

THE CORPORATION OF THE CITY OF WHYALLA

ANNUAL BUSINESS PLAN

2021-22

COMMUNITY CONSULTATION

The consultation period for the draft 2021/22 Annual Business Plan & Budget was open from Thursday 29 April - Friday 21 May 2021.

The draft document as well as additional supporting information were available on Council's website and the public were advised via media releases, social media, direct email and a notice in the local newspaper.

Council offered a variety of methods for the community to receive information and provide feedback including:

- Holding two Community Information Sessions at the Mount Laura Homestead Museum on Tuesday 4 May and Tuesday 18 May 2021
- Making a verbal submission at the General Council Meeting on Monday 17 May 2021
- Submitting a written submission via Council's website, Survey Monkey, email, mail or via the front counter.

In addition, Council held a number of focus group sessions on Monday 10 May 2021 with randomly selected individuals. This allowed Council to seek feedback from groups of participants that aligned with the demographics of the city.

Council welcomed all feedback received from our community on the proposed activities and funding arrangements contained within the draft 2021/22 Annual Business Plan and Budget.

A report containing all submissions was presented to the Council for consideration at a Special Council Meeting on Monday 31 May 2021 and included recommendations for how community feedback could be integrated into Council's plans.

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the lands in our region belonging to the Barngarla people, and acknowledge them as the traditional custodians from the past, for the present and into the future.

The Barngarla people are strong, and are continuously connecting to their culture and their country. Whyalla City Council and the Barngala people can work together to build a stronger future.



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MAYOR & CEO MESSAGE

On behalf of the Elected Members and City of Whyalla staff, we are pleased to present the Annual Business Plan and Budget for financial year 2021-22 (FY22).

This plan outlines Council's proposed services, programs and projects for FY22, aligned with our vision to 'Unearth a Bright Future for Whyalla'. This year, we continue to deliver on the objectives of our 2021-30 Strategic Plan under the four major pillars of **Our People**, **Our Places**, **Our Economy**, and **Our Image**. As always, our focus is not only on maintaining existing services and assets, but also implementing opportunities to help further develop our city and its economy.

FY21 SNAPSHOT

Although COVID-19 continues to have a significant impact on the global economy, we were extremely fortunate in regional South Australia, where we've been able to start our road to recovery much sooner.

- Our city actually experienced significant development activity throughout the year, which is continuing throughout FY22. Highlights include:
- Our stunning, world-class jetty reaching completion and garnering global acclaim;
- The new \$100m State Government high school making significant progress, set for completion later this year;
- Our airport commencing a \$12.1 million security, terminal and runway safety upgrade (primarily Federal Government funded);
- Aldi completing their \$5.2m development on Ekblom Street; and
- Electranet undertaking a \$290m project building 270 kilometres of high-voltage transmission line and upgrading five electrical substations (expected to take 18 months to complete).

These major construction projects also had a positive impact on local real estate, leading to a rental market boom, helping spark property sales and increasing median house prices. These are all significant projects and milestones that, together with GFG Alliance's return to profitability in the past 12 months, give us genuine excitement and confidence for our city's future.

Our FY22 plan

This plan is essential for the community, as it sets out Council's services, programs and projects for the year ahead and how they will be funded. It ensures Council delivers the goals and objectives of the Strategic Plan in an accountable and transparent manner while acting in the best interests of the community.

Council is committed to supporting a community which is economically, culturally, socially and environmentally sustainable, with every decision assessed against these objectives.

Some of the major plans and projects identified in this year's plan include:

- \$4m Cuttlefish Coast Sanctuary Tourism and Environmental Management Project (incorporating \$2m in State Government economy stimulus funding) - Aims to develop the world-renowned cuttlefish coast as a year-round tourist destination; not only attracting more tourists, but also providing unique experiences for locals to further increase the liveability of our city
- The third and final year of the \$14m Road Delivery Program - Improving the City's road, kerb and footpath network, with the replacement of assets currently at end of life
- \$600,000 Leisure Centre renewal works - Future proofs the centre, ensuring it can continue as a valuable community asset for years to come
- \$900,000 Jubilee Park changeroom (incorporating \$424,000 in State Government grassroots funding) - Construction of a new facility catering for a variety of sports. This will increase

MAYOR & CEO MESSAGE CONT.

Whyalla's available sporting amenities, enabling us to attract larger regional / statewide events that require multi-oval facilities.

- Foreshore Master Plan - We will work with the community through extensive consultation to identify key priorities for the area before finalising a plan to develop this critical asset over future years
- Economic Development Plan - Aimed at ensuring Whyalla is well positioned to continually grow, develop and diversify its economy for decades to come
- Council systems improvement - Focused on improving the customer experience, as well asset, finance, procurement and governance processes, ultimately improving decision making and streamlining systems, enabling an improved use of ratepayer funds.

Rates are Council's main source of income and are applied to all levels of operations and capital projects to provide the required level of services to meet community needs.

The Long-Term Financial Plan - which was adopted as part of the Strategic Management Plan in March 2020 following community consultation - forecasts required rate revenue for the next 10 years to assist in funding Council services, operations and projects. This plan projected a required rate increase of 3.3% for FY22.

Council consulted on the need for a one-off additional rate rise of 2%, aimed at preventing further increases in the existing deficit and the ensuing need to lose or reduce services to the community.

After considering all the feedback from the consultation process, Council ultimately decided to proceed with the proposed rate increase of 3.3%, plus a reduced one-off additional rate rise of 1.0%, alongside an ongoing reduction in operational expenditure of \$175,000.

During consultation, the community made it clear that attraction of new industry to the city and the creation of new jobs are a high priority. Council is being proactive in this space, funding the development of an Economic Development Plan for the city, while also liaising regularly with the State Government to advocate for positive outcomes for Whyalla. This includes a significant push to be one of the proposed State and Federal Governments' hydrogen hubs, with our city perfectly positioned to support their net zero emissions ambitions.

Our city is well poised to capitalise on a number of major opportunities in the coming years, enabling us to 'Unearth a Bright Future', and we're confident this plan will play a critical role in our success.

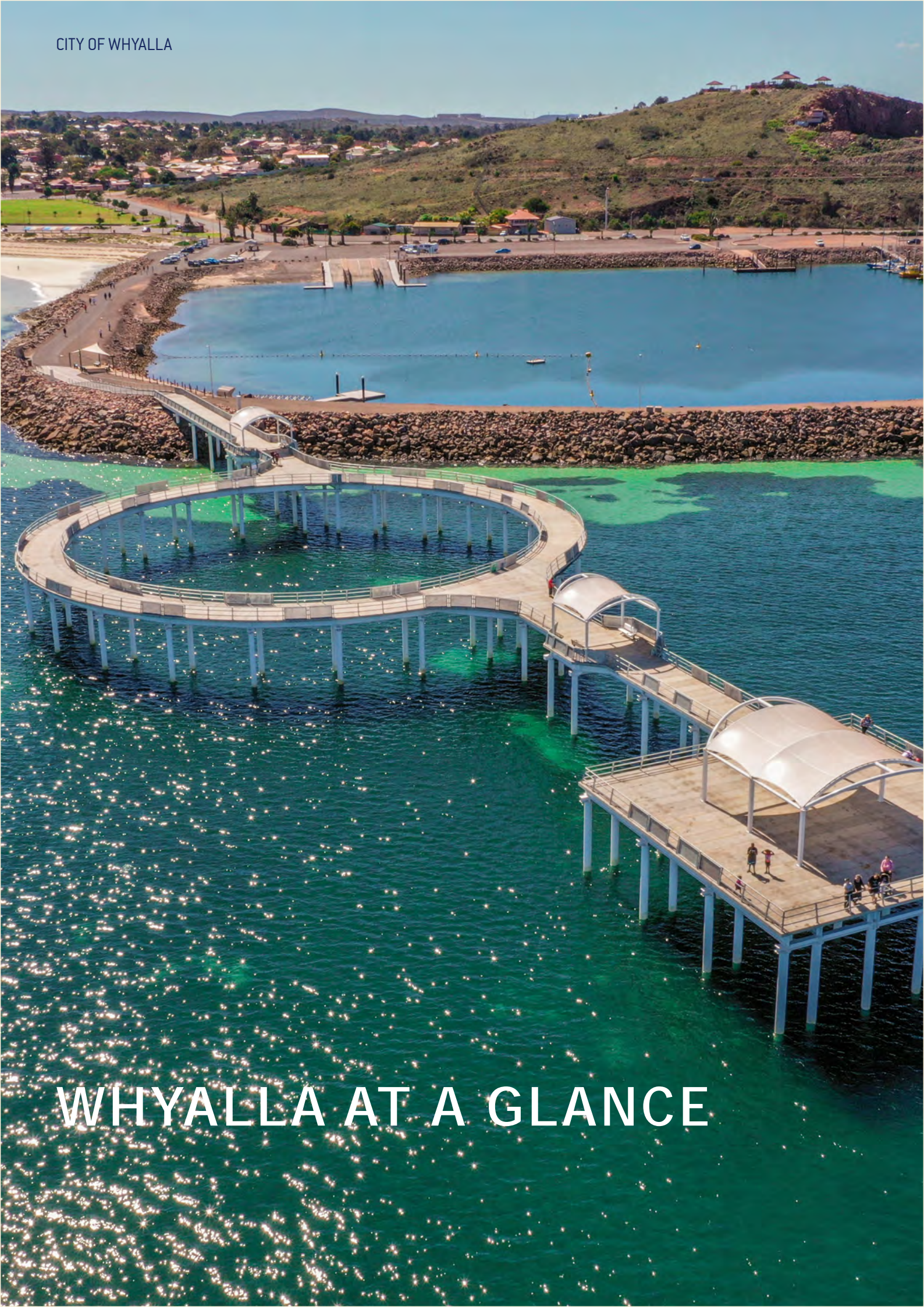
Kind Regards



Mayor
Clare McLaughlin



CEO
Justin Commons



WHYALLA AT A GLANCE

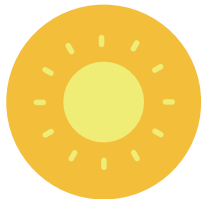
CITY AT A GLANCE

Home to **21,828** residents

4.7% of our population are aboriginal and torres strait islander people

18.4% of our population born overseas

20% of population volunteer



300 days of sunshine a year



270mm of rainfall a year

\$963 million gross regional product



SEIFA INDEX
882

11,311 DWELLINGS

ROAD NETWORK **353 km**

COUNCIL AREA IS **1000 km²**

URBAN AREA IS **41.5 km²**

11,520 RATEABLE PROPERTIES

WHYALLA

34% OF ADULTS COMPLETED HIGH SCHOOL

40% OF ADULTS HAVE A VOCATION OR HIGHER EDUCATION

46% OF THE POPULATION ARE AGED BETWEEN 25 AND 60

TOTAL OPERATING INCOME OF **\$33.2 MILLION**

TOTAL OPERATING EXPENDITURE OF **\$35.0 MILLION**

COUNCIL AT A GLANCE

ELECTED MEMBERS

Collectively Elected Members are responsible for policy making and decisions that impact on future plans for the city and the lives and livelihoods of individuals, organisations and businesses within it. The City of Whyalla is represented by ten elected members which includes a Mayor (Chairperson) and nine Councillors



Clare McLaughlin
Mayor



Phill Stone
Deputy Mayor



Irene Adair
Councillor



David Knox
Councillor



Joanne Marshall
Councillor



Tamy Pond
Councillor



Rick Santucci
Councillor



Bill Simpson
Councillor



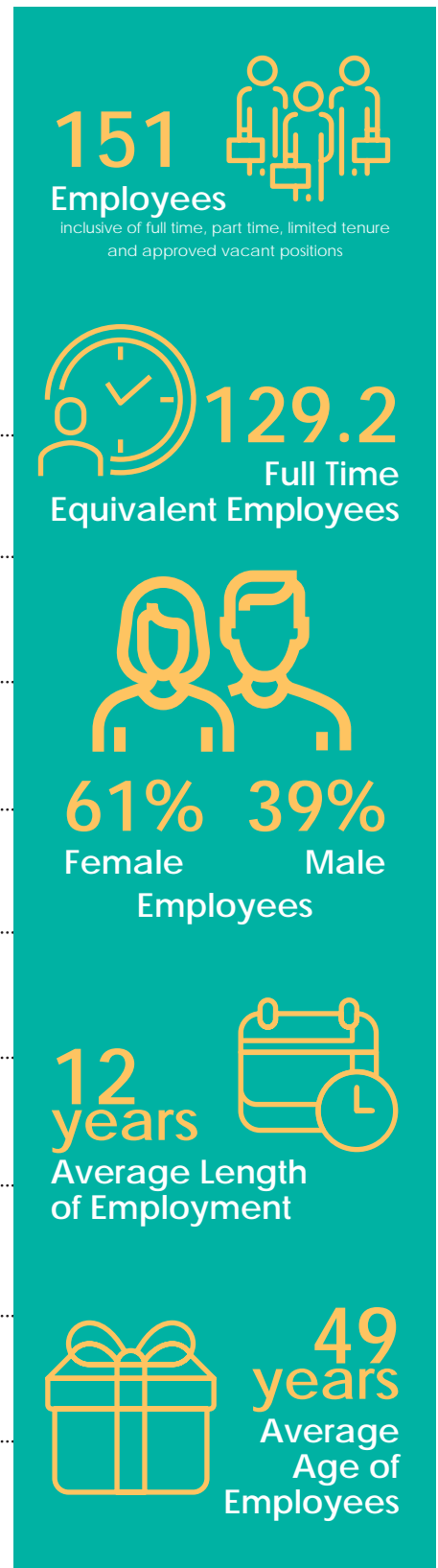
Soto Stuppos
Councillor



Zia Westerman
Councillor

The role of an Elected Member is to:

- participate in the deliberations and civic activities of the Council
- formulate the Council's objectives and policies
- keep the Council's objectives and policies under review to ensure they are appropriate and effective
- keep Council's resource allocation, expenditure and activities and the efficiency and effectiveness of its service delivery under review
- represent the interests of residents and ratepayers, to provide community leadership and guidance and to facilitate communication between the community and the Council.



