TheBarossaCouncil

The Barossa Council

Annual Budget and Business Plan

2018-19

Incorporating the annual review of the Long Term Financial Plan - 2018-19 to 2027-28

Version	Status	Date
Version 1.0	Draft for Council adoption for Public Consultation	15 May 2018
Version 1.1	Draft for Council following Public Consultation	22 June 2018
Version 1.2	Final Adopted Version	27 June 2018

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.

Principal Office and Library:	Phone: 08 8563 8444 43-51 Tanunda Road, Nuriootpa
Website:	www.barossa.sa.gov.au
Email:	barossa@barossa.sa.gov.au

Public Consultation

People can make verbal submissions at the Nuriootpa Council chambers on Wednesday 6 June at 5.00pm. Feedback can also be given at http://ourbetterbarossa.com.au/, on Facebook (www.facebook.com/thebarossacouncil), via email (barossa@barossa.sa.gov.au, or in writing (PO Box 867, Nuriootpa SA 5355) from 23 May to 13 June 2018.

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Long Term Financial Plan 2018-19 to 2027-28

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 2018-19.

Council believes we have again produced a balanced budget as we strive to maintain our current levels of service across many areas, whilst also commencing further investment into core services. There are always challenges in delivering services whilst constraining costs. The 2018-19 budget has a significant capital program which includes the commencement of implementing The Big Project (TBP) and ensuring the budget continues to deliver on long term settings. Council has also initiated an extensive internal change program to further drive efficiencies and savings for the long term viability of Council.

The 2018-19 financial year will reap benefits from a period of budget consolidation and investment in core services through the approval of many new initiatives. Council has undertaken a full review of the budget this year (called a zero based budget) and has achieved significant improvements to its operating position that will fund the long term aspirations of Council and its community through core spending and implementation of The Big Project.

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:
    - The Big Project with $5.2m allocated in this budget year and a further $28.7m in years 2019-20 to 2021-22. This includes Tanunda Recreation Park accelerated projects and is dependent on grant funding submissions being successful.
    - Angaston Railway Precinct Revitalisation Project $2.1m (part State Government funded $1.1m);
    - Continuation of the accelerated footpath program throughout the region $1.5m (including works carried forward of $106k); partly funded through (SLGIP) State Local Government Infrastructure Partnership $160k;
    - Continuation of the accelerated road sealing in Springton $2.3m (including works carried forward of $550k); partly funded through SLGIP $160k;
    - Additional investment in community facilities at Nuriootpa Centennial Park Authority of $180k (including works carried forward of $137k);
    - $1.3m for resealing of the existing sealed road network and new seal $312k (including works carried forward of $814k);
    - $1.2m for resheeting and road shoulders of the existing rural road network (including works carried forward of $44k);
    - Upgrade Williamstown Queen Victoria Jubilee Park Bridge Crossing $809k (including works carried forward of $493k)
    - $100k for playground replacement and upgrades;
    - $1.3m to address stormwater priority issues in Williamstown, Kalbeeba and Angaston;
    - Community Wastewater Management Systems (CWMS) infrastructure $837k (including works carried forward of $225k); primarily being the expansion of the Tanunda system.

The Annual Budget and Business Plan incorporating the annual review of the Long Term Financial Plan is available on Council's website, at the 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	**893.5km^2**
Number of Rateable Assessments	**12,706**
Number of Non Rateable Assessments	**528**

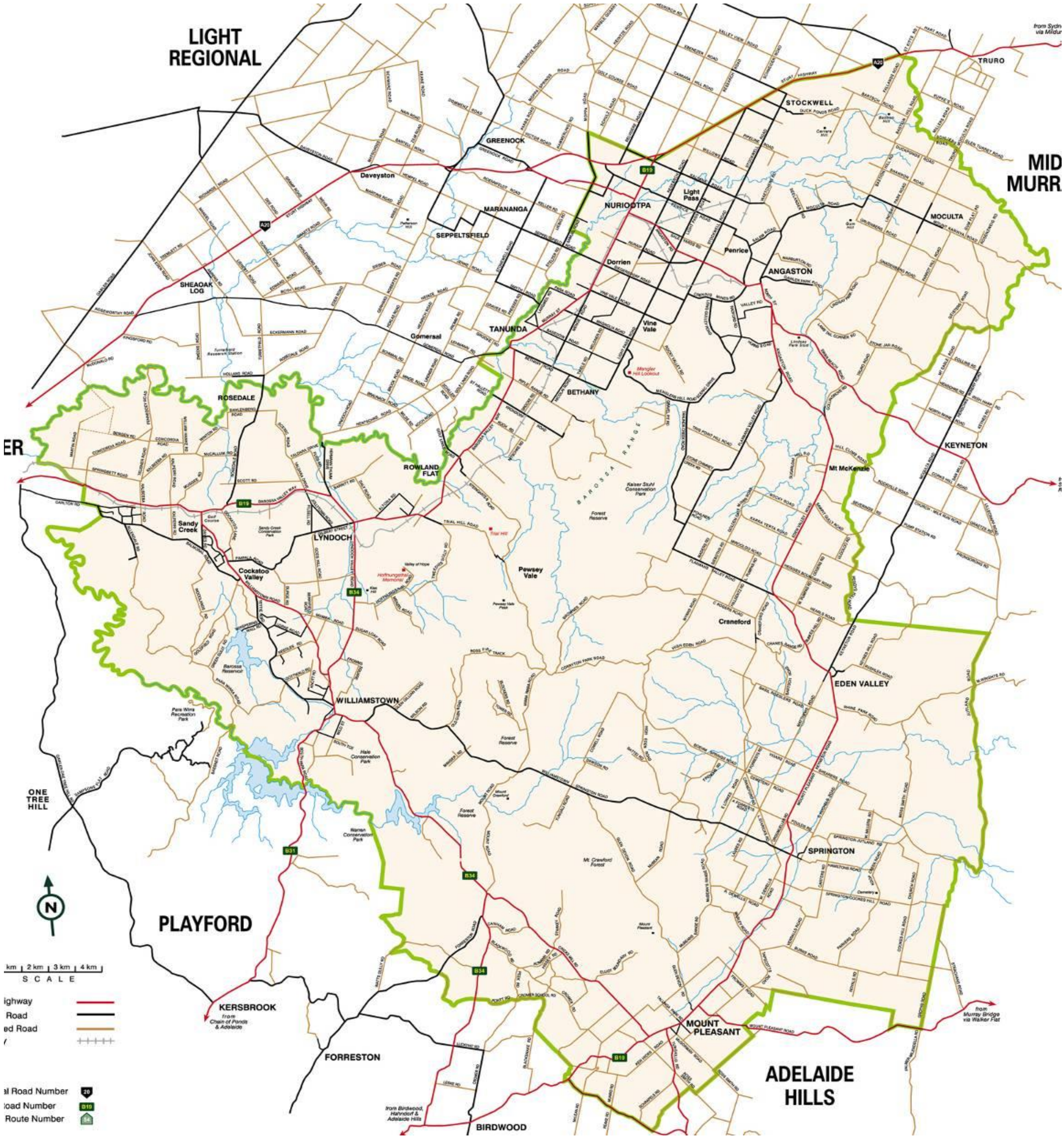
Principal Office and Library:
43-51 Tanunda Road, Nuriootpa
Postal Address:
PO Box 867, Nuriootpa SA 5355
Branch Office/Libraries:
29 Barossa Valley Way, Lyndoch
130-132 Melrose Street, Mount Pleasant
Washington Street, Angaston
Library only:
66-68 Murray Street, Tanunda

