



District Council of Yorke Peninsula

ANNUAL BUSINESS PLAN 2013-2014

Partnerships

Facilities

Infrastructure

Service

Sustainability

Skills

Opportunities



Edithburgh

Message from the Mayor



The Annual Business Plan has been prepared to provide the community with a clear picture of the plans the District Council of Yorke Peninsula aims to achieve in 2013/2014. This planning process provides an opportunity for community involvement in determining priorities for Council projects and services for the forthcoming financial year.

The Annual Business Plan is a living document that will be updated each year to respond to the evolving needs of the community.

The key focus of the Annual Business Plan for 2013/2014 is a reduction in the Operating Deficit to bring it closer in line with the Adopted Long Term Financial Plan, working towards long term financial sustainability.

There will also be an increase in expenditure on renewal of assets which equates to \$5.015 million, with the expenditure on new assets equating to \$2.534million.

Some key projects that have been included in the Annual Business Plan for 2013/2014 are:

- Capital expenditure on Sealed Roads planned at \$1.387 million;
- Capital expenditure on Unsealed Roads planned at \$2.426 million;
- Removal of the Edithburgh Jetty Fenders at an estimated cost of \$150,000;
- Capital expenditure on Halls increased to \$163,000;
- Yorketown Stormwater renewal project \$120,000;
- Stage 2 of Ardrossan Stormwater Project at a cost of \$334,000 (\$140,000 net after RDAF Round 5 allocation of approximately \$144,000 and a \$50,000 contribution from Ardrossan Progress Association);
- Caravan Parks Capital provision of \$309,600 to fund essential Fire, Power, Accommodation and Road upgrades across Council owned caravan parks;

Council is currently undertaking an Elector Representation Review and has endorsed the submission of a Full application for the Walk the Yorke Trail Project seeking support from the Federal Government for 50% of the cost of project.

Council is always mindful of the balance required to deliver community expectations whilst ensuring financial sustainability.

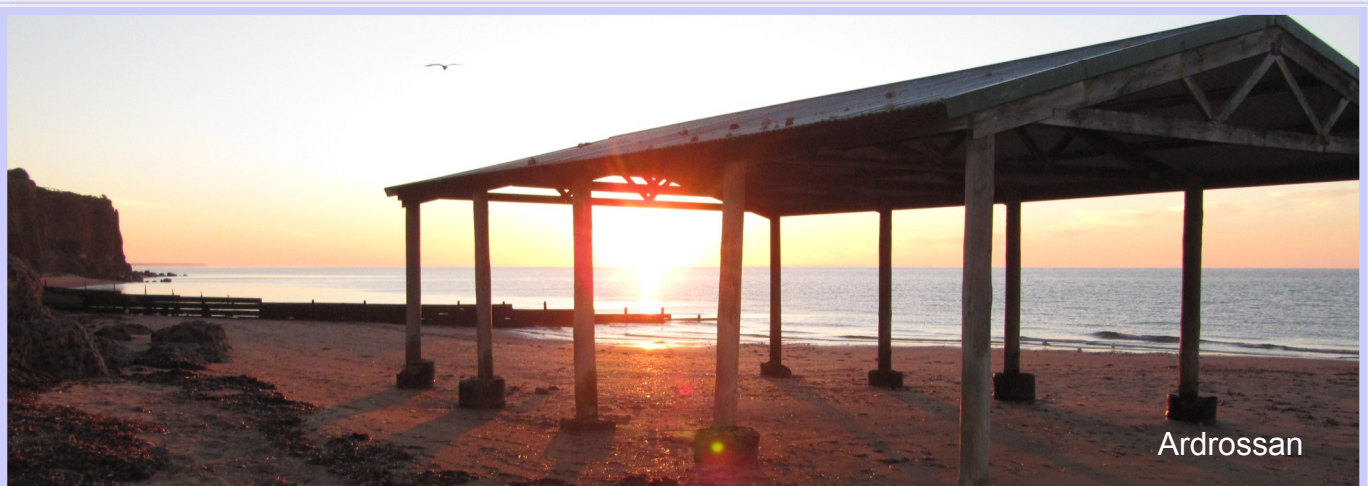
Council encourages community engagement in the Annual Business Planning Process and looks forward to receiving your feedback.

I commend the Annual Business Plan 2013/2014 to you.

Ray Agnew OAM
MAYOR

Contents

Message from the Mayor	2
Introduction	4
Our Vision and Strategic Goals	5
Strategic Planning Framework	6
Influences and Priorities	7
Delivering the Strategic Plan	8
Operating Budget	14
Continuing Services	16
Project & Capital Works Budget	17
Rating	19
Appendices	22
• Financial Statements	
• Full Cost Attribution Statement	



Introduction

The development of Council's Annual Business Plan is an important part of our planning process. It links the Strategic Plan 2012 - 2015 with the budget planning process to enable Council to achieve its goals while ensuring the best possible mix of services, infrastructure and facilities for its communities.

This year's budget development was guided by the recently adopted Long Term Financial Plan (LTFP) which looks to progressively reduce Council's Operating Deficit, returning to an Operating Surplus within a ten year period. The budget also looks to increase Council's spend on renewal of existing assets to ensure Council is able to maintain the current levels of service to the community in to the future. As a consequence, spending on new assets has been reduced to ensure Council is able to present a balanced budget to the community.

