



The Barossa Council

Annual Budget and Business Plan

2016-17

*Incorporating the annual review of the
Long Term Financial Plan - 2016-17 to 2025-26*

Version Control:

<u>Version</u>	<u>Status</u>	<u>Date</u>
Version 1.0	Draft for Council adoption for Public Consultation	26 May 2016
Version 1.1	Final Draft for Council adoption for Public Consultation	26 May 2016
Version 1.2	Adopted Draft for Public Consultation	1 June 2016
Version 1.3	Draft for Council following Public Consultation	27 June 2016
Version 1.4	Final Adopted Version	28 June 2016

Questions?

Members of the community who have questions regarding the Annual Budget and Business Plan, or who seek further information regarding the finances of Council, are encouraged to contact Council office during business hours, via the website, or via email.

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and Library:*

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From the Mayor

After extensive budget discussions in conjunction with Elected Members and Council Officers, Council is pleased to present its Annual Budget and Business Plan 2016-17.

There remain multiple challenges within the budget environment including growing cost of services and reduced levels of support from State and Federal Governments. Council believes we have again produced a balanced budget which increases rates in accordance with the Long Term Financial Plan as we strive to maintain our current levels of service across many areas, whilst also commencing further investment into core services.

The 2016-17 financial year will reap benefits from a period of budget consolidation and investment in core services through the approval of many new initiatives. Significant changes and highlights in this year's budget include:

- Addressing the growing costs of delivering services including staffing, utilities, insurance, materials and legislative compliance.
- Investment in key infrastructure and services:
 - In addition to \$600k for accelerated footpath funding in 2015-16 a further \$282k will be provided for in 2016-17;
 - Second and final year of additional Commonwealth Roads to Recovery payments of \$757k in 2016-17 will be allocated to upgrading various roads to sealed standard;
 - Continuation of oval and recreational park upgrades and long term maintenance support;
 - Additional investment in community facilities at the Nuriootpa Centennial Park of \$150k;
 - \$1.53m for resealing of the existing sealed road network;

- \$1.37m for resheeting of the existing rural road network;
- \$165k for Regional Gallery improvements supported by community and committee contributions;
- \$100k for playground replacement and upgrades;
- \$32k for upgrades to the community meeting room in Lyndoch;
- \$433k to address stormwater priority issues in Tanunda, Mt Pleasant and Springton;
- \$100k to address footbridge and safety issues at Stockwell and Angaston.

Funding for existing services remains in accordance with adopted plans in addition to some new service spending in the following areas:

- Extension to funding for a further year for the World Agrarian Landscape Heritage Bid.
- New funding for three years of approximately \$71k per annum to improve our volunteer management and support.

The Annual Budget and Business Plan incorporating the annual review of the Long Term Financial Plan is available on Council's website, libraries and at the front desk of the Nuriootpa office.

Mayor Bob Sloane



Our Council

The Barossa Council was originally formed in 1996 after the amalgamation of the District Councils of Barossa, Tanunda and Angaston. The majority of the District Council of Mount Pleasant was later amalgamated in 1997. The Council covers an area of approximately 894 square kilometres, is located approximately 80 kilometres north east of Adelaide, adjacent to the town of Gawler, and is home to a population of over 24,000.

Prior to European settlement, the Barossa region was inhabited by the Peramangk and Ngadjuri people. Colonel William Light first visited the area in 1837, naming the Barossa Range from which the region derives its name. The settlement of the Barossa region began in 1840, with Lutheran settlers originating from the British Isles, Prussia and Silesia to escape the religious persecution, through the sponsorship of George Fife Angas and aid of Pastor August Kavel. These settlers quickly established the early townships of the region, such as Lyndoch, Rowland Flat, Tanunda, Nuriootpa, Angaston, Stockwell, Eden Valley, Mt Pleasant, Williamstown and Springton.

Early farmers of the Barossa established vineyards in the 1840s and 1850s to supplement their primary activities of wool and livestock production and crop farming. In the late 1880s and 1890s there were substantial increases in the production of wine in the region which resulted in the establishment and subsequent expansion of a number of cellars. The driving forces behind this growth were the outbreak of phylloxera in other States and the development of an export market that provided some protection from the recession experienced in the rest of Australia during that time. The wine industry has continued to grow from these early beginnings and is the major source of income for the region.

The cultural landscape of the present day Barossa is reflective of the substantial influence of the early British and German settlers. Vineyards and paddocks dominate the landscape but historical towns, churches, wineries and stone ruins contribute substantially to the charm and character. The natural vegetation of the Barossa has been retained in many areas and underpins the visual appearance and biological diversity of the area.

The Barossa is recognised as Australia's premier wine region. The wine experience, combined with the region's distinctive history, has made it a significant tourist attraction. The establishment of major festivals and high quality accommodation and restaurants has complemented these attractions.

The Barossa experience is a diverse one. In addition to our premier wine and food attractions there are unique nature trails, parks and historical points of interest. The rich pastoral lands of the historic towns of Mount Pleasant and Williamstown produce fine wool, dairy products and prime lamb and beef. Forestry is also a major industry, and together with three reservoirs and national parks, provides recreational opportunities. The tourism industry continues to grow and has become a major focus for the continued development of the region.

Distance of Principal Office from Adelaide CBD	80km
Area of Council	893.5km²
Number of Rateable Assessments	12478
Number of Non Rateable Assessments	527

Principal Office and Library:

43-51 Tanunda Road, Nuriootpa

Postal Address:

PO Box 867, Nuriootpa SA 5355

Branch Office/Libraries:

29 Barossa Valley Way, Lyndoch

130-132 Melrose Street, Mount Pleasant

Washington Street, Angaston

Library only

66-68 Murray Street, Tanunda

Website:

www.barossa.sa.gov.au

Email:

barossa@barossa.sa.gov.au

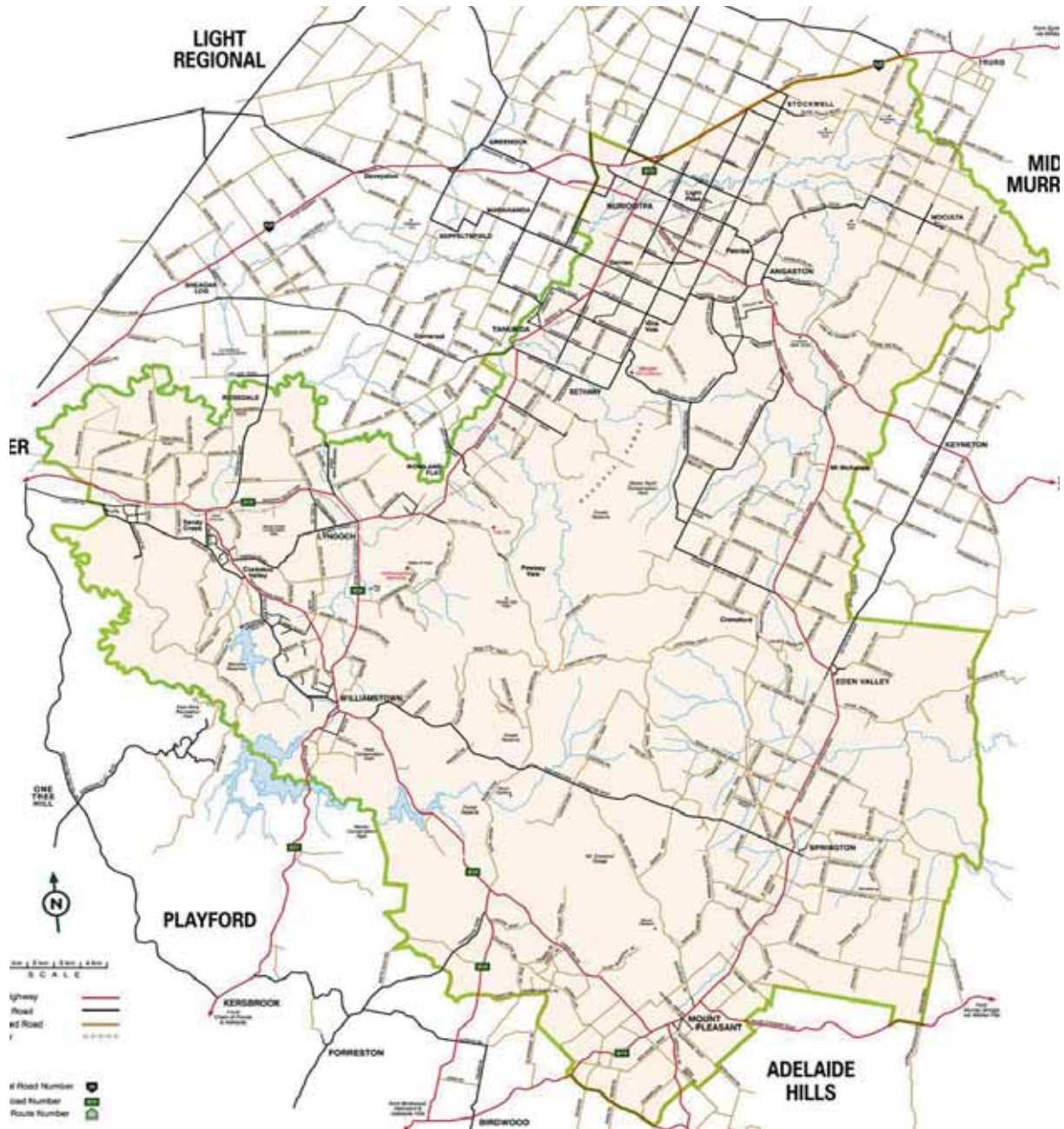
Localities in The Barossa Council:

Altona, Angaston, Barossa Goldfields, Bethany, Cockatoo Valley, Concordia, Craneford, Cromer, Dorrien, Eden Valley, Flaxman Valley, Kalbeeba, Krondorf, Light Pass, Lyndoch, Moculta, Mount Crawford, Mount McKenzie, Mount Pleasant, Nuriootpa, Penrice, Pewsey Vale, Rosedale, Rowland Flat, Sandy Creek, Springton, Stockwell, Tanunda, Taunton, Vine Vale, Williamstown and Wilton.

Major Industries:

Wine making, grapes, grain and spirit distillation; tourism; beef, wool and fat lamb production; cement manufacturing, dried fruit processing and packaging; forestry; water storage; mineral extraction industries; plastic injection moulding and plant manufacturing.

District Map:

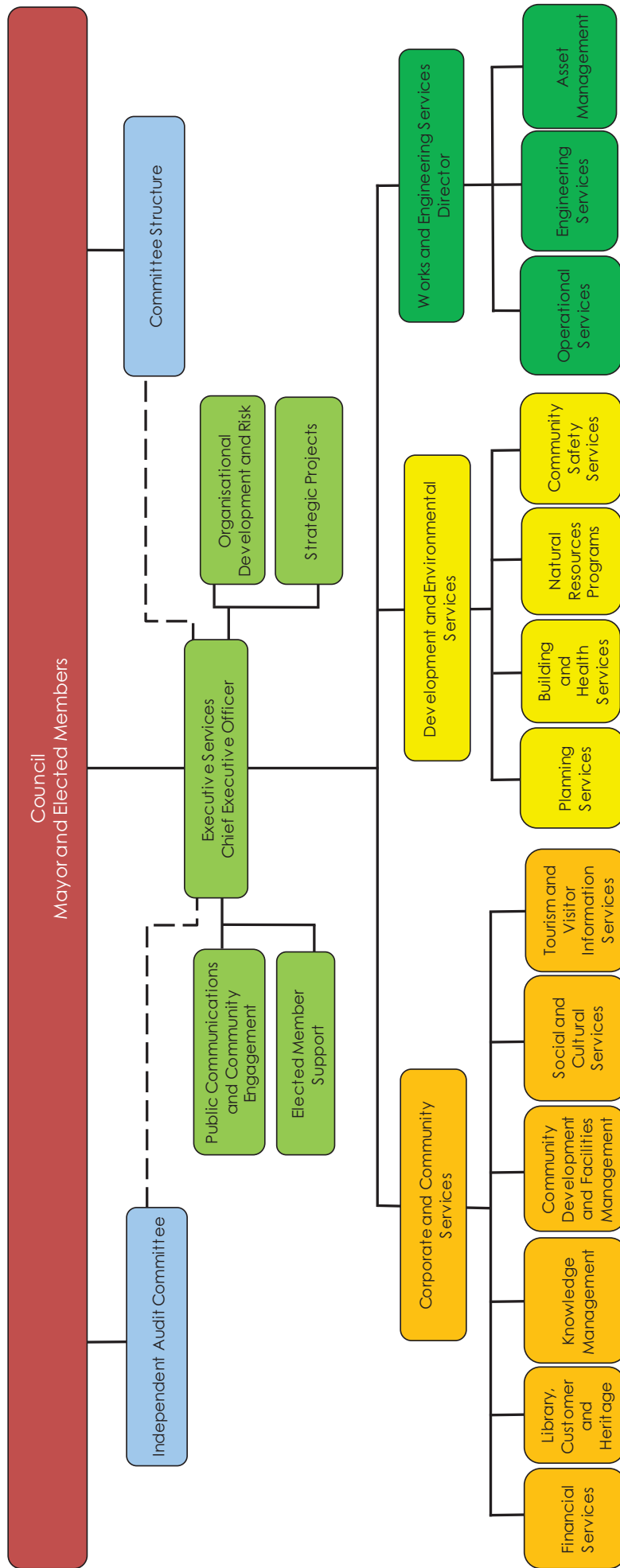


Statistics from the Australian Bureau of Statistics 2011 Census:

