



Annual Budget and Business Plan 2014-15

Budget Update - Quarterly

As at 30 September 2014

Budget Update Report

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Annual Business Plan Report

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Executive Summary

This report is a Budget Update as at 30 September 2014 for the 2014-15 financial year pursuant to Regulations 7, 9 and 10 of the Local Government (Financial Management) Regulations 2011 under the Act. Unless otherwise indicated figures shown are for the 2014-15 financial year and the variance report comparison is actual to original budget.

The proposed Revised Budget adjustments include a number of 'one-off' variations shown as Favourable (F) or Unfavourable (U). Only larger variances are highlighted for further details refer to variance adjustments, please refer to pages 3 and 5-8 within this report for further information on the note number:

- (1) Carried Forwards from 2013-14 \$92k (F); Amounts received in advance in 13-14 for various programs \$94k (F); Increase in Financial Assistance Grant Income \$16k (F); Shared services \$41k (F); Contribution for tractor \$21k (F); Updated information received via the SA Government Gazette NRM Adelaide Hills, Mt Lofty levies \$24k (U) . Net \$235k (F).
- (2) Carried Forwards from 2013-14 \$302k (U). Shared services \$41k (U); Updated information received via the SA Government Gazette NRM Adelaide Hills, Mt Lofty levies \$24k (F); Operating expenditure transferred to Capital \$88k (F); Expenditure for amounts received in advance in 13-14 for various programs \$94k (F); Net \$352k (U).
- (3) Carried Forwards from 2013-14 \$1,508k (U). Net \$1,513k (U).
- (4) Carried Forwards from 2013-14 \$308k (F).
- (5) Carried Forwards from 2013-14 \$1,438k (U); Operating expenditure transferred to Capital \$88k (U); Contribution for tractor \$21k (U); Net \$1,559k (U).
- (6) Profit on disposal of surplus Land \$247k (F) this amount is a budget amendment but is not specifically listed on the Uniform Presentation of Finances.
- (7) Carried Forwards from 2013-14 \$566k (F).

It is noted that if all operating expenditure Carried Forwards (a net adjustment of \$211k) had occurred in 2013-14 Councils Proposed full year Revised Budget operating result for 2014-15 would be a surplus of \$155k.

Long Term Financial Plan (LTFP)- Review

Since the adoption of the Budget, Council has made decisions on projects that have material financial implications not only for the 2014-15 year (these are included within the yearly budget wherever possible) but also may effect the longer term. In some cases not all information is available for these projects and not included in the budget review. The following list is a summary of these types of projects:

- ❖ A review of the Councils Asset condition and useful and remaining lives to more accurately reflect the actual service needs and consumption of the assets will continue. It is expected that Council's understanding and management of this important function will potentially improve the operating result in the LTFP.
- ❖ A higher than expected amount was received in 2014-15 for the Federal Financial Assistance Grant Income. It is probable but not known if this increased amount will continue and improve the operating position in the ensuing years.
- ❖ Council approved principle support for the gifting of Council owned land at Newcastle Street, Angaston; as this land was identified as a surplus asset if approved a reduction in cash received will result.

Uniform Presentation of Finances

| | Note | Original Full year Budget \$'000 | Actuals as at 30 Sept \$'000 | Variance OB to RB \$'000 | Proposed Full- year Revised Budget \$'000 | Current Full- year Revised Forecast \$'000 |
|---|------|-------------------------------------|---------------------------------|-----------------------------|--|---|
| OPERATING ACTIVITIES: | | | | | | |
| Operating Income | 1 | 33,634 | 28,471 | 235 | 33,869 | 33,869 |
| Less Operating Expenses | 2 | 33,573 | 7,824 | (352) | 33,925 | 33,925 |
| Operating Surplus (Deficit) (a) | | 61 | 20,647 | (117) | (56) | (56) |
| Less Net Outlays on Existing Assets | | | | | | |
| Capital Expenditure on Renewal and Replacement of existing assets | 3 | 4,819 | 772 | 1,513 | 6,332 | 6,332 |
| Less Depreciation, Amortisation and Impairment | | 6,682 | 1,670 | 0 | 6,682 | 6,682 |
| Less Proceeds from Sale of Replaced Assets | 4 | 595 | 17 | 308 | 903 | 903 |
| Net Outlays on Existing Assets (b) | | (2,458) | (915) | 1,205 | (1,253) | (1,253) |
| Less Net Outlays on New and Upgraded Assets | | | | | | |
| Capital Expenditure on New and Upgraded assets | 5 | 1,864 | 599 | 1,559 | 3,423 | 3,423 |
| Less Amounts received specifically for New and Upgraded Assets | | 612 | 296 | 13 | 625 | 625 |
| Less Proceeds from Sale of Surplus Assets | 7 | 0 | 0 | 566 | 566 | 566 |
| Net Outlays on Existing Assets (c) | | 1,252 | 303 | 980 | 2,232 | 2,232 |
| Net Lending / (Borrowing) (a) - (b)- (c) | | 1,267 | 21,259 | (2,302) | (1,035) | (1,035) |

| Funding Source for the movement in Net Lending / (Borrowing) | \$'000 |
|--|----------------|
| Original Full year Budget Net Lending / (Borrowing) | 1,267 |
| Carried Forward Budget Adjustments – Report on Financial Results. Funds were held for these projects in cash and investments at 30 June 2014 | (2,283) |
| Other Budget Adjustments - September Budget Update. Funds required for these items will decrease Councils cash and investments. This amount includes amendments approved at the Council meeting held August 2014; refer to information on Budget Variance Adjustments within this report . | (19) |
| Proposed Full- year Revised Budget - Net Lending / (Borrowing) | (1,035) |