The 2013 - 2014 budget continues to be guided by the strategy developed in 2012 - 2013 and has been influenced by a number of pressures such as:

- Limited increases in State and Federal Government general grants;
- Limited opportunities to obtain grant funding available for foreshore projects;
- Increases in waste disposal costs;
- Increased maintenance and upkeep requirements in regard to boat ramps, parks and gardens, town halls, tree trimming and district roads.

As determined by Council's financial strategy and consistent with the aims of the Adopted LTFP, Council has continued its focus on expenditure to renew existing assets, and the budget allocation in this area will increase from \$4.656m in the 2012-13 Adopted Budget to a proposed \$5.016m in 2013/14.

Council has overall committed a total of \$7.569m in capital expenditure, the highlights of which include:

- \$281,000 for resealing of local roads;
- \$2.426m for renewal of unsealed local roads;
- \$1.387m in sealing of current unsealed roads. Including \$979,000 for the completion of the Clinton Road development project—year 1 of 5, pending Federal Government contributions of \$653,000;
- \$971,000 (\$840,000 net after trade in allowances) for Plant & Machinery renewals and \$160,000 for the purchase of new plant and equipment;
- \$400,000 towards the upgrade of Black Point boat ramp pending a State contribution of \$200,000;
- \$373,000 (\$214,000 net after trade in allowances) for the replacement of Council administration vehicles;
- \$309,600 for essential fire, power, accommodation and internal road upgrades across Council owned caravan parks;
- \$294,000 for the continued upgrade and development of CWMS systems;
- \$157,000 for the continued improvement of storm water management and collection;
- \$334,000 specifically for stage 2 of the Ardrossan Stormwater Harvest project;
- \$67,000 for the upgrade of Council IT infrastructure and security upgrades.

Further information on projects is detailed in later sections of the Plan.



Clinton Road

Our Vision and Strategic Goals

Our Vision

To be a thriving peninsula, proud of our heritage, lifestyle and diverse, vibrant communities. A great place to live, work and play.

Our Strategic Plan – Key Themes

Sustainable Communities

Sustainable Infrastructure—delivering and facilitating the provision of Infrastructure that is sustainable and supports our growth.

Progressive and Sustainable Development—providing a Development Plan that facilitates growth while safeguarding our environmental assets and community lifestyle.

Our Economy—encouraging and supporting a strong diverse economy that will provide employment opportunities for our community, including our youth.

Economic Growth through Sustainable Industrial Development—managing the impact of mining and other major industry growth on Council assets and resources whilst at the same time enabling maximum benefit to our community.

Corporate Governance and Leadership

Progressive Communities through Strategic Planning—informed decision making; setting the direction to meet the current and future needs of our communities.

Organisation Efficiency & Resource Management—delivering efficient and effective services through strategic leadership of our people.

Community Engagement

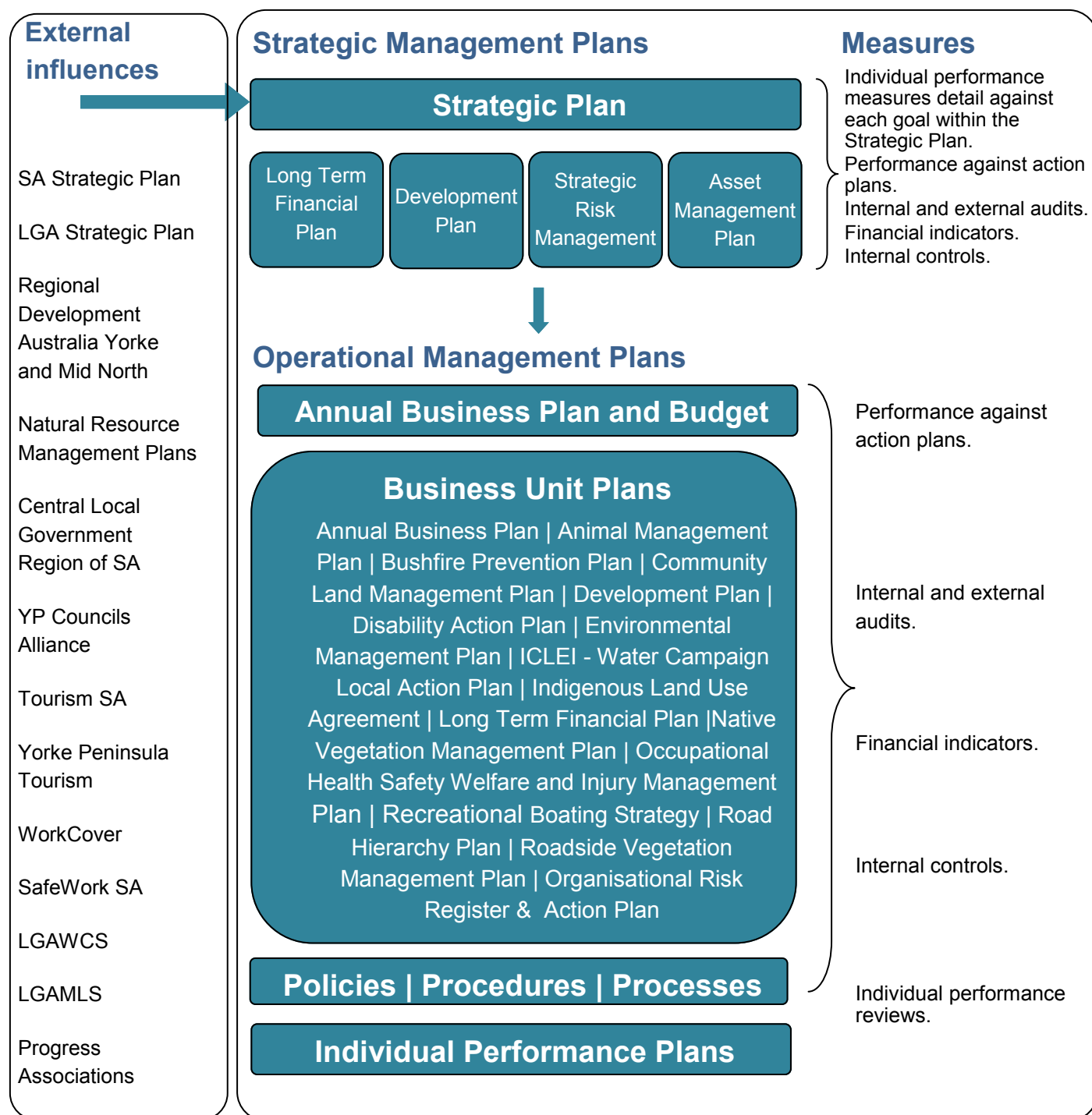
Vitality and Connection—encouraging optimistic and thriving communities through positive participation in community life.