Key Statistics			Age Structure		
	Number	%		Number	%
Males	10,966	49.5	Infants 0 to 4 years	1,443	6.5
Females	11,203	50.5	Children 5 to 17 years	2,968	13.4
Total Population	22,169	100	Young adults 15 to 19 years	1,393	6.3
			Adults 18 to 64 years	12,669	57.1
			Mature adults 65 to 84 years	3,146	14.2
			Senior Citizens 85 years +	550	2.5
Birthplace			Families		
	Number	%		Number	%
Australia	18,736	84.5	Couple without child(ren)	2,866	45.0
Overseas / Not Identified	3,433	15.5	Couple with child(ren)	2,763	43.4
			Single parent / other family	738	11.6
			Total families	6,367	100

For more, visit www.abs.gov.au

Organisational Structure:





Overview

The **Annual Budget and Business Plan** is The Barossa Council's statement of intended programs and outcomes for the coming financial year. This Plan has been developed through a rigorous process of consultation and review with Council Officers and Elected Members, and follows the **Business Planning Framework** outlined in the Strategic Directions area of this document. It includes both continuing services, programs and new initiatives, and follows the strategic directions outlined in Council's Community Plan 2016-2036, the Long Term Financial Plan (LTFP) – the annual review is included in this document) and Long Term Infrastructure and Asset Management Plan.

Local Government is the most asset-intensive tier of government. The Barossa Council acts as custodian of approximately \$333m of community assets, including road infrastructure encompassing approximately 350 kilometres of sealed, 570 kilometres of unsealed roads and 70 kilometres of unformed roads. This presents Council with a number of complexities, including how to allocate resources in order to satisfy community demands for new and expanded services, whilst ensuring appropriate resources are provided for maintenance and future replacement of existing community assets.

Council is committed to ensuring that the wide variety of services and activities it provides to the community reflect financial sustainability. The key measure of financial sustainability is ensuring operating expenditure (inclusive of depreciation) is fully funded from recurrent operating revenue streams. This means that Council should generally have sufficient recurrent revenue funds generated over a three year average in order to finance the programmed replacement of existing community assets at the end of their useful lives.

Underlying Assumptions

- A 2.4% average increase in general rates from existing ratepayers;
- An increase for both the refuse/recycling and the Community Waste Management Systems (CWMS) service charges of 2.5% to ensure services are sustainable;

- All other Income and expenditure has been increased in line with the current cost for providing those services and consideration of Councils Long Term Financial Plan (LTFP);
- Staff resources: Additional staff have been included for a Volunteer Coordinator and oval maintenance. Staffing costs increase in line with Enterprise Bargaining Agreements, Superannuation Legislation and contractual agreements;
- The SA Local Government Price Index and the general price index were both at 0.7% as at March 2016;
- Selected operating costs have been isolated from general expenditure, e.g. electricity, water, insurance premiums, waste collection and disposal service costs. The projected increases for these are higher than the base rate and range from 2.5% to 4%;
- Financial Assistance Grants: Due to a previous Federal Budget decision the Financial Assistance Grants has not been indexed in 2016-17 reducing income a further \$20k.

For further information on rating and its impact please refer to the relevant areas within this document.

Key Features

- A comprehensive capital works program of **\$9.4m** (including Donated Assets), including **\$4.8m** on transport assets for reseal and resheeting for roads (including a further \$330k per annum for up to 9 years to rural road resheeting program to address condition issues), new and replacement of footpaths; drainage and bridge works for **\$856k** and on our Community Waste Water Management Systems **\$1,152k**;
- Expenditure of **\$136k** for the renewal and/or replacement works on various buildings;
- A second oval at Stockwell Recreation Park **\$430k** (dependant on grant funding);
- Installation of air conditioning at the Gallery **\$140k** and Mount Pleasant Soldier's Memorial Hall **\$14k**;
- New cabins, oval renovation, soccer pitch fencing and work on the community pavilion at Nuriootpa Centennial Park Authority **\$364k**.



Strategic Directions

The Barossa Council's Community Plan 2016-2036 was adopted by Council on 21 June 2016. The Community Plan is an aspirational document and cornerstone for future investment. It will guide future decision making over the next 20 years through the delivery of highlighted strategies and targets. The Community Plan shows commitment to the values of Land and Place, Community, Leadership and Achievement and will drive performance through objectives within the key result areas of Natural Environment and Built Heritage, Community and Culture, Infrastructure, Health and Wellbeing and Business and Employment.

The Annual Business Plan and Budget outlines the annual program that delivers upon the Community Plan and its strategies as outlined in the following tables. Further the Community Plan has a supporting Corporate Plan which outlines key corporate actions to support the Community Plan and performance targets. The Corporate Plan was also adopted by Council on 21 June 2016.

Council activity for 2016-17 is identified as one or more of the following four roles and relates to the Community Plan strategies as outlined in the following tables.

■ Leader
+ Provider/Regulator
★ Advocate
● Facilitator/Partner

Natural Environment and Built Heritage

Strategy	2016-17 Activity
Collaborate with relevant authorities to ensure a regional and holistic approach in the management of natural resources.	●
Support native eco systems through a planned management approach.	+ ★
Ensure environmental and agricultural sustainability and historic significance of the region is retained.	+ ★
Develop and maintain streetscapes that reflect the character and heritage of the region.	+
Provide support and advice to preserve properties and sites which have historic significance.	+
Support tourism development that is sensitive to the natural environment and is sustainable.	+ ●
Maintain clearly defined townships and manage residential and commercial development that is sensitive to the natural environment and areas of historical significance.	+ ★
Implement and promote policy that reduces the consumption of our natural resources and reuses or recycles waste.	+
Advocate for programs and policy that preserve built heritage.	★
Facilitate opportunities to repurpose or find alternative use of built heritage.	●
Ensure the unique character of the rural landscape is appropriately managed	+

Community and Culture

Strategy	2016-17 Activity
Initiate and support activities which encourage participation and pride in the Barossa Council area.	■ + ★ ●
Support the development of activities that celebrate the history and culture of the Barossa and its people.	+ ●
Contribute to creating strong and sustainable community networks.	●
Encourage and support volunteering in the community.	+ ★
Engage with, and support, young people to actively participate in the community and develop the leaders of the future.	■
Support a vibrant and growing arts, cultural, heritage and events sector.	+ ●
Embrace place-making principles when developing community infrastructure and regulate planning and development in public spaces.	■ +
Provide opportunities for the community to participate in local decision-making.	■ ★
Create places where people want to live and plan for the future in a coordinated, affordable, appropriate and proactive manner.	+
Promote our Aboriginal heritage and ongoing connections to the region.	★
Encourage a learning community.	+ ●
Contribute to a safer community.	+ ●
Advocate for education infrastructure and support improvements.	★

Infrastructure

Strategy	2016-17 Activity
Develop and implement sound asset management which delivers sustainable services.	+
Collaborate with private and public utilities providers to ensure infrastructure is adequate to support the community both now and into the future.	★ ●
Advocate for telecommunication infrastructure to meet personal and commercial needs of residents and businesses.	★ ●
Participate in networks to improve efficient asset management and maintenance.	●
Advocate for and seek out funding opportunities that support the development of community, health and other facilities and infrastructure from both State and Federal Government.	★
Invest in, and advocate for, community facilities that support cultural and community participation.	+ ★ ●
Ensure infrastructure meets the needs of people with disabilities and provides for all abilities access.	+ ●
Support opportunities to increase community transport and access to services and facilities.	+ ★

Health and Wellbeing

Strategy	2016-17 Activity
Advocate to State and Federal health bodies, for sustained access to allied, primary and mental healthcare services and facilities.	★
Create opportunities for people of all ages and abilities to participate in the community.	+ ●
Work with emergency services to prepare for disaster management and recovery.	+ ●
Support sporting, recreational and community clubs and organisations to grow and be sustainable.	+ ●
Advocate for and encourage services and resources that ensure equity and support for disadvantaged, disabled and at risk members of the community.	+ ★ ●
Ensure that community members can participate in cultural, recreational, sporting and learning opportunities.	+ ★ ●
Ensure food safety, hygiene and appropriate waste management standards are maintained.	+
Promote a healthy community through a planned approach to public health.	+ ●
Design our future developments and facilities to support active lifestyles and community health and wellbeing.	+ ●

Business and Employment

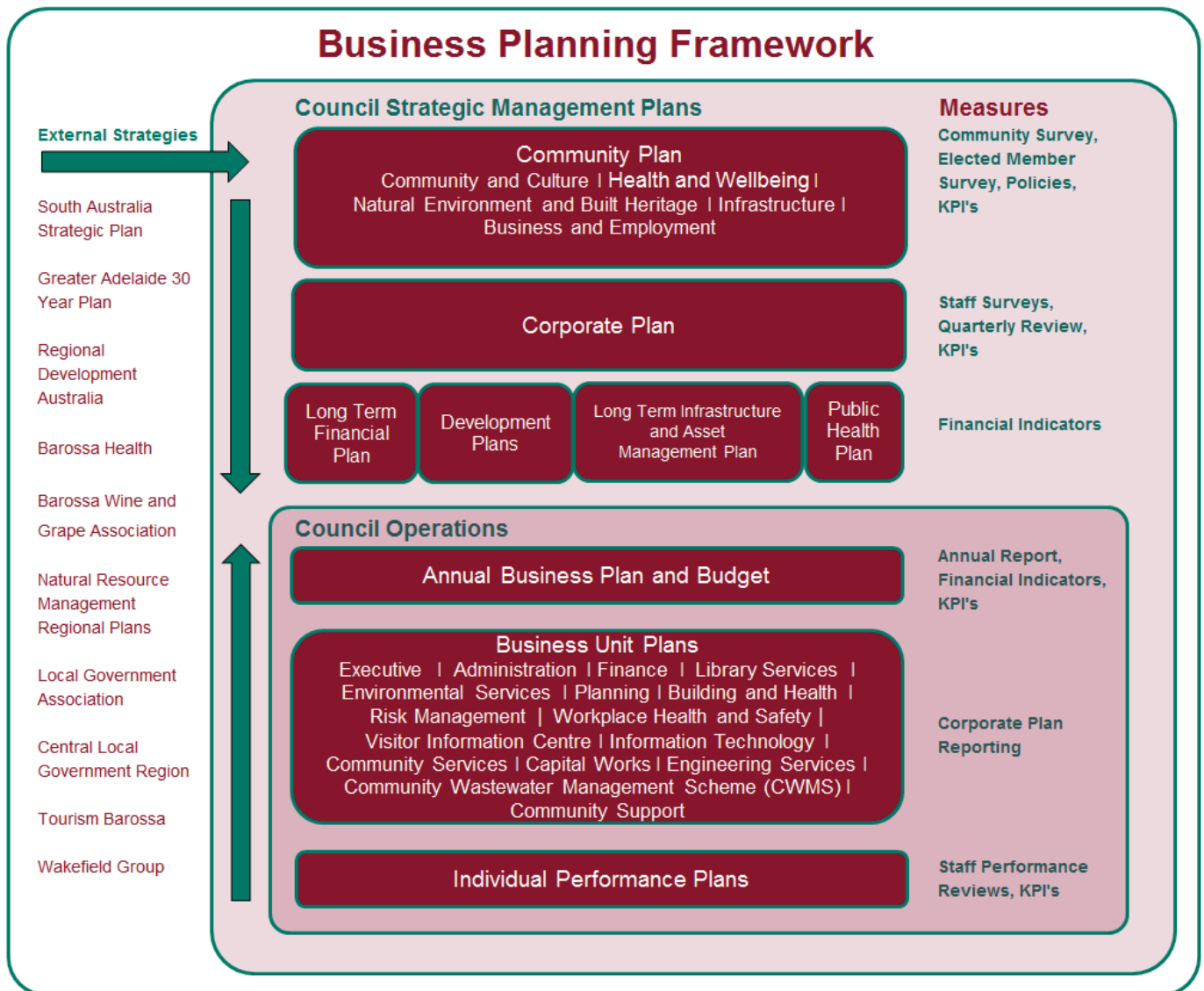
Strategy	2016-17 Activity
Work closely with State Government, Federal Government and stakeholders to support economic growth and development.	+ ★ ●
Support industry accreditation and reward programs.	●
Help build the capacity of the tourism sector and encourage the development of tourist services, including eco and recreational tourism infrastructure.	■ ●
Attract investment for new and innovative industries, such as creative industries and cultural tourism.	●
Support education and training programs that directly respond to work-force gaps and innovation.	●
Participate in main-street programs that strengthen the retail and hospitality sector.	●
Collaborate with industry leaders to ensure informed decision making and Council representation in relation to economic growth, planning and development.	●
Ensure advice and support for small business is available.	+ ●
Advocate for transport infrastructure and services that support local industry.	★
Drive support of economic development through a coordinated local economic development strategy and enabling land use policy.	■ +
Facilitate business growth by supporting local industry and their capacity to compete for Government contracts.	■ ●
Plan for, identify and protect land for business opportunities.	■ +
Support economic development through events.	+ ●