Key Performance Indicators (KPI)

| Key Performance Indicators (KPI) | | Original Budget 30 June 15 | Revised Budget 30 June 15 |
|---|---|-------------------------------|------------------------------|
| Operating Surplus / (Deficit) (\$'000) | | 61 | (56) |
| Target | To achieve an operating breakeven position, or better, over any five year period. | | |
| Notes | <i>Operating Surplus decreased as a result of the increase to operating costs. Carried forward items of \$211k from last year are included in this result.</i> | | |
| Operating Surplus Ratio | | (0.05%) | 0.24% |
| Target | To achieve an operating surplus ratio of between -2% to 10, over a rolling 3 year period. | | |
| Notes | <i>The ratio is reduced unfavourably due to one-of adjustments made as listed within this document. Council's long term financial plan is to return to a surplus position. In order to achieve this, savings will be identified with reports and recommendations to Council to reduce expenditure and/or improve income.</i> | | |
| Net Financial Liabilities (\$'000) | | 16,800 | N/A |
| Target | Council's level of net financial liabilities is no greater than its annual operating revenue and not less than zero. | | |
| Notes | <i>This KPI has not been provided for this review.</i> | | |
| Net Financial Liabilities Ratio | | 50% | N/A% |
| Target | Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue. | | |
| Notes | <i>This KPI has not been provided for this review.</i> | | |
| Interest Cover Ratio | | 3.1% | 3.1% |
| Target | Net interest is greater than 0% and less than 8% of operating revenue. | | |
| Notes | <i>No change on this ratio.</i> | | |
| Asset Sustainability Ratio* | | 95% | 85% |
| 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 (previously Depreciation) over a rolling 3 year period. | | |
| Notes | <i>Expenditure on Renewal & Replacement Assets has increased as a result of projects carried forward from last year.</i> | | |
| | <i>*The Asset Sustainability Ratio is now using planned expenditure data from the Councils Infrastructure and Asset Management Plans (IAMP). Council IAMPs have been revised where information on planned expenditure has not been included depreciation for that asset class/portfolio has been included. For the 2014-15 year an amount of \$4,419k has been used for this calculation for planned expenditure.</i> | | |