Sense of Ownership—facilitate a sense of community ownership through public participation and authentic communication with our community.



Corny Point

Strategic Planning Framework



The Strategic Plan has been developed in consultation with our communities and stakeholders. It guides Council activities at the highest level, outlining our priorities and what Council need to do over the next four years, to achieve its goals.

The Annual Business Plan has been developed based on the goals and activities outlined in the Strategic Plan. This process ensures that the Strategic Plan goals will be achieved over the period of the plan.

Influences and Priorities

Current Economic Environment

In forming the Annual Business Plan, Council has identified pressures and potential impacts on its financial performance and budgeting.

As was the case in 2012/2013 Local Government cost increases continue to be above the general consumer inflation rate.

The economy continues to be negatively affected by continuing uncertainty and instability of global financial markets emanating from major economic issues, particularly in Europe. The slow-down in the local economy has not seen the reduction in costs that may have been expected.

Budget Strategy

The LTFP will continue to direct the development of Annual Business Plans in the future. The key goal of the LTFP is to ensure that Council is in a position to continue to provide a consistent level of services to the community without having to dramatically increase the cost of those services to ratepayers. It assumes:

- No change in the level or number of services provided;
- A “Financial Sustainability” increase in general rates to existing ratepayers of 5.3% above CPI for 2013/2014 to align Council’s rating levels with the Local Government average;
- Spending on asset renewals to increase to ensure Council’s ability to maintain current service levels to the community;

- Spending on new assets to be reduced in line with the “limited new services” strategy of the LTFP.

The Annual Business Plan supports Council’s strategic objectives, ensuring long term financial sustainability, responsible asset management, consistent service levels and a responsible level of rates.

Setting the Rates

Rates of all types continue to be the major source of operating income for Council making up approximately 69% of all operating income and each year the impact of rates increases on different categories of ratepayers is reviewed in line with Council’s strategic plan. In 2013-14 the income from general rates from existing ratepayers will increase by 8.9%.

The structure of the rating system will remain the same as in 2012-2013:

- With continued use of a fixed charge;
- Differential rates for different land use categories have been maintained retaining a similar percentage of total revenue for each category whilst allowing for any growth;
- A comprehensive set of rebates.

A detailed explanation of the rates structure is described later in this Plan.



Delivering the Strategic Plan

COMMUNITIES

1. SUSTAINABLE INFRASTRUCTURE

1.1 Provide infrastructure assets that are sustainable & safe

Key Actions to achieve our goal	Our Performance measures
Develop and implement a long-term road network maintenance program.	Public Consultation undertaken on the Draft Transport Plan and the Plan finalised and implemented by June 2014.
Implement and maintain Council's Asset Management Plan.	Remaining Asset Management Plans, including transfer station, boat launching facility, land, water infrastructure and plant/machinery/equipment plans finalised and implemented by June 2014.
Advocate and work with the State Government to improve the quality of arterial roads on Yorke Peninsula.	Ongoing - Number of initiatives collaboratively established, planned and managed.

1.2 Effective expansion of water and power supplies

Advocate service providers and other authorities to maintain and improve water and power infrastructure and service delivery.	Ongoing - Number of initiatives to improve water and power infrastructure delivery.
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SUSTAINABLE

2. PROGRESSIVE & SUSTAINABLE DEVELOPMENT

2.2 Streamlined development assessment process

Key Actions to achieve our goals	Our Performance measures
Implement development application processes that are efficient, streamlined, customer focused and provide clear direction for all planning and development issues in line with State Planning principles.	Development application processes developed and implemented by February 2014.
Undertake zone boundary reviews and incorporate into revised Development Plan Amendment for Maitland, Minlaton, Warooka & Yorketown.	Zone boundary reviews undertaken and incorporated into revised Development Plan Amendment - Maitland, Minlaton, Warooka & Yorketown by March 2014.



