



The Barossa Council

Annual Budget and Business Plan – Draft for Consultation 2020/21

*Incorporating the annual review of the
Long Term Financial Plan – 2020/21 to 2029/30*

Version	Status	Date
Version 1.0	Draft for Council adoption for Public Consultation	7 June 2020
Version 1.1	Final Draft for Public Consultation	12 June 2020

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:

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barossa@barossa.sa.gov.au

Public Consultation

Due to COVID-19 restrictions a public meeting for budget consultation will not be held. Anyone who wishes to make a submission can give feedback via Council's engagement platform at yoursay.barossa.sa.gov.au, via Facebook facebook.com/thebarossacouncil, via email barossa@barossa.sa.gov.au, or in writing (PO Box 867, Nuriootpa SA 5355) from 17 June to 7 July 2020.

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From the Mayor

COVID-19 has to headline this year's budget. After the impact of drought, the community has also been impacted by the Pandemic. Council continues to monitor and assess data as to the impacts. Initial response included deferral of rate payments and recently the announcement of the Recovery Plan which contains \$0.46M additional spending on targeted programs, additional deferral of rates and other measures.

This budget has a modest increase in general rate revenue of 1.5% but also targeted rebates (by application) for those impacted by COVID-19. The increase is less than CPI and is to ensure a sustainable Council and a position that Council can provide further stimulus which is most likely going to be required. Further, Council is likely to extend the ability to defer rate payments.

Importantly, Council is also factoring in acceleration of work on transport and freight route assets and 'The Big Project' in anticipation of stimulus grants from Commonwealth and State Government. We are investment ready. The capital program of some \$26.5M is by far the largest in a decade, but does require the achievement of grants. Council has selected to have these programs in the budget to show we are investment ready and sustainable.

As a part of Council's responsibilities we have challenging policy and implementation issues ahead in the next 12 months. Most notably the largest reform in land use and planning system for 25 years, the implementation of the new planning laws and systems. The new Landscape Act which will be another challenge and Local Government reform, whilst slowed at this time due to COVID-19, is still on the table.

Council is currently reviewing its strategic plans including the Community and Corporate Plan, Asset Management Plan and Regional Health Plan. Further, Council has committed to reviewing service levels as part of the impact of COVID-19 and putting under the microscope our services to determine if we are over servicing. This work runs hand in hand with the ongoing internal reform program searching for efficiencies, savings, and better customer outcomes and modernising how we do our business.

With these factors in mind, the Elected Members and Council Officers have developed a budget that strikes a balance between implementing existing levels of service, addressing improvements for internal efficiencies, delivering on 'The Big Project' high priorities and being ready to provide further support for COVID-19 recovery.

Council is pleased to present its completed Annual Budget and Business Plan 2020/21.

Significant changes and highlights in this year's budget including investment in key infrastructure and services:

- Provision over four years for final agreed high priority projects of 'The Big Project' - subject to final prioritisation, costing and successful grant and third party funding contributions,
- \$0.9m for resheeting of existing rural roads;
- \$4.6M for road resealing and upgraded freight route projects (some are subject to obtaining grant funding),
- \$0.9M for stormwater projects,
- Upgrades to wastewater treatment plants of \$0.9M,
- \$1.8M for footpath and extension of Barossa Trail into Gawler (some projects are subject to grant applications),
- Bridge upgrades at Jane Place Tanunda, Smyth Road and if successful with a grant application, Stockwell Road,
- Completion of works at Nuriootpa Recreation Park - Multiuse Change Rooms,
- \$2.8M in Angas Recreation Park upgrades.

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

Mayor Bim Lange

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.

The traditional custodians of the Barossa region are the Peramangk, Ngadjuri and Kaurna Nations. 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 from 1839, with settlers mainly originating from England and Scotland. From 1842 Lutheran settlers from Prussia and Silesia arrived through the sponsorship of George Fife Angas and aid of Pastor August Kavel, to escape religious persecution. The early townships of the region were quickly established, 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, bike tracks and historical points of interest. The rich pastoral lands of the Barossa Range and 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 conservation parks, provides many recreational opportunities. The tourism industry continues to grow and has become a major focus for the continued development of the region.

Distance of Principal Office from Adelaide CBD	80km
Area of Council	893.5km²
Number of Rateable Assessments	13,007
Number of Non Rateable Assessments	539

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:

barossa.sa.gov.au

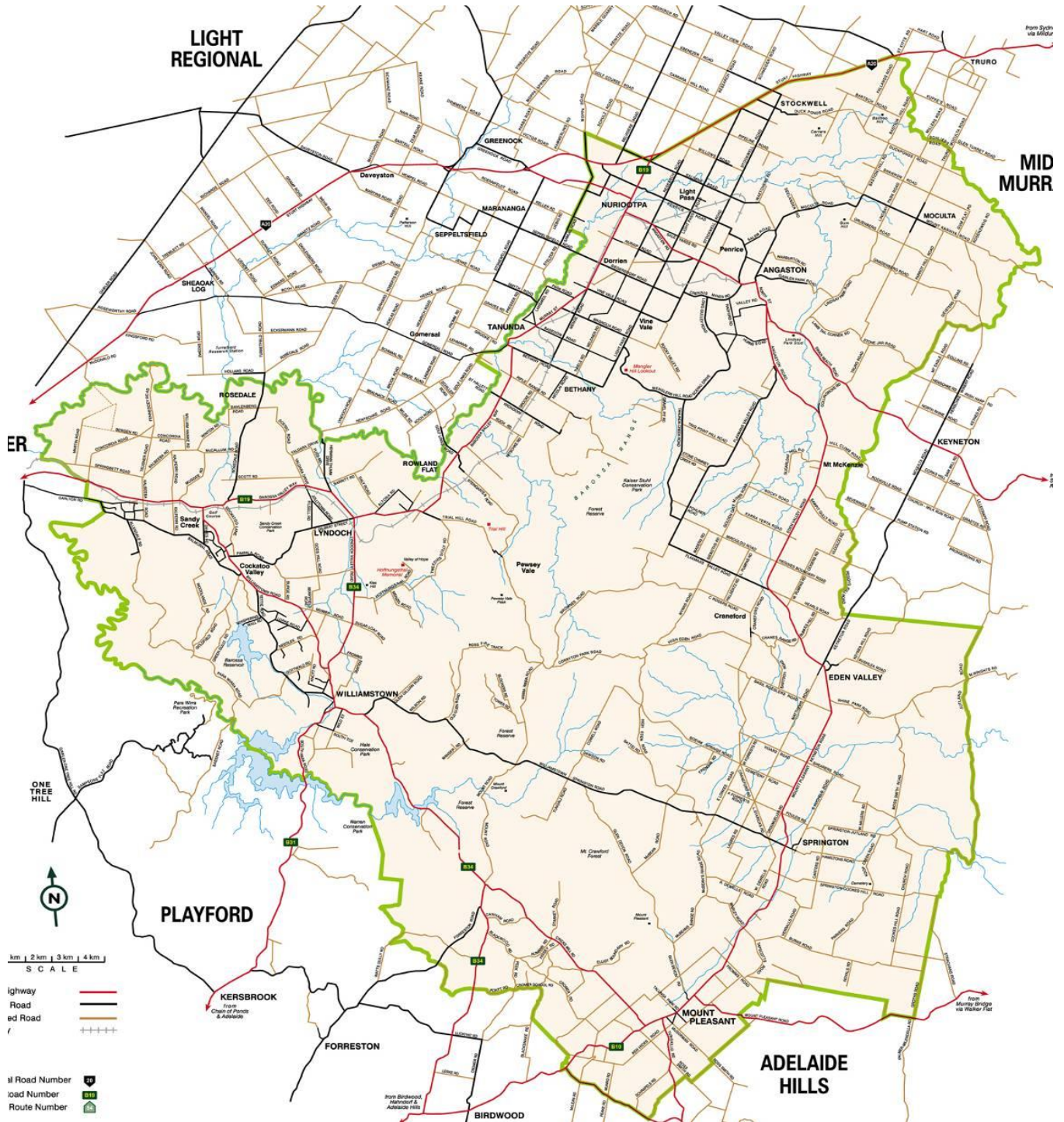
Email:

barossa@barossa.sa.gov.au

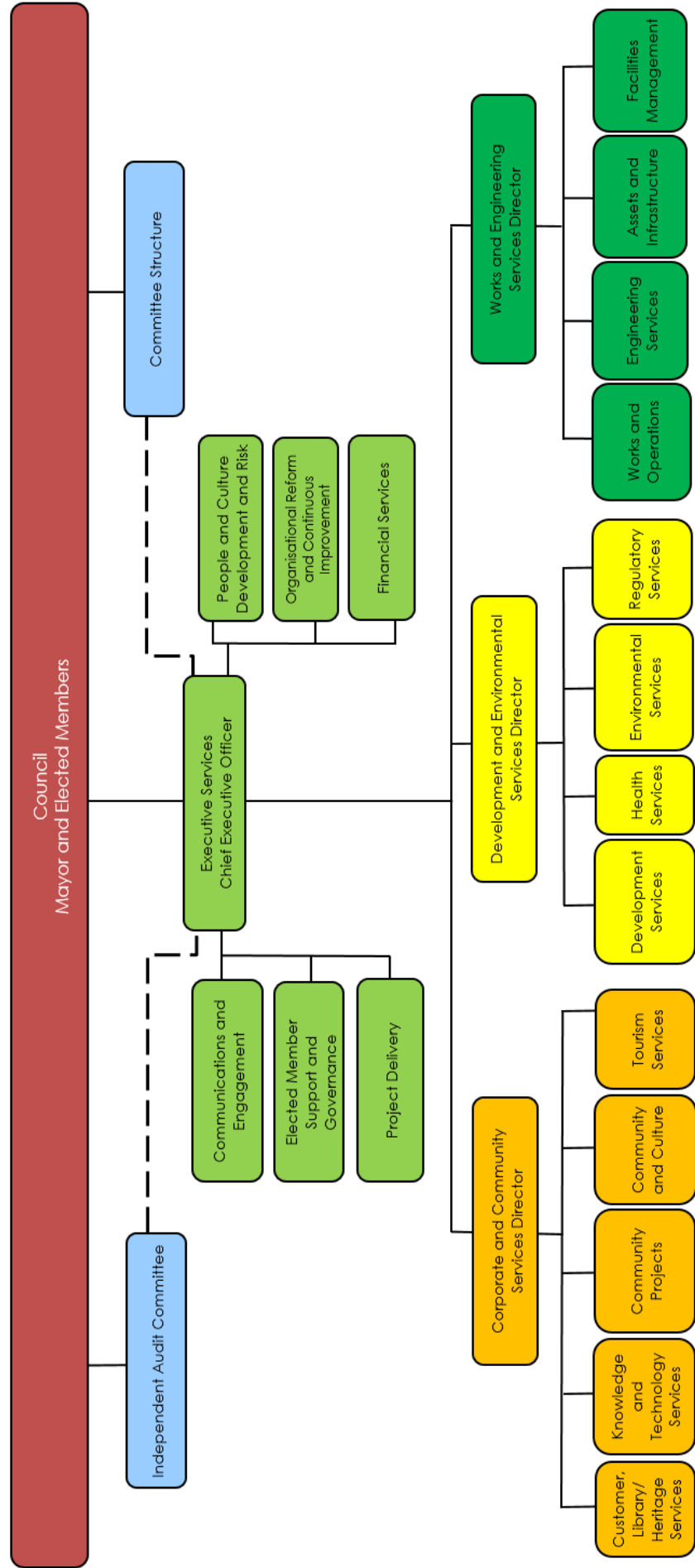
Localities in The Barossa Council

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

2020/21 Budget at a Glance:

Net Rate Revenue	\$32.3m
Other Operating Revenue	\$ 7.5m
Operating Expenditure	\$39.5m
Capital Income	\$ 8.5m
Capital Expenditure	\$26.5m
Loan Financing	\$ 9.7m

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 \$394m of 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. Refer to the section Financial Sustainability for details for this plans expected results.

2020/21 Rate Revenue and Service charges:

General Rate Revenue	increase	1.5%
Refuse and Recycling	increase	10.6%
CWMS	increase	2.1%

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 1.6% and the general Consumer Price Index for Adelaide all groups is 2.4% as at March 2019,
- 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 **\$26.8m** (including Donated Assets **\$286k** and carried forward works from previous year of **\$1.6m**), some projects are subject to successful grant applications, including **\$7.4m** on transport assets for resealing and resheeting of roads, replacement footpaths (kerb and water table), drainage and bridge works **\$2m** and Community Waste Water Management Systems (CWMS) **\$1.2m** (including vehicles),
- Expenditure of **\$278k** for renewal works on various buildings and structures,
- Provision over the next four years of selected projects with The Big Projects (TBP), subject to costing and successful grant and third party funding contributions. TBP selected Building and Recreation allocation during 2020/21 at \$10.9m.



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 2020/21 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	2020/21 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	2020/21 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	2020/21 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	2020/21 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.	+ ●

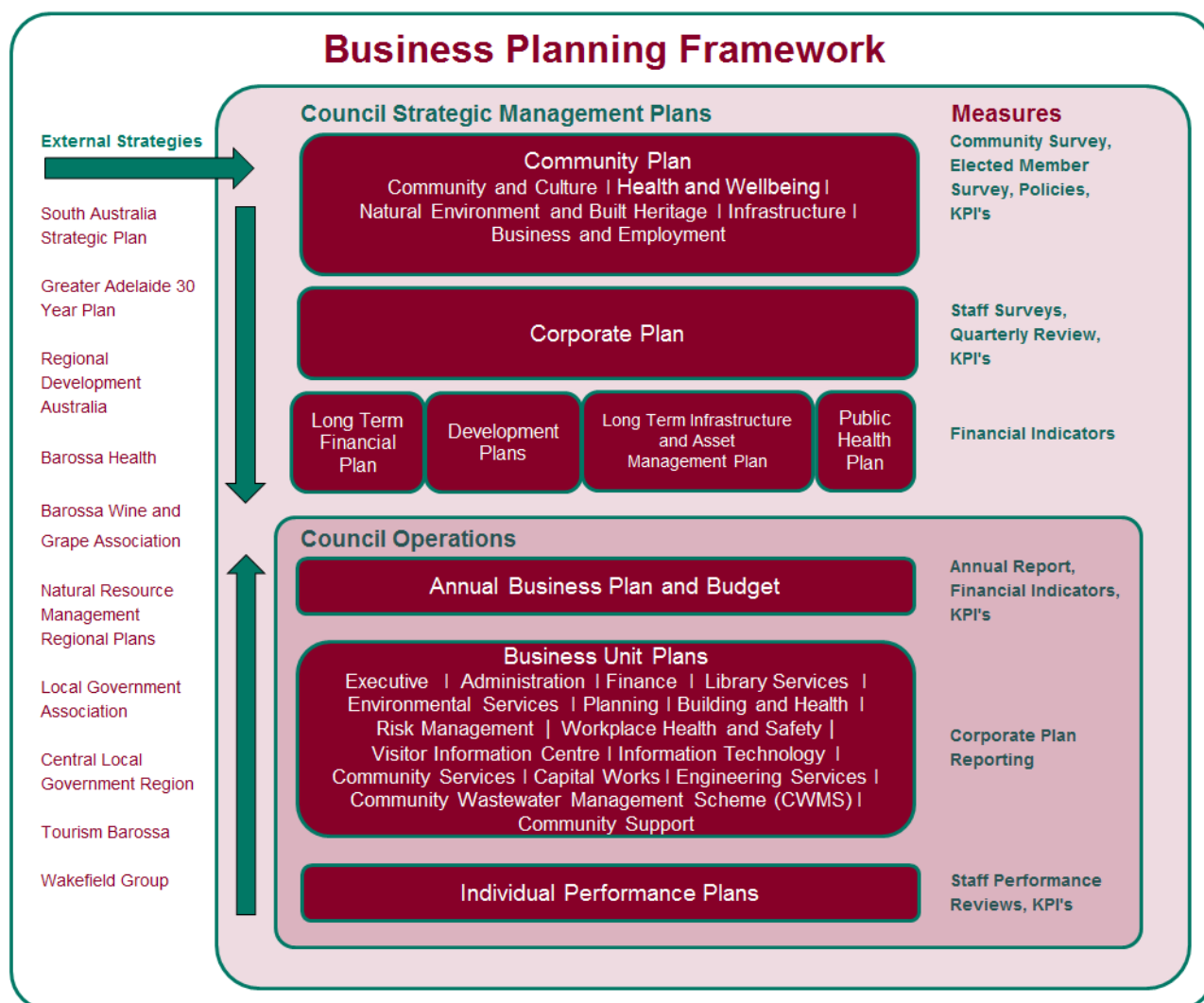
Strategy	2020/21 Activity
Work closely with State Government, Federal Government and stakeholders to support economic growth and development.	■ + ★ ●
Support industry accreditation and reward programs.	●
Help build the capacity of the tourism sector and encourage the development of tourist services, including eco and recreational tourism infrastructure.	■ ●
Attract investment for new and innovative industries, such as creative industries and cultural tourism.	●
Support education and training programs that directly respond to work-force gaps and innovation.	●
Participate in main-street programs that strengthen the retail and hospitality sector.	●
Collaborate with industry leaders to ensure informed decision making and Council representation in relation to economic growth, planning and development.	●
Ensure advice and support for small business is available.	+ ●
Advocate for transport infrastructure and services that support local industry.	★
Drive support of economic development through a coordinated local economic development strategy and enabling land use policy.	■ +
Facilitate business growth by supporting local industry and their capacity to compete for Government contracts.	■ ●
Plan for, identify and protect land for business opportunities.	■ +
Support economic development through events.	+ ●



