

# 2021-2022 Annual Business Plan



*Agriculturally rich~Naturally beautiful*





# ACKNOWLEDGEMENT OF COUNTRY

The Yorke Peninsula Council acknowledges the Narungga (Nharangga) people, the traditional owners of this land and pay respect to their Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land.

We acknowledge that they are of continuing importance to the Narungga people living here today.







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# MAYOR'S FOREWORD



## Welcome to Yorke Peninsula Council's 2021/22 Annual Business Plan and Budget

This Plan has been prepared following the challenges of the previous financial years where our community was contending with the impacts of drought, fires and then COVID-19. To help with these challenges, for the 2020/21 financial year the Yorke Peninsula Council put a freeze on increases to general rates and the Council fees and charges.

Now one year on we have prepared a 'business as usual' Plan focused on delivering community services and investing in the appropriate renewal of our considerable level of community assets in line with our Long Term Financial Plan and Asset Management Plans.

Capital projects are mainly driven by the level of renewal determined in the various Asset Management Plans that Council has adopted. However, in conjunction with the community, the Elected Members have been instrumental in proposing additional projects in consultation with, and on behalf of, their local communities.

We are particularly grateful for new grant funding that Council was successful in securing. Council will be investing \$3.2m of funds which will yield a total project investment of \$6.7m for a variety of projects. Further details of the grant funded projects can be found on page 30.

This Plan has been prepared to provide the community with a picture of the proposed projects that Council plans to deliver in 2021/22.

This Plan is based on a balanced and responsible budget that works towards achieving financial sustainability and compliance with the adopted goals of Council's 2022-2031 Long Term Financial Plan whilst still maintaining consistent levels of service.

A handwritten signature in blue ink, appearing to read 'Darren Braund'.

**Darren Braund**  
**MAYOR**



# EXECUTIVE SUMMARY

This Annual Business Plan and Budget (ABP) sets out Council's proposed services, programs and projects for 2021/22. This Plan is consistent with Council's 2022-2031 Long Term Financial Plan (LTFP) and our key financial direction of achieving an operating surplus and maximising funds for the renewal of assets.

The key parameters used in the development of this Plan were:

- Inflation (CPI) estimated to be 1.0%;
- No change in service levels other than due to Service Level Reviews endorsed by Council;
- Appropriate spending on asset renewal in line with existing Asset Management Plans (AMP's) and funding in accordance with Council's LTFP to maintain and upgrade ageing infrastructure;
- Emphasis on achieving financial sustainability in accordance with Council's recently adopted LTFP; and
- Getting back to 'business as usual' following Council's decision last year to forgo any increases to general rates and Council fees and charges in response to the COVID-19 pandemic.

The program of capital works listed on pages 28-30 support the requirements of the AMPs. The proposed capital budget of \$15.6m is consistent with the LTFP and focuses on the renewal of existing assets. This budget proposes a total of \$13.3m to be invested in renewal of assets and \$2.3m for upgrade to existing assets along with the purchase and creation of new assets.

To counteract many of the external financial pressures facing Council, staff continued to undertake a 'zero based budgeting' approach when developing this Plan to determine the true costs of services delivered. All budgets started at zero and were then built up based on current quotes, historical known costs and current known increases.



**Andrew Cameron**  
**CHIEF EXECUTIVE OFFICER**



## \$13.3m

to be invested in renewal of  
assets

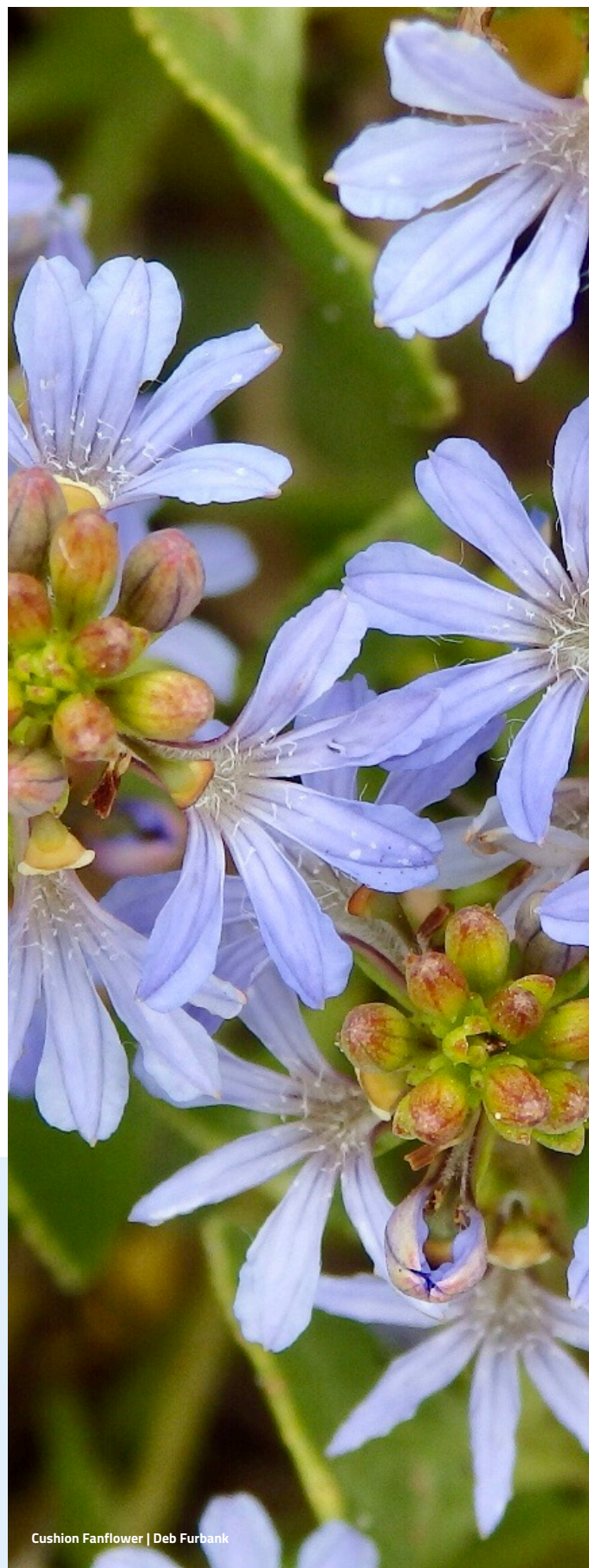
# PUBLIC CONSULTATION & REVIEW

The Draft 2021/22 Yorke Peninsula Council Annual Business Plan and Budget was exhibited for public consultation as prescribed by the Local Government Act 1999. During this time the public were invited to comment on the Draft Plan and Budget. The consultation period opened on Thursday 13th May 2021 and concluded at 5pm Thursday 3rd June 2021.

Interested persons were invited to make written submissions on the Annual Business Plan and Budget including any of the key strategies outlined in the Plan. Additionally, Council also consulted on the Draft 2021/22 Fees and Charges.

All feedback received was presented at the Council meeting on Wednesday 9th June 2021. In total five (5) written submissions were received. The Community were advised that the opportunity to speak before Council at the Wednesday 9th June 2021 Council Meeting on the Draft Annual Business Plan and Budget was available.

There were no verbal submissions.



Cushion Fanflower | Deb Furbank



# ELECTED MEMBERS

## KALKABURY WARD

Councillor  
Richard Carruthers



Councillor  
Roger Johns



Councillor  
David Langford



Deputy Mayor  
Tania Stock



## GUM FLAT WARD

Councillor  
Naomi Bittner



Councillor  
Leanne O'Brien



Councillor  
Michael Murdock



**MAYOR**  
**Darren Braund**



## INNES PENTON VALE WARD

Councillor  
Anthony Bennett



Councillor  
Adam Meyer



Councillor  
Kristin Murdock



Councillor  
John Rich



# COUNCIL SUMMARY



## Operating Revenue

**\$24.4m**

Rates and service charges

**\$4.5m**

User pay charges

**\$4.7m**

Grants and subsidies

**\$0.4m**

Statutory charges

**\$0.4m**

Investment, reimbursements  
and other income



## Operating Expenditure

**\$13.7m**

Materials, contracts and other

**\$10.8m**

Depreciation

**\$9.9m**

Employee costs

**\$0.3m**

Finance costs

## Other Activities

**4**

Joint use libraries

**8**

Depot libraries

**5**

Swimming pools

**2**

Toddler Wading pools

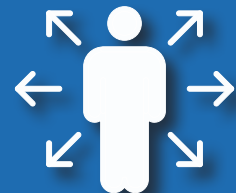


## District Statistics



**11,331**

Estimated population



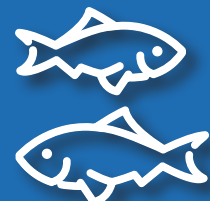
**1:1:9**

Estimated population density



**5,900 km<sup>2</sup>**

Total Council area



**485km**

Council coastline





## Council Statistics



**12**

Elected Members



**8,781**

Enrolled Electors



**14,062**

Total rateable properties



**118.69**

Full-time equivalent Council staff

## MAJOR EXPENDITURE



### Roads

**3,890km**

of Council roads

**\$14.4m**

Road network improvements  
(Maintenance, renewals and sealing)