The Business Planning Framework

Council's Business Planning Framework describes how the Community Plan and its Key Result Areas, their associated Objectives, and the Strategies to reach these Objectives, provide guidance to the preparation of other Council long term and operational plans. These plans include:

- **Corporate Plan** which outlines key corporate actions to support the Community Plan and performance targets;
- **Long Term Financial Plan** which provides financial directions for the next 10 years;
- **Long Term Infrastructure and Asset Management Plan** which provides the strategic upgrade, replacement and renewal programs for Council assets and infrastructure;
- **Annual Budget and Business Plan** which provides the annual financial and operational plans, objectives and performance targets for Council;
- **Quarterly Business Plan and Budget Reviews** which outline financial performance against the Annual Budget and Business Plan;
- **Monthly Financial Reports** which regularly track the finances of Council;
- **Annual Report** which describes the performance of Council on objectives set in the Annual Budget and Business Plan, as well as disclosing statutory information regarding the status of Council and Council services;
- **Public Health Plan** provides a coordinated strategy across Council to the health and wellbeing of communities and helps inform decisions in both soft and hard infrastructure;
- **Development Plans** which provide policy direction for the continued development of the Council area;
- **Infrastructure and Asset Management Plans** which describe the current programs of upgrade, replacement and renewal of assets and infrastructure.



Joint Ventures and Associated Entities

Nuriootpa Centennial Park Authority

Established as a subsidiary of Council pursuant to Section 42 of the Local Government Act 1999, the Nuriootpa Centennial Park Authority (NCPA) manages and maintains the Barossa Tourist Park and adjacent sporting and leisure facilities on behalf of Council.

To this end, and in accordance with the Authority's Charter, operating surpluses of the Tourist Park activities are utilised to maintain the Nuriootpa Recreation Park facilities (including tennis courts, 3 ovals and associated buildings and infrastructure), as well as the picturesque Coulthard Reserve located adjacent to the Tourist Park. Operating surpluses from the Tourist Park activities are also utilised to provide important funding for the programmed upgrade and replacement of the facility assets managed by the Authority.

The 2 ovals, a soccer pitch and eight tennis courts are extensively used by local sporting clubs. The four-star rated Tourist Park facilities include on-site cabins and vans, a camp kitchen, and various other standard amenities.

The projected 2016-17 Income Statement for the Authority is included within Council's financial statements, contained within this document. The Authority's ten year business case is under review, to be finalised during the budget consultation period.

Central Local Government Association

Established in 1998, this organisation is formed under Section 43 of the Local Government Act 1999 and operates as a regional subsidiary of councils included in the membership. An amount of \$10,379 is included for the subscription.

Gawler River Floodplain Management Authority

Established in 2002, this organisation is responsible for the construction, operation and maintenance of flood mitigation infrastructure in the Gawler River catchment. An amount of \$11,296 is included for the operational & maintenance subscription. Council has a share in the Net Assets \$1,638,938 as at 30 June 2015. An adjustment for the movement from last year's balance is not as yet reflected in the Financial Statements in this document.



Service Provision for 2016-17

The following outlines the proposed service provision provided by The Barossa Council for 2016-17:

Executive Services

Australia Day Awards, Business Excellence and Organisational Development, Citizenship Ceremonies, Economic Development, Executive Support and Management, Advocacy, Governance, Human Resources, Media Communications, Public Engagement and Consultation, Risk Management, Strategic Projects, Work Health and Safety, Elected Member Support, Grant Writing, Organisational Performance Reporting.

Development and Environmental Services

Building Assessment, Licensing, Development Control, Dog and Cat Management, Safer Communities, Public Health, Fire Prevention and Safety, Safe Food Practices, Heritage Advice, Immunisation, Natural Resource Management, Parking and Traffic Controls, Strategic Land Use and Development Planning, Waste Management, Advocacy.

Corporate and Community Services

Corporate Services

Community Committees Support, Community Land Leasing and Licencing Management, Strategic and Operational Financial Management, Rating Services, Internal Financial Control, Taxation Management, Payroll, Creditor and Debtor Management, General Administration, Advocacy, Governance, Knowledge Management and Technology, Strategic and Operational Management of Community Buildings and Recreational Facilities (excluding ovals), Tourism and Visitor Information Services, Community Development.

Community Services

Customer Service, Arts and Culture Programs, Volunteer Support, Community Development, Community Program Support, Community Transport, Home and Community Care, Barossa Leisure Options, Advocacy, Library and Heritage Services, Youth Services, Facilities (Buildings) Management, Event Support.

Works and Engineering Services

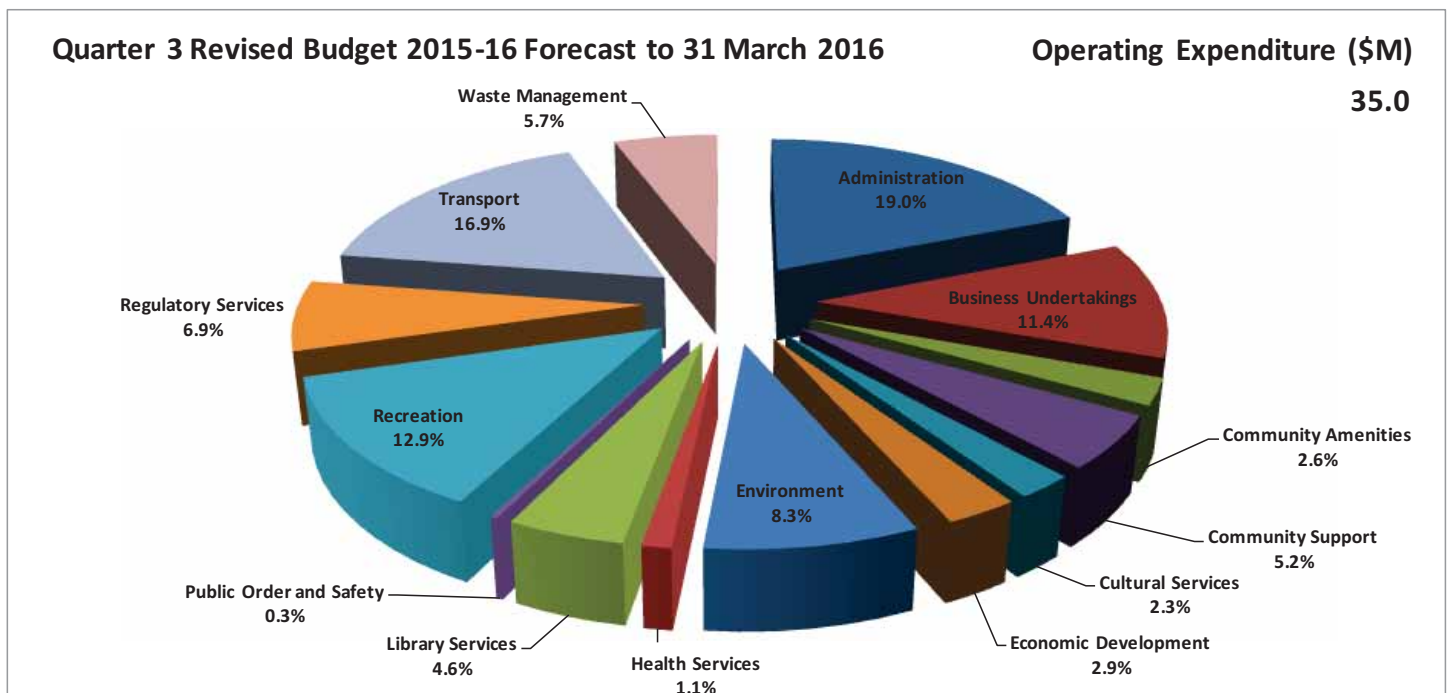
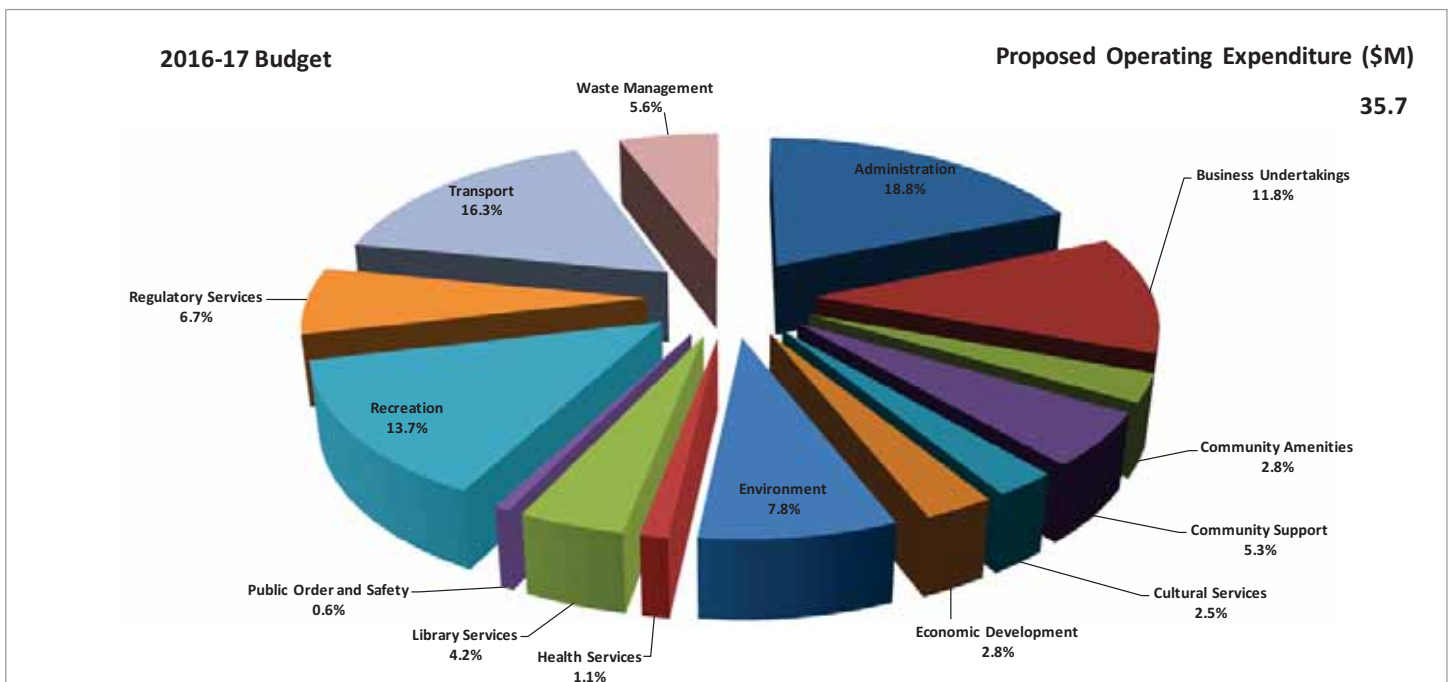
Building Asset Construction and Maintenance, Bridge Construction and Maintenance, Cemetery Management, Unmade Public Road Management, Road Closure Management and Approvals, Community Wastewater Management System Construction, Operation and Maintenance, Treated Water Reuse Distribution System Construction, Operation and Maintenance, Open Space Construction, Operation and Maintenance, Footpath and Bike Path Construction and Maintenance, Infrastructure Planning and Development, Asset Management, Advocacy, Recreational Oval Management, Public Lighting, Public Conveniences, Road Design, Construction and Maintenance, Traffic Planning and Management, Road Safety Control, Event Support, Roadside Vegetation Management and Control, Tree Management, Stormwater Drainage and Construction, Engineering Development Assessment.

