



# Annual Budget and Business Plan 2017-18

## Budget Update - Quarterly

As at 30 September 2017

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# Executive Summary

This report is a Budget Update as at 30 September 2017 for the 2017-18 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 2017-18 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 (excluding carried forward amounts for 2016-17) are highlighted below. For further details and information on the note numbers refer to variance adjustments on pages 5-9 within this report:

- (1-4) Grants Commission funding adjustment to actuals \$61k (F), Character Area Activation Project funding and contributions \$125k (F), Upper Torrens Land Management Project additional funding \$18k (F). Net \$242k (F).
- (5-6) Character Area Activation Project expenditure \$125k (U), Payment to Treasure for unclaimed money (sale of property – from Reserve) \$29k (U), Tourism Barossa funding agreement \$10k (U), Bushgardens security monitoring \$11k (U), Legal fees increase \$15k (U), Upper Torrens Land Management Project additional funding expenditure \$18k (U), Reallocation to capital – Hall chairs \$25k (F) and The Rex pool deck surface \$43k (U), Communications and Marketing strategy \$8k (U), Net \$322k (U).
- (7-9) Angaston Railway Precinct Council contribution to funded project \$40k (U), Road shoulders \$38k (U,) reallocation from operating – Hall chairs \$25k (U) and The Rex pool deck surface \$43k (F), Greenock/Old Kapunda Road, Nuriootpa and Para Road, Tanunda drainage projects \$260k (U). Net \$344k (U).
- (10) Motor Accident Commission funding Balmoral Road \$102k (F), State Bicycle Fund grant for Jack Bobridge Bike Path \$50k (F). Net \$152k (F).

## 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 2017-18 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 Council's Asset condition, 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 could potentially improve the operating result in the LTFP. Selected asset types are made of two components mainly within the transport asset class. The second component being a long life asset. Current practice in the past is not to depreciate these second components. Council's initial review and findings are that if the long life application was applied to the second component and additionally applied to asset types that have not had a long life component, depreciation may in fact be reduced in future years. A long life will be assessed, assigned and then attached to the second asset component for relevant asset types during future years.
- ❖ Use of Discretionary fundings from future years may affect other available funds/restrict other service expansion.
- ❖ Potential adjustments to the current Budget and LTFP arising from the 'Fund My Neighbourhood' initiative have been considered by Council and will be addressed at the end of Quarter 2.
- ❖ Potential adjustments to the current Budget and LTFP arising from any successful funding applications associated with 'The Big Project' will be addressed at the end of Quarters 2 and 3.

## Uniform Presentation of Finances

for the year ending 30 June 2018

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.

	Budget Adjustment Notes	Variance Report Notes	Original Full Year Budget (\$'000)	Actuals at 30 Sep 2017 (\$'000)	C/fwd from 2016-17 (\$'000)	Budget adjustments quarter 1 (\$'000)	Proposed Full Year Revised Budget (RB) (\$'000)
Income	1-4	9-15	36,690	31,017	324	243	37,257
Less Expenses	5-6	16-19	36,734	6,662	540	318	37,592
<b>Operating Surplus / (Deficit)</b>			<b>(44)</b>	<b>24,355</b>	<b>(216)</b>	<b>(75)</b>	<b>(335)</b>
<b>Less Net Outlays on Existing Assets</b>							
Capital Expenditure on Renewal and Replacement of Existing Assets	7	26	5,562	517	1,712	(26)	7,248
Less Depreciation, Amortisation and Impairment		18	7,518	1,879	0	0	7,518
Less Proceeds from Sale of Replaced Assets	8	20	401	149	0	20	421
			<b>(2,357)</b>	<b>(1,511)</b>	<b>1,712</b>	<b>(46)</b>	<b>(691)</b>
<b>Less Net Outlays on New and Upgraded Assets</b>							
Capital Expenditure on New and Upgraded Assets	9	26	4,748	333	2,083	391	7,222
Less Amounts Received Specifically for New and Upgraded Assets	10	21	707	452	163	152	1,022
Less Proceeds from Sale of Surplus Assets		20	133	0	0	0	133
			<b>3,908</b>	<b>(119)</b>	<b>1,920</b>	<b>239</b>	<b>6,067</b>
<b>Net Lending / (Borrowing) for Financial Year</b>			<b>(1,595)</b>	<b>25,985</b>	<b>(3,848)</b>	<b>(268)</b>	<b>(5,711)</b>

## Uniform Presentation of Finances

<b>Funding Source for the movement in Net Lending / (Borrowing)</b>	<b>(\$'000)</b>
<b>Original Full year Budget Net Lending / (Borrowing)</b>	<b>(1,595)</b>
Carried Forward Budget Adjustments – Report on Financial Results. Funds were held for these projects in cash and investments at 30 June 2017	(3,848)
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 meetings held July and August 2017; refer to information on Budget Variance Adjustments within this report .	(268)
<b>Proposed Full-year Revised Budget - Net Lending / (Borrowing)</b>	<b>(5,711)</b>

