

Berri Barmera  
COUNCIL

*Annual* **Business** *Plan*

**2014-2015**

Draft Adopted - 7<sup>th</sup> May 2014

Adopted - 1<sup>st</sup> July 2014

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# 1. Introduction

It is interesting to note that the Federal Government and State Government continue to have large deficit budgets while making cuts towards creating balanced or surplus budgets. The Berri Barmera Council made this our financial goal five years ago and this will be Council's second surplus budget in succession.

Council has reduced its staff numbers by 10% over this period in an effort to be more efficient and get value from the income Council receives.

*“Council is not about only budget surpluses and the cost of the services it provides but about meeting the expectations of the community”*

Council is not about only budget surpluses and the cost of the services it provides but about meeting the expectations of the community. Council has recently upgraded the Bonney Theatre and the Recreation Centre at Barmera and within the 2014/2015 budget is a provision for a new Recreation Centre for Berri.

The Berri Recreation Centre has been a long term project that was first mooted over 30 years ago. Council believes it is now in a position to afford the new community infrastructure because within this budget is an allocation of \$2,500,000 for the project and no increases in Council's overall and net income from rates.

I recommend the Annual Business Plan to all residents as it details the projects and endeavours we will undertake on your behalf.

*David Beaton*  
CEO



## 2. *Our Community*

The Berri Barmera Council is located in the Riverland region of South Australia with a population of 10,686 and was formed in 1996 as a result of an amalgamation of the District Council of Barmera and the District Council of Berri.

The Council incorporates the townships of Barmera, Berri, Cobdogla, Glossop, Loveday, Monash, Overland Corner and Winkie and covers an area of 50,845ha. The Council's economic base is driven by horticulture and viticulture and associated industries and has traditionally serviced the region for state and federal government services. The region has a well earned reputation for its tourism and outdoor lifestyle and sporting excellence.

As a local government body along the River Murray it is vital the health of the river is sustained to ensure the health of our economy, recreation and amenity.



## 3. *Future Direction – Strategic Plan*

The Council's Strategic Plan includes the following vision and goals that respond to the aspirations of the Community and will make our district a great place to live in the future.

### 3.1 Our Vision

In 2025 the Berri Barmera Council shall be part of one regional community, which is sustainable, growing and prosperous; where residents are enjoying a lifestyle and environment second to none.

### 3.2 Our Goals

#### *Our Economy*

In 2025 the economy will be horticulture based but more diverse and vibrant, with a range of traditional and new businesses.

#### *Our Environment*

In 2025 the environment will be healthier and sustainable. Council will be a leader in holistic reuse of industry and community waste.

#### *Our Community / Social*

In 2025 our community will be diverse, healthy, sporting, safe, friendly, growing and with a sense of community self help and pride that supports the aged and youth.

