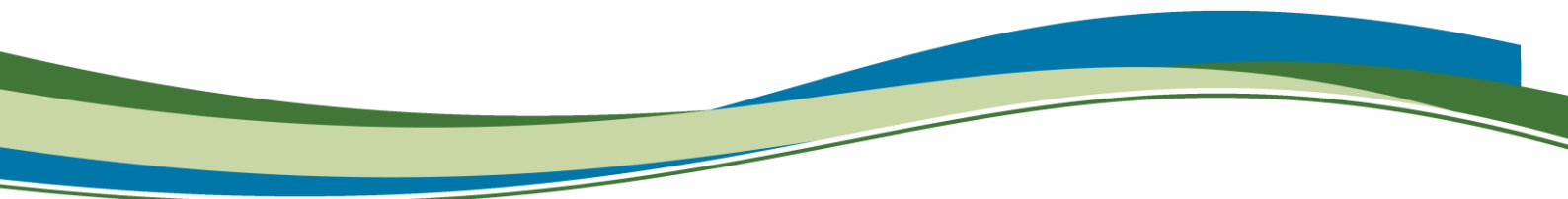




2014/2015

ANNUAL BUSINESS PLAN

Creating a Better
Future with pride



CONTENTS

Community Engagement Process

The community were invited to make submissions about this plan in writing and these closed on 16 May 2014.

Submissions could be lodged on-line, by email or in writing. Media releases, legislative advertisements, social media, emailed newsletters & Council's Facebook page were used in the community engagement process.

All submissions were subject to a report to Council which was made available to the public.

At the close of the engagement period, six (6) written submissions were received. No people making written submissions sought to be heard by Council at its special meeting held at Meningie on Tuesday 27 May 2014.

One member of the public attended the Council meeting, as well as one member of the media.

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Introduction



*Cr Roger Strother
Mayor*



*Vincent Cammell
Chief Executive Officer*

Coorong District Council is the largest council in South Australia in terms of area, covering 8,830 square hectares and encompassing 5,500 residents.

This Annual Business Plan sets out Council's proposed services, programs and projects for 2014/2015. Council aims to provide effective and efficient services for the community and to continue progress towards the longer term objectives of the Coorong District Council as set out in the 2012-2016 Strategic Management Plan.

Council's long term sustainability requires its expenses to be less than its revenue, and every effort has been made to achieve a target of better than break-even.

Council's revenue includes \$5.666m to be raised from general rates and \$1.412m from separate rates such as the NRM levy, CWMS, Waste and Water.

As part of its responsible approach to fiscal management council has had to increase the general rate revenue by 5%, which is a 2% increase above the CPI.

In a major cost-saving initiative, council will complete is redevelopment of a purpose-built two-storey office and conference/meeting centre on its property at Lot 13 Railway Terrace, Tailem Bend.

The new two-storey office, adjacent to the Tailem Bend Town Hall will provide more effective and sustainable local government services to the community, together with increases in productivity, as well as financial savings.

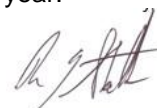
Completing the Infrastructure and Asset Capital Works Program comprises \$5.716M for replacement and renewal of infrastructure and \$4.079M for new infrastructure.

Plans are in place to ensure full cost recovery for Council services such as the CWMS, Water Schemes and Waste Management with implementation to commence this year.

Council will continue to work proactively with Peregrine Corporation to facilitate the best outcomes for the Tailem Bend Motor Sport Park to promote significant development opportunities for jobs and growth in the region.

The coming financial year will see an increased emphasis on tourism and community development and the resultant benefits. Council will facilitate the creation of a Visitor Interpretive and Resource Centre at Meningie and the revitalisation of the Tailem Railway Station as a tourism centre.

The ongoing development of Coorong District Council community has always been a priority of Council, with all elected members and staff committed to being a progressive and proactive Council. This plan sets out what Council wants to achieve for its community in the 2014/2015 financial year.



Mayor Cr. Roger Strother



CEO Vincent Cammell

Elected Members

The Coorong District Council comprises nine ward Councillors including a Mayor. The Council is responsible for policymaking and decisions that impact on plans for the district, and the lives and livelihoods of individuals, organisations and businesses within it.

The role of the Elected Members is to:

- Participate in the deliberations and civic activities of the Council
 - Formulate the Council's objectives and policies
 - Keep the Council's objectives and policies under review to ensure they are appropriate and effective
 - Keep Council's resource allocation, expenditure and activities, and the efficiency and effectiveness of its service delivery under review
 - Represent the interests of residents and ratepayers, to provide community leadership and guidance and to facilitate communication between the community and the Council.
-



Back row: Cr Jeff Klitscher (Parks Ward), Cr Andrew Dawes (Lakes Ward), Cr Peter Wright (Deputy Mayor, Mallee Ward), Cr Jeff Arthur (Parks Ward), Cr Locky McKinna (Mallee Ward), Cr Roger Strother (Mayor, Lakes Ward)

Front row: Cr Neville Jaensch (Mallee Ward), Cr Sharon Bland (Lakes Ward), Cr Bob Simcock (Mallee Ward)

Coorong District Council

The Coorong District Council was formed in May 1997 following the amalgamation of the District Councils of Peake, Coonaplyn Downs and Meningie. The Council area is the largest in the State, encompassing 8,830 square kilometres and about 5,500 residents, comprising land within regions generally known as the Murraylands and the Upper South East.

The Council is within the Regional Development Australia Murraylands Riverland (RDAMR) region and is a member of the Murray and Mallee Local Government Association. The Council is also within both the SA Murray Darling Natural Resource Management (NRM) Board area and the South East NRM Board area. The Council is a member of the Murraylands Tourism Partnership.

The principal office of Council is located at Tailem Bend and Council also has offices at Meningie and Tintinara.



Vision, Mission and Core Values

Vision Statement

A progressive and proactive Council recognised for its diverse communities, prosperous economy and unique and highly valued environment

Mission Statement

The Coorong District Council is committed to:

- Providing **leadership** for the community and ensuring efficient and effective management of the community's resources.
- Responsibly managing the natural and built environment to achieve **sustainability**.
- Facilitating economic **prosperity**, growth and employment throughout the district.
- Actively enhancing the quality of life for the community by encouraging health, **well being** and safety.
- Being an **employer of choice** that attracts, develops and inspires highly talented employees and elected members.

Core Values

Integrity

Adherence to moral and ethical principles, being honest, transparent, accountable, trustworthy and authentic.

Proactive

Acting in anticipation of future opportunities, issues, needs or changes.

Progressive

Making use of new ideas and opportunities.

Collaborative

Working as a team to achieve common goals.

Service Excellence

Consistently delivering quality service outcomes for external and internal stakeholders

Enjoy Work

Achieving satisfaction and a sense of wellbeing from work.

2012-2016 Strategic Management Plan Goals and Strategies

Governance – Leadership	
Goals	Strategies
1.1 Continue to establish and maintain a best practice governance framework	1.1.1 Improve Council's governance performance & develop relevant policies and procedures. 1.1.2 Ensure Council's policies reflect community needs and organisational requirements. 1.1.3 Implement Council's Policy Review Schedule. 1.1.4 Ensure an annual review of Council's Internal Control Policy and Procedures.
1.2 To provide accountable, open and transparent communication between Council and the community and ensure public access to timely, relevant and accessible information.	1.2.1 Implement Council's Community Engagement Policy. 1.2.2 Continue bi-monthly distribution of the Community Link newsletter. 1.2.3 Ensure Council has a presence at local shows and events to promote Council activities and services. 1.2.4 Maintain an up to date and relevant website. 1.2.5 Implement training for staff to ensure appropriate community engagement and communication.
1.3 To continuously strive for quality, responsive customer service and enhancement of the image of Council.	1.3.1 Implement and measure adherence to Council's Customer Service Charter and Service Standards. 1.3.2 Continuous improvement of customer service process and procedures. 1.3.3 Encourage feedback from the community on Council services and activities.
1.4 To have a secure revenue base and manage the business of Council through the responsible and efficient administration of finances to ensure financial sustainability and an equitable level of services to meet the expectations of Council.	1.4.1 Achieve financial targets that are appropriate to Council's circumstances and financial sustainability objectives. 1.4.2 Actively pursue, and plan for, external funding opportunities. 1.4.3 Implement long term financial planning strategies. 1.4.4 Ensure a strong link between Long Term Financial Plan and Infrastructure and Asset Management Plans (refer 2.3.6). 1.4.5 Develop, measure and review internal financial controls.
1.5 Ensure Risk Management Policies and Procedures are implemented at every level of Council business.	1.5.1 Minimise Council's exposure to risk and liability through the creation and implementation of appropriate risk management policies, procedures and plans. 1.5.2 Investigate opportunities to improve Council's LGAMLS legislative audit score. 1.5.3 Ensure understanding of staff and elected

Governance – Leadership

Goals	Strategies
	members of risk management and self insurance responsibilities.
1.6 To show leadership and develop partnerships with both the Federal and State Governments, Regional Organisations and the LGA to advocate for improved services and infrastructure and appropriate service delivery and to advocate on behalf of the community	<p>1.6.1 Actively lobby for key infrastructure and services in the district.</p> <p>1.6.2 Actively explore opportunities for shared service arrangements with neighbouring Councils.</p> <p>1.6.3 Engage the LGA more effectively and seek opportunities through its programs and initiatives to improve Council's policies, procedures and activities.</p> <p>1.6.4 Continue to advocate on behalf of the community to ensure water security across the district and region, in particular in the River Murray, Lower Lakes and Coorong.</p> <p>1.6.5 Advocate on behalf of the community on Natural Resource Management issues and develop strong relationships with NRM Boards and appropriate State Government Departments</p>
1.7 Engage the community in the election process, both as candidates and as voters.	<p>1.7.1 Increase the level of voter participation.</p> <p>1.7.2 Ensure Council's composition of elected members is adequate and fairly represents the community.</p>



Environmental - Sustainability

Goals	Strategies
<p>2.1 To have up to date Development Plan provisions that reflect the needs and aspirations of the community and ensure its development assessment processes reflect best practice principles and consistent decision making.</p>	<p>2.1.1 Implement the actions as detailed in Council's Strategic Direction Report.</p> <p>2.1.2 Improve the Development Assessment Process.</p> <p>2.1.3 Continue the proactive approach of providing preliminary advice with regard to guiding investment and development opportunities.</p>
<p>2.2 To responsibly manage the natural environment to ensure its sustainability and to implement natural resource management principles.</p>	<p>2.2.1 To establish and maintain policies and procedures to adequately protect and conserve our natural environment.</p> <p>2.2.2 To adopt Sustainability principles in all of Council's activities.</p> <p>2.2.3 To maintain Council's commitment to the Coorong Local Action Plan (LAP) Committee and staff.</p> <p>2.2.4 Implement strategies and programs to reduce our environmental footprint, greenhouse gas emissions and address climate change.</p> <p>2.2.5 Proactively address weed and feral pest issues on Council land as well as foster a strong relationship with the local NRM Boards.</p>
<p>2.3 To establish and maintain Asset Management systems and plans to ensure the long term sustainability of Council's resources, plant, equipment, buildings and infrastructure.</p>	<p>2.3.1 To develop and implement Council's Infrastructure & Asset Management Plans.</p> <p>2.3.2 Ensure Council's core community assets are managed and maintained through rolling 10 year priority based maintenance and/or replacement programs.</p> <p>2.3.3 Implement a sustainable plant and machinery replacement program.</p> <p>2.3.4 Develop and implement Open Space Strategies for management of Council's Parks, Reserves and Gardens.</p> <p>2.3.5 Implement Council's Disability and Discrimination Action (DDA) Plan in conjunction with asset management and capital works programs (refer 4.2.4).</p> <p>2.3.6 Ensure a strong link between Long Term Financial Plan and Infrastructure and Asset Management Plans (refer 1.4.4)</p>
<p>2.4 To sustainably provide and maintain core community assets and infrastructure that is responsive to the needs of the community.</p>	<p>2.4.1 Maintain and develop roads, footpaths, car parks, walking and cycle tracks in accordance with Council's Infrastructure and Asset Management Plans and Capital Works programs.</p> <p>2.4.2 Maintain and develop all Council's ovals, parks, gardens, reserves and cemeteries.</p> <p>2.4.3 Maintain and develop all Council's community facilities such as Council offices, town halls, aged care homes</p>