# Key Performance Indicators (KPI)

Key Performance Indicators (KPI)		Original Budget 30 June 17	Revised Budget 30 June 18
<b>Operating Surplus / (Deficit) (\$'000)</b>		<b>(44)</b>	<b>(335)</b>
Target	To achieve an operating breakeven position, or better, over any five year period.		
Notes	<i>Operating Surplus decreased as a result carried forwards from 2016-17.</i>		
<b>Operating Surplus Ratio</b>		<b>2.3%</b>	<b>-0.9%</b>
Target	To achieve an operating surplus ratio of between -2% to 10.		
Notes	<i>This expected result is within the target range of (2%) to 10%.</i>		
<b>Net Financial Liabilities (\$'000)</b>		<b>13,964</b>	<b>5,857</b>
Target	Council's level of net financial liabilities is no greater than its annual operating revenue and not less than zero.		
Notes	<i>Decrease to net liabilities as a result of cash holdings being slightly higher than when Council had adopted its 2017-18 original budget (refer also to carry forward expenditure not spent).</i>		
<b>Net Financial Liabilities Ratio</b>		<b>38%</b>	<b>16%</b>
Target	Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.		
Notes	<i>This ratio has decreased; refer to the comments in the Net Financial Liabilities indicator above.</i>		
<b>Interest Cover Ratio</b>		<b>2.0%</b>	<b>1.9%</b>
Target	Net interest is greater than 0% and less than 8% of operating income.		
Notes	<i>Minimal change on this ratio, due to increased income (refer Notes 1-4 for further details).</i>		
<b>Asset Sustainability Ratio*</b>		<b>76%</b>	<b>62%</b>
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 &amp; Replacement Assets has decreased as a result of averaging 3 years and the ratio for the three years: 2015-16 actual 36%, 2016-17 actual 58% and 2017-18 Revised Forecast 91%.</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
<b>Operating Adjustments</b>							
CCS	Transfer	CWMS internal charge	Transfer CWMS internal charge income to separate income account	(7,332)			(7,332)
CCS	Transfer	CWMS internal charge	Transfer CWMS internal charge income to separate income account	7,332			7,332
				<b>Note 1</b>	<b>0</b>		
CCS	Addition	Grants Commission financial assistance grants - adjustment to actuals	Grants Commission financial assistance grants -adjustment to actuals for 2017/18 - General	31,507			31,507
WES	Addition	Grants Commission financial assistance grants	Grants Commission financial assistance grants -adjustment to actuals for 2017/18 - Roads and Supplementary	29,115			29,115
DES	Addition	Barossa Bushgardens Co-ordinator Funding	Increase in project funding	440			440
Executive	Addition	Character Area Activation Project	Recognised funding received from State Government for project	100,000			100,000
DES	Addition	Community NRM Action Grant	Volunteer support to monitor and protect Porter Scrub Conservation Park (remainder of project funds)	1,900			1,900
	<i>Carried Fwd</i>	<i>Approved Carried Forwards</i>	<i>As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017</i>	308,557			308,557
				<b>Note 2</b>	<b>471,519</b>		
<b>Grants, Subsidies and Contributions</b>							
DES	Addition	Upper Torrens Land Management Project	Increase in funding	10,000			10,000
Executive	Addition	Barossa Regional Procurement Group (BRPG) Revenue Increase - Payment for Secondment of Project Officer to Port Pirie Council	The BRPG Project Officer has been seconded to Port Pirie Regional Council for 1 day per week until 30 December 2017	12,621			12,621
				<b>Note 3</b>	<b>22,621</b>		
<b>Reimbursements</b>							
DES	Addition	Public Consultation - Waste Services Tender Process - Probity Officer	Participating Councils contributions	9,000			9,000
CCS	Addition	The Lodge Internet Usage Oncharge income	The Lodge internet income	500			500
Executive	Addition	Local Emergency Management Project	Additional works to complete project - funding from 2016/17 contributions not yet spent	16,500			16,500
Executive	Addition	Character Area Activation Project	Recognise contribution from Light Regional Council for project	25,000			25,000
DES	Addition	Upper Torrens Land Management Plan - Native Grass Trials Contribution	Upper Torrens Land Management Plan - Native Grass Trials Contribution	7,723			7,723
CCS	Transfer	Mount Pleasant Inc - Talunga Park Kitchen Community Contribution	As per Council Resolution 18/7/17, final contribution to be funded from Talunga Park Reserve Fund and crediting debtor invoice from 2015/16	(1,945)		1,945	0
	<i>Carried Fwd</i>	<i>Approved Carried Forwards</i>	<i>As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017</i>	15,652			15,652
				<b>Note 4</b>	<b>72,430</b>		
<b>Other Income</b>							
DES	Reduction	Upper Torrens Land Management Project	Budget reduction to offset salary increases	400			400
DES	Addition	Upper Torrens Land Management - Project officer	Additional salary expenditure to match c/fwd funding from 2016/17	(8,502)			(8,502)
DES	Addition	Upper Torrens Land Management Project	Increase in salaries covered by funding from Adelaide NRM Board	(15,637)			(15,637)
DES	Addition	Barossa Bushgardens Nursery salary Costs	Increase in salary costs to be funded from Reserve	(6,500)		6,500	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	Addition	Local Emergency Management Project	Additional works to complete project - funding from 2016/17 contributions not yet spent	(16,500)			(16,500)
Executive	Transfer	Regional Procurement Project Officer	Transfer salary from Works Budget to Strategic Projects - Procurement	21,305			21,305
Executive	Transfer	Regional Procurement Project Officer	Transfer salary from Works Budget to Strategic Projects - Procurement	(21,305)			(21,305)
Executive	Addition	Communications and Marketing Initiative	Transfer to support addition 0.2FTE for implementation of communications and marketing initiative "Telling our story, Listening to our community".	(16,000)			(16,000)
	<i>Carried Fwd</i>	<u>Approved</u> Carried Forwards	<i>As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017</i>	(3,650)			(3,650)
		<b>Employee Costs</b>	<b>Note 5</b>		<b>(66,389)</b>		
DES	Addition	Management of Little Corellas	Council supported - increased cost of program.	(2,500)			(2,500)
CCS	Transfer	The Rex - Pool Deck resurface	Transfer budget from Capital Misc Building Renewal to The Rex - Building Maintenance	(42,500)			(42,500)
DES	Addition	Alarm Monitoring of Bushgardens	Terms of Contract amended with significant cost increase	(400)			(400)
DES	Addition	Barossa Bushgardens Security Monitoring	Repeated break-ins necessitate security monitoring	(10,524)			(10,524)
CCS	Transfer	Maisy database license renewal	Transfer budget to cover license renewal	3,000			3,000
CCS	Transfer	Talunga Park - Hot Water Service	Replacement hot water service	728			728
WES	Transfer	Keyneton Road resheet	Budget reallocation for hire of roller to achieve compaction	5,000			5,000
DES	Addition	Upper Torrens Land Management	Increase expenditure to match funding c/fwd from 2016/17	(1,900)			(1,900)
DES	Addition	Upper Torrens Land Management	Increase expenditure to match funding c/fwd from 2016/17	(7,723)			(7,723)
CCS	Transfer	Williamstown Pool	Transfer budget to cover high priority works	20,000			20,000
CCS	Transfer	Williamstown Pool	Transfer budget to cover high priority works	(20,000)			(20,000)
DES	Transfer	Dog and Cat Board - Contribution	DCMB Contribution less than allocation. Transfer of unrequired balance within cost centre.	(1,000)			(1,000)
WES	Transfer	Reseal along pipeline trench	Contribution to works undertaken on behalf of CWMS	(18,000)			(18,000)
DES	Addition	Public Consultation - Waste Services Tender Process - Probity Officer	Council endorsed Public Consultation at its meeting held 26 April 2017	(12,000)			(12,000)
Executive	Reduction	Communications and Marketing Initiative	Transfer to support addition 0.2FTE for implementation of communications and marketing initiative "Telling our story, Listening to our community".	8,000			8,000
WES	Transfer	Keyneton Road resheet	Budget reallocation for hire of roller to achieve compaction	(5,000)			(5,000)
CCS	Addition	Barossa Regional Gallery Test and Tag	Test and Tag allocation added to budget	(500)			(500)
CCS	Transfer	Maisy database license renewal	Transfer budget to cover license renewal	(3,000)			(3,000)
CCS	Addition	Control Self Assessment Software	Update of control self assessment software	(3,600)			(3,600)
CCS	Transfer	Talunga Park - Hot Water Service	Replacement hot water service	(728)			(728)
CCS	Transfer	Williamstown Hall - Chairs	Reallocate budget to capital	15,000			15,000
CCS	Transfer	Angaston Hall - Chairs	Reallocate budget to capital	10,000			10,000
DES	Reduction	Upper Torrens Land Management Project	Budget reduction to offset salary increases	1,000			1,000
CCS	Addition	Community Transport Donations Expenditure	Donations received in 2016/17 but unspent	(5,000)			(5,000)
DES	Transfer	Dog and Cat Board - Contribution	DCMB Contribution less than allocation. Transfer of unrequired balance within cost centre.	(400)			(400)
CCS	Addition	Bank Charges	Expected higher volume transactions than budget as per 2016/17 actuals	(3,000)			(3,000)
Executive	Transfer	Correct Elected Member Budget Allocation	Transfer of funds	60			60
Executive	Transfer	Correct Elected Member Budget Allocation	Transfer of funds	60			60