### CWMS & Water Schemes

**18**

CWMS Sites

**4**

Potable water sites

(Including Marion Bay Desal Plant)

**3**

Stormwater Reuse Sites

**\$1.2m**

To maintain these community assets



### Footpaths & Stormwater

**23km**

Constructed footpaths & sealed walking trails

**28km**

of pipes and drains

**\$0.6m**

To upgrade and maintain assets to a community standard



### Council Caravan Parks

**6**

Council owned and managed

**\$2.6m / \$3.1m**

Expenditure / Income

(Operations and capital upgrades)

## BUDGET HIGHLIGHTS



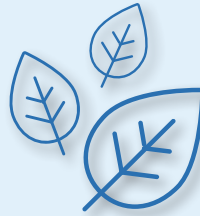
**\$14.39m**  
Roads



**\$3.56m**  
Community



**\$2.53m**  
Waste Operations



**\$1.72m**  
Parks & Gardens



**\$1.19m**  
CWMS & Water Schemes



**\$0.52m**  
Foreshore Maintenance



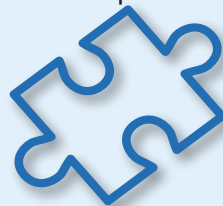
**\$0.80m**  
Community Support



**\$0.28m**  
Street Lighting



**\$0.64m**  
Footpaths & Stormwater



**\$0.09m**  
Youth Services

**\$0.81m**  
Cleaning of Council  
Buildings & Streets





# STRATEGIC DIRECTION

The 2021/22 Annual Business Plan sets out the specific projects that the Yorke Peninsula Council proposes to deliver for its community. The Annual Business Plan, as required by Section 123 (2) (a) of the *Local Government Act 1999*, must include a summary of the Council's long term objectives per its Strategic Management Plan (SMP).

The Yorke Peninsula Council undertook a review of its SMP over the course of 2019/20. The community's input was sought regarding their priorities for Council. Council also reviewed its performance against the 2016-2020 SMP and re-examined the internal and external challenges facing Council. Based on these outputs, it was agreed that the SMP only needed a minor review - all previous goals and strategies were still essential and relevant.

The draft 2021-2025 SMP was then put back for community feedback and then adopted by Council on 14 October 2020.

The most significant change was the development of a new vision.

A summary of the 2021-2025 strategic directions are provided on the following pages.

For a full copy of the 2021-2025 SMP, please refer to the Corporate Document section of our website at [www.yorke.sa.gov.au](http://www.yorke.sa.gov.au)

## OUR VISION

*"Prosperous, diverse and uniquely spectacular - Yorke Peninsula"*

# STRATEGIC DIRECTION



Anna Binna | Maitland

## Goal 1

### Economically Prosperous Peninsula

Create an environment that encourages and supports a strong, diverse economy that attracts more businesses, residents and visitors. Success will mean revitalisation of our towns and retaining young, active and working future generations.



WTY | Inspired Photography Collective

## Goal 2

### Community Connected through Infrastructure

Maintain and expand the connectivity of our community through a sustainable road network and planning for the necessary infrastructure that allows our multi-generational community to learn, work and live here.





## Goal 3

### Valued and Restored Environment

Council will be an investor, activator and custodian of our spectacular coastline and pristine environment. We will promote sustainable development and encourage the conservation of water, energy, the natural environment and minimise waste.



## Goal 4

### Community Engaged and Supported

Council will continually seek innovative ways to engage and support our community and improve the quality of life on the Peninsula. Council will continue to work in partnership with Progress Associations and other key stakeholders to achieve this goal.



## Goal 5

### Responsible Governance and Leadership

Council will demonstrate leadership, improve service delivery and ensure its business is conducted in a compliant, transparent, accountable, sustainable and efficient way using technology as an enabler.

# STRATEGIC PLANNING FRAMEWORK



# LEGISLATIVE COMPLIANCE



Section 123 of the *Local Government Act 1999* states that each Council must have a plan for each financial year. The Annual Business Plan must be adopted by Council between 31 May and 31 August for the ensuing year and must undergo a minimum of 21 days public consultation.

In addition, Council must at least provide for:

- a public notice in a local newspaper informing the public of the preparation of the draft annual business plan and inviting interested persons to make written submissions in relation to the matter.

The Council must also ensure that copies of the draft annual business plan are available:

- for inspection at the principal office of the Council;
- for purchase at a fee fixed by Council from the Council's principal office;
- on the Council's website.

Section 123 requires that the Yorke Peninsula Council Annual Business Plan includes the following:

- an outline of Council's objectives for the year;
- the activities that the council intends to undertake to achieve those objectives;
- the measures (financial and non-financial) that the Council intend to use to assess

its performance;

- an assessment of the financial requirements of the Council for the financial year;
- a summary of its proposed operating expenditure, capital expenditure and sources of revenue;
- the rates structure and policies for the financial year; and
- the impact of the rates structure on the community, based on the modelling used.

The Annual Business Plan must also take into account the Council's long term financial plan and relevant issues relating to the management and development of infrastructure and major assets by the Council.

## COVID-19 RESPONSE PLAN

Since March 2020 Yorke Peninsula Council undertook numerous actions to protect community, staff and essential services as part of its Coronavirus (COVID-19) response plan. The response plan was aimed at slowing the spread of the virus within the Council workforce and within the Yorke Peninsula Council community and as such Council implemented many cautionary steps to ensure we met our duty of care obligations.

Whilst initially this meant some limitations on Council services, Council continued with

a 'business as usual' approach within the limitations and restrictions as outlined by the Federal and State Governments.

One measure was to offer a deferment of rates to those experiencing hardship due to COVID-19. Council elected to continue offering deferments (including amounts that were already in arrears) for all rateable properties until 30 June 2021.

Council will conduct a review of these arrangements during June 2021.





# ONGOING SERVICES



All Councils have basic responsibilities under the *Local Government Act 1999*, and other relevant legislation. These include:

- Regulatory activities (maintaining voters' rolls and supporting Elected Members)
- Setting rates, preparing an annual budget and determining longer term strategic management plans for the area
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and storm water drainage
- Street cleaning and rubbish collection

- Development planning and control, including building safety assessment
- Various environmental health services
- Protection of natural resources
- Animal management

The Yorke Peninsula Council provides further services and programs to support the community, including:

- Beach access facilities
- Boat ramps
- Camping reserves
- Cemeteries
- Civic and community halls
- Community events
- Fire prevention

- Leasing of various other Council owned assets
- Leisure Options
- Library Services
- Recreational reserves and open spaces
- Recycling facilities
- Sporting facilities
- Support for youth services
- Tourist facilities
- Walking trails
- Six Council owned and managed caravan parks on a fee for service basis.



Mount Rat | Sarah McWaters

# INFLUENCES, PRIORITIES & CHALLENGES

## Current Economic Climate



As much as practicable, Council strives to ensure the Annual Business Plan and Budget delivers financial sustainability in accordance with the adopted targets within the 2022-2031 Long Term Financial Plan (LTFP) and Council's Asset Management Plans (AMPs). A key focus of the LTFP is to ensure that there is appropriate spending on asset renewal in line with these AMPs.

Council's current LTFP is based on a 'business as usual' model as far as practicable, including any impacts of COVID-19, completed service level reviews, variations to current levels of service and Council's current asset stock. Based on the most recent ABS Census results for the Council area, it has been assumed that growth in the area will be virtually nil.

Funding from State and Federal Governments has been inconsistent over the years and cannot be relied on as a consistent substitute for other income streams. As an example, Council's general purpose grant allocation from the Local Government Grants Commission was reduced by \$56k (4%) in 2020/21 and Council has been advised that a further 5% cut annually is likely. Additionally, no further 'supplementary local roads funding' is anticipated.

Council has, in the past few years been successful in reducing costs in some areas through Service Level Reviews and retendering of major contracts. In the previous LTFP Council had anticipated an increase of 10% for waste management, however this had been revised down to 3% due to the new contract.

Both electricity and water costs have also been revised down due to more stable market conditions, Local Government sector wide procurement advantages and a reduction in SA Water costs. Ongoing upgrades to LED streetlights are likely to generate additional savings into the future.

Cleaning of Council facilities has increased due to the additional cleaning of Council's bush camping toilets.