3. OUR ECONOMY

3.1 Sustainable economic growth

Key Actions to achieve our goals	Our Performance measures
Work in partnership with Yorke Peninsula Tourism and the Regional Development Australia Yorke and Mid North to identify ways Council can support tourism and business growth.	Ongoing - Number of joint initiatives that support tourism and business growth.
Identify and support initiatives for tourism related development including indigenous communities.	Ongoing - Number of joint initiatives that support the development of indigenous tourism.
Identify and support initiatives that will assist the development of sustainable agricultural industry including supporting and encouraging diversity and value adding in the industry.	Initiatives identified in a Service Agreement between Council and Regional Development Australia Yorke and Mid North by March 2014.
Partner and build positive relationships with YP Tourism, Regional Development Australia Yorke and Mid North, government agencies and other key stakeholders.	Ongoing - Increase in the number of joint initiatives for economic development.

3.2 Increase access to employment opportunities for our communities

Work with Regional Development Australia Yorke and Mid North and major industries to undertake a study to identify skills required to support business needs.	Ongoing - Number of joint initiatives opportunities identified.
Support training and skills initiatives of the Yorke Region Employment and Skills Formation Network that will enhance skills required in tourism, agriculture and business.	Ongoing - Number of joint initiatives developed that will enhance skills, development in tourism, agriculture and business.



4. ECONOMIC GROWTH THROUGH SUSTAINABLE INDUSTRIAL DEVELOPMENT

4.1 Manage the impact of mining and other major industry growth on Council assets and Infrastructure

Key Actions to achieve our goals	Our Performance measures
Work with mining and other major industries in developing strategies to facilitate improvement to roads, drainage and other Council infrastructure required to support major industry.	Ongoing - Number of strategies collaboratively developed through regular meetings with Rex Community Consultative Group.
Identify the financial resources required to manage the increased costs associated with the establishment of mining and other major industry within the district.	Ongoing - additional financial resources required identified based on market pressures and development time frames.

4.2 Encourage and advocate for infrastructure to support mining and other major industry growth on the Yorke Peninsula

Work with mining and other major industries in advocating and lobbying State and Federal Governments for transport infrastructure, including roads and ports to support major industry.	Ongoing - Number of initiatives collaboratively established, planned and managed.
Work with mining and other major industries and State and Federal Governments to identify transport corridors that will facilitate freight movements and provide ready access to Ports.	Ongoing - Number of transport corridors collaboratively identified, planned, established and managed.



Port Giles Grain Silos

4. ECONOMIC GROWTH THROUGH SUSTAINABLE INDUSTRIAL DEVELOPMENT

4.3 Realise the benefits for our Community created through mining

Key Actions to achieve our goals	Our Performance measures
Work Regional Development Australia Yorke and Mid North to support and encourage existing and new industries that support major industry to establish in the DC of Yorke Peninsula.	Ongoing - Number of new industries established on the Yorke Peninsula.
Work with Regional Development Australia Yorke and Mid North to increase access to employment opportunities for our communities through supporting and advocating for training and skills initiatives focused on the mining industry and other major industries.	Ongoing - Number of training and skill initiatives provided that focus on the mining industry.
Work with Rex Community Consultative Group to encourage mining companies and other major industry employers to employ local people.	Ongoing - Number of local people employed by major industries.
Work with Rex Community Consultative Group to lobby on behalf of the community for mining companies to provide support for community groups/programs.	Ongoing - Number of programs provided by mining companies to support community groups/programs.

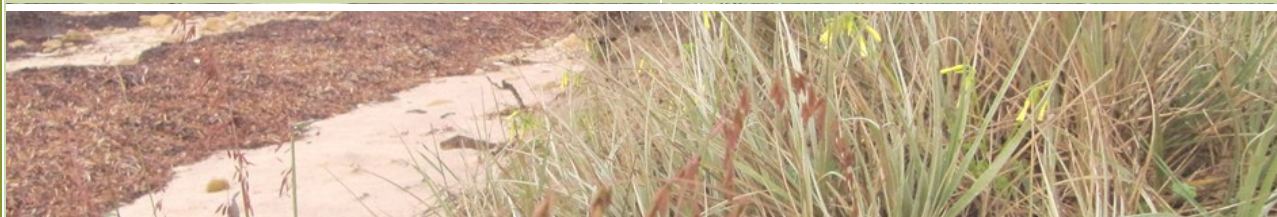
1. PROGRESSIVE COMMUNITIES THROUGH STRATEGIC PLANNING

1.1 Strong, proactive leadership

Key Actions to achieve our goals	Our Performance measures
We will continue to develop relevant, dynamic and sustainable strategic plans and policies based on informed decision making through authentic communication with our community and key stakeholders.	Current and relevant strategic plans and policies in place. 2012-2015 Strategic Plan reviewed by June 2014.

1.2 Knowledgeable and skilled decision makers

We will continue to provide Elected Members and staff with opportunities to develop knowledge and skills to support them in their decision making.	Fully developed Training Needs Analysis and integrated Training Plan in place through up to date induction documentation and performance reviews.
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2. ORGANISATIONAL EFFICIENCY AND RESOURCE MANAGEMENT

2.1 Financially sustainable organisation

Key Actions to achieve our goals	Our Performance measures
Identify alternative income streams within acceptable levels of risk in order to diversify Council's income base.	Ongoing - Alternative income streams identified and incorporate into Council's Long Term Financial Plan.
Review Council's Long Term Financial Plan to ensure long term financial sustainability	Long term financial plan reviewed by April 2014.

2.2 Efficient, effective and professional organisation

Work with neighbouring councils and the YP Alliance through regular, ongoing meetings to identify opportunities to work together to improve our effectiveness.	Ongoing - Number of joint initiatives identified.
Finalise office accommodation solution options in order determine the most effective way to improve Council operations while at the same time meeting the needs of the community.	Public consultation undertaken regarding office accommodation solution options and report presented to Council by December 2013.

