the southern and northern ends of Ellerslie Drive.	3.1	0	0	**0**	0	187,500	**187,500**	0	0	**0**	**0**	**187,500**	**187,500**
Footpath Renewal Program - Narrow Footpath Replacement - Heyes Court, Rostrevor To replace the narrow footpath between Orbona Street and the cul-de-sac.	3.1	0	0	**0**	0	23,000	**23,000**	0	0	**0**	**0**	**23,000**	**23,000**
Footpath Renewal Program - Narrow Footpath Replacement - Acasta Street, Rostrevor To replace the narrow footpath between Ellerslie Drive to Orbona Street.	3.1	0	0	**0**	0	15,000	**15,000**	0	0	**0**	**0**	**15,000**	**15,000**
Footpath Renewal Program - Narrow Footpath Replacement - Morialta Road East, Rostrevor To replace the narrow footpath between Egerton Avenue and Derwent Avenue.	3.1	0	0	**0**	0	24,500	**24,500**	0	0	**0**	**0**	**24,500**	**24,500**
Footpath Renewal Program - Narrow Footpath Replacement - Reynell Road, Rostrevor To replace the narrow footpath between Rostrevor Terrace and Cecil Street.	3.1	0	0	**0**	0	23,500	**23,500**	0	0	**0**	**0**	**23,500**	**23,500**
Footpath Renewal Program - Narrow Footpath Replacement - Albion Terrace, Campbelltown To replace the narrow footpath between Mundon Street and Newton Road.	3.1	0	0	**0**	0	34,500	**34,500**	0	0	**0**	**0**	**34,500**	**34,500**

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Footpath Program - Community Requested - Swan Avenue, Rostrevor To construct a new footpath from Gleeson Crescent to Morialta Road.	3.1	0	0	**0**	0	0	**0**	0	26,500	**26,500**	**0**	**26,500**	**26,500**
Footpath Program - Community Requested - Melville Grove, Hectorville To construct a new footpath from Hectorville Road to West Street.	3.1	0	0	**0**	0	0	**0**	0	120,000	**120,000**	**0**	**120,000**	**120,000**
Footpath Program - Community Requested - Melville Road, Paradise To construct a new footpath from Church Road to Darley Road.	3.1	0	0	**0**	0	0	**0**	0	38,000	**38,000**	**0**	**38,000**	**38,000**
Footpath Program - Community Requested - Bosville Grove, Campbelltown To construct a new footpath from Mines Road to Kenwyn Drive.	3.1	0	0	**0**	0	0	**0**	0	30,500	**30,500**	**0**	**30,500**	**30,500**
Footpath Program - Community Requested - Sprankling Avenue, Newton To construct a new footpath from 13 D'Angelica Court to Forest Avenue.	3.1	0	0	**0**	0	0	**0**	0	27,500	**27,500**	**0**	**27,500**	**27,500**
Road Transport Asset Renewal Program To renew the roads at the following locations in accordance with Council's adopted Asset Management Plans: ***Athelstone*** - Gembrook Road - $71,300 - Griggs Drive - $280,600 - Hamilton Terrace - $162,200 - Lymn Avenue - $68,500 - Robert Emery Court - $78,100 - Shelton Drive - $131,600 - Victoria Avenue - $451,600 **Campbelltown** - Peter Avenue - $46,300 **Newton** - Andrea Avenue - $151,150 - Berry Avenue - $99,100 - Laura Drive - $389,900 - Mary Crescent - $99,350 - Thorndon Crescent - $161,950 - Thornton Drive - $223,300 - Young Street - $99,850 ***Paradise*** - Avenue Road - $377,250 ***Rostrevor*** - Horwood Avenue - $551,300 - Koonga Avenue - $784,000 - Maurice Avenue - $688,400 - Morialta Road - $1,084,250 - Stradbroke Road (Stage 3) - $1,800,000. The cost of these works are offset by the Commonwealth Government's Roads to Recovery grant ($1,019,900).	3.1	0	0	**0**	1,019,900	7,800,000	**6,780,100**	0	0	**0**	**1,019,900**	**7,800,000**	**6,780,100**

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Brookside Cellars - Main Hall Fit Out Following previous improvements to the roof and windows, which has made this space ready for activation for music, performing arts, visual arts and events, this fit out includes curtains on rails, lighting racks, lighting and portable screens to screen off the end of the room for storage.	3.1	0	0	**0**	0	0	**0**	0	60,000	**60,000**	**0**	**60,000**	**60,000**
Athelstone Recreation Reserve - Drainage and Pitch Access To improve access between the grass and synthetic pitches through the construction of retaining walls, repositioning the coaches boxes and the installation of a small drainage system.	3.1	0	0	**0**	0	0	**0**	0	180,000	**180,000**	**0**	**180,000**	**180,000**
Athelstone Recreation Reserve - Car Park Access To improve access in the car park area by constructing new steps to prevent water ponding.	3.1	0	0	**0**	0	0	**0**	0	65,000	**65,000**	**0**	**65,000**	**65,000**
Max Amber Sportsfield Managed Aquifer Recharge (MAR) System Controller (SCADA) To replace the current MAR SCADA to ensure it meets the current reporting requirements of the scheme and makes the operation of the system more efficient and effective.	3.2	0	0	**0**	0	20,000	**20,000**	0	0	**0**	**0**	**20,000**	**20,000**
Traffic Safety - Graves Street & Borillo Avenue Intersection To relocate Bus Stop 32 (South) on Graves Street to a new location between Borillo Avenue and Leombruno Street and install additional No Stopping Anytime line marking at this location.	3.3	0	0	**0**	0	20,000	**20,000**	0	0	**0**	**0**	**20,000**	**20,000**
Bicycle Plan To undertake a city wide bicycle plan to replace the City of Campbelltown Bicycle Plan 2018.	3.3	0	40,000	**40,000**	0	0	**0**	0	0	**0**	**0**	**40,000**	**40,000**
Transport Plan (Southern) Initiatives To deliver initiatives developed through the City of Campbelltown Transport Plan (Southern). The initiatives include the installation of two pram ramps at each of the following locations: - Jervois Avenue, Magill - Gladstone Avenue, Magill.	3.3	0	0	**0**	0	8,000	**8,000**	0	0	**0**	**0**	**8,000**	**8,000**
River Torrens Linear Path Lighting Project – Stage 2 To replace the existing 66 solar lights along the Park with a lighting network that meets lighting standards while considering the sensitive environment the path occupies. This is stage 2 of a 3-stage project, which represents the start of the construction stage.	3.3	0	0	**0**	0	625,000	**625,000**	0	1,875,000	**1,875,000**	**0**	**2,500,000**	**2,500,000**
New Bus Shelters To install new bus shelters at the following locations: - George Street, Paradise - Bus Stop 46, north side - Moules Road, Rostrevor - Bus Stop 23, north side - Stradbroke Road, Rostrevor - Bus Stop 27, west side. A new shelter will also be installed by the Department for Infrastructure and Transport at 349 Gorge Road and will be maintained by Council.	3.3	0	0	**0**	0	0	**0**	0	75,000	**75,000**	**0**	**75,000**	**75,000**

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Transport Plan (Southern) Initiatives - Footpath - Fairleys Road, Rostrevor To complete the footpath along the eastern side of Fairleys Road to provide continuous pedestrian connectivity.	3.3	0	0	**0**	0	0	**0**	0	25,000	**25,000**	**0**	**25,000**	**25,000**
Transport Plan (Southern) Initiatives - Footpath - Stradbroke Road, Rostrevor To complete the footpath on the western side of Stradbroke Road, between Redden Street and 220 Stradbroke Road to provide continuous pedestrian connectivity.	3.3	0	0	**0**	0	0	**0**	0	35,000	**35,000**	**0**	**35,000**	**35,000**
Transport Plan (Southern) Initiatives - Emu Crossing - North Street, Hectorville To install an Emu Children's Crossing on North Street, adjacent to St Joseph's School. This crossing will enhance the safety of school children, improve connectivity to the school, and contribute to traffic calming along the street.	3.3	0	0	**0**	0	0	**0**	0	45,000	**45,000**	**0**	**45,000**	**45,000**
Hectorville Road Pedestrian Crossing To install a pedestrian refuge to improve pedestrian safety and accessibility, particularly vulnerable users such as the elderly, children and people with mobility impairments.	3.3	0	0	**0**	0	0	**0**	0	70,000	**70,000**	**0**	**70,000**	**70,000**
Daly Oval Walking Path Upgrade To upgrade the main walking path around Daly Oval using plain concrete.	3.3	0	0	**0**	0	172,000	**172,000**	0	0	**0**	**0**	**172,000**	**172,000**
Council Dog Pound - Design Review To engage a suitably experienced architect to review the existing dog pound and make recommendations to ensure that the facility remains fit for purpose and suited to the current and future needs of Council's animal management program.	3.4	0	10,000	**10,000**	0	0	**0**	0	0	**0**	**0**	**10,000**	**10,000**
Council Office To undertake the design phase of project, with the $29 million construction works scheduled to occur in 2027/2028 and 2028/2029.	3.4	0	0	**0**	0	1,183,800	**1,183,800**	0	316,200	**316,200**	**0**	**1,500,000**	**1,500,000**
Foxfield Oval Community Hall - Design and Construction To undertake detailed design works to replace the existing Foxfield Oval Hall, which is one of the major capital projects identified in Council's adopted Long Term Financial Plan. The cost of this project is offset by a State Government Grant ($1,400,000).	3.4	0	0	**0**	1,400,000	2,940,000	**1,540,000**	0	0	**0**	**1,400,000**	**2,940,000**	**1,540,000**
TOTAL Goal 3 - Manage our Assets effectively		**0**	**50,000**	**50,000**	**2,885,850**	**13,959,750**	**11,073,900**	**0**	**3,594,450**	**3,594,450**	**2,885,850**	**17,604,200**	**14,718,350**
Goal 4 - Deliver Strong Leadership													
Master Plan Implementation An annual allocation used to fund Capital New works resulting from adopted Master Plan. These funds will be rolled over to 2027/2028 to offset the budget required to fund major capital projects identified in the adopted Long Term Financial Plan.	4.1	0	0	**0**	0	0	**0**	0	628,750	**628,750**	**0**	**628,750**	**628,750**

Project	Strategic Plan Theme	New Initiatives			Renewal & Replacement			Capital New			Total		
		Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost	Income	Expense	Net Cost
Asset Management Plan - Information Technology To replace the following assets: - PC's (including desktops, laptops, docks and monitors) - $108,400 - Landline phones - $42,000 - mobile devices (tablets and mobile phones) - $37,350 - servers and storage - $71,000 - network and backup infrastructure - $4,100 - printers and scanners - $17,500 - CCTV - $7,550.	4.1	0	0	**0**	0	287,900	**287,900**	0	0	**0**	**0**	**287,900**	**287,900**
Security System Upgrade To replace legacy access and alarm systems with the Gallagher Command Centre. This will assist in establishing a centralised, secure, and scalable platform for all Council facilities.	4.1	0	0	**0**	0	208,600	**208,600**	0	0	**0**	**0**	**208,600**	**208,600**
Property & Rating – CiAnywhere Upgrade To fund the upgrade to the latest software module of CiAnywhere's Property and Rating	4.3	0	17,750	**17,750**	0	0	**0**	0	0	**0**	**0**	**17,750**	**17,750**
Public Art Fund An annual allocation of funding to commission, acquire or attract public art in the Council area. No art works have been identified at this time to allocate this budget to.	4.2	0	0	**0**	0	0	**0**	0	20,650	**20,650**	**0**	**20,650**	**20,650**
Cyber Security Staff Member To assist in the transition to Maturity Level 2 within the Essential Eight Framework for Cybersecurity.	4.3	0	72,950	**72,950**	0	0	**0**	0	0	**0**	**0**	**72,950**	**72,950**
Additional Staff - Regulatory Services To employ an additional General Inspector to meet the increased demands in the areas of parking patrols.	4.4	0	108,650	**108,650**	0	0	**0**	0	10,000	**10,000**	**0**	**118,650**	**118,650**
TOTAL Goal 4 - Deliver Strong Leadership		**0**	**199,350**	**199,350**	**0**	**496,500**	**496,500**	**0**	**659,400**	**659,400**	**0**	**1,355,250**	**1,355,250**
GRAND TOTALS		**25,000**	**500,550**	**475,550**	**2,913,750**	**15,856,050**	**12,942,300**	**2,452,850**	**10,320,500**	**7,867,650**	**5,391,600**	**26,677,100**	**21,285,500**

Appendix 3 – Long Term Financial Plan - Financial Statements

Statement of Comprehensive Income

	Actuals	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Income												
Rates	50,830	52,840	54,994	58,059	61,122	63,187	65,258	67,397	69,674	72,098	74,534	77,052
Statutory Charges	1,429	1,361	1,375	1,415	1,452	1,489	1,527	1,565	1,606	1,649	1,692	1,736
User Charges	7,782	7,589	7,735	7,959	8,166	8,379	8,588	8,803	9,032	9,276	9,517	9,764
Grants, Subsidies and Contributions - operating	4,565	2,217	3,314	3,401	3,482	3,564	3,646	3,729	3,818	3,913	4,007	4,103
Grants, Subsidies and Contributions - capital	2,253	2,113	2,420	4,074	1,870	1,074	1,074	1,074	1,074	1,074	1,074	1,074
Investment Income	2,524	2,306	1,631	1,421	1,182	1,259	1,526	1,798	2,013	2,359	2,938	3,299
Reimbursements	244	282	243	250	257	263	270	277	284	292	299	307
Other Income	717	1,163	560	580	599	619	640	661	684	708	732	757
Net gain - equity accounted Council businesses	78	19	-	-	-	-	-	-	-	-	-	-
Total Income	**70,422**	**69,890**	**72,272**	**77,160**	**78,129**	**79,835**	**82,529**	**85,304**	**88,185**	**91,368**	**94,792**	**98,091**
Expenses												
Employee Costs	18,093	19,596	20,393	21,114	22,030	23,007	24,004	25,066	26,200	27,225	28,262	29,339
Materials, Contracts & Other Expenses	28,646	33,147	31,299	32,619	33,028	33,793	34,557	35,344	36,185	37,083	37,983	38,912
Depreciation, Amortisation & Impairment	18,282	19,461	20,172	21,031	21,919	22,606	23,280	23,955	24,654	25,405	26,213	26,982
Finance Costs	-	-	-	-	-	-	-	-	-	-	-	-
Net loss - Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	**65,021**	**72,203**	**71,864**	**74,765**	**76,978**	**79,407**	**81,840**	**84,365**	**87,039**	**89,713**	**92,457**	**95,233**
Operating Surplus / (Deficit)	**5,401**	**(2,313)**	**408**	**2,395**	**1,152**	**429**	**689**	**939**	**1,146**	**1,655**	**2,334**	**2,858**
Asset Disposal & Fair Value Adjustments	(1,246)	-	-	-	-	-	-	-	-	-	-	-
Amounts Received Specifically for New or Upgraded Assets	7	588	2,500	4,500	204	-	-	-	-	-	-	-
Physical Resources Received Free of Charge	60	54	-	-	-	-	-	-	-	-	-	-
Operating Result from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	**4,222**	**(1,671)**	**2,908**	**6,895**	**1,356**	**429**	**689**	**939**	**1,146**	**1,655**	**2,334**	**2,858**
Other Comprehensive Income												
Amounts which will not be reclassified subsequently to operating result												
Changes in Revaluation Surplus - I,PP&E	59,452	24,505	31,394	30,217	28,297	29,160	28,529	29,033	30,777	32,664	31,945	32,410
Total Other Comprehensive Income	**59,462**	**24,505**	**31,394**	**30,217**	**28,297**	**29,160**	**28,529**	**29,033**	**30,777**	**32,664**	**31,945**	**32,410**
Total Comprehensive Income	**63,684**	**22,834**	**34,302**	**37,112**	**29,653**	**29,589**	**29,218**	**29,972**	**31,923**	**34,319**	**34,280**	**35,267**