Operating Expenditure in Support Of Service Provision for 2016-17

The following graphs show operating expenditure proposed for the 2016-17 year and for the third Budget Update 2015-16 by the following functions in support of the provision of the services outlined.

Functions

Administration, Business Undertakings, Community Amenities, Community Support, Cultural Services, Economic Development, Environment, Health Services, Library Services, Public Order and Safety, Recreation, Regulatory Services, Transport, Waste Management.



Capital Investment in Support of Service Provision for 2016-17

Capital Works Program 2016-17 (Excluding Nuriootpa Centennial Park Authority)

Divisions:

Executive Services	ES
Development and Environmental Services	DES
Corporate and Community Services	CCS
Works and Engineering	WES

Expenditure

Renewal and Replacement Programs

Project Description	Dept	Original Budget \$'000
Building Assets		136
Lyndoch Library Meeting Room Refurbishment	CCS	32
Nuriootpa Office Air-conditioning	CCS	35
Building Renewal and Replacement	CCS	69
Transport		3,377
Renewal and Replacement of Existing Footpaths	WES	430
Road Resealing Works (refer Anticipated Road Resealing Program)	WES	1,127
Carrara Hill Intersection Resealing Works (part Roads to Recovery (R2R) funded)	WES	399
Road Resheeting Works (refer Anticipated Road Resheeting Program)	WES	1,371
Road Shoulder works	WES	50
Bridges, Floodways and Major Culverts		253
Bridge Renewal Work	WES	253
Community Wastewater Management Systems (CWMS)		209
Vehicle Replacements	WES	77
Operation Emergency IP and Manhole Repairs/Replacement	WES	60
Nuriootpa Waste Water Treatment Plant - Replacement Pump/Generator	WES	72
Recreation Assets		30
Playground Equipment Renewal	WES	30
Plant and Equipment		1,188
Plant, Machinery and Vehicles	WES	755
Office Vehicles	WES	366
Community Transport Vehicles	CCS	27
Minor Plant	WES	40
Library		78
Materials - Books - Public Library Scheme	CCS	66
Materials - Books - Local Purchase	CCS	12
Total Asset Renewal and Replacement Budget		5,271

Capital Works Program 2016-17 (Continued)

(Excluding Nuriootpa Centennial Park Authority)

Expenditure (Continued)

New and Upgrade Programs

Project Description	Dept	Original Budget \$'000
Building Assets		211
Barossa Regional Gallery - Air Conditioning and Seating (subject to contributions)	CCS	140
Curdnatta Park - Kitchen Upgrade	CCS	28
Wagon Shelter - Angaston	CCS	29
Mount Pleasant Soldiers Memorial Hall - Heating	CCS	14
Transport		1,382
Angaston Main Street - Paving, Street Bins and Furniture	WES	23
Mount Pleasant Main Street Development	WES	40
Hoffnungsthal Road Sealing (R2R Funded)	WES	356
Tweedies Gully Road Sealing (R2R Funded)	WES	40
Rifle Range Road Sealing (R2R Funded)	WES	77
Para Wirra Road Sealing (Special Local Road & Black Spot Funded - subject to grant funding application approval)	WES	519
Lucks Road Sealing (R2R Funded)	WES	129
Mildres Street Sealing (R2R Funded)	WES	149
Menglers Hill Guard Railings	WES	39
Lyndoch Recreation Park Car Park Seal	WES	10
Bridges, Floodways and Major Culverts		170
Bridge Upgrade Work	WES	20
Moculta Road Foot Bridge	WES	30
Stockwell Foot Bridge	WES	50
Warren Reservoir - Continuation of Old Bridge Upgrade	WES	70
Community Wastewater Management Systems (CWMS)		687
Mount Pleasant - Gravity Mains Asset Management - Melrose Pump Station	WES	100
Technology Changes - Router Upgrade, SCADA Screen Upgrade	WES	300
Small Truck	WES	135
Operation Emergency Drain Repairs	WES	40
Para Road Pump Station Contingency	WES	100
Operation Construction of New IP	WES	12
Stormwater Drainage		433
Mt Pleasant Open Channel Easement and Scour Protection - Herriot Road	WES	13
Mt Pleasant Open Channel Easement and Scour Protection - William Street	WES	20
Springton, Miller Street/Williamstown Road/Hamiltons Road Drainage Upgrade	WES	50
Tanunda - Para Road - Drainage Upgrade	WES	350
Recreation Assets		516
Playground Equipment Upgrade	WES	70
Talunga Park - Playground Fencing	WES	15
Stockwell Recreation Park - Oval & Irrigation Upgrade (subject to grant funding)	WES	431
Plant and Equipment		143
PABX Telephone Server, Headsets and Handsets	CCS	37
Purchase of Leased Computer Equipment	CCS	16
Verti-Drainer	WES	50
Belt Spreader	WES	40
Other Infrastructure		10
Williamstown Cemetery Fencing	WES	10
Total Asset New and Upgrade Budget		3,552

Grants, Contributions and Asset Sales 2016-17

(Excluding Nuriootpa Centennial Park Authority)

Grants, Contributions and Asset Sales

Renewal and Replacement Programs

Project Description	Dept	Original Budget \$'000
Building Assets		2
Lyndoch Library Meeting Room Refurbishment	CCS	2
Transport		334
Carrara Hill Intersection Resealing Works (part Roads to Recovery (R2R) funded)	WES	334
Community Wastewater Management Systems (CWMS)		38
Vehicle Replacements - Proceeds on trade-in	WES	38
Plant and Equipment		387
Plant, Machinery and Vehicles - Proceeds on trade-in	WES	190
Office Vehicles - Proceeds on trade-in	WES	183
Community Transport Vehicles - Proceeds on trade-in	CCS	14
Library		66
Materials - Books - Public Library Scheme (Operating)	CCS	66
Total Asset Renewal and Replacement Budget		827

Grants, Contributions and Asset Sales

New and Upgrade Programs

Project Description	Dept	Original Budget \$'000
Building Assets		70
Barossa Regional Gallery - Air Conditioning and Seating (subject to contributions)	WES	70
Transport		1,196
Hoffnungsthal Road Sealing (R2R Funded)	WES	356
Tweedies Gully Road Sealing (R2R Funded)	WES	40
Rifle Range Road Sealing (R2R Funded)	WES	77
Para Wirra Road Sealing (Special Local Road & Black Spot Funded - subject to grant funding application approval)	WES	445
Lucks Road Sealing (R2R Funded)	WES	129
Mildres Street Sealing (R2R Funded)	WES	149
Recreation Assets		230
Stockwell Recreation Park - Oval & Irrigation Upgrade (subject to grant funding)	WES	230
Total Asset New and Upgrade Budget		1,496

Capital Road Program 2016-17

Disclaimer: The following road listings are yet to be confirmed and are only an indicative program - they are subject to final approval of Council; alterations and additions to this list may occur.

Anticipated Sealed Road Upgrade Program for 2016-17

Road	District	Section
Hoffnungsthal Road	Lyndoch	Lyndoch Valley Road to Barossa Helicopters + 15m
Tweedies Gully Road	Lyndoch	Hoffnungsthal Road to Lavender Farm entrance
Rifle Range Road	Krondorf	Nicolai Road to Lily Farm Road
Para Wirra Road	Williamstown	Approximately 300m from Yettie Road intersection to Humbug Scrub
Lucks Road	Kalbeeba	Balmoral Road to Calton Road
Mildres Street	Springton	Williamstown Road to Johannes Street

Anticipated Reseal Road Program for 2016-17

Road	District	Section
Stockwell Road	Stockwell	Duck Ponds Road to Start of 80km zone
Stockwell Road	Stockwell	Start of 80km zone to Carrara Hill Road
Stockwell Road	Stockwell	Carrara Hill Road Intersection Upgrade
Vine Vale Road	Vine Vale	Light Pass Road to Stockwell Road
Penrice Road	Penrice	Penrice Quarry Products Intersection
Research Road	Light Pass	771 Research Road to Kalimna Road
Seppeltsfield Road	Nuriootpa	Barossa Valley Way to North Para Bridge
Light Pass Road	Vine Vale	Magnolia Road Intersection
St Hallett Road	Tanunda	Adjacent St Hallett's Winery
Moculta Road	Moculta	Lindsay Park Road to 480m E of Lindsay Park
Moculta Road	Moculta	480m E of Lindsay Pk Rd to 730m E of Lindsay Pk Rd
Moculta Road	Moculta	730m E of Lindsay Pk Road to Truro Road
Filsell Road	Lyndoch	Jollytown Road to 470m from Frederick Street
Filsell Road	Lyndoch	110m from Jollytown Road to Frederick Street
Filsell Road	Lyndoch	Frederick Street to Francis Street
Springton Road	Williamstown	Mount Crawford Road to 919m E of Mount Crawford Road
Springton Road	Williamstown	919m E of Mount Crawford Road to Glen Gillian Road
Springton Road	Williamstown	Glen Gillian Road to Wilson Road
Para Road	Tanunda	Murray Street to Braunack Avenue
Para Road	Tanunda	Braunack Avenue to Hoffmann Avenue
Hoffmann Avenue	Tanunda	Para Road to Doering Street
Heggies Range Road	Flaxman Valley	Tanunda Creek Road to Seven Steps Road
Seven Steps Road	Flaxman Valley	Seiboths Road to L.Pumpas Road
William Street	Springton	Miller Street to Jutland Road

Remaining funds of \$30,245 to be held as contingency

Capital Road Program 2016-17 (Continued)

Disclaimer: The following road listings are yet to be confirmed and are only an indicative program - they are subject to final approval of Council; alterations and additions to this list may occur.

Anticipated Sheeted Road Program for 2016-17

Road	District	Section
Winton Road	Rosedale	Dalgety Road to McCallum Road
Dalgety Road	Rosedale	Dahlenburg Road to Winton Road
Dahlenburg Road	Rosedale	Rosedale Road to Dalgety Road
Bergen Road	Concordia	Concordia Road to House
Springbett Road	Concordia	Concordia Road to Kalbeeba Road
Lucas Road	Mount Pleasant	Burns Road to End
Munro Road	Mount Pleasant	Ken Hicks Road to Randell Road
Lamb Tail Corner Road	Angaston	Lindsay Park Road to Hutton Vale Road
Little Kaiserstuhl Road	Krondorf	Rifle Range Road to End
Bartsch Road	Stockwell	Jaegers Road to End
Bartsch Road	Stockwell	Fallands Road to Jaegers Road
Jaegers Road	Stockwell	Duckponds Road to Bartsch Road
Lovers Lane	Angaston	Yalumba Terrace to Eden Valley Road
Golden Gate Mines Road	Angaston	Rocky Road to Karra Yerta Road
Rocky Road	Angaston	Eden Valley Road to Golden Gate Mines Road
Stone Chimney Creek Road	Flaxman Valley	Tanunda Creek Road to Flaxmans Valley Road
Maders Road	Flaxman Valley	Flaxmans Valley Road to Mirooloo Road
Hilsenitz Road	Flaxman Valley	C Rogers Road to Seven Steps Road
W Pumpas Road	Flaxman Valley	Heggies Boundary Road to Eden Valley Road
Burkes Hill Road	Eden Valley	Hearls Road to Eden Valley Road
Bartschs Road	Eden Valley	Cranes Range Road to Basil Roeslers Road
Martins Road	Taunton	Vigars Road to Craneford Road
Cemetery Road	Eden Valley	Craneford Road to Eden Valley Road
Tapscott Road	Mount Pleasant	Burns Road to Fromm Road
Hillview Road	Mount Pleasant	Tungkillo Road to Randell Road
Ross Smith Road	Mount Pleasant	Tungkillo Road to Hillview Road
Ken Hicks Road	Mount Pleasant	Zaltrons Road to Seagers Road
Griggs Road	Mount Pleasant	G Hicks Road to Torrens Valley Road
H Muellers Road	Mount Pleasant	Cromer Road to Whites Boundary Road
Elder Road	Mount Pleasant	Cromer Road to End
Hannaford Road	Cromer	Peek Road to End
Peek Road	Cromer	Cromer Road to Blackwood Road
Running Postman Road	Cromer	Cromer Road to Blackwood Road
Steingarten Road	Rowland Flat	Barossa Valley Way to End

Remaining funds of \$66,537 to be held as contingency

Nuriootpa Centennial Park Authority Capital Works Program 2016-17

Expenditure

Renewal and Replacement Programs

Project Description	Original Budget \$'000
Section 42 Subsidiary Nuriootpa Centennial Park Authority	
Main Oval Restoration including Goal Post Replacement	30
Total Asset Renewal and Replacement Budget	30

New and Upgrade Programs

Project Description	Original Budget \$'000
Section 42 Subsidiary Nuriootpa Centennial Park Authority	
Install 4 New Family Cabins	254
Community Pavilion Upgrade	65
Soccer Pitch Fencing for Safety Improvements	15
Total Asset New and Upgrade Budget	334





Funding Our Activities

Council is budgeting the expenditure of \$44.8m in 2016-17 on the delivery of services, programs, maintenance of assets, development of new or upgraded assets and loan servicing.