The Business Planning Framework

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

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



Joint Ventures and Associated Entities

Nuriootpa Centennial Park Authority

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

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

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

The projected 2020/21 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 \$11,213 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 \$28,683 is included for the operational and maintenance subscription. Council has a share in the Net Assets \$2,204,245 as at 30 June 2019. 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 2020/21

The following outlines the service provision provided by The Barossa Council for 2020/21:

Executive Services

Australia Day Awards, Business Excellence and Organisational Development, Citizenship Ceremonies, Economic Development, Executive Support and Management, Advocacy, Governance, Strategic and Operational Financial Management, Rating Services, Internal Financial Control, Taxation Management, Payroll, Creditor and Debtor Management, 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, Enforcement and Compliance Matters, 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, General Administration, Advocacy, Governance, Knowledge Management and Technology, Strategic Planning and Management of Community Buildings and Recreational Facilities, including The Big Project, 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, Event Support.

Works and Engineering Services

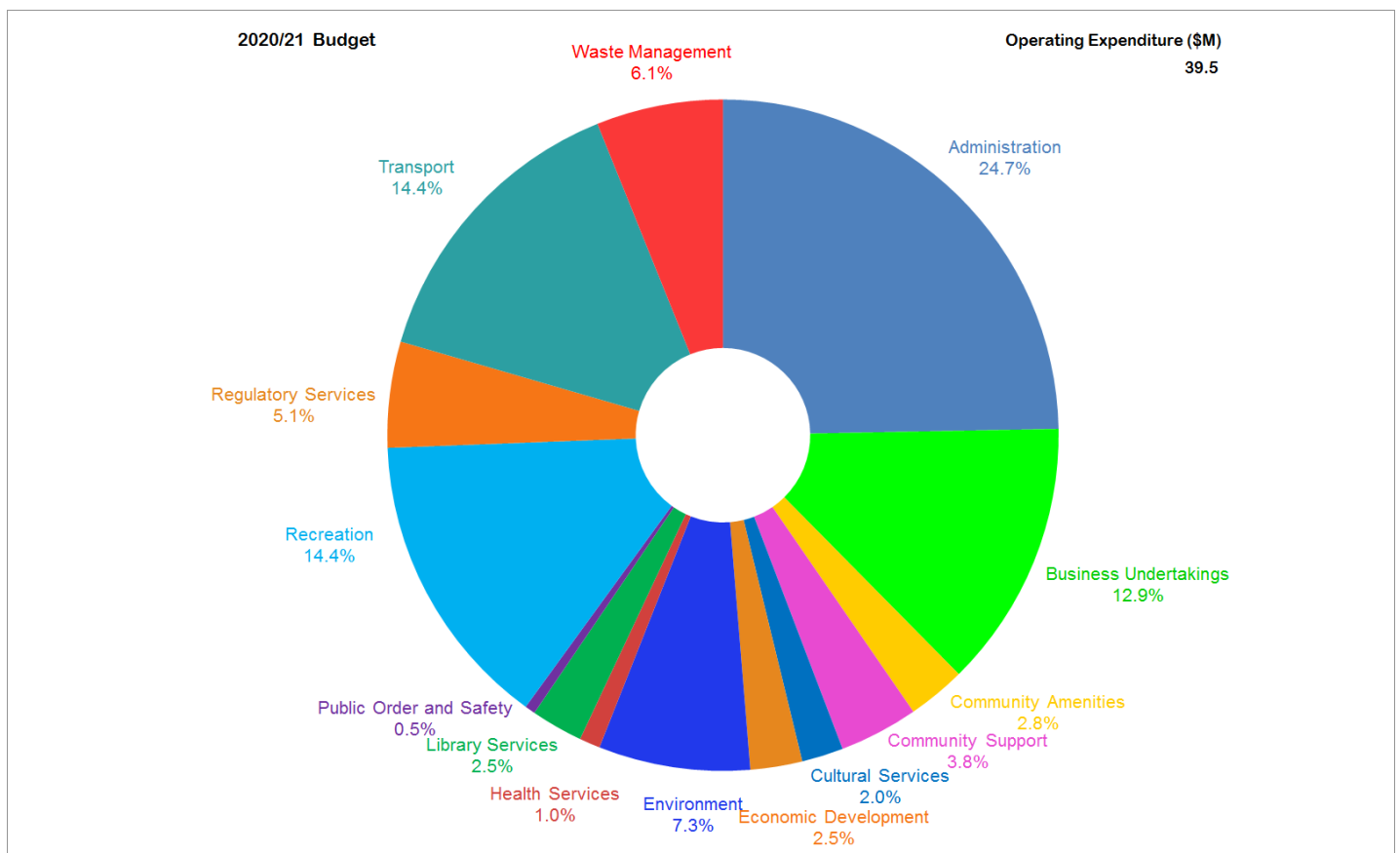
Building Asset Construction and Maintenance, Bridge Construction and Maintenance, Cemetery Management, Unmade Public Road Management, Road Closure Management and Approvals, Community Wastewater Management System Construction Operations and Maintenance, Treated Water Reuse Distribution System Construction, General Operations and Maintenance, Open Space Construction 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 and Maintenance, Engineering Development Assessment, Facilities (Buildings) Management.

Operating Expenditure in Support Of Service Provision for 2020/21

The following graph shows operating expenditure for the 2020/21 year by the following functions in support of the provision of the services outlined. (Full Cost Attribution has not yet been applied to this version. These costs are mainly included in the Administration function and will be redistributed to other external service areas. This is an allocation of internal services to external services and does not affect the overall net result. It will be included in the final version of this plan for adoption after Public Consultation.)

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



Administration costs are incurred in direct support of delivery of all services.

Key Activities for 2020/21

Description	Community/ Corporate Plan Theme
Support implementation of the State Planning and Design Code	Natural Environment and Built Heritage
Advocate for relevant local policy as part of the new State Planning and Design Code	
Continue implementation of actions from energy audit e.g. solar and LED solutions	
Support heritage grant program	
Facilitate works and discussion on the development of the Concordia Growth Area master plan under an agreed governance framework	
Implementation of the ePlanning framework	Community and Culture
Improve customer request response times and embed Customer Service Charter	
Implement community, recreational and sport COVID-19 recovery program	
Delivery of approved The Big Project activities	
Complete review and commence implementation of library and heritage service reforms	
Support community grants program	Infrastructure
Continue support of Council's Volunteer Management coordination	
Implement 90% of targeted planned infrastructure capital program	
Delivery of approved The Big Project activities	
Pursue suitable grant funding opportunities and partnerships for the continued implementation of "The Big Project"	
Pursue suitable grant funding opportunities and partnerships for freight route, bridges and other key road, footpath and urban development projects.	Health and Wellbeing
Implement infrastructure components of the COVID-19 recovery program	
Implement infrastructure components of the Drought Communities Programme	
Complete a review of the Animal Management Plan	
Ensure effective operation of the kerbside waste collection system in line with contract arrangements	
Continue to strive to improve waste collection systems including final investigations of a hard waste system	Business and Employment
Provide or facilitate collection/disposal services for other waste streams (i.e. soft plastics, eWaste)	
Complete the review (Stage 2) of the Regional Public Health Plan	
Continue improving and implement community education programs around waste management	
Continue to identify areas of red tape reduction and implement solutions to make doing business with The Barossa Council as easy as possible (within legislative frameworks)	
Implement business and other support components of the COVID-19 recovery program including visitor accommodation	Good Governance
Continued implementation of the approved efficiency, customer service and digital future change program	
Complete review of Community Plan, Corporate Plan and Asset Management Plans	
Commence review of workforce plan	
Continued implementation of organisational culture action plans	
Advocate for legislative changes to improve efficiency of Local Government	