Balance Sheet

	Actuals	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	13,302	9,129	9,850	7,487	6,461	7,898	9,025	10,089	10,478	12,893	15,488	15,966
Trade & Other Receivables	4,590	3,481	3,466	3,664	3,629	3,722	3,823	3,927	4,037	4,156	4,278	4,392
Other Financial Assets	42,000	36,514	39,399	29,949	25,845	31,592	36,100	40,357	41,914	51,573	61,953	63,864
Inventories	25	26	25	26	26	27	28	28	29	30	30	31
Other Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
Non-current assets classified as "Held for Sale"	61	61	61	61	61	61	61	61	61	61	61	61
Total Current Assets	59,978	49,211	52,801	41,188	36,023	43,299	49,036	54,463	56,519	68,713	81,810	84,314
Non-Current Assets												
Financial Assets	292	275	268	269	269	266	263	261	259	257	256	264
Equity Accounted Investments in Council Businesses	372	391	391	391	391	391	391	391	391	391	391	391
Infrastructure, Property, Plant & Equipment	987,265	1,022,389	1,053,296	1,102,829	1,138,318	1,161,357	1,185,587	1,210,910	1,241,596	1,264,574	1,286,632	1,320,294
Other Non-Current Assets	5,431	5,431	5,431	5,431	5,431	5,431	5,431	5,431	5,431	5,431	5,431	5,431
Total Non-Current Assets	993,360	1,028,486	1,059,387	1,108,920	1,144,409	1,167,445	1,191,672	1,216,993	1,247,677	1,270,653	1,292,709	1,326,380
TOTAL ASSETS	**1,053,338**	**1,077,696**	**1,112,188**	**1,150,108**	**1,180,432**	**1,210,744**	**1,240,708**	**1,271,456**	**1,304,196**	**1,339,366**	**1,374,520**	**1,410,693**
LIABILITIES												
Current Liabilities												
Cash Advance Debenture	-	-	-	-	-	-	-	-	-	-	-	-
Trade & Other Payables	7,166	8,272	8,026	8,382	8,581	8,812	9,043	9,283	9,539	9,807	10,076	10,355
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Provisions	2,462	2,699	3,018	3,349	3,694	4,055	4,431	4,824	5,234	5,661	6,104	6,563
Total Current Liabilities	9,628	10,971	11,044	11,730	12,275	12,866	13,474	14,107	14,774	15,468	16,180	16,918
Non-Current Liabilities												
Cash Advance Debenture	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Provisions	808	988	1,105	1,226	1,353	1,485	1,623	1,767	1,917	2,073	2,235	2,404
Total Non-Current Liabilities	808	988	1,105	1,226	1,353	1,485	1,623	1,767	1,917	2,073	2,235	2,404
TOTAL LIABILITIES	**10,436**	**11,960**	**12,149**	**12,957**	**13,628**	**14,351**	**15,097**	**15,874**	**16,691**	**17,541**	**18,415**	**19,322**
Net Assets	**1,042,902**	**1,065,736**	**1,100,039**	**1,137,151**	**1,166,804**	**1,196,393**	**1,225,611**	**1,255,583**	**1,287,505**	**1,321,825**	**1,356,104**	**1,391,372**
EQUITY												
Accumulated Surplus	109,001	98,069	89,632	100,780	103,159	93,974	86,791	80,371	77,690	65,834	54,367	54,472
Asset Revaluation Reserves	835,663	860,168	891,563	921,780	950,077	979,238	1,007,767	1,036,800	1,067,577	1,100,241	1,132,186	1,164,596
Available for Sale Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-
Other Reserves	98,238	107,499	118,844	114,591	113,567	123,182	131,053	138,412	142,238	155,750	169,551	172,303
Total Equity	**1,042,902**	**1,065,736**	**1,100,039**	**1,137,151**	**1,166,804**	**1,196,393**	**1,225,611**	**1,255,583**	**1,287,505**	**1,321,825**	**1,356,104**	**1,391,372**

Statement of Cash Flows

	Actuals	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cash Flows from Operating Activities												
Receipts:												
Rates Receipts	50,771	54,055	55,022	58,099	61,162	63,213	65,285	67,425	69,704	72,129	74,565	77,084
Statutory Charges	1,431	1,416	1,374	1,410	1,448	1,485	1,523	1,561	1,601	1,644	1,687	1,731
User Charges	8,302	7,866	7,719	7,934	8,143	8,355	8,564	8,779	9,006	9,248	9,489	9,736
Grants, Subsidies and Contributions (operating purpose)	4,580	2,502	3,280	3,399	3,479	3,562	3,643	3,727	3,815	3,910	4,004	4,100
Investment Receipts	2,524	2,430	1,640	1,424	1,185	1,258	1,523	1,794	2,010	2,354	2,930	3,294
Reimbursements	261	287	247	250	256	263	269	276	283	291	299	306
Other	2,553	1,136	628	578	597	617	637	659	681	705	729	754
Payments:												
Payments to Employees	(18,687)	(18,776)	(19,947)	(20,642)	(21,532)	(22,487)	(23,461)	(24,500)	(25,607)	(26,613)	(27,628)	(28,680)
Payments for Materials, Contracts & Other Expenses	(29,324)	(33,363)	(31,555)	(32,437)	(32,972)	(33,687)	(34,451)	(35,235)	(36,068)	(36,959)	(37,858)	(38,784)
Finance Payments	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Operating Activities	22,411	17,551	18,408	20,015	21,765	22,579	23,532	24,485	25,425	26,710	28,217	29,541
Cash Flows from Investing Activities												
Receipts:												
Amounts Received Specifically for New/Upgraded Assets	8	570	2,441	4,438	337	6	-	-	-	-	-	-
Grants utilised for capital purposes	2,253	2,242	2,434	4,072	1,870	1,074	1,074	1,074	1,074	1,074	1,074	1,074
Sale of Replaced Assets	107	406	92	95	97	100	102	105	107	110	113	116
Sale of Surplus Assets	-	-	-	-	-	-	-	-	-	-	-	-
Net Disposal of Investment Securities	-	5,486	-	9,450	4,104	-	-	-	-	-	-	-
Repayments of Loans by Community Groups	-	2	9	9	9	9	9	9	9	9	9	9
Payments:												
Expenditure on Renewal/Replacement of Assets	(8,141)	(21,847)	(10,660)	(28,774)	(24,231)	(13,486)	(15,906)	(17,095)	(21,330)	(12,399)	(12,920)	(24,741)
Expenditure on New/Upgraded Assets	(3,122)	(8,584)	(9,117)	(11,667)	(4,977)	(3,098)	(3,176)	(3,255)	(3,340)	(3,430)	(3,519)	(3,610)
Net Purchase of Investment Securities	(6,880)	-	(2,885)	-	-	(5,747)	(4,508)	(4,258)	(1,556)	(9,659)	(10,380)	(1,911)
Net Cash provided (or used in) Investing Activities	(15,775)	(21,725)	(17,686)	(22,378)	(22,791)	(21,142)	(22,405)	(23,421)	(25,036)	(24,295)	(25,622)	(29,063)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from CAD	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Repayments of CAD	-	-	-	-	-	-	-	-	-	-	-	-
Repayments of Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	(479)	-	-	-	-	-	-	-	-	-	-	-
Net Increase/(Decrease) in Cash & Cash Equivalents	6,157	(4,173)	721	(2,362)	(1,026)	1,437	1,127	1,064	389	2,415	2,595	478
plus: Cash & Cash Equivalents - beginning of year	7,145	13,302	9,129	9,850	7,487	6,461	7,898	9,025	10,089	10,478	12,893	15,488
Cash & Cash Equivalents - end of the year	**13,302**	**9,129**	**9,850**	**7,487**	**6,461**	**7,898**	**9,025**	**10,089**	**10,478**	**12,893**	**15,488**	**15,966**
Cash & Cash Equivalents - end of the year	13,302	9,129	9,850	7,487	6,461	7,898	9,025	10,089	10,478	12,893	15,488	15,966
Investments - end of the year	42,000	36,514	39,399	29,949	25,845	31,592	36,100	40,357	41,914	51,573	61,953	63,864
Cash, Cash Equivalents & Investments - end of the year	**55,302**	**45,643**	**49,249**	**37,436**	**32,306**	**39,489**	**45,125**	**50,447**	**52,392**	**64,466**	**77,441**	**79,830**

Statement of Changes in Equity

	Actuals	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Opening Balance	979,218	1,042,902	1,065,736	1,100,039	1,137,151	1,166,804	1,196,393	1,225,611	1,255,583	1,287,505	1,321,825	1,356,104
Net Surplus / (Deficit) for Year	4,222	(1,671)	2,908	6,895	1,356	429	689	939	1,146	1,655	2,334	2,858
Other Comprehensive Income												
- Gain (Loss) on Revaluation of I,PP&E	59,452	24,505	31,394	30,217	28,297	29,160	28,529	29,033	30,777	32,664	31,945	32,410
- Available for Sale Financial Instruments: change in fair value	-	-	-	-	-	-	-	-	-	-	-	-
- Share of OCI - Equity Accounted Council Businesses	5	-	-	-	-	-	-	-	-	-	-	-
- Other Equity Adjustments - Equity Accounted Council Businesses	5	-	-	-	-	-	-	-	-	-	-	-
- Other Movements	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income	59,462	24,505	31,394	30,217	28,297	29,160	28,529	29,033	30,777	32,664	31,945	32,410
Total Comprehensive Income	63,684	22,834	34,302	37,112	29,653	29,589	29,218	29,972	31,923	34,319	34,280	35,267
Transfers between Equity	-	-	-	-	-	-	-	-	-	-	-	-
Equity - Balance at end of the reporting period	**1,042,902**	**1,065,736**	**1,100,039**	**1,137,151**	**1,166,804**	**1,196,393**	**1,225,611**	**1,255,583**	**1,287,505**	**1,321,825**	**1,356,104**	**1,391,372**

Uniform Presentation of Finances/ Funding Statement

	Actuals	Current Year	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Income												
Rates	50,830	52,840	54,994	58,059	61,122	63,187	65,258	67,397	69,674	72,098	74,534	77,052
Statutory Charges	1,429	1,361	1,375	1,415	1,452	1,489	1,527	1,565	1,606	1,649	1,692	1,736
User Charges	7,782	7,589	7,735	7,959	8,166	8,379	8,588	8,803	9,032	9,276	9,517	9,764
Grants, Subsidies and Contributions - operating	4,565	2,217	3,314	3,401	3,482	3,564	3,646	3,729	3,818	3,913	4,007	4,103
Grants, Subsidies and Contributions - capital	2,253	2,113	2,420	4,074	1,870	1,074	1,074	1,074	1,074	1,074	1,074	1,074
Investment Income	2,524	2,306	1,631	1,421	1,182	1,259	1,526	1,798	2,013	2,359	2,938	3,299
Reimbursements	244	282	243	250	257	263	270	277	284	292	299	307
Other Income	717	1,163	560	580	599	619	640	661	684	708	732	757
Net gain - equity accounted Council businesses	78	19	-	-	-	-	-	-	-	-	-	-
Total Income	**70,422**	**69,890**	**72,272**	**77,160**	**78,129**	**79,835**	**82,529**	**85,304**	**88,185**	**91,368**	**94,792**	**98,091**
Expenses												
Employee Costs	18,093	19,596	20,393	21,114	22,030	23,007	24,004	25,066	26,200	27,225	28,262	29,339
Materials, Contracts & Other Expenses	28,646	33,147	31,299	32,619	33,028	33,793	34,557	35,344	36,185	37,083	37,983	38,912
Depreciation, Amortisation & Impairment	18,282	19,461	20,172	21,031	21,919	22,606	23,280	23,955	24,654	25,405	26,213	26,982
Finance Costs	-	-	-	-	-	-	-	-	-	-	-	-
Net loss - Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	**65,021**	**72,203**	**71,864**	**74,765**	**76,978**	**79,407**	**81,840**	**84,365**	**87,039**	**89,713**	**92,457**	**95,233**
Operating Surplus / (Deficit)	**5,401**	**(2,313)**	**408**	**2,395**	**1,152**	**429**	**689**	**939**	**1,146**	**1,655**	**2,334**	**2,858**
Timing adjustment for grant revenue	(1,153)	-	-	-	-	-	-	-	-	-	-	-
Less: Grants, subsidies and contributions – Capital	(2,253)	(2,113)	(2,420)	(4,074)	(1,870)	(1,074)	(1,074)	(1,074)	(1,074)	(1,074)	(1,074)	(1,074)
Adjusted Operating Surplus / (Deficit)	**1,995**	**(4,426)**	**(2,012)**	**(1,678)**	**(718)**	**(645)**	**(385)**	**(135)**	**72**	**582**	**1,261**	**1,784**
Net Outlays on Existing Assets												
Capital Expenditure on Renewal and Replacement of Existing Assets	(8,141)	(21,847)	(10,660)	(28,774)	(24,231)	(13,486)	(15,906)	(17,095)	(21,330)	(12,399)	(12,920)	(24,741)
Finance Lease payments for Right of Use Assets	-	-	-	-	-	-	-	-	-	-	-	-
add back Depreciation, Amortisation and Impairment	18,282	19,461	20,172	21,031	21,919	22,606	23,280	23,955	24,654	25,405	26,213	26,982
add back Grants, subsidies and contributions – Capital Renewal	-	2,113	2,420	4,074	1,870	1,074	1,074	1,074	1,074	1,074	1,074	1,074
add back Proceeds from Sale of Replaced Assets	106	406	92	95	97	100	102	105	107	110	113	116
Total Net Outlays on Existing Assets	**10,247**	**133**	**12,024**	**(3,575)**	**(345)**	**10,293**	**8,549**	**8,038**	**4,504**	**14,190**	**14,480**	**3,431**
Net Outlays on New and Upgraded Assets												
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(3,122)	(8,584)	(9,117)	(11,667)	(4,977)	(3,098)	(3,176)	(3,255)	(3,340)	(3,430)	(3,519)	(3,610)
Finance lease payments for Right of Use Assets	-	-	-	-	-	-	-	-	-	-	-	-
add back Grants, subsidies and contributions – Capital New/Upgraded	2,253	-	-	-	-	-	-	-	-	-	-	-
add back Amounts Received Specifically for New and Upgraded Assets	8	570	2,441	4,438	337	6	-	-	-	-	-	-
add back Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments & non-current assets held for sale)	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Outlays on New and Upgraded Assets	**(861)**	**(8,014)**	**(6,676)**	**(7,229)**	**(4,640)**	**(3,092)**	**(3,176)**	**(3,255)**	**(3,340)**	**(3,430)**	**(3,519)**	**(3,610)**
Annual Net Impact to Financing Activities (surplus / (deficit))	**11,381**	**(12,307)**	**3,336**	**(12,482)**	**(5,703)**	**6,556**	**4,989**	**4,648**	**1,237**	**11,342**	**12,222**	**1,605**