Environmental - Sustainability

Goals	Strategies
	<p>and community buildings.</p> <p>2.4.4 Ensure Council's water infrastructure at Wellington East and Peake is maintained and promotes sustainability of water resources.</p> <p>2.4.5 Ensure the collection, retention and disposal of stormwater in a manner that promotes sustainability of water resources.</p> <p>2.4.6 Ensure the collection, retention or disposal of common effluent in a manner that promotes sustainability of water resources.</p> <p>2.4.7 Implement sustainable programs and policies for the management of waste throughout the Council district.</p> <p>2.4.8 Implement an appropriate regime of leases, licences and community land management plans for Council land.</p>
2.5 To proactively implement fuel reduction and fire prevention strategies, plans and actions that will protect the community and significant community and Council assets.	<p>2.5.1 Undertake a proactive approach to fuel reduction and fire prevention activities and community education across the district.</p> <p>2.5.2 Undertake a leadership role in the Murray Mallee Bushfire Management Committee (MMBMC).</p>
2.6 To enhance township character and amenity as well as improve opportunities to access significant recreation assets across the district.	<p>2.6.1 Develop and implement town centre plans and initiatives aimed to create attractive and functional streetscapes.</p> <p>2.6.2 Ensure appropriate and clean public toilets in our townships.</p> <p>2.6.3 Develop Council's jetties, boat ramps and lakeside and riverfront reserves to encourage access to the Lakes and Murray River.</p> <p>2.6.4 Actively pursue external funding opportunities to implement plans and initiatives for townships and water access.</p> <p>2.6.5 Preserve local heritage, character and identity.</p>

Economic - Prosperity

Goals	Strategies
3.1 A strong and prosperous economy built on diversifying our established industries, business and enterprises, and attracting new industries and investors through collaboration in Regional, State and National partnerships.	<p>3.1.1 To develop and implement initiatives and partnerships that will enhance the district's investment, commerce and investment potential.</p> <p>3.1.2 Strengthen partnerships and relationships with RDA Murraylands and Riverland to promote and encourage economic development in the district.</p> <p>3.1.3 To have high quality physical infrastructure that meets economic development needs.</p> <p>3.1.4 Position the Council district to be a leader in Carbon Farming that will bring economic and environmental benefits.</p> <p>3.1.5 Advocate on behalf of the community to seek opportunities to add value to agriculture across the district.</p>
3.2 To have a vibrant and growing tourism industry.	<p>3.1.2 To develop and implement initiatives and partnerships that will enhance the district's tourism potential</p> <p>3.2.2 Strengthen partnerships and relationships with SATC and key regional agencies (such as Limestone Coast Tourism (LCT) and Murraylands Tourism Partnership (MTP)) to promote tourism in the district.</p> <p>3.2.3 Ensure an appropriate approach and framework for the provision of visitor information across the district.</p> <p>3.2.4 Advocate and promote opportunities for tourism businesses and activities.</p> <p>3.2.5 Liaise with DTEI and invest in improvements to tourism signage across the district.</p> <p>3.2.6 Become an RV and caravan friendly district.</p>



Community Development – Wellbeing

Goals	Strategies
4.1 Enhancing the quality of life of the community by encouraging community development opportunities and undertaking a key liaison role.	<p>4.1.1 Support Community Development through funding, grant opportunities, planning, promotion and advocacy.</p> <p>4.1.2 Promote collaboration, communication and networking between community service and education providers across the district.</p> <p>4.1.3 Maintain Council's commitment to community learning and gathering places and services.</p> <p>4.1.4 Support significant events, community art and cultural activities.</p> <p>4.1.5 Further enhance Council's relationship with its local Indigenous communities.</p> <p>4.1.6 To foster a strong relationship with the young people of the district by directly supporting and coordinating youth programs and opportunities.</p> <p>4.1.7 Working collaboratively with, supporting and recognising the efforts of volunteers and encourage volunteer involvement in the community.</p>
4.2 Enhancing the quality of life for older people and people with disabilities	<p>4.2.1 Maintain Council's commitment to auspice Home and Community Care (HACC) funding on behalf of the Taillem Bend Community Centre (TBCC).</p> <p>4.2.2 Maintain Council's commitment to providing the HACC Home Modification and Maintenance Program across the district.</p> <p>4.2.3 Respond to the challenge of an ageing population.</p> <p>4.2.4 Implement Council's Disability Discrimination Action (DDA) Plan (refer 2.4.5).</p> <p>4.2.5 Provide information about existing services and facilities to older people, people with disabilities and their carers.</p> <p>4.2.6 Promote collaboration, communication and networking between aged care providers across the district</p>

Community Development – Wellbeing

Goals	Strategies
4.3 Enhancing the quality of life of the community by advocating, supporting and undertaking health and community safety initiatives.	<p>4.3.1 To promote public and environmental health services within the community in a sustainable, efficient and appropriate manner.</p> <p>4.3.2 To ensure Council meets its responsibilities under the Dog & Cat Management Act and provides adequate & appropriate dog control.</p> <p>4.3.3 Monitor and review the dry zones within the district.</p> <p>4.3.4 Continue to explore and participate in regional health and community safety projects.</p>
4.4 Enhancing the quality of life of the community by advocating for and supporting community transport schemes and services as well as improved access and mobility across the district.	<p>4.4.1 To maintain Council's commitment to the Murray Mallee Community Transport Scheme (MMCTS).</p> <p>4.4.2 Advocate on behalf of the community for improved transport services across the district.</p>
4.5 To provide a wide range of sporting and recreational facilities and support region wide sport and recreation programs.	<p>4.5.1 Continue to assist sporting and community bodies in sourcing funding for sporting and community facilities.</p> <p>4.5.2 Promote sporting, recreation and leisure facilities and programs in the region.</p>



Organisational Development – Employer of Choice

Goals	Strategies
5.1 Have appropriate organisational capacity and culture to ensure an innovative, effective and efficient organisation.	<p>5.1.1 To strive to be recognised as a high performing organisation.</p> <p>5.1.2 To address Council's future office accommodation needs.</p> <p>5.1.3 Undertake continual organisational structural review to ensure the organisation has capacity to meet current and future demands.</p>
5.2 Provide appropriate support, development and training opportunities for all Elected Members.	<p>5.2.1 Provide opportunities to ensure all Council Elected Members can successfully fulfil their governance and leadership responsibilities and be knowledgeable of all relevant Local Government issues.</p> <p>5.2.2 Promote the on-line self-assessment tool for elected members.</p>
5.3 To develop and promote Council as an 'employer of choice' and to facilitate the attraction and retention of highly talented staff.	<p>5.3.1 Develop and implement human resource plans, policies and processes to provide contemporary management of people and performance.</p> <p>5.3.2 Identify opportunities to develop and train staff (refer 5.4.4).</p> <p>5.3.3 Implement Workforce Planning and succession planning principles throughout the organisation.</p> <p>5.3.4 Actively seek opportunities for traineeships and apprenticeships within the organisation.</p> <p>5.3.5 Implement Council's Reward and Recognition of Staff Policy.</p>
5.4 To promote safety in the workplace through best practice Workplace Health and Safety (WH&S) plans, policies and actions.	<p>5.4.1 Provide a safe, healthy and best practice work environment for all employees as described in Council's adopted WH&S Plan.</p> <p>5.4.2 Monitor and enhance workplace health and safety practices and programs and benchmark against other Councils.</p> <p>5.4.3 Continuous review and implementation of Workplace Health and safety plans and procedures.</p> <p>5.4.4 Implementation of employee training plans. (refer 5.3.2)</p> <p>5.4.5 Promotion of health and welfare programs to all employees and volunteers.</p>

Organisational Development – Employer of Choice

Goals	Strategies
5.5 To have an Information Technology (IT) and Records Management service that keeps pace with Council and Community needs.	<p>5.5.1 Ensure Council's IT network and telecommunications is cost effective, reliable and fully utilised, delivering quality services to Council and the community.</p> <p>5.5.2 Ensure Council's IT network has adequate risk protection whilst optimising IT resources.</p> <p>5.5.3 Ensure Council's Records Management plans, procedures and systems meet organisational requirements.</p> <p>5.5.4 Ensure Council achieves a Level 5 in the Adequate Records Management Framework to align with State Records legislative requirements.</p>



Above: records housed at Council's off-site location in Tailm Bend

Influences, Priorities & Opportunities of Significance

A number of factors have influenced the preparation of the Council's 2014/2015 Annual Business Plan and Budget.

Local Government Elections 2014

Council elections are held every four years. The previous elections were held in 2006 and 2010, with the next election to be held in November 2014.

Councils have a legislative obligation to provide information and promote public participation in Local Government elections in accordance with the Local Government (Elections) Act 1999, section 12 (b).

Accordingly council has budgeted \$25,000 for these expenses.

Full Cost Recovery

It is important that there is equity in council's levies and charges, to ensure those receiving a service pay for the service, and it is not subsidised by other ratepayer category bases.

There is a need for the whole-of-life costs of the Community Waste Water Management System (CWMS) to be recovered, including ongoing maintenance, and this will be reflected in an increase in these charges over the coming financial year to achieve full cost recovery.

Ongoing comparative reviews of Council's CWMS charges revealed property owners paid considerably less for this service than those of neighbouring councils.

Tourism & Economic Development

There has been an increased focus on tourism within the region, which is seen as a future driver of economic growth and development.

Council's tourism signage project will see upgraded and new signage for the region.

The Tailem Bend Railway Station will also be reenergised into a new venture, with focus being on a tourism centre which also highlights the railway history.

Visitor Interpretive & Resource Centre (VIRC)

The ABP & Budget includes funding to redevelop the existing Meningie Office into a VIRC. This project is dependant on \$2.7m grant funding towards the total project cost of \$3.2m.

Motorsport Park Development

The development of Motorsport Park at Tailem Bend will contribute to growing business confidence in the region, following the sale of the 680 hectare site to Peregrine Corporation, South Australia's largest privately owned company.

The facility is strategically placed at the end of the South Eastern Freeway, just an hour's drive from Adelaide and at the junction of the Dukes and Mallee Highways, providing easy access from Melbourne and Sydney.

Peregrine Corporation is proposing a multi-million dollar development of the site, which could become Australia's biggest motorsport park.

Council supports any development which provides a stimulus to the regional economy and tourism, and recognises the long term economic benefit this project will have.

Long Term Office Accommodation

The new Council office accommodation, which will be completed in October 2014, will assist in cost savings and a more streamlined approach to council's administrative processes and improved service delivery.

The accommodation, which includes community meeting facilities will be subject to an official opening and open day for interested members of the public to attend.

The effects of council's confidence in the growth of the region through the construction are already being felt, with a renewed vigour and optimism in the business community.

Section 41 Committees

Section 41 Committees are a branch of the council and their valued input ensures community assets and events continue to function seamlessly now and into the future.

Whilst Council will continue to support community groups with budgeted funds, it will review the number of Section 41 Committees of Council that have been established under the Local Government Act during 2014/2015.