Summary of Operating Budget Variance Adjustments

| Business Unit | Type of Adjustment | Adjustment Title | Major Reason for Adjustment | Adjustment \$ Favourable/ (Unfavourable) | Sub Total per type \$ | Reserve \$ From/(To) | Net |
|--|--------------------|--|---|--|-----------------------|----------------------|----------|
| Operating Adjustments | | | | | | | |
| Corporate and Community Services | Reduction | NRM Levies paid | Updated information received via the SA Government Gazette NRM Adelaide Hills, Mt Lofty levies | (22,317) | | | (22,317) |
| Corporate and Community Services | Reduction | NRM Levies paid | Updated information received via the SA Government Gazette NRM Murray Darling levies | (2,142) | | | (2,142) |
| Corporate and Community Services | Addition | Financial Assistance Grant Income - General | Increase in Financial Assistance Grant Income from Grants Commission -General | 10,295 | | | 10,295 |
| Works and Engineering Services | Transfer | Diesel fuel rebate - change natural account | Diesel fuel rebate - change natural account from <u>grant funding</u> to <u>other income</u> \$25k | 0 | | | 0 |
| Works and Engineering Services | Addition | Financial Assistance Grant Income - Roads | Increase in Financial Assistance Grant Income from Grants Commission - Roads | 5,977 | | | 5,977 |
| Corporate and Community Services | Addition | ANZAC Memorial grant | Grant funds received in 2013/14 but will be expended in 2014/15 | 5,773 | | | 5,773 |
| Corporate and Community Services | Addition | ICAN Grant Carry Forward | Grant funds to be expended for ICAN Finding My Place Program in Q1 & Q2 2014/15. Project delayed due to timing of program with Nuriootpa & Kapunda High Schools preferred term 3 & 4. | 15,520 | | | 15,520 |
| Corporate and Community Services | Addition | DOHA/DSS Transition Funding: Uncommitted amount | DOHA /DSS Transition Funding: Uncommitted amount - to be refunded (payment received in advance from 13/14) | 38,457 | | | 38,457 |
| Works and Engineering Services | Addition | Angaston Railway Precinct Upgrade grant Operating | Angaston Railway Precinct Upgrade funding - operating income - payment received in advance from 13/14 | 21,499 | | | 21,499 |
| Corporate and Community Services | Addition | Leisure Options - Funding for purchase of swing | Funding for purchase of swing - Payment received in advance from 13/14 | 2,177 | | | 2,177 |
| Corporate and Community Services | Addition | Grant from Northern Country North Medicare Local | Grant from Northern Country North Medicare Local to be spent over two financial years for Project activities. Payment received in advance from 13/14 | 5,455 | | | 5,455 |
| Corporate and Community Services | Addition | Unearth-Resilience through music grant | Unearth-Resilience through music grant -payment received in advance from 13/14 | 5,000 | | | 5,000 |
| Executive Services | Addition | OD/HR Shared Service Initiative | OD/HR Shared Service Initiative | 41,170 | | | 41,170 |
| Development and Environmental Services | Addition | Contribution from Friends of the Barossa Bushgardens | Contribution from Friends of the Barossa Bushgardens for purchase of tractor/slasher - not included in budget | 20,745 | | | 20,745 |
| Corporate and Community Services | Reduction | BBWT income now running through BookEasy | Butcher Baker Winemaker Trail (BBWT) income to be run through BookEasy reduced BBWT income by \$1300 and reduced expenditure \$11,700 | (11,700) | | | (11,700) |
| Corporate and Community Services | Addition | Additional funding requested from Light Council | Additional <u>funding</u> requested from Light Council for Kapunda bus repairs | 1,262 | | | 1,262 |
| Corporate and Community Services | Addition | Visitor Centre clean out septic | 50% agreed to split costs associated with cleaning out septic and installation of a trafficable septic lid from BGWA/VIC Joint Building Fund allowance | 2,870 | | | 2,870 |
| | <i>Addition</i> | <i><u>Approved</u> Budget amendment</i> | <i>At the Council meeting held August 2014 Council approved budget amendments</i> | 2,500 | | | 2,500 |
| | <i>Carried Fwd</i> | <i><u>Approved</u> Carried Forwards</i> | <i>As part of the Report on Financial Results 2013-14 - Council approved Carried Forwards at the meeting held November 2014</i> | 91,985 | | | 91,985 |
| Note 1 | | | | | | 234,526 | |
| Corporate and Community Services | Addition | Finance Salary extra resource | Asset work for end of financial year 13-14 analysis revaluation and condition assessment review and processes including building and other classes | (3,000) | | | (3,000) |
| Works and Engineering Services | Transfer | Salary budget wrong nat acc | Salary budget used incorrect account number used for DARC - Environment Services staff \$8,334 | 0 | | | 0 |
| Corporate and Community Services | Transfer | Salary budget wrong nat acc | Salary budget used incorrect account number for Risk Management staff \$19,402 | 0 | | | 0 |

Summary of Operating Budget Variance Adjustments

| Business Unit | Type of Adjustment | Adjustment Title | Major Reason for Adjustment | Adjustment \$ Favourable/ (Unfavourable) | Sub Total per type \$ | Reserve \$ From/(To) | Net |
|--|--------------------|---|---|--|-----------------------|----------------------|----------|
| Executive Services | Addition | OD/HR Shared Service Initiative | OD/HR Shared Service Initiative | (32,058) | | | (32,058) |
| Corporate and Community Services | Addition | Election - Wages for Count Staff | Oversight in budgeting for wages for Count Staff | (6,000) | | | (6,000) |
| Executive Services | Addition | OD/HR Shared Service Initiative | OD/HR Shared Service Initiative | (1,000) | | | (1,000) |
| Corporate and Community Services | Reduction | Rates - Cost of Annual Valuations 2014/2015 | Updated advice from State Valuation Office | 3,290 | | | 3,290 |
| Works and Engineering Services | Transfer | Transfer to Legals | Transfer to Legals | 0 | | | 0 |
| Works and Engineering Services | Addition | Angaston Railway Precinct Upgrade operating exp | Angaston Railway Precinct Upgrade operating expenditure - funded by payment received in advance from 13/14 | (21,499) | | | (21,499) |
| Corporate and Community Services | Addition | Expenditure for grant from Nth Country Medicare | Expenditure for grant from Northern Country North Medicare Local to be spent over two financial years for Project activities. (Payment received in advance from 13/14) | (5,455) | | | (5,455) |
| Corporate and Community Services | Addition | Unearth-Resilience through music expenditure | Unearth-Resilience through music expenditure - grant funded - payment received in advance from 13/14 | (5,000) | | | (5,000) |
| Corporate and Community Services | Addition | Expenditure for ICAN grant | Expenditure for grant funds to be expended for ICAN Finding My Place Program (payment received in advance 13/14) in Q1 & Q2 2014/15. Project delayed due to timing of program with Nuriootpa & Kapunda High Schools preferred term 3 & 4. | (15,520) | | | (15,520) |
| Corporate and Community Services | Transfer | WCC - Christmas Parade PLI | Stallholder insurance transfer from 200-654 to 200-813 \$220 | 0 | | | 0 |
| Corporate and Community Services | Transfer | transfer to capital - clubroom retention | allocation of balance of contractor retention - Stockwell Oval Clubrooms | 11,620 | | | 11,620 |
| Corporate and Community Services | Addition | Barossa Vintage Festival Hub | Sponsorship from the Tanunda Town Committee for a Vintage Festival hub at the VIC - \$3k | 0 | | | 0 |
| Corporate and Community Services | Addition | Major Car Service - under budgeted | There was not enough money allocated to the line for major service (60k service). The vehicle has not been traded in as yet, awaiting allocation of person to position, | (200) | | | (200) |
| Corporate and Community Services | Transfer | Stationery to Printing | Transfer \$1k | 0 | | | 0 |
| Corporate and Community Services | Addition | Leisure Options - purchase of swing | Leisure Options - purchase of swing - funding payment received in advance from 13/14 | (2,177) | | | (2,177) |
| Corporate and Community Services | Addition | Direct purchases regional response | Unplanned expenditure | (20) | | | (20) |
| Corporate and Community Services | Reduction | BBWT to be administered through BookEasy | Butcher Baker Winemaker Trail income to be run through BookEasy - Have increased BookEasy income (V150-566) by \$1300 (net BBWT income/exp) | 11,700 | | | 11,700 |
| Corporate and Community Services | Addition | Fuel Expense - Vehicle - Man. Community and Culture | A budget line and allocation for fuel expenses was missed off the 2014-15 budget. | (4,500) | | | (4,500) |
| Executive Services | Addition | OD/HR Shared Service Initiative | OD/HR Shared Service Initiative | (3,000) | | | (3,000) |
| Corporate and Community Services | Reduction | Mt Pleasant Hall - Water | Water charged to 593 (Public Conveniences) 194 - 757 and 758 | 958 | | | 958 |
| Corporate and Community Services | Transfer | Depreciation Flash Cab Sheds | Was allocated to wrong account - moved to T130 - car scheme \$600 | 0 | | | 0 |
| Development and Environmental Services | Transfer | Advertisement of Building Surveyor position | To cover unexpected advertising costs associated with recruiting a new assistant building surveyor | 0 | | | 0 |