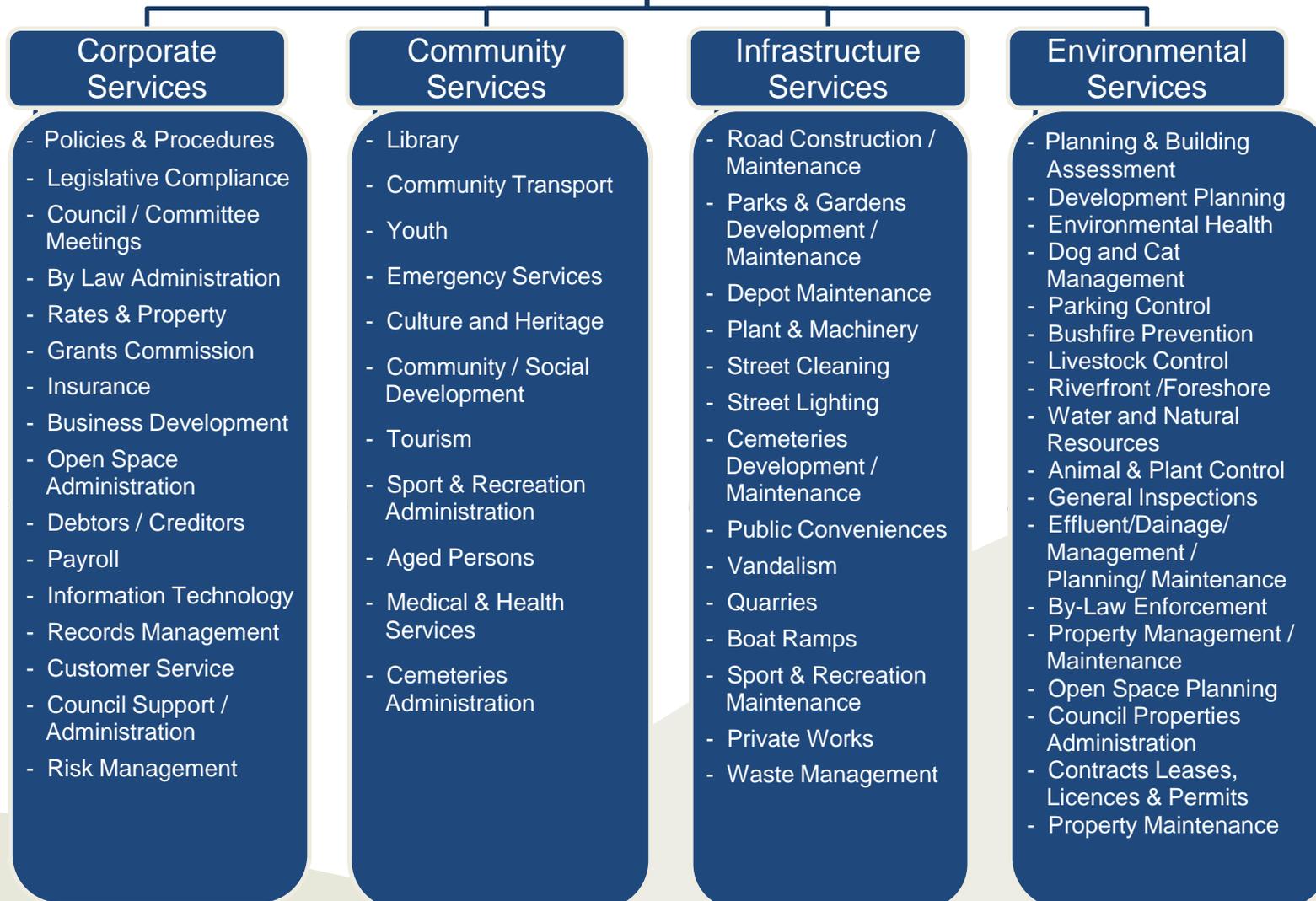
The Strategic Plan focuses on a number of objectives that fall within each of the subjects listed above. These objectives are Council's responses as to what it will do to combat the challenges that face the region in the foreseeable future. For further information regarding these objectives please refer to Council's Strategic Plan 2010-2015.



Elected  
Members

Chief Executive  
Officer

### 3.3 Corporate and Functional Structure



## 4. Financial Strategy

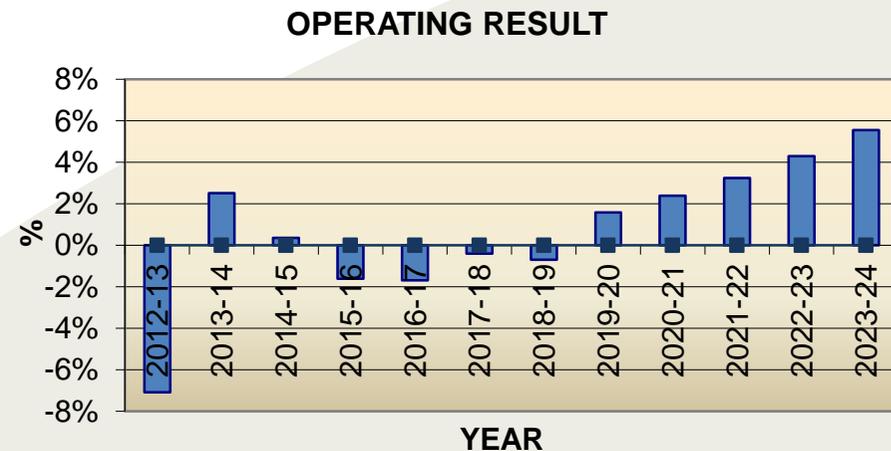
### – Long Term Financial Plan

Council prepares a Long Term Financial Plan (LTFP) as part of their suite of Strategic Management Plans. The purpose of a LTFP is to examine the potential impact of its decisions over the long term and determining what the community can afford for its level of rates, debt and services. Similar to the annual budget the modeling provides a higher level framework to guide the preparation of the annual budget in detail and ensures an understanding of what impact the decisions made today have on the future.