Council will continue to undertake reviews during the coming financial year and budgets will be updated to reflect any further cost savings as they are achieved or cost increases as they are encountered. All of the above cost pressures and impacts are factored into Council's LTFP which is available on Council's website.

In addition, Council faces a number of key challenges and has some opportunities available which will impact its short to medium term financial position. As detailed in the current LTFP they are:

- Ensuring ongoing financial sustainability

of Council

- Meeting ongoing expectations of our Community for increased or new services
- Maximising funding for renewal and replacement of ageing assets in line with improved asset management principles and practices
- Improved data for Council's asset base and ongoing review of asset inventory to ensure depreciation is accurate
- COVID-19 and similar events and their impact on Council and its community
- Managing the impact of cost shifting from other levels of Government
- Managing political and legislative changes and their impact
- Minimising the impact of economic instability
- Monitoring the impact of decisions made outside the Plan
- Rationalisation of underutilised or surplus assets to provide one-off capital injections and reduce maintenance and other operating costs
- Use of debt to leverage funding for asset renewal and acquisition of assets
- Review of services to reduce expenditure, increase efficiency and effectiveness and increase value for money to ratepayers
- Use technology to reduce costs, increase productivity, efficiency and effectiveness
- Explore ways to increase existing revenue streams and find new ones by taking a commercial approach to Council business
- Environmental impacts

# INFLUENCES, PRIORITIES & CHALLENGES

## Budget Strategy

Council's 2022-2031 LTFP guides the development of the Annual Business Plan and Budget. The key goal of the LTFP is to ensure that Council achieves and maintains financial sustainability over the life of the plan while ensuring that at least the current levels of service and infrastructure are maintained for the community.

Council's LTFP was reviewed in detail and considered many factors such as current income and expenditure trends, forecast data, CPI and indexation factors, updated asset information, current environment etc.

After a period of community consultation, the LTFP was adopted by Council in April 2021.

Continuing with the increased focus on renewal of existing assets, Council over the life of the LTFP, proposes to allocate \$109.6m towards renewal of existing assets, with 80%, or \$88m, specifically for transport assets (mainly roads). An additional \$3.7m over ten (10) years is allocated for upgrades to existing assets and acquisition of new assets.

This plan represents Year 1 of the LTFP. It should be noted that there have been some variations from the LTFP, to address recently identified issues and priorities, reflect current information and take up recently announced grant funding opportunities.

The impacts of COVID-19 on this plan and the 2021/22 Budget are minimal compared to

2020/21 and Council has almost returned to "business as usual". The 2021/22 Annual Business Plan and Budget is reflective of this.

Council's forecast operating deficit in 2021/22 is \$319k compared to \$108k forecast in Council's LTFP. This is an increase of \$211k and can be explained as the net impact of Council's operating expenditure being \$607k or 2% greater than the LTFP forecast while income is \$396k or 1% more. The reasons for these variations are detailed in the "Key Financial Measures" section on page 24

The LTFP is scheduled to be reviewed annually in October and will include strategies to continue to achieve the aims of the LTFP.

## Key LTFP Targets



### Positive Operating Surplus Ratio

Positive Operating Surplus Ratio (OSR) i.e. operating surplus, in the medium term.



### Asset Renewal

Spending on asset renewal consistent with Asset Management Plan (AMP) identified needs and LTFP set Asset Renewal Funding Ratio (ARFR) minimum (100%) target.



### Net Financial Liabilities Ratio

Net Financial Liabilities Ratio (NFLR) to be below Council's LTFP target of 100% of Operating Income.



### Long Term Financial Plan

No new services or assets or increases to existing services to be introduced without consideration of the impact on the LTFP.



# INFLUENCES, PRIORITIES & CHALLENGES

## Setting the Rates



Consistent with previous years, rates income continues to be the major source of revenue for Council making up approximately 71% of operating income.

Each year the impact of rate increases is reviewed in line with Council's Strategic Management Plan and LTFP. In 2021/22 the increase to total general rate income will be 4.5% to deliver approximately \$19.3m in total general rate revenue to enable Council to provide services and infrastructure as detailed in this plan. This is an increase of approximately \$0.83m compared to 2020/21.

Compared to the forecast general rates revenue increase in Council's LTFP, the increase in 2021/22 is 2% (approximately \$369k) more. The LTFP proposes a 2.5% increase. The additional 2% increase is to partly address the inequity that exists between rates paid compared to total valuation, in particular for Residential and Primary Production ratepayers as a whole. This is explained in more detail in the "Valuation vs Rate Contribution" section of this plan.

The structure of the rating system will remain consistent with previous financial years and includes:

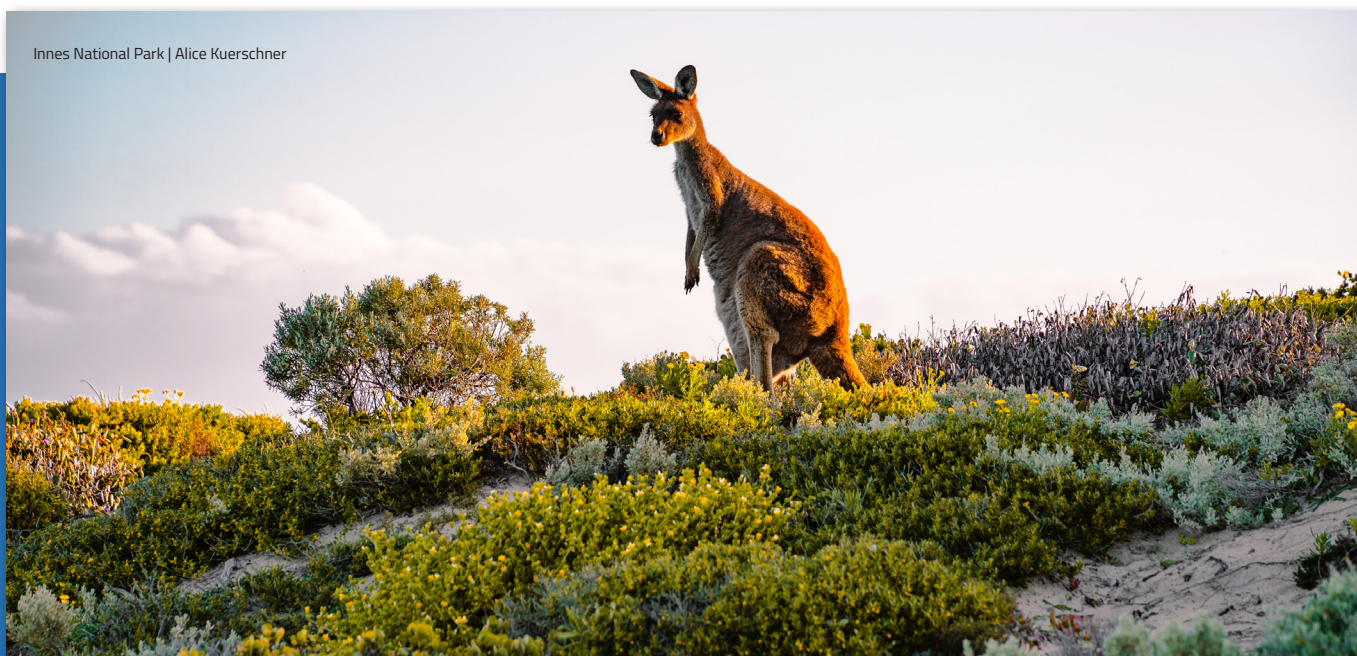
- Continued use of a fixed charge of \$410 (unchanged since 2017/18);
- Differential rates for various land use categories which have been set based

on modelling, to raise the budgeted total general rates revenue of approximately \$19.3m to provide the various Council services and infrastructure spend detailed in this plan. This has resulted in Residential ratepayers paying approximately 54.7% of total general rates revenue, with Primary Production ratepayers paying approximately 35.7% which is a slight increase to 2020/21;

- Reduction in differential rates (cents in the dollar) to adjust for increasing capital valuations especially in the Primary Production land use category, to generate the required total general rate revenue;
- A comprehensive set of rebates.

A detailed explanation of the rates structure is described on page 20.

Innes National Park | Alice Kuerschner



# RATING STRATEGIES



Property rates are Council's main source of revenue. Capital property value (value of land plus capital improvements) is the major determinant of how much each individual ratepayer contributes to general rates. Rates paid do not directly relate to the services used by each ratepayer. In general, the higher the value of the property the higher the rates paid.

Yorke Peninsula Council uses capital values provided by the Valuer General (VG) to value all properties. The table below shows the change in capital valuations by land use category for all rateable properties as at 13 June 2021. These valuations are final and have been used to adopt and set valuations and rates for 2021/22. The valuations in the table below show that once again Primary Production valuations are forecast to increase significantly.