Landcare & Biodiversity

More than \$700,000 has been budgeted from \$1.07m Landcare Revenue for biodiversity projects in the council district.

The projects will include revegetation, the protection of remnant vegetation and eradication of weeds and rabbits in order to protect the region's biodiversity, including on-going works on the Coorong and Lower Lakes.

\$92,000 has been allocated for community contained within the Murray Darling portion of the area.

Work will continue regarding the management of high mains water costs for livestock.

Above CPI Rate Increases

A key financial strategy in Council's long-term financial plan is to increase rates in real terms, over and above the general inflation rate for each remaining year of the Long Term Financial Plan until 2023/24.

Council's average rating levels has been significantly below those of other rural and regional councils in South Australia and this will see Council return to a surplus operating result during the life of the plan.

Other Considerations

- The need to comply with ever increasing financial and regulatory demands from the State Government, including, but not limited to, changes to the Local Government Act and Development Act.
- Funding constraints which affect the delivery of the range of services offered.

- The return of Grants Commission Funding to a normal cycle of payments.
- The requirement to achieve a high level of road works particularly in light of maintaining Roads to Recovery Grant funding levels and to meet the appropriate replacement levels as set by the roads infrastructure asset management plan..
- Undertake regular revaluation of Council Assets including condition assessments, review of remaining lives and unit rates.
- Update the Roads Infrastructure Asset Management Plan and Development of infrastructure asset management plans for Buildings and Structures and Stormwater & Water Schemes.
- Improving Council's Development Plan by completing the Town Centre & Township DPA and the Rural Lands and Murray Protection Area DPA in accordance Council's Strategic Directions Report.
- Commence the implementation of Council's Tourism & Economic Development Plan.
- Continuation of the review of Council properties, which may result in the sale of surplus assets during the 2014/15 financial year.
- Active pursuit of both State and Commonwealth government grant funding to enable large capital projects within the districts to proceed.
- Continued improvement of Council's administrative practices with regard to records management, customer service, governance and policy development.
- Completion of the Infrastructure and Asset Capital Works Program comprising \$5.716M for replacement and renewal of infrastructure and \$4.079M for new infrastructure
- The requirement to maintain and improve ageing infrastructure assets to acceptable standards including roads, footpaths, lighting, storm water drainage, street trees and plantings, open space and Council properties.
- Council's Long Term Financial Plan indicates that operational expenditure savings of 4% are required over the next decade.

Council's Services

All Councils have mandatory responsibilities under the *Local Government Act*, the *Development Act*, the *Public Health Act*, the *Natural Resources Management Act* and other relevant legislation.

These include:

- Regulatory activities such as maintaining the voters' roll, property ownership data and supporting the elected Council.
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area.
- Management of infrastructure, including civic buildings, roads, footpaths, parks, public open spaces, street lighting and stormwater drainage.
- Street cleaning, refuse collection and recycling.
- Development planning and control, including building fire safety assessment.
- Environmental health services, including health standards inspections and waste control application assessment.
- Protection of natural resources including parks, reserves and rivers.



Council also delivers a raft of discretionary services which further enhance the health, well-being and prosperity of its community.

These include:

- Environmental programs, such as the Local Action Plan (Landcare) Program
- Community programs, including HACC
- Community Wastewater Management Systems
- Aged Care and Youth Services
- On-street parking management to maximise use of kerbside space
- Delivery of the OPAL program & local parks & playgrounds theme 'Life Looks Brighter Outside.'
- Increased support and development of tourism related activities and facilities.
- Community funding programs

The Council operates a number of facilities on behalf of the community. These provide important community benefits while also generating revenue for services and projects of benefit to the Coorong District Council.

- Coonalpyn Caravan Park
- Waste Management Facilities
- Recreation and facilities including the Coonalpyn Swimming Pool and town halls.

Capital Works Program

In determining its Capital Works Program, Council has been mindful of the need to focus on replacement and renewal of assets as opposed to constructing new assets. There are long term financial implications for constantly increasing assets and not replacing and renewing current assets. The new assets proposed are generally those associated with projects that attract external funding or are a result of a Council resolution during 2013/2014.

The Infrastructure and Asset Capital Works Program for 2014/2015 includes \$9.795M of capital expenditure. This includes \$5.716M for replacement and renewal of infrastructure and \$4.079M for new infrastructure.

The Capital Works Program for 2014/2015 is based on the Infrastructure and Asset Management Plan (IAMP) for Roads and the 10 Year Capital Works Program.

The following table lists the projects included in the Infrastructure and Assets Capital Work Program as well as the Community & Corporate (Information Technology) Capital Projects for 2014/2015.

Project Title	Description	Budget (\$,000)	Capital Income (\$,000)	N or R	Comments	Performance Measure
Council Buildings Taillem Bend	Construction of new building, Railway Terrace, Taillem Bend	114	-	R & N	Demolish old shops and build and extend current offices in Railway Terrace, Based on Kennett Builders estimates \$114K in expenditure is forecast to be expended in next financial year.	Building officially opened & occupied by November 2014.
Public Toilets Coonalpyn	Tile Coonalpyn public toilets	6.4	-	N	Tile to a height of 1.5m on inside walls of the Coonalpyn Public Toilets.	Tiles laid prior to December 2014.
Council Buildings Meningie	Interpretative and Resource Centre Meningie	3,221	2,761	N	Council has applied for grant funding for this project of \$2.7m. If successful Council has budgeted for the project to be completed in 2014/15.	Grant approved & building development completed prior to July 2015.
Parks & Gardens	Remediate West Terrace Reserve area	42.8	-	N	Remediate West Terrace Reserve Area - making it a functional recreational area, including a BBQ, shelter shed and seating at a later date.	Reserve developed & being used by community & visitors.
Playgrounds	Playground replacement	107	-	R	Playground replacement as identified from audits	Playground replacements complete.
Safety Barrier Taillem Bend	Replace a section of safety barrier on Princes Hwy Taillem Bend	21.4	-	R	Removal of green hosing safety barrier and replace.	Safety barrier suitably replaced by appropriate; area aesthetically improved.
Tauragat Well Road, Coonalpyn	Part funded through Special Local Roads Priorities (SLRP)	684.8	420	R	Special Local Roads Priority project – based on similar expenditure, 4-5 years is required to complete the road. (SLRP) funding \$420K	Grant funds received, ongoing developed occurring.

Project Title	Description	Budget (\$,000)	Capital Income (\$,000)	N or R	Comments	Performance Measure
CWMS Upgrades	Replacement of Pettet Street Pump Station Meningie	214	-	R	The pump station renewal is deemed a priority due to its age, condition and the requirement to increase capacity.	Upgrade undertaken in accordance with draft CWMS Infrastructure & Asset Management Plan.
Footpaths	Replacement of footpaths as required in Council's Road IAMP	85.6	-	R	Footpath replacements are to occur as per Roads Asset Management Plan (RAMP). Listing is to be provided.	Priorities identified & work undertaken within budget.
Kerb & Gutter	Replacement of kerb & gutter as required in Council's Road IAMP	53.5	-	R	Kerb & Gutter replacements are to occur as per Roads Asset Management Plan (RAMP). Listing is to be provided.	Priorities identified & work undertaken within budget.
Minor Plant	Minor Plant Replacement	16.05	-	R	Replacement of minor plant – priorities to be determined.	Priorities identified & purchased within budget.
Parks & Gardens Irrigation	Various irrigation replacements	21.4	-	R	Various replacements and upgrades of irrigation in Council's parks and gardens.	Priorities identified & work undertaken within budget.
Plant & Machinery	Plant & machinery replacements as per schedule	856	180	R	Plant replacement – priorities 2 X Graders, 1 X Loader, 2 x Mowers. Trade Ins (\$180K).	Plant replaced per schedule & within budget.
Sealed Roads (re-seals) Rural	Sealed Roads Replacement	321	-	R	Sealed Roads Replacements as per Roads Asset Management Plan (RAMP) – Rural Reseals.	Priorities identified & work undertaken within budget.
Sealed Roads (re-seals) Urban	Sealed Roads Replacement	321	-	R	Sealed Roads Replacement as per Roads Asset Management Plan (RAMP) – Urban Reseals.	Priorities identified & work undertaken within budget.
Unsealed Roads	Unsealed Roads replacements as per Roads Asset Management Plan (RAMP)	1,070	483	R	Unsealed Roads replacements as per Roads Asset Management Plan (RAMP). Listing to be provided. Part funded by Roads to Recovery Funding \$483K	Priorities identified & work undertaken within budget.
Parks & Gardens Tailem Bend	Replacement Shelter at Dickson Reserve, Tailem Bend	32.1	-	R	Shelter to be replaced however If funding is available, will be included in greater Dickson Reserve Project grant proposal.	Successful grant application/s, shelter replaced.
Parks & Gardens Tailem Bend	Electric Barbecue replaced at Dickson Reserve, Tailem Bend	16.1	-	R	Current electric BBQ is non functional and in need of replacement however If funding is available, will be included in greater Dickson Reserve Project grant proposal.	Successful grant application/s, BBQ replaced.

Project Title	Description	Budget (\$,000)	Capital Income (\$,000)	N or R	Comments	Performance Measure
Parks & Gardens Various	Various Bin Stand Replacements throughout district	10.7	-	R	Replacement of various bin stands in Council's parks & gardens.	Bins replaced & being used for advertising.
Parks & Gardens Taillem Bend	Sub irrigation Taillem Bend Rotunda	12.8	-	N	Sub irrigation to be installed to the Rotunda reserve at Taillem Bend.	Irrigation installed, area improved & being used more.
Master Key System	Structured replacement of all locks on all council buildings to a one key system	53.5	-	R	Following a review of the security at all Council buildings it was recommended to change the current locking system.	System installed, security improved.
Parks & Gardens	Make safe area at Dickson.	53.5	-	R	Project was deferred in 2012/13 and 2013/14 – Make a safe area at Dickson including removal of temporary fencing.	Project complete, rowing boats being launched, fence removed.
Boat Ramps & Jetty - Fred's Landing, Taillem Bend	Capital works as per conceptual plan	53.5	-	N	Capital works as per conceptual plan for Fred's Landing. Price considered using volunteers.	Work carried out in accordance with plan, successful volunteer engagement.
Boat Ramps & Jetties – Narrung Jetty	Adjust Docking at Narrung Jetty	21.4	-	R	Change the current mooring height of the jetty landing at Narrung Jetty.	Improved amenities at jetty, more boats accessing facilities.
Council Utes	Changeover of 17 vehicles as per the fleet agreement	727.6	476	R	Fleet changeover is based on the changeover of 17 vehicles. Trade-in expected is \$476K.	17 vehicles changed over in accordance with budget.
Administration Vehicles	Changeover of 32 vehicles as per the fleet agreement	1,369	1,136	R	Fleet changeover. Based on changeover of 32 vehicles. Trade-in expected is \$1,136K.	32 vehicles changed over in accordance with budget.
IT	Replace UPS Battery Backup	9.6	-	R	UPS is required to maintain the power to council's IT devices, particularly at times of long power outages (a common occurrence at Taillem Bend).	UPS replaced in accordance with budget & Acquisition Policy, security maintained.
IT	Plan Printer & A1 Plan Scanner	10.7	-	R	Current printer is no longer functional for council purposes.	Printer acquired in accordance with budget & installed in suitable location in new office prior to January 2015.
Stormwater	Continuation of stormwater works Meningie as per concept plan	267.5	-	R	Replace stormwater in Meningie on Princes Hwy including removal of spoon drains. Project is to continue for the next few years	Work commenced in accordance with concept plan.