2.3 Meet all legislative and compliance responsibilities

Develop and implement a process to continually monitor and evaluate new legislation, compliance requirements and the impact on the Council and its resources, including the financial implications.	Process developed and implemented by December 2013.
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2.4 Effective Risk Management

Maintain a current Organisational Risk Management Plan, incorporating OHSW&IM and internal controls.	Review of the 2012-2015 Organisation Risk Management Plan in place by December 2013.
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Point Turton Caravan Park

1. VITALITY & CONNECTON

1.1 Develop and facilitate ongoing partnerships and relationships with Progress Associations, Tidy Towns and other key community groups

Key Actions to achieve our goals	Our Performance measures
Develop and implement a public participation plan to facilitate authentic communication with our community and provide the opportunity for the public to have input into the decisions that affect them.	Communication strategy developed, including a process for regular, credible reporting to the community and implemented by December 2013.
Support and encourage Country Health SA in developing, implementing and maintaining a youth program. Participate in YP Youth Workers Network and Annual youth event.	Successful annual youth event.

1.2 Offer a range of accessible community facilities, programs, events and activities.

Review Council services and programs to ensure they best meet the needs of our community.	Current policies, procedures and processes in place that meet the needs of the community.
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1.3 Encourage and support our community in artistic, cultural and creative pursuit.

Develop a strategy to advance arts and culture in our district.	Strategy to advance arts and culture in our district by July 2014.
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2. SENSE OF OWNERSHIP

2.2 Our communities are well informed

Key Actions to achieve our goals	Our Performance measures
We will provide easily accessible information to our community on key issues, strategic plans, programs and initiatives.	Results of the annual Community Satisfaction Survey.



Operating Budget

Operating Income

The 2013-2014 Budget provides for operating revenue to increase from \$24,072,905 (2012/2013 Adopted Budget) to \$25,980,053, an increase of 7.92%. Recurrent revenue streams of Council are demonstrated in the following table.

\$M	%	Type	Description
17.9m	69.0%	General Rates and Service Charges	General rates on properties as well as service charges (i.e. sewerage and refuse/recycling charges).
0.4m	1.6%	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.
2.9m	11.1%	User Pay Charges set by Council	Charges for the Council's fee based facilities and services such as caravan parks, community halls, cemeteries.
4.1m	15.6%	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.
0.7m	2.6%	Investment, Reimbursements & Other Income	Interest received on Council's internal cash reserves and deposits. Reimbursements for work undertaken and Other Income.

Operating Expenditure

The 2013-2014 Budget provides for operating expenditure to increase from \$27,481,770 (2012/2013 Adopted Budget) to \$28,791,516, an increase of 4.77%. Recurrent expenditures incurred by Council are demonstrated in the following table

\$M	%	Type	Description
7.3m	25.5%	Employee Costs	All labour related expenses such as wages and salaries, and on-costs such as allowances, leave entitlements and employer superannuation.
5.2m	18.1%	Contractual Services	Payments for external provision of services.
6.5m	22.3%	Materials & Others	Payments for physical goods such as water, fuel, energy, road materials, office consumables, stationery, insurances, postage, telephone, government levies, contributions and donations.
9.5m	33.2%	Depreciation	Annual consumption of Council's fixed assets (e.g. infrastructure, equipment, buildings etc) over their useful lives.
0.3m	0.9%	Finance Costs	Costs of financing Council's activities through borrowings or other types of financial accommodation.

Borrowing

Consistent with our Treasury management policy, no new loans will be taken out to cover the cost of Council operations.

Operating Budget

Breakdown of Expenditure by Function (excluding Depreciation)

The following table provides a detailed breakdown of the top areas of Council's expenditure.

%	Function	Description
12.9%	Road Maintenance	Expenses relating to the cost of maintaining Council's road network, including materials and labour related expenses.
10.2%	Renewal of Roads	Expenses relating to the cost of redeveloping Council's road network, including materials and labour related expenses.
5.2%	Sealing of Formed Roads	Expenses relating to the cost of resealing Council's unsealed road network, including materials and labour related expenses.
8.5%	Community Asset Maintenance	General maintenance costs, including materials and labour related expenses.
9.6%	Refuse Collection & Disposal	Contractual and local expenses, including materials and labour related expenses.
8.7%	Capital expenditure on existing assets	Capital expenses relating to existing community assets, including materials and labour related expenses (excluding roads).
5.5%	Caravan Park Operation	Expenses relating to the cost of running Council owned caravan parks, including labour related expenses.
4.3%	New Assets	Capital expenses relating to the cost of providing new assets, including materials and labour related expenses (excluding roads).
4.1%	Development Services	Expenses relating to the cost of planning and development, including labour related expenses.
4.1%	Community Support	Expenses relating to libraries, tourism and other community support programs, including materials and labour related expenses.
4.0%	Finance and Corporate Service	Expenses relating to finance and corporate service administration, including labour related expenses.
3.6%	CWMS and Water Schemes	Expenses relating to the cost of running water and waste-water management schemes, including materials and labour related expenses.
2.9%	Governance	Expenses relating to governing the organisation, including organisational compliance and Elected Member related expenses.
2.8%	NRM Levy	A compulsory levy payable to the Northern and Yorke Natural Resources Management Board.
2.8%	Information Services	Expenses incurred in providing information technology, including labour related expenses.