FUTURE PLANNING



STRATEGIC DIRECTION

Whyalla City Council's Strategic Management Plans have a strong focus on creating a proud and thriving city with an attractive and diverse economy.

- the Whyalla City Council Strategic Plan 2021-2030
- the Whyalla City Council Long Term Financial Plan 2021-2030
- the Whyalla City Council Asset Management Strategy 2021-2030

These plans align with relevant regional and national initiatives and priorities included in the South Australian Strategic Plan.

PLANNING FRAMEWORK

The diagram below demonstrates how our Plans connect to deliver on our Vision. Consistent with our commitment on delivering our plans, we consciously keep track of our progress and report back to you, our community, through the plans and reports outlined below.



STRATEGIC PRIORITIES

DELIVERY STAGE

Stormwater Management Plan
Whyalla Northern Coastline Plan
Local Area Strategic Bicycle Plan
Reconciliation Action Plan
Arts and Cultural Strategy
Whyalla Airport Plan

DEVELOPMENT

Economic Development Plan
Foreshore Master Plan

PENDING

Climate Change Adaption Plan
Whyalla Landscape Plan
Play Spaces Plan
Whyalla Sport and Recreation Plan
Civic Park Plan

STRATEGIC PLAN 2021-2030

GOAL

Unearth a bright future for Whyalla.

VALUES

- We Care
- We Work Together
- We're Committed
- We Own It

VISION

Whyalla will be a vibrant, attractive city offering the community a diverse range of sustainable economic, social, environmental and cultural opportunities.

OUTCOMES

- Confident, engaged and proud community
- Integrated education and training opportunities
- Attractive city
- Diverse economy
- Integrated health, disability and aged care services



OUR PEOPLE

Provide a range of services and facilities which promote a safe and engaged community, which is healthy, culturally and socially rich.



OUR PLACES

Protect our natural environment and enhance our built environment to ensure the environmental, social, physical and economic needs of the city are met.



OUR ECONOMY

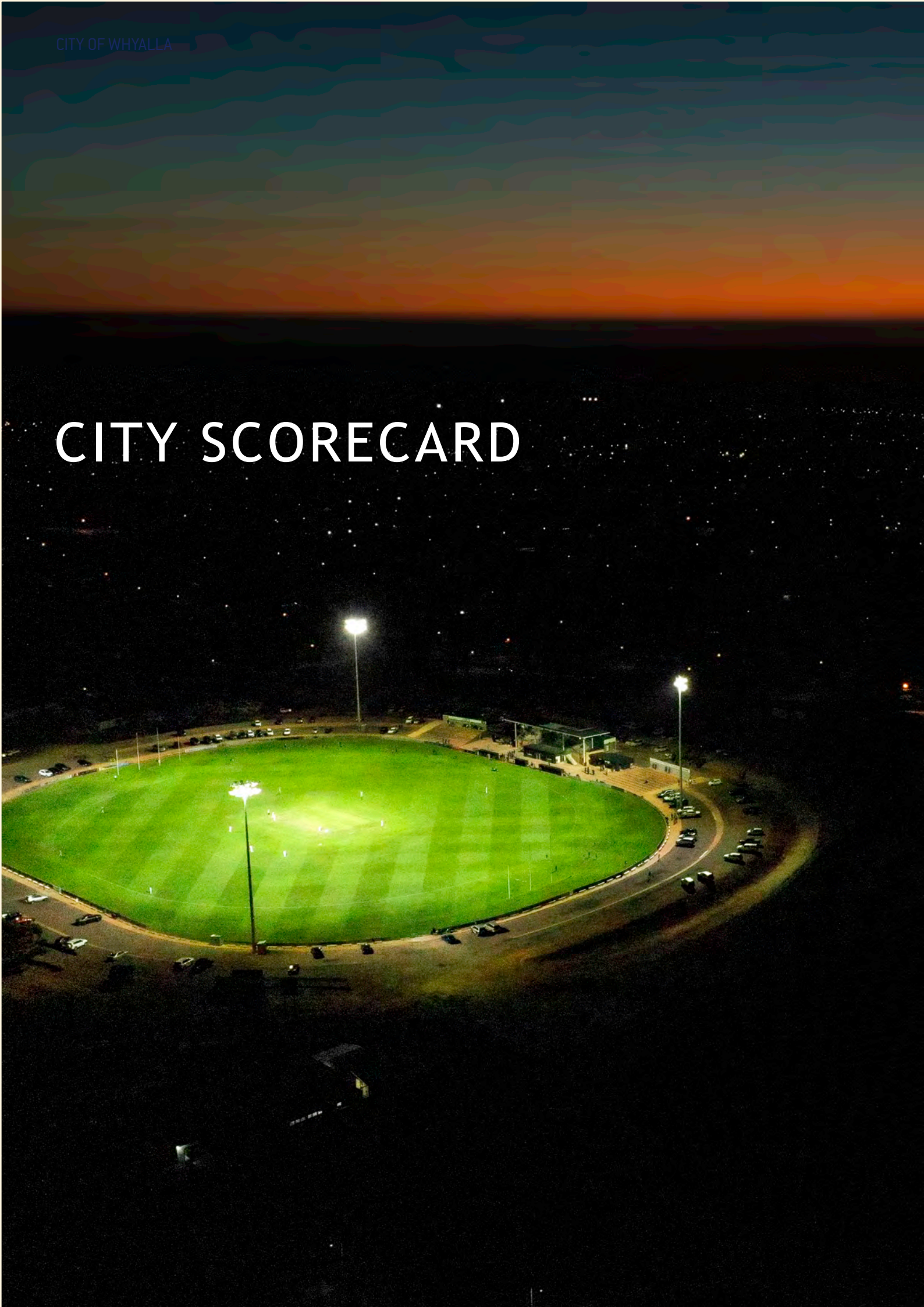
Whyalla has a diverse and sustainable economy.



OUR IMAGE

Whyalla is well-respected and recognised as a community of strength, whose people have a bright, positive and sustainable future.

CITY SCORECARD



2020-21 COMMUNITY PERCEPTIONS

COMMUNITY SURVEY

During mid-2020, Council undertook an initial annual survey to better understand our community's perception about the City. These results form the baseline of our City Scorecard, which informs Council how changes in the City are delivering the objectives in the Strategic Plan 2021-2030.

SCORE - expressed in percentages (round and therefore resulting in slight variations in totals)		Weighted Score -/5
OUR PEOPLE - a safe and engaged community, which is healthy, culturally and socially rich		
Pride	Proportion who say they feel proud of Whyalla	3.50
Safe, Healthy, Connected	Proportion who say they feel safe, healthy and connected to their community	3.38
AVERAGE		3.44
OUR PLACES - protecting our natural environment and enhancing our built environment		
Attractive and creative city	Proportion who say they have great memories of Whyalla's parks, gardens, public buildings and infrastructure	3.76
Activated	Proportion who say Whyalla's parks, gardens, public buildings and infrastructure are well used and reflect community needs	3.60
Sustainable environment	We look after our natural environment, effectively protecting it for us now and for future generations	3.35
AVERAGE		3.57
OUR ECONOMY - Whyalla has a diverse and sustainable economy		
Prosperous	Size of Whyalla's Economy (Gross Regional Product as at 30/12/2020)	GRP
Growing	New businesses in Whyalla	3.06
Learning, working, staying	Higher education enrolments, higher education retention	3.27
AVERAGE		3.17
OUR IMAGE - Whyalla is respected and recognised as a strong community with a bright, positive and long-term future		
Belonging	Would you recommend Whyalla as a place to live? (Net Promoter Score)	*-20
	Would you recommend Whyalla as a place to do business? (Net Promoter Score)	*-44
AVERAGE		-32
OUR LEADERSHIP - we are a City confident in its leaders		
Strategic Accountable Engaged Modern	Proportion who say Council delivers value for the rate dollar	2.67
	Proportion who are satisfied with Council services	3.08
	Proportion who say it takes little effort to do business with Council	3.23
	Proportion who are satisfied with their experience in dealing with Council	3.24
	Proportion who say Council is engaging with residents, ratepayers, community groups, visitors	3.18
	Proportion who say Council is exciting, modern and embracing change	2.86
AVERAGE		3.04

* Net Promoter Score (NPS) measures how likely respondents are to recommend something. NPS is a score between -100 and 100, and is calculated using the percentage of promoters minus the percentage of detractors.

Promoters are those who score 9 or above while detractors are those who score 6 or below, with the remainder being considered neutral.

2020-21 PROJECTS DELIVERED



3-YEAR ROAD DELIVERY PROGRAM - STAGE TWO

The second year of the program has continued to progress from the successful first year of delivery. One mobilisation of sealing work was completed during August, with a second undertaken in June after the main contractor finished a plant upgrade. Kerbing works scheduled for 2020-21 were completed, with additional items brought forward from 2021-22 also delivered.



AIRPORT SCREENING AND TERMINAL UPGRADE

This major building upgrade valued at over \$4 million is underway with demolition and site works completed and construction well underway. Works are expected to be completed by September. Contracts are also in place for the installation of baggage and screening equipment. The project will deliver on the objective of meeting the Australian Government measures to further strengthen Australia's domestic and international aviation security, while also increasing the amenity for airport users. An additional \$4.3 million of funding greatly reduced the upfront risk to Council relating to this project.



AIRPORT TAXIWAY AND RUNWAY SAFETY UPGRADE

These works will significantly improve overall airport safety, by ensuring that the second runway has all weather access and separating Royal Flying Doctor Services from other users on the apron area. Detailed design has been undertaken, with works expected to be tendered very soon. Works will be delivered during 2021-22, as initially expected.



VALLEY ONE STORMWATER STAGE 1

This is a key project included in Council's Stormwater Management Plan and will be delivered over five stages as funding permits. Detailed design occurred in 2020-21 covering all five stages and then delivery of stage one will be undertaken in 2021-22.



OTHER STORMWATER WORKS

The capital program contains a number of stormwater projects that are being undertaken in conjunction with the road reseal program, to mitigate known flooding issues around Newton Street, Broadbent Terrace, Wall Street and Darling Terrace. These works required additional design works, which are now complete and will be delivered in 2021-22.