Operating Revenue

The Budget provides for operating revenue to increase from the last year third Budget Update of \$34.8m to \$36.5m – an increase of 4.9%. Recurrent revenue streams of Council are:

\$m	%	Type	Description
28.3	77.5%	General Rates and Service Charges	General rates on properties as well as service rates (i.e. sewerage and refuse/recycling rates)
3.4	9.3%	Grants and Subsidies	Council seeks to attract as much grant funding from other tiers of government as possible, thereby reducing the reliance on other revenue streams
2.7	7.4%	User Pay Charges set by Council	Charges for the Council's fee based facilities and services such as caravan parks, swimming pools, community halls, cemeteries and refuse dump fees
1.5	4.1%	Investment, Reimbursements & Other income	Interest received on Council's internal cash reserves and deposits, Reimbursements for work undertaken and Other Income
0.6	1.7%	Statutory charges set by State Government	Fees and charges set by State Government regulation and received by the Council for regulatory functions undertaken such as assessment of development and building applications, and dog control management

Operating Expenditure

The Budget provides for operating expenditure to increase from the last year third Budget Update of \$35m to \$35.7m – an increase of 2.0%. Full Cost Attribution has been applied - this is an allocation of internal services to external services and does not affect the overall net result. Recurrent expenditures incurred by Council are:

\$m	%	Type	Description
14.1	39.5%	Contractual Services, Materials & Other Expenses	Payments for external provision of services Payments for physical goods such as water, fuel, energy, road materials, office consumables and stationary Includes expenses not separately classified above such as insurances, postage, telephone, government levies, contributions and donations
13.0	36.4%	Employee Costs	All labour related expenses such as wages and salaries, and on-costs such as allowances, leave entitlements and employer superannuation
7.5	21.0%	Depreciation	Annual consumption of Council's fixed assets (e.g. infrastructure, equipment, buildings, etc) over their useful lives
1.1	3.1%	Finance Costs	Costs of financing Council's activities through borrowings or other types of financial accommodation



Implications for Our Rates

Council plans to raise a net sum of **\$23.9m** from rates in 2016-17 (including growth, but excluding service charges, separate rates and the State Government's NRM levy).

Council recognises that ratepayers wish increases to their rates to be as low as possible; however it is necessary to ensure that current services are properly funded and can continue to be delivered without significantly impacting standards or passing on a financial burden to future ratepayers or cutting services utilised by the community. Current assets and infrastructure owned by Council deteriorate over time through wear and tear and must be replaced or renewed at appropriate intervals in order to prolong their lives and continue to deliver services to the community.

The proposed increase in rate revenue will provide the necessary funding to meet the programmed upgrade, renewal and replacement plans in place as outlined in the Long Term Infrastructure and Asset Management Plan, ensuring that existing services to the community will be maintained.

Council is aware of the impact on ratepayers and is committed to providing and developing options to ease the rate burden through increasing its own efficiency and by providing those under hardship with appropriate alternatives to suit their circumstances.

Rating Policy

Section 147 of the Local Government Act 1999 provides Council with the power to rate all land within The Barossa Council, except for land specifically exempted, such as Crown land and land occupied by Council.

Council is mindful of its responsibility to continually review its rating policy to ensure it is fair and equitable on its residents. The current rating policy is available for inspection at all Council branches and can be

downloaded from Council's website at www.barossa.sa.gov.au.

Land Valuation Method

Council uses the capital value determined by the State Valuation Office as the basis for valuing land and calculating rates.

Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more taxes than ratepayers of lesser wealth;
- Property value is a relatively good indicator of market value of a property, providing the fairest method of calculating rates.

The total property rateable valuations provided by the State Valuation Office as at 18 June 2016 was \$4,779,130,121 - a 3.5 % increase over last year.

Land Use	Total Valuation Movement
Residential	4.17%
Commercial	4.78%
Industry - Light	15.64%
Industry - Other	2.87%
Primary Production	1.37%
Vacant Land	4.99%
Other	4.28%

Differential Rates

General rates payable for each ratepayer is determined by the capital valuation multiplied by the rate-in-the-dollar set by Council. Council applies differential general rates based on the land use of the property, as outlined in the Land Use table.

Fixed Charge

As part of the general rates, Council applies a fixed charge component so that all rateable properties make a fixed contribution towards the cost of administering

Council's activities. The fixed charge has increased from \$316 to \$324 per assessment.

Service Rates & Charges

Council provides various prescribed services pursuant to Section 155 of the Local Government Act 1999 which includes community wastewater management systems, refuse collection and kerbside recycling service.

The cost of these services, including a component for future capital works where appropriate, is recovered from those ratepayers utilising the service.

Land Use Table	Year	Average Valuation \$	Rate Charge \$
Residential: residential dwellings, flats, units	2015-16	320,928	0.0033750
	2016-17	327,208	0.0033990
Commercial: Retail shops, professional services e.g. accounting, legal, engineering, etc.	2015-16	470,858	0.0052820
	2016-17	482,429	0.0053190
Industry – Light: Vehicle repairs, workshops	2015-16	315,466	0.0054860
	2016-17	324,996	0.0055250
Primary Production: Agriculture, livestock, horticulture, commercial forestry	2015-16	517,604	0.0033750
	2016-17	524,005	0.0033980
Vacant Land: Vacant allotments	2015-16	162,923	0.0061480
	2016-17	167,035	0.0061920
Other: Government agencies, education, public utilities	2015-16	325,125	0.0056100
	2016-17	334,276	0.0056500
Industry – Other: Wineries, manufacturing	2015-16	2,270,027	0.0154470
	2016-17	2,285,889	0.0155520

In order to obtain an average valuation, the data did not include past assessments that were removed and/or new assessments in 2016-17. The calculations are based on the average valuation as at 11 June 2016 from the Valuer General, as shown above and growth from development is not included in the average valuations. Individual assessments may vary from these amounts.

State Government Levies

Council collects a regional Natural Resource Management (NRM) Levy on behalf of two regional NRM Boards on all rateable properties. In this capacity, Council is operating as a revenue collector for the State Government and does not retain the revenue or determine how it is spent. Further information is available from the relevant State Government agencies.

Mandatory Rebates

Council is required under the Local Government Act 1999 to rebate rates payable on some land. Specific provisions are made for land used for specific purposes, e.g. health services, public cemeteries and educational institutions.

Discretionary Rebates

Discretionary rebates may be applied by the Council on land used for community purposes under Section 166 of the Act. Application forms giving full criteria are available from Council.

Residential Rate Capping

Council offers a rebate of general rates to the principal ratepayer where the increase in general rates levied upon a property exceeds the 2015-16 general rates levied by more than:

- 7.5% for ratepayers on fixed government incomes;
- 15% for other ratepayers

Application forms with eligibility criteria are available from Council's Principal Office or any branch office.

Concessions and Postponement

In order to support ratepayers who are in receipt of fixed incomes, a number of concessions are available for eligible pensioners and self-funded retirees. These concessions are administered by the Department for Communities and Social Inclusion (DCSI) who determine eligibility and pay the concession. Concessions are only available on the principal place of residence. Once again in 2016-17 the general rate concession previously applied to the rates will be paid by the State Government directly to eligible pensioners. Any sewerage concession will be paid to Council by DCSI and will be shown as a deduction from the rates.

In addition and in accordance with the Local Government Act 1999, persons who hold a Seniors Card may apply to postpone payment for any amount in excess of \$500 (\$125 per quarter), less any concession entitlement for their principal place of residence.

Council encourages ratepayers who are experiencing difficulties in paying rates to contact Council on (08) 8563 8444 to discuss support that may be available to alleviate any financial hardship. Such enquiries are treated confidentially by Council.

Paying Your Rates

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

Payments can be made via Council's website (www.barossa.sa.gov.au), B-Pay, Australia Post Billpay, by mail, allocated payment or by cash/cheque/EFTPOS over the counter at the Nuriootpa or branch offices.

Expected Impact on Ratepayers

Consistent with Council's adopted Long Term Financial Plan 2015-16 to 2024-25, the 2016-17 Annual Budget and Business Plan reflects an overall increase of 2.18% for general rate revenue with a further 1.59% from new property growth being required to fund the recurrent services, activities and major works program

incorporated within the plan. For more information on the rate revenue increases please refer to the Long Term Financial Plan section in this document.

The table on the next page incorporates the proposed overall rating and its impact using **average valuations** as shown in the Land Use Table (refer previous page); rate changes for individual assessments will likely vary from these amounts.

Understanding the Numbers

The Residential CWMS Service charge will increase from \$306 to \$314. The Non-Residential CWMS service rate for each of the townships has been held at \$0.001181. Many Springton properties are charged a capital contribution of \$245 for a 15 year period. An annual service charge of \$55 is applied to vacant allotments in Springton and an annual service charge of \$100 is applied for all other vacant allotments where CWMS is available but not connected.

The CWMS rate service charges will raise \$2.53m, plus other related revenue will bring the total for CWMS income to \$2.8m for 2016-17. The operating expenditure for the same period is expected at \$2.54m generating a surplus of \$0.26m. This surplus is used towards capital expenditure to ensure the services are maintained and grow with service demands into the short to medium term. Total capital expenditure for CWMS is \$0.9m.

CWMS charges are shown in the following chart.

The Refuse collection service rate has been increased by 2.50 % on 2015-16 charges from \$113.40 to \$116.20 for a 140 litre bin and from \$154.50 to \$158.40 for a 240 litre bin. The Recycling collection service rate has also increased from \$54.50 to \$55.90 – 240 litre bin. The two service rates are shown together in the following chart under Refuse/Recycling.

Rates for Land Use Categories based on Average Valuation (see table on page 24)

	Year	General Rates	Fixed Charge	CWMS	Refuse/ Recycling	Total
Residential: Residential dwellings, flats, units	2015-16	\$1,083.10	\$316.00	\$306.00	\$167.90	\$1,873.00
	2016-17	\$1,112.20	\$324.00	\$314.00	\$172.10	\$1,922.30
Commercial: Retail shops, professional services e.g. accounting, legal, engineering,	2015-16	\$2,487.10	\$316.00	\$563.60	\$54.50	\$3,421.20
	2016-17	\$2,566.00	\$324.00	\$569.70	\$55.90	\$3,515.60
Industry – Light: Vehicle repairs, workshops	2015-16	\$1,730.60	\$316.00	\$377.60	\$54.50	\$2,478.70
	2016-17	\$1,795.60	\$324.00	\$383.80	\$55.90	\$2,559.30
Primary Production: Agriculture, livestock, horticulture, commercial forestry	2015-16	\$1,746.90	\$316.00	\$0.00	\$167.90	\$2,230.80
	2016-17	\$1,780.60	\$324.00	\$0.00	\$172.10	\$2,276.70
Vacant Land: Vacant allotments	2015-16	\$1,001.70	\$316.00	\$100.00	\$0.00	\$1,417.70
	2016-17	\$1,034.30	\$324.00	\$100.00	\$0.00	\$1,458.30
Other: Government agencies, education, public utilities	2015-16	\$1,824.00	\$316.00	\$0.00	\$167.90	\$2,307.90
	2016-17	\$1,888.70	\$324.00	\$0.00	\$172.10	\$2,384.80
Industry – Other: Wineries, manufacturing	2015-16	\$35,065.10	\$316.00	\$0.00	\$54.50	\$35,435.60
	2016-17	\$35,550.10	\$324.00	\$0.00	\$55.90	\$35,930.00

Note: Rates have been calculated using information from the Land Use table on Page 24.