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	Addition	Legal Fees	Fees associated with outsourced investigation matter	(15,000)			(15,000)
DES	Addition	General Inspector Postage budget allocation	Unplanned 6% cost increase for postage of dog notices	(750)			(750)
CCS	Addition	The Lodge Internet Usage Charges	The Lodge internet charges	(569)			(569)
Executive	Addition	RDA Barossa	CPI higher than anticipated in original budget	(367)			(367)
DES	Transfer	Dog and Cat Board - Contribution	DCMB Contribution less than allocation. Transfer of unrequired balance within cost centre.	1,400			1,400
Executive	Addition	LGA and Central Region Subs	Adjust budget to reflect actual subscriptions	(207)			(207)
Executive	Addition	Character Area Activation Project	Project approved by State Government late June 2017 will be delivered in 2017/18	(25,000)			(25,000)
Executive	Addition	Character Area Activation Project	Recognise expenditure for project - offset by revenue from grant and Light Regional Council	(100,000)			(100,000)
CCS	Addition	Nuriootpa RSL Irrigation Support	As approved by Council at its meeting of July 2017	(1,800)			(1,800)
Executive	Addition	Tourism Barossa Funding Agreement	To make provision for funding equivalent to the funding agreement	(10,000)			(10,000)
DES	Reduction	Upper Torrens Land Management Project	Budget reduction to offset salary increases	250			250
Executive	Transfer	Correct Elected Member Budget Allocation	Transfer of funds	(60)			(60)
Executive	Transfer	Correct Elected Member Budget Allocation	Transfer of funds	(60)			(60)
CCS	Addition	Payment to Treasury - Unclaimed Money Act	Sale of property for non-payment of rates - 31 William Street, Springton 28/01/2005 - from Other Miscellaneous Reserve	(28,531)		28,531	0
CCS	Addition	Entertainment Expenses	Increase to volunteer budget to cover cost of National Volunteer Week function	(1,000)			(1,000)
DES	Reduction	Upper Torrens Land Management Project	Budget reduction to offset salary increases	1,000			1,000
	<i>Carried Fwd</i>	<i>Approved Carried Forwards</i>	<i>As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017</i>	(536,359)			(536,359)
		<b>Materials, Contracts and Other Expenses</b>	<b>Note 6</b>		<b>(791,980)</b>		
<b>NET TOTAL - Operating Adjustments</b>			Note: for reconciliation purposes the report includes <u>Approved</u> Carried Forwards	<b>(291,799)</b>	<b>(291,799)</b>	<b>36,976</b>	<b>(254,823)</b>