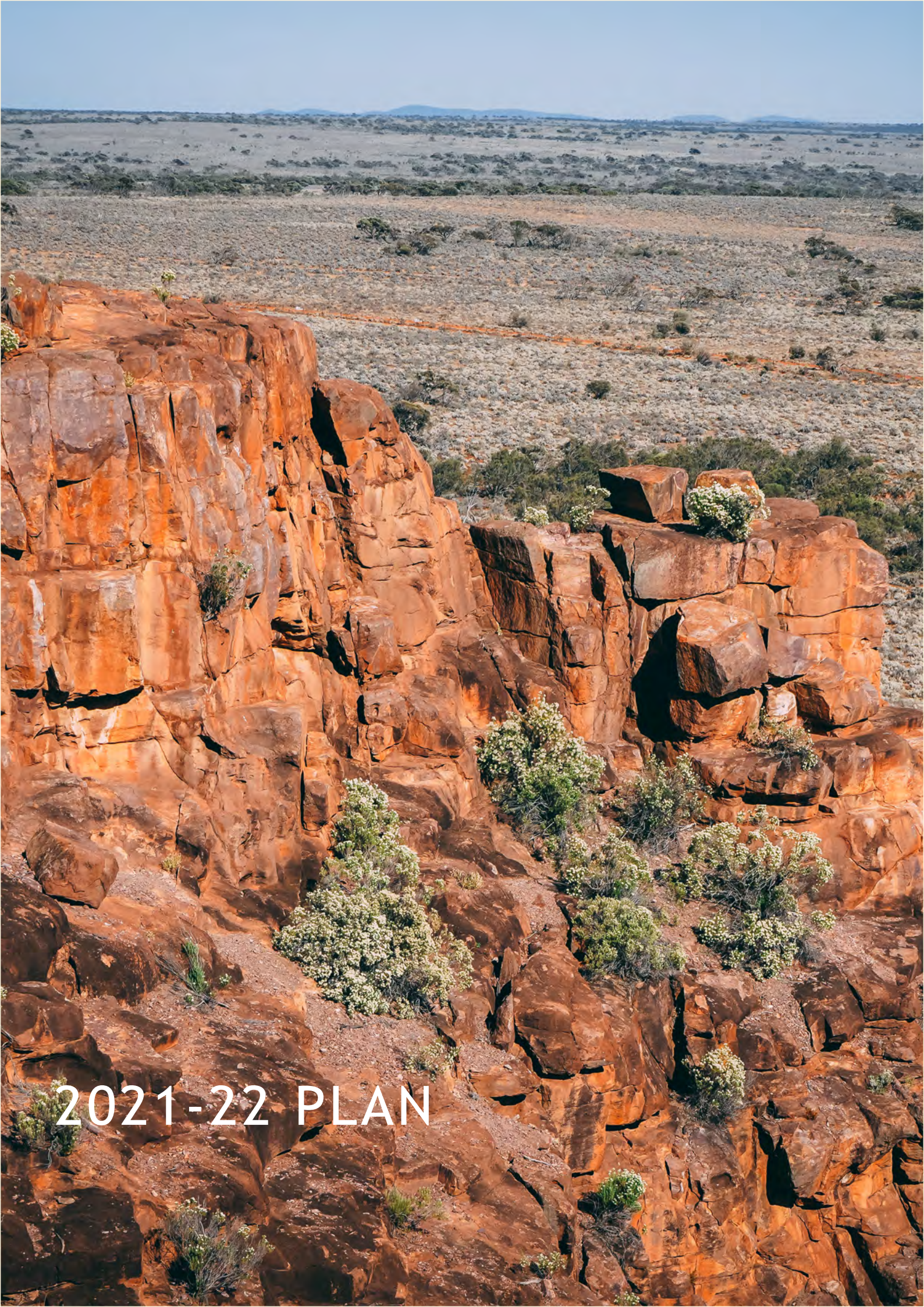


STREET TREE REPLACEMENT PROGRAM

Continued roll out of the Street Tree Replacement Program through the installation of new trees on a range of nature strips and median strips throughout Whyalla. These will be maintained with high quality fertilizer and soil conditioner, deep watering infrastructure and irrigation to ensure durability for the future.

2020-21 ACHIEVEMENTS

AREA OF FOCUS	ACTIVITIES UNDERTAKEN
OUR PEOPLE - a safe and engaged community, which is healthy, culturally and socially rich	
Pride	Changing Places Toilet
	Adoption of Disability Inclusion Action Plan
Safe, Healthy, Connected	Approval for an additional \$4.2 million of funding for the Airport after much Council advocacy, reducing the up front cost to Council and the ongoing cost to users
OUR PLACES - protecting our natural environment and enhancing our built environment	
Attractive and creative city	Development of detailed renewal program for Buildings and Open Space assets
	Second year of \$14 million Transport Renewal Program well underway
Activated	Support of local club to allow them to deliver a state wide event (tennis courts)
	Expression of Interest process for the management of the Point Lowly Cottages
Sustainable environment	Completion of Stormwater Harvesting and Reuse Strategy
	Commencement of detailed design on all stages of the Valley One project, a significant part of the Stormwater Management Plan
OUR ECONOMY - Whyalla has a diverse and sustainable economy	
Prosperous	Commencement of Economic Development Plan process
Growing	Coverage of the Jetty, significantly boosting the visibility of the local region to potential visitors
	Undertaking detailed scoping to enable Council to access State Government recovery funding for the Northern Coastline Masterplan
Learning, working, staying	Adoption of Art & Culture Plan
OUR IMAGE - Whyalla is respected and recognised as a strong community with a bright, positive and long-term future	
Belonging	Commencement of Foreshore Masterplan process
OUR LEADERSHIP - we are a City confident in its leaders	
Governance	Complete review of delegation register undertaken
	Holistic review of Council's policy framework
Organisational Culture	Second cultural survey undertaken and learnings shared with staff
Governance	Complete review of delegation register undertaken
	Holistic review of Council's policy framework
Risk Management	Strategic Risk Management framework developed



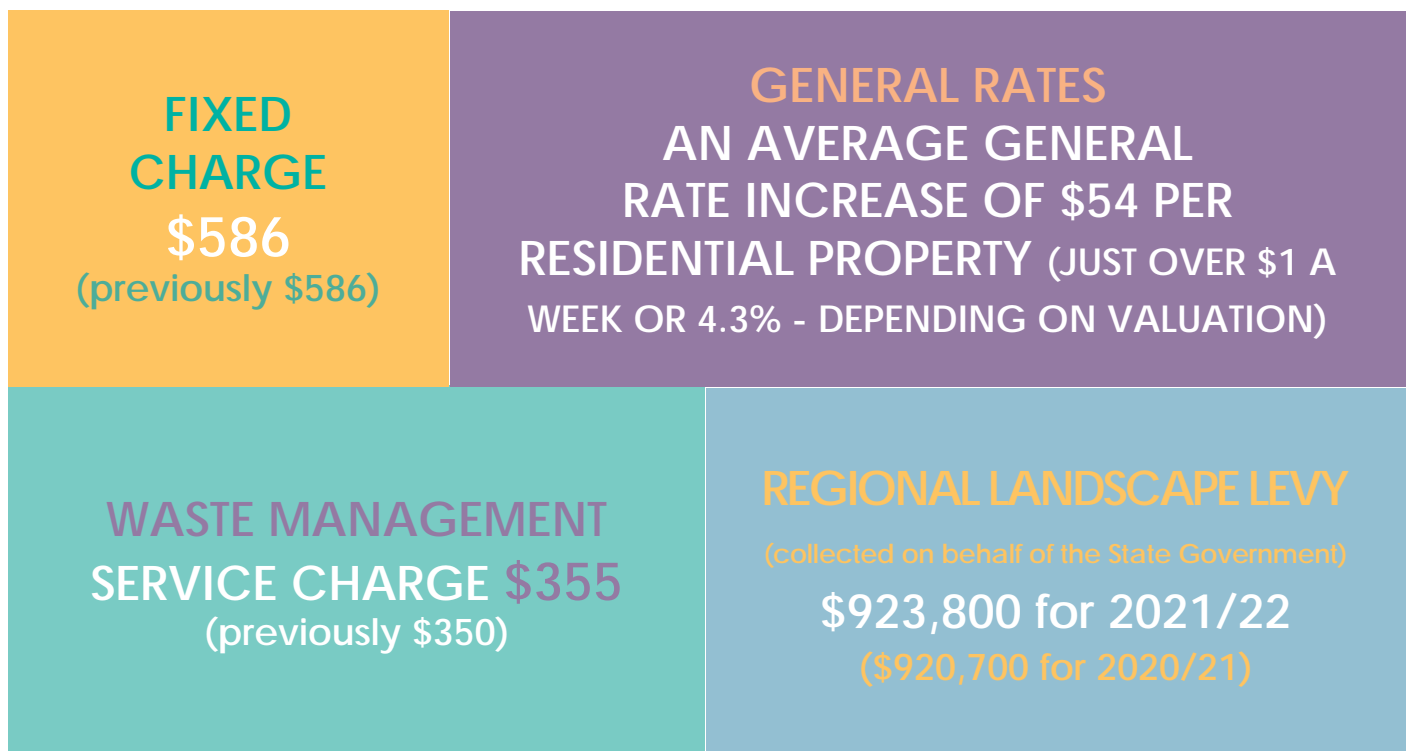
2021-22 PLAN

2021-22 AT A GLANCE

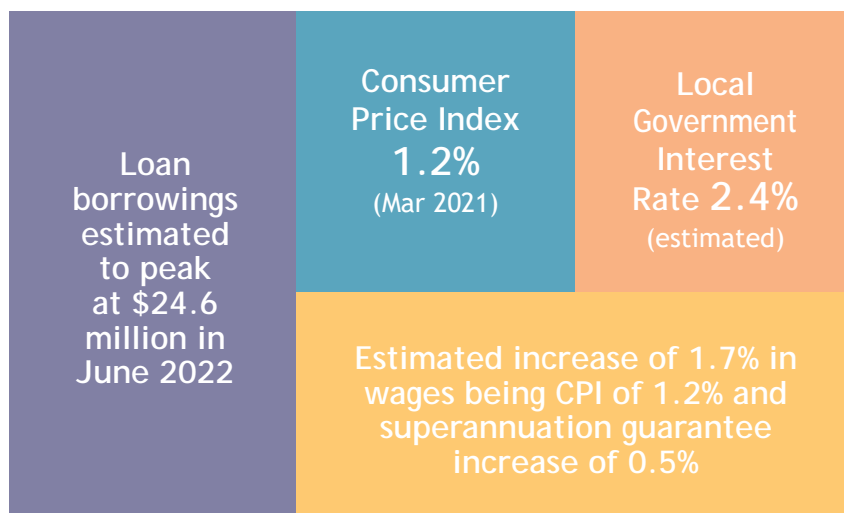
The Annual Business Plan sets out Council's proposed services, programs and projects for 2021/22. It aims to maintain efficient legislated and discretionary services for the community and continue progress towards the longer-term objectives for the City of Whyalla as set out in the Strategic Plan adopted in 2020.

The Annual Business Plan is Council's key management document reflecting the work that Council needs to undertake to meet its Strategic Plan goals and objectives within the constraints of the revised Long Term Financial Plan.

RATE REVENUE MADE UP OF



SIGNIFICANT INFLUENCES



CAPITAL SPEND



SIGNIFICANT INFLUENCES AND PRIORITIES

The 2021-22 Annual Business Plan & Budget has been developed within the Planning Framework outlined earlier in the document. In addition to this, the annual planning process began with an Environmental Scan, to ensure that all relevant internal and external factors were taken into account in planning for the delivery of Council services for the year and beyond. The table below lists some of the key issues identified for each area examined but doesn't represent an exhaustive list of all the items discussed.

ENVIRONMENTAL SCAN	
Internal	External
Financial Sustainability <ul style="list-style-type: none"> Rate methodology Reliance on rates 	Political <ul style="list-style-type: none"> Stimulus funding Local Government reform
Assets <ul style="list-style-type: none"> Asset data New asset delivery 	Economic <ul style="list-style-type: none"> Covid impacts Foreshore redevelopment Attracting new industry Jobs creation Need to grow local economy
Services <ul style="list-style-type: none"> Retaining service levels unless reviewed Capacity to deliver new projects/service 	Social <ul style="list-style-type: none"> Local demographics Covid impacts
Workforce <ul style="list-style-type: none"> Enterprise bargaining Recruitment 	Technological <ul style="list-style-type: none"> Preparation for change
Effectiveness <ul style="list-style-type: none"> Modernisation 	Legal <ul style="list-style-type: none"> Airport security Local Government reform
Legacy Issues <ul style="list-style-type: none"> Foreshore cafe Landfill 	Environmental <ul style="list-style-type: none"> Cuttlefish protection Climate change
Performance <ul style="list-style-type: none"> New reporting being developed 	Relationships <ul style="list-style-type: none"> Other spheres of government Private industry

In addition, the assumptions that underly Council's Long Term Financial Plan were tested for appropriateness.

LTFP ASSUMPTION	
Service Levels	Interest Rate (2.4%)
Rate Increase (4.3%)	Capital Costs (1.5%)
Wage Increase (1.7% including superannuation guarantee of 0.5%)	Ongoing Savings (\$50,000)
Consumer Price Index (1.2%)	Other Income

All of this information combined was used to formulate the Budget Parameters shown on the next page.

BUDGET PARAMETERS

A suite of parameters were adopted at the beginning of the budget process, which have formed the framework within which the Annual Business Plan and Budget has been developed. This ensures that the budget is developed in a logical manner that is clear to all stakeholders. These parameters state that the Annual Business Plan and Budget will:

1. Support the achievement of the City of Whyalla's Strategic Direction
2. Address issues arising, and opportunities identified, from organisational effectiveness assessments/reviews.
3. Maintain, on average, a break-even or better operating and cash position over the Long-Term Financial Plan (LTFP).
4. Continue to improve the maintenance of assets in accordance with Council's Asset Management Strategy, with a priority on maintenance to ensure assets reach end of life, and 100% funding of renewal at end of life unless a service level change has been specified.
5. Review existing services and assets to ensure they meet prioritised community needs.
6. Council only approve New/Upgrade Capital Projects where it has the identified funding capacity to do so.
7. Maintain predictability and stability in rating increases, in line with the LTFP.

Being able to achieve all the parameters above can be challenging, such as maintaining stability and predictability in rating increases while also delivering on services that meet community needs, especially when Council experiences increasing cost pressures.

Council has experienced this over the last 12 months, as updated data shows that the annual cost of maintaining Council's building and open space assets are higher than previously thought.

This requires Council to weigh the offsetting priorities to decide the best course of action. While Council are always looking for efficiency gains and budget for this, large increases in expenditure or reductions in income are always going to require some other intervention to address.

Consultation with the community focused on whether a one-off higher rate increase to address these higher costs was reasonable, or if some level of service reductions needed to be identified.