While capital valuations do not influence the total amount of rates that need to be raised, they do impact the amount of rates contributed by individual ratepayers and

various land use categories.

In determining how rates are applied, Council uses a differential rating system with a fixed charge. Differential rates are applied depending on the use to which the land is put - whether it be residential, commercial, primary production, etc. The fixed charge is a declared amount all ratepayers contribute in addition to differential rates which are applied directly against the property capital value.

The rate-in-the-dollar to be applied each year is determined during the annual budget process. Put simply, the differential rate is calculated by dividing the required rates revenue by the total rateable capital value for the Council area, after accounting for the total fixed charge contribution from all properties.

Based on the principal use of each property, Council rates properties in six different land use categories.

The key components of the rating model proposed for 2021/22 are:

- To raise \$19.285m in total general rates (before rebates and remissions) excluding the Landscape levy, waste management, CWMS and water service charges;

- No change to the fixed charge of \$410;
- Compared to 2020/21 rate contribution by ratepayers in the Residential land use category to decrease by 0.8% while Primary Production will increase by 1.3%, with all other land use categories to remain almost unchanged;
- Adjustments to the 2020/21 differential rates to accommodate the variances in capital values to ensure the required amount of general rate revenue is raised;
- While rate increases for individual ratepayers will vary due to differing capital values, compared to 2020/21 residential properties can expect to pay on average an extra \$34 (65 cents/ week) per assessment, primary production an extra \$187 (\$3.60/ week) per assessment, industrial an extra \$49 (94 cents/ week) per assessment and vacant land an extra \$2 (0.04 cents/ week) per assessment. Commercial and other land use properties are likely to see an \$8 and \$15 average annual decrease respectively per assessment.
- Differential rate of 0.283790 cents in the dollar (3.07% more than 2020/21) for residential, commercial, industrial, vacant land and other land use categories;
- Differential rate of 0.134010 cents in the dollar (4.69% less than 2020/21) for primary production;
- 14,062 total rateable assessments of which 11,923 pay the fixed charge.

Mandatory and discretionary rebates for general rates (as specified in the *Local Government Act 1999*) totalling approximately \$143k have been provided for in the 2021/22 budget.

Land Use Category	2021-22	2020-21	Variance (\$)	Variance (%)
Residential	\$2.43b	\$2.41b	+\$20m	+1.1%
Commercial	\$138m	\$143.6m	-\$5.6m	-3.8%
Industrial	\$20.3m	\$19.9m	+\$0.4m	+1.7%
Primary Production	\$4.8b	\$4.2b	+\$600m	+14.5%
Vacant Land	\$178m	\$183m	-\$5m	-2.7%
Other	\$36.3m	\$38.1m	-\$1.8m	-4.8%
<b>TOTAL</b>	<b>\$7.6b</b>	<b>\$7.0b</b>	<b>+600m</b>	<b>+8.9%</b>

# RATING STRATEGIES

## Hardship and Postponement of Rates



In accordance with provisions of the *Local Government Act 1999*, Section 182A persons who hold a current Seniors Card could be eligible to postpone any amount in excess of \$500 (\$125 per quarter), less any concession entitlement. Interest will accrue on postponed balances as per Section 182A (12) of the *Local Government Act 1999*.

Any ratepayer experiencing difficulties in meeting rates payments, or experiencing financial hardship, may be able to access payment plans tailored to meet their particular circumstances. All arrangements are strictly confidential.

Council's PO060 Rates Relief Policy details the specific situation of when rebates or postponements can be applied.

### Fixed Charge

Council has set a fixed charge for the 2021/22 year. The fixed charge has remained at \$410 (unchanged since 2017/18) and will be levied uniformly on all non-contiguous assessments.

The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if these are owned and occupied by the same owner.

The reasons for imposing a fixed charge include:

- It is appropriate that all rateable properties make a base contribution to the cost of administering the Council's services;
- It is appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property;
- A fixed charge system generally creates a lesser burden on lower valued properties than a minimum rate system would.

### Valuation vs Rate Contribution

While capital valuations do not influence the total amount of rates that need to be raised to fund Council's budget to provide services and infrastructure to the community, they do impact the amount of rates contributed by individual ratepayers and various land use categories i.e. residential, primary production etc. Therefore, for the purposes of equity it is important that rates contributed by ratepayers as a whole in a particular land use category are generally consistent with the capital valuations for that land use category. This has not been the case over the last decade or so, due to the significant increase in Primary Production capital valuations.

While Primary Production valuations have seen on average double digit growth over the last

decade, the share of total rates paid by Primary Production ratepayers as a whole has remained fairly constant. This has meant Residential and to a lesser extent other land use categories have picked up more than their fair share of annual rate increases. This is demonstrated by the increasing gap between valuations as a percentage of total Council valuations versus total rates paid by individual land use categories. The gap and subsequent inequity for 2020/21 is demonstrated in the table below.

As shown earlier, Primary Production valuations are forecast to increase by 14.5% in 2021/22, this gap will increase if the percentage of rate contribution by land use remains the same as 2020/21. In order to move towards reducing this gap an additional 2% (\$369k) increase to total general rates has been included in the 2021/22 Budget. The 2% increase is in addition to the 2.5% increase proposed in the LTFP, with the entire 2% (\$369k) increase to be borne by all 2,843 Primary Production rateable assessments. This increases the Primary Production ratepayers' share of total general rates by 1.3% (from 34.4% to 35.7%) while decreasing the share of rates paid by other land use categories. The additional 2% increase equates to an extra \$130 annually per assessment on average.

Category	Assessments	Rate Contribution	Valuations (% of Total)	Gap
Residential	8,914	55.5%	34.5%	+21%
Commercial	468	3.1%	2.1%	+1.0%
Industrial	62	0.4%	0.3%	+0.1%
Primary Production	2,843	34.4%	60.0%	-25.6%
Vacant Land	1,530	5.5%	2.6%	+2.9%
Other	245	1.0%	0.5%	+0.5%
<b>TOTAL</b>	<b>14,062</b>	<b>100%</b>	<b>100%</b>	



# RATING STRATEGIES

## Waste Collection and Recycling



In May 2012 the State Government introduced regulations that determine how Council charges for its Waste Collection service based on distance from collection points. These regulations impact only on the rural 2 bin service offered by Council.

The regulations state that:

- A property which has a collection point within 500m of their primary access point will be charged the full service charge;
- Properties whose collection point is more than 500m but no more than 2km from their primary access point will pay 75% of the full service charge;
- Properties whose collection point is more than 2km but no more than 5km from their primary access point will pay 50% of their full service charge;
- Properties whose collection point is more than 5km to their primary access point will not pay a service charge unless a service is requested, and an appropriate service charge has been negotiated with Council.

For the purpose of the regulations a collection point is defined as the point on a waste collection route closest to the property's primary access point. The primary access point is defined as the same point as the rural property address for a property.

The service charge is set to recover the full cost of providing the Waste and Recycling Service. The 3 Bin service is not offered to rural ratepayers.

These charges are driven by detailed modelling undertaken by Council based on a variety of costs such as fuel, labour, materials, collection and disposal, State Government levies and taxes in particular the Solid Waste Levy etc.

Council completed this modelling and determined that the annual charges for 2021/22 would remain the same as 2020/21. These rates are unchanged since 2019/20, when Council was able to apply a significant decrease from previous years.

The annual service charges in 2021/22 are set out in the table below.

Service	Distance from rural collection point	2021/22 Charges (\$)	2020/21 Charges (\$)
3 Bins	(not applicable)	\$217.00	\$217.00
2 Bins	Up to 500m	\$171.00	\$171.00
2 Bins	Greater than 500m-2km	\$128.25	\$128.25
2 Bins	Greater than 2km-5km	\$85.50	\$85.50

## Community Wastewater Management Schemes

Council operates 18 Community Wastewater Management Schemes (CWMS) that are situated in townships and holiday settlements throughout the district.

Income received via the CWMS annual service charges are a full cost recovery fee to ensure that the costs of operating systems such as this, are recovered through user charges.

The CWMS annual service charges for 2021/22 are: \$536 (compared to \$525 in 2020/21) for occupied properties and \$398 (compared to \$390 in 2020/21) for unoccupied properties.

The annual service charges are set in line with full cost recovery requirements as regulated by the Essential Services Commission of SA (ESCOSA) and using the LGA SA pricing model to determine full cost recovery of all schemes over at least a twenty (20) year period.



# RATING STRATEGIES

## Water Charges



To enable communities to have access to a secondary water supply, Council maintains water supply schemes to three communities.

The annual service charges are set in line with full cost recovery requirements as regulated by the Essential Services Commission of SA (ESCOSA) and using the LGA SA pricing model to determine full cost recovery of all schemes over at least a twenty (20) year period. In addition, charges for water usage are recovered from users.