* 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 2020/21

Capital Program 2020/21	
<i>Disclaimer: The following capital items are subject to final approval of Council; alterations and additions to this list may occur</i>	
Description	2020/21 Budget
<i>(Items noted as 'Carried Forward' are items transferred from 2019/20 Budget)</i>	
CORPORATE & COMMUNITY SERVICES	14,633,343
Angas Recreation Park Projects	2,849,770
Barossa Regional Gallery Air Conditioning (carried forward)	89,450
Community Transport Vehicles (including 18 seater bus)	266,500
Curdnatta Recreation Park Projects (part externally funded)	141,118
Library Services - Library Books	71,800
Tanunda Recreation Park Projects Retention Monies (carried forward)	86,699
The Big Project - Phase 1 Implementation - Buildings (subject to grant funding)	7,927,999
The Big Project - Phase 1 Implementation - Recreation (subject to grant funding)	2,954,007
The Rex Disability Change Facility (subject to grant funding)	246,000
EXECUTIVE SERVICES	65,000
GIS Project	65,000
NURIOOTPA CENTENNIAL PARK AUTHORITY	87,470
Internal Roadworks	40,000
Multi-use Change Rooms (carried forward)	47,470
WORKS & ENGINEERING	11,727,448
Barossa Visitor Information Centre Carpark Resealing (project will only proceed if Council receives part funding)	430,000
Bridges	1,073,000
Building Renewal and Replacement	142,544
Cemeteries - Cemetery Beam	6,000
Community Wastewater Management System (CWMS) - including vehicle replacements (part carried forward)	932,830
Footpaths (some projects will only proceed if Council receives part funding)	1,840,661
Motor Vehicles, Plant and Equipment (part carried forward)	964,600
Nuriootpa Office/Library Airconditioning renewal program	70,000
Playground Equipment Renewal and Upgrade	90,500
Road Resheeting	922,299
Road Resealing - including Black Spot project (some projects will only proceed if Council receives part funding)	4,170,391
Stormwater	929,623
Streetscaping - Mount Pleasant Main Street Upgrade	80,000
Tanunda and Williamstown Depots Renewal	75,000
Budget Capital Total	26,513,261

Grants, Contributions and Asset Sales 2020/21	
Description	2020/21 Budget
CORPORATE & COMMUNITY SERVICES	(4,922,537)
The Big Project - Phase 1 Implementation Grant Funding	(3,507,757)
Angas Recreation Park Junior Oval/Recreation Landscaping Grant Funding	(881,000)
Angas Recreation Park Junior Oval/Recreation Landscaping Contributions	(350,000)
Curdnatta Recreation Park Tennis Courts	(17,000)
Curdnatta Recreation Park BBQ and Cricket Nets	(66,780)
The Rex Disability Change Facility	(100,000)
WORKS & ENGINEERING	(3,969,215)
Vehicle and Equipment Trade-in Sales Motor Vehicles/Plant	(412,215)
Barossa Trail extension to Gawler - PIRSA Regional Growth Fund	(336,264)
Barossa Visitor Centre Carpark resealing (Local Government Land Transport Infrastructure Project)	(430,000)
Basedow Road Tanunda (Local Government Land Transport Infrastructure Project/Special Local Roads)	(600,000)
CWMS Developer Contributions	(50,000)
MacDonnell Street Tanunda (Local Government Land Transport Infrastructure Project)	(125,000)
Open Space Developer Contributions	(142,736)
Region Wide Footpath Program (Local Government Land Transport Infrastructure Project)	(500,000)
Stockwell and Penrice Road Intersection - Black Spot Funding	(560,000)
Stockwell Bridge widening (Bridges Renewal Round 5/Local Government Land Transport Infrastructure Project)	(813,000)
Grand Total	(8,891,752)



Funding Our Activities

Council is budgeting expenditure of \$60m in 2020/21 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 decrease from the 2019/20 third quarter Budget Update* of \$39.3m to \$39.7m – an increase of 1%. Recurrent revenue streams of Council are:

\$m	%	Type	Description
32.2	79.835%	General Rates and Service Charges	General rates on properties as well as service rates (i.e. sewerage and refuse/recycling rates)
3.1	6.640%	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
2.9	7.572%	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
0.8	4.202%	Investment, Reimbursements and Other Income	Interest received on Council's internal cash reserves and deposits, Reimbursements for work undertaken and Other Income`
0.7	1.751%	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 remain the same as the 2019/20 third quarter Budget Update* of \$38.6m to \$39.5m – an increase of 2.5%. 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
16.80	42.74%	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
14.10	35.51%	Employee Costs	All labour related expenses such as wages and salaries, and on-costs such as allowances, leave entitlements and employer superannuation
8.00	19.87%	Depreciation	Annual consumption of Council's fixed assets (e.g. infrastructure, equipment, buildings, etc) over their useful lives
0.60	1.88%	Finance Costs	Costs of financing Council's activities through borrowings or other types of financial accommodation

* Third quarter Budget update, adopted by Council in May 2020 plus any material financial information received since that time has been included.





Implications for Our Rates

Council plans to raise a net sum of **\$27.2m** from general rates in 2020/21 (includes projected growth of 1%, but excludes service charges and the State Landscape Board 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 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.

The indexation applied to general rate revenue in this 10 year plan has been reduced from previous year LTTP increments for 2020/21 at 2.25% per annum to 1.5% plus growth is expected at 1%. The SA Local Government Price Index is 1.6% and the general Consumer Price Index Adelaide all Groups is 2.4% as at March 2020.

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 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.

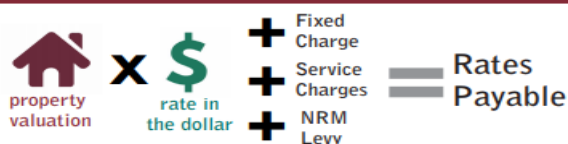
Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- 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 May 2020 was \$5,479,155,695 – an increase of 4.2% over last year, this valuation extract includes growth of 0.7%, budgeted to be 1% growth by adoption.

Local Govt. Category	Total Valuation Movement
Residential	4.17%
Commercial	7.53%
Industry - Light	2.39%
Industry - Other	-1.65%
Primary Production	4.71%
Vacant Land	0.06%
Other	3.77%

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 \$356.00 to \$360.00 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.

State Government Levies

Council collects a regional Landscape Levy on behalf of Northern and Yorke Landscape Board 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 Board.

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.

Local Government Category - Average Valuation and Differential Rate in \$

Local Gov't. Category	Year	Average Valuation \$	Differential Rate in \$	% Average Valuation Increase	% RID Change
Residential: residential dwellings, flats, units	2019/20	343,270	0.0035137		
	2020/21	354,419	0.0034890	3.25%	-0.70%
Commercial: Retail shops, professional services e.g. accounting, legal, engineering, etc.	2019/20	549,075	0.0053565		
	2020/21	571,504	0.0052710	4.08%	-1.60%
Industry – Light: Vehicle repairs, workshops	2019/20	364,416	0.0054660		
	2020/21	376,595	0.0054220	3.34%	-0.80%
Primary Production: Agriculture, livestock, horticulture, commercial forestry	2019/20	614,331	0.0032600		
	2020/21	641,297	0.0032000	4.39%	-1.84%
Vacant Land: Vacant allotments	2019/20	171,745	0.0063700		
	2020/21	177,583	0.0063250	3.40%	-0.71%
Other: Government agencies, education, public utilities	2019/20	351,358	0.0058500		
	2020/21	363,506	0.0057920	3.46%	-0.99%
Industry – Other: Wineries, manufacturing	2019/20	2,187,070	0.0161400		
	2020/21	2,269,180	0.0159080	3.75%	-1.44%
Using the annual valuation report provided by the Valuer General 16 May 2020 an average valuation calculation was prepared, removing past and new assessments along with the exclusion of 2020/21 growth from development. Individual assessments may vary from these amounts.					

Rate Remission and Relief via Payment Deferral for Ratepayers affected by COVID-19

Understanding that many ratepayers and businesses will continue to be affected directly by COVID-19 in 2020/21, Council will consider applications on a case by case basis.

Council has an existing Rates Hardship Policy; this program provides the option where an applicant meets financial hardship criteria Council can provide rate remission. It is proposed that this Policy and associated processes and forms be updated to include criteria specifically for the COVID-19 event to ensure appropriate consideration of rate remission for this impact.

Rate relief options that Council will consider includes extending the payment period without fines and interest.

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 2019/20 general rates levied by more than:

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

Rate rebate, remission, relief and capping application forms with eligibility criteria are available on-line on Council's website barossa.sa.gov.au, 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 of Human Services 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 (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 included a general rates increase of 2.25% with a further 1% from new development growth for 2020/21. The draft Annual Budget and Business Plan for 2020/21 has reduced the general rate revenue increase to 1.50% plus growth from new development. Revenue required to fund the recurrent services, activities and major works program is incorporated within the plan. For more information on the rate revenue increases please refer to the Long Term Financial Plan (LTFP) section in this document.