Website: www.barossa.sa.gov.au
Email: *barossa@barossa.sa.gov.au*

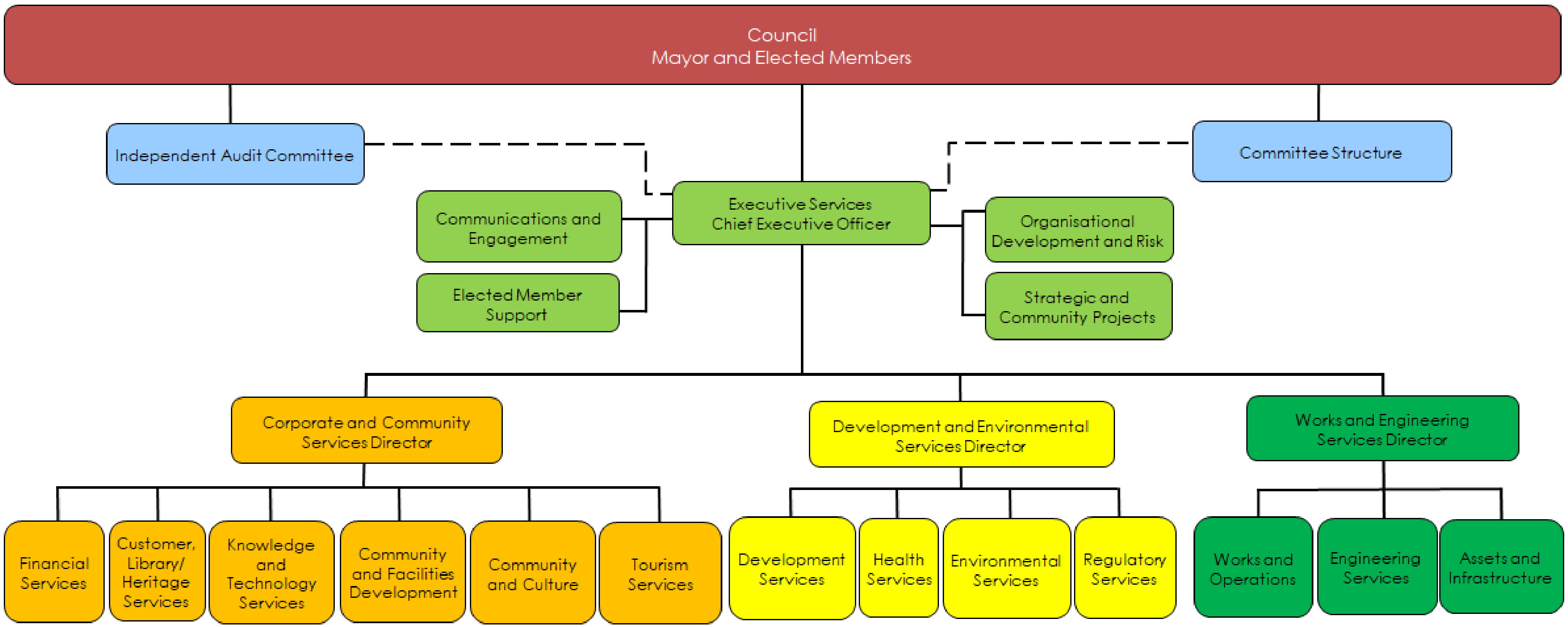
Localities in The Barossa Council

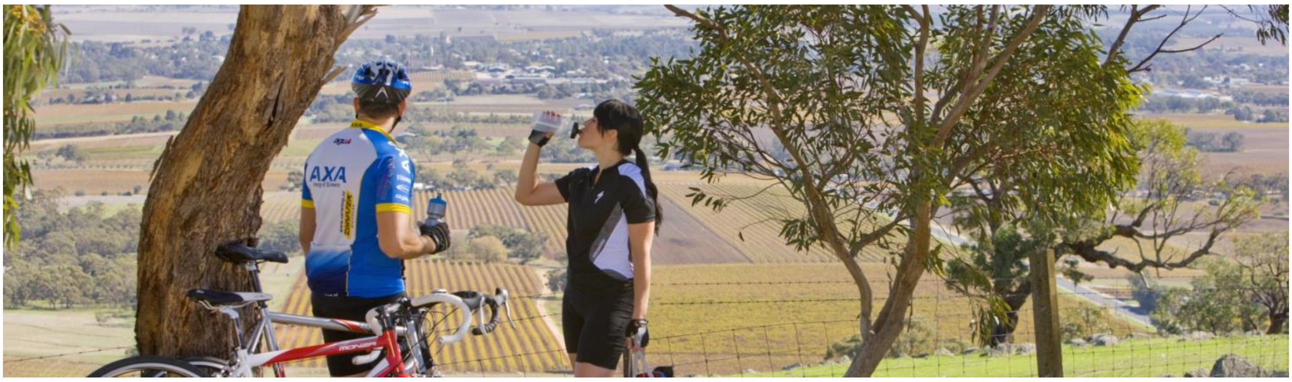
Altona, Angaston, Barossa Goldfields, Bethany, Cockatoo Valley, Concordia, Craneford, Cromer, Dorrien, Eden Valley, Flaxman Valley, Kalbeeba, Krondorf, Light Pass, Lyndoch, Moculta, Mount Crawford, Mount McKenzie, Mount Pleasant, Nuriootpa, Penrice, Pewsey Vale, Rosedale, Rowland Flat, Sandy Creek, Springton,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

District Map



Organisational Structure





Overview

2018-19 Budget at a Glance:

Net Rate Revenue	$30.1m
Other Operating Revenue	$ 7.0m
Operating Expenditure	$37.1m
Capital Income	$ 4.7m
Capital Expenditure	$19.4m
Loan Financing	$ 1.9m

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 $337m 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.

2018-19 Rates and Service charges:

General Rates	increase	2.50%
Refuse and Recycling	decrease	12.94%
CWMS	increase	2.48%

Underlying Assumptions

- Rate and service charge revenue increase on existing ratepayers to ensure services are sustainable, indexation does not include growth from development.
- 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);
- Staffing costs increase in line with existing contracts, Enterprise Bargaining Agreements, Superannuation and current Legislation;
- The SA Local Government Price Index is 3.2% and the general Consumer Price Index is 2.3% as at March 2018;
- 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% to 5%;

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 **$19.7m** (including Donated Assets **$282k** and carried forward works from previous year of **$3.0m**), including **$6.7m** on transport assets for sealing*, resealing and resheeting of roads, new and replacement footpaths (kerb and water table)* **$1.5m**, drainage and bridge works **$2.1m** and Community Waste Water Management Systems (CWMS) **$917k** (including vehicles)
- Expenditure of **$322k** for renewal works on various buildings
- The Big Project implementation* **$5.2m -** includes Tanunda Recreation Park $1.2m (subject to grant funding approval)
- Angaston Railway Precinct Project* **$2.1m**
- New female change rooms and minor works at Nuriootpa Centennial Park Authority **$240k**

**These items part grant funded*

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.

Council activity for 2018-19 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	2018-19 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	2018-19 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	2018-19 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	2018-19 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.	✚ ●

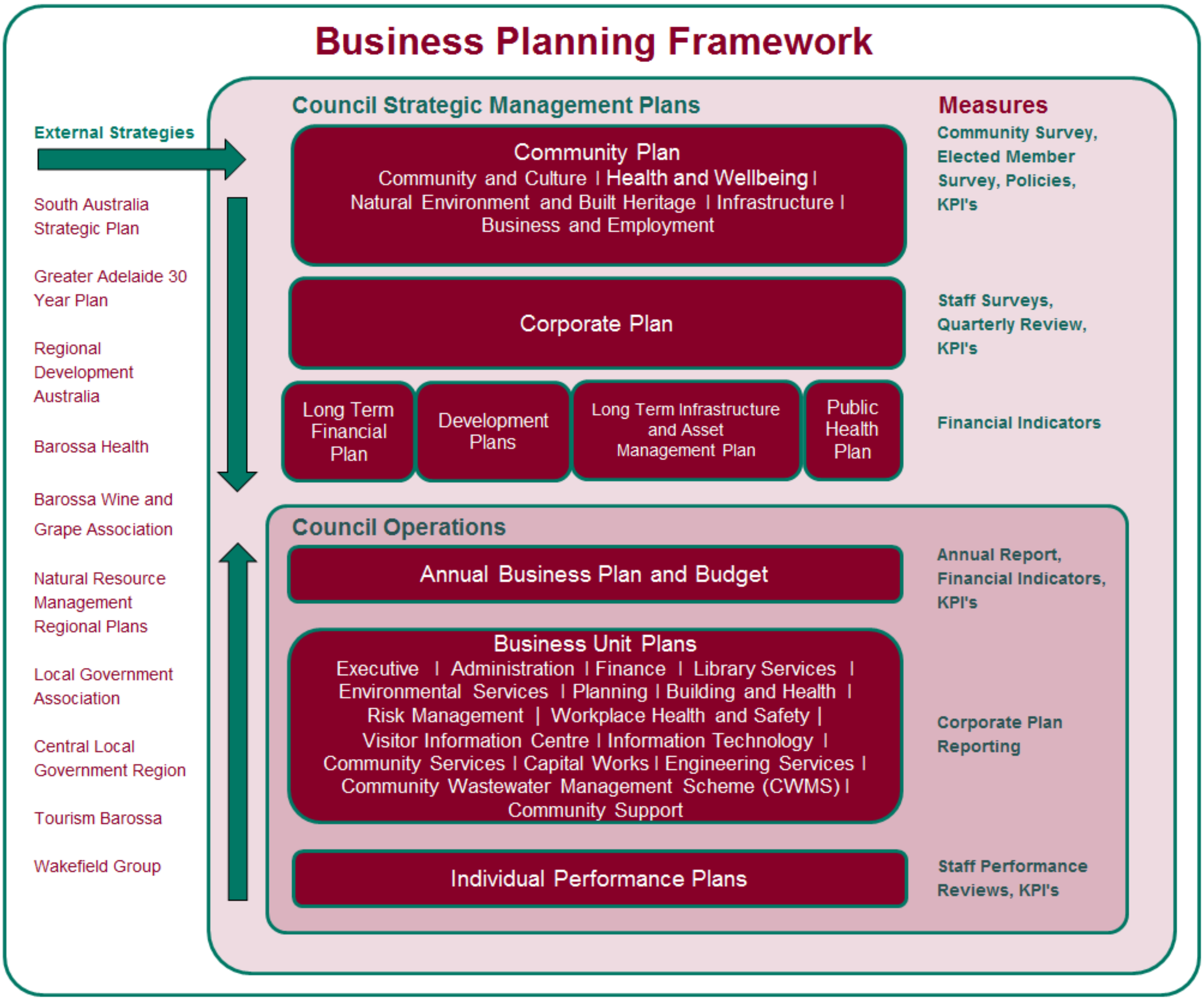
Business and Employment

Strategy	2018-19 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 informs 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 2018-19 Income Statement for the Authority is included within Council's financial statements, contained within this document. The Authority's ten year business case has been reviewed and included in this document.