Fees for the Water Schemes operated by Council for 2021/22 are displayed in the following table.

Location	2021/22
Balgowan	\$211
Black Point	\$211
Hardwicke Bay	\$211
Marion Bay desal	User Charge Only
Port Rickaby	User Charge Only

## Northern and Yorke Landscape Region

The Yorke Peninsula Council falls within the Northern & Yorke Landscape Region Board and as such Council is required, pursuant to the Landscape South Australia Act 2019, to raise

funds by way of a 'Regional Landscape Levy' (previously known as the NRM levy). The levy is imposed as a separate rate upon all properties within the area of the Region.

Council remits all revenue collected under this Act to the Board. The amount to be raised in 2021/22 is \$1.17m representing a \$17k or 1.5% increase from 2020/21. This amount includes \$1.169m to be paid to the Northern and Yorke Regional Landscape Board and \$4.5k in rebates provided by Council.

Council effectively operates as a revenue collector for the Board as the revenue from the levy is not retained by Council and Council does not determine how the revenue is spent.

## Natural Resources Centre

Please direct Regional Landscape Levy queries to:

155 Main North Road, CLARE, SA 5453

Phone: (08) 8841 3400

Email: [dew.nrny@sa.gov.au](mailto:dew.nrny@sa.gov.au)

Website: [www.naturalresources.sa.gov.au/northernandyorke](http://www.naturalresources.sa.gov.au/northernandyorke)

Native Pig Face | Trudie Jacques

# KEY FINANCIAL MEASURES

Council has adopted a set of key financial indicators (ratios) in line with the targets set in its recently adopted 2022-2031 LTFP.

These financial ratios are a key measure in assessing Council's performance and financial sustainability. These financial ratios have been calculated in accordance with *Information Paper 9 – Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

The LTFP is based on "business as usual" following COVID-19 impacted 2019/20 and 2020/21 financial years. The impacts of COVID-19 on Council's financial position were taken into account in the revised LTFP adopted by Council in April 2021.

## Operating Surplus Ratio

This is the operating surplus (deficit) expressed as a percentage of operating income.

A positive ratio indicates the percentage of operating income available to help fund proposed capital expenditure. A negative ratio indicates the percentage increase in operating income or the approximate decrease in operating expenses required to achieve a break-even operating result.

Council's forecast operating deficit in 2021/22 is \$319k compared to \$108k forecast in Council's LTFP. This is an increase of \$111k and can be explained as the net impact of Council's

	2021/2022 BUDGET	2022/2031 LTFP	2020/2021 REVISED BUDGET
Operating Surplus Ratio	(0.9%)	(0.3%)	0.7%
Net Financial Liabilities Ratio	28%	26%	20%
Asset Renewal Funding Ratio	124%	130%	101%

operating expenditure being \$607k or 2% greater than the LTFP forecast while income is \$396k or 1% more.

In 2021/22 this ratio is proposed to be -0.9% which when compared to Council's LTFP is 0.6% worse off. This is a combination of various one-off income and expenditure items either not factored into Council's LTFP or requiring reclassification between operating and capital expenditure. These items are:

- 2% or \$369k additional rate revenue in 2021/22 compared to the LTFP;
- \$136k in capital expenditure funding set aside in Council's LTFP for projects at Council operated Caravan parks, however when the 2021/22 budget was finalised they were classified as operating. So while there is no cash shortfall to complete these projects, the classification has changed impacting Council's operating bottom line.
- Following one-off projects are not in the LTFP but are identified as critical in 2021/22:
  - Application Whitelisting \$32.5k – a key IT security improvement for all Council workstations as outlined in Council's IT Strategic Plan;

- Compliance with new GDS40 state record keeping requirements \$7k;
- Records archiving and disposal staff training to meet legislative requirements \$4k;
- Edithburgh jetty dive access steps design \$15k – design required to apply for Federal funding;
- Unsealed roads materials testing \$100k;
- Corny Point road drainage issues – engineer's report \$10k;
- Arts Activation Strategy \$130k (\$70k grant funding);
- Network level heavy vehicle route assessment and risk analysis \$50k;
- Balgowan breakwater and boat ramp plan \$20k.

Council's LTFP target for this ratio is between 0% (breakeven i.e. operating income equals operating expenditure) and 10%. This is based on SA Local Government recommended sector targets.





# KEY FINANCIAL MEASURES

## Net Financial Liabilities Ratio

The net financial liabilities ratio is calculated by expressing net financial liabilities at the end of a financial year as a percentage of operating income for the year. If the ratio falls, over time, this indicates that the Council's capacity to meet its financial obligations from operating income is strengthening.

Council's forecast for this ratio in 2021/22 is 28% which is well below Council's LTFP maximum target of 100% of total operating income. Compared to the LTFP this is 2% higher and can be attributed to a reduction in forecast cash at year end of approximately \$0.85m when compared to the LTFP. This reduction in cash can be attributed to the reasons mentioned on page 24 and also a reduction in forecast year end cash as at 30 June 2021. The LTFP was based on previous forecasts which have since been revised through current year budget reviews.

This ratio indicates that Council has the capacity to borrow for capital projects especially focusing on renewal and replacement of existing assets which may be overdue as long as it can afford to pay back the loans and its operating bottom line is heading towards a surplus in the medium to long term.

Three (3) new loans for a total of \$3.1m are included to be drawn down in 2021/22 Budget, with repayments to commence in 2022/23 for a fixed five (5) year term. These new loans are

Council's 50% contribution to three (3) one-off major projects which are 50% grant funded. The projects (and their total costs) are:

- Gardner St and Fowler Tce, Price road upgrade \$1.512m;
- Upgrade of Regional Commodity and Freight roads \$3.105m;
- Minlaton Airstrip upgrade \$1.65m.

## Asset Renewal Funding Ratio

This ratio indicates the extent to which existing assets are being renewed and replaced, compared with the asset renewal and replacement expenditure identified as warranted in Council's Asset Management Plans (AMPs). It is calculated by measuring capital expenditure on renewal or replacement of assets for a period, divided by the level of such expenditure proposed in the AMPs. Alternatively where AMP's for all asset classes are not available or up to date, depreciation can be used as a comparison. Council currently uses levels of expenditure proposed in its AMPs as a measure.

Council's LTFP minimum target is 100% assuming Council has no backlog of existing assets requiring replacement and renewal. The LTFP forecasts a 130% renewal ratio in 2021/22, however in the 2021/22 Budget the ratio is forecast to be slightly less at 124%. This 6% variance can be attributed to a portion of funding available for capital renewal expenditure being used to fund capital upgrade and new projects based on priorities, thus reducing the amount being spent on renewal and replacement of existing assets.

Council's forecast of 124% is well above Council's LTFP minimum target of 100% and helps to address its infrastructure backlog created by underspending in previous years. In 2021/22 Council is proposing to spend \$15.6m on capital projects with \$13.3m of this to be spent on renewal and replacement of existing assets. The remaining \$2.3m is for upgrades to existing assets and acquisition of new assets.

# ANALYSIS OF OPERATING BUDGET

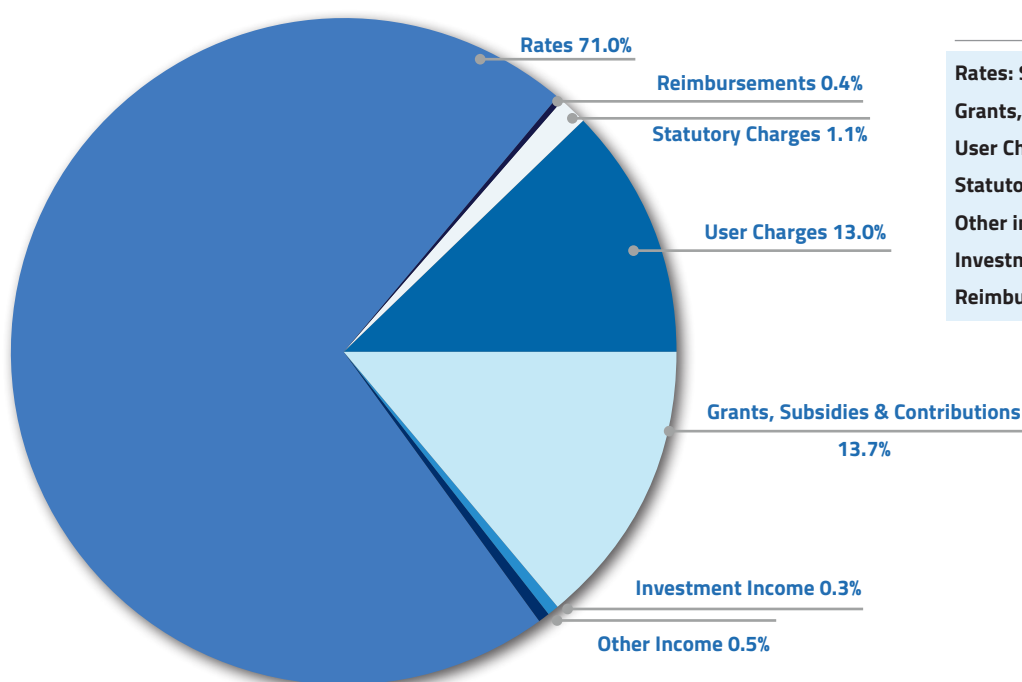
## Operating Income

This section of the Annual Business Plan provides an analysis of the planned Council expenditure for the 2021/22 financial year and the sources of funding for the budget.