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

Service Charges

The adopted LTFP included an increase in 2020/21 for Waste and CWMS service charges at 10.6% and 2.1% respectively. Each service area has been reviewed to ensure cost recovery and the service charge increase is rounded to the nearest dollar.

CWMS Services

The Residential CWMS Service charge will increase by 2.1% from \$337.00 to \$344.00. The Non-Residential CWMS service rate for each of the townships is to be reduced from \$0.001177 to \$0.001153. Many Springton properties are charged a capital contribution of \$245.00 for a 15 year period. An annual service charge is increased to \$75.00 for vacant allotments in Springton and an annual service charge remains at \$110.00 for all other vacant allotments where a CWMS connection fee has been paid but no wastewater is being discharged.

The CWMS rate service charges will raise \$2,902k with other related revenue bringing the total for CWMS income to \$3,188k for 2020/21. Operating expenditure is expected to be \$3,185k, resulting in a surplus of \$3k.

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 \$932k (including carried forwards \$129k).

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

Waste Services

Overall the standard refuse and recycling collection service rate has been increased by 10.6% on 2019/20 charges from \$161.00 to \$178.00. The 140L Refuse Bin has increased by 2.8% from \$109.00 to \$112.00 and Recycling by 26.9% from \$52.00 to \$66.00.

The service charge increases are due to cost increases for collection, disposal along with increases to the State Waste Levy. In particular the recycling sorting costs have increased significantly.

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 increased by 2.2% from \$137.00 to \$140.00.

collection area. Customers who opt for this service will be charged an annual fee; for 2020/21 this has increased by 1.75% from \$57.00 to \$58.00.

The Green Organics bin is an optional residential town service within the Council's designated waste

Council rates are exempt from GST.

Rate charges \$ for Local Government Categories based on Average Valuation (see table on page 21)

Local Govt. Category	Year	General Rates	Fixed Charge	CWMS	Refuse/ Recycling	Total
Residential	2019/20	\$1,206.10	\$356.00	\$337.00	\$161.00	\$2,060.10
	2020/21	\$1,236.60	\$360.00	\$344.00	\$178.00	\$2,118.60
Commercial	2019/20	\$2,941.10	\$356.00	\$646.30	\$52.00	\$3,995.40
	2020/21	\$3,012.40	\$360.00	\$658.90	\$66.00	\$4,097.30
Industry – Light	2019/20	\$1,991.90	\$356.00	\$428.90	\$52.00	\$2,828.80
	2020/21	\$2,041.90	\$360.00	\$434.20	\$66.00	\$2,902.10
Primary Production	2019/20	\$2,002.70	\$356.00	\$0.00	\$161.00	\$2,519.70
	2020/21	\$2,052.20	\$360.00	\$0.00	\$178.00	\$2,590.20
Vacant Land	2019/20	\$1,094.00	\$356.00	\$105.00	\$0.00	\$1,555.00
	2020/21	\$1,123.20	\$360.00	\$110.00	\$0.00	\$1,593.20
Other	2019/20	\$2,055.40	\$356.00	\$0.00	\$161.00	\$2,572.40
	2020/21	\$2,105.40	\$360.00	\$0.00	\$178.00	\$2,643.40
Industry – Other	2019/20	\$35,299.30	\$356.00	\$0.00	\$52.00	\$35,707.30
	2020/21	\$36,098.10	\$360.00	\$0.00	\$66.00	\$36,524.10

Rate charges increases from last year – Average valuations and Total General Rates

Summary Rating Information	Year	Rates & Services Charges based on Average Valuation			Total General Rates	
Local Govt. Category		Total Rates (Inc. Fixed Charge)*	% Average Total Rates Increase	% General Rates Increase (inc.	General Rates	% of General Rate Revenue
Residential	2019/20	\$2,060.10			\$11,174,767	50.5%
	2020/21	\$2,118.60	2.84%	2.21%	\$11,558,456	51.1%
Commercial	2019/20	\$3,995.40			\$1,771,436	8.0%
	2020/21	\$4,097.30	2.55%	2.28%	\$1,874,473	8.3%
Industry – Light	2019/20	\$2,828.80			\$92,883	0.4%
	2020/21	\$2,902.10	2.59%	2.30%	\$94,335	0.4%
Primary Production	2019/20	\$2,519.70			\$4,377,924	19.8%
	2020/21	\$2,590.20	2.80%	2.27%	\$4,499,780	19.9%
Vacant Land	2019/20	\$1,555.00			\$639,285	2.9%
	2020/21	\$1,593.20	2.46%	2.29%	\$635,122	2.8%
Other	2019/20	\$2,572.40			\$324,699	1.5%
	2020/21	\$2,643.40	2.76%	2.24%	\$333,589	1.5%
Industry – Other	2019/20	\$35,707.30			\$3,760,004	17.0%
	2020/21	\$36,524.10	2.29%	2.25%	\$3,644,820	16.1%
Fixed charges	2019/20	Inc. above*			\$4,375,596	
	2020/21	Inc. above*		2.0%	\$4,461,840	
Total General Rate Revenue	2019/20				\$26,516,593	
	2020/21			2.2%	\$27,102,416	

2020/21 Total General Rate Revenue \$27.1m includes an increase of 1.5% and growth of 0.7% has been calculated using valuations as at 16 May 2020; the Budget General Rate Revenue is \$27.2m an increase of 1.5% and projected growth of 1%.



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 2019/20 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 2019 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 years 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 2020/21 is forecast as a surplus. The cumulative five year period is a deficit position at (\$1,352) for more information refer to LTFF section within this plan.**

Year Result Status	2017/18 Actual	2018/19 Actual	2019/20 Forecast Q3+	2020/21 Budget
	2,255	1,843	765	202
				

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 Result Status	2017/18 Actual	2018/19 Actual	2019/20 Forecast Q3+	2020/21 Budget
	5.90%	4.74%	1.90%	0.50%
				

Key Performance Indicator 3-1: 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 Result Status	2017/18 Actual	2018/19 Actual	2019/20 Forecast Q3+	2020/21 Budget
	2,603	3,833	11,618	21,005
				

Key Performance Indicator 3-2: 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 Result Status	2017/18 Actual	2018/19 Actual	2019/20 Forecast Q3+	2020/21 Budget
	7%	10%	30%	53%
				

Key Performance Indicator 4: Asset Renewal Funding 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. Infrastructure and Asset Management Plan (IAMP) required expenditure was sourced from Council's adopted plan. IAMP's are due for review in 2020/21. A substantial amount of 'Upgraded' asset work completed each year are partly renewing components of existing assets. For normal work cycles, components of these assets would need to be replaced when the depreciation or consumption of them had reduced their remaining life to zero, but as they are being upgraded to a better service level, they are effectively replacing asset components that would normally need to be replaced as/when due. The calculation to compile this ratio does not include any upgrade costs as it is not considered 'renewal/replacement'. This is then effectively understating the expenditure for asset replacement and the ratio is not then reflecting the true actual net asset renewals. 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 Result Status	2017/18 Actual	2018/19 Actual	2019/20 Forecast Q3+	2020/21 Budget
	373%	443%	94%	102%
				



Non-Financial 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%
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%



Budgeted Financial Statements 2020/21

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 2020:

- **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 2019 Model Financial Statements.

Statement of Comprehensive Income

for the year ending 30 June 2021

	2019/20 Original Budget (\$'000)	2019/20 Revised Budget* (\$'000)	2020/21 Budget (\$'000)
Income			
Rates	31,371	31,407	32,237
Statutory Charges	681	689	716
User Charges	2,971	2,612	3,085
Grants, Subsidies and Contributions	2,167	2,979	2,901
Investment Income	353	303	68
Reimbursements	52	53	48
Other Income	862	1,297	676
Net Gain – Joint Ventures and Associates	0	0	0
TOTAL REVENUES	38,457	39,340	39,731
Expenses			
Employee Costs	13,698	13,699	14,055
Materials, Contracts and Other Expenses	15,634	16,488	16,806
Depreciation, Amortisation and Impairment	7,664	7,664	8,032
Finance Costs	741	724	636
Net Loss – Joint Ventures and Associations	0	0	0
TOTAL EXPENSES	37,737	38,575	39,529
Operating Surplus / (Deficit)	720	765	202
Asset Disposal & Fair Value Adjustments	(744)	(745)	(897)
Amounts Received Specifically for New or Upgraded Assets	5,195	2,482	8,480
Physical Resources Received Free of Charge	294	294	287
Net Surplus / (Deficit)	5,465	2,796	8,072
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	5,465	2,796	8,072

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2020 meeting and material financial information received since that time has been included.