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 $11,067 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 $31,441 is included for the operational and maintenance subscription. Council has a share in the Net Assets $ 1,607,777 as at 30 June 2017. 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 2018-19

The following outlines the proposed service provision provided by The Barossa Council for 2018-19:

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, Advocacy, Library and Heritage Services, Youth Services, Facilities (Buildings) Management, Event Support.

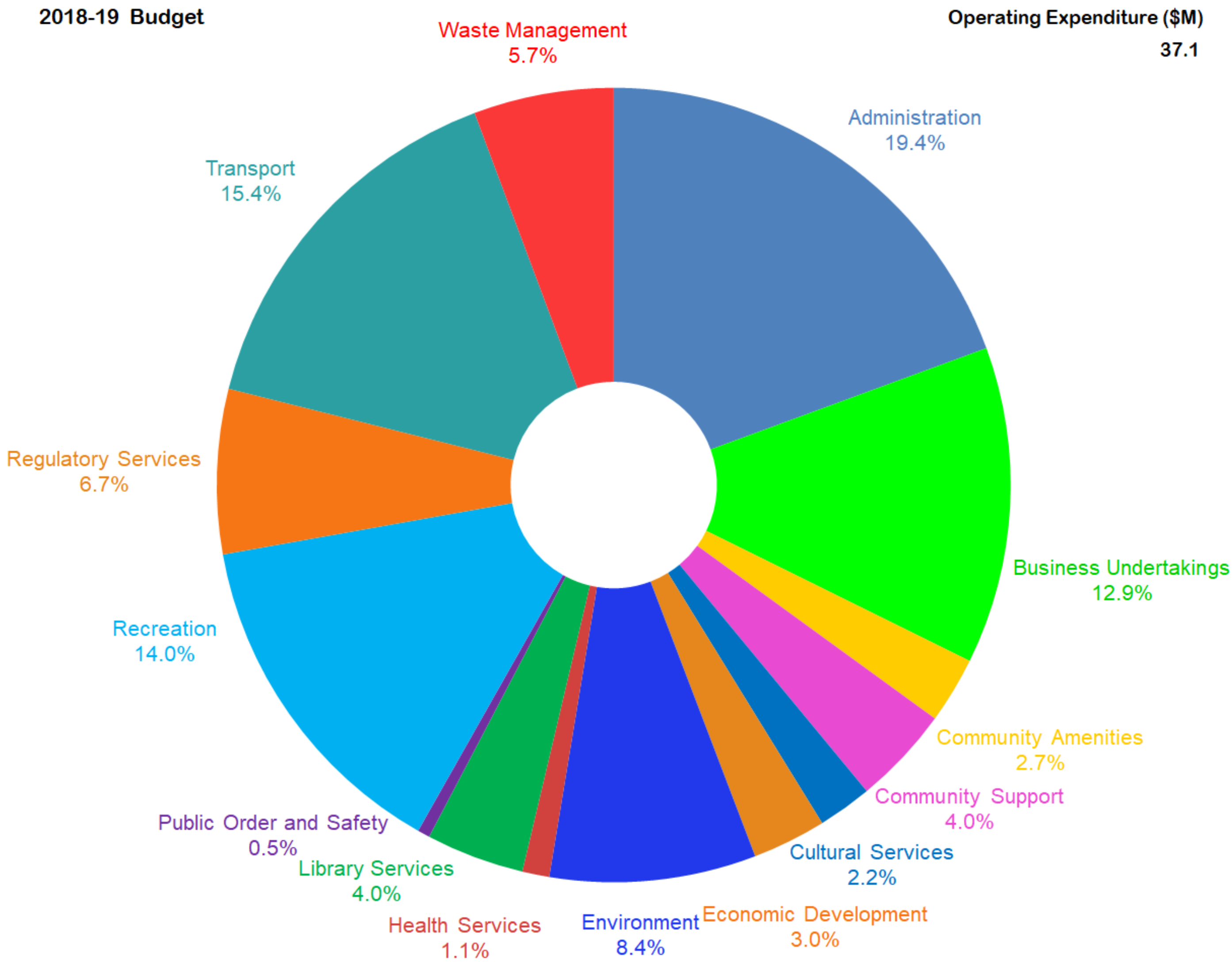
Works and Engineering Services

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 2018-19

The following graph shows operating expenditure proposed for the 2018-19 year by the following functions in support of the provision of the services outlined. Full Cost Attribution has been applied - this is an allocation of internal services to external services and does not affect the overall net result.

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



Key Activities for 2018-19

Description	Community/Corporate Plan Theme
Assist in the implementation of the State Planning Code - Character and Rural Areas policy development Advocate for relevant local policy as part of the new State Planning Code Undertake energy audit and schedule implementation of agreed actions Support heritage grant program Complete evaluation of options for a Joint Planning Board - implementation/delivery of Regional Plan Implementation of the ePlanning framework	Natural Environment and Built Heritage
Develop and conduct a customer survey program Improve customer request response time Implement RFID (Radio frequency identification) efficiencies in Libraries Activate Council customer service foyer redevelopment Implement Dog and Cat Act reforms Support community grants program Main street tree audit and implementation of targeted tree maintenance activities and new plantings Community Initiative improvement - Lyndoch Recreational Park lighting improvements Community Initiative improvement - Williamstown Netball bitumen warm up area Community Initiative improvement - Replace Williamstown oval retaining wall Further develop procurement systems to promote local social value in purchasing decisions	Community and Culture
Implement 90% of Targeted Capital Program Review all plant and equipment utilisation Implement strategic direction for planned versus reactive maintenance Implement Angaston Railway Precinct upgrade works Advocate for State road infrastructure improvements - Kroemers Crossing Advocate for State road infrastructure improvements - key township and heavy vehicle linkages	Infrastructure
Commence implementation of Disability Action and Inclusion Plan agreed actions Continue with oval maintenance programme of VertiDrain and reel mowing specific to sporting activity Safety improvements at Springton Quarry to support improved user and environmental outcomes Implement new waste system and contract arrangements Implement voucher system for hard waste Implement e-waste trial Undertake review of Regional Health Plan	Health and Wellbeing
Completion of Economic Development Strategy Deliver Tanunda Barossa Visitor Centre and Library redesign to improve customer experience and tourism growth Advocate for sound planning system changes and reform that promote desirable development Further develop procurement systems to promote Local, Regional or State industry involvement	Business and Employment
Implementation of Year 1 of the approved efficiency, customer service and digital future change program Conduct Council elections Implement identified components of the Workforce Plan Undertake internal organisational survey, develop and commence implementation of action plans Implement changed Australian Taxation Office reporting requirements Undertake condition audit of transport and building assets and update long term intervention and maintenance plan Advocate for legislative and governance reform that delivers efficiencies without loss of acceptable governance standards Prepare analysis of service impacts that could result from rate capping legislation	Good Governance

** This is a list of key activities that are included in the operating or capital budget and form part of the summarised service provisions included in this Business Plan.*