ANNUAL EFFICIENCY SAVINGS

RATES

5.3% rate increase

3.3% rate increase

1.2% rate increase



SERVICES

No change in service

2% reduction in average service

4% reduction in average service

STRATEGIC INITIATIVES

A key objective of the Annual Business Plan & Budget is to outline how Council will deliver on the Strategic Plan 2021-2030 objectives during the year. While much of Council's business involves ongoing service delivery, the list below outlines the specific initiatives that have been identified to be undertaken in 2021-22 to ensure that Council can deliver on these strategic objectives.

AREA OF FOCUS	PLANNED ACTIVITIES
OUR PEOPLE - a safe and engaged community, which is healthy, culturally and socially rich	
Pride	Promoting and developing the city's capacity in relation to arts, culture and heritage through the development of an implementation and resourcing plan associated with the Arts and Culture Strategy
Safe, Healthy, Connected	Develop forward plan for the Whyalla Recreation Centre to ensure this facility, which is of high importance to the community, can continue to improve Wellbeing into the future
OUR PLACES - protecting our natural environment and enhancing our built environment	
Attractive and creative city	Development of a new 3-year transport renewal program to commence in 2022-23
	Continue to increase the number of street trees and landscaping within our city
Activated	Delivery of upgraded facilities for Jubilee Park, that will increase the city's ability to be a regional hub for carnival competitions
	Complete scoping of potential upgrade to facilities at Memorial Oval for future funding bids
	Develop a roadmap for recreation and sporting facilities in our city
	Continue the review of Council's buildings and plan for their future use, as well as promotion of initiatives that revitalise non-council owned buildings
Sustainable environment	Seek external funding for high priority stormwater works
	Undertake a review of Council's Waste Management Strategy with a focus on strategies for reducing illegal littering
OUR ECONOMY - Whyalla has a diverse and sustainable economy	
Prosperous	Deliver an Economic Development Plan with a focus on attraction of new industry, creating more jobs, underpinning the sustainability of local businesses and growing the population.
	Delivering Airport and Child Care services in a sustainable manner, to support our economy and community
Growing	Delivery of Cuttlefish Coast projects, to improve the value proposition of the tourism offering on the Northern Coastline
Learning, working, staying	Continue working towards strategic priorities for the city, set out by the list of proposed Master Plans outlined in the Long Term Financial Plan
OUR IMAGE - Whyalla is respected and recognised as a strong community with a bright, positive and long-term future	
Belonging	Completion of Foreshore Masterplan in line with extensive community consultation, with a focus on improvements in liveability
Leadership	Develop a city advocacy strategy that promotes our people, place and economy
OUR LEADERSHIP - we are a City confident in its leaders	
Governance	Review of the overall procurement process, to ensure that Council strikes the right balance between risk and efficiency, as well as contributing to the local economy
	Implementation of changes related to the State Government's Local Government Reform Bill
	Implementation of improvements highlighted by organisational effectiveness reviews
Civic Leadership	Ongoing progress of Elected Member professional development with a focus on best practice community and corporate governance

STRATEGIC INITIATIVES

OUR LEADERSHIP - we are a City confident in its leaders (Continued)	
Organisation Culture	Continue to build a constructive culture for Council
Community Participation	Increase levels of community participation through engagement
Customer Experience	Finalisation and implementation of a Customer Experience Framework for Council
	Undertake in depth community survey, to better understand community priorities
Risk Management	Manage risks through maintaining council's risk management framework
Information Systems	Develop a roadmap and commenced staged implementation of a modernised council systems
	Review of Asset Management systems, to ensure that Council has access to high quality information for decision making
Service Delivery	Develop a service review program and then undertake a review of service levels, with an initial focus on those relating to assets, including utilisation, useful lives and where service levels are ill defined

MEASURING OUR PERFORMANCE

To ensure Council's accountability in delivering on the objectives in the Strategic Plan 2021-2030, the following measures have been put in place to track progress.

MEASURE	SOURCE
OUR PEOPLE - a safe and engaged community, which is healthy, culturally and socially rich	
Improvement in the Community's view of Council's performance in delivering on the People theme	Community Survey
Progress against planned strategic initiatives	Internal
OUR PLACES - protecting our natural environment and enhancing our built environment	
Improvement in the Community's view of Council's performance in delivering on the Places theme	Community Survey
Progress against planned strategic initiatives	Internal
OUR ECONOMY - Whyalla has a diverse and sustainable economy	
Improvement in the Community's view of Council's performance in delivering on the Economy theme	Community Survey
Progress against planned strategic initiatives	Internal
OUR IMAGE - Whyalla is respected and recognised as a strong community with a bright, positive and long-term future	
Improvement of Council's Net Promoter Score	Community Survey
Progress against planned strategic initiatives	Internal
OUR LEADERSHIP - we are a City confident in its leaders	
Improvement in the Community's view of Council's performance in delivering Leadership	Community Survey
Progress against planned strategic initiatives	Internal
Delivery of Strategic Initiatives presented in the Annual Business Plan	Project Reporting
Improvement over time in Culture Survey Results	Culture Survey
No increase in Lost Time Injuries on a 5-year rolling basis	LGRS
Development of Customer Service Standards	Internal
Achieve financial results consistent with or better than the adopted budget	Operating Surplus Ratio Net Financial Liabilities Ratio

CAPITAL RENEWAL PROGRAM

The table below shows Council's expected spend on Capital Renewal during 2021-22, totalling \$7.5million. Renewal expenditure is required to maintain Council's infrastructure networks at their current standards and service levels, as assets reach the end of their useful life.

Council's required spend on renewal is set out in the Asset Management Strategy and is based on extensive data relating to the condition and value of Council's assets. This data is extensively reviewed every 5 years, on a rolling schedule for each asset class. When developing the annual budget, the asset data receives a "ground truth",

to ensure that the identified assets are the most appropriate for renewal. Other minor adjustments are also undertaken to ensure that the renewal program is undertaken in an efficient manner.

ASSET CATEGORY	TOTAL COST
Transport	\$3,955,000
Buildings	\$1,008,000
Rec and Open Space	\$1,240,000
Plant & Equipment	\$884,000
	\$7,087,000

TRANSPORT RENEWAL

\$14M

THREE YEAR ROAD DELIVERY PROGRAM

2021-22 is the final year of a three year, \$14 million program, to address the backlog of transport assets that had reached end of life. This year will see 10.1 kms of roads resealed and 3.2 kms of footpaths replaced. Kerbing will also be replaced where required in conjunction with these works.



PLANT & EQUIPMENT RENEWAL

Plant & Equipment is used across Council to assist with service delivery. Replacement is scheduled to ensure that cost is optimised over the life cycle. The following items require replacement:



- Rubbish truck
- 2 forklifts
- 1 tractor
- 4 mowers
- 8 fleet vehicles
- 5 minor plant items
- Disability lifter for Leisure Centre
- 13 photocopiers

CAPITAL RENEWAL PROGRAM CONT.

BUILDING RENEWAL

Council has recently received improved data in relation to the Building asset class, and has developed a program based on high priority works, as follows:

LEISURE CENTRE

\$600,000

The community have made it clear that this asset is a very high priority. Works will be undertaken to protect this vital asset into the future, including extensive tiling and grouting, as well as separating water treatment for each pool to improve water quality in line with best practice.



HMAS WHYALLA

\$150,000

Works will continue on the HMAS Whyalla to move the vessel towards a state of being entirely waterproof to protect the asset in the long term.



OTHER BUILDING WORKS

\$250,000

Required works have also been identified for the following sites, with some being subject to items soon to be considered for Council decision:

- Maritime Museum
- Visitor Information Centre



OPEN SPACE RENEWAL

Council has recently received improved data in relation to the Open Space asset class, and has developed a program based on high priority works, as follows:

MARINA ASSETS

\$716,000

Works on boat ramps and wharf structures at both the Whyalla and Point Lowly Marinas.



JUBILEE LITTLE ATHLETICS TRACK

\$274,000

Replacement of the entire surface and sub-surface to bring this asset up to the expected standard.



PLAYGROUNDS AND EQUIPMENT

\$250,000

Two playgrounds require replacement each year to ensure equipment isn't exceeding useful life. Consultation is being undertaken to prioritise works.

NEW CAPITAL PROJECTS

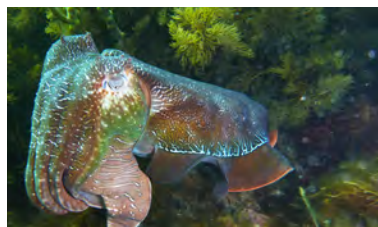
Council has combined the capital program for the 2021-22 and 2022-23 financial years to be able to take maximum advantage of stimulus funding being offered by the State Government.

PROJECT	2022-23			2023-24		
	TOTAL COST	FUNDING	COUNCIL COST	TOTAL COST	FUNDING	COUNCIL COST
Cuttlefish Coast Projects	\$2,300,000	\$1,150,000	\$1,115,000	\$1,883,000	\$916,000	\$917,000
Jubilee Park Changeroom	\$670,000	\$335,000	\$335,000	-	-	-
Foreshore Masterplan Projects	\$700,000	\$700,000	-	\$600,000	\$300,000	\$300,000
Street Tree Replacement Program	\$90,000	-	\$90,000	\$90,000	-	\$90,000
Arts and Culture Allocation	\$235,000	\$235,000	-			
Other Minor Projects	\$105,000	-	\$105,000	-	-	-
	\$4,100,000	\$2,420,000	\$1,680,000	\$2,523,000	\$1,216,000	\$1,307,000

CUTTLEFISH COAST PROJECTS

This project supports and develops a pristine and fragile coastline. Its vision will position Whyalla as a year-round destination valued for its environment, recreation and lifestyle experiences. Accommodating a diverse range of activities, it balances the value of the existing natural, cultural and environmental assets, and adds local economic value.

Delivering on the outcomes of the Northern Coastline Masterplan, deliverables include:



- formalisation of campsites and upgrade of camping facilities
- upgraded access and parking at cuttlefish dive site
- upgrade of Pt Lowly Cottages
- contemporary interpretive signage and walking trails
- protecting fragile ecosystems via track closures
- improved coastal access and facilities.

This project has been successful in receiving 50% funding from the State Government's Local Government Infrastructure Partnership Program.

STREET TREE REPLACEMENT PROGRAM

This program will continue to ensure more of the gaps within our street tree network are filled, with the establishment of trees which are appropriate when taking into account the climate and Council's current irrigation network.



FORESHORE MASTERPLAN PROJECTS

Council will be undertaking an extensive community consultation process in mid-2021 to allow for the development of a Foreshore Masterplan. This will outline the future direction of this key precinct for the city and outline deliverables for the short, medium and long term.



While these deliverables are not yet known, this budget allocation will allow Council to proceed with identified high priority items in the short term. It is envisioned that all deliverables from the Masterplan would seek 50% external funding before proceeding.

NEW CAPITAL PROJECTS CONT.

JUBILEE PARK CHANGEROOM

This project includes the construction of a new facility at the Jubilee Park precinct that will involve amenities and changing facilities, which will benefit sporting groups looking to utilise this precinct for training. \$230,000 was approved for this project in the 2020-21 Annual Business Plan. This additional budget will increase the total available to \$900,000, with the increase in scope designed to ensure the facility will be suitable for hosting regional carnival events.

This project has been successful in receiving funding from the State Government's Grassroots Facilities Program.

ARTS AND CULTURE ALLOCATION

Community feedback has indicated that Council needs to invest more in arts, culture and heritage in the city. To allow for works of this nature to be progressed, an allocation has been made in 2021-22, that will be funded entirely from the Federal Government's Local Roads and Community Infrastructure Round 3. This will allow for the prioritisation of suitable projects.

OTHER MINOR PROJECTS

This allocation covers some minor upgrades for the Airport and Leisure Centre that address safety issues, as well as allowing for additional equipment to be purchased to increase the capacity of key personnel to work remotely when required.



CONTINUING PROJECTS

The table below represents projects that have been approved as part of a previous budget process, with some of the approved expenditure being expected to occur during 2021-22.

Projects can be retimed for a number of reasons, including increased complexity experienced after detailed design is completed. Many of the projects listed below were originally described as multi-year projects.

Further information on these projects is available in previous Annual Business Plans.

	New/Upgrade	Renewal	Funding	Council Cost
Airport Runway Safety Upgrade	\$4,671,000	\$869,000	\$2,455,000	\$3,085,000
Airport Terminal & Security Upgrade	\$2,000,000	-	\$2,100,000	-\$100,000
Valley One Stormwater	\$1,204,000	-	\$630,000	\$630,000
Newton St and Broadbent Tce Flood Mitigation	\$832,000	-	-	\$832,000
Reconstruction of Wall St and Darling Tce	\$501,000	-	-	\$501,000
Levee Bank Extension	\$174,000	-	-	\$174,000
Foreshore Café Upgrade	\$230,000	-	-	\$230,000
Jubilee Park Changeroom	\$210,000	-	\$115,000	\$95,000
Footpath Expansion	\$330,700	-	-	\$330,700
Natural Conservation Improvement Projects	\$116,000	-	\$58,000	\$58,000
Marina Boat Ramp	\$82,400	-	-	\$82,400
Patterson Street Hub	\$58,300	-	-	\$58,300
Transport Renewal Program	-	\$949,700	-	\$949,700
Playground Renewal	-	\$223,600	-	\$223,600
Tanderra Hall and Kitchen	-	\$145,000	-	\$145,000
Old Airport Hangar Stage 2	-	\$162,000	-	\$162,000
Plant Replacement Program	\$47,000	\$93,600	-	\$140,600
	\$10,456,400	\$2,442,900	\$5,330,000	\$7,569,300

COUNCIL IS PART OF YOUR EVERY DAY

Most people are surprised when they learn about all of the things Council provides for the community. Have you thought about how your daily life is improved by the services provided by the City of Whyalla? Below is a list of some of the services, programs and facilities Council delivers to make Whyalla a great place to live, work and play.