Summary of Operating Budget Variance Adjustments

| Business Unit | Type of Adjustment | Adjustment Title | Major Reason for Adjustment | Adjustment \$ Favourable/ (Unfavourable) | Sub Total per type \$ | Reserve \$ From/(To) | Net |
|---|--------------------|---|---|--|--------------------------|-------------------------|------------------|
| Executive Services | Addition | Recruitment Advertising Costs | Create a corporate budget for recruitment advertising costs to be managed by OD/HR, review advertising expenses later in year and reduce future budget allocations of offset this corporate budget. | (5,000) | | | (5,000) |
| Executive Services | Addition | OD/HR Shared Service Initiative | Training program for Human Synergistics authorised by CEO, funding will be provided via arrangements to provide OD/HR services to Gawler and Mallala. | (3,600) | | | (3,600) |
| Executive Services | Addition | OD/HR Shared Service Initiative | OD/HR Shared Service Initiative | (500) | | | (500) |
| Executive Services | Addition | Mobile Phone Account | Approved additional phone as a result of OD/HR shared service for HRA. | (450) | | | (450) |
| Executive Services | Addition | OD/HR Shared Service Initiative | OD/HR Shared Service Initiative | (700) | | | (700) |
| Corporate and Community Services | Reduction | NRM Levies paid | Updated information received via the SA Government Gazette | 24,296 | | | 24,296 |
| Corporate and Community Services | Addition | Police clearance costs | Unplanned expenditure | (208) | | | (208) |
| Executive Services | Addition | Legal Fees | Allocation for executive services legal fees near fully spent primarily due to response to matter arising from known complainants, defamation advise and assistance with specific and complex industrial relations matter. | (3,500) | | | (3,500) |
| Corporate and Community Services | Addition | Clean out septic | Increase joint Building fund by \$2870. Full cost of Septic clean and lid paid by TBC out of V100-881. 50% invoiced to BGWA agreed to split costs from joint maintenance fund budgeted in V100-881. (\$2870 income for the 50% split to V100-567 - adjustment made) | (2,870) | | | (2,870) |
| Corporate and Community Services | Addition | DOHA/DSS Transition Funding: Uncommitted amt Exp | DOHA /DSS Transition Funding: Uncommitted amount expenditure - to be refunded (payment received in advance from 13/14) | (38,457) | | | (38,457) |
| Executive Services | Addition | OD/HR Shared Service Initiative | OD/HR Shared Service Initiative | (112) | | | (112) |
| Corporate and Community Services | Transfer | Correction FCA account - Dog Control | Correction FCA account for Customer Services allocation - should be Dog Control 642 (not road rentals 687) \$45,108 | 0 | | | 0 |
| Corporate and Community Services | Addition | ICAN Finding my place Grant | Grant funds to be expended for ICAN Finding My Place Program (payment received in advance 13/14) in Q1 & Q2 2014/15. Project delayed due to timing of program with Nuriootpa & Kapunda High Schools preferred term 3 & 4. | (15,520) | | | (15,520) |
| Corporate and Community Services | Transfer | Rex project work completion aircon/pool plant | Approved carried forward for saving in 13-14 now transferred from operating to a capital item | 17,500 | | | 17,500 |
| Corporate and Community Services | Transfer | Rex project work completion aircon/pool plant | Approved carried forward for saving in 13-14 now transferred from operating to a capital item | 58,500 | | | 58,500 |
| | Addition | <u>Approved</u> Budget amendment | At the Council meeting held August 2014 Council approved budget amendments | (6,700) | | | (6,700) |
| | Carried Fwd | Approved Carried Forwards | As part of the Report on Financial Results 2013-14 - Council approved Carried Forwards at the meeting held November 2014 | (302,599) | | | (302,599) |
| | | | | Note 2 | | | |
| NET TOTAL - Operating Adjustments | | | | (117,254) | (351,781) | 0 | (117,254) |
| Note: for reconciliation purposes the report includes <u>Approved</u> Carried Forwards | | | | | | | |
| Note: Transfers adjustments are listed above as per Council Policy: <i>The Chief Executive Officer is authorised to transfer expenditure that has a zero net cash impact on the overall Council budget and no significant change across functions and/or service outcomes and/or departments and Council must be notified of any changes at the next budget reconsideration</i> | | | | | | | |