Capital Investment in Support of Service Provision for 2018-19

Capital Program 2018-19	
Disclaimer: *The following capital items are subject to final approval of Council; alterations and additions to this list may occur*	
Description	**2018-19 Budget**
(Items noted as 'Carried Forward' are items transferred from 2017-18 Budget)	
CORPORATE & COMMUNITY SERVICES	**8,003,151**
Community Services - Community Transport	**52,000**
Community Transport Vehicles	52,000
Library Services	**68,830**
Library books	68,830
Barossa Regional Gallery	**89,450**
Barossa Regional Gallery Air Conditioning (Carried Forward)	89,450
Barossa Visitor Centre	**14,091**
Barossa Visitor Centre - Interpretative Display/Video Wall	14,091
Offices and Community Facilities	**7,778,780**
Angaston Railway Precinct - Entrance	27,231
Angaston Railway Precinct - Picnic and Market Area	429,400
Angaston Railway Precinct - Railway Station and Associated Works	652,494
Angaston Railway Precinct - Southern Bank Bike Track	97,460
Angaston Railway Precinct - Youth and Play Area	902,415
Building Renewal and Replacement	139,394
Lyndoch Recreation Park Interim Upgrade Oval Lights - (Funded from Developer Reserve)	20,000
Nuriootpa Office and Library Air Conditioning Renewal Program	70,000
Talunga Tennis Courts - Reseal/Drainage	40,000
Tanunda Recreation Park - Electrical Upgrade and Lighting (Part Carried Forward $180,820)	647,675
Tanunda Recreation Park - Oval Expansion	51,300
Tanunda Recreation Park - Show Hall Upgrade	561,745
The Big Project - Phase 1 Implementation - Buildings	1,946,266
The Big Project - Phase 1 Implementation - Recreation	2,000,000
Williamstown Pool Replacement Sand Filters	80,000
Williamstown Queen Victoria Jubilee Park Retaining Wall behind Clubroom	90,000
Williamstown Soldiers Memorial Hall Air Conditioning	23,400
DEVELOPMENT & ENVIRONMENTAL SERVICES	**22,569**
Barossa Bushgardens	**22,569**
Access Paths	10,000
Nursery Shed (Carried Forward)	6,659
Quad Bike (Carried Forward)	5,910
NURIOOTPA CENTENNIAL PARK AUTHORITY	**240,000**
Hoffman Oval Female Change Rooms (Part Carried Forward $137,000)	180,000
Internal Roadworks	25,000
Replacement Cleaners Van	35,000
WORKS & ENGINEERING	**11,183,544**
Bridges	**928,722**
Melrose Street Footbridge Mount Pleasant (Part Carried Forward $48,720)	119,994
Williamstown Queen Victoria Jubilee Park Bridge (Part Carried Forward $493,415)	808,728
Footpaths	**1,538,622**
Atze Parade Nuriootpa	17,650
Barossa Street Nuriootpa	43,700
Edward Street Springton	72,850
Elizabeth Street Tanunda	15,000
Greenock Road Nuriootpa	107,196
Melrose Street Mount Pleasant	200,504
Murray Street Nuriootpa	58,200
Queen Street Williamstown	184,000
Tanunda to Gawler Bike Track Connection - Rail Corridor	253,750
Truro Road Moculta	177,822
Victoria Terrace Williamstown (Carried Forward)	326,000
Washington Street Angaston	81,950
Motor Vehicles, Plant and Equipment	**886,000**
Depot - Combination Roller	75,000
Depot - Minor Plant	35,000
Depot - Road Sweeper	375,000
Depot - Utes	105,000
Motor Vehicles Renewal (Part Carried Forward $33,000)	296,000

Capital 2018-19 (Continued)	
Description	**2018-19 Budget**
Parks and Gardens	**460,440**
Angaston Oval Works (Carried Forward)	40,414
Lyndoch Oval Works (Carried Forward)	53,716
Playground Equipment Upgrade	100,000
Stockwell Recreation Park Oval Works (Carried Forward)	15,000
Tanunda Recreation Park Oval Works (Carried Forward)	196,510
Tolley Reserve Nuriootpa Fencing	10,000
Williamstown Queen Victoria Jubilee Park Oval Works (Carried Forward)	44,800
Road Resheeting	**1,262,346**
Allendale Road Kalbeeba (Carried Forward)	43,523
Craneford Road Eden Valley	249,592
Duck Ponds Road Moculta	126,315
Gruenberg Road Moculta	46,712
Hamiltons Road Springton	68,550
High Eden Road Eden Valley	21,318
Jutland Road Springton	129,719
Ken Hicks Road Mount Pleasant	20,841
Keyneton Road Moculta	119,159
Old Mill Road Nuriootpa	20,424
Pipeline Road Nuriootpa	24,409
Rocky Valley Road Angaston	82,877
Resheeting Budget	201,907
Road Shoulders Budget	107,000
Road Sealing	**2,574,862**
Eckerts Street Springton (Part Carried Forward $153,125)	267,614
Gilbert Terrace Springton (Part Carried Forward $167,708)	290,522
Graetz Terrace Springton (Part Carried Forward $127,604)	413,381
Johannes Street Springton (Part Carried Forward $64,000)	149,280
Lucks Road Kalbeeba (Part Carried Forward $100,000)	311,930
Miller Street Springton (Part Carried Forward $37,604)	166,601
Rose Street Springton	150,221
William Street Springton	825,313
Road Resealing	**1,282,623**
Kalimna Road Nuriootpa CWMS Trench Reconstruction	203,540
Light Pass Road Tanunda (Carried Forward)	240,000
Para Wirra Road Williamstown	195,000
Stockwell Road Angaston (Carried Forward)	34,083
Stockwell Road/Carrara Hill Intersection (Carried Forward)	440,000
Tanunda to Gawler Bike Track Reseal	100,000
Nuriootpa Soldiers Memorial Hall Car Park Sealing	70,000
Stormwater	**1,253,204**
Car Parking/Drainage adjacent Williamstown Primary School (part grant funded $31,304)	66,304
Drainage Inlet Capacity Upgrades	65,000
Newcastle Street Angaston Drainage	738,900
Yettie Road Williamstown Drainage Upgrade	173,000
Calton Road to Hameister Court Drainage Kalbeeba	210,000
Streetscaping	**80,000**
Mount Pleasant Main Street	80,000
Community Wastewater Management System (CWMS)	**916,725**
CWMS Vehicle Replacement - Co-ordinator	36,000
CWMS Vehicle Replacement - Northern Operations	44,105
Mount Pleasant Gravity Mains Operation Construction of New Inspection Points (IP)	12,000
Mount Pleasant Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	11,320
Nuriootpa Gravity Mains Operation Emergency Drain Repairs	20,000
Nuriootpa Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	11,320
Penrice Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	14,720
Springton Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	11,320
Tanunda Gravity Mains Operation Emergency Drain Repairs	20,000
Tanunda Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	11,320
Tanunda Waste Water Treatment Plant (Part Carried Forward $224,620)	724,620
Budget Capital Total	**19,449,264**

Grants, Contributions and Asset Sales 2018-19	
Description	**2018-19 Budget**
CORPORATE & COMMUNITY SERVICES	**(4,894,787)**
Land Sales	(388,900)
Vehicle and Equipment Trade-in Sales Motor Vehicles/Plant $324,553, Motor Vehicle $16,500 (Carried Forward)	(341,053)
Tanunda Recreation Park - Contribution to Lighting	(98,000)
Angaston Railway Precinct Open Space Project Grant Funding (Carried Forward)	(1,055,750)
The Big Project - Phase 1 Implementation Regional Growth Fund (RGF) Grant Funding (subject to funding approval)	(3,011,084)
NURIOOTPA CENTENNIAL PARK AUTHORITY	**(5,000)**
Vehicle Trade-in Sale	(5,000)
WORKS & ENGINEERING	**(556,304)**
Newcastle Street Drainage Contribution	(25,000)
SLGIP Grant Funding - Footpaths (Carried Forward)	(160,000)
SLGIP Grant Funding - Roads (Carried Forward)	(160,000)
Car Parking and Drainage adjacent Williamstown Primary School Grant Funding	(31,304)
CWMS Developer Contributions	(180,000)
Grand Total	**(5,456,091)**

Funding Our Activities

Council is budgeting expenditure of $50.9m in 2018-19 on the delivery of services, programs, maintenance of assets (not including depreciation), replacement, new and upgraded assets and loan servicing.

Operating Revenue

The Budget provides for operating revenue to increase from the 2017-18 third quarter Budget Update of $37.6m to $37.2m – an decrease of 1.1%. Recurrent revenue streams of Council are:

$m	%	Type	Description
30.1	81.0%	General Rates and Service Charges	General rates on properties as well as service rates (i.e. sewerage and refuse/recycling rates)
3.1	8.3%	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
1.9	5.0%	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
1.4	3.9%	Investment, Reimbursements and Other Income	Interest received on Council's internal cash reserves and deposits, Reimbursements for work undertaken and Other Income`
0.7	1.8%	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 decrease from the 2017-18 third quarter Budget Update of $37.8m to $37.1m – a decrease of 1.9%. Full Cost Attribution has not 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
15.4	41.6%	Contractual Services, Materials and 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
13.4	36.2%	Employee Costs	All labour related expenses such as wages and salaries, and on-costs such as allowances, leave entitlements and employer superannuation
7.4	19.9%	Depreciation	Annual consumption of Council's fixed assets (e.g. infrastructure, equipment, buildings, etc) over their useful lives
0.9	2.3%	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 **$25.6m** from rates in 2018-19 (including 1.2% growth, but excluding service charges, separate rates and the State Government 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.

Any potential effect to rate revenue for a proposed State Government "Rate Capping" has not been included in this plan. It is unknown as to the requirements or changes to rating legislation and what, if any indexation ceiling will apply. The indexation applied to general rates in this 10 year plan has been held at previous year LTFP increments at 2.5% per annum plus growth of 1.0%. The SA Local Government Price Index is 3.2% as at March 2018 and the general consumer price index is 2.3% as at March 2018.

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.

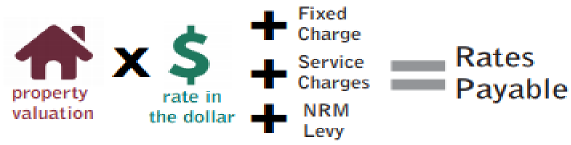
Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- 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 16 June 2018 was $ 5,071,168,889 – an increase of 4.14% over last year.