The LTFP is a 'high level' summarised document which has been developed based on a number of key assumptions previously discussed and endorsed by Council. These assumptions are reviewed regularly and adjustments are made which reflect any external influences such as the financial instability recently experienced by our community.

It must be noted that information utilised within the LTFP is a 'best guess' estimate of future performance and actual results are likely to vary from the information contained in the LTFP.

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



## 5. Influencing Factors

As well as the influence of the Long Term Financial Plan and its outcomes there are a number of other influencing factors that have effected the way in which the Annual Business Plan has been structured and the resultant funding of the Annual Business Plan and Budget particularly with the impact of rate revenue.

The major influencing factors are listed below:

- Planning for future residential development and industrial / commercial development through the provision and need for key infrastructure to support such development and growth.
- The need to plan for future development within the townships of Berri and Barmera, including the future of the main town centres.
- The review of Council's strategic and future direction to provide a sound basis for long term financial management and on-going financial sustainability of the Council.
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, kerbing/guttering, stormwater drainage, parks and gardens and recreational reserves, council properties and the like.
- Increasing regulatory standards e.g. audit committee, risk management and occupational health and safety compliance.
- Local Government Cost Index increases on relevant goods and services.
- Enterprise bargaining agreements which provide for wages and salary increases. This includes the retention and recruitment of qualified and experienced staff.
- Cost increases higher than that of the published CPI, such as electricity charges, insurances, waste management charges and fuel and oil costs.
- The requirement to maintain the provision of services at the high level currently provided and expected of the community – yet striving towards an operating surplus position.

## 6. Council Activities and Services

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

- Development planning and control, including building fire safety assessment
- Various environmental health services
- Dog and cat management
- Street cleaning and kerbside rubbish collection and disposal
- Management of basic infrastructure including roads, footpaths, parks and public open space, street lighting and storm water drainage
- Fire protection
- Parking control
- Effluent Drainage
- Natural Resources Management
- Cemeteries

- Financial management, e.g. setting rates, preparing annual business plan, long term financial plan, infrastructure management plans and strategic management plan
- Regulatory activities e.g. supporting elected members, maintaining the assessment records and voters roll.

Other services provided by this Council as a response to community needs include but are not limited to:

- 2 Libraries
- Visitor Information Centre
- Economic Development which includes tourism support
- Community Services - youth services, aged persons support, transport scheme
- Halls and other public buildings

- Sport and recreation grounds, swimming centre, recreation centre
- Parks and gardens
- Community Events which includes cash and 'in-kind' contributions
- Public conveniences
- Waste management depots
- Community Wastewater Re-Use Scheme
- Foreshore maintenance – Lake Bonney and River Murray
- Road maintenance, footpaths and kerbing maintenance
- Clean-up of vandalism

## 7. Project Priorities for 2014/2015

### 7.1 Project Priorities for the Year

The redevelopment of the Berri Riverfront which will result in the relocation of the Berri Bowling Club to Glassey Park is a priority. Funding estimates for this project have been included in the Annual Business Plan however until details regarding land transfer and the project priorities are further established the inclusion of this project remain as best guess estimates.

Council is investigating options for upgrading the current facilities at its Swimming Centre as well as carrying out further works at the Barmera Recreation Centre. The swimming centre has been identified as needing much needed repairs to its aging infrastructure.

Council is working closely with various sporting groups to bring to fruition the construction of a Recreation Centre in Berri. Plans for this project are underway with input from the community and stakeholders. Council is researching funding opportunities to assist with the cost of construction. Draft plans can be viewed at the Berri Council office.

Focus is still being directed towards beautifying and improving parks, gardens and sporting grounds of the District, with the emphasis being on greening and enhancing the visual appeal of all townships.

Emphasis is also being placed on the timely renewal of Council assets such as roads, footpaths, kerbing and stormwater.

The following lists are the Project priorities for the year separated into Operational Projects and Capital Projects and recorded under each relevant department area. Projects listed below that are carried over from previous years are marked with \*\* and are funded from the 'works in progress' reserve.