Summary of Capital Budget Variance Adjustments

Business Unit	Type of Adjustment	Adjustment Title	Reason for Budget Adjustment/Carried Forward	Adjustment \$ Favourable/ (Unfavourable)	Sub Total per type \$	Reserve \$ From/(To)	Net	
		<b>Capital Expenditure on Renewal and Replacement of existing assets</b>						
CCS	Transfer	The Rex - Pool Deck resurface	Transfer budget from Capital Misc Building Renewal to The Rex - Building Maintenance	42,500			42,500	
WES	Transfer	Footpaths budgets c/fwd	Reallocate c/fwd budget from replacement/renewal to new/upgrade	38,045			38,045	
WES	Transfer	Para Road Tanunda Drainage Upgrade Project	Increase budget to match industry pricing of project using unallocated road reseal funds	78,678			78,678	
WES	Addition	Road Shoulder Budget	Capital projects not completed in 2016/17	(99,876)			(99,876)	
WES	Transfer	Williamstown Oval Irrigation System Replacement	Increase budget to match industry pricing of project using unallocated oval renewal funds	(7,000)			(7,000)	
WES	Transfer	Sandy Creek Oval Irrigation System Replacement	Increase budget to match industry pricing of project using unallocated oval renewal funds	(27,000)			(27,000)	
WES	Transfer	General Inspector Vehicle	Transfer additional funds required for vehicle purchase	7,780			7,780	
WES	Transfer	General Inspector Vehicle	Transfer additional funds required for vehicle purchase	(7,780)			(7,780)	
WES	Transfer	Mayor Vehicle	Transfer additional funds required for vehicle purchase	10,000			10,000	
WES	Transfer	Mayor Vehicle	Transfer additional funds required for vehicle purchase	(10,000)			(10,000)	
	<i>Carried Fwd</i>	<i>Carried Forwards</i>	<i>As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017</i>	<i>(1,712,032)</i>			<i>(1,712,032)</i>	
		<b>Capital Expenditure on Renewal and Replacement of Existing Assets</b>	<b>Note 7</b>		<b>(1,686,685)</b>			
		<b>Asset Sales adjustments/Capital Income*</b>						
WES	Addition	Vehicle sale proceeds	Sale proceeds of vehicle - to offset lease balloon payment due	20,000			20,000	
		<b>Proceeds from Sale of Replaced Assets</b>	<b>Note 8</b>		<b>20,000</b>			
<b>NET TOTAL - Asset Renewal/Replacement Adjustments</b>						<b>(1,666,685)</b>	<b>0</b>	<b>(1,666,685)</b>
		<b>Capital Expenditure on New and Upgraded assets</b>						
WES	Transfer	Footpaths budgets c/fwd	Reallocate c/fwd budget from replacement/renewal to new/upgrade	(38,045)			(38,045)	
WES	Addition	Angaston Railway Precinct	Council co-contribution towards project for construction of footpaths, kerbing and gutter and paving	(40,000)			(40,000)	
WES	Transfer	Reseal along pipeline trench	Contribution to works undertaken on behalf of CWMS	18,000			18,000	
WES	Addition	Nuriootpa, Greenock Road, Open Drain upgrade	Capital project not completed in 2016/17	(79,562)			(79,562)	
WES	Addition	Nuriootpa, Old Kapunda Road, Open Drain upgrade	Capital project not completed in 2016/17	(99,753)			(99,753)	
WES	Transfer	Kalbeeba Drainage project	Reallocate budget to James Sim Court drainage project	97,146			97,146	
WES	Transfer	Kalbeeba Drainage project	Reallocate budget to James Sim Court drainage project	(97,146)			(97,146)	
WES	Transfer	Para Road Tanunda Drainage Upgrade Project	Increase budget to match industry pricing of project using unallocated road reseal funds	(78,678)			(78,678)	
WES	Addition	Para Road Drainage Project, Tanunda	Additional project costs as per Council report	(80,700)			(80,700)	
WES	Transfer	Mount Pleasant drainage	Consolidate Asset numbers to a single project for execution by a single contracting entity	39,938			39,938	
WES	Transfer	Mount Pleasant drainage	Consolidate Asset numbers to a single project for execution by a single contracting entity	(39,938)			(39,938)	
WES	Transfer	Sandy Creek Oval Irrigation System Replacement	Increase budget to match industry pricing of project using unallocated oval renewal funds	27,000			27,000	
WES	Transfer	Williamstown Oval Irrigation System Replacement	Increase budget to match industry pricing of project using unallocated oval renewal funds	7,000			7,000	
CCS	Transfer From -	Williamstown Hall - Chairs	Reallocate budget to capital	(15,000)			(15,000)	
CCS	Transfer From -	Angaston Hall - Chairs	Reallocate budget to capital	(10,000)			(10,000)	
	<i>Carried Fwd</i>	<i>Carried Forwards</i>	<i>As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017</i>	<i>(2,083,849)</i>			<i>(2,083,849)</i>	



Summary of Capital Budget Variance Adjustments

Business Unit	Type of Adjustment	Adjustment Title	Reason for Budget Adjustment/Carried Forward	Adjustment \$ Favourable/ (Unfavourable)	Sub Total per type \$	Reserve \$ From/(To)	Net
		<b>Capital Expenditure on New and Upgraded Assets</b>	<b>Note 9</b>		(2,473,587)		
		<b>Amounts received specifically for New and Upgraded Assets/Profit &amp; loss for asset disposal</b>					
WES	Addition	Balmoral Road Safety project	MAC funding increase from DPTI	101,749			101,749
WES	Addition	State Bicycle Fund Grant Income	Funding for construction of a shared use path on the Jack Bobridge Bike Path	50,000			50,000
	Carried Fwd	Carried Forwards	As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017	163,042			163,042
		<b>Amounts Received Specifically for New and Upgraded Assets</b>	<b>Note 10</b>		314,791		
		<b>Asset Sales adjustments</b>					
CCS	Transfer	Transfer gain on sale of motor vehicles - Building Department	Transfer gain on sale of motor vehicles - Building Department	(8,500)			(8,500)
CCS	Transfer	Transfer gain on sale of motor vehicles - Building Department	Transfer gain on sale of motor vehicles - Building Department	8,500			8,500
	Carried Fwd	Carried Forwards	As part of the Report on Financial Results 2016-17 - Carried Forwards are to be approved by Council at the meeting held October 2017	0			0
		<b>Asset Disposal and Fair Value Adjustments</b>	<b>Note 11</b>		0		
<b>NET TOTAL - Asset New/Upgrade Adjustments</b>					<b>(2,158,796)</b>	<b>0</b>	<b>(2,158,796)</b>
<b>NET TOTAL - Capital Adjustments</b>			Note: for reconciliation purposes the report includes <u>Approved</u> Carried Forwards	<b>(3,825,481)</b>	<b>(3,825,481)</b>	<b>0</b>	<b>(3,825,481)</b>

# Statement of Comprehensive Income

for the year ending 30 June 2018

		Original Full Year Budget	Actuals at 30 Sep 2017	C/fwd from 16-17	Budget adjustments quarter 1	Proposed Full Year Revised Budget (RB)
	Budget Adjustment Notes	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>Income</b>						
Rates	1	29,380	29,312	0	0	29,380
Statutory Charges		629	305	0	0	629
User Charges		2,698	200	0	0	2,698
Grants, Subsidies and Contributions	2	2,465	706	308	163	2,936
Investment Income		219	41	0	0	219
Reimbursements	3	336	91	0	23	359
Other Income	4	963	362	16	57	1,036
Net Gain – Joint Ventures and Associates		0	0	0	0	0
<b>Total Revenues</b>		<b>36,690</b>	<b>31,017</b>	<b>324</b>	<b>243</b>	<b>37,257</b>
<b>Expenses</b>						
Employee Costs	5	13,202	2,473	4	62	13,268
Materials, Contracts and Other Expenses	6	15,071	2,365	536	256	15,863
Depreciation, Amortisation and Impairment		7,518	1,879	0	0	7,518
Finance Costs		943	(55)	0	0	943
Net Loss – Joint Ventures and Associations		0	0	0	0	0
<b>Total Expenses</b>		<b>36,734</b>	<b>6,662</b>	<b>540</b>	<b>318</b>	<b>37,592</b>
<b>Operating Surplus / (Deficit)</b>		<b>(44)</b>	<b>24,355</b>	<b>(216)</b>	<b>(75)</b>	<b>(335)</b>
Asset Disposal and Fair Value Adjustments		(620)	0	0	0	(620)
Amounts Received Specifically for New or Upgraded Assets		707	452	163	152	1,022
Physical Resources Received Free of Charge		277	0	0	0	277
<b>Net Surplus / (Deficit)</b>		<b>320</b>	<b>24,807</b>	<b>(53)</b>	<b>77</b>	<b>344</b>
Changes in revaluation surplus - infrastructure, property, plant and equipment		0	0	0	0	0
Infrastructure, property, plant and equipment Impairment (Expense)/Recoupsments offset to Asset Revaluation Reserve		0	0	0	0	0
<b>Total Other Comprehensive Income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Comprehensive Income</b>		<b>320</b>	<b>24,807</b>	<b>(53)</b>	<b>77</b>	<b>344</b>