Key Financial Targets

		Current Year 2025/26	Projected Years 2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
			● Within green benchmark (green min and/or green max) ● Within amber benchmark (amber min and/or amber max) ● Not within benchmark (amber min and/or amber max)						— Within green benchmark ↗ above green maximum and below amber maximum ↘ below green minimum and above amber minimum ↑ above amber maximum ↓ below amber minimum			
Council's Target Benchmarks												
Note 15 Ratios												
Operating Surplus Ratio	Snapshot	● ↓	● —	● —	● —	● —	● —	● —	● —	● —	● —	● —
	Actual Ratio	-3.31%	0.56%	3.10%	1.47%	0.54%	0.83%	1.10%	1.30%	1.81%	2.46%	2.91%
Adjusted Operating Surplus Ratio	Snapshot	● ↓	● —	● —	● —	● —	● —	● —	● —	● —	● —	● —
	Actual Ratio	-3.31%	0.56%	3.10%	1.47%	0.54%	0.83%	1.10%	1.30%	1.81%	2.46%	2.91%
Net Financial Liabilities Ratio	Snapshot	● —	● —	● —	● —	● —	● —	● —	● —	● —	● —	● —
	Actual Ratio	-53.57%	-56.50%	-36.82%	-28.90%	-36.48%	-41.34%	-45.44%	-45.36%	-56.19%	-67.05%	-66.43%
Asset Renewal Funding Ratio	Snapshot	● ↑	● ↑	● ↑	● ↑	● —	● —	● —	● —	● —	● —	● —
	Actual Ratio	209.32%	180.34%	376.46%	220.45%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Appendix 4 – Rating Policy

Rating Policy

Policy Reference Number	1438502
Responsible Department	Corporate Services
Related Policies	Treasury Management Policy Budget Preparation Policy
Related Procedures	Nil
Date of Initial Adoption	6 November 2012
Last Reviewed by Council	18 June 2024

1. Purpose

This Policy outlines the methodology and principles Council will apply when setting and collecting rates from its ratepayers.

2. Introduction

Council's primary funding source is derived through its rating system. This income is used to provide an extensive range of services to the Community. The level of income to be raised is based on Council's strategic directions, budget considerations, the current economic climate, intergenerational equity and the likely impact on the Community.

The Long Term Financial Plan (LTFP) is used to determine the level of rating income required for Council to be financially sustainable, based on the proposed level of services to be provided. Council aims to raise enough income to help meet its key financial targets, fund its operations and reduce the likelihood of unexpected fluctuations in rates in the future.

3. Power to Make the Policy

Council is empowered to make this Policy pursuant to Division 2 of the Local Government Act 1999 and Regulation 6 of the Local Government (Financial Management) Regulations 2011.

4. Strategic Plan Link

This Policy has the following link to Council's Strategic Plan 2024:

- Leading Our People (Goal 5)

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5. Principles

In setting its rates on an annual basis, it considers the following factors:

- Council's adopted LTFP
- Council's Annual Business Plan and Budget (ABP&B) for the relevant financial year
- The current economic climate and relevant factors such as Consumer Price Index (CPI), Local Government Price Index (LGPI) and interest rates
- The impact of rates on the Community, including residents, ratepayers and businesses
- The broad principle that the rate in the dollar is the same for all rateable properties.

6. Definitions

Act	Local Government Act 1999.
Capital Value	the valuation methodology used in determining the value of land, as defined in the Valuation of Land Act 1971, being the amount a piece of land might reasonably be expected to realise upon sale, including all buildings and improvements.
CPI	(Consumer Price Index) measures the changes in price of a basket of goods and services which account for a high proportion of expenditure by metropolitan households. This index is maintained by the ABS (Australian Bureau of Statistics).
General Rate	the rate in the dollar applied to a property in the calculation of the rate levied to the ratepayer for services provided by Council.
LGPI	(Local Government Price Index) represents the movement of prices associated with the goods and services consumed by Local Government in South Australia. This index is maintained by The South Australian Centre for Economic Studies (SACES).

7. Policy

7.1 Rating Structure

7.1.1 Method Used to Value Land

Under Section 151 of the Act, the value of land for rating purposes is its Capital Value.

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7.1.2 Adoption of Valuations

Council obtains capital valuations on an annual basis from the South Australian Valuer General. Council has no role in determining the valuation of any property within the City.

If a ratepayer is dissatisfied with the valuation provided, an objection may be made to the Valuer General. This objection must be made within sixty (60) calendar days after the date of service of the first quarter rates notice containing the valuation to which the objection relates.

Contact details for the Valuer General will be included on the rates notice received from Council.

7.1.3 General Rates

In accordance with Section 153 of the Local Government Act 1999, Council will impose a single General Rate on all rateable properties within the area. Council believes the application of a General Rate is more fair and equitable to the Community for both business and residential properties, compared to other alternatives.

Council is of the view that the use or location of land is not a relevant factor in applying rates. As the predominant land use within the City is residential, Council does not differentiate between residential and the non-residential community by applying a differential General Rate.

7.1.4 Minimum Rate

In accordance with Section 158 of the Act, Council imposes a Minimum Rate, as it considers it appropriate that all rateable properties make a base level contribution to the cost of:

- administering the Council's activities, and
- creating and maintaining the physical infrastructure that supports each property.

Council will increase the minimum rate annually at the same level as the percentage increase in General Rates, excluding growth. Therefore, as the cost of services changes, the 'contribution' paid by ratepayers on the Minimum Rate will also change. Adjusting the Minimum Rate attempts to maintain equity by avoiding a shift in the rate burden to other ratepayers.

Section 158(2) of the Act provides direction on which properties will be exempt from the Minimum Rate. In accordance with Section 158(2)(d), Council will ensure that the Minimum Rate will not apply to more than 35% of total properties subject to the General Rate within the City.

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7.1.5 Regional Landscape Levy

Council is required by legislation to collect a Regional Landscape Levy on all rateable properties on behalf of the Green Adelaide Board. The Levy funds projects determined by the Green Adelaide Board, and Council is simply an income collector for the Board in this regard. The Council does not set the total amount of the levy, retain this income nor determine how the income is spent.

Contact details for the Green Adelaide Board will be included on the rates notice received from Council.

7.2 Payment of Rates

7.2.1 Due Dates for Payments

Rates are due and payable in four approximately equal instalments in the months of September, December, March and June of each financial year. Details of the exact due dates will be resolved by Council on an annual basis and provided on the rates notice.

7.2.2 Payment Methods

Council will provide various methods for rates payments to be made. These will be listed on the back of the rates notice.

Ratepayers can apply to Council to establish alternative payment arrangements (refer 7.4.2) to spread the cost of paying rates throughout the year rather than paying in full or by quarterly instalment.

7.3 Collection of Rates in Arrears

7.3.1 Late Payment of Rates

Section 181(8) of the Act requires Council to impose a penalty of a 2% fine on any payment for rates that is not paid by the due date for each quarter. An amount that continues to be overdue is then charged an interest rate, which is set in accordance with Section 181(17) of the Act.

Fines and interest will not be raised for those ratepayers who use one of the following formalised payment arrangement methods:

- Monthly Direct Debit
- Quarterly Direct Debit
- Payble.

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Where two consecutive payments are missed under a formalised payment arrangement, any overrides will be removed and fines and interest will be accrued in accordance with Section 181(8) of the Local Government Act 1999.

Where rates are overdue, Council provides ratepayers with a grace period of three (3) working days after the due date for payment. Thereafter fines for late payment are imposed.

Council will be prepared to remit penalties for late payment of rates where ratepayers can demonstrate hardship, or a formally accepted payment arrangement is in place. All applications for remission of penalties should be in writing to the Chief Executive Officer.

7.3.2 Debt Recovery

The Council will issue one (1) overdue notice per quarter when rates are unpaid by the due date. Ratepayers subject to debt collection will not receive an overdue notice. Should rates remain unpaid more than ten (10) calendar days after the date of issue of the overdue notice, Council will refer the debt to a debt collection agency for collection when the amount in arrears:

- is greater than $500, and
- has been outstanding for two or more quarterly instalments.

The debt collection agency will charge collection fees to Council. All applicable fees and associated costs incurred are recoverable from the ratepayer.

When Council receives a payment in respect of overdue rates, the Council applies the money received as set out in Section 183 of the Act. These funds will be applied as follows:

1. costs awarded to or recoverable by Council in any court proceedings undertaken to recover rates
2. interest costs
3. fines
4. rates, in the order the liability arose.

7.3.3 Sale of Land for Non-Payment of Rates

Under Section 184, the Act gives Council the power to sell any property where the rates have been in arrears for three (3) years or more.

Council recognises the severe impact that such action could have on a property owner and accordingly this action will only be instigated after a series of steps have been completed. Employees will attempt to make contact with the ratepayer throughout the process to provide opportunities for the outstanding amounts to be recovered.

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Council's approach to non-payment of rates aims to ensure that all residents and ratepayers are treated fairly and equally in regard to the recovery of long-term rate debts, and acknowledges that the Community should not be required to bear the financial burden of any long-term rate debts.

The following steps will be undertaken to recover the rates in arrears:

1. Where the rates outstanding have been in arrears for two years, Council Employees will issue a letter to the ratepayer advising that if the rates remain in arrears for more than three (3) years, it may commence the Section 184 process and sell the affected property. The ratepayer will be encouraged to make suitable payments to eliminate the rates payable.

   During this time, the ratepayer will continue to receive quarterly rate notices.

2. Once the rates have been in arrears for three (3) years, Employees will send a Letter of Demand by Registered Post with a return receipt to the principal ratepayer(s), and if applicable, a copy to the Registered Mortgagee/s and the holder of any caveat over the land listed on the Title.

   Council is required to notify the owner of the land of:

   - the period for which rates have been outstanding;
   - details of the outstanding amounts; and
   - its intention to sell the land if payment of the outstanding amount is not received within one (1) calendar month of notification.

   If this document is not acknowledged by the ratepayer within 14 calendar days of the Notice being issued, the Notice will be served by attaching a Letter of Demand to a conspicuous place on the property (ie front door).

   The ratepayer has one (1) calendar month to comply with the demand.

3. If the recovery of rates following Step 2 is not successful, Employees will seek a resolution from Council to appoint a lawyer to take over the process.

   Once engaged, the lawyer will review all documents associated with the Section 184 process, and if required, re-issue any documentation to ensure the correct steps have been followed. A Notice will then be issued to the ratepayer, Registered Mortgagee and holder of any caveat over the land, if applicable, advising that if payment in full is not made within one (1) calendar month, Council will commence proceedings to sell the

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property. Council's lawyers will follow all steps required under the Act.

To prevent the sale from occurring, the ratepayer will be required to pay all amounts in arrears and any legal costs associated with the Section 184 process.

4. Should the actions in Step 3 still fail to result in payment being received, Employees will seek a resolution from Council authorising the appointment of a real estate agent to commence the sale process by public auction. Once appointed, the real estate agent will advertise the relevant property on at least two separate occasions.

   If all amounts in arrears and costs incurred by Council relating to the Section 184 action are paid prior to the auction date, Council must call off the auction.

   Under Section 184(6), Council may set a reserve price for the purposes of the auction. To help protect the financial interests of the ratepayer, Council will set a reserve price that takes into consideration the capital value of the property or an independent valuation.

   Should Council proceed to auction, but it does not result in a sale, Council is able to sell the property by private contract for the best price it can reasonably obtain. Following the sale it may be necessary, in exceptional circumstances, for Council to apply to the court for vacant possession.

   Throughout this whole process, the ratepayer will continue to receive quarterly rate notices and overdue notices, if applicable, where any rates balance remains unpaid.

7.4 Rate Relief and Payment Options

7.4.1 Remission (Government Concessions)

From 1 July 2015, the State Government introduced a 'cost of living concession' to replace the concessions previously provided to pensioners and self-funded retirees. The 'cost of living concession' is paid directly to the eligible ratepayer by the State Government.

Details of eligibility criteria and how to apply are set out on the rates notice.

7.4.2 Alternative Payment Arrangements

Any ratepayer who may, or is likely to experience difficulty with meeting the standard payment instalments may contact the Council to discuss options for alternative payment arrangements. Such enquiries are treated confidentially and are assessed on a case-by-case basis.

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7.4.3 Postponement of Rates for Senior Ratepayers

Section 182A(1) of the Act sets out the criteria that applies for a senior ratepayer to be eligible for a postponement of rates.

Under Section 182A(12), a prescribed ratepayer is a person who holds a State Seniors card issued by the State Government, or who has the qualifications to hold such a card and has applied for the card but has yet to be issued with the card.

Postponement of rates is only available on the principal place of residence and it must be proven that no other person, other than a spouse, has an interest as an owner of the property.

An application must be made in the prescribed manner on the prescribed form and be accompanied by such information as the Council may require. This form is available from Council.

Council may, on receipt of an application, consider granting a postponement of payment of rates in respect of an Assessment on the condition that the ratepayer agrees to pay interest on the amount affected by the postponement at the prescribed rate under Section 182A (12) of the Act, for each month it continues to be unpaid.

Upon approval, the ratepayer may postpone the amount in excess of the prescribed portion of rates, which is set out in Regulation 18(1) of the Local Government (General) Regulations 2013.

Payment of the amount postponed becomes due and payable when:

- title to the relevant land is transferred to another person, or
- the ratepayer fails to comply with conditions relating to the postponement of rates.

7.4.4 Postponement of Rates in Cases of Hardship

In accordance with Section 182 of the Act, a postponement of rates may be granted if Council is satisfied that the payment of these rates would cause hardship.

Council may, on receipt of an application and subject to the ratepayer substantiating the hardship (such as providing a statement of income and expenses), consider granting a postponement of payment of rates in respect of an Assessment on the condition that the ratepayer agrees to pay interest on the amount affected by the postponement at the prevailing Cash Advance Debenture rate for each month it continues to be unpaid.

A postponement will only be granted in this situation where the property is the principal residence of the ratepayer and is the only property owned by the ratepayer.

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All applications for postponement of rates will be assessed on a case-by-case basis. All enquiries and submissions will be treated confidentially.