Statement of Financial Position

for the year ending 30 June 2021

	2019/20 Original Budget (\$'000)	2019/20 Revised Budget* (\$'000)	2020/21 Revised Budget* (\$'000)
Assets			
Current Assets			
Cash and Cash Equivalents	1,469	1,581	1,543
Trade and Other Receivables	2,872	4,274	2,773
Other Financial Assets	0	0	0
Inventories	255	224	224
Subtotal	4,596	6,079	4,540
Non-Current Assets Held for Sale	0	0	0
Total Current Assets	4,596	6,079	4,540
Non-current Assets			
Financial Assets	716	871	798
Equity Accounted Investments in Council	1,669	2,271	2,271
Infrastructure, Property, Plant and Equipment	384,967	394,027	414,505
Other Non-Current Assets	0	0	0
Total Non-current Assets	387,352	397,169	417,574
Total Assets	391,948	403,248	422,114
Liabilities			
Current Liabilities			
Trade and Other payables	3,183	2,977	2,978
Borrowings	2,040	3,414	4,600
Provisions	2,255	2,554	2,543
Total Current Liabilities	7,478	8,945	10,121
Non-Current Liabilities			
Borrowings	12,955	8,576	15,175
Provisions	808	824	824
Total Non-current Liabilities	13,763	9,400	15,999
Total Liabilities	21,241	18,345	26,120
Net Assets	370,707	384,903	395,994
Equity			
Accumulated Surplus	83,250	83,167	91,045
Asset Revaluation Reserve	277,475	290,234	293,253
Other Reserves	9,982	11,502	11,696
Total Equity	370,707	384,903	395,994

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2020 meeting and material financial information received since that time has been included.

Statement of Changes in Equity

as at 30 June 2020

	Accumulated Surplus (\$'000)	Asset Revaluation Reserve (\$'000)	Other Reserves (\$'000)	Total Equity (\$'000)
Balance at end of previous reporting period 30 June 2020 (Original Budget 2019/20)	83,250	277,475	9,982	370,707
Restated opening balance (2018/19 Revised Budget)	83,167	290,234	11,502	384,903
Net Surplus / (Deficit) for year	8,072			8,072
Other Comprehensive Income	0	0	0	0
Gain on revaluation of infrastructure, property, plant and equipment	0	3,019	0	3,019
Transfer to accumulated surplus on sale of infrastructure, property, plant and equipment	0			0
Transfer between reserves	(194)	0	194	0
Balance at the End of Period	91,045	293,253	11,696	395,994

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2020 meeting and material financial information received since that time has been included.

Statement of Cash Flows

for the year ending 30 June 2021

	2019/20 Original Budget (\$'000)	2019/20 Revised Budget* (\$'000)	2020/21 Revised Budget* (\$'000)
Cash Flows from Operating Activities			
Receipts			
Operating Receipts	38,103	37,538	41,163
Investment Receipts	353	302	68
Payments			
Operating payments to Suppliers and Employees	(29,331)	(30,187)	(30,872)
LandFill rehabilitation expense	(310)	(416)	0
Finance Payments	(741)	(724)	(636)
Net Cash Provided by (or Used in) Operating Activities	8,074	6,513	9,723
Cash Flows from Investing Activities			
Receipts			
Amounts Specifically for New or Upgraded Assets	5,194	1,298	8,480
Sale of Replaced Assets	305	168	412
Repayments of Loans by Community Groups	72	72	74
Payments			
Expenditure on Renewal / Replacement of Assets	(6,139)	(5,847)	(7,170)
Expenditure on New / Upgraded Assets	(12,700)	(13,018)	(19,343)
Net Cash Provided by (or Used in) Investing Activities	(13,268)	(17,327)	(17,547)
Cash Flows from Financing Activities			
Receipts			
Loans Received	4,500	2,500	9,700
Proceeds from Internal Borrowings	3,530	8,030	2,000
Payments			
Repayments of Borrowings	(1,917)	(2,917)	(1,899)
Repayment Lease Liabilities	0	(5)	(15)
Repayment of Internal Borrowings	(3,530)	(8,030)	(2,000)
Net Cash Provided by (or Used in) Financing Activities	2,583	(422)	7,786
Net Increase / (Decrease) in Cash Held	(2,611)	(11,236)	(38)
Cash and Cash Equivalents at Beginning of Period	4,080	12,817	1,581
Cash and Cash Equivalents at End of Period	1,469	1,581	1,543

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2020 meeting and material financial information received since that time has been included.

Uniform Presentation of Finances

for the year ending 30 June 2021

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.

	2019/20 Original Budget (\$'000)	2019/20 Revised Budget* (\$'000)	2020/21 Revised Budget* (\$'000)
Income	38,457	39,340	39,731
Less Expenses	(37,737)	(38,575)	(39,529)
Operating Surplus / (Deficit)	720	765	202
Less Net Outlays on Existing Assets			
Capital Expenditure on Renewal and Replacement of Existing Assets	(6,139)	(5,847)	(7,170)
Less Depreciation, Amortisation and Impairment	7,664	7,664	8,032
Less Proceeds from Sale of Replaced Assets	305	168	412
	1,830	1,985	1,274
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	(12,700)	(13,018)	(19,343)
Less Amounts Received Specifically for New and Upgraded Assets	5,194	1,298	8,480
Less Proceeds from Sale of Surplus Assets	0	0	0
	(7,506)	(11,720)	(10,863)
Net Lending / (Borrowing) for Financial Year	(4,956)	(8,970)	(9,387)

* Revised Budget is the third Budget Update for the year, adopted by Council at the May 2020 meeting and material financial information received since that time has been included.



Long Term Financial Plan 2020/21 to 2029/30

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 2020/21 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 to measure and check financial sustainability for: CWMS; Waste; Nuriootpa Centennial Park Authority (NCPA); all other Council operations and a consolidated LTFP.
- The NCPA revised LTFP to be adopted by the NCPA Board in June is incorporated into this 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 most 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. Due to the existing large capital program and COVID-19 no new initiatives were considered for 2020/21.
- 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 and Materials have been based on a zero based method for this budget year.
- Rubble raising cost is not included in 2020/21 due to the remaining stock raised in 2019/20.
- 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 range from 1.9% at 2.5%.
- 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 group's operational budgets are funded by service areas within the budget and throughout the LTFP.
- The Roads to Recovery (RTR) grant funded program will continue from 2020/21 for a further four years and has been included at \$483k per annum and then to \$383k for the remaining years in the LTFP.

- In May 2020 Federal Budget allocated \$565k for Local Road and Community Infrastructure Program for use in 2020/21, Council to allocate this amount to project(s) within the budget program.
- A prepayment in 2019/20 for half of the 2020/21 Financial Assistance Grant funding payment received in May 2020 of \$722k. This results in a reduction of the operating result for 2020/21 by that amount and an increase in the operating result in 2019/20. From 2021/22 and the forward years have been adjusted to an amount of \$1,473k pa and indexed per year.
- 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 not been estimated in the LTFP. This allocation from internal to external service areas 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.
- Due to TBP capital expenditure program over the next four years of \$37.8m (Including \$5.5m at the NCPA precinct), along with the limited general rate revenue increase in 2020/21 the discretionary capital expenditure allocation has been removed for years 2020/21 to 2025/26 and then the remaining 4 years of the LTFP discretionary spend has been reinstated at \$500k pa.
- Capital grants and contributions in this review include CWMS developer contributions \$50k pa, other developer contributions \$142k pa two years, Infrastructure programs for roads, bike path, bridges, carpark and footpath program \$3.5m, other grants for Recreation Parks projects \$184k along with TBP funding at \$4.8m in 2020/21 and \$9.8m 2021/22 to 2023/24, (a majority of these projects are subject to funding approval).

Loan Principal and Interest Repayments

- The internal loan from Council to NCPA is included in the LTFP is to be repaid at \$130k pa. The NCPA external cash advance debenture (CAD) \$1m will be replaced in June 2020 with a new \$1m fixed 10 year loan and the remaining \$70k CAD repaid during 20/21.
- Loan financing is a mix of fixed loans and CAD in in 2020/21 \$9.7m, 21/22 \$5.7m, 2022/23 \$7.2m and in 2024/25 \$1m.
- Council's net debt is predicted to peak at \$27m in 2022/23. The net loan balance outstanding as at 30 June 20 will be \$12m and expected to reduce to \$16.4m by 30 June 2030.
- An internal loan (funded from the CWMS operations reserve) of \$14m 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. 3 Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.
 - KPI - No. 4 Capital outlays on renewing/replacing assets net of proceeds from sale of replaced assets is greater than 80% but less than 110% of Planned expenditure from the Infrastructure Asset Management Plans for each asset class where the information is correct otherwise depreciation is used for selected asset classes over the full term of the LTFP using a rolling 3 year period.