# Annual Business Plan

## Operating Result - The Barossa Council (Excludes NCPA)

### Operations

	Original Full Year Budget	Actuals at 30 Sep 2017	C/fwd from 16-17	Budget adjustments quarter 1	Proposed Full Year Revised Budget (RB)
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Income	35,032	31,017	324	243	35,599
Expenditure	34,903	6,584	540	318	35,761
Capital Amounts	364	451	163	152	679
Net Surplus (Deficit)	493	24,884	(53)	77	517

### New Initiatives – Operating

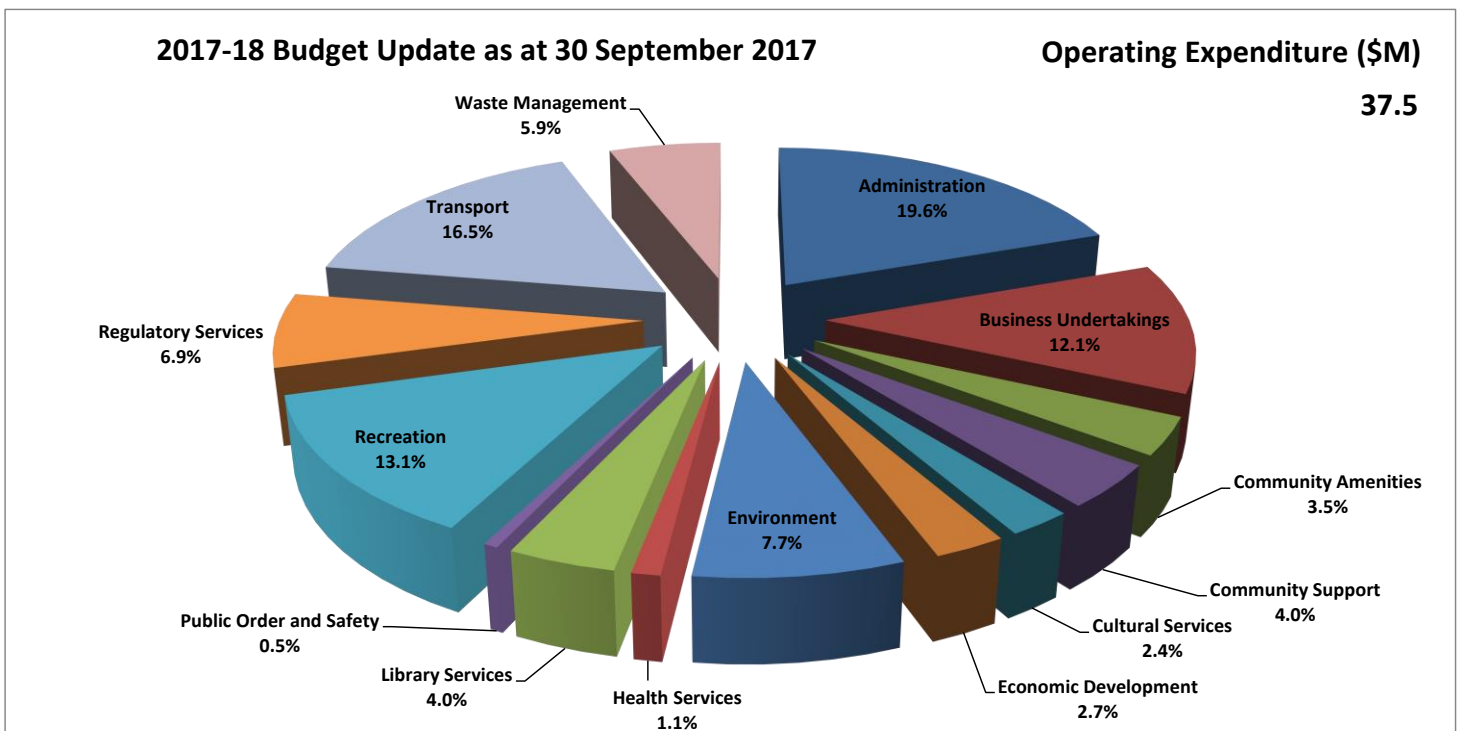
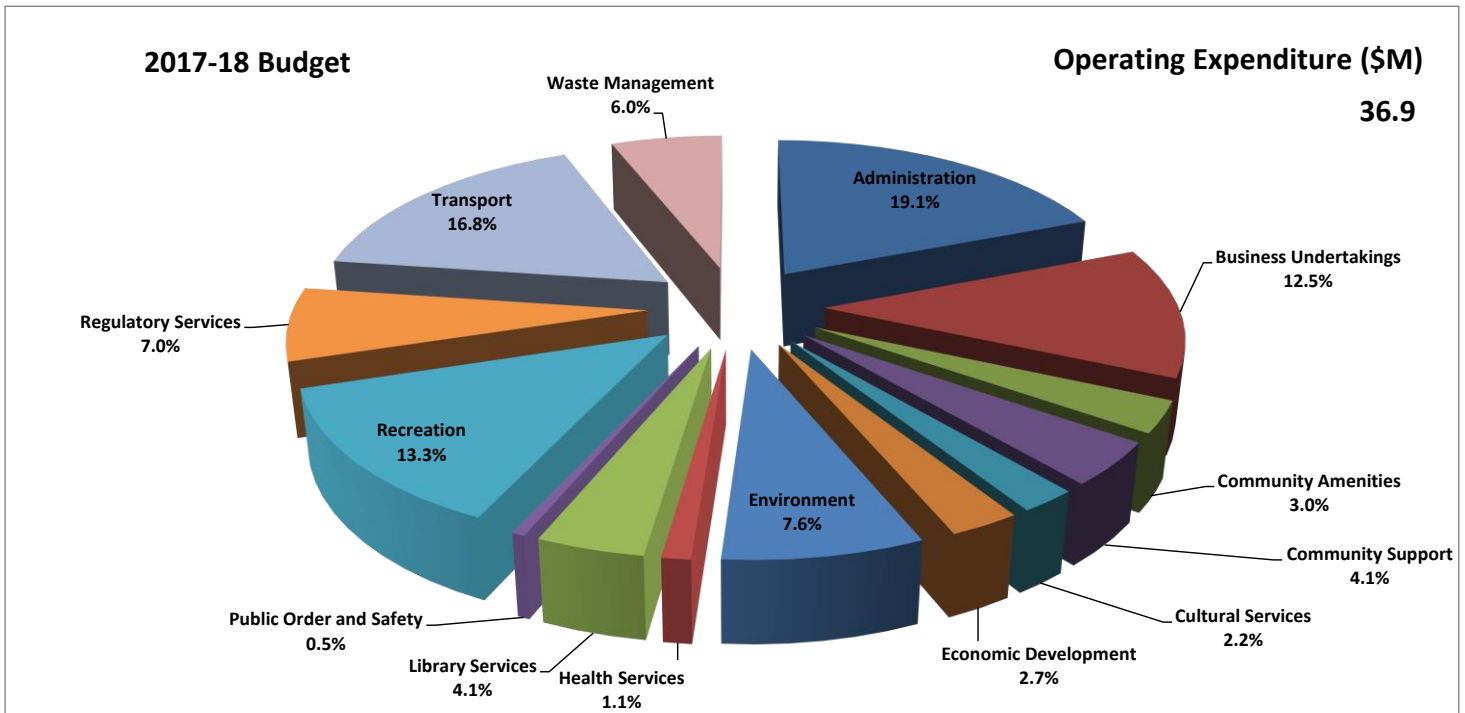
The following table lists new initiatives approved within the operating budget, these are additional or increases to existing services or programs. All capital new initiatives are showing in the Capital Works Program heading within this report.