Summary of Capital Budget Variance Adjustments

| Business Unit | Type of Adjustment | Adjustment Title | Reason for Carried Forward | Adjustment \$ Favourable/ (Unfavourable) | Sub Total per type \$ | Reserve \$ From/(To) | Net | | |
|--|--------------------|---|---|--|--|----------------------|--------------------|--------------------|--------------------|
| | | Capital Expenditure on Renewal and Replacement of existing assets | | | | | | | |
| Corporate and Community Services | Addition | Rex stadium Floor retention (5%) | 5% retention held for installation of Rex stadium 2 floor payable after 2 years. Originally requested as c/fwd Q3 13-14 but omitted from OB 14-15 | (5,336) | | | (5,336) | | |
| | Carried Fwd | <u>Approved</u> Carried Forwards | As part of the Report on Financial Results 2013-14 - Council approved Carried Forwards at the meeting held November 2014 | (1,507,853) | | | (1,507,853) | | |
| | | | | | Note 3 | | 0 | | |
| | | | | | | (1,513,189) | | | |
| | | Asset Sales adjustments/Capital Income* | | | | | | | |
| | Carried Fwd | <u>Approved</u> Carried Forwards | As part of the Report on Financial Results 2013-14 - Council approved Carried Forwards at the meeting held November 2014 | 308,000 | | | 308,000 | | |
| | | | | | Note 4 | | 0 | | |
| | | | | | | 308,000 | | | |
| NET TOTAL - Asset Renewal/Replacement Adjustments | | | | | | (1,205,189) | 0 | (1,205,189) | |
| | | Capital Expenditure on New and Upgraded assets | | | | | | | |
| Works and Engineering Services | Addition | Angaston Railway Precinct Upgrade capital exp | Angaston Railway Precinct Upgrade capital expenditure funded by payment received in advance from 13/14 | (12,751) | | | (12,751) | | |
| Corporate and Community Services | Transfer | allocation of retention - Stockwell Oval clubrooms | repayment of retention after defects liability period | (11,620) | | | (11,620) | | |
| Development and Environmental Services | Addition | Bushgardens CapEx - Tractor/slasher | Purchase of tractor/slasher by Barossa Bushgardens (funded by contribution from Friends of the Barossa Bushgardens) - not included in OB | (20,743) | | | (20,743) | | |
| Corporate and Community Services | Transfer | Rex project work completion aircon/pool plant | Approved carried forward for saving in 13-14 now transferred from operating to a capital item | (17,500) | | | (17,500) | | |
| Corporate and Community Services | Transfer | Rex project work completion aircon/pool plant | Approved carried forward for saving in 13-14 now transferred from operating to a capital item | (58,500) | | | (58,500) | | |
| | Carried Fwd | <u>Approved</u> Carried Forwards | As part of the Report on Financial Results 2013-14 - Council approved Carried Forwards at the meeting held November 2014 | (1,438,235) | | 670,868 | (767,367) | | |
| | | | | | Note 5 | | 0 | | |
| | | | | | | (1,559,349) | | | |
| | | Amounts received specifically for New and Upgraded Assets/Profit & loss for asset disposal | | | | | | | |
| Corporate and Community Services | Addition | Profit on disposal of surplus Land | Expected net result from sale of Council identified and approved surplus land | 247,249 | | | 247,249 | | |
| | | | | | Note 6 | | 0 | | |
| | | | | | | 247,249 | | | |
| | | Asset Sales adjustments | | | | | | | |
| Works and Engineering Services | Addition | Angaston Railway Precinct Upgrade funding | Angaston Railway Precinct Upgrade funding - capital income - Payment received in advance from 13/14 | 12,751 | | | 12,751 | | |
| | Carried Fwd | <u>Approved</u> Carried Forwards | As part of the Report on Financial Results 2013-14 - Council approved Carried Forwards at the meeting held November 2014 | 566,000 | | | 566,000 | | |
| | | | | | Note 7 | | 0 | | |
| | | | | | | 578,751 | | | |
| NET TOTAL - Asset New/Upgrade Adjustments | | | | | | (733,349) | 670,868 | (62,481) | |
| NET TOTAL - Capital Adjustments | | | | | Note: for reconciliation purposes the report includes <u>Approved</u> Carried Forwards | (1,938,538) | (1,938,538) | 670,868 | (1,267,670) |