Postponements will be reviewed regularly to ensure the agreement is complied with.

7.4.5 Mandatory Rebate of Rates - Sections 159-165 of the Local Government Act 1999

A rebate of rates in respect of any rateable land in the Council area will be available only when the applicant satisfies the requirements under the relevant sections of the Act.

The categories in which property can be eligible for a mandatory rebate are as follows:

- Section 160 - Health Services
- Section 161 - Community Services
- Section 162 - Religious Purposes
- Section 163 - Public Cemeteries
- Section 164 - Royal Zoological Society of SA
- Section 165 - Educational Purposes

Forms will be sent to existing rebate recipients on an annual basis to confirm their eligibility in accordance with the criteria set out in the Act.

7.4.6 Discretionary Rebate of Rates - Section 166 of the Local Government Act 1999

Council has discretion to grant a rebate of rates or service charges and to determine the amount of any such rebate. In deciding whether to grant a rebate of rates or service charges, Council will take into account the matters prescribed in Section 166(1a) of the Act and may take into account other matters it considers relevant in accordance with Section 166 of the Act.

Applications for discretionary rebates must be received by 31 May to be considered for the following financial year.

Where a discretionary rebate is granted, a rebate will not be provided to the eligible ratepayer for the Regional Landscape Levy.

7.4.7 General Rate Cap (Maximum Rate Increase)

Council will make a determination on an annual basis on whether it will provide relief against what would otherwise amount to a substantial change in rates levied due to large increases or anomalies in valuation. If approved, the general rate cap percentage for the

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relevant financial year will be provided under Section 153(3) of the Act.

The general rate cap will apply where the Assessment is the principal place of residence of the principal ratepayer, and any such increase is not as a result, in part or full, of:

- Improvements made to the Assessment, or
- Changes to the zoning of the Assessment, or
- The use of the land being different for rating purposes on the date the Council declared its general rates for the current financial year than on the date the Council declared its general rates for the previous financial year, or
- A change in ownership of the rateable property since the start of the previous financial year.

Where possible, the rebate will be automatically granted in respect of that Assessment where the relevant criteria is met and the percentage change in the general rates levied between the current and previous financial year is greater than the adopted general rate cap percentage for the current financial year.

When determining eligibility, any rebates or concessions applied to the Assessment are not included in the calculation.

8. Review & Evaluation

Within twelve months of each new Council term, Council will review this policy. Following this initial review, this policy will be reviewed at least biennially by Staff with minor administrative adjustments being approved by the Chief Executive Officer.

9. Availability of the Policy

Copies of this Policy will be available at Council's principal office during ordinary business hours and at Council's website www.campbelltown.sa.gov.au.

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Appendix 5 – ESCOSA Local Government Advice

Under Section 122(1h) of the Local Government Act 1999, 'A Council must ensure that the advice provided by the designated authority under this section, and any response of the Council to that advice, is published in its annual business plan (both the draft and adopted annual business plan) in the relevant financial year and each subsequent financial year (until the next relevant financial year for that Council).

A copy of the advice Council received from the Essential Services Commission of South Australia (ESCOSA) in February 2025 is provided below.

The recommendations within the document highlight that Council is compliant with its obligations under the Local Government Act and is in a strong financial position. With four of the twelve recommendations listed a Start or Consider recommendations, Council provides the following responses:

Recommendation 4 – ***Start*** *to report the growth in costs, including employee expenses, to ensure costs are constrained to forecast levels to ensure the operating performance is not negatively impacted by a lack of cost control*

- Council's LTFP has built in productivity savings it needs to achieve to continue to meet its operating targets. Staff plan to establish mechanisms to monitor and report on cost savings and any potential cost increases to continue its alignment with the assumptions contained in the LTFP.

Recommendation 7 – ***Start*** *to reduce the level of cash holdings unless it is required to fund newly identified capital projects*

- Council has commenced reducing its cash holdings to help fund a number of key capital projects. It is important to note that Council has undertaken a significant amount of work over many years to build up a strong level of cash and investments, which is intended to help fund asset renewals well beyond the forecasts contained in the LTFP.

  The interest earned on these investments contribute and help support Council's operating result. For example, the draft 2026/2027 budget includes investment interest of $2.8 million, which, if removed, would equate to a one-off rate increase of 5.44%.

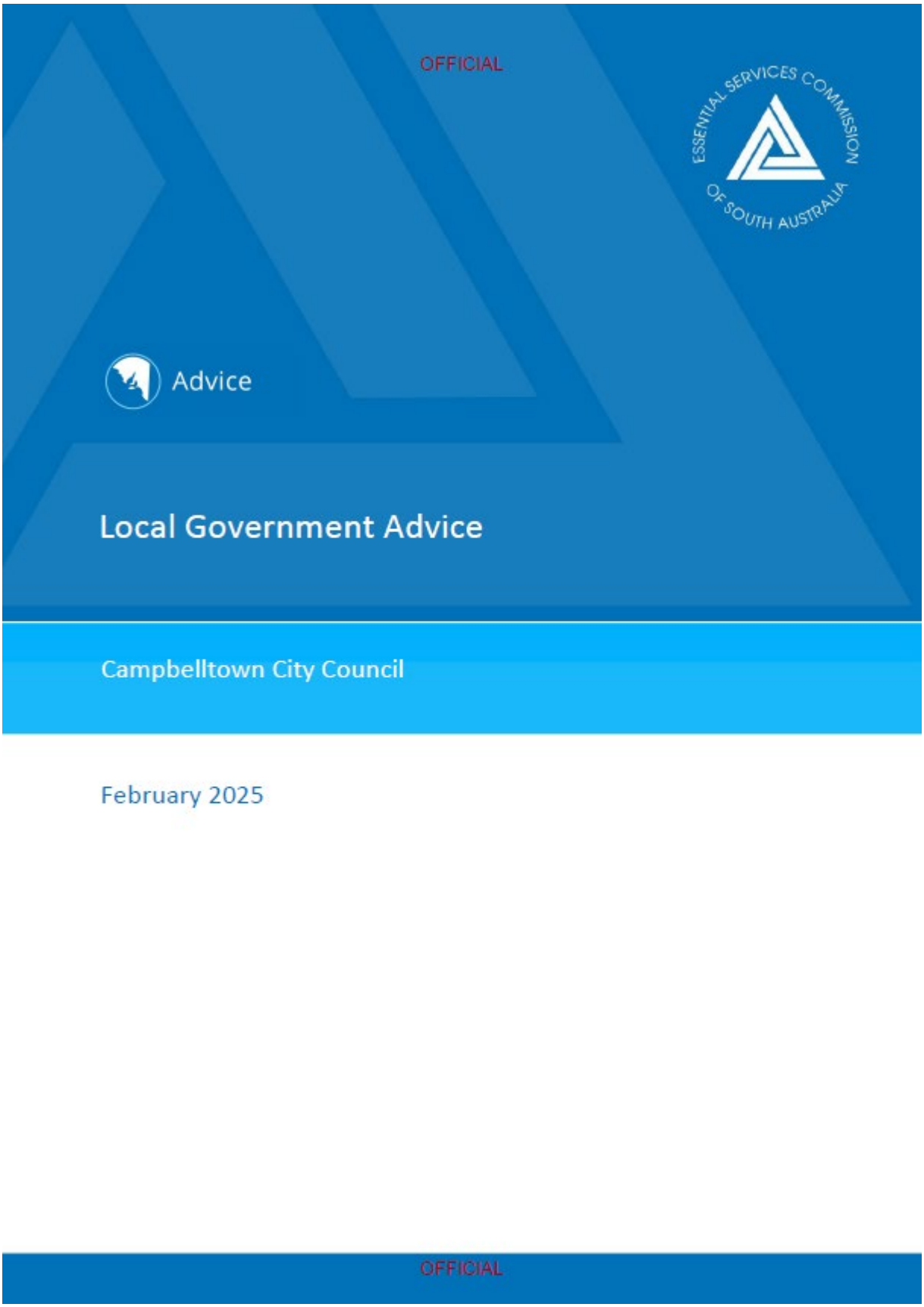
Recommendation 8 – ***Consider*** *the use of a combination of borrowings and cash holdings to fund any newly identified capital projects, to promote intergenerational equity.*

- with a strong level of cash and investments at this time, the use of borrowings would go against Council's Treasury Management Policy, resulting in the Community paying more, as the cost of borrowing is greater than any return on investment.

Recommendation 9 – ***Continue*** *to review asset valuations and the remaining useful lives in line with Australian Accounting Standards Board 116-31 and start to update depreciation schedules annually to ensure that asset values and the forecast remaining useful lives are accurate and consistent with Infrastructure and Asset Management Plan values in both the budget and annual Long Term Financial Plan*

- when a draft copy of the report to provide feedback on any errors of fact was received, Staff advised ESCOSA that Council does annually update the depreciation schedules with the latest valuation data available to ensure they are up to date for LTFP and budgeting purposes. Unfortunately, this feedback was not reflected in ESCOSA's final report.

A standalone copy of Council's Local Government Advice is available through the following link - www.campbelltown.sa.gov.au/escosa-advice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ESSENTIAL SERVICES COMMISSION OF SOUTH AUSTRALIA
Advice
Local Government Advice
Campbelltown City Council
February 2025
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Enquiries concerning this advice should be addressed to:

Essential Services Commission
GPO Box 2605
Adelaide SA 5001

Telephone: (08) 8463 4444
Freecall: 1800 633 592 (SA and mobiles only)
E-mail: advice@escosa.sa.gov.au
Web: www.escosa.sa.gov.au

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Campbelltown City Council

AT A GLANCE

OVERVIEW

The Essential Services Commission finds the Campbelltown City Council's current and projected financial performance is **sustainable**, considering the Council's robust strategic planning processes, sound operating surpluses and rates growth per property consistent with inflation.

FINANCIAL PERFORMANCE

Past 10 years
Sustainable

Current
Sustainable

Projected
Sustainable

RISKS IMPACTING SUSTAINABILITY

⚠ If the forecast growth in properties is lower than anticipated and this is not considered by Campbelltown City Council when developing future financial strategies.

⚠ If expenses increase at or above the forecast rate of inflation.

KEY FACTS

- Population in 2023 was **57,160**
- Council covers **24.4 square kilometres**
- **25,329** rateable properties in 2023-24
- **$47.9 million** of rate income in 2023-24
- Value of assets held in 2023-24 equals **$988.6 million**

The Essential Services Commission is an independent statutory authority with functions in a range of essential services including water, sewerage, electricity, gas, rail and maritime services, and also has a general advisory function on economic matters. For more information, please visit www.escosa.sa.gov.au.

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1 Executive summary

1.1 Summary of observations

In general, the Essential Services Commission of South Australia finds the Campbelltown City Council's current financial performance and position sustainable. Over the last 10 years, the Campbelltown City Council has run operating surpluses over nine of the 10 years, indicating that the operating income it collects is generally exceeding its operating expenses.

The Campbelltown City Council projects an Operating Surplus Ratio of between negative 0.5 percent and positive 3.5 percent over the next ten years, with an average ratio of positive 1.6 percent over the period.

Over the forecast period, the Campbelltown City Council contains the increases in rates per property, which are projected to increase in line with inflation, while aiming to keep increases in expenses below the projected increases in inflation. The Essential Services Commission considers that the Campbelltown City Council should start to document its cost savings and efficiency proposals, set targets and timelines, and publish this information with its achievements. This will assist it to restrain the growth in expenses, enabling it to continue to achieve operating surpluses.

While Campbelltown City Council's average level of residential rates is above the average for South Australian councils, the socio-economic ranking for the community is also slightly above the average for South Australian communities, which suggests that there is capacity to pay the current level of rates and that projected rate increases in line with forecast inflation, are affordable.

Over the historic period, the Campbelltown City Council has focused on maintaining and increasing its asset base to maintain service levels. It has increased the range of services delivered, by increasing capital expenditure on recreational facilities. Over the forecast period, it is focused more on consolidating and maintaining service levels, and in undertaking new capital projects to expand services only in response to perceived existing community needs and with grant funding.

Campbelltown City Council's strategic planning processes appear robust and well developed, and include coordination of the budget, Asset Management Plans and Long-term Financial Plan updates, with material changes achieved within the annual planning and review cycle.

The Commission notes the Council's good practice of consulting with its stakeholders and the community on its Strategic Management Plans, service levels, and expenditure levels.

1.2 Summary of Recommendations

The Commission recommends that the Campbelltown City Council:

1. **Continue** to update and coordinate the data in its Long-Term Financial Plan and annual budget each year, including articulating its annual inflation and other assumptions for income and expenditure to provide transparency to stakeholders.
2. **Continue** to provide an annual statement of financial sustainability as required by the *Local Government Act 1999*.
3. **Continue** to update the Long-Term Financial Plan annually (including its 10-year projections and all relevant assumptions) and coordinate the data with the budget to inform its decision-making and any relevant consultation processes.
4. **Start** to report the growth in costs, including employee expenses, to ensure costs are constrained to forecast levels to ensure the operating performance is not negatively impacted by a lack of cost control.
5. **Continue** to review the recurrent budget to identify opportunities for savings and adopt savings targets, track achievements and report the target savings and achievements in the annual

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budget, to provide evidence of controlling the growth in costs, and achieve efficiencies across its operations and service delivery.

6. **Continue** to hold community consultations and request feedback to identify community priorities and desired service levels as part of the planning process.
7. **Start** to reduce the level of cash holdings unless it is required to fund newly identified capital projects or to bring forward expenditure on the renewal and replacement of assets..
8. **Consider** the use of a combination of borrowings and cash holdings to fund any newly identified capital projects, to promote intergenerational equity.
9. **Continue** to review asset valuations and the remaining useful lives in line with Australian Accounting Standards Board 116-31 and continue to update depreciation schedules annually and ensure that asset values and the forecast remaining useful lives are accurate and consistent with Infrastructure and Asset Management Plan values in both the budget and annual Long-Term Financial Plan.
10. **Continue** the good practice of developing and regularly updating individual Asset Management Plans for each asset group and align the data in the Asset Management Plans with the budget and Long-Term Financial Plan.
11. **Continue** to consult with ratepayers concerning proposed increases in rates when developing the annual budget and long-term financial plan.
12. **Continue** to limit future increases in rates to no more than forecast inflation to reduce any emerging affordability risk in the community

2 About the advice

2.1 Background

State Parliament has tasked the Essential Services Commission of South Australia (**Commission**), South Australia's independent economic regulator and advisory body, to provide advice on material changes proposed by local councils in relation to elements of their Strategic Management Plans (**SMP**) and on the proposed revenue sources, including rates, which underpin those plans.[1]

A primary purpose of the Local Government Advice Scheme (**Advice** or **the Scheme**) is to support councils to make financially sustainable strategic decisions in their annual business plans and budgets, in the context of their Long-Term Financial Plans (**LTFP**) and Infrastructure and Asset Management Plans (**IAMP**) also referred to as Asset Management Plans (**AMP**). The LTFP and the IAMP are both required as part of a council's SMP.[2] Financial sustainability encompasses intergenerational equity,[3] program (service level) and rates stability in this context.[4] The other main purpose is for the Commission to consider ratepayer contributions in the context of all revenue sources, as outlined in the LTFP.[5] In addition, the Commission has discretion to provide advice on any other aspect of a council's LTFP or IAMP it considers appropriate, having regard to the circumstances of that council.[6]

The first cycle of the Scheme extends over four years from 2022-23 to 2025-26, and the Commission has selected 17 councils for advice in the third year (2024-25) of the Scheme, including the Campbelltown City Council (**Council**).