### 7.1.1 Operating Projects

Project Description	Link to Strategic & Corporate Plan	Priority Rating	Budget
<b>Governance</b>			
Berri Town Centre Renewal	Economy	High	\$25,000
Riverland Resource Sharing	Economy	High	\$15,000
Strategic & Corporate Planning	Economy/Corporate	High	\$12,000
<b>Community Services</b>			
Community Facility Needs Audit/Assessment **	Community/Social	Medium	\$10,000
<b>Environmental Services</b>			
Developer Facilitation Fund	Economy	Medium	\$10,000
Aerial Photography of District		Low	\$20,000
Spot DPA Review	Economy	Medium	\$20,000
Dry Area Review and Signage	Community/Social	Low	\$5,000
Carpark Development Fund Establishment **	Economy	Low	\$5,000
Planning Records Storage and Archiving	Corporate	Low	\$10,000
Developer Facilitated DPA Review	Economy	Medium	\$15,000
Regional Public Health Plan	Community/Social	Medium	\$5,000
Vandal Proof Public Convenience Fixtures	Community/Social	Medium	\$5,000
Update/Review Asbestos Register	Corporate	Medium	\$15,000
Heritage Survey and DPA	Community	Low	\$50,000
Removal of Asbestos Council Buildings	Community/Environment	High	\$5,000
Building Highworks Requirements	Community	Medium	\$10,000
Gutter Guard works to all buildings	Community	Medium	\$10,000

### 7.1.1 Operating Projects cont.

Project Description	Link to Strategic & Corporate Plan	Priority Rating	Budget
<b>Infrastructure Services</b>			
Barmera Cemetery Cremation Garden	Community/Social	Low	\$5,700
Dump Rehabilitation, capping and gas monitoring - Monash	Environment	High	\$71,080
Mulching Green Waste	Environment	Low	\$30,000
Street Lighting Requirements Audit and Plan	Community	Medium	\$20,000
Berri Riverfront Engineering Plan/Solution	Environment	High	\$20,000
Tree Removal/ Safety (Martin Bend)	Environment Community	Medium	\$15,000
Berri and Barmera Beautification Committees Projects	Community Social Environment	Medium	\$20,000
Matthews Park Berri – Turf **	Environment Social Community	Medium	\$13,400
Martin Bend Recreation Area Committee Projects	Environment Community	Low	\$10,000
Tree Plantings	Environment Community	Medium	\$30,000
Irrigation Management Plan	Environment	Medium	\$35,000
Tree Root Removal (various roads)	Environment Community	Medium	\$32,000

## 7.1.2 Capital Projects

Project Description	Link to Strategic & Corporate Plan	Priority Rating	Budget
<b>Governance</b>			
Berri Riverfront Development (including relocation of Bowling Club)	Economy, Community/Social	High	\$3,207,683
<b>Corporate Services</b>			
IT Plant and Equipment	Corporate	Medium	\$40,750
Motor Vehicle Changeover	Corporate	Medium	\$30,000
<b>Community Services</b>			
Berri and Barmera Libraries – Facilities improvements and Plant & Equipment purchases	Community Social	Low	\$59,278
Swimming Centre Upgrade	Community/Social	High	\$200,000
Barmera Recreation Centre Refurbishment	Community/Social	High	\$114,500
Community Transport Vehicle Changeover	Community/Social	Medium	\$25,000
Tourism Town Signage	Community	Low	\$55,000
<b>Environmental Services</b>			
Dog Pound Fence Modifications and Dog Park Equipment	Community/Social	Medium	\$9,000
Motor Vehicle Changeover	Corporate	Low	\$32,000
CWMS Infrastructure Renewal	Environment	High	\$178,000
Alba Café - Airconditioning	Community/Social	High	\$17,250
Barmera CWA Ceiling	Community	High	\$10,000
Lake Bonney Jetty Toilets Disabled Upgrade	Community	High	\$20,000
Toilets Upgrade Barmera Main Street	Community	High	\$5,000
Berri No. 1 Oval Grandstand Timber Replacement	Community/Social	High	\$40,000
Berri Town Hall Disabled Lift Replacement	Community	High	\$50,000
Bonney Theatre – replacement chairs	Community	Low	\$10,000
Bonney Theatre External Painting and Lighting	Community/Social	Medium	\$20,000
Construct Car Park Rear Town Hall Berri	Community	Medium	\$90,000