Annual Business Plan - Business Units

Executive Services

Responsibilities and Services Provided: General Management, Media Communications, Citizenship Ceremonies, Australia Day Awards, Economic Development, Organisational Development, Tourism, Sustainability, Governance, Business Excellence, Human Resources, Risk Management, Work Health and Safety, Strategic Projects

Operations

| | Original Full year Budget (OB) | Actuals as at 30 Sept | Variance OB to RB Fav/(Unfav) | Proposed Full- year Revised Budget (RB) | Current Full- year Revised Forecast |
|-----------------------|--------------------------------------|--------------------------|-------------------------------------|--|--|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | 95 | 62 | 41 | 136 | 136 |
| Expenditure | 2,263 | 529 | (55) | 2,318 | 2,318 |
| Capital Amounts | (4) | 0 | 0 | (4) | (4) |
| Net Surplus (Deficit) | (2,172) | (467) | (14) | (2,186) | (2,186) |

Budget and actual results now include transactions associated with the transfer of internal restructure of services implemented on the Information system to date. Refer to Operating budget adjustments for Variances applicable to this Business Unit.

Note: Both Executive Services and Development and Environmental Services provide management, operational and regulatory services to the community and within Council as an organisation.

New Initiatives \$'000

Description

Executive Services

30

Strategic Projects Program Implementation – Contractors/Consultants

Capital Works Program

Description New & Upgrade Programs

| | Original Budget | Actual | Variance OB to RB Fav/(Unfav) | Proposed Full – year Revised Budget (RB) \$'000 |
|--|-----------------|--------|----------------------------------|---|
| | \$'000 | \$'000 | \$,000 | \$'000 |
| Risk Management/Corporate Reporting System C/Fwd from 13-14 | 0 | 0 | (73) | 73 |

Corporate and Community Services

Responsibilities and Services Provided: **Corporate Services:** Administration Customer Service; Administration Community Committees; General Administration; Financial, Rating, Payroll and Audit Services; Information and Communication Technology and Records Management; Governance (shared); Tourism/Visitor Information Services; Community Land/Policy; Operation of Recreation Facilities;

Community Services: Community Development; Arts and Culture; Home and Care Services including: Community Transport, Home Assist and Barossa Leisure Options, Barossa/Light Volunteer Resource Centre, Youth Services, Library Services

Operations

| | Original Full year Budget (OB) | Actuals as at 30 Sept | Variance OB to RB Fav/(Unfav) | Proposed Full- year Revised Budget (RB) | Current Full- year Revised Forecast |
|-----------------------|--------------------------------|-----------------------|-------------------------------|---|-------------------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | 25,547 | 23,403 | 74 | 25,621 | 25,621 |
| Expenditure | 10,414 | 2,752 | (146) | 10,560 | 10,560 |
| Capital Amounts | 178 | (2) | 247 | 425 | 425 |
| Net Surplus (Deficit) | 15,311 | 20,649 | 175 | 15,486 | 15,486 |

Budget and actual results now include transactions associated with the transfer of internal restructure of services implemented on the Information system to date. Refer to Operating budget adjustments for Variances applicable to this Business Unit. Actuals include invoices not processed for all Council wide services for Building insurance, Workers Compensation insurances & rebates

Note: Full cost attribution is not yet applied to this version.

New Initiatives

| Description | \$'000 |
|-------------------------------------|--------|
| Restructure Visitor Centre Staffing | 16 |
| Regional Youth Bus | 5 |

Capital Works Program

| Description Renewal & Replacement Programs | Original Budget | Actual | Variance OB to RB Fav/(Unfav) | Proposed Full – year Revised Budget (RB) |
|---|-----------------|--------|-------------------------------|--|
| | \$'000 | \$'000 | \$,000 | \$'000 |
| Community Services | 27 | 0 | 0 | 27 |
| Community Transport Vehicles changeovers (net cost of trade-ins) | | | | |
| Library | 79 | 1 | 0 | 79 |
| Update of Library Book Stock and new software system for Council wide book availability | | | | |
| Gallery organ restoration - Tanunda | 20 | 0 | 0 | 20 |
| Ongoing restoration works funded in full by Grants \$20k | | | | |
| Toilets & Changerooms Stockwell Park | 0 | 0 | (4) | 4 |
| C/Fwd from 13-14 – Unspent funds required for retention | | | | |
| Rex Stadium Floor | 0 | 0 | (5) | 5 |
| 5% Retention held for installation of Rex Stadium 2 floor C/over from 13-14 | | | | |

| Description New & Upgrade Programs | Original Budget | Actual | Variance OB to RB Fav/(Unfav) | Proposed Full – year Revised Budget (RB) \$'000 |
|--|-----------------|------------|----------------------------------|---|
| | \$'000 | \$'000 | \$,000 | |
| Tanunda Bike Hub | 103 | 194 | (160) | 263 |
| Construction of Hub over 2 years part funded by Federal grant*, net cost shown | | | | |
| * Tourism Industry Regional Development Fund Grants Programme C/Fwd from 13-14 \$160k | | | | |
| Tanunda Cycle Hub Feature Wall (New Initiative) | 25 | 0 | 0 | 25 |
| Installation of a new Feature Graphic Wall on the South Western Corner of the Cycle Hub | | | | |
| Men's Shed | 0 | 0 | (11) | 11 |
| C/Fwd from 13-14 | | | | |
| Rex Project Work Completion | 0 | 0 | (76) | 76 |
| Air Conditioning / Pool Plant | | | | |
| Stockwell Oval clubrooms - retention | 0 | 0 | (12) | 12 |
| Repayment of retention after defects liability period | | | | |

