



Introduction

The coming year appears to be another difficult year with regards to the economic uncertainty of our region. The closure of some major industrial businesses within our district has been a blow to the region and has warranted Council to consider what impact rate increases may have on its community. Council's annual expenditure has been closely scrutinised with cost increases being kept to a minimum.

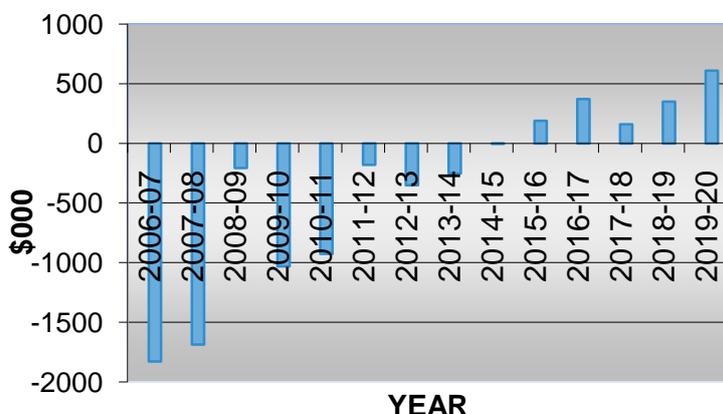
The Annual Business Plan and Budget sets out the Council's proposed services, programmes and projects for 2010/2011. The budget has been formulated in a financial environment that is not supportive of an expansion of services or the funding of major new projects.

Future Direction and Financial Strategy

Council is required to undertake a review of its Strategic Plan regularly, to ensure that it is adapting to the current and future aspirations of the community. It provides responses to challenges that face the region, our specific area and the Council as a local government authority. The Strategic Plan will form the basis of why and what we want for our future and Council's Annual Business Plan articulates how that will be achieved.

Council's immediate concern is its current operating deficit, however has decided to incur this deficit in the short term in order to keep rate increases down until such time as we can return to a balanced budget. The Long Term Financial Plan shows that Council achieves a minor surplus in the year 2015/2016.

OPERATING RESULT



This graph depicts the incremental improvement of Council's operating result over 10 years.

Influencing Factors

There are a number of influencing factors that have effected the way in which the Annual Business Plan has been structured. The major influencing factors are –

- The current economic environment, including continuing water restrictions.
- Closure of significant industry within the district.
- The need to plan for future development within the townships of Berri and Barmera.
- The ongoing development of Council's strategic planning framework.
- The ongoing management of Council's infrastructure.
- Considerable increases in waste management costs and the need to provide for future rehabilitation of waste sites.
- The ongoing demand on Council for the redevelopment of community facilities and supporting key community events and organisations.
- Cost increases higher than that of the published CPI, such as electricity charges, insurances etc.

Some of the Projects Planned for 2010/2011

- Berri Centenary Celebrations - \$80,000
- Worman Street Reserve Maintenance - \$10,400
- Waste Transfer Station Regional Implementation - \$577,470
- Bonney Theatre Fire Safety Upgrades - \$142,000
- Building Upgrades, ie Bonney Theatre, Berri Town Hall - \$643,600
- Open Space Plan Implementation - \$1,000,000
- Carpark at rear of Berri Council Chambers/Town Hall - \$25,000
- Repair Fountain Barwell Avenue, Barmera - \$7,000
- Directional signage (Berri Beautification Committee Project) - \$20,000
- Resealing of roads throughout towns and district - \$200,000
- Unsealed roads general maintenance - \$160,000
- Kerbing, Verge works and Drainage works on several town roads - \$131,300
- Continued upgrades of footpaths in Berri and Barmera - \$146,000
- Upgrade of footpaths in Glossop and Cobdogla - \$47,840
- Stormwater infrastructure renewal - \$180,000
- Barmera Playspace Development - \$471,500
- Road construction – Gilbert Street, Berri - \$230,000
- Kerbing reconstruction – Hughes Street, Berri - \$100,000





General Rates and Effluent Drainage Charge

To fund the 2010/2011 Budget, Council will raise operating revenue of \$13,013,550. This includes an amount of \$6,450,414 coming from general rate revenue. This is a total rate increase of 2.95% from the 2009/2010 year. The average rates charge per residential township property has increased by \$24.48 whereby the average rates charge for all classes of property has increased by \$12.42 for the year.

The Valuer-General has provided Council with the property valuations for 2010/2011 whereby there has been an overall increase of 0.11% for valuations over the Council area. There has been significant decreases in valuations in the Primary Production land use category due to Exceptional Circumstances Exit Packages being sought by the horticultural industry.

Council provides a Community Wastewater Management Scheme (CWMS) to each of its townships and the full cost to maintain this service for 2010/2011 is budgeted to be \$2,643,133. These costs include capital expenditure of \$65,000 for the replacement and renewal of pumps and other equipment and for the running of the Wastewater Re-Use Scheme. The service charge for 2010/2011 is \$592 per occupied unit and \$296 for each unoccupied unit.

The total revenue Council will raise from the effluent drainage service charge is \$2,329,244. Council are currently investigating options to decrease the cost of the CWMS to its ratepayers.

Rating Relief

Rate Capping

The Council is very aware of the current financial environment and the burden the water restrictions associated with the drought has placed on its community and has endeavoured to keep increases to a minimum. Again, this year, a rate cap of 12% is being proposed to address any potential inequities with how the rates are levied across the region.

Rebates and Concessions

The State Government funds a range of concessions on Council rates. The concessions are administered by various State Agencies who determine eligibility and pay the concession directly to Council on behalf of the ratepayer. Concessions are available only on the principal place of residence.

For those ratepayers who are on fixed incomes such as pensioners and self funded retirees, we will remit a fixed amount of \$20 per annum of the general rates and \$20 per annum of the effluent drainage charge. To be eligible

to receive the remission an application must be made to Council and is subject to the following criteria:

- The property is the principal residence of the ratepayer and is the only property owned by the ratepayer;
- The property has been owned by the ratepayer and has been their principal place of residence for a minimum of 5 years;
- The ratepayer is able to produce one of the following identification cards:
 - Pensioner concession card – Centrelink
 - Pensioner concession card – Veteran Affairs
 - T.P.I. Card – Veteran Affairs
 - Or they can demonstrate to Council that they are a self funded retiree with an income of less than \$35,000 per annum.

Remission, Postponement and Deferment of Rates

The Local Government Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates on the basis of hardship. Where a ratepayer is suffering hardship in paying rates it is recommended to contact the Rates Officer on (08) 85821922 to discuss the matter.

It has been the decision of Council that due to the economic downturn and hardship being faced by the horticulture industry, ratepayers, upon application to the Council, may request to defer payment of Council rates. Such applications will be referred to the Rural Counselling Service for assessment prior to Council granting such deferment.

Property assessments with the differential rate of Primary Production only are eligible to apply on this basis.

Payment of Rates

The due dates for the quarterly instalments of Council rates for 2010/2011 are 1 September 2010, 1 December 2010, 1 March 2011 and 1 June 2011.

Contact Details for Further Information

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A copy of the Entire Annual Business Plan 2010/2011 can be obtained from Council's offices.