### 7.1.2 Capital Projects cont.

<b>Infrastructure Services</b>			
Barmera West Median Upgrade	Environment/Community	Medium	\$27,000
Zante Road/Mortimer Road Park Upgrade	Environment/Community	Medium	\$15,000
Berri Riverfront Shade Structures	Community/Social	Low	\$55,000
Berri Riverfront Furniture/Seating	Community/Social	Low	\$40,000
Irrigation Automation	Environment	High	\$10,000
Pioneer Park Berri Upgrade	Environment/Community	High	\$49,700
Apex (Jennings) Park Playground Upgrade	Community/Social	Low	\$39,500
Playground Equipment Renewals	Community/Social	Medium	\$10,000
Construction Berri Recreation Centre	Community/Social	High	\$2,500,000
Road Reseals	Community	High	\$555,000
Unsealed Road Resheeting	Community	High	\$314,000
Chabrel Road, Glossop - Sealing	Community	High	\$79,400
Sunrise Court, Berri – Sealing	Community	High	\$54,000
Service Road, Berri - Sealing	Community	Medium	\$8,500
Road Construction – O’Callaghan Road	Community	Medium	\$40,000

## 7.1.2 Capital Projects cont.

<b>Infrastructure Services cont.</b>			
Kerbing and Footpath Renewals – Vaughan Terrace Berri	Community	High	\$52,000
Kerbing Renewal – Bonnar/Nookamka Barmera	Community	High	\$7,000
Kerbing and Carpark Renewal – Barmera Primary School	Community	High	\$85,000
Kerbing, Verge and Drainage renewal – Jellett Road Berri	Community	High	\$35,000
Kerbing replacement – Nookamka Terrace (playspace) Barmera	Community	Medium	\$22,000
Gopher Route and Footpaths Berri and Barmera	Community	High	\$206,597
Footpaths - Glossop	Community	Medium	\$21,100
Footpaths - Monash	Community	Medium	\$9,800
Footpath Upgrade – Tonkin Avenue Barmera	Community	High	\$30,000
Footpath Renewal – Nookamka Terrace Barmera (adj bowling )	Community	Medium	\$30,000
Paver Replacements Berri CBD	Community	High	\$48,925
Footpath Renewal – Riverview Drive Berri	Community	Medium	\$78,000
Extension walking path (Jimmy James to Marina)	Community	Low	\$15,000
Walkway Construction – Barmera Playspace to Jetty Toilets	Community	Medium	\$6,000
Stormwater Pond Monash	Environment	High	\$45,000
Stormwater Upgrade – Queen Elizabeth Drive Barmera	Environment/Community	High	\$15,000
Stormwater Renewal – Bice St/Nookamka Terrace Barmera	Environment	High	\$40,000
Stormwater Renewal – Shiell Road	Environment	High	\$25,000
Stormwater Renewal – McGilton Road Berri	Environment/Community	High	\$20,000
Stormwater Renewal – Clarke Road Berri	Environment	High	\$9,000
Plant and Machinery Purchases	Community	Medium	\$283,883

## 8. *Financial Management*

### 8.1 Fund and Cash Management

To manage key grant funds, cash and reserve investments, the Council utilises the services of the Local Government Finance Authority to establish reserves and investments for specific purposes or that which are not required at the specific time of receiving through payments of rates or other income sources. The Local Government Finance Authority (LGFA) is a separate statutory authority that was established pursuant to the Local Government Finance Authority Act. The LGFA which is “government backed” borrows and invests in bulk on behalf of Councils which allows for cheaper rates on loans and higher returns on our investments.

To integrate between the Local Government Finance Authority and day to day operations, the Council also has general funds in its’ general bank account at ANZ, Berri Branch.

The utilisation of the Local Government Finance Authority provides Council with an opportunity to receive an annual bonus as part of investing monies along with other Councils with the Authority, and also enables Council to receive competitive market rates for loans required by Council.

In accordance with Section 140 of the Local Government Act 1999, Council reviews the performance of its investments and cash management both with Bank SA and Local Government Finance Authority on an annual basis to ensure that Council’s funds are receiving the maximum return.

## 8.2 Reserve Fund Management

The Council holds the following reserves at the Local Government Finance Authority, which are for specific projects or purposes identified by Council. These funds are normally set aside to be utilised for the identified projects or to assist with management and development of assets and projects of an economic development nature.