Development and Environmental Services

Responsibilities and Services Provided: Strategic Development Planning, Development Control, Building Assessment, Food Inspection, Immunisation, Natural Resources, Environmental Health, Building Fire Safety, Waste Management, Heritage, Community Wastewater Management System (CWMS - System Access, Waste Disposal and Water Contracts) Administration, Liquor Licences, Public Health, Dog and Cat Control, Fire Prevention, Parking and Traffic Control, Café Licenses, Limited Liquor Licenses, Dry Areas Implementation

Operations

| | Original Full year Budget (OB) | Actuals as at 30 Sept | Variance OB to RB Fav/(Unfav) | Proposed Full- year Revised Budget (RB) | Current Full- year Revised Forecast |
|-----------------------|--------------------------------------|--------------------------|-------------------------------------|--|--|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | 5,378 | 4,417 | 44 | 5,422 | 5,401 |
| Expenditure | 5,776 | 1,172 | (81) | 5,857 | 5,857 |
| Capital Amounts | 326 | 246 | 13 | 339 | 339 |
| Net Surplus (Deficit) | (72) | 3,491 | (24) | (96) | (117) |

Budget and actual results now include transactions associated with the transfer of internal restructure of services implemented on the Information system to date. Refer to Operating budget adjustments for Variances applicable to this Business Unit.

New Initiatives

Strategic plan no. Description

Development Policy Projects

65

Council will seek to collaborate with councils in the State Government established Barossa Region (i.e., Gawler, Light Regional and Mallala) to prepare a Regional Public Health Plan requested pursuant to Section 51 of the new South Australian Public Health Act 2011

Barossa Bushgardens Nursery Staffing

15

Supplementation of existing Wholesale/Community Nursery staff assisting with the propagation of seedlings and plants for sale and for Council use

Administration support General Inspectors/Searches

33

Additional administration for General Inspectors and real estate searches process

Description New & Upgrade Programs

| | Original Budget | Actual | Variance OB to RB Fav/(Unfav) | Proposed Full – year Revised Budget (RB) '000 |
|--|-----------------|--------|----------------------------------|---|
| | \$'000 | \$'000 | \$,000 | Budget (RB) '000 |
| General Inspectors | 34 | 14 | 0 | 34 |
| General Inspector Vehicles changeovers (net cost of trade-ins) | | | | |
| Barossa Bushgardens Tractor | 0 | 21 | (21) | 21 |
| Tractor/Slasher | | | | |

Works and Engineering Services

Responsibilities and Services Provided: Road Construction and Maintenance, Stormwater Drainage and Construction, Development and Maintenance of Parks and Reserves, Footpath Construction and Maintenance, Infrastructure Development, Bridge Construction and Maintenance, CWMS Maintenance and Repairs, Roadside Vegetation Management and Control, Public Lighting Requirements, Cemeteries, Public Toilets, Playgrounds, Road Safety Control, Management of Plant and Machinery, Maintenance of Council Buildings

Operations

| | Original Full year Budget (OB) | Actuals as at 30 Sept | Variance OB to RB Fav/(Unfav) | Proposed Full- year Revised Budget (RB) | Current Full- year Revised Forecast |
|-----------------------|--------------------------------------|--------------------------|-------------------------------------|--|--|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | 955 | 262 | 76 | 1,031 | 1,031 |
| Expenditure | 13,369 | 3,058 | (70) | 13,439 | 13,439 |
| Capital Amounts | (469) | 52 | - | (469) | (469) |
| Net Surplus (Deficit) | (12,883) | (2,744) | 6 | (12,877) | (12,877) |

Budget and actual results now include transactions associated with the transfer of internal restructure of services implemented on the Information system to date. Refer to Operating budget adjustments for Variances applicable to this Business Unit.

New Initiatives

Description

Cemetery Digital Mapping

28

Improved mapping of cemetery plots and leases

Capital Works Program

Description Renewal & Replacement

Programs

Community Wastewater Management

Replacement motor vehicles (net cost of trade-ins)

Equipment Assets

Grader, Truck; Includes Utilities, Admin vehicles (net cost of trade-ins)

C/Fwd from 13-14 – Grader \$403k, Road Sweeper \$387k, Tipper Truck \$144k, Chipper truck \$136k, Tandem Tipper \$217k less trade in proceeds of \$308k – net \$979k