Use Categories based on Average Valuation			
Land Use Code	Year	Total Rates	% Average Total Increase
Residential	2015-16	1873.00	
	2016-17	1922.30	2.63%
Commercial	2015-16	3421.20	
	2016-17	3515.60	2.76%
Industry - Light	2015-16	2478.70	
	2016-17	2559.30	3.25%
Primary Production	2015-16	2230.80	
	2016-17	2276.70	2.06%
Vacant Land	2015-16	1417.70	
	2016-17	1458.30	2.86%
Other	2015-16	2307.90	
	2016-17	2384.80	3.33%
Industry - Other	2015-16	35435.60	
	2016-17	35930.00	1.40%



Measuring Our Performance

Measuring and monitoring performance is important to ensure our objectives are achieved and services are delivered to our community. Council monitors financial performance through its **Business Planning Framework** (refer also to the section on “Strategic Directions”). This includes:

- **Monthly Financial Reports** which regularly track Council finances;
- **Quarterly Budget Reviews** which outline financial performance against the Annual Budget and Business Plan;
- **Audited Financial Statements** which are included in the **Annual Report** as required under the Local Government Act 1999;
- the **Annual Report** which describes the performance of Council on objectives set in the **Annual Budget and Business Plan**;
- Council’s **Community Plan 2016-2036** was adopted by Council in June 2016, which lays out the long term objectives and strategies Council is striving to achieve. During the 16-17 year the Community and Corporate plans will be used to form the 17-18 Annual Budget and Business Plan.

To provide advice and recommendations on financial and governance matters, Council has appointed an Audit

Committee which includes independent members with qualifications and experience in related disciplines.

Key Performance Indicators

Council has a number of financial Key Performance Indicators (KPI’s) which measure the impact of the annual budget on Council’s financial position. Each of these indicators, together with associated comments, is outlined below:

Legend:

Target Not Met	Target At Risk	Target Met

Forecast is the third Budget Update (Q3) for the year, adopted by Council at the May 2016 meeting and material financial information received since that time has been included.

The Key Performance Indicator: Asset Consumption Ratio is no longer showing within this report. The Local Government (Financial Management) Regulations 1999 no longer require the inclusion of this KPI with the budget estimates.





Key Performance Indicator 1: Operating Result (\$'000)

Council has set the following target - **To achieve an operating break-even position, or better, over any five year period. Individual periods are shown; refer to the long term financial plan section in this document for a rolling 3 year period.**

Year	2013-14 Actual	2014-15 Actual	2015-16 Forecast Q3	2016-17 Budget
Result	76	277	(131)	830
Status				


Key Performance Indicator 2: Operating Surplus/(Deficit) Ratio

Expresses the projected Operating Surplus/(Deficit) result as a percentage of general rate revenue. Council has set the following target - **To achieve an operating surplus ratio of between -2% to 10%, over a rolling 3 year period.**

Year	2013-14 Actual	2014-15 Actual	2015-16 Forecast Q3	2016-17 Budget
Result	0.6%	0.5%	0.2%	0.9%
Status				





Key Performance Indicator 3: Net Financial Liabilities (\$'000)

Council has set the following target - **Council's level of net financial liabilities is no greater than its annual operating revenue and not less than zero.**

Year	2013-14 Actual	2014-15 Actual	2015-16 Forecast Q3	2016-17 Budget
Result	13,986	13,542	15,832	15,004
Status				


Key Performance Indicator 4: Net Financial Liabilities Ratio

Expresses the projected Net Financial Liabilities as a percentage of total operating revenue for each year. It is Council policy (and industry best practice) that this ratio shall not exceed 100%. Council has set the following target - **Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.**

Year	2013-14 Actual	2014-15 Actual	2015-16 Forecast Q3	2016-17 Budget
Result	43%	40%	45%	41%
Status				





Key Performance Indicator 5: Interest Cover Ratio

Expresses the net interest expense (i.e. interest expense less investment income) as a percentage of total operating revenue. Council has set the following target - **Net interest is greater than 0% and less than 8% of operating revenue.**

Year	2013-14 Actual	2014-15 Actual	2015-16 Forecast Q3	2016-17 Budget
Result	3.0%	2.6%	2.6%	2.4%
Status				

Key Performance Indicator 6: Asset Sustainability Ratio

Expresses the rate by which assets are wearing out and being replaced by comparing capital outlays on renewal/replacement of existing assets (net of any proceeds from the sale of replaced assets) to the annual depreciation expense allocated against such assets. Council has set the following target - **Capital outlays on renewing/replacing assets net of proceeds from sale of replaced assets is greater than 80% but less than 110% of Infrastructure Asset Management Plans over a rolling 3 year period.**

Year	2013-14 Actual	2014-15 Actual	2015-16 Forecast Q3	2016-17 Budget
Result	84%	78%	86%	101%
Status				



Non - Financial Measures

Council is reviewing its Key Performance Indicators to improve the measurement of performance. This is part of Council's Community Plan, as well as continuous improvement initiatives related to Council's Business Planning Framework. Non-financial indicators measuring the performance of Council in relation to the Annual Business Plan can be found below.

They provide information with regards to Council's capacity to effectively deliver services to our community, and the targets Council intends to meet. Council's performance against these indicators is then reported in the Annual Report.

Indicator	Purpose	Target
People		
Employee Retention Rate (annual trend)	Measure of organisational capacity	Target 90%
Finance		
Management & Regulatory Financial reporting meeting scheduled timetable	Measure that information is presented at a strategic level, succinct and easy to follow and available to all stakeholders within deadlines	Target 100%
Internal control	Measure number of self-assessments being completed for selected control areas.	Target 95%
Assets		
Percentage of Capital Renewal Program scheduled works on track	Measures Capital Works Program, Capital New Initiatives, and other scheduled capital programs against projected completion times	Actual to be consistent with Annual Budget projections at least 90% achieved.
Service Delivery		
Percentage of customer requests responded to in accordance with the customer request service level targets	Measures all requests through Council's customer request system, and all complaints lodged with Council's regulatory systems	Target 85%



Budgeted Financial Statements 2016-17

The following pages contain Council's budgeted financial statements, **including the Nuriootpa Centennial Park Authority**, in a format consistent with the requirements of Regulation 5B of the Local Government (Financial Management) Regulations, comprising for the year ending 30 June 2016:

- **Statement of Comprehensive Income**
- **Statement of Financial Position**
- **Statement of Changes in Equity**
- **Statement of Cash Flows**
- **Uniform Presentation of Finances**

Please note: the format of the following Financial Statements is based on the 2015 Model Financial Statements.

Statement of Comprehensive Income

for the year ending 30 June 2016

	2015-16 Original Budget (\$'000)	2015-16 Revised Budget* (\$'000)	2016-17 Budget (\$'000)
Income			
Rates	27,242	27,231	28,306
Statutory Charges	626	633	630
User Charges	2,667	2,338	2,678
Grants, Subsidies and Contributions	2,947	2,691	3,370
Investment Income	213	253	202
Reimbursements	514	510	411
Other Income	866	1,189	849
Net Gain – Joint Ventures and Associates	0	0	0
TOTAL REVENUES	35,075	34,845	36,446
Expenses			
Employee Costs	12,222	12,280	12,979
Materials, Contracts and Other Expenses	14,265	14,176	14,074
Depreciation, Amortisation and Impairment	7,254	7,359	7,502
Finance Costs	1,150	1,161	1,061
Net Loss – Joint Ventures and Associations	0	0	0
TOTAL EXPENSES	34,891	34,976	35,616
Operating Surplus / (Deficit)	184	(131)	830
Asset Disposal & Fair Value Adjustments	(646)	(469)	(668)
Amounts Received Specifically for New or Upgraded Assets	1,205	3,974	1,195
Physical Resources Received Free of Charge	0	0	256
Net Surplus / (Deficit)	743	3,374	1,613
Transferred to Equity Statement	0	0	0
Other Comprehensive Income	0	0	0
Changes in revaluation surplus - infrastructure, property, plant & equipment	0	0	0
Total Other Comprehensive Income	0	0	0
Total Comprehensive Income	743	3,374	1,613

*Revised Budget is the third Budget Update for the year, adopted by Council at the May 2016 meeting and material financial information received since that time has been included.

Statement of Financial Position

for the year ending 30 June 2016

	2015-16 Original Budget (\$'000)	2015-16 Revised Budget* (\$'000)	2016-17 Budget (\$'000)
Assets			
Current Assets			
Cash and Cash Equivalents	1,761	3,862	2,673
Trade and Other Receivables	2,956	2,406	2,406
Other Financial Assets	7	7	7
Inventories	129	58	58
Subtotal	4,853	6,333	5,144
Non-Current Assets Held for Sale	0	0	0
Total Current Assets	4,853	6,333	5,144
Non-current Assets			
Financial Assets	642	726	726
Equity Accounted Investments in Council	1,723	1,689	1,689
Infrastructure, Property, Plant and Equipment	303,394	340,987	344,636
Other Non-Current Assets	0	0	0
Total Non-current Assets	305,759	343,402	347,051
Total Assets	310,612	349,735	352,195
Liabilities			
Current Liabilities			
Trade and Other payables	3,192	3,333	3,183
Borrowings	1,997	1,939	1,981
Provisions	2,396	2,377	2,382
Total Current Liabilities	7,585	7,649	7,546
Non-Current Liabilities			
Borrowings	13,634	14,390	12,474
Provisions	615	795	795
Total Non-current Liabilities	14,249	15,185	13,269
Total Liabilities	21,834	22,834	20,815
Net Assets	288,778	326,901	331,380
Equity			
Accumulated Surplus	63,426	69,237	70,136
Asset Revaluation Reserve	220,032	251,366	254,232
Other Reserves	5,320	6,298	7,012
Total Equity	288,778	326,901	331,380

*Revised Budget is the third Budget Update for the year, adopted by Council at the May 2016 meeting and material financial information received since that time has been included.

Statement of Changes in Equity

as at 30 June 2016

	Accumulated Surplus (\$'000)	Asset Revaluation Reserve (\$'000)	Other Reserves (\$'000)	Total Equity (\$'000)
Balance at end of previous reporting period 30 June 2016 (Original Budget 2015-16)	63,426	220,032	5,320	288,778
Restated opening balance (2015-16 Revised)	69,237	251,366	6,298	326,901
Net Surplus / (Deficit) for year	1,613			1,613
Other Comprehensive Income	0	0	0	0
Gain on revaluation of infrastructure, property, plant and equipment	0	2,866	0	2,866
Transfer between reserves	(714)	0	714	0
Balance at the End of Period	70,136	254,232	7,012	331,380

*Revised Budget is the third Budget Update for the year, adopted by Council at the May 2016 meeting and material financial information received since that time has been included.

Statement of Cash Flows

for the year ending 30 June 2016

	2015-16 Original Budget (\$'000)	2015-16 Revised Budget* (\$'000)	2016-17 Budget (\$'000)
Cash Flows from Operating Activities			
Receipts			
Operating Receipts	34,862	34,564	36,243
Investment Receipts	213	253	202
Payments			
Operating payments to Suppliers and Employees	(26,485)	(26,448)	(27,043)
LandFill rehabilitation expense	0	0	(204)
Finance Payments	(1,150)	(1,161)	(1,061)
Net Cash Provided by (or Used in) Operating Activities	7,440	7,208	8,137
Cash Flows from Investing Activities			
Receipts			
Amounts Specifically for New or Upgraded Assets	1,205	3,973	1,195
Sale of Replaced Assets	320	341	425
Sale of Surplus Assets	0	451	173
Repayments of Loans by Community Groups	38	38	0
Payments			
Expenditure on Renewal / Replacement of Assets	(5,389)	(5,348)	(5,301)
Expenditure on New / Upgraded Assets	(4,977)	(8,756)	(3,886)
Loans made to Community Groups	0	0	0
Net Cash Provided by (or Used in) Investing Activities	(8,803)	(9,301)	(7,394)
Cash Flows from Financing Activities			
Receipts			
Loans Received	297	1,260	0
Finance Lease Funds	0	0	0
Proceeds from Internal Borrowings	2,150	1,500	1,640
Payments			
Repayments of Borrowings	(1,811)	(1,811)	(1,932)
Repayment of Finance Lease Liabilities	0	0	0
Repayment of Internal Borrowings	(2,150)	(1,500)	(1,640)
Net Cash Provided by (or Used in) Financing Activities	(1,514)	(551)	(1,932)
Net Increase / (Decrease) in Cash Held	(2,877)	(2,644)	(1,189)
Cash and Cash Equivalents at Beginning of Period	4,638	6,506	3,862
Cash and Cash Equivalents at End of Period	1,761	3,862	2,673

*Revised Budget is the third Budget Update for the year, adopted by Council at the May 2016 meeting and material financial information received since that time has been included.