Council has budgeted for a total of \$34.4m in operating income. This is approximately \$396k or 1% more than projected in Council's LTFP. The variation is primarily due to Council's decision to increase total general rates by an additional 2% or \$369k compared to the 2.5%

increase proposed in the LTFP.

All key variances are explained in detail on pages 24-25.



## Totals

**Rates: \$24.4m**  
**Grants, Subsidies & Contributions: \$4.7m**  
**User Charges: \$4.5m**  
**Statutory Charges: \$0.4m**  
**Other income: \$0.2m**  
**Investment Income: \$0.1m**  
**Reimbursements: \$0.1m**



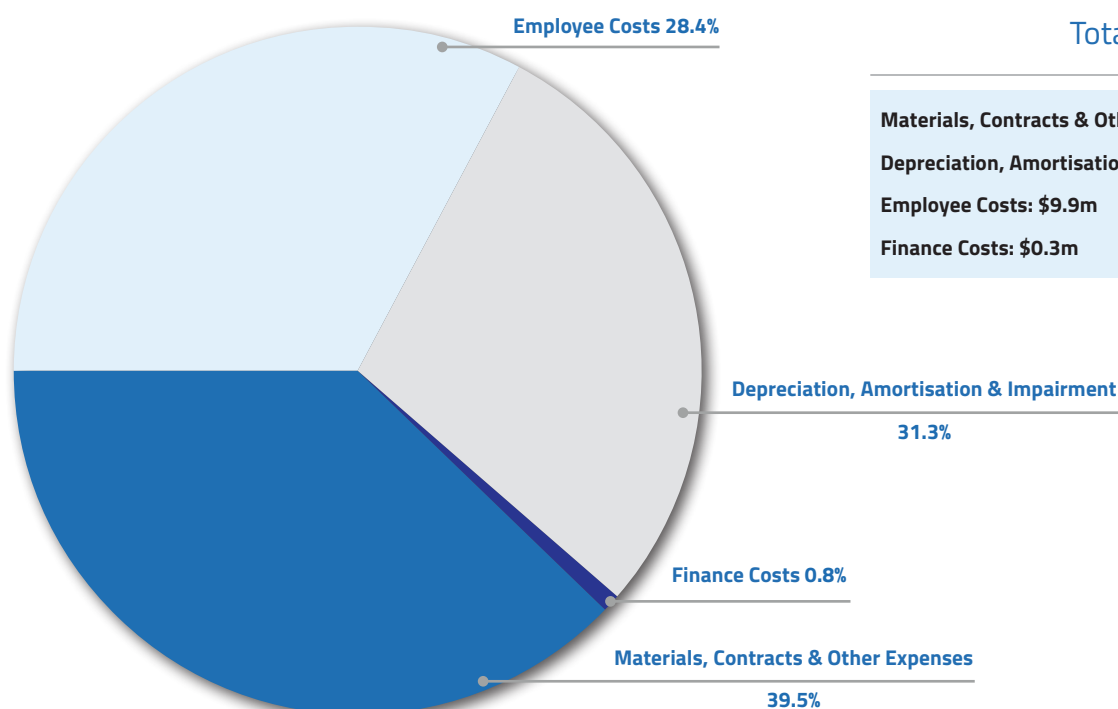
Descriptor	
General Rates and Service Charges	General rates on properties as well as service charges (i.e. sewerage, water and refuse/recycling charges).
Statutory charges set by State Government	Fees and charges set by State Government regulation and received by the Council for regulatory functions undertaken such as assessment of development and building applications and dog control management.
User Pay Charges set by Council	Charges for the Council's fee based facilities and services such as caravan parks, community halls, cemeteries.
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.
Investment, Reimbursements & Other Income	Interest received on Council's internal cash reserves and deposits. Reimbursements for work undertaken and Other Income.

# ANALYSIS OF OPERATING BUDGET

## Operating Expenses

Operating expenses of \$34.7m budgeted for in 2021/22 are summarised below by major category. This is \$607k or 2% greater than the projected operating expenses within the LTFP.

Majority of this increase is due to one-off operational projects that have been identified as priorities in 2021/22. While reviewing the LTFP these projects had not been individually identified, hence were not included. Additional details are available on pages 24-25 of this plan.



## Totals

**Materials, Contracts & Other Expenses: \$13.7m**  
**Depreciation, Amortisation & Impairment: \$10.8m**  
**Employee Costs: \$9.9m**  
**Finance Costs: \$0.3m**

Descriptor	
Employee Costs	All labour related expenses such as wages and salaries, and on-costs such as allowances, leave entitlements, employer superannuation, workers compensation and income protection insurance.
Contractual Services	Payments for external provision of services. (incl. waste).
Materials & Others	Payments for physical goods such as water, fuel, energy, road materials, office consumables, stationery, insurances, postage, telephone, government levies, contributions and donations.
Depreciation	Annual consumption of Council's fixed assets (e.g. infrastructure, equipment, buildings etc.) over their useful lives.
Finance Costs	Costs of financing Council's activities through borrowings or other types of financial accommodation and merchant fees.



# CAPITAL WORKS PROGRAM

Council has developed a suite of Asset Management Plans for the various categories of assets - i.e. Community Wastewater Management Systems, Stormwater Infrastructure, Transport, Water Infrastructure, Major Plant and Buildings and Other Structures.

These plans identify costs required to ensure assets will be maintained in a sustainable condition over the long term. There will always be a community desire for the provision of new and upgraded assets, however it is important that priority is given to the replacement and sustainable renewal of existing assets.

The following table provides a complete list of all capital projects funded through the 2021/22 Annual Business Plan. Council's performance will be assessed by the timely completion of these projects within the stated budget.

*Note: The below totals represent total cost of projects exclusive of any external funding (e.g. grants, trade-ins)*

CAPITAL WORKS PROGRAM 2021/22	RENEWAL/ REPLACEMENT	NEW/ UPGRADED
<b>CARAVAN PARKS</b>	<b>\$139,937</b>	<b>\$123,639</b>
Replace deluxe cabin outdoor settings at Point Turton Caravan Park	\$8,991	\$0
Replacement Fencing at Black Point Caravan and Camping Ground	\$3,000	\$0
Upper level amenities at Point Turton Caravan Park	\$0	\$113,962
Road upgrade at Port Vincent Foreshore Caravan Park	\$59,775	\$0
Install additional solar lighting at Marion Bay Caravan Park	\$0	\$5,136
Store room ceiling lining at Port Rickaby Caravan Park	\$5,000	\$0
Replacement of cabin furnishings at Port Rickaby Caravan Park	\$14,171	\$0
Site reinstatement at Port Rickaby Caravan Park	\$20,000	\$0
Outdoor television at Point Turton Caravan Park	\$0	\$4,541
Redevelop the YPC Holiday Parks websites	\$20,000	\$0
Replace 6 computers older than 4 5 years	\$9,000	\$0
<b>COMMUNITY WASTE MANAGEMENT SYSTEMS</b>	<b>\$121,553</b>	<b>\$31,000</b>
Ardrossan Hogarth street pump station switchboard and valve chamber upgrade	\$17,500	\$17,500
Ardrossan wastewater treatment plant intermittent aeration tank replacement	\$13,179	\$0
Ardrossan wastewater treatment plant waste pump replacement	\$6,979	\$0
Black Point wastewater treatment plant waste pump replacement	\$5,479	\$0
Chinaman Wells pump station 1 upgrade	\$1,040	\$0
Chinaman Wells pump station 2 upgrade	\$0	\$13,500
Chinaman Wells wastewater treatment plant aerator replacement	\$13,000	\$0
Maitland CWMS gravity drain replacement	\$30,000	\$0
Port Victoria jetty pump station pump 2 replacement	\$3,847	\$0
Port Vincent Caravan Park switchboards and valve upgrade	\$8,357	\$0
Stansbury pump station 2 upgrade	\$14,023	\$0
Yorke town Jacobs Street pump station upgrade	\$6,489	\$0
Yorke town Waterloo Bay Rd pump station valve replacement	\$1,660	\$0