Strategic Projects

In order to implement Council's 2012-2016 Strategic Management Plan and to continue to implement Council's Strategic Directions the following Strategic Projects will be commenced or continued during 2014/2015.

Project Title	Dept	Description	Budget (\$,000)	Performance Measure
LGA Election	S&G	Participation in Local Government Election.	25	Communication strategy developed & successfully implemented. Council voters roll finalised. Nine Elected Members in place November 2014.
Primary Production and Murray River Development Plan Amendment (DPA)	S&G	Completing the Town Centre & Township DPA and commence investigations for the Rural Lands and Murray Protection Area DPA In accordance with Council's Strategic Directions Report.	50	Successful engagement with Minister, DPA completed for town centre & townships.
Coonalpyn township plan	S&G	Review of future service provision to the township of Coonalpyn.	20	Appropriate consultant engaged, plan completed prior to June 2015.
Develop an Induction Plan for new Elected Members	S&G	The Induction Plan will follow on from the Elected Member Training Plan completed in 2012/13. The Induction Plan will be developed in time for the November 2014 election.	0	Elected Member Induction Policy & Elected Member Training & Development Policy reviewed July 2014. Induction Plan for new Elected Members developed prior to November 2014.
Implementation of new managed service provision contract	C&C	Council's existing agreement is due for renewal in 2013/14; the outcomes of this review will be implemented in 2014/15.	180	New supplier engaged, contract finalised, implementation complete by October 2014.
Tourism & Information Signage	C&C	Business and tourism signage and other minor tourism related projects were determined as priorities from Council's Economic Development Strategy adopted in 2012/13. The new signage will be rolled out during the coming financial year.	30	Blueprint finalised, consultant engaged. First phase in Tailem Bend is installed prior to July 2015.
One Library System	C&C	Rolling out the new One Library system at all Coorong District community libraries.	17	All Coorong Libraries are on-line by September 2014.
Tintinara Community Men's Shed	C&C	Contribution to assist the establishment of the Tintinara Community Men's Shed.	17	Cement floor installed, electrical connection finalised, roof re-done.
Records Management	C&C	Ongoing sentencing and disposal of old records.	10	2-3 weeks consultancy work in 2014/15.
Website Review	C&C	Implementation of an easier-to-navigate website with improved content to improve user experience and community engagement.	10	Project team appointed, consultant appointed, website upgraded by July 2015.
Development & Review of Asset Infrastructure Management Plans	I&A	The Project entails revaluation and condition assessment of road infrastructure, buildings and structure assets. Also incorporated is a review of the Road Asset Management Plan and development of a Buildings & Structure Asset Management Plan.	95	All revaluations and IAMP reviews done in 2014/15.
OPAL Program	C&C	Delivery of the OPAL Program & local parks & playgrounds theme 'Life Looks Brighter Outside.'	60	Future of OPAL currently not resolved; no performance measure set.

Funding the Annual Business Plan

The 2014/2015 budget forecasts an operating deficit of \$514k with a net surplus of \$2.59m. The operating deficit or surplus measures the difference between operating revenue and expenses for the financial year. The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue and a target of better than break even is strived for.

The Council's revenue includes \$5.666m to be raised from general rates and \$1.412m from separate rates (NRM Levy, CWMS, Waste and Water). In 2014/15 It is proposed to increase Council general rates revenue by 5%. In respect to the separate rates Council is endeavouring to fulfil the intent of the creation of these service charges and make them self funding.

Over the past years the service charges applied have fallen behind what the true cost of the service provision, consequently in the past excess costs have been funded out of other general revenue. With this in mind Council intends to increase the service charges in staggered dollar increases to levels where they are recovering the full cost of the service.

CWMS Service Charges will increase from \$355 to \$455 for occupied connections and \$185 to \$285 for unoccupied connections. The rates applied will be the same for all schemes, in the past the Wellington East Scheme has been charged a lesser amount without justification.

Kerbside Waste Management Charges were introduced in 2013/14; however the amount charged was not recovering the full cost of the service. It is. Consequently the Kerbside Waste Management Charge will increase from \$190 to \$240 per collection for the 2014/15 financial year.

Water Supply Charges, apply to eligible residents in Peake and Wellington East. Both schemes are ageing and increased costs of delivery of the services are expected. Water supply charges will increase from \$223.10 per connection in Wellington East to \$240 per connection and Peake will increase from \$162.50 to \$200 per connection. Excess water charges will rise from a \$1 to \$1.50 per kilolitre over 125kl.

Depreciation as previously noted forms a significant portion of Councils projected deficit. Council will continue to monitor the depreciation value, useful lives of assets and the residual value of assets annually to ensure accuracy of the depreciation figure. Depreciation is a non cash item; however depreciation does provide an indicative cost of degradation of Council's assets. Council is forecasting to spend \$5.7m on renewing and replacing its assets which will extend the useful lives of its assets.

Council expects to deliver \$9.8m in capital projects for 2014/2015. The proposed capital works program will require additional net borrowings of \$1.498m to fully fund the projects.

Council is well placed to absorb the impact of the extra debt.

Council's current debt levels are as follows, \$136k in fixed loans and a Cash Advanced Debenture loan on a variable basis totaling \$761k. (Council has two existing Cash Advanced Debentures Loans that if fully drawn will amount to \$2.376m). It is anticipated that further loan draw downs will occur prior to years end; however Council has only accessed a portion of the variable cash advance debenture amount available to it year to date in 2014/15.

Whilst Council will endeavor to minimise debt by paying down variable loans when excess cash is available, If new borrowings are required over and above the current available debt it is reasonable for Council to borrow against the larger projects such as major plant purchases.

Other sources of revenue for the Council are:

User Pay charges set by Council

These comprise charges for the Council's fee based facilities such as: Caravan Park fees, Swimming Pool fees, Cemetery fees, Rubbish disposal fees, sundry sales and hall hire.

Statutory Charges set by State Government

These are fees and charges from regulatory services set by regulation and collected by the

Council for regulatory functions including: Development Act fees, rate searches, animal registration fees and fines, parking fines and expiation fees, health fines, environmental control fines, Litter control fines, waste control system fees and other licence fees/fines.

Council's Fees and Charges for 2014/2015 detail the proposed fees and charges of Council the new fees and charges schedule was adopted at the Council meeting held in March 2014.

Grants and Partnerships

The Council normally seeks to attract as much grant funding as possible from other levels of government, and major projects of wider State benefit are usually jointly funded in partnership with the State government and other relevant parties.

Key Financial Indicator	Adopted Targets	2013/14 Budget	2013/14 Projected	2014/15 Budget
Operating Surplus / (Deficit) - \$,000's	0	(1,033)	(1,128)	(514)
Operating Surplus Ratio - %	0	-16.10	-17.67	-7.37
Net Financial Liabilities - \$,000's	<Operating Revenue	7,467	4,978	6,476
Net Financial Liabilities Ratio - %	0-100	66.29	42.14	51.94
Asset Sustainability Ratio - %	85-105	112.39	127.27	102.25
Asset Sustainability Ratio - % (excluding vehicle changeovers)*	85-105	106.15	121.08	96.18

* This Asset Sustainability Ratio excludes the impact of the changeover of Council Vehicles. The regular changeover of vehicles is part of Councils fleet management agreement and is quite unique to the Coorong District Council. The exclusion of the vehicle changeovers enables a more accurate comparison with other Local Governments.

Impact on Council's Financial Position

After taking account of planned net outlays on existing and new assets in 2014/2015, the Council's net lending (net borrowing) is expected to be (\$1.498m). Accordingly, the level of the Council's net financial liabilities is expected to total \$6.476m.

Net financial liabilities are a key indicator of the Council's financial position. It measures total liabilities less financial assets (i.e. what the Council owes to others, less money the Council has or is owed). The expected level of net financial liabilities represents 51.94% of estimated operating revenue in 2014/2015 This compares with a targeted level for this indicator of under 100% of revenue.

Summary Statement including Financing Transactions

Coorong District Council Summary of Financial Performance & Position Statement (SFPPS) 2014 / 2015



Summary of Financial Performance & Position Statement (SFPPS)	2013/14 Original Budget \$,000	2013/14 2nd Qtr Budget Update \$,000	2014/15 Budget Final \$,000	
Income	11,367	11,917	12,578	
less Expenses	12,400	13,045	13,092	
	-1,033	-1,128	-514	1
less Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets	5,736	6,322	5,716	2a
less Depreciation, Amortisation and Impairment	3,736	3,760	3,838	2b
less Proceeds from Sale of Replaced Assets	1,537	1,537	1,792	2c
	463	1,025	86	
less Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	1,739	1,953	4,079	3a
less Amounts received specifically for New and Upgraded Assets	400	420	3,181	3b
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	0	100	0	
	1,339	1,433	898	
Net Lending / (Borrowing) for Financial Year	-2,835	-3,586	-1,498	4
Financial Ratios				
Operating Surplus / Deficit * (Operating Revenue less Operating Expenses)	-1,033	-1,128	-514	
Operating Surplus Ratio ** (Operating Surplus divided by Rates Revenue less NRM Levy)	-16.10%	-17.67%	-7.37%	5
Net Financial Liabilities Ratio *** (Net Financial Liabilities divided by Operating Revenue Less NRM Levy) Target between Nil and 100%	66.29%	42.14%	51.94%	6
Asset Sustainability Ratio **** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	112.39%	127.27%	102.25%	7
Asset Sustainability Ratio (Adjusted Excludes Car Agreement) **** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	106.15%	121.08%	96.18%	8

* Being the operating surplus (deficit) before capital amounts

** Operating Surplus ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy

*** Net Financial Liabilities equals total liabilities less financial assets

**** Asset sustainability ratio indicates whether a Council is replacing existing non financial assets at the same rate they are wearing out.

Summary Statement including Financing Transactions (Cont)

Council in consideration of the 2014/15 Annual Business Plan has considered the future financial impacts of decisions within its Long Term Financial Plan (LTFP) 2015 - 2024. Key considerations that were included within the Annual Business Plan include:

- Rate revenue increase of 2% above CPI.
- CWMS rate charges will increase incrementally over time, to a point where it is fully recovering the cost of the service.
- Kerbside Waste Management Charge will increase incrementally over time, to a point where it is fully recovering the costs of the service.
- Water Supply Charges will increase incrementally over time, to a point where it is fully recovering the costs of the service.
- Capital Expenditure of road assets match forecast requirements within the Road Asset Management Plan.
- Capital Expenditure of CWMS assets match forecast requirements within the draft CWMS Asset Management Plan.

- Capital Expenditure includes the completion of major projects such as the office redevelopment and proposed Meningie Interpretative Resource Centre.

In consideration of the above the financial results as summarised on the previous page will result in the following.

Note 1

Operating / Surplus / Deficit

Operating Surplus / Deficit forecast result 2014/15 is \$514K deficit; factors such as additional income from rates and service charges have improved expectations as detailed in the previous version of the LTFP. However conversely the reduction in the federal assisted grants expected from supplementary roads funding have had a direct impact on the deficit result.

The longer term projections as per the LTFP detail that a break even position is anticipated within two years.

Note 2

Net Outlays on Existing Assets

Net outlays on existing assets are forecasted to be \$86K. This positive result indicates that Council is replacing assets in an appropriate manner and they are meeting deterioration rates of its current assets as a minimum.

In respect to the longer term projections as per the LTFP it is anticipated that the results are expected to be negative in the shorter term with strong positive

outlays in the latter part of the plan.

Note 3

Net Outlays on New / Upgraded Assets

Net outlays on new or upgraded assets are forecasted to be \$898K. Expenditure in respect to new and upgraded assets are unusually high particularly given the treatment of the Meningie Resource and Interpretative Centre, however once the final costing's and final apportionments of new and replaced portions of the project are known the new and upgraded portion is likely to decrease.