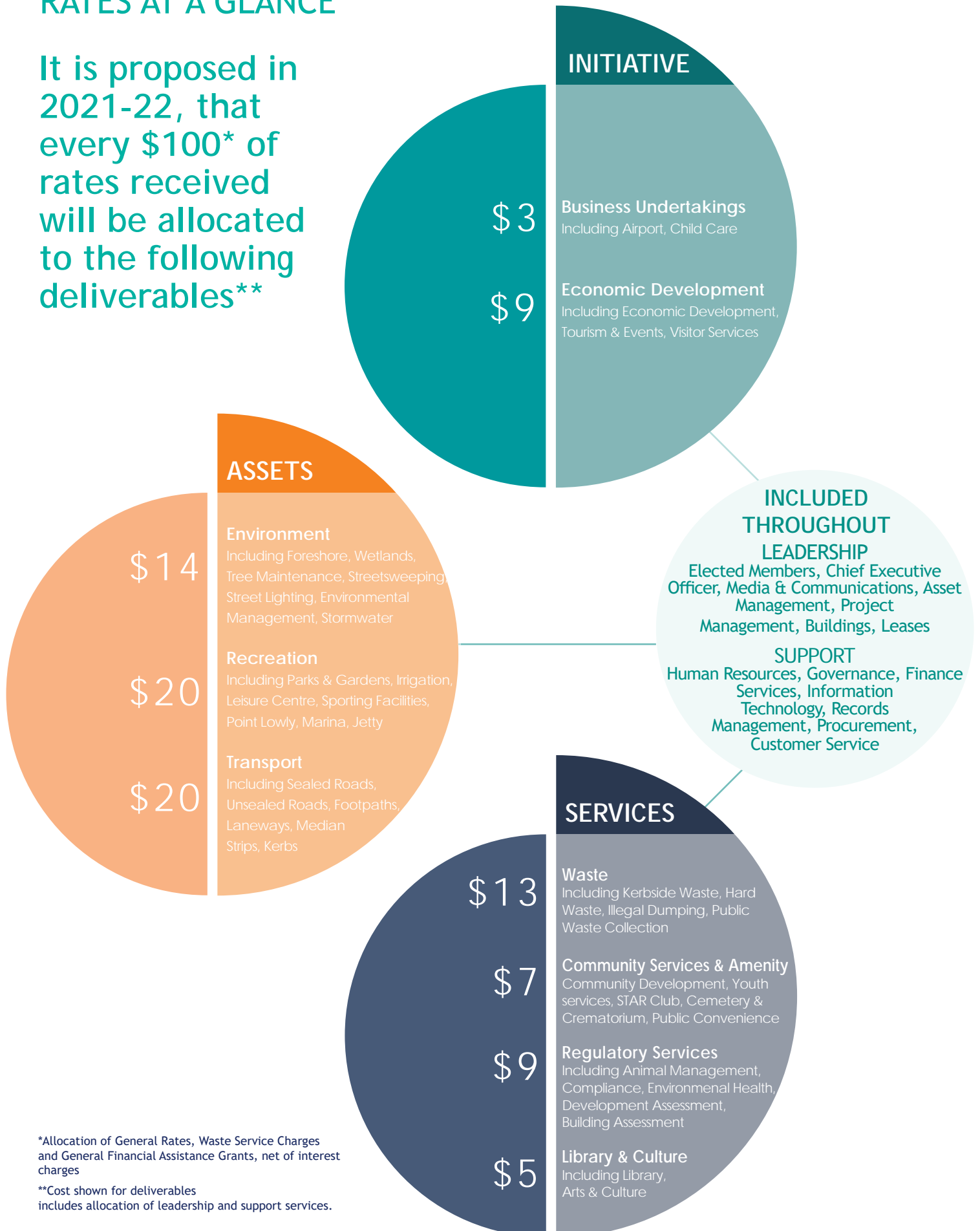
AIRPORT OPERATIONS 	ANIMAL MANAGEMENT 	ARTS AND CULTURE 	ASSET MANAGEMENT 	BUILDING ASSESSMENT 
CEMETERY & CREMATORIUM 	CHILD CARE SERVICES 	COMMUNITY DEVELOPMENT 	DEVELOPMENT ASSESSMENT 	ECONOMIC DEVELOPMENT 
ENVIRONMENTAL HEALTH 	EVENTS 	JETTY & MARINA 	LEASES & LICENCES 	LEISURE FACILITIES 
LIBRARY SERVICES 	MEDIA & COMMUNICATION 	PARKING MANAGEMENT 	PARKS, GARDENS & OPEN SPACES 	PROJECT DELIVERY 
PUBLIC AMENITIES 	ROAD MAINTENANCE 	SPORTING FACILITIES 	STAR CLUB 	STORMWATER MAINTENANCE 
TOURISM 	VISITOR SERVICES 	WASTE MANAGEMENT 	WETLANDS 	YOUTH SERVICES 

FUNDING THE PLAN



RATES AT A GLANCE

It is proposed in 2021-22, that every \$100* of rates received will be allocated to the following deliverables**



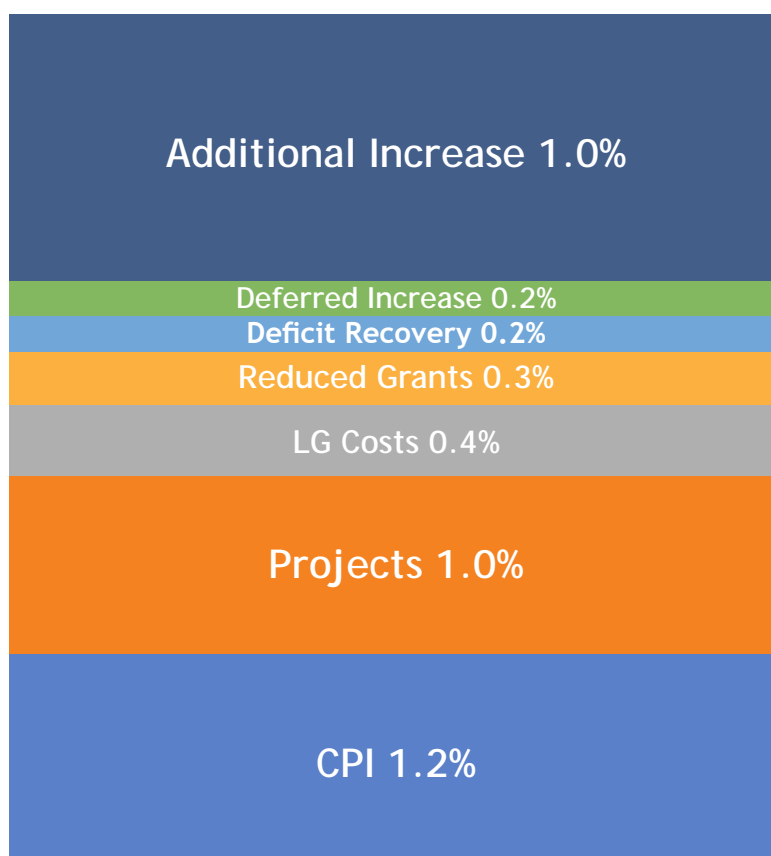
*Allocation of General Rates, Waste Service Charges and General Financial Assistance Grants, net of interest charges

**Cost shown for deliverables includes allocation of leadership and support services.

COMPONENTS OF COUNCIL'S ADOPTED RATE INCREASE

A number of significant factors have influenced the preparation of Council's 2021-22 Annual Business Plan and Budget and are reflected within the proposed rates increase of 4.3%.

These include the following:



CONSUMER PRICE INDEX (CPI)

Increases in the Consumer Price Index influence almost all costs incurred in the course of conducting Council operations, including wage increases, contracts with suppliers, and the cost to purchase materials. For this reason, CPI is a suitable base for rate increases, adjusted for other items below. When using annual CPI, it is important to use the same period in each year. For this reason Council uses March CPI for Adelaide each year in setting the budget, which is 1.2% for 2021

PROJECT DELIVERY

To be able to deliver new assets to the community, an additional rate increase of 1.0% is required, to ensure that the costs of operations and maintenance can be accommodated. Council have taken the opportunity provided by available stimulus money, by combining the next two years' project allocations to allow for significant funding bids. There will be a large focus on delivering the outcomes in Council's Northern Coastline Masterplan, to significantly improve this vital tourist attraction for the region. Further details can be found in the Projects section of the document.

LOCAL GOVERNMENT COSTS

Council incurs costs that are not completely reflected within the CPI index, such as paying wages and maintenance of complex infrastructure, that tend to increase more quickly than CPI. An additional rate increase of 0.4% is required to offset these further increases.

COMPONENTS OF COUNCIL'S ADOPTED RATE INCREASE

REDUCED GRANTS

Council relies on a significant annual grant contribution from the Federal Government to contribute to service delivery, with the general portion of this grant expected to make up almost 13% of Council's income for 2021-22. Unfortunately, Whyalla's share of this income has not kept up with indexation over a number of years, decreasing in real terms. To ensure that Council can continue to provide existing services, an additional rate increase of 0.3% is required to offset this shortfall.

DEFICIT RECOVERY

Council is currently in a deficit position. Allocation has been made for the identification of internal efficiencies to reduce cost pressures, but an additional rate increase of 0.2% is required to assist in moving back to a break-even position in the medium term.

DEFERRED INCREASE

A decision was undertaken to only fund a rate increase in line with CPI for 2020-21, to support the community during the height of Covid-19. A number of changes to the Long Term Financial Plan were required to accommodate this change, including an additional rate increase for the next three years of 0.2% higher.

ADDITIONAL INCREASE

Council has experienced cost increases of the last 12 months, as updated data shows that the annual cost of maintaining Council's building and open space assets are higher than previously thought. This caused the updated projections in Council's Long Term Financial Plan to show operating deficits over the entire 10 year period, something that is not consistent with operating in a financially sustainable manner. While Council are always looking for efficiency gains and budget for this, large increases in expenditure or reductions in income are always going to require some other intervention to address. Consultation with the community focused on whether a one-off higher rate increase to address these higher costs was reasonable, or if some level of service reductions needed to be identified. Ultimately it was decided that a higher rate increase was necessary, alongside some reduction in operating expenditure.



FUNDING THE ANNUAL BUSINESS PLAN

FINANCIAL INDICATORS

Key financial sustainability performance targets ensure the long term financial sustainability of the Council covering the maintenance and development of the community's assets as well as providing appropriate services.

Council has planned for an adjusted operating deficit before capital revenues for 2021-22 of (\$1,423,000) and an adjusted operating deficit ratio of (4%).

This ratio is below Council's target range. This can be primarily attributed to the following factors:

- Council experienced a large increase in depreciation due to the revaluation of the Building and Open Space asset classes. This updated data gives Council a much clearer picture of the current condition of these assets and will inform consultation around potential consolidation of low use assets. If depreciation cannot be reduced in this way, an increase in funding will be required.
- The Airport is recovering from the impacts of Covid-19 and it may be a number of years for passenger numbers to return to previous levels.

The airport is also undergoing extensive upgrades and the long term funding model will be phased in over a number of years to avoid a large one-off increase. For this reason the airport is expected to run at a significant deficit for the year.

Council's Annual Business Plan and Budget 2021-22 is consistent with Council's LTFP. Large deficits are not sustainable in the long term, and

BUDGET AT A GLANCE

Net Rate Revenue \$22.4 million	Other Operating Revenue \$11.1 million
Operating Expenditure \$34.9 million	Capital Expenditure \$24.1 million

Council's Long Term Financial Plan (LTFP) projects a move back towards break-even in future years.

Council's Net Financial Liabilities Ratio is projected to be 72% for 2021-22 and is within the target range.

The Asset Sustainability Ratio is projected to be 102% in 2021-22. Based on Council's Asset Management Strategy, this ratio indicates how close the alignment is between the predicted expenditure on the renewal of assets and what Council proposes to spend on these assets.

Total borrowings are projected to be \$24.6m at 30 June 2022.

The Federal Government recently extended the Supplementary Local Roads Funding by a further two years, reducing the deficit in 2021/22 and 2022/23 by an estimated \$190,000 per year.