Building & Recreation

Building renewal/replacement program

Nuriootpa Office Air-conditioning renewal

Office air-conditioning renewal program

C/Fwd from 13-14 \$34k

Transport

Renewal and replacement works include: resealing, resheeting and footpaths

Bridge Assets

Replacement of Bridge Armco Safety Guards

| | | | | |
|--|-----------------|--------|-------------------------------|---|
| Mount Pleasant Library Redevelopment | 0 | 21 | (27) | 27 |
| C/Fwd from 13-14 | | | | |
| Tanunda Tennis & Netball Courts | 0 | 196 | (155) | 155 |
| C/Fwd from 13-14 | | | | |
| Description New & Upgrade Programs | Original Budget | Actual | Variance OB to RB Fav/(Unfav) | Proposed Full – year Revised Budget (RB) '000 |
| | \$'000 | \$'000 | \$,000 | |
| Community Wastewater Management Systems (CWMS) | 431 | 326 | (671) | 1,102 |
| Stockwell WWTP Upgrade Truro interconnect, Lyndoch WWTP Upgrade interconnect, Tanunda WWTP Refurbishment, Stockwell Gravity Mains Asset Management, Nuriootpa North Gravity Mains Asset Management, Operation Emergency IP and Manhole Repairs/Replacement, Operation Emergency Drain Repairs, Operation Construction of New IP due to planning errors | | | | |
| C/Fwd from 13-14– incomplete works \$671k – CWMS Capital projects incomplete including: Gravity main replacement, Nuriootpa; WWTP, Stockwell; WWTP, Mount Pleasant; WWTP, Nuriootpa; CWMS Control systems and headwork replacements. | | | | |
| Recreation Assets | 60 | 0 | 0 | 60 |
| Playground equipment upgrade - various sites | | | | |
| Stormwater Drainage | 445 | 47 | (482) | 927 |
| Upgrade Inlet Capacity, Nuriootpa, Greenock Road - Open Drain upgrade, Kalbeeba, Kalimna Road | | | | |
| C/Fwd from 13-14 \$482k – Stormwater drainage projects incomplete including: Road Drain, Penrice Road, Nuriootpa; Road Drain, Penrice Road, Penrice; Road drain, Murray Street, Tanunda; Road Drain, Greenock Road, Nuriootpa; Road Drain, Hospital Road, Mount Pleasant; Talunga Village Drainage; Flood Wall, Nuriootpa. | | | | |
| Equipment Assets | 30 | 0 | 0 | 30 |
| Minor plant purchases required for works operations | | | | |
| Transport | 181 | 0 | 0 | 181 |
| New and upgrade works: Footpaths \$101k, Angaston Main Street \$40k, Mt Pleasant Main Street \$40k | | | | |
| Buildings (New Initiative) | 15 | 0 | 0 | 15 |
| Upgrade to Council Security Systems | | | | |
| Talunga Park New Toilet Facility (NI) | 150 | 0 | 0 | 150 |
| Construction of a new toilet facility at Talunga Park | | | | |
| Security Project – Phase 1 | 0 | 30 | (31) | 31 |
| C/Fwd from 13-14 | | | | |
| Angaston Railway Precinct Upgrade | 0 | 0 | 0 | 0 |
| Budget of \$13k funded by capital income of \$13k received in 13-14 | | | | |

Associated Entities – Subsidiary

Nuriootpa Centennial Park Authority

Responsibilities and Services Provided: Established as a subsidiary of Council pursuant to Section 42 of the Local Government Act 1999, the Nuriootpa Centennial Park Authority manages and maintains the Nuriootpa Caravan 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 Caravan 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 Caravan Park. Operating surpluses from the Caravan 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 Caravan Park facilities include on-site cabins and vans, a camp kitchen, and various other standard amenities.

The projected 2014-15 Income Statement for the Authority is included within Council's financial statements, contained within this document.

Operations

| | Original Full year Budget (OB) | Actuals as at 30 Sept | Variance OB to RB Fav/(Unfav) | Proposed Full- year Revised Budget (RB) | Current Full- year Revised Forecast |
|-----------------------|--------------------------------------|--------------------------|-------------------------------------|--|--|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | 1,659 | 327 | - | 1,659 | 1,659 |
| Expenditure | 1,751 | 313 | - | 1,751 | 1,751 |
| Capital Amounts | 88 | - | - | 88 | 88 |
| Net Surplus (Deficit) | (4) | 14 | - | (4) | (4) |

Capital Works Program

Description Renewal & Replacement Programs

| Original Budget | Actual | Variance OB to RB Fav/(Unfav) | Proposed Full – year Revised Budget (RB) |
|-----------------|--------|----------------------------------|--|
| \$'000 | \$'000 | \$,000 | \$'000 |

| | | | | |
|------------------------------------|------------|----------|----------|------------|
| Capital renewal/replacement | 130 | 0 | 0 | 130 |
| Cabin upgrade program | | | | |

Description New & Upgrade Programs

| Original Budget | Actual | Variance OB to RB Fav/(Unfav) | Proposed Full – year Revised Budget (RB) |
|-----------------|--------|----------------------------------|--|
| \$'000 | \$'000 | \$,000 | \$'000 |

| | | | | |
|------------------------------------|------------|----------|----------|------------|
| Capital renewal/replacement | 330 | 0 | 0 | 330 |
| Cabin upgrade program | | | | |

| | | | | |
|--|----------|----------|-------------|-----------|
| Hoffman Oval Lights & Shelter Sheds | 0 | 0 | (10) | 10 |
| C/Fwd from 13-14 | | | | |