Continuing Services

All Councils have mandatory legislative responsibilities which include responsibilities under the Local Government Act, the Development Act, the Public Environmental Health Act and the Natural Resources Management Act.

Mandatory responsibilities include:

- Regulatory activities, such as maintaining voters' rolls and supporting the elected members of Council
- 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 District Council of Yorke Peninsula also provides further, important services and programs to support the needs of the community, including:

- Library services
- Leisure Options
- Community Transport
- Recreational reserves
- Playgrounds
- Community events
- Camping reserves
- Boat ramps
- Beach access facilities
- Walking trails
- Cemeteries
- Civic and community halls
- Recycling facilities
- Tourist facilities
- Sporting facilities
- Fire prevention
- Support for youth services

Council will continue to re-evaluate all service areas to achieve service excellence.

Further information on Council's services can be found on the website www.yorke.sa.gov.au



Edithburgh Tidal Pool

Project & Capital Works Budget

Over the past four years Council has been developing Infrastructure and Asset Management plans. These plans identify costs required to ensure that assets will be able to 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 renewal of existing assets.

Capital Works Program 2013-14	New/Upgrade	Renewal/ Replacement
Council Capital Works Program	\$2,533,572	\$5,015,359
Community Wastewater Management Systems		
Various Schemes	137,500	156,000
Water Schemes		
Balgowan	12,000	
Road Infrastructure		
Reseal Allocation		281,202
Rubble Raising		322,921
Unsealed - South Coast Road		181,985
Unsealed - Daly Head Road		272,663
Unsealed - Tiddy Widdy Beach Road		93,061
Unsealed - Nalyappa Road		130,876
Unsealed - Willings Road		99,285
Unsealed - Waylands Road		106,868
Unsealed - Gap Road		70,338
Unsealed - Didlyamulka Road		115,608
Unsealed—Falie Drive		85,213
Unsealed - Koch Road		114,618
Unsealed - Sunnyvale Road		105,998
Unsealed - Beacon/Jones Road		133,461
Unsealed - Coringle Road		83,009
Unsealed - Gunbarrel Road		151,278
Unsealed - Heel Road		173,170
Unsealed - Old Coast Road		185,705
Sealed - Clinton Road	979,312	
Sealed - Main Street, Balgowan	119,260	
Sealed - Schwartz Road, Balgowan	69,432	
Sealed - Melville Street, Yorketown	137,334	
Sealed - Yorke Terrace, Yorketown	37,571	
Sealed - McFarlane Street, Yorketown	44,663	
Cemeteries Management Capital		
Various		37,000
Caravan Parks		
Port Vincent Caravan Park - Various		40,000
Point Turton Caravan Park - Various	10,000	65,000
Marion Bay Caravan Park - Various	5,000	37,500
Other Caravan Parks - Various	43,000	109,100

Project & Capital Works Budget

Capital Works Program 2013-14	New/Upgrade	Renewal/ Replacement
Footpaths & Stormwater		
Various	57,500	
Yorke town Stormwater Replacement		120,000
Ardrossan Stormwater Project Stage 2	334,000	
Foreshore		
Black Point Boat Ramp Development	200,000	200,000
Port Vincent Open Space Works	25,000	
Public Conveniences		
Port Julia Toilet Facilities		30,000
Disabled Toilet—Point Turton	18,000	
Halls		
Minlaton Town Hall Fire Safety Upgrade	24,000	
Port Rickaby Hall Asbestos Removal		20,000
Maitland Band Hall Re-roofing		5,000
Maitland Hall Electricity Feed Renewal		10,000
Corny Point Hall Re-roofing		35,000
Port Victoria Boundary Fence Replacement		10,000
Maitland Town Hall Concrete Cancer Removal		20,000
Maitland Market Shed Re-roofing		16,000
Yorke town Telecentre Salt Damp		9,000
Stansbury Museum Salt Damp		14,000
Machinery		
Equipment - Minor Plant		30,000
Plant and Machinery Purchases	160,000	941,000
Indirect		
Yorke town Depot Facilities	70,000	
Administration		
Equipment - Office	5,000	5,000
Equipment - Computer	45,000	25,500
Admin Vehicle Replacements		373,000

Rating

Property rates are Council's main source of income. They are used to provide the funds to deliver services and maintain infrastructure required by the community.

Property value 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.

Like most other Councils, District Council of Yorke Peninsula uses capital value provided by the State Valuer-General to value all properties. Capital value includes the value of the land and all improvements made on that land.

In applying the principles of taxation, it is important that the five principles of taxation (equity, benefit, ability to pay, efficiency and simplicity) are balanced against the policy objectives of taxation - that is the need to raise revenue and the effects of the tax upon the community.

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 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 income by the total rateable capital value for the Council area after accounting for the total fixed charge contribution from all properties. During this process the impact on all sections of the community is carefully considered and adjustments are made to correct obvious inequities.

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

For the financial year 2013/2014 the rates determination looks like this:

Category	Revenue
Residential	\$7.792m
Commercial	\$0.418m
Industrial	\$0.052m
Primary Production	\$4.149m
Vacant Land	\$1.033m
Other	\$0.174m

In 2013/2014 general rates will increase by an average of approximately 8.9%. The rates payable for individual properties will vary from the average according to individual property valuations. For example, for a ratepayer with a residential property with a value of \$250,000, the increase is approximately \$71 and for a primary producer with a property valuation of \$750,000, the increase will be approximately \$150.