This report provides the Local Government Advice for the Council in 2024-25.

The Council is obliged under the *Local Government Act 1999* (**LG Act**) to publish this advice and its response, if applicable, in its 2025-26 Annual Business Plan (including any draft Annual Business Plan) and in subsequent plans until the next cycle of the Scheme[7]. The Council is not compelled under the LG Act to follow the advice.

The Commission thanks the Campbelltown City Council for meeting with Commission staff and for providing information to assist the Commission in preparing this advice.

2.2 The Commission's approach

In providing its Advice for the Council, the Commission has followed the approach it previously explained in the Framework and Approach – Final Report (**F&A**).[8]

The Commission has considered the Council's SMP documents (set out in the box below), with a particular focus on its performance and outlook against three financial indicators: the Operating Surplus Ratio (**OSR**), the Net Financial Liabilities Ratio (**NFLR**) and the Asset Renewal Funding Ratio (**ARFR**).[9]

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1 Amendments to the LG Act (s122(1c) to (1k) and (9)) specify the responsibilities for the Commission and local councils for the Local Government Scheme Advice. The Commission must provide advice to each council in accordance with the matters outlined in s122(1e), (1f) and (1g).

2 The objectives of the advice with reference to a council's LTFP and IAMPs are presented under LG Act, s122(1g). LG Act s122(1) specifies the requirements of a council's SMP, including the LTFP and IAMPs.

3 'Intergenerational equity' relates to fairly sharing services and the revenue generated to fund the services between current and future ratepayers.

4 Commission, *Framework and Approach – Final Report*, August 2022, pp. 2-3, available at www.escosa.sa.gov.au/advice/advice-to-local-government.

5 LG Act s122(1f)(a) and (1g)(a)(ii).

6 LG Act s122(1f)(b) and (1g)(b).

7 LG Act s122(1h).

8 Commission, *Framework and Approach – Final Report*, August 2022, available at www.escosa.sa.gov.au/advice/advice-to-local-government.

9 The indicators are specified in the Local Government (Financial Management) Regulations 2011. Since 2011, each council has been required to refer to these three indicators in its plans, annual budget, mid-year budget review and annual financial statements. The councils can adopt their own target range for each ratio, but the Commission has adopted the previously suggested Local Government Association (LGA) target ranges as a

Analysis of these three indicators captures financial and service sustainability, in addition to cost control and affordability risk.[10]

Campbelltown City Council – Strategic Management Plan Documents

- Campbelltown City Council, 2024 – 2025 Annual Business Plan & Budget, 2 July 2024
- Campbelltown City Council, Annual Business Plan & Budget Summary 2024 - 2025
- Campbelltown City Council, Long-Term Financial Plan 2024/25 to 2033/2034, adopted by Council 5 March 2024
- Campbelltown City Council, updated Long-Term Financial Plan 2024/25 to 2033/2034, adopted by Council 5 November 2024
- Campbelltown City Council, Asset Management Plan – Bridge Assets V1.14, adopted 20 August 2024
- Campbelltown City Council, Asset Management Plan – Building V1.14, adopted 20 August 2024
- Campbelltown City Council, Asset Management Plan – Information Technology V5, adopted 20 August 2024
- Campbelltown City Council, Asset Management Plan, Stormwater Assets V1.14, adopted 20 August 2024
- Campbelltown City Council, Asset Management Plan – Transport Assets, 5 November 2024
- Campbelltown City Council, Asset Management Plan – Open Space Assets, 5 November 2024
- Campbelltown City Council, Asset Management Plan – Footpath and Walkway Assets, 5 November 2024
- Campbelltown City Council, Major Capital Project Priorities for Long-Term Financial Plan, Report for development of the 2024/25 Long-Term Financial Plan
- Campbelltown City Council, 2024 Strategic Plan adopted 17 September 2024
- City of Campbelltown, Economic Development Plan 2024 adopted 16 February 2021
- Campbelltown City Council, Audit and Risk Committee Agenda Thursday 31 October 2024
- Campbelltown City Council, Audit and Risk Advisory Committee Agenda Thursday 24 April 2024
- Campbelltown City Council, Special Audit and Risk Advisory Committee Agenda 21 February 2024
- Campbelltown City Council, Audit and Risk Advisory Committee Minutes Thursday 24 April 2024
- Campbelltown City Council, Council; Agenda 5 November 2024
- Campbelltown City Council Updated Council Agenda 2 July 2024
- Campbelltown City Council Updated Council Agenda 20 August 2024

basis for its analysis, which were established and agreed during the development of the LGA Financial Sustainability Papers (2006-2011).

[10] The F&A listed 29 analytical questions that the Commission has answered in assessing the Council's performance against these indicators to determine affordability, cost control and other sustainability risks.

▶ Campbelltown City Council, Council Minutes 5 November 2024

Given that the Commission must, in providing advice, have regard to the objective of councils maintaining and implementing their IAMPs and LTFPs,[11] it has also considered the Council's performance in that context. Findings regarding the content of the Council's AMPs, and the alignment between its LTFP and AMPs[12] are discussed in section 5.

The Commission has also reviewed the Council's template data, which contains its 2024-25 LTFP forecasts for 2024-25 to 2033-34, as well as its draft 2023-24 LTFP forecasts, and historical financial data and number of rateable properties and Council staff (Full Time Equivalent (FTE)) numbers from 2013-14 onwards.[13] [14] All charts and tables in the Advice are primarily sourced from these datasets. In addition, the Commission has reviewed the Council audit committee reports, and other public information, as appropriate.

The Commission has reported estimates in nominal terms, for consistency with the Council's plans and actual rate levels, but it has compared estimated inflation impacts to these trends as a guide to identify 'real' rather than 'inflationary' effects. In the charts, the Consumer Price Index (CPI) line shows the cumulative growth in the CPI (Adelaide) from 2013-14, and then projections of this series from 2024-25 based on the Reserve Bank of Australia (RBA) (Australia-wide) inflation forecasts (to the December quarter 2026), and the midpoint of the RBA target range (2.5 percent) thereafter.

Finally, in formulating this Advice, the Commission has had regard to the circumstances of the Council, including its location as an urban council, its income level ($64.3 million) and the size of its rates base (more than 25,300 ratepayers[15]).

Throughout this Advice, the Commission has identified several key points and assigned the following risk categories to those points:

Legend: Low-risk Moderate-risk High-risk

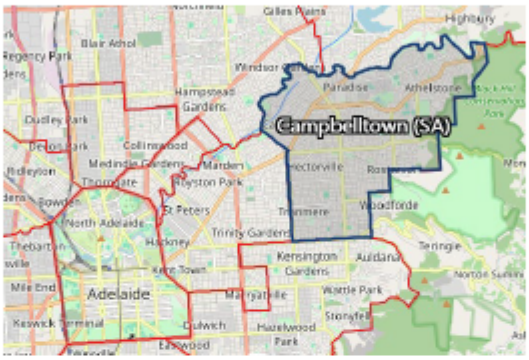
[11] *Local Government Act 1999* (LG Act) s122(1g)(a)(i).
[12] As required under s122(1b) of the LG Act.
[13] Sourced from the Local Government Grants Commission (including data reported by the Office of the Valuer-General) and the Council's data.
[14] The Council's estimates for the 2023-24 financial year, relied on at the time of preparing this advice, were unaudited.
[15] Based on the estimated number of property assessments in 2023-24.

3 Council profile

The Council is located in Adelaide's inner north-eastern suburbs, around 6 km from the GPO, and has a land area of 24.4 square km. The area includes the suburbs of Athelstone, Campbelltown, Hectorville, Magill, Newton, Paradise, Rostrevor and Tranmere.

The Council area consists primarily of residential zones, with 25,329 rateable properties[16] and a population of 57,160 in 2023, with some pockets of business and light industrial zones in Magill and Newton. It also maintains open spaces, parks and reserves, and some natural bushland.

In recent years, the population continues to increase as the suburbs become more residential.



16 As per Council data in 2022-23 see https://profile.id.com.au/campbelltown-sa/highlights

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4 Material plan amendments in 2024-25

The Council has made various amendments to its 2024-25 budget and forward projections for revenue and spending initiatives. The material amendments to some of its main financial forecasts are listed in Table 1 (in nominal terms).[17] To ensure a comparable analysis of estimates between the 2023-24 draft LTFP and 2024-25 LTFP, the Commission has reviewed the nine overlapping years' statistics: 2024-25 to 2032-33 and identified material amendments.

The Council updated its 2024-25 budget to reflect changes to income and expenditure, including grant funding and capital expenditure, which have been included in the updated 2024-25 LTFP.[18] The material adjustments to some of the main financial forecasts are listed in the table below.[19]

Table 1: Historical and forecast financial items

Selected Financial Item	Sum of 2024-25 to 2032-33 estimates in 2023-24 LTFP ($ million)	Sum of 2024-25 to 2032-33 estimates in 2024-25 LTFP ($ million)	Change in 2024-25 estimates ($ million)	Change in 2024-25 estimates (percent)
Total operating income	671.2	689.3	18.1	2.7
Total operating expenses	670.0	679.0	9.0	1.4
Operating surplus / (deficit)	1.2	10.3	9.1	758.3
Capital expenditure on renewal of assets[20]	130.0	107.9	-22.0	-16.9
Capital expenditure on new and upgraded assets[21]	46.0	45.7	-0.2	-0.5

4.1 Changes to operating performance

The Council budgeted for an improvement in its operating performance over the period of the LTFP that results in a cumulative operating surplus of $10.4 million over the common 9-year period, compared to a cumulative operating surplus of $1.2 million in the 2023-24 LTFP. This is an improvement in the operating result of $9.2 million or 758.3 percent for the period.

The Council is projecting an average OSR of 1.6 percent across the life of the plan, which lies within the target range of zero to 10 percent, with the exception of financial year 2025-26, when the Council is projecting a small deficit of negative 0.5 percent.

The Council attributes the material changes to a decrease in the projected income from statutory charges due to a decrease in income from development applications of $2.2 million, a net increase in income from grants of $2.0 million, an increase in investment income and a decline in both reimbursements and other income. Council also forecasts a decrease in the net loss in equity accounted council businesses of $0.2 million.

17 This table shows only selected financial items to demonstrate the material amendments made by the Council in its 2023-24 estimates. It excludes various financial items, and individual items do not sum to totals.
18 The updated 2024-25 LTFP was approved on 5 November 2024.
19 This table shows only selected financial items to demonstrate the material amendments made by the Council in its 2024-25 estimates. It excludes various financial items, and individual items do not sum to totals.
20 The capital expenditure estimates are based on the 2022-23 LTFP estimates provided by the Council to the Commission (in an Excel template).
21 The capital expenditure estimates are based on the 2022-23 LTFP estimates provided by the Council to the Commission (in an Excel template).

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Some of the changes to operating performance over the term of the LTFP include:

- a decrease in projected income from Statutory Charges from Development Applications of $2.3 million
- a decrease in income from Grants, Subsidies and Contributions offset by a decrease in expenses of $5.2 million due to a reduction in the Community Home Support Program, which is a cost-neutral program
- a reduction in the indexation increases for Library Materials and Operating Subsidy State Government Grants of $0.8 million
- income from one-off Special Local Road Grants in 2024-25 of $1.6 million
- an increase in Roads to Recovery allocation of $4.2 million due to an increased funding window in 2024-25
- an increase in Investment Income of $10.0 million
- a reduction in expenses of $3.4 million due to discontinuing a shared services arrangement with other councils, and
- a reduction in capital renewal works to be undertaken across the period due to an increase in the expected life of assets identified during the 2024 update of the AMPs.

The Council's historical and projected operating performance is discussed further in section 6.1.

4.2 Indexation adjustments

The Council applied CPI-based inflation adjustments to its cost and revenue estimates, with indexation based on the CPI of 4.8 percent[22] for the 12 months ended December 2023 and projections for the forecast period based on forecasts from Deloitte Access Economics produced in January 2024.[23]

The Council assumes that the number of rateable properties will increase at 0.9 percent per annum over the 10-year forecast period and plans for a constant level of 152 FTEs over the period.

The Commission notes that the Council's stated assumptions in the 2024-25 LTFP are transparent and based on Council's annual review of forecasts.

The Commission recommends that Council:

1. **Continue** to update and coordinate the data in its Long-Term Financial Plan and annual budget each year, including articulating its annual inflation and other assumptions for income and expenditure to provide transparency to stakeholders.
2. **Continue** to provide an annual statement of financial sustainability as required by the Local Government Act.

4.3 Increase to capital expenditure estimates

The Council revised its estimates for expenditure on the renewal and replacement of assets down by $22.0 million or 16.9 percent over the period of its LTFP following its updates to the AMPs in 2024. The review of the AMPs included an assessment of the condition of its assets, which extended the

[22] The Adelaide Capital City CPI was 4.8 percent, compared to the national value of 4.1 percent.
[23] The Council uses the forecasts of CPI prepared by Deloitte Access Economics rather than projections in the RBA Economic Outlook because Deloitte Access provides forecasts that cover the entire 10-year period of the LTFP, whereas the RBA projections include only the period through 2026.

estimated remaining lives of assets. This has resulted in an annual reduction in projected capital expenditure of approximately $22.3 million.[24]

The Council's capital expenditure outlook is discussed further in section 6.3.

4.4 Changes between 2023-24 LTFP and annual business plan

The Council adopted its 2024-25 Annual Business Plan and Budget on 2 July 2024 and updated the data in its LTFP 2024/25 to 2033/34, which was endorsed by the Council on 5 November 2024. The analysis in this Advice is based upon the data provided by the Council and is consistent with the updated LTFP.

The Chief Executive Officer's Report on Financial Sustainability was provided within the LTFP.[25]

The Commission notes that the Council coordinates its long-term projections with its annual budget process and publishes both its Budget and LTFP on its website, and that these documents include projections for inflation, along with the sources of historic data and forecasts.

Some of the amendments in the 2024-25 budget, compared to the LTFP approved in March 2024 include:

- an increase in the operating surplus due to one-off Capital Renewal and Replacement income of $876,500
- an increase in rates income of $118,667 due to the growth in rateable properties of 1.18 percent, compared to the projection of 0.94 percent
- an increase in Employee Costs due to one additional FTE over the period, and wage and salary increases for Council staff arising from a new Enterprise Bargaining Agreement
- an increase in the allocation for Work, Health and Safety of $34,000
- additional funds of $6,500 to cover the cost of a 3-year asset revaluation cycle for land and buildings, and
- additional expenditure on Capital Renewal and Replacement of $1.35 million, including an allocation for Transport Asset Renewals.