Land Use	Total Valuation Movement
Residential	4.26%
Commercial	4.09%
Industry - Light	4.06%
Industry - Other	0. 31%
Primary Production	5.42%
Vacant Land	-4.03%
Other	2.40%

How rates are calculated



Differential rates
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 $332.00 to $342.00 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	2017-18	332,543	0.0034780
	2018-19	341,289	0.0034820
Commercial: Retail shops, professional services e.g. accounting, legal, engineering, etc.	2017-18	505,306	0.0054370
	2018-19	514,472	0.0054740
Industry – Light: Vehicle repairs, workshops	2017-18	345,349	0.0056430
	2018-19	352,358	0.0056520
Primary Production: Agriculture, livestock, horticulture, commercial forestry	2017-18	543,170	0.0034550
	2018-19	572,060	0.0033780
Vacant Land: Vacant allotments	2017-18	171,328	0.0063430
	2018-19	175,464	0.0063590
Other: Government agencies, education, public utilities	2017-18	339,586	0.0057760
	2018-19	345,874	0.0058130
Industry – Other: Wineries, manufacturing	2017-18	2,505,097	0.0159020
	2018-19	2,518,319	0.0161600

In order to obtain an average valuation, the data did not include past assessments that were removed and/or new assessments in 2018-19. The calculations are based on the average valuation as at 15 April 2018 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 2017-18 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: the 'Cost of Living Concession Payment' which is paid *directly to eligible concession holders by the State Government* and the concession for Community Wastewater Management System (CWMS) (which will also be paid directly by the State Government). The Department for Communities and Social Inclusion (DCSI) administer all State concessions and Council has no part in approving or providing these concessions.

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 $500.00 ($125.00 per quarter) 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 EFT payment or by cash/cheque/EFTPOS over the counter at the Nuriootpa or branch offices.

Expected Impact on Ratepayers
Council's previous year adopted Long Term Financial Plan 2017-18 to 2026-27, the 2018-19 Annual Budget and Business Plan included an increase of 2.5% with 2.34% adopted for general rate revenue with a further 1% from new property growth with 1.2% realised, 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

Service Charges
The Residential CWMS Service charge will increase from $322.00 to $330.00. The Non-Residential CWMS service rate for each of the townships is to be decreased from $0.001190 to $0.001183. Many Springton properties are charged a capital contribution of $245.00 for a 15 year period. An annual service charge of $60.00 is applied to vacant allotments in Springton and an annual service charge of $105.00 is applied for all other vacant allotments where CWMS is available but not connected.

The CWMS rate service charges will raise $2,717k with other related revenue bringing the total for CWMS income to $3,044k for 2018-19. Operating expenditure is expected to be $3,060k, resulting in a deficit of $17k. A CWMS reserve is held for future capital expenditure and to ensure the services are maintained and grow with service demands into the short to medium term. Total capital expenditure for CWMS is $917k (including carried forwards $225k).

CWMS charges are summarised in the table on the following page.

Overall the standard refuse and recycling collection service rate has been decreased by 12.94% on 2017-18 charges from $179.20 to $156.00. The 140L Refuse Bin has decreased by 17.06% from $127.80 to $106.00 and Recycling by 2.72% from $51.40 to $50.00. The Standard Refuse service rate decrease is mainly due to implementation of a new contract starting 1 July 2018.

The two waste service rates are shown together in the table on the following page under Refuse/Recycling.

The refuse collection service rate for 240 Litre bins, available to commercial premises to upsize to 240L, has decreased by 23.7% from $174.20 to $133.00 due to the new contract starting 1 July 2018.

From 1 July 2018 the Green Organics bin will be an optional residential town service within the Council's designated waste collection area. Customers who opt for this service will be charged an annual fee; for 2018-19 it is proposed to be $59.00.

Council rates are exempt from GST.

Rates for Land Use Categories based on Average Valuation (see table on page 22)

Type	Year	General Rates	Fixed Charge	CWMS	Refuse/ Recycling	Total
Residential: Residential dwellings, flats, units	2017-18	$1,156.60	$332.00	$322.00	$179.20	$1,989.80
	2018-19	$1,188.40	$342.00	$330.00	$156.00	$2,016.40
Commercial: Retail shops, professional services e.g. accounting, legal, engineering, other	2017-18	$2,747.30	$332.00	$601.30	$51.40	$3,732.00
	2018-19	$2,816.20	$342.00	$608.60	$50.00	$3,816.80
Industry – Light: Vehicle repairs, workshops	2017-18	$1,948.80	$332.00	$411.00	$51.40	$2,743.20
	2018-19	$1,991.50	$342.00	$416.80	$50.00	$2,800.30
Primary Production: Agriculture, livestock, horticulture, commercial forestry	2017-18	$1,876.70	$332.00	$0.00	$179.20	$2,387.90
	2018-19	$1,932.40	$342.00	$0.00	$156.00	$2,430.40
Vacant Land: Vacant allotments	2017-18	$1,086.70	$332.00	$100.00	$0.00	$1,518.70
	2018-19	$1,115.80	$342.00	$105.00	$0.00	$1,562.80
Other: Government agencies, education, public utilities	2017-18	$1,961.40	$332.00	$0.00	$179.20	$2,472.60
	2018-19	$2,010.60	$342.00	$0.00	$156.00	$2,508.60
Industry – Other: Wineries, manufacturing	2017-18	$39,836.10	$332.00	$0.00	$51.40	$40,219.50
	2018-19	$40,696.00	$342.00	$0.00	$50.00	$41,088.00

Percentage increase in Rates and Charges for Land Use Categories based on Average Valuation

Land Use Code	Year	Total Rates	% Average Total Increase
Residential	2017-18	1989.80	
	2018-19	2016.40	1.34%
Commercial	2017-18	3732.00	
	2018-19	3816.80	2.27%
Industry - Light	2017-18	2743.20	
	2018-19	2800.30	2.08%
Primary Production	2017-18	2387.90	
	2018-19	2430.40	1.78%
Vacant Land	2017-18	1518.70	
	2018-19	1562.80	2.90%
Other	2017-18	2472.60	
	2018-19	2508.60	1.46%
Industry - Other	2017-18	40219.50	
	2018-19	41088.00	2.16%

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** includes the long term objectives and strategies Council is striving to achieve. The Community and Corporate plans are used to form the 2018-19 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 2018 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.

Individual periods are shown; refer to the long term financial plan section in this document for a rolling 3 year period on selected KPIs.

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. The operating result for 2018-19 is forecast as a surplus. The cumulative five year period is a surplus position.**

Year	2015-16 Actual	2016-17 Actual	2017-18 Forecast Q3	2018-19 Budget
Result	1,120	2,920	(168)	82
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%.**

Year	2015-16 Actual	2016-17 Actual	2017-18 Forecast Q3	2018-19 Budget
Result	3.2%	7.7%	(0.4%)	0.2%
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	2015-16 Actual	2016-17 Actual	2017-18 Forecast Q3	2018-19 Budget
Result	10,206	5,961	8,915	14,308
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	2015-16 Actual	2016-17 Actual	2017-18 Forecast Q3+	2018-19 Budget
Result	29%	16%	24%	38.5%
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	2015-16 Actual	2016-17 Actual	2017-18 Forecast Q3+	2018-19 Budget
Result	2.3%	2.0%	1.8%	1.7%
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.**

Year	2015-16 Actual	2016-17 Actual	2017-18 Forecast Q3+	2018-19 Budget
Result	36%	58%	81%	69%
Status	↓	↓	↑	↓

Performance Measures

Council continues to review 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. 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	Description	Target
Theme 1 – Natural & Built Heritage		
Building Rules Consent Processing	The percentage of Building Rules Consent Applications completed within three months of lodgement	90%
Planning Consent Processing	The percentage of Planning Consent Applications completed within three months of lodgement	90%
Theme 2 – Community & Culture		
Library Visits	The number of library visits and participation within the Barossa Council Area	5 visits per capita
Mutual Liability Claims	Number of successful Mutual Liability Claims against Council	3 or less per annum
Theme 3 – Infrastructure		
Asset Spending Ratio	Ratio of asset expenditure on renewal, replacement and upgraded assets and maintenance on assets	Between 100% and 150% of Depreciation
Theme 4 – Health & Wellbeing		
Nuisance and Environmental Complaint Resolution Rate	Percentage resolved within due date	75%
Waste Disposal Rate	Percentage of waste disposed to landfill	Less than 65%
Recycling Rate	Percentage of waste recycled	More than 35%
Theme 5 – Business & Employment		
Tourism Customer Satisfaction with Visitor Information Services	Average Customer Satisfaction Rating	4 or above
Visitor Information Centre Bookings	Annual Booking Revenue (Accommodation/Tours/Tickets)	100% of Budget
Cycle Hub – Bike Hire Revenue	Annual Sales Revenue	100% of Budget
How We Work – Good Governance		
LGA KPI Audit Action Plan	Percentage of KPI Audit Actions Complete	90%
LGA Risk Review	Percentage risk review conformance	90%
Customer Request Completion Rate	Percentage of Customer Requests Completed (On Time and Overdue)	85%
Customer Request Resolution Rate	Percentage of Customer Requests Resolved on Time	85%
Operational Expenditure Against Budget	Actual Operating Expenditure as a % of Budgeted Operating Expenditure	100%
Capital Expenditure Against Budget	Actual Capital Expenditure as a percentage of Budgeted Capital Expenditure	90%
Organisational Culture Improvement	Percentage percentile shift in the culture survey results to an organisation of progressively improving achievement and self-actualising styles of operation	Constructive Styles above 50th Percentile Defensive Styles below 50th Percentile
Staff Development - Training	Percentage of staff with an approved training needs analysis	85%
Staff Development – Performance Partnering	Percentage of staff who have completed performance partnering	85%
Staff Retention	Percentage of employees retained	90%

Annual Budget

Budgeted Financial Statements 2018-19

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 2019:

- **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 2017 Model Financial Statements.