Council will monitor the implementation of the 2021-22 budget via regular budget updates and reviews in accordance with the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

KEY FINANCIAL INDICATORS	TARGET SHORT TERM	2020 YEAR END ACTUAL	2021 ADOPTED BUDGET	2021 PROJECTED BUDGET	2022 ADOPTED BUDGET
*Adjusted Operating Surplus / (Deficit) - \$'000		408	(2,340)	(3,160)	(1,423)
Adjusted Operating Surplus / (Deficit) Ratio - %	(2) - 1%	1%	(8)%	(11)%	(4)%
Net Financial Liabilities Ratio - %	< 80%	33%	94%	48%	72%
Asset Sustainability Ratio - %	90 - 110%	188%	161%	79%	102%

*Adjusted operating surplus/(deficit) adjusts for timing differences in the payment of financial assistance grants

2020 Year End Actual - Council's audited financial results as at 30 June 2020

2021 Adopted Budget - Budget for 2020-21 as adopted by Council September 2020

2021 Projected Budget - Council's revised budget, projecting its financial position to 30 June 2021

2022 Adopted Budget- Adopted Budget 2021-22

SUMMARY STATEMENT & FINANCING TRANSACTIONS

Summary Statement	2020 Year End Actual	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
	\$'000	\$'000	\$'000	\$'000
<u>OPERATING ACTIVITIES</u>				
Operating Revenues	32,589	30,481	30,636	33,517
less Operating Expenses	(32,097)	(33,011)	(33,986)	(34,940)
Operating Surplus/(Deficit) Before Capital Amounts	492	(2,530)	(3,350)	(1,423)
<u>CAPITAL ACTIVITIES</u>				
Capital Expenditure on Renewal/Replacement	(6,856)	(6,004)	(6,083)	(9,531)
add back: Depreciation, Amortisation & Impairment	6,885	6,766	7,332	7,607
add back: Proceeds from Sale of Replaced Assets	76	202	262	178
Net Outlay on Existing Assets	105	964	1,511	(1,746)
Capital Expenditure on New/Upgraded Assets	(14,229)	(15,773)	(7,352)	(14,559)
add back: Amounts Specifically for New/Upgraded Assets	432	5,183	5,090	8,190
add back: Proceeds from Sale of Surplus Assets	326	0	0	0
Net Outlay on New/Upgraded Assets	(13,471)	(10,590)	(2,262)	(6,369)
Net Lending/(Borrowing) for Financial Year	(12,874)	(12,156)	(4,101)	(9,538)

In any one year the below financing transactions are associated with either applying surplus funds stemming from a net lending result or accommodating the funding requirement stemming from a net borrowing result.

Financing Transactions	2020 Year End Actual	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
	\$'000	\$'000	\$'000	\$'000
New Borrowings	23,250	12,500	8,100	9,500
Repayment of Principal on Borrowings*	(16,250)	0	0	0
(Increase)/Decrease in Cash & Cash Equivalents	5,553	51	29	(37)
Net Balance Sheet Funding	321	(395)	(4,028)	75
Net Financing Transactions	12,874	12,156	4,101	9,538

*Depending on cash flow

AIRPORT

Council maintains and manages the Whyalla Airport. It is important for the airport to be financially sustainable in the medium to long term, and to ultimately make a return on the investment made by the community, to ensure a positive outcome for the city. To achieve this, a separate budget and Long Term Financial Plan (LTFP) is prepared.

The airport is projecting an operating deficit before capital revenues for 2021-22 of \$392,000 and an operating deficit ratio of (18%).

Airport passenger numbers are expected to take a number of years to return to pre-Covid levels, which is contributing to a deficit position in the short term. Council is also considering the long

term funding model for airport operations, ensuring that it is consistent with the requirements of the Federal Government Grants received for the Terminal Upgrade.

Any required increase in the passenger tax will be phased in over a number of years to reduce the impact on the Covid recovery. Despite the deficits, the airport is still expected to have capacity to pay back current loans over the medium term, reducing the long term risk for Council.

The airport's Net Financial Liabilities Ratio is projected to be 186% for 2021-22 and is within target range. Total borrowings are projected to be \$4.3 million at 30 June 2022.

The airport's Asset Renewal Funding Ratio is projected to be 100%.

BUDGET AT A GLANCE

Passenger Fee Revenue \$593,000	Screening Revenue \$1,100,000
Operating Expenditure \$2,622,000	Other Operating Revenue \$537,000

KEY FINANCIAL INDICATORS	TARGET SHORT TERM	2020 YEAR END ACTUAL	2021 ADOPTED BUDGET	2021 PROJECTED BUDGET	2022 ADOPTED BUDGET
Operating Surplus / (Deficit) - \$'000		(353)	(418)	(616)	(392)
Operating Surplus / (Deficit) Ratio - %	1 - 6%	(45)%	(42)%	(112)%	(18)%
Net Financial Liabilities Ratio - %	< 250%	45%	852%	244%	187%
Asset Sustainability Ratio - %	90 - 110%	N/A	N/A	N/A	100%

2020 Year End Actual - Council's audited financial results as at 30 June 2020

2021 Adopted Budget - Budget for 2020-21 as adopted by Council September 2020

2021 Projected Budget - Council's revised budget, projecting its financial position to 30 June 2021

2022 Adopted Budget - Adopted Budget 2021-22

AIRPORT SUMMARY STATEMENT & FINANCING TRANSACTIONS

Summary Statement Year Ending 30 June 2020	2020	2021	2021	2022
	Year End Actual	Adopted Budget	Projected Actual	Adopted Budget
	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES				
Operating Revenues	779	995	549	2,230
less Operating Expenses	(1,132)	(1,413)	(1,165)	(2,622)
Operating Surplus/(Deficit) Before Capital Amounts	(353)	(418)	(616)	(392)
CAPITAL ACTIVITIES				
Capital Expenditure on Renewal/Replacement	-	(869)	(17)	(869)
add back: Depreciation, Amortisation and Impairment	276	291	291	572
Net Outlay on Existing Assets	276	(578)	274	(297)
Capital Expenditure on New/Upgraded Assets	(315)	(11,283)	(4,677)	(6,886)
add back: Amounts Specifically for New and Upgraded Assets	38	4,310	4,032	4,555
Net Outlay on New/Upgraded Assets	(277)	(6,973)	(645)	(2,131)
Net Lending/ (Borrowing) for Financial Year	(354)	(7,969)	(987)	(2,820)
Financing Transactions Year Ending 30 June 2020				
	2020	2021	2021	2022
	Year End Actual	Adopted Budget	Projected Actual	Adopted Budget
	\$'000	\$'000	\$'000	\$'000
New Borrowings	450	7,900	1,000	2,800
Repayment of Principal on Borrowings*	-	-	-	-
(Increase)/Decrease in Cash and Cash Equivalents	(96)	69	(13)	20
Net Financing Transactions	354	7,969	987	2,820

*Depending on cash flow



2021-22 RATES REVENUE

Council’s revenue for 2021-22 includes \$17.8 million from general rates.

Council has set a rate which requires an increase in general rates to the average ratepayer of 4.3%. However, the actual increase payable by any individual ratepayer may be more or less than this depending on the movement in the valuation of each property, as set by the State Valuer General.

The State Valuation Office has completed their overall assessment and advised of a general property valuation increase of 2.2% over the previous year. Residential properties experienced an overall increase of 2.2%, with increases of 3.1% for Whyalla, 2.2% across Whyalla Playford, Norrie and Stuart and 1.2% for Whyalla Jenkins and outside the city. Business and Industrial properties experienced an average increase in value of 2.0%, with vacant land experiencing a slightly higher increase of 2.9%.

In setting rates for the 2021-22 financial year Council has considered the following plans and considerations:

- the Community Strategic Plan that outlines the overall direction of Council and was developed following community consultation.
- the Long Term Financial Plan that projects the overall income receipts and expenditure outlays that are expected into the future and in particular the recurrent expenditure and income expected for the 2021-22 financial year.
- the Whyalla City Council Asset Management Strategy that outlines required maintenance and renewal programs.
- the resources required for the delivery of Council services as documented in the 2021-22 Annual Business Plan and Budget which also outlines financial and non-financial performance levels.
- equity issues and the relationship between the various land uses and the existing rating structure.
- extremes in valuations and how their impact can be minimised in setting rating levels.

RATES AT A GLANCE

In 2021-22, an proposed average general rate increase of \$54 annually (just over \$1 a week or 4.3%) per residential property (depending on valuation)

General rates revenue accounts for 53% of operating income.

Rates revenue is used to provide a range of services such as road rehabilitation, footpath repairs and maintenance, stormwater drainage, the collection of rubbish and recyclable materials, ongoing maintenance of parks, gardens and buildings, street lighting and street cleaning, libraries, animal control, planning and enforcement of local laws, provide community grants and events for the people of Whyalla to accommodate social needs.

2021-22 RATES REVENUE CONT.

METHOD USED TO VALUE LAND

The Council will continue to use Site Valuation as the basis for valuing land within the Council area.

It is noted that the State Government will likely soon pass legislation requiring the use of Capital Valuations for rating purposes. In this event a Rating Review will be undertaken to plan for Council's future rating structure.

CATEGORY	RATABLE PROPERTIES	SITE VALUE \$	RATES RAISED 2020-21	RATES 2021-22	% CHANGE
Residential	10,672	\$579,741,720	\$13,457,434	\$14,048,003	4.39%
Business & Industry	519	\$66,814,580	\$2,331,757	\$2,431,840	4.29%
Regional Centre	3	\$6,960,000	\$286,040	\$298,344	4.30%
Heavy Industry	3	\$2,179,000	\$488,667	\$509,679	4.30%
Primary Production	13	\$3,483,000	\$4,489	\$4,683	4.31%
Rural Living	121	\$17,339,000	\$143,432	\$149,588	4.29%
Coastal Living	192	\$29,108,000	\$181,522	\$189,325	4.30%
	11,523	\$705,625,300	\$16,893,341	\$17,631,462	4.37%

*Includes additional rates revenue related to growth of 0.07%

DIFFERENTIAL GENERAL RATES

The Local Government Act provides for a Council to raise rate revenue through a general rate which applies to all rateable properties, or through differential general rates, which apply to classes of properties.

Due to the need to balance the community's capacity to pay the Council has elected to apply differential general rates based on the locality in which the rateable property is situated and the use to which the property is put:

- Locality – town planning zones (TPZ) including residential, residential character, regional centre, caravan and tourist parks, commercial, district centre, local centre, town centre, open space, recreation, community, special industry (hydrocarbons), industry, light industry, deferred industry, coastal conservation, rural living, coastal settlement, settlement and remote area.
- Land use – prescribed land use codes (LUC) including residential, commercial-shop, commercial-office, commercial-other, industry-light, industry-other, primary production, vacant and other.

Council has regard to relative movements in valuation to ensure that the rate burden remains relatively constant between the classes of properties.

2021-22 RATES REVENUE CONT.

FIXED CHARGE

Council considers it appropriate that:

- all rateable properties make a contribution to the cost of administering Council's activities; and
- all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property.

Approximately 38% of Council's general rate revenue is generated via the fixed charge portion. For 2021-22 the fixed charge \$586.

RATE CAPPING

Council will continue the application of rate capping for the 2021-22 financial year. The general rate increase will be capped at 25%. Please refer to Council's Rating Policy for eligibility.

RATE REBATE

A rebate of rates in respect of any rateable land in the Council area will be available in accordance with the Local Government Act 1999 and Council's Rating Policy. The Policy provides eligibility guidance upon which a ratepayer is entitled to a rebate of rates.

A full version of Council's Rating Policy can be viewed at www.whyalla.sa.gov.au.

REGIONAL LANDSCAPE LEVY

The Regional Landscape Levy, set by the Landscape Boards, is a State Government tax imposed under the Landscape South Australia Act 2019. Council is obliged to collect the levy on behalf of the State Government for no net gain to Council. Council collects the levy on behalf of the Eyre Peninsula Landscape Board. The levy is based on land use type and is shown as a separate charge on the rates notice.

The management board has advised the levy for 2021-22 is \$923,800 for the Whyalla region (previously \$920,700), an increase of 0.3% from 2020-21.

Further information on the Regional Landscape Levy and the Landscape Boards be found at: <https://landscape.sa.gov.au/>.

REGIONAL LANDSCAPES LEVY

LAND USE TYPE	RATE PER LAND USE
Residential	\$79.43
Commercial	\$119.14
Industrial	\$119.14
Primary producers	\$158.86
Others & vacant land	\$79.43

SERVICE CHARGES

Service charges are levied on the concept of user pays based on the cost to operate and maintain the service, the cost to improve or replace the service and recognition that the value of a property is enhanced by the availability of the service.

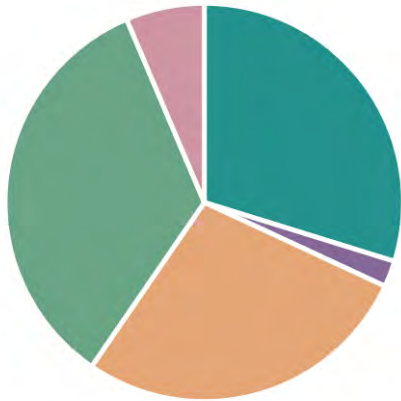
WASTE MANAGEMENT

The Council waste management service charge is raised to maintain the operating and capital requirements relating to waste management services partially through the sale of recycled materials, gate fees, product sales and the waste service charge. The revenue raised from this charge can only be applied to maintenance and replacement of the service and only those properties receiving the service will be levied.