The Commission recommends that Council:

3. **Continue** to update the Long-Term Financial Plan annually (including its 10-year projections and all relevant assumptions) and coordinate the data with the budget to inform its decision-making and any relevant consultation processes.

[24] See City of Campbelltown, Agenda – Council 5 November 2024 p. 51 and data provided by the Council in the Financial Template.
[25] See Campbelltown City Council Long-Term Financial Plan – 2024/2025 to 2033/2034 pp. 4 and 5.

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5 Financial sustainability

5.1 Operating performance

The Council ran an operating surplus for nine of the 10 years of the historic 10-year period 2013-14 through 2022-23[26] and is forecasting that it will have an operating surplus for nine of the 10 years of the forecast period.(see Figure 1)

The Council undertook a major review of its recurrent budget during 2023-24 in the context of the operating deficits projected in 2023-24 LTFP Budget Update and identified savings that were built into the LTFP and draft 2024-25 budget. This review enabled an improved operating surplus outcome in the approved 2024-25 budget and LTFP, which includes only a minor operating deficit in 2025-26.

To ensure that the Council is positioned to contain rate increases to the rate of inflation, the Commission recommends that Council:

4. **Start** to report the growth in costs, including employee expenses, to ensure costs are constrained to forecast levels to ensure the operating performance is not negatively impacted by a lack of cost control.

5.1.1 Key points

- The Council operated sustainably over the historic period, with an average operating surplus ratio value of 8.0 percent.
- The Council is projecting that it will continue to operate sustainably over the forecast period 2024-25 through 2033-34, with an operating surplus ratio of 1.61 percent.

5.1.2 Operating Surplus Ratio

The Council had an average OSR value of 8.0 percent for the 10-year historic period and forecasts that the OSR will average 1.6 percent over the forecast period 2024-25 through 2033-34. This includes a value of negative 0.5 percent in 2025-26,[27] with income increasing by an average of 3.1 percent and expenses by 3.2 percent over the 10-year period. (see Figure 1)

[26] The Council had a deficit in 2022-23.
[27] The small forecast operating deficit in 2025-26 is due to total expenses increasing by an annual average of 4.0 percent over the years 2023-24 through 2025-26 while income increased at an average rate of 3.2 percent, resulting in an operating deficit of $352,000 in 2025-26.

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Figure 1:Operating surplus ratio – historical and forecast

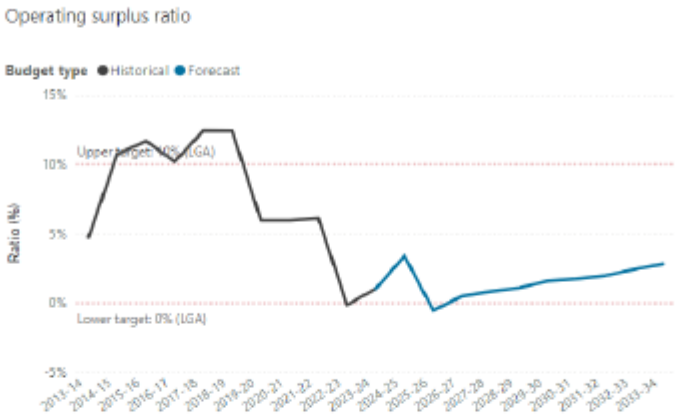
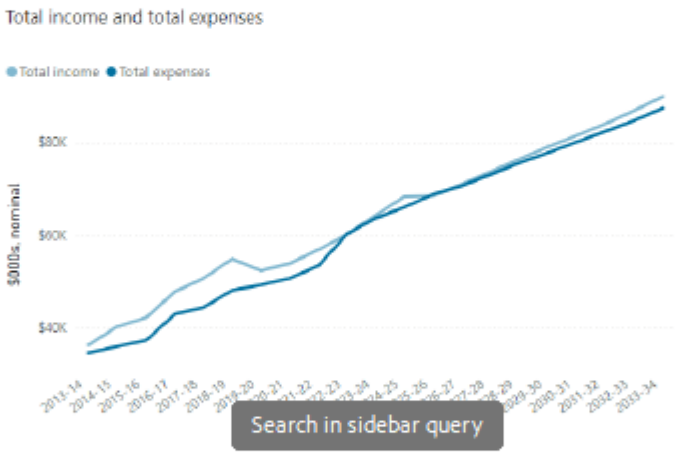


Figure 2: Total income and expenses – historical and forecast



5.1.3 Income

Total income grew at an average annual rate of 5.8 percent over the historic period. .[28]

Over the historic period, the largest source of Council's income was rates[29], which comprised 74.7 percent of total income on average over the period and grew at an average annual rate of 4.3 percent, compared to average annual inflation of 2.6 percent over the period. This growth occurred

[28] The growth in income was uneven over the historic period due to fluctuations in grant funding. Although funds for grants was only around 10 percent of total income over the historic period, the Council received substantial increases in funding of more than 45 percent over the previous year's income in 2014-15, 2018-19 and 2021-22.

[29] The income from rates includes the NRM / Regional Landscape Levy, and some historic increases in rates were related to increases in the Local Government Price Index (LGPI) during the historic period, which contributed to the increases in rates being higher than the CPI.

because the rates per property increased at a greater rate than inflation and because the number of rateable properties increased by an average of 0.9 per cent each year.

Over the forecast period, income from rates makes the largest contribution to total income, increasing at an annual average of 3.5 percent, to comprise 76.8 percent of total income over the period.[30] This is due in part to an increase in the number of rateable properties by an average of 0.95 percent per year, as well as annual increase in the average rates per property of 2.3 percent, which is in line with forecast inflation for the period. (see Figures 3 and 4)

The second largest component of Council's income over the historic period was income from grants, which was 9.9 percent of total income and increased at an average rate of 7.4 percent per annum. The amount and timing of grant funds earmarked for specific projects varied each year.[31] Given the size of income from grants, this timing also caused variations in the total income received over the period. Although the growth in total income averaged 5.8 percent over the historic period, the annual change in income ranged from 13.4 percent to negative 4.6 percent over the period.

Income from grants, subsidies and contributions is forecast to slow, and reduce to an average of 1.0 percent per annum as major projects are completed, and only ongoing funding is included in the LTFP.[32] This means that the contribution of grants to total income is forecast to decline from 9.9 percent over the historical period to 6.1 percent over the forecast period.

User charges comprised 8.6 percent of total income over the historic period and increased at an average annual rate of nearly 22.3 percent,[33] due to increases in income from the use of Council recreational facilities such as the new ARC Campbelltown (Aquatic and Recreation Centre).

Over the forecast period, user charges are forecast to increase at an annual rate of 2.4 percent, increasing the share of total income to 10.5 percent.

5.1.4 Expenditure

The Council's operating expenses increased at an annual average rate of 6.4 percent over the 10-year historic period. 'Materials contracts and other' expenses were the largest expense category at 45.2 percent of total, having increased at an average annual rate of 7.0 percent.

Depreciation, amortisation and impairment represented 26.0 percent of expenses over the historical period and increased at an average annual rate of 8.7 percent over the period.[34]

Employee costs increased at an average rate of 4.0 percent per year over the historic period, due in part to an increase in FTEs from 139 to 142 and comprised 28.6 percent of total expenses over the historic period.

The major expense category over the forecast period is 'materials, contracts and other' expenses, which comprises 42.1 percent of expenses, down from the average of 45.2 percent over the historic period.

[30] As compared to the average forecast inflation of 2.6 percent per year over the period.
[31] For example, the income from grants increased by 61.0 percent in 2014-15 and over 13.0 percent in 2015-16, due to funding for major projects after which it fell by over 10.0 percent in 2016-17 when projects were completed. The income from grants then increased by 49 percent in 2018-19, followed by a fall of over 50.0 percent in 2019-20, and after increasing by 20.4 percent in 2020-21 and 45.5 percent in 2021-22, fell by 16.0 percent in 2022-23.
[32] In information obtained from the Council in April 2024, the Commission was advised that the LTFP only includes grants funding for Roads to Recovery grants, Grants Commission grants, CHMS grants, Library Operating Subsidy, Library Materials Grant and other one-off grants where the amount is guaranteed. It also includes one-off grants and associated expenditure on the condition that the project will only proceed if the grant funding is received.
[33] While user charges comprised only 3.0 percent of income in 2013-14, it grew to 11.0 of income in 2022-23.
[34] This includes an increase in depreciation of 18.5 percent in 2015-16 and 21.3 percent in 2022-23, associated with expenditure on both the renewal/replacement of assets and new and upgraded assets.

This category increases at an annual rate of 2.4 percent,[35] marginally below the forecast inflation rate of 2.6[36] percent.

Capital expenditure will be addressed further in section 5.3.

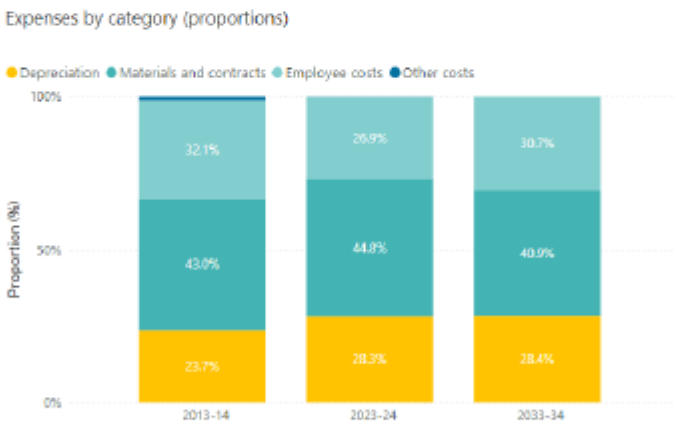
Over the forecast period, depreciation expenses are expected to increase at an annual rate of 3.3 percent and increase the contribution to total expenses from 26.0 percent to 28.6 percent.

Employee expenses are projected to be 29.2 percent of total expenses over the forecast period, an increase of 0.6 percentage points. Employee expenses are forecast to increase at an average rate of 4.4 percent per year, above forecast average inflation of 2.6 percent, even though the number of FTEs is held constant at 152 over the 10-year forecast period. (see Figure 4)

The Council regularly consults with ratepayers about their plans, projects and activities by inviting public participation at Council and Committee meetings, inviting feedback on plans by using newsletters, a feedback and complaints webpage[37] and the Connect 2 Campbelltown online community platform[38], where the community is able to register to obtain information about engagement opportunities and provide input to the Council's decision making, including those regarding Council rates and expenditure.

While total expenses are projected to increase at an annual average rate of 3.2 percent, expenses per property are expected to increase at an average rate of 2.3 percent over the forecast period, which is slightly less than the rate of forecast inflation. This compares with the historical average increase per property of 5.1 percent. The reduction is attributed to the combination of lower projected rate of increase in expenses combined with an increase in the number of rateable properties of 0.9 percent per year. (see Figures 3 and 4)

Figure 3: Expenses by category – proportions



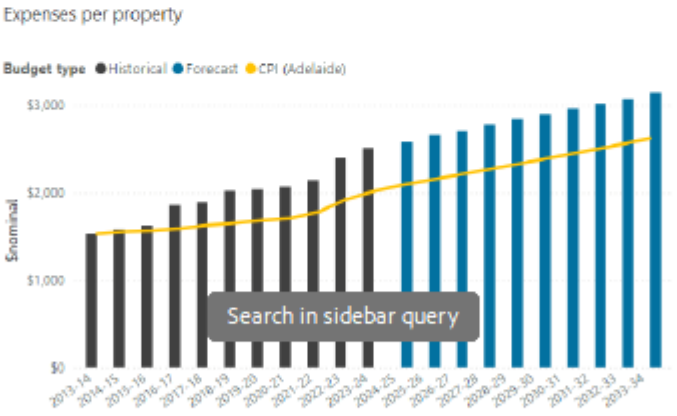
[35] Compared to an annual average increase of 7.0 percent over the historical period. Furthermore, the forecast average rate is boosted by an increase in expenditure of 3.7 percent in 2025-26.
[36] In communications and in a meeting with ESCOSA on 9 April 2024.
[37] The Council has a Customer Service Charter and a Request for Service and a General Complaint Handling Policy, along with a webpage to submit requests, which is available at https://www.campbelltown.sa.gov.au/council/feedback-and-complaints .
[38] Participants providing their comments and feedback on the online community are required to register using the link https://connect2.campbelltown.sa.gov.au/ .

Figure 4: Expenses by category – historical and forecast

Figure 3 shows the proportions for each type of expense historically and forecast while Figure 4 shows the increase in actual expenses over time.

Expenses per property increased by an average of $864.63 over the historic period, which is at a higher rate than inflation. This will result in an increase of $519.21 per property above the inflation-adjusted expenses over the 20-year period. (see Figure 5) The ARC started operating in 2016-17, which contributed to the increase in expenses per property.

Figure 5:Expense by rated property - historical and forecast



5.1.5 Commission's recommendations on operating performance

To ensure the Council is positioned to achieve the real-terms reduction in its cost base that it has forecast, and improve its operating performance (without the need for further rate increases above inflation), the Commission recommends that the Council:

5. **Continue** to review the recurrent budget to identify opportunities for savings and adopt savings targets, track achievements and report the target savings and achievements in the annual budget to provide evidence of controlling the growth in costs and achieve efficiencies across its operations and service delivery.
6. **Continue** to hold community consultations and request feedback to identify community priorities and desired service levels as part of the planning process.

5.2 Net financial liabilities

The NFLR[39] is a measure of a council's indebtedness and indicates whether a council is able to cover its net financial liabilities over a period. The LGA has set a recommended target range for the NFLR of 0 percent to100.0 percent.

The Council's NFLR had an average value of negative 30.3 percent over the 10-year historic period, with values below the lower target for nine of the 10 years[40] (see Figure 6). In addition, the Council has had levels of cash and cash equivalents greater than that required to meet its financial obligations over the period, which peaked in 2022-23 at $39.1 million. (see Figure 9)

Over the forecast period, the NFLR is projected to have an average value of negative 78.0 percent,[41] which lies further below the lower target of 0 percent. This occurs because the expected average growth in total liabilities is low, with an average increase of 5.3 percent per year, (see Figure 7) compared to the average annual expected inflation of 2.6 percent.

Over the forecast period, the Council projects that it will reduce its borrowings to zero from 2024-25 onwards, while increasing its cash and cash equivalents at a rate of 12.9 percent per annum over the last nine years of the forecast period.[42] (see Figure 8 and 9) Although it is understood that the Council might reduce its current projected level of cash holdings by utilising the cash to undertake new capital expenditure projects over the forecast period,[43] if this does not occur, the Council should then consider reducing its projected increases in rates over the forecast period, not only to improve affordability of rates, but also to improve intergenerational equity by funding new capital projects using a combination of cash holdings and debt.