The longer term trend for new and upgraded assets are that new and upgraded assets are expected to be kept to a minimum over the life of the plan.

Note 4

Net Lending (Borrowing) for Financial Year

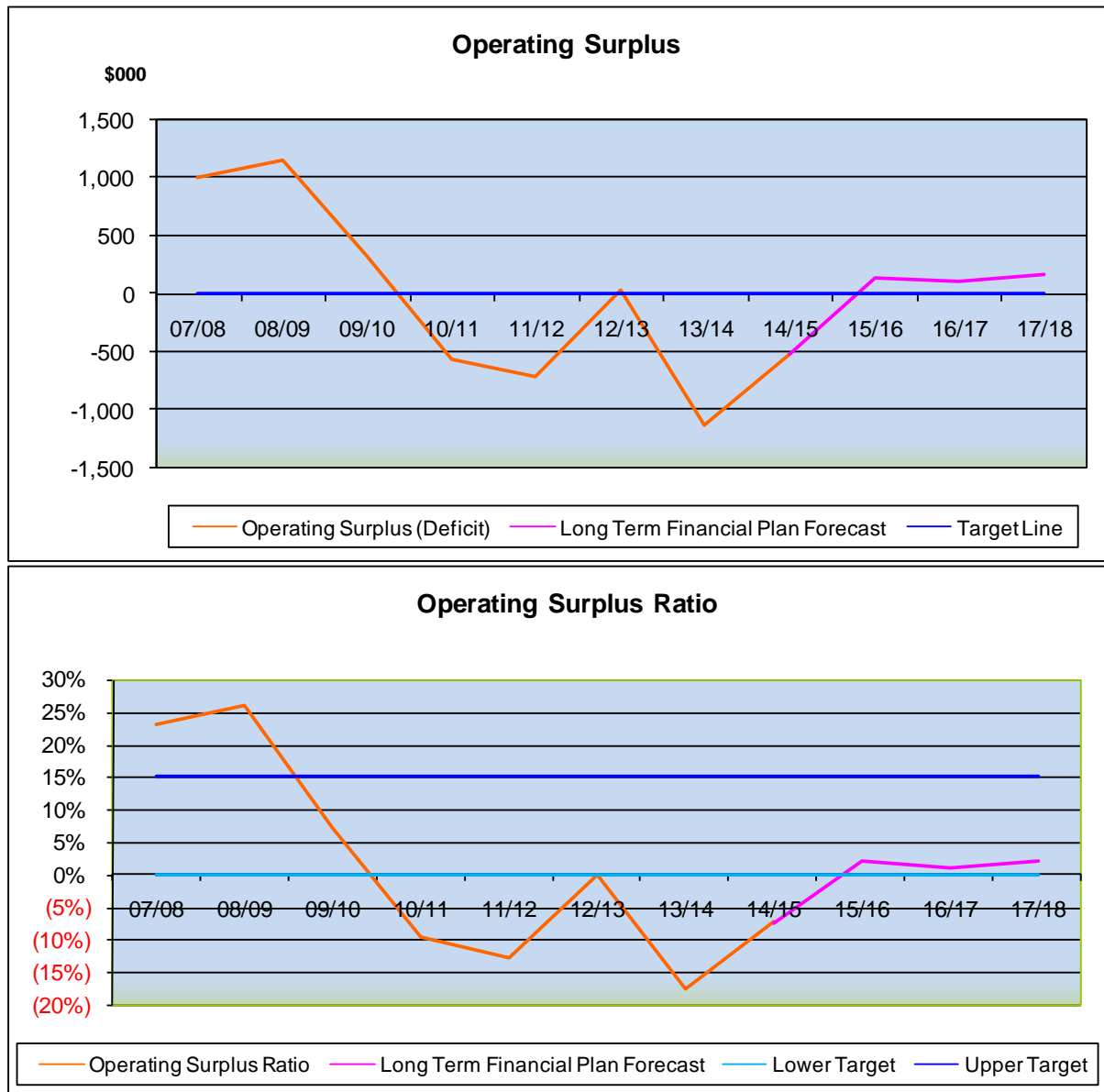
Net Lending / Borrowings for 2014/15 are forecast to be \$1.49M. The higher than usual capital expenditure coupled with the anticipated operating deficit has resulted in additional funding requirements to fund the budget.

The longer term trend from the LTFP anticipates that smaller net lending's to the organisation are expected in the LTFP on average over the remainder of the life of the plan.

Note 5

Operating Surplus / Deficit Ratio

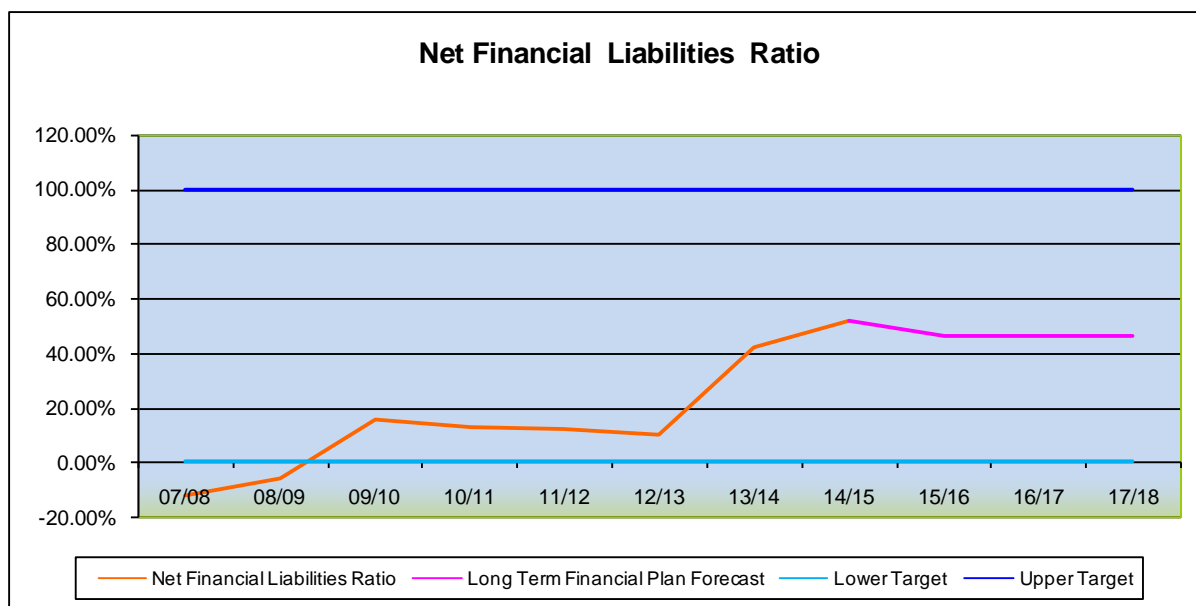
2014/15 forecasted result is a operating deficit of \$514K and is represented by a -7.37% operating surplus ratio. Factors such as the \$300K reduction in supplementary roads grant funding combined with increased expenses for contractual services, employee costs and utilities expenditure have impacted on the deficit figure. The long term forecast is that small operating surpluses are expected to occur from 2016 onwards. Factors such as maintaining the 2% above CPI increases for rates and the attainment of self servicing charges for services such as CWMS, Waste and water supply coupled with a 0.5% operating expenditure saving are critical for attainment of this result.



Note 6

Net Financial Liabilities Ratio

The Net Financial Liabilities Ratio anticipated result for 2014 /15 is 51.94%. The increased result is due largely to the abnormally large capital works expected to occur in 2014/15. Projects such as the Meningie Interpretative Resource Centre and the completion of the office redevelopment in Tailern Bend have impacted on the result. However it is anticipated that in the longer term the result will start trending downwards.

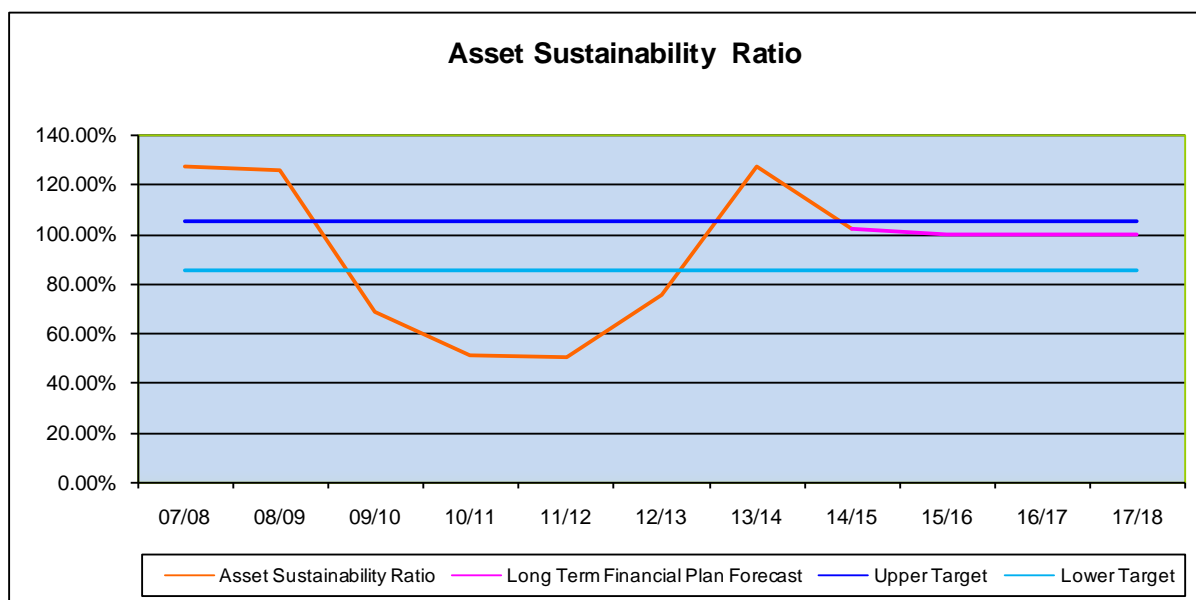


Note 7 & 8

Asset Sustainability Ratio

The asset sustainability ratio is expected to be 102.25% in 2014/15. The result is well within the benchmark targets set by Council of 85% to 105%. The expectation in the long term is that Council will meet its replacement obligations as set out in the LTFP.

Council has entered into a vehicle agreement, which results in vehicles being replaced frequently. The resultant effect of this frequency of replacement often distorts the result in the asset sustainability ratio. In recognition of this an adjustment is made to the ratio at note 8. It is noted that without the vehicles taken into account the ratio result is 96.18% which is still well within the ratio target ranges, it is further recognised that both measures indicate that Council is meeting its obligation in replacing assets as fast as they depreciate.



Rates Revenue for 2014/2015

Council's revenue for 2014/2015 includes \$5.666m to be raised from general rates. This equates to 45% of Councils operating revenue.

Council has set a rate which requires an increase in general rates to the average ratepayer of 5%. This is in accordance with Council's Long Term Financial Plan requiring the rate increase to be CPI plus 2%. The actual increase payable by any individual ratepayer may be more or less than this depending on the movement in the capital value of their property.

Council anticipates a slight increase in property valuations in the order of 2.93%

Council raises revenue for governance and administration of the area and services to the community including road infrastructure maintenance, waste management, street lighting, maintenance of parks and gardens, street cleaning, animal management, environmental health, planning and enforcement of local laws.

In setting rates for the 2014/2015 financial year Council has considered the need to keep rate increases as low as possible whilst also considering the implementation of the following plans:

- The 2012-2016 Strategic Management Plan that sets the overall direction of Council.