# CAPITAL WORKS PROGRAM

CAPITAL WORKS PROGRAM 2021/22	RENEWAL/ REPLACEMENT	NEW/ UPGRADED
<b>FURNITURE AND FITTINGS</b>	<b>\$8,000</b>	<b>\$0</b>
Office Furniture	\$8,000	\$0
<b>INFORMATION TECHNOLOGY</b>	<b>\$59,000</b>	<b>\$0</b>
Annual replacement Laptops	\$40,000	\$0
Annual replacement Desktops	\$10,500	\$0
Dock replacement	\$7,000	\$0
Outside workforce mobile phones	\$1,500	\$0
<b>LAND, BUILDING AND STRUCTURES</b>	<b>\$42,024</b>	<b>\$122,500</b>
Bush camping toilet	\$0	\$40,000
Furniture replacement program Parks & Reserves	\$20,000	\$0
Marion Bay public toilet soakage extension	\$0	\$30,000
Stansbury Sports and Community Club grandstand repairs (less contribution of \$8,500, net Council funding required = \$13,524)	\$22,024	\$0
Tourism Scenic Frames x 6 (less contributions from towns of \$26,250, net Council funding required = \$26,250)	\$0	\$52,500
<b>MAJOR PLANT, EQUIPMENT, FLEET VEHICLES AND MINOR PLANT</b>	<b>\$844,224</b>	<b>\$10,000</b>
Fleet motor vehicles replacement x 10 (less trade-ins of \$234,545, net Council funding required = \$160,679)	\$395,224	\$0
Fuso Canter truck (less trade-ins of \$10,000, net Council funding required = \$75,000)	\$85,000	\$0
Hydro Vac (less trade-ins of \$10,000, net Council funding required = \$167,000)	\$177,000	\$0
Marion Bay public toilet back up generator	\$0	\$10,000
Minor Plant (less trade-ins of \$2,000, net Council funding required = \$12,000)	\$14,000	\$0
Semi H2O tanker	\$98,000	\$0
Truck (less trade-ins of \$6,000, net Council funding required = \$69,000)	\$75,000	\$0
<b>OTHER</b>	<b>\$0</b>	<b>\$122,800</b>
Coastal Management Coasting the Yorke (less grant funding of \$62,800, net Council funding required = \$60,000)	\$0	\$122,800

# CAPITAL WORKS PROGRAM

CAPITAL WORKS PROGRAM 2021/22	RENEWAL/ REPLACEMENT	NEW/ UPGRADED
<b>TRANSPORT INFRASTRUCTURE</b>	<b>\$7,128,288</b>	<b>\$25,000</b>
Disabled Access	\$0	\$25,000
Patch Sheeting North	\$1,185,510	\$0
Patch Sheeting South	\$1,252,169	\$0
Sealed Road Reseals	\$300,000	\$0
Unsealed Road Resheeting Brutus Road	\$260,688	\$0
Unsealed Road Resheeting Coringle Road	\$145,416	\$0
Unsealed Road Resheeting Corny Point Road	\$545,781	\$0
Unsealed Road Resheeting Dowlingville Slant Road	\$438,550	\$0
Unsealed Road Resheeting Dump Road	\$469,385	\$0
Unsealed Road Resheeting Gap Road Weetulta	\$366,141	\$0
Unsealed Road Resheeting Lighthouse Road	\$457,054	\$0
Unsealed Road Resheeting Melton South Road	\$882,081	\$0
Unsealed Road Resheeting Saint Road	\$303,173	\$0
Unsealed Road Resheeting Sandy Church Road	\$522,341	\$0
<b>STORMWATER DRAINAGE</b>	<b>\$0</b>	<b>\$50,000</b>
Minlaton Depot environmental and stormwater works	\$0	\$50,000
<b>WATER INFRASTRUCTURE</b>	<b>\$18,263</b>	<b>\$0</b>
Marion Bay desal plant recovery turbine and water analyser replacement	\$18,263	\$0
<b>GRANT FUNDED ONE-OFF PROJECTS</b>	<b>\$4,886,700</b>	<b>\$1,850,000</b>
Gardner St & Fowler Tce, Price road upgrades (less grant funding of \$756,000, net Council funding required = \$756,000)	\$1,512,000	\$0
Maitland Airstrip microsurfacing and linemarking (less grant funding of \$220,000, net Council funding required = \$50,000)	\$270,000	\$0
Minlaton Airstrip upgrade (less grant funding of \$825,000, net Council funding required = \$825,000)	\$0	\$1,650,000
Upgrade of regional commodity and freight roads (less grant funding of \$1,552,350, net Council funding required = \$1,552,350)	\$3,104,700	\$0
Yorke town Airstrip runway lighting (less grant funding of \$200,000 net Council funding required = \$0)	\$0	\$200,000
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>\$13,247,989</b>	<b>\$2,334,939</b>



# ANALYSIS OF TOTAL BUDGET

The following table provides a breakdown of total expenditure (operating and capital) by function (excluding depreciation).

%	FUNCTION	DESCRIPTION
36.6%	Road Maintenance	Expenses relating to the cost of maintaining and renewing Council's road network, including materials, labour related expenses, patrol grading and vegetation management.
7.0%	Community Asset Maintenance	General maintenance costs, including materials and labour related expenses related to assets such as sporting ovals, swimming centres, halls, airstrips, public conveniences, cemeteries and war memorials.
6.8%	Caravan Park Operation	Expenses relating to the cost of running Council owned caravan parks, including capital expenditure and labour related expenses.
6.4%	Refuse Collection & Disposal	Contractual and local expenses, including materials and labour related expenses.
5.3%	Finance, Business, Corporate and Community Relations	Expenses relating to financial administration, business and community relations and corporate services, including labour related expenses.
4.5%	Parks and Gardens	Expenses relating to the maintenance of all open space parks and gardens, including materials and labour related expenses.
4.0%	Governance	Expenses relating to governing the organisation, including organisational compliance and Elected Member related expenses and cost of office furniture.
3.7%	Information Services	Expenses incurred in providing information technology, including projects and labour related expenses.
3.6%	Development Services	Expenses relating to the cost of planning and development, including labour related expenses.
3.4%	People and Culture	Expenses relating to Human Resources, Payroll, Staff Training, Work Health & Safety and Risk Management.
3.0%	CWMS and Water Schemes	Expenses relating to the cost of running water and waste-water management schemes, including materials and labour related expenses.
3.0%	Regional Landscape Levy	A compulsory levy payable to the Northern and Yorke Landscape Region Board. Refer page 23.

# ANALYSIS OF TOTAL BUDGET

%	FUNCTION	DESCRIPTION
2.1%	Street Cleaning and Cleaning Council Buildings	Contractual and local expenses to clean all streets and Council buildings across the district including public conveniences.
2.2%	Environmental Management	Expenses relating all foreshore maintenance plus maintenance of walking trails, contribution to Northern and Yorke Landscape Region Board projects, protection of crown lands and land rehabilitation.
2.0%	Community Support	Expenses relating to youth services, libraries, Leisure Options and other community support programs (e.g. YP Community Transport, grants and donations), including materials and labour related expenses.
1.7%	Footpaths and Stormwater	Capital expenses relating to maintenance of existing footpaths and stormwater systems, including materials and labour related expenses
1.5%	Tourism and Economic Development	Expenses relating to tourism including the Visitor Information Provision and other economic development expenses (e.g. Regional Development Australia, Art Exhibition etc.), including labour related expenses.
1.3%	Regulatory, Animal and Fire Control Services	Includes expenses relating to fire safety and prevention, health inspections, dog control and impounding and other regulatory functions, including labour related expenses.
0.7%	Street Lighting	Expenses relating to maintenance of street lighting, including materials and labour related expenses.
0.7%	Asset Management	Asset Management Systems, Asset Management Plans and Asset Condition Assessments, including labour related expenses.
0.5%	Plant and Equipment	Includes all expenses related to purchase/replacement of all plant and equipment, including fleet vehicles – offset by all trade-in income.



Ardrossan | Josh Geelen

# 2021/22 BUDGETED FINANCIAL STATEMENTS

## A. Budgeted Statement of Comprehensive Income

This statement outlines:

- All sources of Council's income (revenue)
- All operating expenses. These expenses relate to operations and do not include capital expenditure although depreciation of assets is included.

The Net Operating Surplus / (Deficit) for the year is a measure of Council's financial performance. This figure is determined by deducting total operating expenses from total operating revenue.

## B. Budgeted Statement of Financial Position

The Statement of Financial Position outlines what Council owns (assets) and what it owes (liabilities) at a point in time.