*The reserves held at the LGFA are as follows:*

Reserve	Purpose
Open Space	Developers' contributions set aside towards the development of open space. The funds must be used for that specific purpose.
District STEDS	Reserve set up for the express purpose of funding Council's Community Wastewater Management Scheme which includes the maintenance of the scheme and upgrades as required.
Land Development	Reserve created for the specific use of funding certain economic development projects throughout the district.
Work In Progress	Reserve used to carry funds over from one year to the next for projects that are unfinished at year end and to be completed the following year.

*The following table illustrates the reserve movements and proposed final balances for the 2014/2015 year.*

Reserve	Opening Balance	Appropriation To	Appropriation From	Closing Balance
Land Development	\$1,008,774	\$5,385	\$715,000	\$299,159
District STEDS	(\$55,967)	\$2,967,177	\$2,824,940	\$86,270
Work In Progress	\$42,600	-	\$53,000	(\$10,400)
<b>Total</b>	<b>\$995,507</b>	<b>\$2,972,562</b>	<b>\$3,592,940</b>	<b>\$375,029</b>

### 8.3 Loans

The Council borrows all funds through the Local Government Finance Authority for specific projects that mainly relate to purchase of plant and equipment, development and renewal of infrastructure and assets, and the provision of funds from time to time to community groups also for the development of community facilities. The Council does not borrow funds for the purposes of operational or service delivery.

*The total of loans held by Council, along with new loans to be negotiated during the year, are listed below.*

	<b>Balance 1 July 2014</b>	<b>Repayments</b>	<b>Closing Balance 30 June 2015</b>
<b>Total – Existing Council Loans</b>	<b>\$4,088,049</b>	<b>\$348,859</b>	<b>\$3,739,190</b>

#### Proposed New Loans

<b>Purpose</b>	<b>Amount</b>	<b>Repayments</b>	<b>Closing Balance 30 June 2015</b>
Plant and Machinery	\$267,000	-	\$267,000
Berri Recreation Centre Construction	\$2,500,000	-	\$2,500,000
Berri Riverfront Development (including relocation of Bowling Club)	\$2,500,000	\$32,827	\$2,467,173
<b>Total – New Loans</b>	<b>\$5,267,000</b>	<b>\$32,827</b>	<b>\$2,696,396</b>
<b>Total – ALL LOANS</b>	<b>\$9,355,049</b>	<b>\$381,686</b>	<b>\$6,435,586</b>

## 9. Funding the Business Plan

### 9.1 Operating Revenues

To fund the Business Plan and Budget, Council will raise operating revenue of \$15,611,011 which includes general rates of \$7,110,584. Other sources of income to be raised by Council include:

#### **Rates – Other**

An annual service charge for a specific purpose such as the upgrade and maintenance of Council's Community Wastewater Management Scheme is included in Council's revenue for 2014/2015. This charge is specifically set aside for continual maintenance of the scheme.

An annual service charge is also included for the specific purpose of the collection and disposal of waste. The service includes a weekly domestic collection in a smaller 140 litre bin for all properties, a fortnightly recycling collection of a 240 litre bin for all properties as well as a fortnightly green waste collection of a 240 litre bin for town residential properties.

To recover the extra expense an annual service charge has been calculated at \$195 for the three bin collection and \$165 for the two bin collection.

The collection of the levy on behalf of the SA Murray-Darling Basin Natural Resources Management Board is included within the total of "Rates Other".

#### **Statutory charges set by State Government**

These are fees and charges set by regulation and collected by the Council for regulatory functions.

Such statutory charges include assessment of development applications, town planning fees, Building Act fees, dog registration and management fees and fines, parking fees and fines, litter fines, rates search fees, health related fees and environmental control fees and fines.

#### **User Pay charges set by Council**

These comprise of charges for the Council's fee based facilities such as hall hire, sporting facility fees, cemetery fees, waste collection and disposal and other sundry sales.

#### **Grants and Subsidies**

A significant portion of Council's revenue is derived from Commonwealth Financial Assistance Grants which is administered and distributed by the South Australian Local Government Grants Commission. The Commonwealth Local Government (Financial Assistance) Act 1995 governs the way in which the grants are distributed to each State and from there onto each Council.

In addition to the grant received from the SA Local Government Grants Commission the Berri Barmera Council actively seeks as much grant funding as possible from other levels of government.

### Investment Income

Investment income is revenue from financial investments or loans to community groups.