- Coorong District Council Long Term Financial Plan 2015-2024 that sets the overall financial objectives for Council for the next 10 years.
- The Roads Infrastructure and Asset Management Plan that sets capital works, maintenance and renewal programmes for Councils road infrastructure.
- The resources required to deliver the Council services as detailed in the 2014/2015 Annual Business Plan and Budget.
- That a minor rating review which included the implementation of a waste service charge and assessed equity issues and relationship between various land uses was undertaken in early 2013.
- Changes in valuation and how their impact can be minimised in setting rating levels.
- The increased use of 'user pays' cost recovery systems.

Method Used to Value Land

Council has decided to continue to use capital value as the basis for valuing land within the council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers because property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

Business Impact Statement

Council has considered the impact of rates on businesses in the Council area, including primary production. Council maintains contact with the business community both directly and through the Regional Development Australia (RDA) Murraylands and Riverland. In considering the impact, Council has assessed the following matters:

- Those elements of Council's 2012-2016 Strategic Management Plan relating to business development,
- Council's recent development approval trends,
- The operating and capital projects and programs for the coming year that will principally benefit industry and business development, and
- Valuation changes.

Council recognises the importance of supporting and encouraging a diverse and healthy business sector including primary production.

Rates Revenue for 2014/2015

Differential	Rate	Rateable Properties`	% Rateable Properties	Capital Value	Rates Raised 2014/2015	% Rates raised
Vacant	0.004625	460	10.80	33,544,650	256,545	4.38
Primary Production	0.003419	1495	35.11	901,566,200	3,391,310	57.93
Residential/Other	0.004022	2098	49.27	338,862,194	1,972,127	33.68
Commercial/Industry	0.004022	205	4.82	44,845,715	234,659	4.01

NB: the rate revenue raised excludes rebates, rate capping and discount charges.

Differential General Rates

The Local Government Act 1999 allows Councils to differentiate rates based on the use of land, the locality of land or the use and locality of land.

The Coorong District Council has four differential rates being Vacant Land, Primary Production, Residential and Commercial. The above table indicates the rates raised for each differential for the 2014/2015 financial year.

The differentials of the four land uses are currently:

- Vacant Land – 1.15
- Primary Production – 0.85
- Residential – 1.0
- Commercial – 1.0

Council recognises that the rural sector not only contributes greatly to our economy but also has significant responsibilities in environmental conservation.

Council will have regard to relative movements in valuation to ensure that the rate burdens remain relatively constant between primary producers and other sectors of the community in 2014/2015.

Fixed Charge

Council has historically imposed a fixed charge, which were \$325 in 2011/2012, \$345 in 2012/2013 and \$300 in 2013/14.

Council has undertaken detailed rate modelling scenarios and for 2014/15 the fixed charge amount will stay at \$300 per rateable assessment.

Natural Resource (NRM) Management Levies

The NRM Levy is a State Government tax imposed under the Natural Resources Management Act 2004. Council is obliged to collect the levy on behalf of the SA Murray Darling Basin and South East NRM Boards.

For that part of the Council area covered by the South East Natural Resource Management Board, the levy has been a flat rate per property, in 2014/2015 this is \$40.95 per property. In the part of the Council area covered by the South Australian Murray Darling Basin Natural Resources Management Board, the levy has been based property capital valuations and the rate in 2014/2015 is 0.000102 cents in the dollar.

Rate Rebate

The Local Government Act requires Councils to rebate the rates payable on some land. Discretionary rebates may be applied by Council

under Section 166 of the Act. From 2006-2007, Council has introduced the following discretionary rebates, which will be granted on Council's, own initiative pursuant to Section 159 (3) of the Local Government Act:

- In accordance with Section 166(1)(e), a rebate of 100% of differential general rates, the fixed charge for land used by agricultural and horticultural societies;
- In accordance with Section 166(1)(j), a rebate of 75% of differential general rates and 100% of the fixed charge for community organisations who hold a liquor or gaming licence; and
- In accordance with Section 166(1)(j), a rebate of 100% of differential general rates, the fixed charge for community organisations without a liquor or gaming licence.

Rates Revenue for 2014/2015

The purpose for Council granting discretionary rebates is to assist those organisations to maintain their facilities which are predominately on Council property.

Rate Capping

For the year ending 30 June 2015 and in accordance with Section 166(1)(l)(ii) of the Local Government Act, Council has decided to make generally available a rebate on the differential general rates paid, so that the maximum rate paid in 2014/2015 is no greater than 10% more than that applicable in 2013/2014 for residential properties, and 20% for all other properties. The rebate is subject to the increase not being due to capital improvements on the property or a change in ownership with the new value reflecting the purchase price.

Any property owner who has experienced an increase in accordance with the criteria above are encouraged to make application for a refund by visiting one of Council's offices or www.coorong.sa.gov.au online

Service Charges

Community Wastewater Management Schemes (CWMS)

This service charge is set to recover the costs associated with operating and developing the CWMS in townships throughout the Council area. Following a comprehensive review of the CWMS schemes and future capital and maintenance considerations clearly determined that Council was recovering enough to make the schemes long term sustainable.

In consideration of this Council is seeking to increase the CWMS charge in staged dollar increases over the next three years, on that basis Council has decided to charge the following CWMS fees for 2014/2015:

Tailem Bend, Meningie, Tintinara and Wellington East:

- \$455 per occupied unit
- \$285 per vacant allotment

Water Supply

Council provides water supply systems to residential and commercial properties in the small townships of Wellington East and Peake. Council is seeking to recover the full cost of operating the system. To achieve this Council is seeking to increase charges so that there is equity between the schemes. The following water supply charges are to be charged for 2014/15:

- Wellington East water supply; a Service Charge comprised of \$240 plus \$1.50 per kilolitre for usage in excess of 125 kilolitres per annum;
- Peake water supply; a Service Charge comprised of \$200 plus \$1.50 per kilolitre in excess of 125 kilolitres per annum.

Waste Management

Council introduced a kerbside waste management service charge in 2013/2014. The charge was applied to all properties that benefit from Council's waste collection service and reside within the collection boundaries.

As with the other service charges the intent of the charge is to recover the costs associated with the service, in consideration of this Council is seeking to increase the service charge in staggered dollar increases. For the 2014/15 the kerbside waste management charge will increase to \$240 per eligible property.

Appendix 1 Financial Statement's

Coorong District Council Comprehensive Income Statement 2014 / 2015



Statement of Comprehensive Income	2013/14 Original Budget \$,000	2013/14 2nd Qtr Budget Update \$,000	2014/15 Budget Final \$,000	
Income				
Rates - General	5,365	5,361	5,666	1
Rates - Other	1,158	1,131	1,412	2
Statutory Charges	100	108	110	3
User Charges	128	156	170	4
Operating Grants & Subsidies	4,339	4,549	4,956	5
Investment Income	2	2	2	6
Reimbursements	203	474	185	7
Other Income	72	137	77	8
Total Income	11,367	11,917	12,578	
Expenses				
Employee Expenses	4,519	4,262	4,876	9
Material	1,056	1,158	1,138	10
Contractual Services	2,059	2,868	2,240	11
Other Expenditure	945	933	914	12
Depreciation	3,736	3,760	3,838	13
Finance Charges	85	65	85	14
Net Loss - Joint Ventures & Associates	0	0	0	15
Total Expenses	12,400	13,045	13,092	
Operating Surplus / (Deficit)	-1,033	-1,128	-514	
Amounts received specifically for new or upgraded assets	400	420	3,181	16
Asset disposal & fair Value Adjustments	-55	-295	-75	17
	345	125	3,106	
Net Surplus / (Deficit)	-688	-1,003	2,592	
Other Comprehensive Income				
Changes in revaluation surplus - IPP&E	0	0	3,878	18
Impairment (Expense) / Recoupment offset to ARR	-67	-67	-72	19
Total Comprehensive Income	-755	-1,070	6,398	
Financial Ratio's				
Operating Surplus / Deficit	-1,033	-1,128	-514	20
<i>(Operating Revenue less Operating Expenses)</i>				
Operating Surplus Ratio	-16.10%	-17.67%	-7.37%	21
<i>(Operating Surplus divided by Rates Revenue less NRM Levy)</i>				

Annual Budget 2014 -15 (Key Assumptions & Changes)

* Council's Long Term Financial Plan (LTFF) 2015 -2024 the following list of assumptions were assumed in this budget.

- 1** Rating Revenue is to increase by 2% above Local Government Price Index (LGPI) or effective increase of 5%
- 2** Rate Service Charges will be "self servicing", the costs associated with the service will be fully recovered through the structured increase in charges applied. In 2014/15 the increase in charges will generate an additional \$281K.
- 2a** CWMS Service Charges are to increase in a staggered dollar amounts over the next 3 years up to \$600 for an occupied charge and \$400 for an unoccupied charge per scheme.
Increases are as follows;
 * 2014/15 Increase of \$100 from \$355 to \$455 for Occupied & from \$185 to \$285 for Unoccupied.
 * 2015/16 Increase of \$70 from \$455 to \$525 for Occupied & from \$285 to \$340 for Unoccupied.
 * 2016/17 Increase of \$70 from \$525 to \$600 for Occupied & from \$340 to \$400 for Unoccupied.
 * 2017/18 Increase by Local Government Price Index
- 2b** Kerbside Waste Management Charge are to increase in structured rises over the next 3 years to enable full recovery of the costs associated with the service provision, Increases are as follows;
 * 2014/15 Increase of \$50 from \$190 to \$240 Kerbside Waste Management Charge.
 * 2015/16 Increase of \$50 from \$240 to \$290 for Kerbside Waste Management Charge.
 * 2016/17 Increase of \$50 from \$290 to \$340 for Kerbside Waste Management Charge.
 * 2017/18 Increase by Local Government Price Index
- 2c** Water Supply Charges are to increase in structured rises to enable full recovery of the costs associated with the service provision.
Increases are as follows;
 * 2014/15 Increase of \$16.90 from \$223.10 to \$240 for Wellington East Water Supply Charge plus \$1.50 per kilolitre for usage in excess of 125KL per annum.
 * 2014/15 Increase of \$37.50 from \$162.50 to \$200 for Peake Water Supply plus \$1.50 per kilolitre for usage in excess of 125KL per annum.
- 2d** Natural Resources Management Levy to increase by Consumer Price Index (CPI) estimated at 3%.
- 3** Statutory Charges - Increase from budget to budget surrounds the increase in development applications recorded in 2013/14. There is an expectation that this will continue to be maintained for the 2014 /15 financial year.
- 4** User Charges are expected to increase in 2014/15 by 32%. The increase is largely due to the introduction of the enroute kerbside collection charge. The charge was introduced in 2013/14 post the original budget's development 2013/14. The purpose of the charge is to extend the waste collection service to those ratepayers who reside on the waste collection route but live outside of the designated townships boundaries. Council also introduced post original budget 2013/14 the reintroduction of the dump voucher system. For the 2014/15 both the enroute kerbside collection charge and the dump voucher system will be charged at the equivalent rate of the Kerbside Waste Management Charge being \$240.
- 5** Operating Grants & Subsidies - Assumption is that Council will receive a full years grants commission funding in 2014/15 and the previous practise of prepayment of half of the years grants in the year prior will cease.
- 5a** Grants Commission Funding has been estimated that it will increase by a minimum of CPI (3%).
- 5b** Landcare grant funds expected to be received in 2014/15 will total \$1M, this is an increase of \$300K in funding as to what was budgeted for in 2013/14.
- 5c** Home And Community Care (HACC) grant assumption of increased funding received by CPI.
- 5d** Roads to Recovery grant funding has been extended for a further 5 years. An assumption of \$483K to be received as per previous years.
- 6** Investment Income - No change is expected. Council's Treasury Management Policy details that investment interest will be kept to a minimum in lieu of paying down Cash Advanced Debentures and minimising Interest expense.
- 7** Reimbursements - A slight decrease has been forecasted, Council in recent years has been the recipient of refunds/ reimbursements from the Local Government Association Mutual Liability Scheme (LGAMLS). The refunds are distributed based on the assessment of the risk profile of Council, whilst Council expects that this will continue, Council has taken a conservative approach as to the amount that will be received.
- 8** Other Income - slight increase of \$5K expected when comparing budget to budget. The \$5K increase surrounds increase in permits and licenses in respect to roads.
- 9** Employee Expenses are set to increase by 8%. Over the past years significant changes have occurred in respect to the employee profile of Council. Council has adopted a 1% operational expenditure savings assumption annually, however due to a number changes not limited to a replacement of the CEO has resulted in a correction to administration service delivery. The following are a list of the changes.
 - a)** The Director of Strategy And Governance Role has been removed.
 - i)** Replaced with a .6 FTE Senior Strategic Planner to assist in strategic planning and governance considerations.
 - ii)** Increase of .6 FTE Community Development, New role now incorporates Tourism and Community Development and is Full Time.
 - b)** Increase 1 FTE Senior Projects Officer Assets - This role is required to assist in the project management of various projects.
 - c)** Increase .7 FTE for part time Administration Officer Tintinara Office - 50% funded from Local Action Plan (LAP).
 - d)** Increase .1 FTE for Bioremediation Officer fully funded from Local Action Plan (LAP).
 - e)** Superannuation guarantee increase forecast to increase from 9.25% to 9.5% in 2014/15.
 - f)** Enterprise Bargaining Agreement (EBA) Increase.
- 10** Materials are forecast to increase, in the 2013/14 budget water and electricity costs were underestimated due to costs associated with the supply and some increased usage from new connections.