Council's net worth is determined by deducting total liabilities from total assets – the larger the net equity, the stronger the financial position.

## C. Budgeted Statement of Cash Flows

This summarises the actual flows of cash for a period and explains the change in the cash balance held from the start of the period through to the end of the reporting period. This shows where Council received its cash from and then what it was spent on.

## D. Budgeted Statement of Changes in Equity

A statement of changes in equity shows the movements of equity in addition to accumulated earnings and losses for a reporting period. This statement summarises the change in Council's real worth throughout the financial year. Council's net worth can change as a result of:

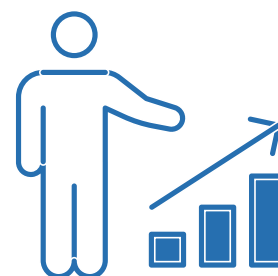
- The net result as recorded in the Statement of Comprehensive Income; or
- An increase or decrease in the net value of non-current assets resulting from a revaluation of those assets.

## E. Budgeted Uniform Presentation of Finances

This is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis. The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

Budgeted financial statements for 2021/22 can be found on the following pages.





# 2021/22 BUDGETED FINANCIAL STATEMENTS

## A. Budgeted Statement of Comprehensive Income

	2021/2022 Budget	2021/2022 LTFP	2020/2021 Revised Budget (March Quarter)
	\$( '000)	\$( '000)	\$( '000)
<b>INCOME</b>			
Rates	24,359	23,944	23,371
Statutory Charges	378	392	430
User Charges	4,456	4,472	4,818
Grants, subsidies, contributions	4,724	4,703	6,120
Investment Income	106	142	110
Reimbursements	149	119	251
Other Income	169	174	237
<b>Total Income</b>	<b>34,342</b>	<b>33,946</b>	<b>35,337</b>
<b>EXPENSES</b>			
Employee costs	9,859	9,824	9,518
Materials, contracts & other expenses	13,682	13,110	14,593
Depreciation	10,833	10,834	10,643
Finance Costs	287	286	326
<b>Total Expenses</b>	<b>34,661</b>	<b>34,054</b>	<b>35,080</b>
<b>OPERATING SURPLUS/ (DEFICIT)</b>	<b>(319)</b>	<b>(108)</b>	<b>257</b>
Asset disposal and fair value adjustments	0	0	0
Amounts received specifically for new or upgraded assets	2,090	2,001	598
<b>NET SURPLUS/ (DEFICIT)</b>	<b>1,770</b>	<b>1,893</b>	<b>855</b>
<b>Other Comprehensive Income</b>			
Changes in revaluation surplus - I,PP&E	0	0	0
Total Other Comprehensive Income	0	0	0
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>1,770</b>	<b>1,893</b>	<b>855</b>

*NB: Totals may not add due to rounding*

## B. Budgeted Statement of Financial Position

	2021/2022 Budget	2021/2022 LTFP	2020/2021 Revised Budget (March Quarter)
	\$( '000)	\$( '000)	\$( '000)
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash & Equivalent Assets	2,530	3,382	3,011
Trade & Other Receivables	1,775	1,747	1,818
Inventories	511	492	543
<b>Total Current Assets</b>	<b>4,816</b>	<b>5,621</b>	<b>5,372</b>
<b>Non-Current Assets</b>			
Financial Assets	341	341	433
Infrastructure, Property, Plant & Equipment	283,175	281,991	278,687
<b>Total Non-Current Assets</b>	<b>283,516</b>	<b>282,332</b>	<b>279,120</b>
<b>Total Assets</b>	<b>288,332</b>	<b>287,953</b>	<b>284,492</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	2,311	2,242	2,473
Borrowings	1,495	1,495	908
Provisions	2,429	2,429	2,429
<b>Total Current Liabilities</b>	<b>6,235</b>	<b>6,166</b>	<b>5,810</b>
<b>Non-Current Liabilities</b>			
<b>Trade &amp; Other Payables</b>	<b>7</b>	<b>7</b>	<b>10</b>
Borrowings	7,727	7,727	6,079
Provisions	258	258	258
<b>Total Non-Current Liabilities</b>	<b>7,992</b>	<b>7,992</b>	<b>6,347</b>
<b>Total Liabilities</b>	<b>14,226</b>	<b>14,158</b>	<b>12,157</b>
<b>NET ASSETS</b>	<b>274,105</b>	<b>273,795</b>	<b>272,335</b>
<b>EQUITY</b>			
Accumulated Surplus	(15,210)	(15,520)	(16,980)
Asset Revaluation Reserve	286,700	286,700	286,700
Other Reserves	2,615	2,615	2,615
<b>TOTAL EQUITY</b>	<b>274,105</b>	<b>273,795</b>	<b>272,335</b>

*NB: Totals may not add due to rounding*

## C. Budgeted Statement of Cash Flows

	2021/2022 Budget	2021/2022 LTFP	2020/2021 Revised Budget (March Quarter)
	\$('000)	\$('000)	\$('000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Operating Receipts	24,323	23,924	23,508
Statutory Charges	381	391	440
User Charges	4,475	4,470	4,852
Grants, subsidies, contributions	4,675	4,654	5,828
Investment Receipts	107	142	115
Reimbursements	152	121	263
Other Income	157	176	(21)
<u>Payments</u>			
Employee Costs	(9,839)	(9,813)	(9,497)
Materials, contracts & other expenses	(13,734)	(13,156)	(14,362)
Finance Costs	(287)	(286)	(326)
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>10,410</b>	<b>10,623</b>	<b>10,800</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts Specifically for New/Upgraded Assets	2,090	2,001	598
Sale of Renewed/Replaced Assets	263	300	195
Sale of Surplus Assets	0	0	15
Repayments of Loans by Community Groups	104	104	99
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets	(13,248)	(13,862)	(12,793)
Expenditure on New/Upgraded Assets	(2,335)	(1,870)	(1,870)
<b>Net Cash Provided by (or used in) Investing Activities</b>	<b>(13,126)</b>	<b>(13,327)</b>	<b>(13,756)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Borrowings	3,143	3,143	351
<u>Payments</u>			
Repayments of Borrowings	(908)	(908)	(852)
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>2,235</b>	<b>2,235</b>	<b>(501)</b>
<b>Net Increase/ (Decrease) in Cash held</b>	<b>(481)</b>	<b>(469)</b>	<b>(3,457)</b>
<b>plus: Cash &amp; Cash Equivalents at beginning of period</b>	<b>3,011</b>	<b>3,851</b>	<b>6,469</b>
<b>Cash &amp; Cash equivalents at end of period</b>	<b>2,530</b>	<b>3,382</b>	<b>3,011</b>

NB: Totals may not add due to rounding



## D. Budgeted Statement of Changes in Equity

	2021/2022 Budget	2021/2022 LTFP	2020/2021 Revised Budget (March Quarter)
	\$( '000)	\$( '000)	\$( '000)
<b>Balance at end of previous reporting period</b>	<b>272,335</b>	<b>271,901</b>	<b>271,479</b>
Net Surplus/ (Deficit) for Year	1,770	1,893	855
<b>Total Comprehensive Income</b>	<b>1,770</b>	<b>1,893</b>	<b>855</b>
<b>Balance at the end of period</b>	<b>274,105</b>	<b>273,795</b>	<b>272,335</b>

NB: Totals may not add due to rounding

## E. Budgeted Uniform Presentation of Finances

	2021/2022 Budget	2021/2022 LTFP	2020/2021 Revised Budget (March Quarter)
	\$( '000)	\$( '000)	\$( '000)
<b>Operating Income</b>	<b>34,342</b>	<b>33,946</b>	<b>35,337</b>
<i>less Operating Expenses</i>	(34,661)	(34,054)	(35,080)
<b>Operating Surplus/ (Deficit)</b>	<b>(319)</b>	<b>(108)</b>	<b>257</b>
<b>Net Outlays on Existing Assets</b>			
Capital Expenditure on Renewal and Replacement of Existing Assets	(13,248)	(13,862)	(12,793)
<i>less Depreciation, Amortisation and Impairment</i>	10,833	10,834	10,643
<i>less Proceeds from Sale of Replaced Assets</i>	263	300	195
	<b>(2,153)</b>	<b>(2,728)</b>	<b>(1,955)</b>
<b>Net Outlays on New and Upgraded Assets</b>			
Capital Expenditure on New and Upgraded Assets	(2,335)	(1,870)	(1,870)
<i>less Amounts Specifically for New and Upgraded Assets</i>	2,090	2,001	598
<i>less Proceeds from Sale of Surplus Assets</i>	0	0	15
	<b>(245)</b>	<b>131</b>	<b>(1,257)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(2,717)</b>	<b>(2,705)</b>	<b>(2,955)</b>

NB: Totals may not add due to rounding