Statement of Comprehensive Income

for the year ending 30 June 2019

	2017-18 Original Budget ($'000)	2017-18 Revised Budget* ($'000)	2018-19 Budget ($'000)
Income			
Rates	29,380	29,404	30,122
Statutory Charges	629	683	674
User Charges	2,698	2,761	3,078
Grants, Subsidies and Contributions	2,465	3,599	1,845
Investment Income	219	259	238
Reimbursements	336	253	215
Other Income	963	1,344	1,016
Net Gain – Joint Ventures and Associates	0	0	0
TOTAL REVENUES	36,690	38,303	37,188
Expenses			
Employee Costs	13,202	13,139	13,445
Materials, Contracts and Other Expenses	15,071	16,197	15,444
Depreciation, Amortisation and Impairment	7,518	7,518	7,362
Finance Costs	943	943	855
Net Loss – Joint Ventures and Associations	0	0	0
TOTAL EXPENSES	36,734	37,797	37,106
Operating Surplus / (Deficit)	(44)	506	82
Asset Disposal & Fair Value Adjustments	(620)	(336)	(51)
Amounts Received Specifically for New or Upgraded Assets	707	1,099	4,721
Physical Resources Received Free of Charge	277	277	282
Net Surplus / (Deficit)	320	1,546	5,034
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	320	1,546	5,034

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2018 meeting and material financial information received since that time has been included.

Statement of Financial Position

for the year ending 30 June 2019

	2017-18 Original Budget ($'000)	2017-18 Revised Budget* ($'000)	2018-19 Budget ($'000)
Assets			
Current Assets			
Cash and Cash Equivalents	1,234	8,251	65
Trade and Other Receivables	2,689	3,123	3,123
Other Financial Assets	0	0	0
Inventories	270	116	116
Subtotal	4,193	11,490	3,304
Non-Current Assets Held for Sale	0	0	0
Total Current Assets	4,193	11,490	3,304
Non-current Assets			
Financial Assets	684	862	827
Equity Accounted Investments in Council	1,683	1,656	1,656
Infrastructure, Property, Plant and Equipment	357,494	348,297	368,436
Other Non-Current Assets	0	0	0
Total Non-current Assets	359,861	350,815	370,919
Total Assets	364,054	362,305	374,223
Liabilities			
Current Liabilities			
Trade and Other payables	2,703	4,290	2,912
Borrowings	1,759	1,844	1,821
Provisions	2,538	2,379	2,177
Total Current Liabilities	7,000	8,513	6,910
Non-Current Liabilities			
Borrowings	10,717	10,747	10,676
Provisions	853	736	737
Total Non-current Liabilities	11,570	11,483	11,413
Total Liabilities	18,570	19,996	18,323
Net Assets	345,484	342,309	355,900
Equity			
Accumulated Surplus	70,791	72,142	77,087
Asset Revaluation Reserve	265,706	260,704	269,261
Other Reserves	8,987	9,463	9,552
Total Equity	345,484	342,309	355,900

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2018 meeting and material financial information received since that time has been included.

Statement of Changes in Equity

as at 30 June 2019

	Accumulated Surplus ($'000)	Asset Revaluation Reserve ($'000)	Other Reserves ($'000)	Total Equity ($'000)
Balance at end of previous reporting period 30 June 2018 (Original Budget 2017-18)	70,791	265,706	8,987	345,484
Restated opening balance (2017-18 Revised Budget)	72,142	260,704	9,463	342,309
Net Surplus / (Deficit) for year	5,034			5,034
Other Comprehensive Income	0	0	0	0
Gain on revaluation of infrastructure, property, plant and equipment	0	8,557	0	8,557
Transfer to accumulated surplus on sale of infrastructure, property, plant and equipment	0			0
Transfer between reserves	(89)	0	89	0
Balance at the End of Period	77,087	269,261	9,552	355,900

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2018 meeting and material financial information received since that time has been included.

Statement of Cash Flows

for the year ending 30 June 2019

	2017-18 Original Budget ($'000)	2017-18 Revised Budget* ($'000)	2018-19 Budget ($'000)
Cash Flows from Operating Activities			
Receipts			
Operating Receipts	36,300	37,551	36,950
Investment Receipts	219	259	238
Payments			
Operating payments to Suppliers and Employees	(28,275)	(29,336)	(28,890)
LandFill rehabilitation expense	(197)	(200)	(200)
Finance Payments	(944)	(944)	(855)
Net Cash Provided by (or Used in) Operating Activities	7,103	7,330	7,243
Cash Flows from Investing Activities			
Receipts			
Amounts Specifically for New or Upgraded Assets	707	2,312	3,345
Sale of Replaced Assets	401	604	346
Sale of Surplus Assets	133	133	389
Repayments of Loans by Community Groups	42	42	33
Payments			
Expenditure on Renewal / Replacement of Assets	(5,562)	(5,247)	(4,472)
Expenditure on New / Upgraded Assets	(4,748)	(6,413)	(14,977)
Loans made to Community Groups	(80)	(260)	0
Net Cash Provided by (or Used in) Investing Activities	(9,107)	(8,829)	(15,336)
Cash Flows from Financing Activities			
Receipts			
Loans Received	80	260	1,850
Finance Lease Funds	0	0	0
Proceeds from Internal Borrowings	4,200	0	3,380
Payments			
Repayments of Borrowings	(1,998)	(2,006)	(1,943)
Repayment of Finance Lease Liabilities	0	0	0
Repayment of Internal Borrowings	(4,200)	0	(3,380)
Net Cash Provided by (or Used in) Financing Activities	(1,918)	(1,746)	(93)
Net Increase / (Decrease) in Cash Held	(3,922)	(3,245)	(8,186)
Cash and Cash Equivalents at Beginning of Period	5,156	11,496	8,251
Cash and Cash Equivalents at End of Period	1,234	8,251	65

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2018 meeting and material financial information received since that time has been included.

Uniform Presentation of Finances

for the year ending 30 June 2019

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.

	2017-18 Original Budget ($'000)	2017-18 Revised Budget* ($'000)	2018-19 Budget ($'000)
Income	36,690	38,303	37,188
Less Expenses	36,734	37,797	37,106
Operating Surplus / (Deficit)	(44)	506	82
Less Net Outlays on Existing Assets			
Capital Expenditure on Renewal and Replacement of Existing Assets	5,562	5,247	4,472
Less Depreciation, Amortisation and Impairment	7,518	7,518	7,362
Less Proceeds from Sale of Replaced Assets	401	604	346
	(2,357)	(2,875)	(3,236)
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	4,748	6,413	14,977
Less Amounts Received Specifically for New and Upgraded Assets	707	2,312	3,345
Less Proceeds from Sale of Surplus Assets	133	133	389
	3,908	3,968	11,243
Net Lending / (Borrowing) for Financial Year	(1,595)	(587)	(7,925)

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2018 meeting and material financial information received since that time has been included.

Long Term Financial Plan 2018-19 to 2027-28

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 2018-19 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 (IAMP) were adopted by Council in 2016-17 – with an ongoing review process to provide improved asset data and information.
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 as adopted by the NCPA Board is incorporated into Council's LTFP.
- 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, 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 new initiatives were then assessed using a Bid Analysis Tool and given a score against set criteria.

Operations

- General Rate Revenue and Service charges increments have been reviewed to ensure funding and service level provision is maintained in line with sustainability requirements.
- Operating Cost – Employee, Contractors & Materials have been based on a zero based method for this budget year.
- Rubble raising cost at $224k in 2018-19 with any remaining stock to be used in the years following.
- 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.

- Increments for income and expenditure is listed in the Financial Parameters following this report.
- 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 all assets and components is an ongoing task refining the data.
- The external Committees and advisory groups operational budgets are funded by service areas within the budget and throughout the LTFP.
- The current Roads to Recovery (R2R) grant funded program has been fully spent in 2017-18 – so there is no allocation in 2018-19; the R2R program is expected to continue from 2019-20 for the life of the LTFP and $328k per annum is included.
- Supplementary road grants are included for the 2017-18 and 2018-19 years only.
- Staff levels have reduced for minor changes due to grant funding programs ending and overall increases are projected to be in line with current Enterprise Bargaining Agreements.
- Full Cost Attribution - an allocation of internal services to relevant charge areas 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, transport assets and CWMS infrastructure with the Council's adopted asset sustainability ratio to planned expenditure from the IAMPs over the full term of the LTFP.
- Due to TBP capital expenditure program over the next four years of $33.9m, the discretional capital expenditure allocation has been removed for years 2019-20 to 2022-23 and reinstated to $50k for 2023-24 and 2024-25 and $500k per year for the remaining years.
- Capital grants and contribution in this review include SLGIP road and footpaths programs $320k, CWMS developer contributions $180k, other capital contributions $123k, Angaston Railway works grant funding $1.0m and TBP $3.1m in 2018-19, $5.3m – 2019-20, $7.3m – 2020-21 and $3.4m – 2021-22 (subject to funding approval).
- Council has identified land assets considered surplus for the needs of the community and its operations. These estimated sale proceeds are included.