Financial Sustainability Performance Report

- KPI - No. 1 It is noted that cumulative years 2021/22 to 2024/25 are in deficit. Due to the potential impact to ratepayers from COVID-19 Council limited the general rate revenue increase to 1.5% (the adopted LTFP was 2.25%) and implemented COVID-19 recovery plans. These decisions has resulted in operating deficits for 2021/22 to 2025/26. The general rate increases for years 2021/22 to 2025/26 have been increased to recover the revenue and a review of expenditure.
- KPI No. 2 - Operating surplus ratios average 3 years. Council's expected forecast results range from a deficit of (1.0%) to a surplus of 2.4%.
- KPI - No. 3 – The forecast is 52.9% in 2020/21 peaking at 66.9% in 2022/23 and at 28.3% by 2029/30.
- KPI - No. 4 - The target is being met over the ten year period, the average being 81.4%. For four years in this review the ratio is below the minimum rate, the lowest at 70.7%. A selection of TBP builds will upgrade and replace a considerable amount of assets; these works will be identified and then re-assigned as appropriate to renewal works and improve this ratio.
- Council has reviewed its financial parameters for the LTFP including the indexation used for forward projections on income and expenditure.
- In line with Council Policy a regular review of Council's treasury management will be required to ensure a positive cash position is maintained.
- It should be noted that not all KPI's are within the target ranges but Council attains a financially sustainable position within the 10 year period of the LTFP. 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.

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 for the general rate revenue ranging from 1.5% to 2.75% plus an allowance for annual growth in development expected at 1.0% keeps the increases in rates during this LTFP relatively low. Service areas are required to recover the cost of these services with indexation ranging for Waste 2.0% to 10.6%* and CWMS 1.5% to 2.25%.

*The 2020/21 Waste service charge increases are mainly due to anticipated cost increases for waste and recycling collection, significant sorting and disposal costs along with increases to the State Waste Levy.

Council is planning to spend an average of \$12.2m per annum (including indexation and TBP) on capital projects and an average of \$36.2m 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

Key Performance Indicators and
Financial Parameters A1

Long Term Plan Financial Statements
2020/21 to 2029/30 A2

Capital Expenditure A3

A1 Consolidated Results: Key Performance Indicators and Financial Parameters		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
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	202	(116)	(463)	(1,026)	(1,352)					
KPI 2 - Operating Surplus Ratio - Rolling 3 year	(2%) to 10%	2.4%	0.6%	(0.4%)	(1.0%)	(0.9%)	(0.9%)	(0.4%)	(0.2%)	0.2%	0.3%
KPI 2 - Operating Surplus Ratio - Annual		0.5%	(0.8%)	(0.8%)	(1.3%)	(0.7%)	(0.7%)	0.2%	0.0%	0.4%	0.6%
KPI 3 - Net Financial Liabilities ratio	0-100%	52.9%	59.5%	66.9%	60.7%	53.7%	46.5%	39.7%	36.9%	33.0%	28.3%
KPI 4 - Asset Renewal Funding Ratio - Rolling 3 year	80% to 110%	85.5%	91.0%	82.5%	71.5%	70.6%	72.4%	74.2%	81.9%	87.5%	91.3%
Financial parameters - Indexation											
RATE REVENUE INCREASES											
General - Rate Revenue Increase Net (excl growth)		1.50%	2.75%	2.75%	2.75%	2.75%	2.75%	2.50%	2.50%	2.50%	2.50%
Natural growth - Development		1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
CWMS - Service Charge & Rates Increase (excl growth)		2.10%	1.50%	1.75%	2.25%	2.25%	2.00%	2.00%	2.25%	2.00%	2.00%
Refuse & Recycling Services Charge Increase (excl growth)		10.60%	2.00%	2.00%	2.00%	2.00%	2.50%	2.50%	2.50%	2.50%	2.50%
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		***	2.25%	2.25%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Contracts, Materials & Other		***	2.25%	2.25%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Energy Costs		1.9%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Water Costs		1.9%	2.1%	2.1%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Insurance		5.0%	2.1%	2.1%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
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		1.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%
Recreation Assets		6.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%
Infrastructure Assets		0.0%	6.0%	0.0%	4.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%
CWMS		0.0%	0.0%	7.0%	0.0%	0.0%	0.0%	7.0%	0.0%	0.0%	0.0%
Stormwater Assets		0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%
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											
** Growth index added to Employee Costs and Contracts, Materials & Other for additional service requirements											
*** 20/21 indexation was based on last years budget unless contract or agreement(s) to costs or where actual costs are higher to provide current service level an index of 1.9% was added to actual											

A2-1 Consolidated Results: Budgeted Statement of Comprehensive Income		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
		Budget	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUES											
Rates		32,237	33,551	34,754	36,016	37,324	38,685	40,016	41,403	42,828	44,303
Statutory Charges		716	730	745	760	775	791	806	823	839	856
User Charges		3,085	3,363	3,442	3,530	3,603	3,678	3,754	3,833	3,912	3,985
Grants, subsidies and contributions		2,901	3,110	3,163	3,217	3,175	3,231	3,288	3,346	3,406	3,466
Investment Income		68	74	76	77	78	79	80	81	82	83
Reimbursements		48	43	39	36	33	30	27	23	20	17
Other Income		676	690	704	718	732	747	762	777	792	808
Net Gain - Joint Venture		0	0	0	0	0	0	0	0	0	0
TOTAL INCOME		39,731	41,561	42,923	44,354	45,720	47,241	48,733	50,286	51,879	53,518
EXPENSES											
Employee Costs		14,055	14,857	15,425	16,019	16,637	17,275	17,862	18,468	19,095	19,731
Materials, Contracts & Other expenses		16,806	17,601	17,718	18,256	18,702	19,537	19,961	20,577	21,193	21,918
Depreciation, Amortisation & Impairment		8,032	8,526	9,090	9,426	9,676	9,851	10,006	10,427	10,651	10,845
Finance Costs		636	895	1,037	1,216	1,031	901	827	790	752	719
Net Gain - Joint Venture		0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES		39,529	41,879	43,270	44,917	46,046	47,564	48,656	50,262	51,691	53,213
OPERATING SURPLUS / (DEFICIT)		202	(318)	(347)	(563)	(326)	(323)	77	24	188	305
Asset disposal & fair value adjustments		(897)	(631)	(491)	(604)	(651)	(808)	(746)	(1,013)	(850)	(922)
Amounts specifically for new or upgraded assets		8,480	4,445	4,783	870	50	50	50	50	50	50
Physical Resources received free of charge		287	2,137	2,267	2,377	2,428	2,458	2,494	2,576	2,620	2,668
Operating result from discontinued operations											
NET SURPLUS / (DEFICIT)		8,072	5,633	6,212	2,080	1,501	1,377	1,875	1,637	2,008	2,101