- 11** Contractual Services - A broad number of new projects have contributed to the increase in contractual services budget to budget these include,
- a)** Election - 2014-15 is an election year, consequently Council has included \$25K as a budgeted figure for elections.
 - b)** Tourism signage project - \$25K has been allocated to undertake appropriate branding and installation of tourism signage in Taillem Bend in the first instance and in the years following this will be rolled out to other townships.
 - c)** Other tourism related projects \$5K such as tourism map development.
 - d)** Community Development - \$17K has been allocated to enable the electricity connection to the Tintinara Men's Shed to occur.
 - e)** Other Community Development Projects - \$10K has been allocated for other community development projects such as assisting in the creation of a community enterprise entity combining the Taillem Bend Progress and Taillem Railway committee's.
 - f)** Asset Revaluations \$95K has been allocated to undertake the following i) Revaluation and condition rating of road infrastructure.
 - ii) Revaluation of land assets. iii) revaluation and condition rating of building and structure assets iv) establish bureau system for remote access to roads and building asset information. v) update asset management plans for roads and develop buildings and structures asset management plan.
 - g)** Website - \$10K for the redevelopment of the Council's website.
 - h)** Halls - \$20K for scheduled repainting maintenance of the following i) Meningie Hall eaves and fascia's ii) Tintinara Hall paint exterior
 - iii) Tintinara Health Centre paint fascia's and eaves.
 - i)** Development of a Coonalpyn Township Plan \$20K.
 - j)** Building Inspections - Due to increased compliance requirements surrounding building inspections and truss inspections a further \$10K has been allocated.
 - k)** Development Planning Amendments (DPA) \$50K - has been allocated to start the Rural Lands & Murray River DPA and complete the Township plans.
 - l)** Roadside Vegetation Plan \$20K - this is the second year of a three year project.
 - m)** Other costs that have also influenced the increase in budget to budget figure for contractual services include costed plant repairs, scheduled increases in street sweeping, waste collection and disposal, cartage costs.
- 12** Other Expenditure has slightly decreased from budget to budget, the main decreases relate to insurances that were overstated in the previous budget and general reductions in various budget lines for conferences fees and other expenditure.
- 13** Depreciation - slight increase in depreciation to acknowledge the impact of new assets including the completed town hall / office redevelopment Taillem Bend.
- 14** Finance charges have not altered. In 2013/14 it was assumed that the capital works budget would be delivered in its entirety including the redevelopment at Taillem Bend however this is now more likely to be completed by end of Sept 14.
- 15** Net Loss Murray Mallee Community Transport Scheme (MMCTS) - A small loss is expected however this is apportioned across the 3 contributing Councils, net amount attributed to Coorong is less than \$1K.
- 16** Amounts received specifically for new and upgraded assets, i) \$420K is expected to be received for Special Local Roads contribution to undertake a further 4KM of sealing on Tauragat Well Road ii) Meningie Diversification Project - if successful Council will receive \$2.7M in grant funding to undertake the redevelopment of the Meningie Council Office to include a visitor information centre, additional offices that have broader community use.
- 17** Asset disposal and fair value adjustments - adjustments for vehicle sales and other assets.
- 18** Changes in Revaluations Surpluses - Road Infrastructure, Buildings & Structures and Land will be revalued an estimated revaluation surplus has been allocated based on CPI increases since the last revaluation.
- 19** Impairment expense in Asset Revaluation Reserve - the amount in 2014/15 is an allocation for adjustments in roads following change of unsealed to sealed roads.
- 20** Operating surplus / deficit - A deficit of \$514K is forecasted to occur in 2014/15 whilst the deficit is lower than forecasted in 2013/14, the result is below Council's target of achieving a break even position or better. Factors such as increased expenditure in contractual services and employee expenditure have impacted the result however the additional expenditure will deliver a number of key objectives and projects and improved service delivery.
- 21** Operating Surplus / Deficit Ratio - Forecasted result is -7.37%, as with the operating surplus / deficit the target result is for a break even and better however a secondary target of a decreased operating surplus / deficit ratio has been attained with the 2013/14 result forecasted at -16.10%.

Coorong District Council
Capital Expenditure
2014 / 2015



Capital Expenditure Accounts	2013/14 Original Budget \$,000	2013/14 2nd Qtr Budget Update \$,000	2014/15 Budget Final \$,000	
Capital Expenditure				
CWMS Capital	161	257	214	1
Council Buildings Capital	1,647	2,024	3,389	2
Depot Capital	16	16	0	
Footways & Cycle Tracks Capital	86	86	86	3
Halls Capital	7	32	0	
Information Technology Capital	39	39	20	4
Minor Plant Capital	16	16	16	5
Parks & Gardens Capital	177	219	393	6
Plant & Machinery Capital	1,420	1,420	1,584	7
Public Conveniences Capital	64	113	6	8
Sanitary & Garbage Capital	0	19	0	
Sealed Roads Construction	1,338	1,510	1,380	9
Stormwater Capital	0	18	268	10
Swimming Pool Capital	7	7	0	
Unsealed Roads Capital	1,070	1,070	1,070	11
Vehicles Capital	1,370	1,370	1,370	12
Water Supply Capital	59	59	0	
Grand Total	7,475	8,275	9,795	

Annual Budget 2014 -15 (Key Assumptions & Changes)

* Council Long Term Financial Plan (LTFP) 2015 - 2024 the following list of assumptions were adopted in line with the LTFP.

- a** Council Offices renovation will be completed in 2014/15 \$114K allocated in 2014/15 to complete.
- b** Meningie Diversification Project if successful will be completed in 2014/15 \$3.22M allocated to complete.
- c** In comparison to the Roads Infrastructure Asset Management Plan (IAMP) - Council has allocated \$86K for footpaths compared to \$70K forecasted, \$56K kerb & gutter compared to \$40K forecasted in the plan, reseals and sealed roads \$642K compared to \$350K and \$1.07M on unsealed roads compared to \$1.1M in the plan. Whilst the expenditure is higher in some areas than what is required, the benefit of increased expenditure will transpire in a direct reduction in the backlog of road infrastructure expenditure.
- d** In comparison to the CWMS capital renewal program \$214K has been allocated in 2014/15 compared to \$162K, the increase is due to the requirement of bringing forward the Pettet Street Pump Station renewal, due to its condition and the requirement to increase capacity.

Capital Expenditure Budget

- 1** CWMS - \$214K allocated to replacement of the pump station in Pettet Street Meningie as outlined in the CWMS Annual Business Plan.
- 2a** Council Offices - Finalisation of the renovation / refurbishment Tailern Bend Offices 114K.
- 2b** Council Offices - Interpretative Resource Centre Meningie. The project entails the redevelopment of the current Meningie Office site to incorporate visitor information offices, offices for lease and community use and commercial property opportunities. Total project is \$3.22M.
- 2c** Council Offices - Master key lock replacement program various Council buildings 54K.
- 3** Footpaths - \$86K allocated to various footpaths throughout the district as per the priorities listed in the IAMP capital works schedule.
- 4** Information Technology - Replace UPS battery backup \$9.6K, Replace A1 Plan Printer & Scanner \$10.4K
- 5** Minor Plant \$16K allocated replace trailers and other minor plant.
- 6a** Parks & Gardens - Dickson Reserve Tailern Bend, make safe area and discard temporary fencing \$54K.
- 6b** Parks & Gardens - Dickson Reserve Tailern Bend, replace BBQ \$16K.
- 6c** Parks & Gardens - Dickson Reserve Tailern Bend, replace BBQ shelter \$32K.
- 6d** Parks & Gardens - Irrigation upgrades & replacements various locations \$21K.
- 6e** Parks & Gardens - Irrigation upgrade install irrigation to rotunda reserve Tailern Bend \$12.8K.
- 6f** Parks & Gardens - Playground replacements \$107K.
- 6g** Parks & Gardens - Various bin stand replacements \$10.7K
- 6h** Parks & Gardens - Make alterations to Narrung Jetty to allow easier access to the jetty for boaties \$21.4K
- 6i** Parks & Gardens - Undertake capital works as prescribed by the Freds Landing Conceptual Plan \$54K
- 6j** Parks & Gardens - Remediate West Terrace Reserve Meningie for recreational purposes \$42.8K
- 6k** Parks & Gardens - Safety barrier replacement of green hose barriers Princes Hwy Tailern Bend \$21.4K.
- 7a** Plant & Machinery - Major Plant \$856K - Graders x 2, Loader, 2 X Mowers (trade ins expected \$180K)
- 7b** Plant & Machinery - Utility changeovers as per agreement \$728K (trade ins expected \$476K)
- 8** Public Conveniences - Tile 1.5 metre high section of walls Coonalpyn Toilet. \$6.4K
- 9a** Sealed Roads - \$56K Kerb & Gutter various replacements as per capital works program and Roads IAMP.
- 9b** Sealed Roads - Seal another 4 Km of unsealed road, Tauragat Well Road \$685K. Grant Funded \$420K by Special Local Roads Program (SLRP).
- 9c** Sealed Roads - Various reseals Rural Roads as per IAMP \$320K.
- 9d** Sealed Roads - Various reseals Urban Roads as per IAMP \$320K.
- 10** Stormwater - Continuation of the stormwater construction works Meningie \$268K
- 11** Unsealed Roads - \$1.07M resheet various roads as per capital works program and Roads IAMP.
- 12** Vehicles \$1.37M replacement admin fleet cars (Trade In expected \$1,136M) net cost \$234K.