### Reimbursements

Reimbursements are amounts received as payment for work done, or expenses incurred, by the council acting on behalf of other government bodies, property owners, organisations or individuals.

### Commercial Activity

Income derived from commercial activities is income from activities carried out solely to generate revenue. Traditionally, it is not Council's intention to carry out activities solely to generate revenue however, activities such as the operation of the Visitor Information Centre generates a proportion of revenue from commercial activities.

## 9.2 Reserve Funds Used To Fund Projects

In addition to operating income used to fund the Business Plan, a number of Council's specific projects are funded from reserve funds that have been invested for specific purposes of Council.

*The projects to be funded from reserves and the funding amounts are detailed in the table below:*

Reserve Fund	Project	Amount
Land Development Reserve	Town Centre Renewal Project	\$25,000
	Developer Facilitation Fund	\$10,000
	Berri Riverfront Project	\$680,000
District STEDS Reserve	Community Wastewater Management Scheme	\$2,824,940
Work In Progress Reserve	Various operating projects carried forward from previous year.	\$53,000

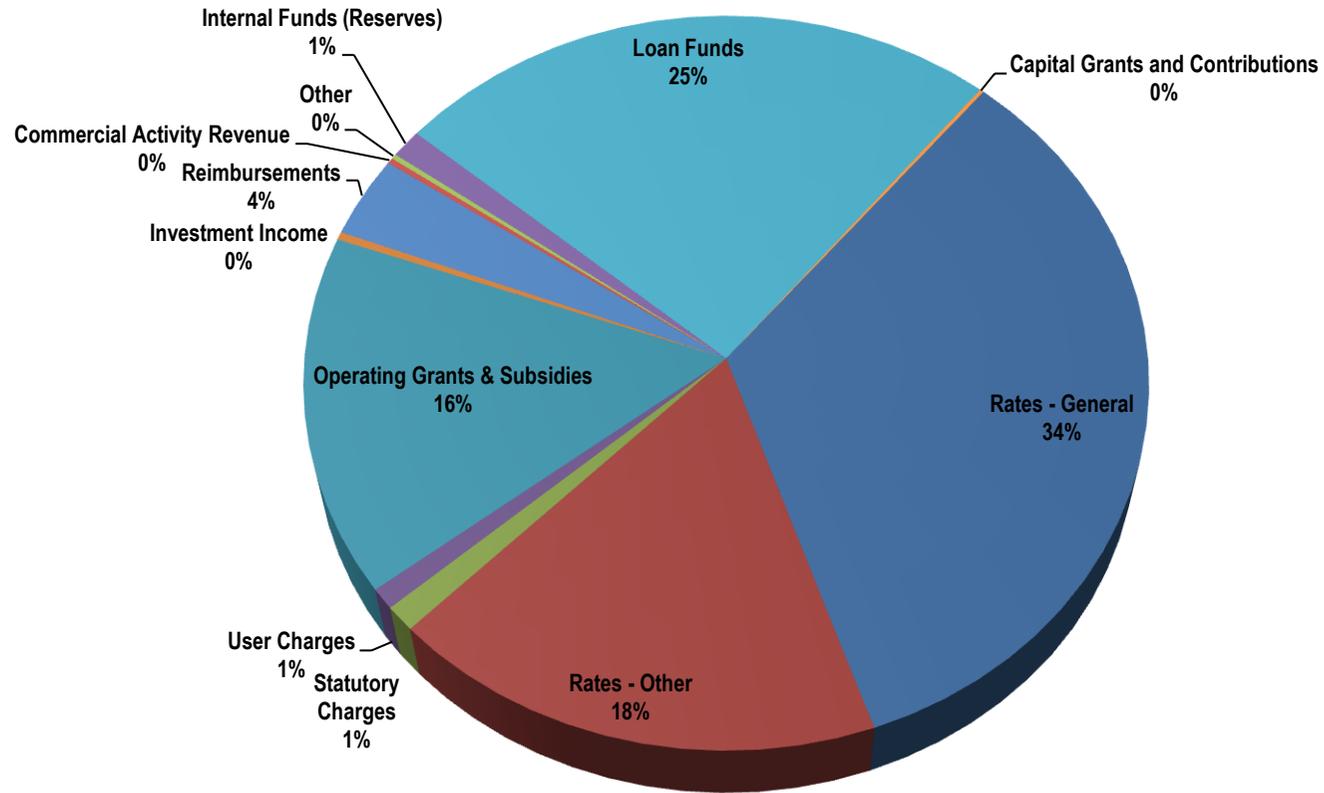
## 9.3 Loan Funds Used To Fund Projects

In accordance with Councils approach to major plant purchases, infrastructure projects and asset upgrades, the following projects and purchases will be funded with use of loan funds from the Local Government Finance Authority.