For the 2021-22 financial year the service charge is \$355.

Council will continue to provide the waste service charge remission, valued at \$178 for 2021-22. Eligible aged pensioners who have received the rebate before will have it applied automatically if their circumstances haven't changed. Other eligible pensioners will need to apply for this rebate annually by completing the relevant form and providing supporting evidence of eligibility.

OTHER OPERATING INCOME



Rates Other

Other rate revenue includes the State Government's Regional Landscape Levy collected on behalf of the Landscape Board as well as the Waste Management Service Charge and are expected to account for 14% of operating income in 2021-22.

Statutory Charges

Statutory Charges are expected to account for 1% of operating income in 2021-22. Statutory charges are fees for regulatory services. They are associated with the granting of a permit/license or the regulation of an activity. They include Development Act Fees, Animal Registrations and Parking Fines.

User Charges

User Charges are expected to account for 13% of operating income in 2021-22. User Charges relate to the recovery of service delivery costs through the charging of fees to users of Council's services. They include airport fees, child care fees, hire of community facilities and property leases.

Grants, Subsidies and Contributions

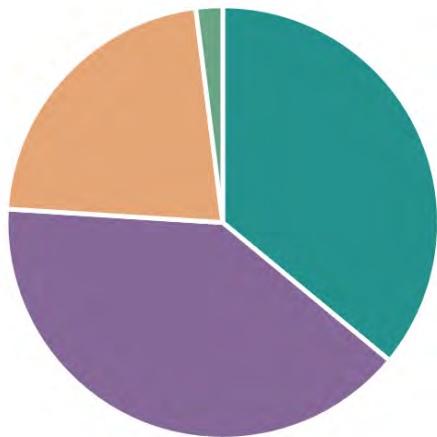
Operating Grants, Subsidies and Contributions are expected to account for 16% of operating income in 2021-22. This includes the General Purpose Grant, Local and Special Road Grants, Roads to Recovery Grant and other minor grants.

Reimbursements and Other Income

Reimbursements and Other Income are each expected to account for 3% of operating income in 2021-22.

Reimbursements are amounts received as payment for work done by the Council acting as an agent for others. Other Income includes interest income and other revenue not separately classified above.

OTHER OPERATING EXPENSES



Employee Costs

Employee costs are expected to account for 37% of Operating Expenditure in 2021-22. Employee costs include all labour related expenses such as wages and salaries as well as oncosts including allowances, leave entitlements and employer superannuation

Materials, Contracts & Other Expenses

Materials, Contracts & Other Expenses are expected to account for 40% of Operating Expenditure in 2021-22. Materials cover payments for physical goods and includes purchase of consumables, water and energy. Contract services involve payments for the external provision of services.

Finance Costs

Finance Costs are expected to account for 1% of Operating Expenditure in 2021-22. Finance Costs cover the interest expense related to financing Council's activities through borrowings, calculated using projected cash flows.

Depreciation

Depreciation expense is expected to account for 22% of Operating Expenditure in 2021-22.

Depreciation is an accounting measure, which records the consumption of the Council's infrastructure, property, plant and equipment and has been based on Council's Asset Management Strategy.



APPENDIX A

FINANCIAL STATEMENTS



FINANCIAL STATEMENTS BUDGET 2021-22

STATEMENT OF COMPREHENSIVE INCOME

Year Ended 30 June	2020 Year End Actual	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
	\$'000	\$'000	\$'000	\$'000
<u>INCOME</u>				
Rates	21,272	20,929	21,459	22,381
Statutory Charges	359	367	382	371
User Charges	3,681	2,881	2,525	4,369
Grants, subsidies, contributions	5,287	5,214	5,317	5,426
Investment Income	55	34	12	34
Reimbursements	423	13	22	14
Other Revenues	1,512	1,043	919	922
Total Income	32,589	30,481	30,636	33,517
<u>EXPENSES</u>				
Employee costs	10,911	12,895	11,968	12,786
Materials, contracts & other expenses	14,222	12,848	14,481	14,071
Depreciation	6,885	6,766	7,332	7,607
Finance Costs	79	502	205	476
Total Expenses	32,097	33,011	33,986	34,940
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	492	(2,530)	(3,350)	(1,423)
Net gain/(loss) on disposal or revaluations	(209)	-	-	-
Amounts specifically for new assets	432	5,183	5,090	8,190
NET SURPLUS/(DEFICIT)	715	2,653	1,740	6,767
<u>OTHER COMPREHENSIVE INCOME</u>				
Changes in revaluation surplus/(deficit) - IPP&E	5,811	-	12,769	4,330
TOTAL COMPREHENSIVE INCOME	6,526	2,653	14,509	11,097
ADJUSTED OPERATING SUPPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	408	(2,340)	(3,160)	(1,423)

Heading Explanation

2020 Year End Actual - Council's audited financial results as at 30 June 2020

2021 Adopted Budget - Budget for 2020-21 as adopted by Council September 2020

2021 Projected Budget - Council's revised budget, projecting its financial position to 30 June 2021

2022 Adopted Budget - Adopted Budget 2021-22

STATEMENT OF FINANCIAL POSITION

Year Ended 30 June	2020 Year End Actual	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
	\$'000	\$'000	\$'000	\$'000
ASSETS				
Current Assets				
Cash & Equivalent Assets	274	197	245	282
Trade & Other Receivables	4,188	3,805	6,388	6,388
Inventories	114	100	114	114
Total Current Assets	4,576	4,102	6,747	6,784
Non-Current Assets				
Financial Assets	2,705	3,034	2,705	2,705
Infrastructure, Property, Plant & Equipment	279,813	298,965	298,423	319,058
Other Non-Current Assets	1,375	885	1,275	1,175
Total Non-Current Assets	283,893	302,884	302,403	322,938
TOTAL ASSETS	288,469	306,986	309,150	329,722
LIABILITIES				
Current Liabilities				
Trade & Other Payables	4,539	3,327	3,339	3,339
Borrowings	7,000	7,300	-	1,300
Provisions	2,456	2,127	2,276	2,276
Total Current Liabilities	13,995	12,754	5,615	6,915
Non-Current Liabilities				
Borrowings	-	19,000	15,100	23,300
Provisions	1,213	854	665	640
Total Non-Current Liabilities	1,213	19,854	15,765	23,940
TOTAL LIABILITIES	15,208	32,608	21,380	30,855
NET ASSETS	273,261	274,378	287,770	298,867
EQUITY				
Accumulated Surplus	41,655	41,545	43,395	50,162
Asset Revaluation Reserve	229,654	231,251	242,423	246,753
Other Reserves	1,952	1,582	1,952	1,952
TOTAL EQUITY	273,261	274,378	287,770	298,867

STATEMENT OF CHANGES IN EQUITY

Year Ended 30 June	2020 Year End Actual	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
	\$'000	\$'000	\$'000	\$'000
<u>ACCUMULATED SURPLUS</u>				
Balance at end of previous reporting period	41,010	38,742	41,655	43,395
Net Result for Year	715	2,653	1,740	6,767
Transfers to Other Reserves	(70)	(400)	-	-
Transfers from Other Reserves	-	550	-	-
Balance at end of period	41,655	41,545	43,395	50,162
<u>ASSET REVALUATION RESERVE</u>				
Property, Plant & Equipment	229,654	231,251	242,423	246,753
Balance at end of period	229,654	231,251	242,423	246,753
<u>OTHER RESERVES</u>				
Balance at end of previous reporting period	1,882	1,732	1,952	1,952
Transfers from Accumulated Surplus	70	400	-	-
Transfers to Accumulated Surplus	-	(550)	-	-
Balance at end of period	1,952	1,582	1,952	1,952
TOTAL EQUITY AT END OF REPORTING PERIOD	273,261	274,378	287,770	298,867

STATEMENT OF CASH FLOWS

Year Ended 30 June

2020 Year End Actual	2021 Adopted Budget	2021 Projected Actual	2022 Adopted Budget
\$'000	\$'000	\$'000	\$'000

CASH FLOW FROM OPERATING ACTIVITIES

Receipts

Operating receipts	38,456	30,447	27,224	33,483
Investment Income	55	34	12	34

Payments

Operating payments	(30,775)	(26,138)	(27,077)	(26,782)
Finance Costs	(40)	(502)	(205)	(476)

Net Cash provided by (or used in) Operating Activities	7,696	3,841	(46)	6,259
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CASH FLOWS FROM INVESTING ACTIVITIES

Receipts

Amounts Specifically for New/Upgraded Assets	432	5,183	5,090	8,190
Sale of Renewed/Replaced Assets	76	202	262	178
Sale of Surplus Assets	326	-	-	-

Payments

Expenditure on Renewal/Replacement of Assets	(6,854)	(6,004)	(6,083)	(9,531)
Expenditure on New/Upgraded Assets	(14,229)	(15,773)	(7,352)	(14,559)

Net Cash provided by (or used in) Operating Activities	(20,249)	(16,392)	(8,083)	(15,722)
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CASH FLOWS FROM FINANCING ACTIVITIES

Receipts

Proceeds from Borrowings	23,250	12,500	8,100	9,500
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Payments

Repayments of Borrowings	(16,250)	-	-	-
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Net Cash provided by (or used in) Financing Activities	7,000	12,500	8,100	9,500
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Net Increase/(Decrease) in cash held	(5,553)	(51)	(29)	37
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Opening Cash, cash equivalents or (bank overdraft)	5,827	248	274	245
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Closing Cash, cash equivalents or (bank overdraft)	274	197	245	282
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(IMAGE TO BE INSERTED)

An aerial photograph of a coastal town. The top half of the image shows a vast expanse of turquoise and blue ocean water under a cloudy sky. The bottom half shows a coastal town with several buildings, some with solar panels on their roofs, and a road running along the shore. The water transitions from a deep blue to a lighter turquoise near the shore, indicating shallow depths. A small boat is visible in the water. The town buildings are mostly white and grey, with some blue roofs. There are also some green roofs. The road is a dark asphalt road with white dashed lines. The surrounding land is dry and brownish, with some sparse vegetation.

APPENDIX B

LONG TERM FINANCIAL PLAN STATEMENTS

ESTIMATED STATEMENT OF COMPREHENSIVE INCOME

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Ended 30 June:	Actual	Estimate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)
INCOME												
Rates	21,272	21,459	22,381	23,089	23,937	24,803	25,727	26,713	27,764	28,887	30,057	31,275
Statutory Charges	359	382	371	376	383	391	399	408	418	429	440	451
User Charges	3,681	2,525	4,369	5,005	5,257	5,439	5,716	5,894	6,067	6,258	6,457	6,662
Grants, subsidies, contributions	5,287	5,317	5,426	5,464	5,326	5,381	5,439	5,501	5,566	5,636	5,707	5,778
Investment Income	55	12	34	34	34	34	34	34	34	34	34	34
Reimbursements	423	22	14	14	14	14	14	14	14	14	14	14
Other Revenues	1,512	919	922	952	988	1,024	1,062	1,103	1,147	1,194	1,243	1,294
Total Income	32,589	30,636	33,517	34,934	35,939	37,086	38,391	39,667	41,010	42,452	43,952	45,508
EXPENSES												
Employee costs	10,911	11,968	12,786	12,629	12,945	13,282	13,641	13,955	14,333	14,734	15,146	15,570
Materials, contracts & other expenses	14,222	14,481	14,071	14,640	14,922	15,288	15,826	16,350	16,768	17,255	17,804	18,408
Depreciation	6,885	7,332	7,607	7,873	8,046	8,272	8,529	8,775	9,038	9,345	9,661	9,989
Finance Costs	79	205	476	575	670	751	803	844	877	911	950	1,011
Total Expenses	32,097	33,986	34,940	35,717	36,583	37,593	38,799	39,924	41,016	42,245	43,561	44,978
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	492	(3,350)	(1,423)	(783)	(644)	(507)	(408)	(257)	(6)	207	391	530
Net gain/(loss) on disposal or revaluations	(209)	0	0	0	0	0	0	0	0	0	0	0
Amounts specifically for new assets	432	5,090	8,190	1,216	205	205	205	205	205	206	206	206
NET SURPLUS/(DEFICIT)	715	1,740	6,767	433	(439)	(302)	(203)	(52)	199	413	597	736
OTHER COMPREHENSIVE INCOME												
Changes in revaluation surplus - IPP&E	5,811	12,769	4,330	5,570	7,223	7,694	8,161	8,662	9,199	9,766	10,018	10,263
TOTAL COMPREHENSIVE INCOME	6,526	14,509	11,097	6,003	6,784	7,392	7,958	8,610	9,398	10,179	10,615	10,999
ADJUSTED OPERATING SUPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	408	(3,160)	(1,423)	(783)	(644)	(507)	(408)	(257)	(6)	207	391	530