Coorong District Council
Balance Sheet
2014 / 2015



Balance Sheet	2013/14 Original Budget \$,000	2013/14 2nd Qtr Budget Review \$,000	2014/15 Budget Final \$,000	
ASSETS				
Current Assets				
Cash & Cash Equivalents	20	20	20	
Trade and Other Receivables	687	728	846	
Inventories	24	32	24	
Total Current Assets	731	780	890	1
Non Current Assets				
Equity Accounted Investment in Council Business	23	35	34	
Investment Property	935	935	935	
Infrastructure, Property, Plant & Equipment	150,379	159,176	167,080	
Total Non Current Assets	151,337	160,146	168,049	2
Total Assets	152,068	160,925	168,939	
LIABILITIES				
Current Liabilities				
Trade & Other Payables	861	865	1,067	
Borrowings	61	24	67	
Provisions	730	750	785	
Total Current Liabilities	1,651	1,639	1,919	3
Non Current Liabilities				
Trade & Other Payables	142	142	142	
Borrowings	6,185	3,749	5,084	
Provisions	196	196	196	
Total Non Current Liabilities	6,523	4,087	5,422	4
Total Liabilities	8,174	5,726	7,342	
NET ASSETS	143,893	155,199	161,597	
EQUITY				
Accumulated Surplus	27,109	29,287	31,830	
Asset Revaluation Reserves	116,281	125,297	129,103	
Other Reserves	503	614	663	
NET ASSETS	143,893	155,199	161,597	
Financial Ratio's				
Net Financial Liabilities Ratio	66.29%	42.14%	51.94%	5
<i>(Net Financial Liabilities divided by Operating Revenue Less NRM Levy) Target between Nil and 100%</i>				
Asset Sustainability Ratio	112.39%	127.27%	102.25%	6
<i>(Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%</i>				
Asset Sustainability Ratio (Adjusted to Exclude Admin Car Replacements)	106.15%	121.08%	96.18%	7
<i>(Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%</i>				

Annual Budget 2014 -15 (Key Assumptions & Changes)

- 1 Current Assets - Increase is largely forecasted in rates debtors, whilst debt recovery practices have improved, the increase in rates expected coupled with tighter economic conditions will result in an increase in rates debtors.
- 2 Non Current Assets - The large increase is due to revaluations surpluses anticipated following the completion of the following revaluations; road infrastructure, buildings, structures and land, these increases coupled with the finalisation of the council office and town hall redevelopment and the Interpretative Resource Centre at Meningie can largely account for the increase.
- 3 Current Liabilities - Following analysis of trends in trade and other payables over the past few years, Council traditionally receives a large number of invoices in the final month of the year consequently the trade and other payables end result have been traditionally higher than budget forecasts. consequently the trade and other payments have been increased to acknowledge this trend.
- 4 Non Current Liabilities - Long Term Borrowings are expected to reach \$5.08M by the end of 2014/15. The funds received will be utilised to fund Councils' capital expenditure budget / program of \$9.7m.
- 5 Net Financial Liabilities - The result of 51.94% sits within the target range and expectations of Council. The result is better than what was anticipated to occur in 2013/14.
- 6 Asset Sustainability Ratio - The result is expected to be 102.25%, the result is above target the target range of 85% - 105%. The result is within target measures however the result is slightly skewed by the inclusion of the admin vehicle agreement in addition the result may change once the final plans of the Interpretative Resource Centre in Meningie currently we have assumed the whole project is new in nature.
- 7 Asset Sustainability Ratio (Excluding Administration Vehicles) - When the vehicle agreement is excluded from the calculation The result is expected to be 96.18%, the result is still within the target range of 85% - 105% and as detailed above once the final plans are struck for the Interpretative Resource Centre the result is likely to increase further by the renewal portion of the Meningie Council Offices replacement once known.

**Coorong District Council
Change In Equity Statement
2014 / 2015**



Change in Equity Statement	February 2014 Actuals \$,000	2013/14 Original Budget \$,000	2013/14 2nd Qtr Budget Update \$,000	2014/15 Budget Final \$,000	
Total Equity	157,211	143,893	155,199	161,597	
Accumulated Surplus					
Opening Balance	29,686	27,600	29,686	29,287	
Net Surplus / (Deficit) For Year	943	-688	-1,003	2,592	1
Transfers To/From Reserves	0	197	604	-49	2
Balance at end of Period	30,629	27,109	29,287	31,830	
Asset Revaluation Reserve					
Opening Balance	125,364	116,348	125,364	125,297	
Gain on Revaluation of IPP&E	0	0	0	3,878	3
Impairment (expense) / recoupment's offset to ARR	0	-67	-67	-72	4
Balance at end of Period	125,364	116,281	125,297	129,103	
Other Reserves					
Opening Balance	1,218	700	1,218	614	
Transfers To/From Reserves	0	-197	-604	49	5
Balance at end of Period	1,218	503	614	663	

Annual Budget 2014 -15 (Key Assumptions & Changes)

- 1 Net Surplus - The net surplus following income received specifically for new and upgraded assets is \$2.59M. The figure is higher due to the expectation of being successful in attaining funds for the Interpretative Resource Centre in Meningie.
- 2 Transfers from / to reserves \$49K increase in reserves held. Transfer is mainly due to unexpended Local Action Plan funds.
- 3 Gain on Revaluation- in 2014/15 revaluations will occur for Roads Infrastructure, Buildings, Structures and Land. An assumption of CPI increase to return a surplus in revaluations of \$3.8M.
- 4 Impairment (expense) Recoupment offsets to ARR - An allocation has been made to acknowledge write off of assets that will occur in respect to sealing and unsealed section of road.
- 5 Transfers from / to reserves \$49K increase in reserves held. Transfer is mainly due to unexpended Local Action Plan funds.

Coorong District Council
Cash Flow Statement
2014 / 2015



CashFlow Statement	2013/14 Original Budget \$'000	2013/14 Budget Update 2nd Qtr \$,000	2014/15 Budget Final \$,000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating Receipts	11,629	11,064	12,466
Investment Receipts	2	2	2
Payments			
Operating Payments to Suppliers & Employees	9,546	8,296	8,976
Finance Payments	85	65	85
Net Cash provided by (or used in) Operating Activities	2,001	2,285	3,407
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amount specifically for new or upgraded assets	400	420	3,181
Sale of replaced assets	1,537	1,537	1,792
Sale of surplus assets	-	100	-
Repayments of loans by community groups	41	41	43
Total Receipts	1,978	2,098	5,016
Payments			
Expenditure on renewal/replacement of assets	5,736	6,322	5,716
Expenditure on new/upgraded assets	1,739	1,953	4,079
Loans made to community groups	-	16	6
Total Payments	7,475	8,291	9,801
Net Cash provided by (or used in) Investing Activities	(5,497)	(6,193)	(4,785)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings	8,659	7,421	6,453
Total Receipts	8,659	7,421	6,453
Payments			
Repayments of Borrowings	5,155	3,822	5,075
Total Payments	5,155	3,822	5,075
Net Cash provided by (or used in) Financing Activities	3,504	3,599	1,378
Net Increase (Decrease) in cash held	8	(309)	(0)
Cash & cash equivalents at beginning of period	12	329	20
Cash & cash equivalents at end of period	20	20	20

Coorong District Council
Summary of Financial Performance & Position Statement (SFPPS)
2014 / 2015



Summary of Financial Performance & Position Statement (SFPPS)	2013/14 Original Budget \$.000	2013/14 2nd Qtr Budget Update \$.000	2014/15 Budget Final \$.000	
Income	11,367	11,917	12,578	
less Expenses	12,400	13,045	13,092	
	-1,033	-1,128	-514	1
less Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets	5,736	6,322	5,716	2a
less Depreciation, Amortisation and Impairment	3,736	3,760	3,838	2b
less Proceeds from Sale of Replaced Assets	1,537	1,537	1,792	2c
	463	1,025	86	
less Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	1,739	1,953	4,079	3a
less Amounts received specifically for New and Upgraded Assets	400	420	3,181	3b
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	0	100	0	
	1,339	1,433	898	
Net Lending / (Borrowing) for Financial Year	-2,835	-3,586	-1,498	4
Financial Ratios				
Operating Surplus / Deficit * (Operating Revenue less Operating Expenses)	-1,033	-1,128	-514	
Operating Surplus Ratio ** (Operating Surplus divided by Rates Revenue less NRM Levy)	-16.10%	-17.67%	-7.37%	5
Net Financial Liabilities Ratio *** (Net Financial Liabilities divided by Operating Revenue Less NRM Levy) Target between Nil and 100%	66.29%	42.14%	51.94%	6
Asset Sustainability Ratio **** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	112.39%	127.27%	102.25%	7
Asset Sustainability Ratio (Adjusted Excludes Car Agreement) **** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	106.15%	121.08%	96.18%	8

* Being the operating surplus (deficit) before capital amounts

** Operating Surplus ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy

*** Net Financial Liabilities equals total liabilities less financial assets

**** Asset sustainability ratio indicates whether a Council is replacing existing non financial assets at the same rate they are wearing out.

Annual Budget 2014 -15 (Key Assumptions & Changes)

- 1** Operating surplus / deficit - A deficit of \$514K is forecasted to occur in 2014/15 whilst the deficit is lower than forecasted in 2013/14, the result is below Council's target of achieving a break even position or better. Factors such as increased expenditure in contractual services and employee expenditure have impacted the result however the additional expenditure will deliver a number of key objectives and projects and improved service delivery.
- 2a** Net Outlays of Existing Assets - Replacement of existing assets is estimated to total \$5.7M. Plant & equipment and vehicle replacements account for a significant portion of the total replacements.
- 2b** Depreciation for 2014/15 will have an increase based on acquisition of additional new assets, no assumption has been made as to the impact of revaluating assets and whether there is an associated impact on depreciation.
- 2c** Proceeds from sale of replaced assets \$1.79M includes trade in amounts for the administration vehicles and plant that will be replaced in 2014/15.
- 3a** Net Outlays of New & Upgrade Assets - Replacement of existing assets is estimated to total \$4.08M. This total includes an allocation for upgrade and new works anticipated as part of the Meningie Diversification project. An allocation of \$642K has also been made in respect to upgrading Tauragat Well Road from Unsealed to Sealed.
- 3b** Amounts specifically for New and Upgraded Assets - \$3.18M is anticipated to be received. Council has budgeted to receive a grant for \$2.7m for the Interpretative Resource Centre Meningie Diversification project. A further \$420K is anticipated to be received from Special Local Roads, and the funds will be utilised to complete a further 4km of Tauragat Well Road upgrading the asset from unsealed road to sealed.
- 4** Net Borrowings required to fund the budget is \$1.489m from all sources.
- 5** Operating Surplus / Deficit Ratio - Forecasted result is -7.37%, as with the operating surplus / deficit the target result is for a break even and better however a secondary target of a decreased operating surplus / deficit ratio has been attained with 2013/14 result was forecasted at -16.10%.
- 6** Net Financial Liabilities - The result of 51.94% is within the target range and expectations of Council. The amount is consistent with previous years expectations. Whilst the capital budget is in excess of \$9m, \$5.1 m is expected to be funded through trade ins and grant funds, however \$4m is required to fund the remaining capital budget.
- 7** Asset Sustainability Ratio - The result is expected to be 102.25%, the result is above target the target range of 85% - 105%. The result is within target measures however the result is slightly skewed by the inclusion of the admin vehicle agreement in addition the result may change once the final plans of the Interpretative Resource Centre in Meningie currently we have assumed the whole project is new in nature.
- 8** Asset Sustainability Ratio (Excluding Administration Vehicles) - When the vehicle agreement is excluded from the calculation The result is expected to be 96.18%, the result is still within the target range of 85% - 105% and as detailed above once the final plans are struck for the Interpretative Resource Centre the result is likely to increase further by the renewal portion of the Meningie Council Offices replacement once known.