Loan Principal and Interest Repayments

- The internal loan from Council to NCPA for $650k included in the LTFP is to be repaid from 2018-19 ($130k for three years and then $65k for four years). The NCPA external cash advance debenture loan repayments start from 2018-19 and the loan should be fully repaid by 2024-25.
- TBP loan financing is included in 2018-19 $1.75m, 2019-20 $4.3m, 2020-21 $6.3m and 2021-22 $2.4m.
- Council's net debt is predicted to peak at $19.5m in 2021-22. The net loan balance outstanding as at 30 June 2018 is $12.6m and should reduce to $11.0m by 30 June 2028.
- Based on the LTFP, a cash advance facility will be required in 2018-19 for $100k.
- An internal loan (funded from the CWMS operations reserve) of $7.8m will be required to ensure Council's general operations meet financial sustainability indicators, no interest is charged as funding is for all Council services.
- There is a scheduled balloon payment for $3.1m on an existing loan in the year 2024-25 at which time Council will assess its loan requirements and re-finance as needed.

Key Performance Indicators

- Council has established targets for the Key Performance Indicators (KPI) 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 2018-19 to 2022-23 are in surplus.
- KPI No. 2 - Operating surplus ratios. Council's expected forecast results are within the target range of -2% to 10%.
- KPI - No. 6 - The target is being met over the ten year period the average being 83%. For three years in this review the ratio is below the minimum rate from 68% to 74%. A selection of TBP builds will upgrade and replace a considerable amount of existing assets; these works will need to be identified and then re-assigned as appropriate to renewal works which will improve this ratio. Planned expenditure from the IAMP for the major asset classes has been used along with updated data for remaining lives on selected asset replacements.
- All other KPI 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 pages.
- 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 with the inclusion of TBP grant funding and loan financing, Council has the capacity to undertake TBP asset construction, operational costs and other minor additional projects. Consideration of other major works in future years will require a review of the LTFP to check financial sustainability.

Financial Sustainability

The Barossa Council is committed to the principles of financial sustainability. The importance of this 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 maintenance and renewal of such assets to ensure it is fairly and equitably funded from current ratepayers (general rate income) and future ratepayers (long term loan borrowings).

Given the importance of ensuring financial sustainability of operations in the longer term, it is a legislative requirement that Council 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 financing and internal cash reserves. Council conducts an annual review of its Long Term Financial Plan each year.

During 2016-17 the 'high-level' Infrastructure and Asset Management Plans have been reviewed and approved by Council. The plans outline a scheduled improvement process to further develop and enhance them to a more comprehensive and detailed level over a four year period.

The financial sustainability of Council is measured by the surplus/deficit (before capital revenues) disclosed in the Income Statement; with a consistent breakeven or operating surplus result indicative of a Council that is financially sustainable in the long term. Other financial sustainability indicators are separately included within this report.

How We Plan To Pay For It All

Council uses a mix of service, user and statutory charges, grants, commercial and other income as a means of funding both operating and capital expenditure.

To assist in keeping rates affordable, Council is limiting general rates income to an increase per annum to provide required service levels to the community over the life of this plan. Annual indexation around 2.5% plus an allowance for annual growth in development expected at 1.0% keeps the increases in rates during this LTFP relatively low.

Council is planning to spend an average of $12.7m per annum (including indexation and TBP) on capital projects and an average of $33.4m per annum on day to day essential services (operational expenditure, excluding interest and depreciation but including indexation) over the next 10 years.

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

A1 Consolidated Results: Key Performance Indicators and Financial Parameters		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
OB = Original Budget; LTFP = Long Term Financial Plan		**Budget**	**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	Adopted target										
KPI 1 - Operating Surplus cumulative forward 5 year period*	**Surplus year 5**	82	1,209	1,931	2,365	2,407					
KPI 2 - Operating Surplus Ratio - Rolling 3 year	**(2%) to 10%**	3.1%	1.5%	1.6%	1.9%	1.0%	0.6%	0.7%	1.1%	1.1%	1.2%
KPI 4 - Net Financial Liabilities ratio	**0-100%**	38.5%	40.4%	48.2%	47.7%	39.7%	33.4%	30.6%	26.5%	24.0%	20.7%
KPI 6 - Asset Sustainability Ratio - Rolling 3 year	**80% to 110%**	72.5%	72.8%	70.9%	80.4%	85.0%	88.0%	84.1%	84.8%	86.6%	87.4%
Financial parameters - Indexation											
RATE REVENUE INCREASES											
General - Rate Revenue Increase Net (excl growth)		2.35%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Natural growth - Development		1.20%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
CWMS - Rate Revenue Increase (excl growth)		2.48%	2.50%	2.50%	2.75%	2.50%	2.75%	2.50%	2.75%	2.50%	2.50%
Waste Services- Rate Revenue Increase (excl growth)		(12.9%)	2.50%	2.50%	2.50%	2.50%	2.25%	2.25%	2.25%	2.25%	2.25%
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		1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
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		2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Contracts, Materials & Other		2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Energy Costs		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		5.2%	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%
Asset Renewal Expenditure Increments											
Infrastructure renewal increments		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Office fleet vehicles		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
*** 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 Income	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Budget	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
REVENUES										
Rates	30,122	31,329	32,425	33,567	34,742	35,960	37,213	38,518	39,861	41,250
Statutory Charges	674	688	702	716	730	745	759	775	790	806
User Charges	3,078	3,061	3,147	3,247	3,313	3,380	3,449	3,519	3,591	3,664
Grants, subsidies and contributions	1,845	2,573	2,618	2,664	2,710	2,758	2,807	2,857	2,908	2,959
Investment Income	238	138	140	143	148	196	215	154	157	160
Reimbursements	215	219	223	228	232	237	242	247	252	257
Other Income	1,016	1,010	1,040	1,069	1,099	1,128	1,156	1,184	1,211	1,237
Net Gain - Joint Venture	-	-	-	-	-	-	-	-	-	-
TOTAL INCOME	37,188	39,018	40,295	41,634	42,974	44,404	45,841	47,254	48,770	50,333
EXPENSES										
Employee Costs	13,445	13,923	14,439	15,045	15,560	16,093	16,644	17,214	17,804	18,415
Materials, Contracts & Other expenses	15,444	15,265	15,947	16,310	17,124	17,516	18,024	18,714	19,422	19,774
Depreciation, Amortisation & Impairment	7,362	7,934	8,349	8,843	9,227	9,519	9,838	10,156	10,499	10,853
Finance Costs	855	769	838	1,002	1,021	942	766	616	576	546
Net Gain - Joint Venture	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	37,106	37,891	39,573	41,200	42,932	44,070	45,272	46,700	48,301	49,588
OPERATING SURPLUS / (DEFICIT)	82	1,127	722	434	42	334	569	554	469	745
Asset disposal & fair value adjustments	(51)	(486)	(564)	(749)	(445)	(512)	(523)	(544)	(640)	(665)
Amounts specifically for new or upgraded assets	4,721	5,374	7,327	3,429	50	50	50	50	50	50
Physical Resources received free of charge	282	1,917	2,020	2,144	2,233	2,292	2,355	2,424	2,494	2,569
Operating result from discontinued operations										
NET SURPLUS / (DEFICIT)	5,034	7,932	9,505	5,258	1,880	2,164	2,451	2,484	2,373	2,699