Fixed Charge

Council has set a fixed charge rather than a minimum rate for the 2013/2014 year. The fixed charge will be set at \$400 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 by the same owner. The reasons for imposing a fixed charge are:

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

Rating

Waste Collection and Recycling

In May 2012 the State Government introduced regulations that determines 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 between 500m and 2km from their primary access point will pay 75% of the full service charge;
- Properties whose collection point is between 2km and 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 are not covered by the service and will not pay a service charge unless a service, and an appropriate service charge is 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 & Recycling Service.

The 3 Bin service is not offered to rural ratepayers.

The annual charges for 2013/2014 will be:

Service	Distance from rural collection point	Charges \$
3 Bins	(Not offered to rural properties)	\$240.00
2 Bins	Within 500m	\$218.00
2 Bins	500m to 2km	\$163.50
2 Bins	2km to 5km	\$109.00

Natural Resource Management Levy

The District Council of Yorke Peninsula falls within the Northern & Yorke Natural Resources Management Board area and as such Council is required, pursuant to the Natural Resources Management Act 2004, to raise funds by way of a levy to assist in funding the operations of the Board. The levy

is imposed as a separate rate upon all properties within the area of the Board.

Council remits all revenue collected under this Act to the Board.

The amount to be raised in 2013/2014 is to be \$723,524, increasing from \$704,226 in 2012/2013.

Any queries regarding the NRM Levy should be directed to:

Northern & Yorke NRM Board

Board Offices 41-49 Eyre Road

PO Box 175 CRYSTAL BROOK SA 5523

Phone: (08) 8636 2361 Fax: (08) 8636 2371

Email: board@nynrm.sa.gov.au

Website: www.nynrm.sa.gov.au

Community Wastewater Management Schemes

Council operates 16 Community Wastewater Management Schemes (CWMS) that are situated in townships and holiday settlements throughout the district.

The income and costs of the schemes are regularly reviewed and there is a policy of ensuring that all schemes are financially sustainable.

The CWMS annual fees for 2013/2014 are \$425 for occupied properties and \$320 for unoccupied properties.

Water Charges

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

Service charges are raised each year to cover the cost of operating the schemes. In addition, charges for water usage are made.

For each water scheme, Council maintains a separate financial reserve to ensure that money received from the property owners, is only used for the water scheme for which they contributed.

Fees for the Water Schemes operated by Council for 2013/2014 are:

Location	2013-2014 fees
Black Point	\$150
Hardwicke Bay	\$365
	Includes recovery of capital cost until end of 2013/2014
Balgowan	\$130

Rating

Rate Capping

This opportunity provides relief when a ratepayer is levied an increase in rates greater than 17.5% (after considering other rebates) and ensures no ratepayer pays any more than a 17.5% increase on the previous year in rates. This rebate does not apply where:

- The increase is due to an increase in valuation as a result of improvements valued at greater than \$15,000 or due to a rectification of an “error of fact”;
- The increase is a result of a change in land use;
- Ownership of the property has changed since 30 June 2010;
- The increase is applicable to land use categories of commercial, industrial, vacant land and other.

Postponement of rates

In accordance with provisions of the Local Government Act 1999 (the Act), persons who hold a current Seniors Card will 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 Act (i.e. with a premium of 1% over the cash advance debenture rate).

In addition, Council has adopted a Rates Postponement Scheme to provide relief to ratepayers for whom the payment of rates on the principal place of residence would cause extreme hardship.

Hardship

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



Moorowie Station

Appendices

Statutory Financial Statements

Budgeted Comprehensive Income Statement

Budgeted Balance Sheet

Budgeted Statement of Changes in Equity

Budgeted Cash Flow Statement

A Budgeted Uniform Presentation of Finances

Budgeted Financial Ratios

Full Cost Attribution Statements

Budgeted Comprehensive Income Statement

	2013/2014 Budget \$'000	2012/2013 Revised Budget \$,000
Rates	\$17,927	\$16,471
Statutory Charges	\$419	\$301
User Charges	\$2,893	\$2,717
Grants Subsidies Contributions	\$4,065	\$3,377
Investment Income	\$111	\$251
Reimbursements	\$384	\$521
Other Income	\$181	\$244
TOTAL REVENUES	25,980	\$23,882
Employee Costs	\$7,287	\$6,993
Materials Contracts & Other Expenses	\$11,699	\$10,774
Depreciation	\$9,546	\$9,313
Finance Costs	\$259	\$337
TOTAL EXPENSES	\$28,791	\$27,417
OPERATING DEFICIT BEFORE CAPITAL AMOUNTS	\$2,811	\$3,535
Gain/(Loss) on Asset Disposals	\$50	\$27
Amounts Received Specifically for New Assets	\$594	\$594
NET DEFICIT	\$2,167	\$2,914