For the Council to maintain financial sustainability while achieving rates affordability, the Commission recommends that Council:

7. **Start** to reduce the level of cash holdings unless it is required to fund newly identified capital projects or to bring forward expenditure on the renewal and replacement of assets.
8. **Consider** the use of a combination of borrowings and cash holdings to fund any newly identified capital projects to promote intergenerational equity.

5.2.1 Key points

[39] The net financial liabilities ratio is defined as: Net financial liabilities ÷ Total operating income. This ratio measures the extent to which a council's total operating income covers, or otherwise, its net financial liabilities. The LGA target range is between zero and 100 percent of total operating income but could be higher in some circumstances (see LGA SA *Financial Indicators Paper*, pp 7 – 8).

[40] The net financial liabilities ratio sat within the LGA target of 0 percent to 100 percent had a value of 1.8 percent in 2015-16.

[41] Total liabilities consist of trade and other payable and provisions over the forecast period.

[42] These increases follow a significant fall in cash held in 2023-24.

[43] While the Council acknowledges the role that borrowings play to ensure intergenerational equity, it is not required at this time due to the level of cash holdings and investments. (as advised through its communications with the Commission on 22 April 2024).

Key points:

- The net financial liabilities ratio (NFLR) average of negative 30.3 percent over the historic period indicates that the Council was able to meet its financial obligations over the period, and that it has been able to reduce debt while increasing its cash and cash holdings.
- The NFLR average of negative 78.0 percent over the forecast period indicates that the Council is continuing to be able to meet its financial obligations.

Figure 6: Net financial liabilities ratio – historical and forecast

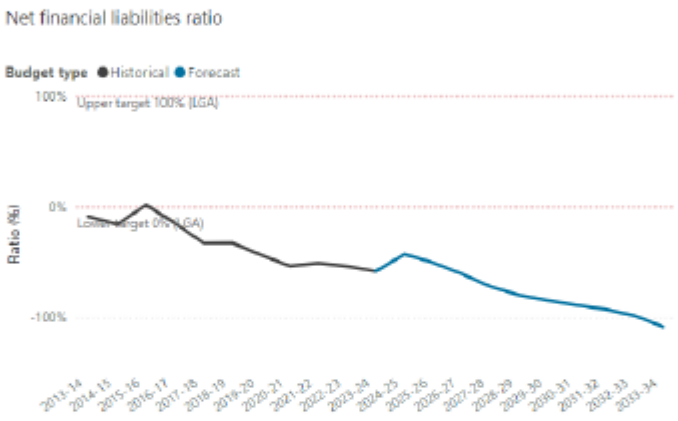


Figure 7: Total income and net financial liabilities – historical and forecast

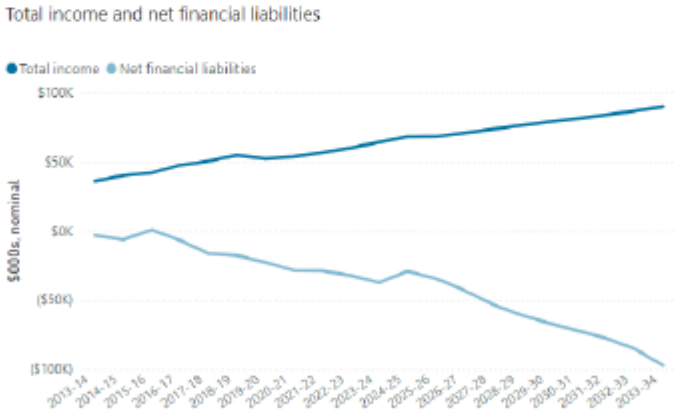


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Figure 8: Total borrowings and total liabilities – historical and forecast

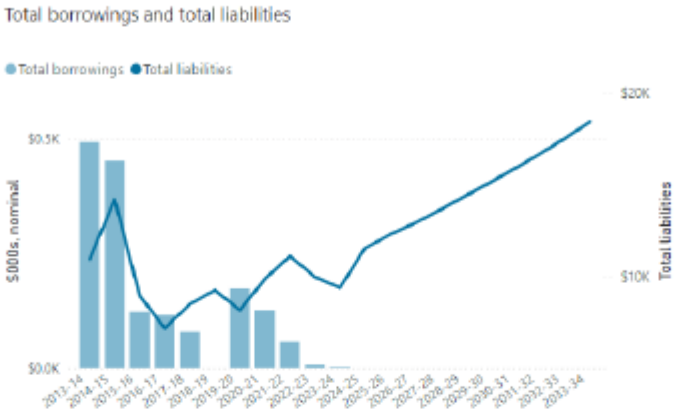
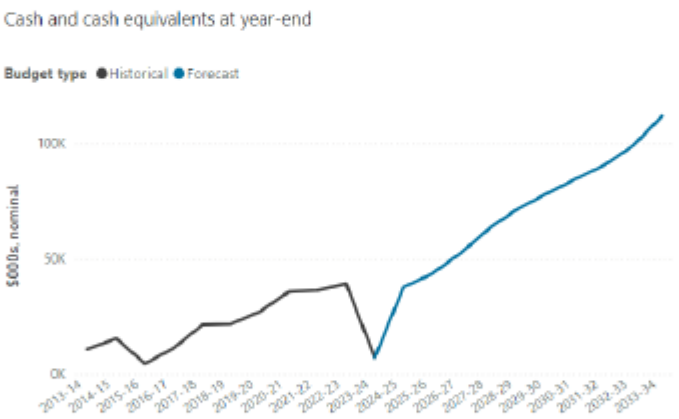


Figure 9: Cash and cash equivalents at year end – historical and forecast



5.3 Asset renewals expenditure

Over the historic period, expenditure on the renewal and replacement of assets was 60.0 percent of total capital expenditure. This is projected to increase to 70.4 percent of capital expenditure over the forecast period. (see Figure 14)

Expenditure on the renewal/replacement of assets increased by an average annual rate of 11.3 percent over the 10-year historical period. Expenditure fluctuated over the period, in line with variations in IAMP

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expenditure from year to year as well as expenditure on major projects,[44] which varied from year to year.[45]

Over the forecast period, the expenditure on the renewal and replacement of assets is projected to decline by a CAGR of 0.1 percent per annum, which is lower than the forecast average annual inflation of 2.6 percent over the period and indicates that asset renewal expenditure is declining in real terms over the historic period.

Asset renewal expenditure is projected to continue to increase at variable rates over the period, linked to asset renewal requirements identified in the IAMP.[46] The requirements vary from year to year because they are determined by the values and expected remaining useful lives of the assets,[47] which determines the annual IAMP values. For example, over the 10-year forecast period, IAMP expenditure is uneven, but it is projected to average $11.4 million per year and increase at a CAGR of 8.0 percent. (see Figure 13)

The Council currently has AMPs for seven asset classes,[48] four of which were updated and approved in August 2024 and three in November 2024. Each AMP contains details of the assets in the class, including asset values, asset condition and remaining asset lives, and are updated every four years.[49]. The expenditure for each of these AMPs form the basis of the IAMP expenditure[50] in the current LTFP.

Following on from a recent asset maturity assessment undertaken early in 2024, the Council is in the process of developing an overarching asset management strategy, after adoption of the seven AMPs.[51]

For the purposes of the LTFP, plant, equipment, furniture and fittings, which are not revalued assets, are included in asset replacement schedules, with timeframes for replacement set according to the expiry date. These asset values are indexed by the CPI to determine the replacement values.

Both the ARFR – gross and the ARFR – net are calculated using IAMP expenditure, which is the sum of planned expenditure on asset renewal in each of the asset class AMPs. Both of the ratios indicate the extent to which existing non-financial assets are being renewed and replaced when compared with the planned renewal expenditure in the Council's IAMP and whether service delivery levels can be maintained.

The ARFR – gross is calculated as the ratio of expenditure on the renewal and replacement of assets for the year divided by the level of expenditure stated in the IAMP.

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[44] Expenditure on the renewal/replacement of assets increased by 111.0 percent in 2015-16, 122.0 percent in 2018-19 and over 63.0 percent in 2021-22, which was followed by a decline in expenditure in the following financial years.

[45] See Figure 15 for the growth in assets per rateable property in nominal and real terms over the historic and forecast periods,.

[46] Refer to the table of Capital-Renewal & Replacement Expenditure Summary, Executive Summary LTFP 2024/2025 to 2033/2034 p 21. This table provides of summary of planned renewal expenditure for each asset group and total IAMP expenditure calculated as a sum of each asset group category for renewal or replacement.

[47] The Council updates the IAMP, including asset values, every four years and does a desktop revaluation of assets on other years.

[48] The six asset management groups are: bridges, buildings, footpaths and walkways, open spaces, stormwater and transport. The Council reduced the number of AMPs from seven to six during its 2024 review of the AMPs, with the content of the Bus Stop AMP being absorbed into the Transport AMP and the Footpath and Walkway AMP.

[49] While land and buildings are scheduled for a full revaluation every four years, a desktop revaluation is conducted during the other years. Infrastructure and open space assets are scheduled for a condition assessment and unit rate every four years, with a unit rate review in the other three years, while other assets undergo a condition assessment and valuation every four years and a desktop revaluation during the other three years. The Council provided a schedule in communications with the Commission dated 22 April 2024.

[50] The Council does not have an overarching IAMP but relies upon aggregating the expenditure in the group asset management plans to provide input into the schedule for each asset group and total expenditure in the LTFP, which serves the purpose.

[51] As advised in communications with the Commission in April 2024.

Over the historical period, the ARFR – renewal expenditure based (gross) had an average value of 105.7 percent, which is significantly above the LGA upper target of 110.0 percent,[52] indicating that the Council has undertaken significantly more expenditure than that set out in the IAMP. That is, that historic expenditure exceeded planned expenditure over the period.

Over the forecast period, the average ratio value sits within the target range at 105.7 percent, with the annual values for 2024-25 and 2026-27 above the upper target of 110.0 percent. This indicates that the planned level of expenditure in the LTFP is aligned with the replacement and renewal levels contained in the IAMP.

The ARFR – renewal expenditure based (net) is the ratio of expenditure on the renewal or replacement of assets less the sale of assets, divided by the level of asset renewal expenditure in the IAMP. This ratio had an average of 180.4 percent over the ten years of the historic period, which is also well above the upper LGA target of 110.0 percent and indicates that the Council spent more on asset renewal than in the IAMP over the period.[53] (see Figure 10)

Over the forecast period, the average value of the ratio for the 10-year period is 103.3 percent, which is within the target range of 90.0 percent to 110.0 percent, with nine of the annual values within the target range.[54] This indicates that the planned expenditure in the LTFP is well aligned with the planned capital expenditure in the IAMP.

The average value of ARFR – depreciation based for the historic period was 76.6 percent,[55] which is below the lower target value of 90.0 percent, and the annual value sat within the target range of 90.0 percent to 110.0 percent for only two years of the 10-year period. (see Figure 12)

Although the ratios show less variation over the forecast period, the average value of the ratio is further below the lower target at 52.9 percent, with all of the annual values sitting below the lower target of 90.0 percent. This indicates a continuing pattern that asset renewal expenditure remains below that of depreciation, with the gap between the target and planned expenditure widening over the forecast period. The Council should investigate the reason for this increasing gap so that depreciation and planned asset renewal can be aligned. (see Figure 12)

While the average values for both the asset renewal expenditure funding ratio – gross and the ARFR – net indicate that planned asset renewal expenditure targets will be met over the forecast period, the average value of the asset renewal expenditure – depreciation based will not, because depreciation expenses are not accurately reflecting current asset replacement values. The Council can address this by identifying the basis for the gap between depreciation and IAMP expenditure[56], and by determining whether the forward plans for asset renewal expenditure is appropriate., thereby ensuring that the average rate of consumption of its assets, as indicated by its depreciation expenses is aligned with current asset values in the IAMP and the annual spending on the renewal of its asset base over time.

5.3.1 Key points

- The Council has achieved a historic average asset renewal ratio that indicates it more than delivered its target for asset renewal over the period.
- The Council is projecting that it will achieve its IAMP asset renewal targets and be able to maintain service delivery levels over the forecast period.

[52] Noting these values were above the upper target of 110.0 percent for nine of the 10 historic years.
[53] The annual values are above the upper target for nine of the 10 years, with a value below the lower target in 2016-17.
[54] In 2024-25 the value is above the upper target with a value of 124.3 percent.
[55] These values were also volatile, with only the ratios for 2013-14 at 96.6 percent and 2018-19 at 107.1 percent sitting within the target ratio, reflecting the variable levels of expenditure.
[56] For example, there is a misalignment between the IAMP expenditure of $11.3 million and depreciation of $24.9 in 2033-34, which is also reflected in the values of the ARFRs based on the planned IAMP expenditure and depreciation respectively.

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⚠ Depreciation values and IAMP asset renewal values are not aligned in the budget and LTFP data.

Figure 10: Asset renewal funding ratio (renewal expenditure net) – historical and projected

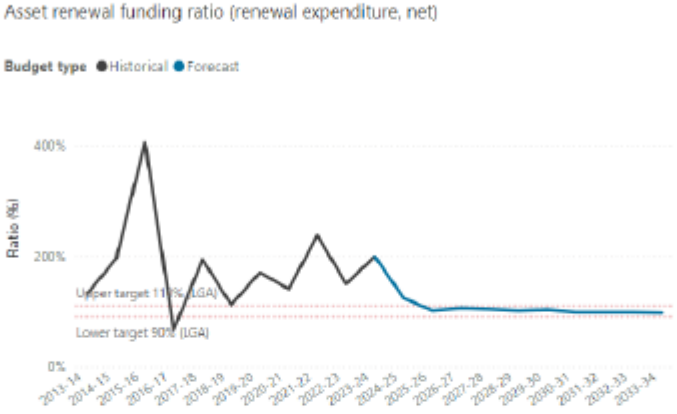

Figure 11: Net asset renewal expenditure and depreciation – historical and forecast

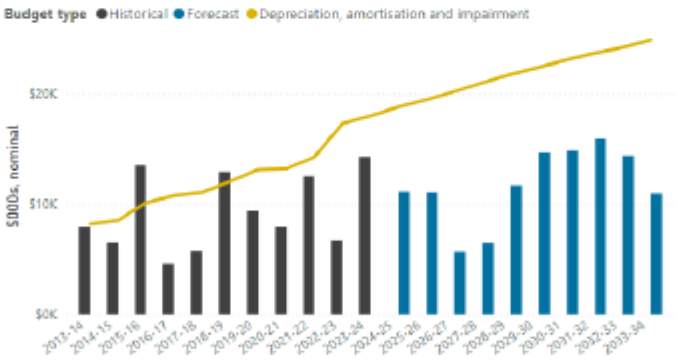

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Figure 12: Asset renewal funding ratio (depreciation based) – historical and forecast