ESTIMATED STATEMENT OF FINANCIAL POSITION

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Ended 30 June:	Actual	Estimate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)
CURRENT ASSETS												
Cash & Equivalent Assets	274	245	282	184	163	247	305	165	237	343	1,241	328
Trade & Other Receivables	4,188	6,388	6,388	6,388	6,388	6,388	6,388	6,388	6,388	6,388	6,388	6,388
Inventories	114	114	114	114	114	114	114	114	114	114	114	114
TOTAL CURRENT ASSETS	4,576	6,747	6,784	6,686	6,665	6,749	6,807	6,667	6,739	6,845	7,743	6,830
NON-CURRENT ASSETS												
Investment Property	2,705	2,705	2,705	2,705	2,705	2,705	2,705	2,705	2,705	2,705	2,705	2,705
Infrastructure, Property, Plant & Equipment	279,813	298,423	319,058	323,934	330,414	336,197	342,772	350,197	358,398	367,696	376,788	388,875
Other Non-Current Assets	1,375	1,275	1,175	1,075	975	875	775	675	575	475	375	275
TOTAL NON-CURRENT ASSETS	283,893	302,403	322,938	327,714	334,094	339,777	346,252	353,577	361,678	370,876	379,868	391,855
TOTAL ASSETS	288,469	309,150	329,722	334,400	340,759	346,526	353,059	360,244	368,417	377,721	387,611	398,685
CURRENT LIABILITIES												
Trade & Other Payables	4,539	3,339	3,339	3,339	3,339	3,339	3,339	3,339	3,339	3,339	3,339	3,339
Borrowings	7,000	0	1,300	500	1,600	1,400	1,400	1,200	850	700	0	0
Provisions	2,456	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276	2,276
TOTAL CURRENT LIABILITIES	13,995	5,615	6,915	6,115	7,215	7,015	7,015	6,815	6,465	6,315	5,615	5,615
NON-CURRENT LIABILITIES												
Borrowings	0	15,100	23,300	22,800	21,300	19,900	18,500	17,300	16,450	15,750	15,750	15,850
Provisions	1,213	665	640	615	590	565	540	515	490	465	440	415
TOTAL NON-CURRENT LIABILITIES	1,213	15,765	23,940	23,415	21,890	20,465	19,040	17,815	16,940	16,215	16,190	16,265
TOTAL LIABILITIES	15,208	21,380	30,855	29,530	29,105	27,480	26,055	24,630	23,405	22,530	21,805	21,880
NET ASSETS	273,261	287,770	298,867	304,870	311,654	319,046	327,004	335,614	345,012	355,191	365,806	376,805
EQUITY												
Accumulated Surplus	41,655	43,395	50,162	50,595	50,156	49,854	49,651	49,599	49,798	50,211	50,808	51,544
Asset Revaluation Reserve	229,654	242,423	246,753	252,323	259,546	267,240	275,401	284,063	293,262	303,028	313,046	323,309
Other Reserves	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952
TOTAL EQUITY	273,261	287,770	298,867	304,870	311,654	319,046	327,004	335,614	345,012	355,191	365,806	376,805
CASH FLOWS FROM OPERATING ACTIVITIES												

ESTIMATED STATEMENT OF CASH FLOWS

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Ended 30 June:	Actual	Estimate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)
Receipts												
Operating Receipts	38,456	27,224	33,483	34,900	35,905	37,052	38,357	39,633	40,976	42,418	43,918	45,474
Investment Receipts	55	12	34	34	34	34	34	34	34	34	34	34
Payments												
Operating Payments to Suppliers and Employees	(30,775)	(27,077)	(26,782)	(27,194)	(27,792)	(28,495)	(29,392)	(30,230)	(31,026)	(31,914)	(32,875)	(33,903)
Finance Payments	(40)	(205)	(476)	(575)	(670)	(751)	(803)	(844)	(877)	(911)	(950)	(1,011)
Net Cash provided by (or used in) Operating Activities	7,696	(46)	6,259	7,165	7,477	7,840	8,196	8,593	9,107	9,627	10,127	10,594
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Amounts Specifically for New/Upgraded Assets	432	5,090	8,190	1,216	205	205	205	205	205	206	206	206
Sale of Renewed/Replaced Assets	76	262	178	126	143	173	124	213	187	275	245	273
Repayments of Loans by Community Groups	326	0	0	0	0	0	0	0	0	0	0	0
Payments												
Expenditure on Renewal/Replacement of Assets	(6,854)	(6,083)	(9,531)	(4,359)	(5,615)	(4,328)	(4,806)	(5,431)	(5,843)	(6,700)	(6,461)	(9,495)
Expenditure on New/Upgraded Assets	(14,229)	(7,352)	(14,559)	(2,946)	(1,831)	(2,206)	(2,261)	(2,320)	(2,384)	(2,452)	(2,519)	(2,591)
Net Cash Provided by (or used in) Investing Activities	(20,249)	(8,083)	(15,722)	(5,963)	(7,098)	(6,156)	(6,738)	(7,333)	(7,835)	(8,671)	(8,529)	(11,607)
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Proceeds from Borrowings	23,250	8,100	9,500	0	100	0	0	0	0	0	0	100
Payments												
Repayments of Borrowings	(16,250)	0	0	(1,300)	(500)	(1,600)	(1,400)	(1,400)	(1,200)	(850)	(700)	0
Net Cash provided by (or used in) Financing Activities	7,000	8,100	9,500	(1,300)	(400)	(1,600)	(1,400)	(1,400)	(1,200)	(850)	(700)	100
Net Increase/(Decrease) in cash held	(5,553)	(29)	37	(98)	(21)	84	58	(140)	72	106	898	(913)
Opening cash, cash equivalents or (bank overdraft)	5,827	274	245	282	184	163	247	305	165	237	343	1,241
Closing cash, cash equivalents or (bank overdraft)	274	245	282	184	163	247	305	165	237	343	1,241	328
ACCUMULATED SURPLUS												

ESTIMATED STATEMENT OF CHANGES IN EQUITY

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Ended 30 June:	Actual	Estimate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)
Balance at end of previous reporting period	41,010	41,655	43,395	50,162	50,595	50,156	49,854	49,651	49,599	49,798	50,211	50,808
Net Result for Year	715	1,740	6,767	433	(439)	(302)	(203)	(52)	199	413	597	736
Transfers to Other Reserves	(70)	0	0	0	0	0	0	0	0	0	0	0
Transfers from Other Reserves	0	0	0	0	0	0	0	0	0	0	0	0
Balance at end of period	41,655	43,395	50,162	50,595	50,156	49,854	49,651	49,599	49,798	50,211	50,808	51,544
ASSET REVALUATION RESERVE												
Property, Plant & Equipment	229,654	242,423	246,753	252,323	259,546	267,240	275,401	284,063	293,262	303,028	313,046	323,309
Balance at end of period	229,654	242,423	246,753	252,323	259,546	267,240	275,401	284,063	293,262	303,028	313,046	323,309
OTHER RESERVES												
Balance at end of previous reporting period	1,882	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952
Transfers from Accumulated Surplus	70	0	0	0	0	0	0	0	0	0	0	0
Transfers to Accumulated Surplus	0	0	0	0	0	0	0	0	0	0	0	0
Balance at end of period	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952	1,952
TOTAL EQUITY AT END OF REPORTING PERIOD	273,261	287,770	298,867	304,870	311,654	319,046	327,004	335,614	345,012	355,191	365,806	376,805

ESTIMATED SUMMARY STATEMENT INCLUDING FINANCING TRANSACTIONS

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Ended 30 June:	Actual	Estimate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)
Operating Revenues	32,589	30,636	33,517	34,934	35,939	37,086	38,391	39,667	41,010	42,452	43,952	45,508
less <i>Operating Expenses</i>	(32,097)	(33,986)	(34,940)	(35,717)	(36,583)	(37,593)	(38,799)	(39,924)	(41,016)	(42,245)	(43,561)	(44,978)
Operating Surplus/(Deficit) before Capital Amounts	492	(3,350)	(1,423)	(783)	(644)	(507)	(408)	(257)	(6)	207	391	530
Capital Expenditure on Renewal/Replacement of Existing Assets	(6,856)	(6,083)	(9,531)	(4,359)	(5,615)	(4,328)	(4,806)	(5,431)	(5,843)	(6,700)	(6,461)	(9,495)
add back <i>Depreciation, Amortisation & Impairment</i>	6,885	7,332	7,607	7,873	8,046	8,272	8,529	8,775	9,038	9,345	9,661	9,989
add back <i>Proceeds from Sale of Replaced Assets</i>	76	262	178	126	143	173	124	213	187	275	245	273
Net Outlays on Existing Assets	105	1,511	(1,746)	3,640	2,574	4,117	3,847	3,557	3,382	2,920	3,445	767
Capital Expenditure on New/Upgraded Assets	(14,229)	(7,352)	(14,559)	(2,946)	(1,831)	(2,206)	(2,261)	(2,320)	(2,384)	(2,452)	(2,519)	(2,591)
add back <i>Amounts Specifically for New/Upgraded Assets</i>	432	5,090	8,190	1,216	205	205	205	205	205	206	206	206
add back: <i>Sale of Surplus Assets</i>	326	0	0	0	0	0	0	0	0	0	0	0
Net Outlays on New and Upgraded Assets	(13,471)	(2,262)	(6,369)	(1,730)	(1,626)	(2,001)	(2,056)	(2,115)	(2,179)	(2,246)	(2,313)	(2,385)
Net Lending / (Borrowing) for Financial Year	(12,874)	(4,101)	(9,538)	1,127	304	1,609	1,383	1,185	1,197	881	1,523	(1,088)
FINANCING TRANSACTIONS												
New Borrowings	23,250	8,100	9,500	0	100	0	0	0	0	0	0	100
Repayment of Principal on Borrowings	(16,250)	0	0	(1,300)	(500)	(1,600)	(1,400)	(1,400)	(1,200)	(850)	(700)	0
(Increase)/Decrease in Cash and Cash Equivalents	5,553	29	(37)	98	21	(84)	(58)	140	(72)	(106)	(898)	913
Net Balance Sheet Funding	321	(4,028)	75	75	75	75	75	75	75	75	75	75
Financing Transactions	12,874	4,101	9,538	(1,127)	(304)	(1,609)	(1,383)	(1,185)	(1,197)	(881)	(1,523)	1,088
Adjusted Operating/(Deficit) Ratio	1%	(11)%	(4)%	(2)%	(2)%	(1)%	(1)%	(1)%	0%	0%	1%	1%
Net Financial Liabilities Ratio	33%	48%	72%	66%	63%	56%	50%	46%	41%	37%	32%	33%
Asset Renewal Funding Ratio	188%	79%	102%	101%	101%	97%	97%	99%	101%	98%	96%	99%

AIRPORT

Estimated Summary Statement including Financing Transactions

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Year Ended 30 June:	Actual	Estimate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)	\$('000)
Operating Revenues	779	549	2,230	2,728	2,914	3,026	3,227	3,349	3,459	3,557	3,658	3,762
<i>less Operating Expenses</i>	(1,132)	(1,165)	(2,622)	(3,114)	(3,165)	(3,234)	(3,385)	(3,444)	(3,501)	(3,557)	(3,628)	(3,722)
Operating Surplus/(Deficit) before Capital Amounts	(353)	(616)	(392)	(386)	(251)	(208)	(158)	(95)	(42)	0	30	40
Capital Expenditure on Renewal/Replacement of Existing Assets	0	(17)	(869)	0	0	0	0	0	0	0	0	(1,831)
<i>add back Depreciation, Amortisation & Impairment</i>	276	291	572	729	746	764	783	803	825	848	871	896
Net Outlays on Existing Assets	276	274	(297)	729	746	764	783	803	825	848	871	(935)
Capital Expenditure on New/Upgraded Assets	(315)	(4,677)	(6,686)	0	0	0	0	0	0	0	0	0
<i>add back Amounts Specifically for New/Upgraded Assets</i>	38	4,032	4,555	0	0	0	0	0	0	0	0	0
Net Outlays on New and Upgraded Assets	(277)	(645)	(2,131)	0	0	0	0	0	0	0	0	0
Net Lending / (Borrowing) for Financial Year	(354)	(987)	(2,820)	343	495	556	625	708	783	848	901	(895)
FINANCING TRANSACTIONS												
New Borrowings	450	1,000	2,800	0	0	0	0	0	0	0	0	0
Repayment of Principal on Borrowings	0	0	0	(400)	(500)	(500)	(600)	(800)	(700)	(750)	0	0
(Increase)/Decrease in Cash and Cash Equivalents	(96)	(13)	20	57	5	(56)	(25)	92	(83)	(98)	(901)	895
Financing Transactions	354	987	2,820	(343)	(495)	(556)	(625)	(708)	(783)	(848)	(901)	895
Adjusted Operating/(Deficit) Ratio	(45)%	(112)%	(18)%	(14)%	(9)%	(7)%	(5)%	(3)%	(1)%	0%	1%	1%
Net Financial Liabilities Ratio	45%	244%	187%	140%	114%	91%	66%	43%	19%	(6)%	(30)%	(5)%
Asset Renewal Funding Ratio	N/A	N/A	100%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	99%

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