Budgeted Balance Sheet

	2013/2014 Budget \$'000	2012/2013 Revised Budget \$'000
Current Assets		
Cash and Cash Equivalents	\$2,529	\$3,035
Trade and Other Receivables	\$1,006	\$1,006
Inventories	\$828	\$828
TOTAL CURRENT ASSETS	\$4,363	\$4,869
Non-Current Assets		
Financial Assets	\$650	\$630
Infrastructure, Property, Plant and Equipment	\$249,739	\$251,926
Other Non-Current Assets	\$467	\$450
TOTAL NON-CURRENT ASSETS	\$250,856	\$253,006
TOTAL ASSETS	\$255,219	\$257,875
Current Liabilities		
Trade and Other Payables	\$2,191	\$2,110
Borrowings	\$651	\$728
Provisions	\$913	\$869
Other Current Liabilities	\$0	\$0
TOTAL CURRENT LIABILITIES	\$3,755	\$3,707
Non-Current Liabilities		
Borrowings	\$2,256	\$2,807
Provisions	\$392	\$378
TOTAL NON-CURRENT LIABILITIES	\$2,648	\$3,185
TOTAL LIABILITIES	\$6,403	\$6,892
NET ASSETS	\$248,816	\$250,983
Equity		
Accumulated Surplus	-\$18,371	-\$16,204
Asset Revaluation Reserve	\$265,866	\$265,866
Other Reserves	\$1,321	\$1,321
TOTAL EQUITY	\$248,816	\$250,983

Budgeted Statement of Changes in Equity

	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000	TOTAL EQUITY \$'000
2013/2014 Budget				
Accumulated Surplus brought forward	-\$16,204	\$265,594	\$1,321	\$250,711
Net Surplus/(Deficit) for Year	-\$2,167			-\$2,167
Gain on Revaluation of Infrastructure, Property, Plant and Equipment		\$272		\$272
Transfers between Reserves	\$0	\$0		\$0
Total Equity at end of Budget Year	-\$18,371	\$265,866,	\$1,321	\$248,816

Budgeted Cash Flow Statement

	2013/2014 Budget \$'000	2012/2013 Revised Budget \$'000
Cash Flows from Operating Activities		
Receipts		
Operating Receipts	\$25,880	\$23,632
Investment Receipts	\$101	\$250
Payments		
Operating Payments to Suppliers and Employees	-\$18,879	-\$17,779
Finance Payments	-\$259	-\$337
NET CASH USED PROVIDED BY OPERATING ACTIVITIES	\$6,843	\$5,766
Cash Flows from Investing Activities		
Receipts		
Amounts Specifically for New or Upgraded Assets	\$593	\$594
Sale of Replaced Assets	\$240	\$161
Repayments of Loans by Community Groups	\$95	\$75
Payments		
Expenditure on Renewal/Replacement of Assets	-\$5,015	-\$4,485
Expenditure on New/Upgraded Assets	-\$2,534	-\$2,349
Loans to Community Groups	-\$100	-\$200
NET CASH USED IN INVESTING ACTIVITIES	-\$6,721	-\$6,204
Cash Flows from Financing Activities		
Receipts		
Proceeds from Borrowings	\$100	\$200
Payments		
Repayment of Borrowings	-\$728	-\$944
NET CASH USED IN FINANCING ACTIVITIES	-\$628	-\$744
NET INCREASE/(DECREASE) IN CASH HELD	-\$506	-\$1,182
CASH AT BEGINNING OF REPORTING PERIOD	\$3,035	\$4217
CASH AT END OF REPORTING PERIOD	\$2,529	\$3,035

Budgeted Uniform Presentation of Finances

	2013/2014 Draft Budget	2012/2013 Revised Budget
Income	-\$25,980	-\$23,883
Less Expenses	\$28,791	\$27,417
Operating Deficit before Capital Amounts	\$2,811	\$3,534
Less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	\$5,015	\$4,485
Less Depreciation, Amortisation and Impairment	-\$9,546	-\$9,313
Less Proceeds on Sale of Assets	-\$240	-\$161
	-\$4,771	-\$4,989
Less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	\$2,534	\$2,349
Less Amounts received specifically for New and Upgraded Assets	-\$594	-\$594
	\$1,940	\$1,755
NET(LENDING) / BORROWING FOR FINANCIAL YEAR	-\$20	\$300

Budgeted Financial Ratios

	2013/2014 Adopted Budget	2012/2013 Revised Budget
Operating Surplus/(Deficit) \$'000	-\$2,810	-\$3,534
Operating Surplus Ratio	-16.0%	-22.0%
Net Financial Liabilities \$'000	\$2,421	\$2,401
Net Financial Liabilities Ratio	9.3%	10.1%
Interest Cover Ratio	0.5%	0.4%
Asset Sustainability Ratio	50.0%	46.0%
Asset Consumption Ratio	57.0%	59.0%

Full Cost Attribution Statement

	Income	Expenses	Net (Surplus)/Deficit
Executive Services			
Risk Administration	0	240	240
Elected Members	0	409	409
Governance	0	904	904
Human Resources	(42)	193	151
	(42)	1,746	1,704
Assets & Infrastructure Services			
Asset Co-Ordinator	0	359	359
Administration	0	(554)	(554)
Works	(2,582)	9,145	6,563
Operations	(2,525)	8,056	5,531
Infrastructure	0	1,433	1,433
	(5,107)	18,450	13,343
Development Services			
Administration	0	1,090	1,090
Building & Development	(291)	491	200
Environmental Health	(51)	210	159
General Inspectors	(225)	416	191
Council Building Assets	(70)	1,424	1,354
	(637)	3,631	2,994
Corporate & Community Services			
Administration	(62)	(87)	(149)
Finance	(17,700)	831	(16,869)
Corporate Services	(2,630)	3,188	558
Information Services	(16)	51	35
YP Community Transport	(466)	745	279
YP Leisure Options	(154)	237	83
	(21,028)	4,965	(16,063)
Total	(26,814)	28,792	1,978