**Summary of New Initiative Analysis for Consideration of Council in 17/18 Budget**

Initiative	Operating Budget			Funding From Reserves	Department	Description/ <i>Update in italics</i>	Complete Y/N
	Exp	Rev	Net				
The Big Project - Implementation Project Costs	200,000		200,000		Executive	<i>work in progress - updates provided quarterly to Council</i>	N
Street Tree Audit	71,860		71,860		Works and Engineering		
Tree Trimming	90,000		90,000		Works and Engineering		
Machinery Shed - Barossa Valley Machinery Preservation Society - Angaston Railway Precinct	135,000		135,000		Community Facilities	<i>DA application submitted</i>	N
Customer Service Council Foyer Upgrade	10,000		10,000		Corporate Services	<i>Not yet commenced</i>	
WQVJP - Recreation Park Fence Replacement	12,580		12,580		Community Facilities	<i>Not yet commenced</i>	
Social Inclusion Scoping Project to fully explore the community development opportunities in the region regarding: Disability, Aged Care, Youth Homelessness, Mental Health.	41,715		41,715	8,488	Community Services	<i>Four months in</i>	N
Lyndoch Village Green Irrigation	10,000		10,000		Works and Engineering		
Library Self Service RFID (Radio Frequency Identification)	16,800		16,800		Community Services	<i>Review of requirements commenced</i>	N
Talunga Park - Mt Pleasant Hall - Eden Valley - Scaffolding	3,000		3,000	3,000	Community Facilities	<i>Review of requirements and qualifications in progress</i>	
Angaston Hall - New Chairs	10,000		10,000	10,000	Community Facilities	<i>Not yet commenced</i>	
Williamstown Hall - New Chairs	15,000		15,000	15,000	Community Facilities	<i>Delivered 5/10/17</i>	Y
Mt Pleasant Hall - PA System	7,000			7,000	Community Facilities	<i>Not yet commenced</i>	
Williamstown - Youth Activity Space and Greening - Colonist Corner, Williamstown	1,000			1,000	Community Facilities	<i>Not yet commenced</i>	
Lyndoch Hall - Safety Fencing Lyndoch Institute Hall	1,500				Community Facilities	<i>Not yet commenced</i>	
Eden Valley Tourism Initiative - Township Steel Sculptures	32,340	7,340		25,000	Community Facilities	<i>Not yet commenced</i>	
<b>Totals</b>	<b>657,795</b>	<b>7,340</b>	<b>615,955</b>	<b>69,488</b>			

# Functional Reporting Operating Expenditure

The following graphs show Budget operating expenditure for the 2017-18 year by the following 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 Works Program 2017-18

(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	Actuals at 30 Sep 2017 \$'000	C/fwd from 16-17 \$'000	Budget adjustments Quarter 1 \$'000	Proposed Full Year Revised Budget (RB) \$'000
<b>Building Assets</b>		<b>206</b>	<b>2</b>	<b>37</b>	<b>(43)</b>	<b>200</b>
Nuriootpa Office Air-conditioning	CCS	70	0	0	0	70
Building Renewal and Replacement	CCS	136	0	0	(43)	93
Lyndoch Library Meeting Room Refurbishment	CCS	0	2	2	0	2
Nuriootpa Office Air-conditioning	CCS	0	0	35	0	35
<b>Transport</b>		<b>3,177</b>	<b>326</b>	<b>1,210</b>	<b>(17)</b>	<b>4,370</b>
Renewal and Replacement of Existing Footpaths	WES	51	98	465	(38)	478
Road Resealing Works (part R2R funded)	WES	1,563	14	354	(79)	1,838
Road Seal, Stockwell Road, Stockwell	WES	147	8	189	0	336
Road Resheeting Works	WES	1,312	18	76	0	1,388
Road Shoulder works	WES	104	10	0	100	204
Balmoral Road Safety project	WES	0	178	126	0	126
<b>Bridges, Floodways and Major Culverts</b>		<b>303</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>303</b>
Bridge Renewal Work - Melrose Street Footbridge	WES	50	0	0	0	50
Bridge Renewal Work	WES	253	0	0	0	253
<b>Community Wastewater Management Systems (CWMS)</b>		<b>125</b>	<b>30</b>	<b>42</b>	<b>0</b>	<b>167</b>
Vehicle Replacements	WES	80	30	42	0	122
WWTP Water Quality Upgrades - Various Treatment Plants	WES	20	0	0	0	20
Lagoon and Infrastructure Reconditioning of Aerators	WES	25	0	0	0	25
<b>Stormwater Drainage</b>		<b>90</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90</b>
Drainage Inlet Capacity	WES	40	0	0	0	40
Drainage works - Maria Street, Tanunda open channel	WES	25	0	0	0	25
Drainage at Nuriootpa, Corner Buna Terrace and Kokoda Street	WES	25	0	0	0	25
<b>Recreation Assets</b>		<b>398</b>	<b>4</b>	<b>0</b>	<b>34</b>	<b>432</b>
Playground Equipment Renewal	WES	30	0	0	0	30
Tanunda Rec Park Oval Renewal	WES	120	0	0	0	120
WQVJP Oval Renewal	WES	99	0	0	7	106
Stockwell Rec Park Oval Renewal	WES	15	0	0	0	15
Sandy Creek Rec Park Oval Renewal	WES	76	0	0	27	103
Eden Valley Oval Renewal	WES	15	0	0	0	15
Springton Oval Renewal	WES	15	0	0	0	15
Moculta Oval Renewal	WES	15	0	0	0	15
Williamstown QVJP Recreation Park Fence Replacement	WES	13	0	0	0	13
Angaston Oval Renewal	WES	0	4	0	0	0
<b>Plant and Equipment</b>		<b>1,193</b>	<b>153</b>	<b>407</b>	<b>0</b>	<b>1,600</b>
Plant, Machinery and Vehicles	WES	658	32	350	0	1,008
Office Vehicles	WES	427	121	57	0	484
General Inspector Vehicles	DES	25	0	0	0	25
Community Transport Vehicles	CCS	48	0	0	0	48
Minor Plant	WES	35	0	0	0	35
<b>Library</b>		<b>70</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>70</b>
Materials - Books - Public Library Scheme	CCS	58	0	0	0	58
Materials - Books - Local Purchase	CCS	12	2	0	0	12
<b>Total Asset Renewal and Replacement Budget</b>		<b>5,562</b>	<b>517</b>	<b>1,696</b>	<b>(26)</b>	<b>7,232</b>