A2-2 Consolidated Results: Budgeted Statement of Financial Position	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	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	1,543	1,493	1,467	1,470	1,437	1,616	3,333	3,149	3,788	5,000
Trade & other receivables	2,773	2,756	2,759	2,763	2,766	2,769	2,762	2,744	2,700	2,657
Other financial assets	0	0	0	0	0	0	0	0	0	0
Inventories	224	224	224	224	224	224	224	224	224	224
	4,540	4,473	4,450	4,457	4,427	4,609	6,319	6,117	6,712	7,881
Non-Current Assets held for Sale	-	-	-	-	-	-	-	-	-	-
Total Current Assets	4,540	4,473	4,450	4,457	4,427	4,609	6,319	6,117	6,712	7,881
Non-Current Assets										
Financial Assets	798	742	683	621	556	487	425	382	382	382
Equity accounted investments in Council businesses	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271	2,271
Infrastructure, Property, Plant & Equipment	414,505	439,192	458,163	466,898	471,834	478,283	491,186	498,839	507,226	518,584
Other Non-Current Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	417,574	442,205	461,117	469,790	474,661	481,041	493,882	501,492	509,879	521,237
TOTAL ASSETS	422,114	446,678	465,567	474,247	479,088	485,650	500,201	507,609	516,591	529,118
LIABILITIES										
Current Liabilities										
Trade & Other Payables	2,978	2,978	2,979	2,979	2,980	2,981	2,981	2,982	2,982	2,983
Borrowings	4,600	3,723	2,141	4,313	2,407	938	964	876	798	712
Provisions	2,543	2,547	2,551	2,556	2,561	2,566	2,571	2,576	2,582	2,588
Total Current Liabilities	10,121	9,248	7,671	9,848	7,948	6,485	6,516	6,434	6,362	6,283
Non-Current Liabilities										
Borrowings (External)	15,175	19,653	25,112	21,098	19,991	19,053	18,089	17,213	16,415	15,703
Provisions	824	824	824	824	824	824	824	824	824	824
Total Non-Current Liabilities	15,999	20,477	25,936	21,922	20,815	19,877	18,913	18,037	17,239	16,527
TOTAL LIABILITIES	26,120	29,725	33,607	31,770	28,763	26,362	25,429	24,471	23,601	22,810
NET ASSETS	395,994	416,953	431,960	442,477	450,325	459,288	474,772	483,138	492,990	506,308
EQUITY										
Accumulated Surplus	91,045	96,124	101,822	103,261	104,271	105,559	106,825	108,006	109,541	111,091
Asset Revaluation Reserve	293,253	308,581	317,378	325,815	332,162	339,750	353,359	360,087	367,931	379,147
Other Reserves	11,696	12,248	12,760	13,401	13,892	13,979	14,588	15,045	15,518	16,070
TOTAL EQUITY	395,994	416,953	431,960	442,477	450,325	459,288	474,772	483,138	492,990	506,308

A2-3 Consolidated Results: Budgeted Statement of Cash Flows	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
	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										
<i>Receipts:</i>										
Operating receipts	41,163	41,487	42,847	44,276	45,643	47,161	48,653	50,204	51,797	53,435
Investment receipts	68	74	76	77	78	79	80	81	82	83
<i>Payments:</i>										
LandFill rehabilitation expense	0	0	0	0	0	0	0	0	0	0
Operating payments to suppliers & employees	(30,872)	(32,454)	(33,139)	(34,270)	(35,333)	(36,806)	(37,817)	(39,038)	(40,281)	(41,642)
Finance payments	(636)	(895)	(1,037)	(1,216)	(1,032)	(901)	(827)	(790)	(752)	(719)
Net cash provided by (or used in) Operating Activities	9,723	8,212	8,747	8,867	9,356	9,533	10,089	10,457	10,846	11,157
CASH FLOW FROM INVESTING ACTIVITIES										
<i>Receipts:</i>										
Amounts specifically for new or upgraded assets	8,480	4,445	4,783	870	50	50	50	50	50	50
Sale of replaced assets	412	235	540	397	526	411	418	426	553	441
Repayment of loans by community groups	74	72	56	59	62	65	69	61	43	43
<i>Payments:</i>										
Expenditure on renewal/replacement of assets	(7,170)	(5,487)	(5,569)	(5,626)	(6,552)	(6,870)	(6,514)	(9,102)	(8,861)	(8,560)
Expenditure on new/upgraded assets	(19,343)	(11,127)	(12,460)	(2,723)	(462)	(603)	(1,457)	(1,112)	(1,116)	(1,121)
Net cash provided by (or used in) Investment Activities	(17,547)	(11,862)	(12,650)	(7,023)	(6,376)	(6,947)	(7,434)	(9,677)	(9,331)	(9,147)
CASH FLOWS FROM FINANCING ACTIVITIES										
<i>Receipts:</i>										
Proceeds from borrowings	9,700	5,700	7,200	0	1,000	0	0	0	0	0
Proceeds from internal borrowings (CWMS)	8,200	700	1,500	0	1,000	500	830	1,660	0	0
<i>Payments:</i>										
Repayment of borrowings	(1,899)	(2,100)	(3,323)	(1,841)	(4,013)	(2,407)	(938)	(964)	(876)	(798)
Repayment of Lease	(15)	0	0	0	0	0	0	0	0	0
Repayment of internal borrowings (CWMS)	(8,200)	(700)	(1,500)	0	(1,000)	(500)	(830)	(1,660)	0	0
Net cash provided by (or used in) Financing Activities	7,786	3,600	3,877	(1,841)	(3,013)	(2,407)	(938)	(964)	(876)	(798)
Net Increase/(Decrease) in Cash held	(38)	(50)	(26)	3	(33)	179	1,717	(184)	639	1,212
Cash at beginning of period	1,581	1,543	1,493	1,467	1,470	1,437	1,616	3,333	3,149	3,788
CASH AT END OF PERIOD	1,543	1,493	1,467	1,470	1,437	1,616	3,333	3,149	3,788	5,000

A2-4 Consolidated Results: Budgeted Uniform Presentation of Finances		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
		Budget	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Operating Revenues		39,731	41,561	42,923	44,354	45,720	47,241	48,733	50,286	51,879	53,518
less Operating Expenses		(39,529)	(41,879)	(43,270)	(44,917)	(46,046)	(47,564)	(48,656)	(50,262)	(51,691)	(53,213)
Operating Surplus / (Deficit)		202	(318)	(347)	(563)	(326)	(323)	77	24	188	305
less Net outlays on existing Assets											
Capital expenditure on renewal and replacement of existing assets		(7,170)	(5,487)	(5,569)	(5,626)	(6,552)	(6,870)	(6,514)	(9,102)	(8,861)	(8,560)
less Depreciation, Amortisation and Impairment		8,032	8,526	9,090	9,426	9,676	9,851	10,006	10,427	10,651	10,845
less Proceeds from Sale of Replaced Assets		412	235	540	397	526	411	418	426	553	441
		1,274	3,274	4,061	4,197	3,650	3,392	3,910	1,751	2,343	2,726
less Net outlays on New and Upgraded Assets											
Capital expenditure on New and Upgraded Assets		(19,343)	(11,127)	(12,460)	(2,723)	(462)	(603)	(1,457)	(1,112)	(1,116)	(1,121)
less Amounts received specifically for New and Upgraded Assets		8,480	4,445	4,783	870	50	50	50	50	50	50
less Proceeds from Sale of Surplus Assets		0	0	0	0	0	0	0	0	0	0
		(10,863)	(6,682)	(7,677)	(1,853)	(412)	(553)	(1,407)	(1,062)	(1,066)	(1,071)
Net Lending / (Borrowing) for Financial Year		(9,387)	(3,726)	(3,963)	1,781	2,912	2,516	2,580	713	1,465	1,960

A3 Consolidated Results: Budgeted Capital Expenditure		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
		Budget \$' 000	LTFP \$' 000	LTFP \$' 000	LTFP \$' 000	LTFP \$' 000	LTFP \$' 000	LTFP \$' 000	LTFP \$' 000	LTFP \$' 000	LTFP \$' 000
Renewal/Replacement Capital summary: Non-Discretionary											
Land		0	0	0	0	0	0	0	0	0	0
Buildings		278	415	390	415	575	557	499	876	993	882
Recreation		273	455	113	132	91	93	96	398	811	730
Transport - Roads & Footpaths		4,533	3,632	3,356	3,470	3,633	3,762	4,287	4,439	4,595	4,758
Stormwater, Bridges & Floodplain		260	300	300	300	300	300	300	1,000	300	300
CWMS		459	143	350	232	615	1,045	200	738	750	699
Equipment - Plant & Vehicles		1,368	543	1,061	1,077	1,338	1,113	1,132	1,651	1,411	1,192
Other Assets		0	0	0	0	0	0	0	0	0	0
		7,171	5,488	5,570	5,626	6,552	6,870	6,514	9,102	8,860	8,561
New/Upgrade Capital summary: Discretionary											
Land		0	0	0	0	0	0	0	0	0	0
Buildings (includes TBP program)		10,022	4,246	6,471	1,786	0	50	550	550	550	550
Recreation (includes TBP program)		4,188	6,018	5,167	333	70	70	70	70	70	70
Transport - Roads & Footpaths		2,911	131	80	79	81	171	175	180	184	189
Stormwater, Bridges & Floodplain		1,743	320	330	250	250	250	250	250	250	250
CWMS		761	695	699	585	375	377	731	407	409	412
Equipment - Plant & Vehicles		0	0	0	0	0	0	0	0	0	0
Other		6	0	0	0	0	0	0	0	0	0
		19,631	11,410	12,747	3,033	776	918	1,776	1,457	1,463	1,471
Total Capital Expenditure		26,802	16,898	18,317	8,659	7,328	7,788	8,290	10,559	10,323	10,032
Note: includes internal allocations & CWMS donated assets											