A2-2 Consolidated Results: Budgeted Statement of Financial Position	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Budget	**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	65	814	1,398	1,701	3,178	4,142	1,786	2,522	2,724	3,342
Trade & other receivables	3,123	3,123	3,123	3,123	3,123	3,123	3,123	3,123	3,123	3,123
Other financial assets	-	-	-	-	-	-	-	-	-	-
Inventories	116	116	116	116	116	116	116	116	116	116
	3,304	4,053	4,637	4,940	6,417	7,381	5,025	5,761	5,963	6,581
Non-Current Assets held for Sale	-	-	-	-	-	-	-	-	-	-
Total Current Assets	3,304	4,053	4,637	4,940	6,417	7,381	5,025	5,761	5,963	6,581
Non-Current Assets										
Financial Assets	827	794	757	720	683	646	609	572	535	498
Equity accounted investments in Council businesses	1,656	1,656	1,656	1,656	1,656	1,656	1,656	1,656	1,656	1,656
Infrastructure, Property, Plant & Equipment	368,436	386,813	409,364	424,832	433,951	443,978	455,276	466,653	478,769	490,925
Other Non-Current Assets	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	370,919	389,263	411,777	427,208	436,290	446,280	457,541	468,881	480,960	493,079
TOTAL ASSETS	374,223	393,316	416,414	432,148	442,707	453,661	462,566	474,642	486,923	499,660
LIABILITIES										
Current Liabilities										
Trade & Other Payables	2,912	2,912	2,912	2,912	2,912	2,912	2,912	2,912	2,912	2,912
Borrowings	1,821	1,825	1,546	1,091	1,150	3,715	802	626	645	544
Provisions	2,177	2,182	2,188	2,193	2,199	2,204	2,210	2,216	2,223	2,229
Total Current Liabilities	6,910	6,919	6,646	6,196	6,261	8,831	5,924	5,754	5,780	5,685
Non-Current Liabilities										
Borrowings (External)	10,676	12,824	17,336	18,473	17,064	13,163	12,286	11,660	11,015	10,471
Provisions	737	737	737	737	737	737	737	737	737	737
Total Non-Current Liabilities	11,413	13,561	18,073	19,210	17,801	13,900	13,023	12,397	11,752	11,208
TOTAL LIABILITIES	18,323	20,480	24,719	25,406	24,062	22,731	18,947	18,151	17,532	16,893
NET ASSETS	355,900	372,836	391,695	406,742	418,645	430,930	443,619	456,491	469,391	482,767
EQUITY										
Accumulated Surplus	77,087	84,591	93,636	97,829	98,360	100,048	103,042	105,554	108,299	111,321
Asset Revaluation Reserve	269,261	278,266	287,622	297,410	307,435	317,556	327,797	338,187	348,717	359,394
Other Reserves	9,552	9,979	10,437	11,503	12,850	13,326	12,780	12,750	12,375	12,052
TOTAL EQUITY	355,900	372,836	391,695	406,742	418,645	430,930	443,619	456,491	469,391	482,767

A2-3 Consolidated Results: Budgeted Statement of Cash Flows	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Budget	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**
	$ '000	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts:										
Operating receipts	36,950	38,879	40,155	41,491	42,826	44,208	45,626	47,099	48,611	50,173
Investment receipts	238	138	140	143	148	196	215	154	157	160
Payments:										
LandFill rehabilitation expense	(200)	0	0	0	0	0	0	0	0	0
Operating payments to suppliers & employees	(28,890)	(29,184)	(30,381)	(31,350)	(32,679)	(33,604)	(34,663)	(35,922)	(37,220)	(38,182)
Finance payments	(855)	(769)	(838)	(1,002)	(1,021)	(942)	(767)	(616)	(576)	(546)
Net cash provided by (or used in) Operating Activities	7,243	9,064	9,076	9,282	9,274	9,858	10,411	10,715	10,972	11,605
CASH FLOW FROM INVESTING ACTIVITIES										
Receipts:										
Amounts specifically for new or upgraded assets	3,345	5,374	7,327	3,429	50	50	50	50	50	50
Sale of replaced assets	346	436	544	704	801	708	739	749	759	769
Sale of Surplus assets	389	0	0	0	0	0	0	0	0	0
Net Return of Investment securities	0	0	0	0	0	0	0	0	0	0
Community Store Shares	0	0	0	0	0	0	0	0	0	0
Repayment of loans by community groups	33	32	37	37	37	37	37	37	37	37
Payments:										
Expenditure on renewal/replacement of assets	(4,472)	(4,819)	(5,886)	(7,508)	(6,724)	(7,385)	(8,261)	(7,710)	(8,487)	(8,690)
Expenditure on new/upgraded assets	(14,977)	(11,492)	(14,746)	(6,324)	(610)	(969)	(1,542)	(2,303)	(2,503)	(2,508)
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	(15,336)	(10,469)	(12,724)	(9,662)	(6,446)	(7,559)	(8,977)	(9,177)	(10,144)	(10,342)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts:										
Proceeds from borrowings	1,850	4,174	6,277	2,449	0	0	0	0	0	0
Receipt of Funds from Finance Leases	0	0	0	0	0	0	0	0	0	0
Proceeds from Bonds and Deposits	0	0	0	0	0	0	0	0	0	0
Proceeds from internal borrowings (NCPA)	0	0	0	0	0	0	0	0	0	0
Proceeds from internal borrowings (CWMS)	3,380	430	400	950	510	600	1,480	0	0	0
Payments:										
Repayment of borrowings	(1,943)	(2,020)	(2,045)	(1,766)	(1,351)	(1,335)	(3,790)	(802)	(626)	(645)
Repayment of Finance Lease	0	0	0	0	0	0	0	0	0	0
Repayment of Bonds and Deposits	0	0	0	0	0	0	0	0	0	0
Repayment of internal borrowings (CWMS)	(3,380)	(430)	(400)	(950)	(510)	(600)	(1,480)	0	0	0
Repayment of internal borrowings (NCPA)	0	0	0	0	0	0	0	0	0	0
Net cash provided by (or used in) Financing Activities	(93)	2,154	4,232	683	(1,351)	(1,335)	(3,790)	(802)	(626)	(645)
Net Increase/(Decrease) in Cash held	(8,186)	749	584	303	1,477	964	(2,356)	736	202	618
Cash at beginning of period	8,251	65	814	1,398	1,701	3,178	4,142	1,786	2,522	2,724
CASH AT END OF PERIOD	65	814	1,398	1,701	3,178	4,142	1,786	2,522	2,724	3,342

A2-4 Consolidated Results: Budgeted Uniform Presentation of Finances	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Budget	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**	**LTFP**
	$ '000	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**	**$ '000**
Operating Revenues	37,188	39,018	40,295	41,634	42,974	44,404	45,841	47,254	48,770	50,333
less Operating Expenses	(37,106)	(37,891)	(39,573)	(41,200)	(42,932)	(44,070)	(45,272)	(46,700)	(48,301)	(49,588)
Operating Surplus / (Deficit)	82	1,127	722	434	42	334	569	554	469	745
***less* Net outlays on existing Assets**										
Capital expenditure on renewal and replacement of existing assets	4,472	4,819	5,886	7,508	6,724	7,385	8,261	7,710	8,487	8,690
less Depreciation, Amortisation and Impairment	(7,362)	(7,934)	(8,349)	(8,843)	(9,227)	(9,519)	(9,838)	(10,156)	(10,499)	(10,853)
less Proceeds from Sale of Replaced Assets	(346)	(436)	(544)	(704)	(801)	(708)	(739)	(749)	(759)	(769)
	(3,236)	(3,551)	(3,007)	(2,039)	(3,304)	(2,842)	(2,316)	(3,195)	(2,771)	(2,932)
***less* Net outlays on New and Upgraded Assets**										
Capital expenditure on New and Upgraded Assets	14,977	11,492	14,746	6,324	610	969	1,542	2,303	2,503	2,508
less Amounts received specifically for New and Upgraded Assets	(3,345)	(5,374)	(7,327)	(3,429)	(50)	(50)	(50)	(50)	(50)	(50)
less Proceeds from Sale of Surplus Assets	(389)	0	0	0	0	0	0	0	0	0
	11,243	6,118	7,419	2,895	560	919	1,492	2,253	2,453	2,458
Net Lending / (Borrowing) for Financial Year	(7,925)	(1,440)	(3,690)	(422)	2,786	2,257	1,393	1,496	787	1,219

A3 Consolidated Results: Budgeted Capital Expenditure	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
	Budget	**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	269	232	236	770	758	871	1,033	1,056	1,079	1,103
Recreation	437	82	83	86	87	90	91	93	96	98
Transport - Roads & Footpaths	2,475	2,961	3,143	3,258	3,378	3,508	3,633	3,762	4,287	4,439
Stormwater, Bridges & Floodplain	120	155	0	300	300	300	300	300	300	300
CWMS	165	145	636	151	69	649	1,169	440	641	641
Equipment - Plant & Vehicles	1,007	1,244	1,788	2,943	2,132	1,967	2,035	2,059	2,084	2,109
Other Assets	0	0	0	0	0	0	0	0	0	0
	4,473	4,819	5,886	7,508	6,724	7,385	8,261	7,710	8,487	8,690
New/Upgrade Capital summary: Discretionary										
Land	0	0	0	0	0	0	0	0	0	0
Buildings (includes TBP program)	3,540	5,548	8,555	3,077	0	50	50	600	600	600
Recreation (includes TBP program)	4,409	4,070	5,070	2,570	70	70	70	70	70	70
Transport - Roads & Footpaths	4,193	148	151	155	158	161	167	171	175	180
Stormwater, Bridges & Floodplain	2,062	925	701	320	330	250	250	250	250	250
CWMS	1,034	1,096	579	527	389	788	1,373	1,603	1,821	1,845
Equipment - Plant & Vehicles	20	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
	15,258	11,787	15,056	6,649	947	1,319	1,910	2,694	2,916	2,945
Total Capital Expenditure	19,731	16,606	20,942	14,157	7,671	8,704	10,171	10,404	11,403	11,635
Note: includes internal allocations & CWMS donated assets										