## Capital Works Program 2017-18 (Continued)

(Excluding Nuriootpa Centennial Park Authority)

### Expenditure (Continued)

#### New and Upgrade Programs

Project Description	Dept	Original Budget \$'000	Actuals at 30 Sep 2017 \$'000	C/fwd from 16-17 \$'000	Budget adjustments \$'000	Proposed Full Year Revised \$'000
<b>Building Assets</b>		<b>129</b>	<b>44</b>	<b>63</b>	<b>0</b>	<b>192</b>
Barossa Regional Gallery - Air Conditioning	CCS	89	0	0	0	89
Tanunda Depot Plant Shed	WES	40	0	0	0	40
Curdnatta Park - Kitchen Upgrade	CCS	0	0	1	0	1
Mount Pleasant Soldiers Memorial Hall - Heating	CCS	0	13	14	0	14
Talunga Park Toilets	CCS	0	31	41	0	41
Barossa Bushgardens Sales Shelter Shed	DES	0	0	7	0	7
<b>Transport</b>		<b>2,379</b>	<b>66</b>	<b>657</b>	<b>78</b>	<b>3,114</b>
Angaston Main Street - Paving, Street Bins and Furniture	WES	151	0	0	0	151
Mount Pleasant Main Street Development	WES	168	0	0	0	168
Streetscaping - Townships	WES	80	0	0	0	80
Victoria Terrace/Eliza Street, Williamstown Footpaths	WES	60	1	0	0	60
New & Upgrade of Footpaths - SLGIP part grant funding	WES	960	58	103	38	1,101
Springton Residential Roads - SLGIP part grant funding	WES	960	0	0	0	960
Para Wirra Road Sealing (Special Local Road & Black Spot Funded (subject to grant funding application approval)	WES	0	7	201	0	201
Lucks Road Sealing	WES	0	0	114	0	114
Mildres Street Sealing	WES	0	0	138	0	138
Rifle Range Road - Schlunkes Gully Guard Railings	WES	0	0	39	0	39
Angaston Railway Precinct Upgrade	CCS	0	0	12	40	52
Jack Bobridge Track Cycle Connection	WES	0	0	50	0	50
<b>Bridges, Floodways and Major Culverts</b>		<b>325</b>	<b>1</b>	<b>100</b>	<b>0</b>	<b>425</b>
Williamstown QVJP Bridge Crossing at Entrance	WES	325	1	0	0	325
Bridge Upgrade Work	WES	0	0	20	0	20
Moculta Road Foot Bridge	WES	0	0	30	0	30
Stockwell Foot Bridge	WES	0	0	50	0	50
<b>Community Wastewater Management Systems (CWMS)</b>		<b>332</b>	<b>16</b>	<b>91</b>	<b>(18)</b>	<b>405</b>
Waste Water Treatment Plants Water Quality Upgrades	WES	280	0	0	0	280
Operation Emergency Drain Repairs	WES	40	0	0	0	40
Operation Construction of New IP	WES	12	0	0	0	12
Technology Changes - Router Upgrade, SCADA Screen Upgrade	WES	0	0	30	0	30
Mount Pleasant Waste Water Treatment Plant	WES	0	6	31	0	31
Williamstown - Rising Main Duplication	WES	0	10	30	(18)	12
<b>Stormwater Drainage</b>		<b>950</b>	<b>162</b>	<b>735</b>	<b>340</b>	<b>2,025</b>
Drainage Capacity Upgrade	WES	25	0	0	0	25
Nuriootpa Township Stormwater Management Plan	WES	60	0	0	0	60
Williamstown, Needles Road Road Crossing Drain Upgrade	WES	25	0	0	0	25
Nuriootpa Flood Mitigation Project	WES	603	139	159	180	942
James Sim Court, Kalbeeba Drainage	WES	100	1	0	97	197
Yettie Road, Williamstown Drainage	WES	55	0	0	0	55
Springton, Miller Street/Williamstown Road/Hamiltons Road Drainage Upgrade	WES	50	0	0	0	50
Mt Pleasant Open Channel Easement and Scour Protection - William Street	WES	20	0	0	0	20
Mt Pleasant Open Channel Easement and Scour Protection - Herriot Road	WES	12	0	0	0	12
Tanunda - Para Road - Drainage Upgrade	WES	0	0	334	160	494
Mount Pleasant - Phillis Street and Melrose Street - New Inlet Pits	WES	0	0	25	(25)	0
Mount Pleasant - Melrose Street to River - Channel Easement/Scour Protection	WES	0	0	17		17
Mount Pleasant - William Street - Underground Drainage	WES	0	0	15	(15)	0
Mount Pleasant - Tungkillio Road/Isaac Street - Channel Easement/Scour Protection	WES	0	0	10	40	50
Williamstown - George Street - Low Point Drainage Improvement	WES	0	1	28	0	28
Springton Drainage	WES	0	21	50	0	50
Kalbeeba Drainage	WES	0	0	97	(97)	0