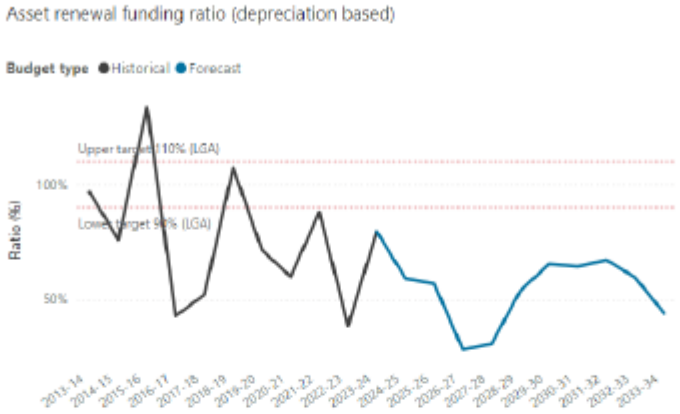


Figure 13: Net asset renewal and IAMP renewal expenditure – historical and projected

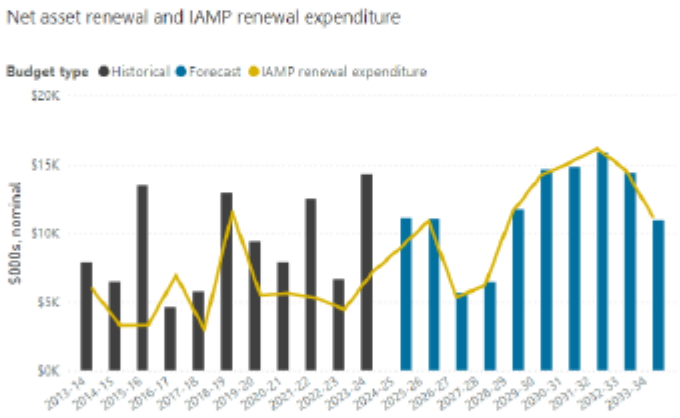


Figure 14: Total capital expenditure by category – historical and projected

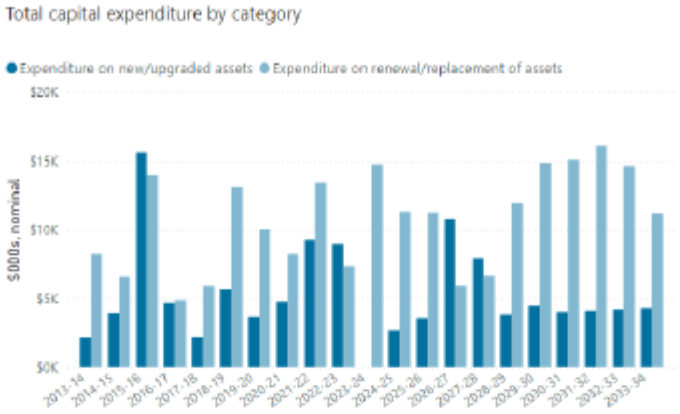
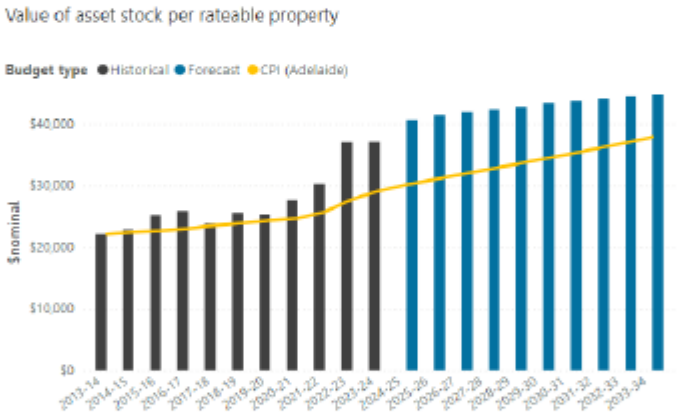


Figure 15: Value of asset stock per rateable property – historical and projected



5.3.2 The Commission's recommendations re asset renewals expenditure

The Commission recommends that the Council:

9. **Continue** to review asset valuations and the remaining useful lives in line with Australian Accounting Standards Board 116-31 and continue to update depreciation schedules annually and ensure that asset values and the forecast remaining useful lives are accurate and consistent with Infrastructure and Asset Management Plan values in both the budget and annual Long-Term Financial Plan.

10. **Continue** the good practice of developing and regularly updating individual Asset Management Plans for each asset group and align the data in the Asset Management Plans with the budget and Long-Term Financial Plan.

6 Advice on current and projected rate levels

Revenue from rates increased at 4.3 percent per annum on average over the historical period (see Figure 16). After adjusting this rate of increase for growth in the number of properties (at 0.9 percent per annum over the historic period), the average growth in rates per property over the historic period was 3.1 percent, which is 0.5 percentage points above the average annual inflation rate of 2.6 percent over the period. (See Figure 16) As a consequence, the average rates per property increased by $73.62 more than the CPI-adjusted rates revenue per property over the period 2013-14 through 2022-23. This means that the average rates per property have become somewhat less affordable for ratepayers over the historic period.

It is useful to compare the average residential rates per property with the average rates for all councils in the state to assess affordability. In 2021-22,[57] the average residential rates per property (excluding community wastewater management scheme or CWMS rates) across the state were $1,665, compared to the average per property of $1,711 for this Council area, which is $46 or 2.8 percent above the state average.

The Council area, however, is ranked 47 among the 71 South Australian local government areas on the ABS SEIFA Index,[58] which indicates that residents have a greater capacity to pay this somewhat higher-than-average level of rates. .[59]

Although total income from rates increased at an annual average rate of 4.3 percent, the contribution of rates to total income declined from nearly 82.8 percent in 2013-14 to 72.9 percent by 2022-23, with the proportions of user charges and grants to total income increasing over the same period. (See Figure 17)

6.1.1 Key point

⚠ Rates per residential property increased on average by 3.1 percent per annum over the historic period, which was 0.5 percentage points above the average CPI of 2.6 percent.

[57] As per local government finances data obtained from the LG Grants Commission, 2021-22 - Report 6 see https://www.dit.sa.gov.au/local-government/grants-commission/publications.

[58] The Council area is ranked 47 among 71 South Australian *'local government areas'* (including Anangu Pitjantjatjara and Maralinga Tjarutja Aboriginal community areas and 'unincorporated SA') on the Australian Bureau of Statistics SEIFA Index of Economic Resources (2021), where a lower score (e.g. 1) denotes relatively lower access to economic resources in general, compared with other areas, with additional information available at SEIFA (abs.gov.au).

[59] Income and other ABS data for LGAs is available at https://dbr.abs.gov.au/region.html?lyr=lga&rgn=47910 .

Figure 16: Average rates revenue per property – historical and projected

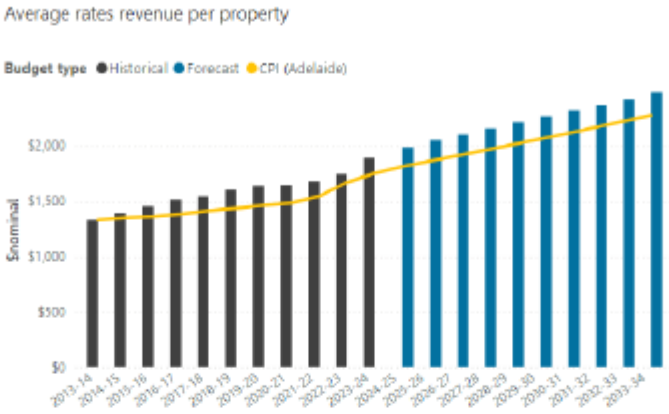
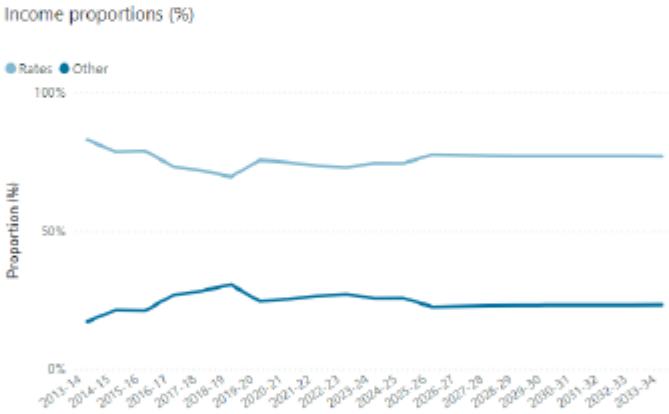


Figure 17: Income proportions (%)



6.2 Proposed rate increases for 2024-25

The Council increased rates in 2024-25 by 4.8 percent, in line with the increase in Adelaide CPI increase of 4.8 percent for the twelve months ended December 2023.[60]

6.3 Projected further rate increases

The Council has planned for an annual average increase in income from rates of 3.7 percent over the ten years of the LTFP. Of this, 0.9 percent per annum can be attributed to growth in the number of

[60] The Council increases its rates in its annual budget in line with the CPI for Adelaide for the previous December. Campbelltown City Council 2024/2025 Annual Business Plan and Budget p. 24, available at Annual Business Plan and Budget | Campbelltown City Council

rateable properties and 2.8 percent per annum to increase in average increase in rates per property, which is slightly above the annual average forecast inflation of 2.6 percent. (see Figure 16)

The Council bases its annual increase in rates in its annual budget upon the previous December's increase in the Adelaide CPI, with projections for the remaining years of the LTFP on forecasts of inflation produced by Deloitte Access Economics.[61]

The difference between the average rates revenue per property in 2033-34, the last year of the 10-year forecast period, and the CPI-adjusted average rates revenue per property is $159.83 or 7.0 percentage points higher than the CPI-adjusted average rates per property over the entire historic and forecast periods. This real increase in rates has occurred because rates increased at a rate higher than inflation over the historic period, and these earlier increases above inflation carry over into the forecast period.

The projected increases over the forecast period are broadly in line with inflationary expectations and the ratepayers have an average level of income which suggests a low affordability risk(see Section 6.4).

The Council encourages community comments and feedback regarding its expenditure and revenue proposals, including the level of proposed rates, and encourages residents and ratepayers to attend information and briefing sessions, attend Council meetings and participate in public question time as advertised on their website. The Council also has a webpage dedicated to community consultation for residents, to provide information about engagement and consultation opportunities.[62] Community input obtained from engagement and consultation processes is then considered for decisions, including any proposed increases to rates.

6.4 Affordability risk

The affordability risk for the community related to these projected increases in rates is low, when considering:

- the current average level of rates (across most ratepayers), which rank 30th highest out of 72 councils on LGGC Report 6, when ranked from highest to lowest rates in South Australia and sitting above the average rates in the state,[63] which indicates that rates are somewhat higher than the average of all councils in South Australia.
- the Council's relative average socio-economic indexes for areas (SEIFA) economic resources ranking for the Council area[64] of 47 within South Australia, which places residents in the 66th percentile in the range, which indicates a relative lack of disadvantage and the capacity to pay above-average rates, and
- the forecast increases in rates of 2.8 percent average per annum per rateable property are only slightly above forecast inflation over the term of the LTFP.[65]

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61 See Projected Rates Increase Table in Campbelltown City Council, Long-Term Financial Plan 2024/2025 to 2033/2034 p.12. This is in line with the RBA projections in the Economic Outlook in February 2024, based on the December 2023 result and over the forward estimates period.
The Council prepares its LTFP in real terms with a range of assumptions and using appropriate indexation rates as per communications dated 22 April 2024.

62 See https://www.campbelltown.sa.gov.au/community/community-consultation .

63 With average rates in Campbelltown Council calculated at $1711 per property, compared to the state average of $1,665 per property as calculated by the SA Local Government Grants Commission in Finance Report 6 – Council Rating Arrangements for 2021-22 financial year.

64 The Council area is ranked 47 among 71 South Australian *'local government areas'* (including Anangu Pitjantjatjara and Maralinga Tjarutja Aboriginal community areas and 'unincorporated SA') on the Australian Bureau of Statistics SEIFA Index of Economic Resources (2021), where a lower score (e.g. 1) denotes relatively lower access to economic resources in general, compared with other areas, with additional information available at SEIFA (abs.gov.au).

65 That is, an average annual increase per property of 2.8 percent compared to a forecast annual average rate of 2.6 percent. Note that rates for year one of the 10-year forecast period are based on the CPI result of 4.8 percent for Adelaide for December 2023, while forecast inflation is calculated from the June quarter of 2024, when inflation has eased, which accounts for the higher-than-average CPI increase in rates.

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6.4.1 The Commission's advice re affordability risk

As the current economic environment is putting more pressure on most communities' capacity to pay for further rate increases, including those of the Council, the Commission recommends that Council:

11. **Continue** to consult with ratepayers concerning proposed increases in rates when developing the annual budget and long-term financial plan.
12. **Continue** to limit future increases in rates to no more than forecast inflation to reduce any emerging affordability risk in the community.

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7 The Commission's next advice and focus areas

In the next cycle of the scheme, the Commission will review and report upon the Council's:

- ongoing performance against its current LTFP estimates
- the identification and reporting of opportunities for cost savings
- the implementation of strategic AMPs
- the alignment of depreciation with asset renewal costs
- the planned asset renewal and replacement expenditure versus actual expenditure, and
- the Council's efforts to minimise any emerging affordability risks.

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8 Appendix: Glossary of terms

ABS	Australian Bureau of Statistics
AMP	Asset management plan (also called an IAMP)
ARFR	Asset Renewal Funding Ratio Since 2013, the asset renewal funding ratio has been defined as: Asset Renewal Expenditure ÷ IAMP Renewal Expenditure Where IAMP Renewal Expenditure is that required according to the IAMP.
Commission	Essential Services Commission, established under the *Essential Services Commission Act 2002*
CPI	Consumer Price Index (Adelaide, All Groups)
Council	Campbelltown City Council
CWMS	Community Wastewater Management System
ESC Act	*Essential Services Commission Act 2002*
F&A	Local Government Advice: Framework and Approach – Final Report
FTE	Full Time Equivalent
IAMP	Infrastructure and asset management plan (also called an AMP)
LG Act	*Local Government Act 1999*
LGA SA Financial Indicators Paper	Local Government Association of South Australia, Financial Sustainability Information Paper 9 - Financial Indicators Revised May 2019
LTFP	Long-term financial plan
NFLR	Net Financial Liabilities Ratio Net Financial Liabilities are defined as: Total Liabilities LESS Current Assets (Cash and Cash Equivalents) LESS Current Assets (Trade and Other Receivables) LESS Current Assets (Other Financial Assets) LESS Non-Current Assets (Financial Assets - excluding equity accounted investments in council businesses) The net financial liabilities ratio is: Net financial liabilities ÷ Total Operating Income
OSR	Operating Surplus Ratio The Operating Surplus (Deficit) is defined as: Total Operating Income LESS Total Operating Expenses The Operating Surplus Ratio is defined as: Operating Surplus (Deficit) ÷ Total Operating Income

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ABS	Australian Bureau of Statistics
Regulations	*Local Government (Financial Management) Regulations 2011*
RBA	Reserve Bank of Australia
SEIFA	Socio-Economic Indexes for Areas
SMP	Strategic Management Plan
The Scheme or Advice	Local Government Advice Scheme

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