Uniform Presentation of Finances

for the year ending 30 June 2016

The following is a high level summary of both operating and capital investment activities of the Council prepared in a uniform and consistent basis.

All Councils in South Australia voluntarily have agreed to summarise annual budgets and long term financial plans on the same basis.

The arrangement ensures that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

	2015-16 Original Budget (\$'000)	2015-16 Revised Budget* (\$'000)	2016-17 Budget (\$'000)
Income	35,075	34,845	36,446
Less Expenses	34,891	34,976	35,616
Operating Surplus / (Deficit)	184	(131)	830
Less Net Outlays on Existing Assets			
Capital Expenditure on Renewal and Replacement of Existing Assets	5,389	5,348	5,301
Less Depreciation, Amortisation and Impairment	7,254	7,359	7,502
Less Proceeds from Sale of Replaced Assets	320	341	425
	(2,185)	(2,352)	(2,626)
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	4,977	8,756	3,886
Less Amounts Received Specifically for New and Upgraded Assets	1,205	3,974	1,195
Less Proceeds from Sale of Surplus Assets	0	451	173
	3,772	4,331	2,518
Net Lending / (Borrowing) for Financial Year	(1,403)	(2,110)	938

*Revised Budget is the third Budget Update for the year, adopted by Council at the May 2016 meeting and material financial information received since that time has been included.



Long Term Financial Plan 2016-17 to 2025-26

Introduction and Assumptions

Under the Local Government Act 1999, Councils are required to have a **Long Term Financial Plan** (for a minimum period of 10 years). This Long Term Financial Plan has been declared by The Barossa Council as a Strategic Management Plan pursuant to Section 122(8) of the Local Government Act 1999. This document subsequently reflects an annual review of Council's Long Term Financial Plan and acts as a starting reference point in the formulation of Council's 2016-17 Annual Budget and Business Plan.

The Long Term Financial Plan is designed as a 'high-level' document that summarises the future planning of Council's financial operations – particularly in relation to key components such as rate movements, service levels to our community, major infrastructure asset replacement/renewal, loan indebtedness and internal cash reserves.

On this basis and given the 'high-level' nature of the document, the Plan has been developed based on a number of key assumptions previously discussed and endorsed by Council. Further, Council has also previously endorsed a number of strategic financial policies which have also driven the formulation of the Plan.

Section 122 of the Local Government Act also prescribes that Councils must have a long term Infrastructure and Asset Management Plan to guide the future replacement, renewal and maintenance of our significant fixed asset base. Council's Infrastructure and Asset Management Plan was adopted by Council in 2012 – with an ongoing review process to provide improved asset data and information. During the 2016-17 year these plans will be updated and presented to Council for adoption.

Consequently, in recognition of this, it is appropriate that a cautious and conservative approach be undertaken with financial modelling as part of the update to the Long Term Financial Plan.

With a significant fixed asset base, being predominantly comprised of major community infrastructure such as

roads, footpaths, stormwater drainage and community wastewater management systems, it is imperative that there is an appropriate link and consistency between the Infrastructure and Asset Management Plan and the Long Term Financial Plan – towards ensuring that the Long Term Financial Plan provides for the necessary capital outlays (as identified in the Infrastructure and Asset Management Plan) for the renewal and replacement of existing community assets – herein referred to as 'non-discretionary' capital expenditure.

General Assumptions

- Long term financial plans have been prepared for each of the following areas to measure and check financial sustainability: CWMS; Waste; Nuriootpa Centennial Park Authority (NCPA); all other Council operations and a consolidated LTFP.
- The NCPA LTFP is based on the 2015-16 NCPA business case adopted by Council in June 2016.
- The LTFP reflects existing recurrent service levels to our community being maintained. Council's budget process considers on-going Service Delivery and Commitments and New Expenditure items or Initiatives.
- For New Initiatives (NI's), a Due Diligence Report is prepared to assess the financial commitment in order that current and future budgets are accurate and that Council has full information regarding the financial risks of their decisions.
- All NI's were then assessed using a Bid Analysis Tool and given a score against set criteria.

Operations

- General Rate Revenue increments have been reviewed to ensure funding and service level provision is maintained in line with sustainability requirements. (Increments are listed in the Financial Parameters following this report.)
- Operating Cost – Employee, Contractors & Materials have been increased at an index rate plus half of the rates growth of 1.0% for 2016-17 and range indices of 2% to 2.5% for the forward years in the plan.

- Selected costs have been isolated from general expenditure, eg. energy use for electricity, water costs, insurance premiums, and waste collection and disposal service costs; projected increases for these are at or higher than the base rate.
- Depreciation has been calculated on existing asset classes, structures, valuation and condition rating; asset componentisation has been included as appropriate to selected asset types. A review of useful lives of transport and stormwater assets and components is included within this review.
- Rubble raising cost at \$354k in 2016-17 with any remaining stock to be used in the years following.
- The external Committees operational budgets previously shown as “Section 41 Committees” are funded by other service areas within the 2016-17 budget and throughout the LTFP.
- Roads to Recovery grant funding of \$328k per year is confirmed for a selected period but has been included for the life of the LTFP. In 2016-17 an additional \$757k has been added to the capital expenditure program and income as a one-off item.
- Staff levels will remain constant with only minor changes included and overall increases projected to be in line with Enterprise Bargaining Agreements.
- Full Cost Attribution - an allocation of internal services to external services has been estimated in the LTFP. This allocation does not affect the overall net result.

Capital

- Asset Renewal and/or Replacement expenditure is provided for on various buildings, for the reseal and resheeting works on Council roads and other infrastructure.
- Discretionary Capital expenditure has been included at \$350k per year from 2017-18 to 2023-24, \$400k per year for the remaining years.
- Capital Grants in this review only include estimation for funding allocation for library books and road programs as listed with grant funding submissions.
- Council has identified land assets considered surplus both for the needs of the community and its operations, with only a few properties remaining in this program.
- A reduction in expenditure for purchase of plant and equipment in selected years of the plan until a full review of plant utilisation is undertaken.

Loan Principal & Interest Repayment

- The loan from Council to NCPA for \$650k included in the LTFP continues to be repaid starting from the 2018-19 year at \$65k per year. Other external loans are then included for NCPA to purchase cabins and other assets, these loans repayments start by NCPA from 2018-19.
- An internal loan of \$8m is required to ensure Council’s general operations meet financial sustainability indicators. The loan is transferred

from the CWMS operations reserve with repayments made within the 10 year plan.

- There is a scheduled balloon payment for \$3m on an existing loan in the year 2024-25 at which time Council will assess its loan requirements and re-finance as needed. This finance position is reflected in the reducing Net Financial Liabilities Ratio.
- Council’s net loan balance outstanding (as at 30 June 2016) is \$16.3m.

Key Performance Indicators

- Council has established targets for the Key Performance Indicators (KPI’s) as recorded within the LTFP document, as follows:
 - KPI - No. 1 Achieve an operating breakeven position, or better, over any five year period
 - KPI - No. 2 Achieve an operating surplus ratio of between -2% to 10%
 - KPI - No. 4 Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.
 - KPI - No. 6 Capital outlays on renewing/replacing assets net of proceeds from sale of replaced assets is greater than 80% but less than 110% of Infrastructure Asset Management Plans over a rolling 3 year period.

Financial Sustainability Performance Report

- KPI - No. 1 - It is noted that cumulative years 2016-17 to 2020-21 are within a surplus position.
- KPI No. 2 - Operating surplus ratios have been amended and are now measured against total operating revenue. Council’s expected forecast results are within the target range of -2 to 10%.
- KPI - No. 6 - the KPI target is being met in this review of the LTFP. As further reviews of planned expenditure from the Infrastructure and Asset Management Plan are undertaken, then a full assessment and measurement of the KPI will be done.
- All other KPI’s are within the target ranges.
- Council has reviewed its financial parameters for the LTFP including the indexation used for forward projections on income and expenditure. A full list is contained in the following tables.
- In line with Council Policy a regular review of Council’s treasury management will be required to ensure a positive cash position is maintained.
- This analysis indicates that Council is currently financially sustainable for the forecast period covered by the LTFP. Noting that unless significant additional operating revenue is generated, or expenses and service levels are reduced, the Council does not have the capacity to financially undertake major additional discretionary proposed projects or services over the 10 year period, (other than the discretionary amount included within the plan).



Financial Sustainability

The Barossa Council is committed to the principles of financial sustainability.

The importance of financial sustainability is to ensure that each generation ‘pays their way’, rather than any generation ‘living off their assets’ and leaving it to future generations to address the issue of repairing worn out infrastructure. Such issues are frequently referred to as ‘intergenerational equity’.

With community infrastructure such as roads, footpaths, and stormwater drainage comprising a major proportion of Council’s balance sheet, it is important that Council implement appropriate strategies towards the effective upkeep of such assets – so that the maintenance and renewal of such assets is fairly and equitably funded from current ratepayers (i.e. general rate income) and future ratepayers (long term loan borrowings).

Given the importance of ensuring financial sustainability of Council operations in the longer term, it is a legislative requirement that individual councils adopt Long Term Financial Management and Infrastructure and Asset Management Plans (minimum 10 years) as part of future planning.

The Long Term Financial Plan is designed as a ‘high-level’ summarised document towards the future planning of Council’s financial operations – particularly in relation to key components such as rate movements, service levels to our community, major infrastructure asset replacement/renewal, loan indebtedness and internal cash reserves. Council conducts an annual review of its Long Term Financial Plan.

Council’s initial ‘high-level’ Infrastructure and Asset Management Plan was adopted by Council in November 2012 – with the Plan outlining a scheduled improvement process to further develop and enhance the Plan to a more comprehensive and detailed level over a four year period. During the 2016-17 year these plans will be updated and presented to Council for adoption.

To ensure each generation ‘pays its way’, it is subsequently crucial that current ratepayers effectively fund the current net cost of services provided and

community assets consumed. Without this being achieved (i.e. an operating deficit), future generations are effectively subsidising the current cost of service provision and asset consumption.

Based on this, the financial sustainability of a Council is measured by the surplus/deficit (before capital revenues) disclosed in the Income Statement financial report – with a consistent breakeven or operating surplus result indicative of a Council that is financially sustainable in the long term.

Other financial sustainability indicators recommended by the Financial Sustainability Inquiry and endorsed by The Barossa Council, are separately included within this report.

Our Financial Principles

As part of its commitment to financial sustainability, Council operates under the following key financial principles in preparing the Annual Business Plan:

- Ongoing education and training such that all Council Members and Staff understand and fulfil their financial governance responsibilities
- Policies and practices that support decision making and assessment of performance
- Budget and financial information is presented at a strategic level, succinct and easy to follow
- Budget and financial information is based on the Long Term Financial Plan
- The Asset Management Plans are maintained and reflect whole of life costs
- The Rating strategy is equitable and generates sufficient revenue to meet financial needs
- Financial performance is managed using suitable financial indicators and targets
- A robust audit and internal control process is in place to ensure effective financial and governance compliance
- Information provided to the community is open, transparent and relevant



Appendix

Key Performance Indicators and
Financial Parameters A1

Long Term Plan Financial Statements
2016-17 to 2025-26 A2

Capital Expenditure A3

A1 Consolidated Results: Key Performance Indicators and Financial	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
OB = Original Budget; LTFP = Long Term Financial Plan	OB	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %
Key Performance Indicators (KPI's) - Summary										
KPI 1 - Operating Surplus cumulative forward 5 year period*	830	1,124	1,477	1,831	2,322					
KPI 2 - Operating Surplus Ratio - rolling 3 year	0.9%	0.9%	1.3%	0.9%	1.0%	1.1%	1.3%	1.5%	1.9%	2.1%
KPI 4 - Net Financial Liabilities ratio	41.2%	35.6%	29.6%	25.7%	21.0%	15.3%	7.9%	2.2%	-1.0%	-6.4%
KPI 6 - Asset Sustainability Ratio - Rolling 3 year	101.1%	96.2%	97.5%	99.4%	103.9%	109.2%	110.9%	115.1%	115.4%	118.3%
Financial parameters - Indexation										
RATE REVENUE INCREASES										
General - Rate Revenue Increase Net (excl growth)	2.2%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Natural growth - Development	1.6%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
CWMS - Rate Revenue Increase (excl growth)	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Waste Services- Rate Revenue Increase (excl growth)	2.5%	2.5%	3.5%	4.0%	4.8%	6.5%	3.3%	2.0%	2.0%	2.0%
OPERATING REVENUE										
Operating Grants	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Statutory Charges	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
User Charges	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Investment Income	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Reimbursements	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other Revenue	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
OPERATING EXPENDITURE										
Service Cost Natural Growth**	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Employee Costs	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Contracts, Materials & Other	2.5%/2%	2.5%/2%	2.5%/2%	2.5%/2%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Power Costs - Non CWMS operations	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Water Costs	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Insurance	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Asset Revaluation Increments										
Land Assets	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Building Assets	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%
Recreation Assets	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Infrastructure Assets	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
CWMS	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Stormwater Assets	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
** All amounts in KPI 1 are in \$'000										
** Index added to Employee Costs and Contracts, Materials & Other										