## Capital Works Program 2017-18 (Continued)

(Excluding Nuriootpa Centennial Park Authority)

### Expenditure (Continued)

#### New and Upgrade Programs

Project Description	Dept	Original Budget \$'000	Actuals at 30 Sep 2017 \$'000	C/fwd from 16-17 \$'000	Budget adjustments \$'000	Proposed Full Year Revised \$'000
<b>Recreation Assets</b>						
Playground Equipment Upgrade	WES	70	0	0	0	70
Recreation Park Ovals Upgrade	WES	38	0	0	(34)	4
WQVJP Rec Park Oval Upgrade	WES	50	0	0	0	50
Talunga Rec Park Oval Upgrade	WES	20	0	0	0	20
The Big Project Implementation Project Management/Design Costs	CCS	100	0	0	0	100
Skate Park Projects	CCS	0	0	20	0	20
Upgrade Lyndoch Oval	WES	0	0	59	0	59
Upgrade Angaston Oval	WES	0	0	50	0	50
Tanunda Recreation Park Committee - Oval Lighting Upgrade	CCS	0	0	181	0	181
<b>Plant and Equipment</b>						
Budgeting, Review & Long Term Financial plan Solutions Implementation	CCS	49	0	16	0	65
<b>Furniture and Fittings</b>						
Williamstown Hall Chairs	CCS	0	0	0	15	15
Angaston Hall Chairs	CCS	0	0	0	10	10
<b>Other Infrastructure</b>						
Eden Valley - Township Steel Sculptures	CCS	32	0	0	0	32
WQVJP Retaining Wall	CCS	0	44	46	0	46
<b>Total Asset New and Upgrade Budget</b>		<b>4,474</b>	<b>333</b>	<b>2,018</b>	<b>391</b>	<b>6,883</b>

## Nuriootpa Centennial Park Authority

### Capital Works Program 2017-18

#### Expenditure

##### Renewal and Replacement Programs

Project Description	Original Budget \$'000	Actuals at 30 Sep 2017 \$'000	C/fwd from 16-17 \$'000	Budget adjustments Quarter 1 \$'000	Proposed Full Year Revised Budget (RB) \$'000
<b>Section 42 Subsidiary Nuriootpa Centennial Park Authority</b>					
Nuriootpa Oval Renovation	0	0	16	0	16
<b>Total Asset Renewal and Replacement Budget</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>0</b>	<b>16</b>

##### New and Upgrade Programs

Project Description	Original Budget \$'000	Actuals at 30 Sep 2017 \$'000	C/fwd from 16-17 \$'000	Budget adjustments Quarter 1 \$'000	Proposed Full Year Revised Budget (RB) \$'000
<b>Section 42 Subsidiary Nuriootpa Centennial Park Authority</b>					
Hoffman Oval New Toilets/Small Change Rooms	273	0	0	0	273
Community Pavilion Upgrade	0	0	65	0	65
<b>Total Asset New and Upgrade Budget</b>	<b>273</b>	<b>0</b>	<b>65</b>	<b>0</b>	<b>338</b>

## Grants, Contributions and Asset Sales 2017-18

(Excluding Nuriootpa Centennial Park Authority)

### Grants, Contributions and Asset Sales

#### Renewal and Replacement Programs

Project Description	Dept	Original Budget \$'000	Actuals at 30 Sep 2017 \$'000	C/fwd from 16-17 \$'000	Budget adjustments Quarter 1 \$'000	Proposed Full Year Revised Budget (RB) \$'000
<b>Transport</b>		<b>588</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>588</b>
Road Resealing Works (part R2R funded)	WES	588	0	0	0	588
<b>Community Wastewater Management Systems (CWMS)</b>		<b>40</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>
Vehicle Replacements - Proceeds on trade-in	WES	40	0	0	0	40
<b>Plant and Equipment</b>		<b>361</b>	<b>149</b>	<b>0</b>	<b>20</b>	<b>381</b>
Plant, Machinery and Vehicles - Proceeds on trade-in	WES	111	51	0	0	111
Office Vehicles - Proceeds on trade-in	WES	213	76	0	20	233
General Inspector Vehicles - Proceeds on trade-in	DES	13	22	0	0	13
Community Transport Vehicles - Proceeds on trade-in	CCS	24	0	0	0	24
<b>Library</b>		<b>58</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>58</b>
Materials - Books - Public Library Scheme (Operating)	CCS	58	0	0		58
<b>Total Asset Renewal and Replacement Budget</b>		<b>1,047</b>	<b>149</b>	<b>0</b>	<b>20</b>	<b>1,067</b>

### Grants, Contributions and Asset Sales

#### New and Upgrade Programs

Project Description	Dept	Original Budget \$'000	Actuals at 30 Sep 2017 \$'000	C/fwd from 16-17 \$'000	Budget adjustments Quarter 1 \$'000	Proposed Full Year Revised Budget (RB) \$'000
<b>Building Assets</b>		<b>0</b>	<b>15</b>	<b>15</b>	<b>0</b>	<b>15</b>
Barossa Regional Gallery - Air Conditioning	CCS	0	15	15	0	15
<b>Transport</b>		<b>320</b>	<b>198</b>	<b>148</b>	<b>152</b>	<b>620</b>
New & Upgrade of Footpaths - SLGIP part grant funding	WES	160	0	0	0	160
Springton Residential Roads - SLGIP part grant funding	WES	160	0	0	0	160
Angaston Railway Precinct Upgrade	WES	0	12	12	0	12
Para Wirra Road Sealing (Special Local Road & Black Spot Funded (subject to grant funding application approval)	WES	0	40	40	0	40
Mount Pleasant & Angaston Urban Design Framework Implementation	WES	0	96	96	0	96
Balmoral Road Safety project	WES	0	0	0	102	102
Jack Bobridge Track Cycle Connection	WES	0	50	0	50	50
<b>Stormwater Drainage</b>		<b>130</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>130</b>
Nuriootpa Flood Mitigation Project	WES	130	0	0	0	130
<b>Other Infrastructure</b>		<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>
Eden Valley - Township Steel Sculptures	CCS	7	0	0	0	7
<b>Total Asset New and Upgrade Budget</b>		<b>457</b>	<b>213</b>	<b>163</b>	<b>152</b>	<b>772</b>