A2-1 Consolidated Results: Budgeted Statement of Comprehensive	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	OB	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUES										
Rates	28,306	29,413	30,462	31,558	32,710	33,943	35,149	36,367	37,627	38,931
Statutory Charges	630	643	656	669	682	696	710	724	739	753
User Charges	2,678	2,823	2,887	2,953	3,020	3,089	3,159	3,231	3,305	3,380
Grants, subsidies and contributions	3,370	2,639	2,685	2,732	2,780	2,829	2,880	2,931	2,983	3,036
Investment Income	202	101	90	91	70	62	81	144	194	163
Reimbursements	411	419	428	436	445	454	463	472	481	491
Other Income	849	869	886	904	922	940	959	978	998	1,018
Net Gain - Joint Venture	-	-	-	-	-	-	-	-	-	-
TOTAL INCOME	36,446	36,907	38,094	39,343	40,629	42,013	43,401	44,847	46,327	47,772
EXPENSES										
Employee Costs	12,979	13,355	13,749	14,155	14,573	15,003	15,446	15,902	16,372	16,855
Materials, Contracts & Other expenses	14,074	14,410	14,913	15,513	15,982	16,659	17,110	17,575	18,057	18,901
Depreciation, Amortisation & Impairment	7,502	7,916	8,272	8,641	9,025	9,429	9,808	10,211	10,637	11,065
Finance Costs	1,061	932	807	680	558	440	361	308	164	43
Net Gain - Joint Venture	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	35,616	36,613	37,741	38,989	40,138	41,531	42,725	43,996	45,230	46,864
OPERATING SURPLUS / (DEFICIT)	830	294	353	354	491	482	676	851	1,097	908
Asset disposal & fair value adjustments	(668)	(554)	(594)	(638)	(661)	(697)	(737)	(771)	(812)	(843)
Amounts specifically for new or upgraded assets	1,195	200	200	100	50	50	50	50	50	50
Physical Resources received free of charge	256	1,774	1,823	1,874	1,931	1,987	2,043	2,097	2,156	2,218
Operating result from discontinued operations										
NET SURPLUS / (DEFICIT)	1,613	1,714	1,782	1,690	1,811	1,822	2,032	2,227	2,491	2,333
Transfer to Equity Statement										
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-
Changes in revaluation surplus - infrastructure, property, plant & equipment	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	1,613	1,714	1,782	1,690	1,811	1,822	2,032	2,227	2,491	2,333

A2-2 Consolidated Results: Budgeted Statement of Financial Position	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	OB	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current Assets										
Cash and cash equivalents	2,673	2,408	2,543	1,879	1,693	2,423	4,551	6,173	5,195	7,592
Trade & other receivables	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406	2,406
Other financial assets	7	7	7	7	7	7	7	7	7	7
Inventories	58	58	58	58	58	58	58	58	58	58
	5,144	4,879	5,014	4,350	4,164	4,894	7,022	8,644	7,666	10,063
Non-Current Assets held for Sale	-	-	-	-	-	-	-	-	-	-
Total Current Assets	5,144	4,879	5,014	4,350	4,164	4,894	7,022	8,644	7,666	10,063
Non-Current Assets										
Financial Assets	726	726	726	726	726	726	726	726	726	726
Equity accounted investments in Council businesses	1,689	1,689	1,689	1,689	1,689	1,689	1,689	1,689	1,689	1,689
Infrastructure, Property, Plant & Equipment	344,636	352,779	361,226	370,452	379,608	388,436	396,826	406,163	416,260	426,012
Other Non-Current Assets	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	347,051	355,194	363,641	372,867	382,023	390,851	399,241	408,578	418,675	428,427
TOTAL ASSETS	352,195	360,073	368,655	377,217	386,187	395,745	406,263	417,222	426,341	438,490
LIABILITIES										
Current Liabilities										
Trade & Other Payables	3,183	2,955	2,931	2,974	3,018	3,039	3,066	3,092	3,191	3,282
Borrowings	1,981	1,752	1,720	1,623	1,195	668	703	3,244	306	103
Provisions	2,382	2,387	2,391	2,396	2,401	2,406	2,411	2,416	2,422	2,427
Total Current Liabilities	7,546	7,094	7,042	6,993	6,614	6,113	6,180	8,752	5,919	5,812
Non-Current Liabilities										
Borrowings (External)	12,474	10,787	9,132	7,354	5,973	5,070	4,147	763	450	346
Provisions	795	795	795	795	795	795	795	795	795	795
Total Non-Current Liabilities	13,269	11,582	9,927	8,149	6,768	5,865	4,942	1,558	1,245	1,141
TOTAL LIABILITIES	20,815	18,676	16,969	15,142	13,382	11,978	11,122	10,310	7,164	6,953
NET ASSETS	331,380	341,397	351,686	362,075	372,805	383,767	395,141	406,912	419,177	431,537
EQUITY										
Accumulated Surplus	70,136	71,128	72,049	73,484	75,160	75,839	76,489	78,221	80,519	82,134
Asset Revaluation Reserve	254,232	262,536	271,042	279,739	288,657	297,797	307,138	316,682	326,459	336,484
Other Reserves	7,012	7,733	8,595	8,852	8,988	10,131	11,514	12,009	12,199	12,919
TOTAL EQUITY	331,380	341,397	351,686	362,075	372,805	383,767	395,141	406,912	419,177	431,537

A2-3 Consolidated Results: Budgeted Statement of Cash Flows	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	OB	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
CASH FLOWS FROM OPERATING ACTIVITIES										
<i>Receipts:</i>										
Operating receipts	36,243	36,806	38,004	39,252	40,559	41,951	43,319	44,703	46,132	47,609
Investment receipts	202	101	90	91	70	62	81	144	194	163
<i>Payments:</i>										
LandFill rehabilitation expense	(204)	(204)								
Operating payments to suppliers & employees	(27,043)	(27,759)	(28,656)	(29,662)	(30,549)	(31,656)	(32,550)	(33,471)	(34,422)	(35,750)
Finance payments	(1,061)	(932)	(807)	(680)	(558)	(440)	(361)	(308)	(165)	(43)
Net cash provided by (or used in) Operating Activities	8,137	8,012	8,631	9,001	9,522	9,917	10,489	11,068	11,739	11,979
CASH FLOW FROM INVESTING ACTIVITIES										
<i>Receipts:</i>										
Amounts specifically for new or upgraded assets	1,195	200	200	100	50	50	50	50	50	50
Sale of replaced assets	425	283	450	567	499	635	741	655	685	693
Sale of Surplus assets	173	0	0	0	0	0	0	0	0	0
<i>Payments:</i>										
Expenditure on renewal/replacement of assets	(5,301)	(4,659)	(5,743)	(6,201)	(5,995)	(7,212)	(7,166)	(7,342)	(7,789)	(8,104)
Expenditure on new/upgraded assets	(3,886)	(2,120)	(1,651)	(2,257)	(2,454)	(1,230)	(1,098)	(1,966)	(2,484)	(1,980)
Net Purchases of Investment securities	0	0	0	0	0	0	0	0	0	0
Loans made to community groups	0	0	0	0	0	0	0	0	0	0
Net cash provided by (or used in) Investment Activities	(7,394)	(6,296)	(6,744)	(7,791)	(7,900)	(7,757)	(7,473)	(8,603)	(9,538)	(9,341)
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Receipts:</i>										
Proceeds from internal borrowings (CWMS)	1,640	1,100	1,000	900	370	425	50	0	1,270	0
<i>Payments:</i>										
Repayment of borrowings	(1,932)	(1,981)	(1,752)	(1,874)	(1,808)	(1,430)	(888)	(843)	(3,179)	(241)
Repayment of internal borrowings (CWMS)	(1,640)	(1,100)	(1,000)	(900)	(370)	(425)	(50)	0	(1,270)	0
Net cash provided by (or used in) Financing Activities	(1,932)	(1,981)	(1,752)	(1,874)	(1,808)	(1,430)	(888)	(843)	(3,179)	(241)
Net Increase/(Decrease) in Cash held	(1,189)	(265)	135	(664)	(186)	730	2,128	1,622	(978)	2,397
Cash at beginning of period	3,862	2,673	2,408	2,543	1,879	1,693	2,423	4,551	6,173	5,195
CASH AT END OF PERIOD	2,673	2,408	2,543	1,879	1,693	2,423	4,551	6,173	5,195	7,592

A2-4 Consolidated Results: Budgeted Uniform Presentation of Finances	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	OB	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Operating Revenues	36,446	36,907	38,094	39,343	40,629	42,013	43,401	44,847	46,327	47,772
less Operating Expenses	(35,616)	(36,613)	(37,741)	(38,989)	(40,138)	(41,531)	(42,725)	(43,996)	(45,230)	(46,864)
Operating Surplus / (Deficit)	830	294	353	354	491	482	676	851	1,097	908
less Net outlays on existing Assets										
Capital expenditure on renewal and replacement of existing assets	5,301	4,659	5,743	6,201	5,995	7,212	7,166	7,342	7,789	8,104
less Depreciation, Amortisation and Impairment	(7,502)	(7,916)	(8,272)	(8,641)	(9,025)	(9,429)	(9,808)	(10,211)	(10,637)	(11,065)
less Proceeds from Sale of Replaced Assets	(425)	(283)	(450)	(567)	(499)	(635)	(741)	(655)	(685)	(693)
	(2,626)	(3,540)	(2,979)	(3,007)	(3,529)	(2,852)	(3,383)	(3,524)	(3,533)	(3,654)
less Net outlays on New and Upgraded Assets										
Capital expenditure on New and Upgraded Assets	3,886	2,120	1,651	2,257	2,454	1,230	1,098	1,966	2,484	1,980
less Amounts received specifically for New and Upgraded Assets	(1,195)	(200)	(200)	(100)	(50)	(50)	(50)	(50)	(50)	(50)
less Proceeds from Sale of Surplus Assets	(173)	0	0	0	0	0	0	0	0	0
	2,518	1,920	1,451	2,157	2,404	1,180	1,048	1,916	2,434	1,930
Net Lending / (Borrowing) for Financial Year	938	1,914	1,881	1,204	1,616	2,154	3,011	2,459	2,196	2,632

A3 Consolidated Results: Budgeted Capital Expenditure		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
		OB	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
		\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000	\$' 000
Renewal/Replacement Capital summary: Non-Discretionary											
Land		0	0	0	0	0	0	0	0	0	0
Buildings		166	206	314	233	236	539	579	654	879	944
Recreation		30	30	30	30	30	30	30	30	30	30
Transport - Roads & Footpaths		3,377	3,259	3,422	3,592	3,771	3,958	4,155	4,362	4,579	4,807
Stormwater, Bridges & Floodplain		253	300	17	392	0	300	300	300	300	300
CWMS		209	80	80	85	87	40	51	111	51	51
Equipment - Plant & Vehicles		1,266	783	1,880	1,869	1,872	2,345	2,051	1,884	1,950	1,972
Other Assets		0	0	0	0	0	0	0	0	0	0
		5,301	4,658	5,743	6,201	5,996	7,212	7,166	7,341	7,789	8,104
New/Upgrade Capital summary: Discretionary											
Land		0	0	0	0	0	0	0	0	0	0
Buildings (Inc. Discretionary spend \$350k/\$400k per year)		545	600	350	350	350	350	350	350	400	400
Recreation		516	70	70	70	70	70	70	70	70	70
Transport - Roads & Footpaths		1,382	196	204	215	221	228	236	243	252	260
Stormwater, Bridges & Floodplain		603	641	615	660	701	320	330	250	250	250
CWMS		943	874	685	1,246	1,410	575	436	1,387	1,863	1,370
Equipment - Plant & Vehicles		143	0	0	0	0	0	0	0	0	0
Other		10	0	0	0	0	0	0	0	0	0
		4,142	2,381	1,924	2,541	2,752	1,543	1,422	2,300	2,835	2,350
Total Capital Expenditure		9,443	7,039	7,667	8,742	8,748	8,755	8,588	9,641	10,624	10,454
Note: includes internal allocations & CWMS donated assets											