The use of debt as a means of funding asset renewal and rehabilitation is a common mechanism that reflects the residents that benefit from the assets pay for the assets.

Project / Purchase	Amount
Plant and Machinery	\$267,000
Berri Recreation Centre - Construction	\$2,500,000
Berri Riverfront Development – Including relocation of Bowling Club	\$2,500,000
<b>Total</b>	<b>\$5,267,000</b>

The following chart shows the proposed cash sources of Council funding for 2014/2015



# 10. Community Waste Water Management Scheme

## 10.1 Wastewater Re Use Scheme

As mentioned in the previous section, a component of 'rates – other' income comes from the annual service charge for the upgrade and maintenance of Council's Community Wastewater Management Scheme (CWMS).

All properties within the townships of our district are serviced by a CWMS and the wastewater that is taken away for treatment and disposal ends up at the Berri or Barmera treatment lagoons. Once wastewater is treated it can be used to water certain parks and gardens and potentially supply commercial ventures in need of water.

A commercial agreement for the operations of the scheme on behalf of council is in place with Trility Berri Barmera Pty. Ltd.

The CWMS finances are managed separately to the other operations of Council where it has its own 'management fund'. There are different components of income and expenditure to consider which include:

Income -

- Payment from end users for supply of treated water
- Charges for new connections to the collection network
- Fixed service charge fees on a per allotment basis – (this is the service charge shown as 'Effluent Drainage' on your rates notice)

Expenditure –

- Costs to run and maintain the collection and pumping network, including desludging, power costs, repairs and pump replacements, callouts and depreciation.
- Charges by Trility which include availability and volumetric charges depending on flows received and treated and for maintaining and operating the Wastewater Re-use Scheme.

Infrastructure failures in CWMS occur around the 20 year mark in the life of a scheme and can include–

- Pump station structural faults due to the corrosive nature of effluent gases affecting concrete.
- Lagoons require desludging and re-lining due to loss of integrity of old clay liners over time.
- Pipe networks and rising mains begin to burst.

Barmera's network alone is over 40 years old !

The development of the Berri Barmera Wastewater Re-Use Scheme has been a worthwhile and necessary project in order to deliver a sustainable and responsible solution to the effluent disposal problems.

# 11. Measuring Performance for the Year

## 11.1 Financial Measures

The following financial indicators have been used to analyse the past performance and project the future impact of proposed budget allocations for the upcoming financial year. Financial results expressed within the context of performance measures delivers much more meaning if there are targets or goals of each indicator adopted by the Council.

### Indicator 1 – Operating Surplus Ratio

*(by what percentage does the major controllable income source vary from day to day expenses)*

The operating surplus ratio is the operating surplus (or deficit) expressed as a percentage of general and other rates net of rate rebates and revenues from the NRM Levy.

A positive ratio indicates the percentage of rates available to fund capital expenditure. A negative ratio indicates the percentage increase required in rates to achieve a break-even operating result. If in the event of a positive ratio and that amount is not being required for that particular year, it can be held over for future capital works or can be used to reduce existing debt.

*Council's Target – to incrementally achieve a ratio of 0% or better over the course of the 10 year plan.*

	2012/2013 Audited Annual Financial Statements	2013/2014 Adopted Budget	2014/2015 Proposed Budget
Indicator 1 Operating Surplus Ratio	-7.0%	0.2%	0.4%

### Indicator 2 – Net Financial Liabilities Ratio

*(how significant is the net amount owed compared with income)*

This ratio indicates the extent to which net financial liabilities of a council could be met by its operating revenue. Where the ratio is falling over time indicates that the council's capacity to meet its financial obligations from operating revenue is strengthening. However a council with a healthy operating surplus may decide to allow its net liabilities ratio to increase in order to provide additional services to its community through the acquisition of additional assets without detracting from its financial sustainability.

*Council's Target – to be between 0% and 100% of operating revenue.*

	2012/2013 Audited Annual Financial Statements	2013/2014 Adopted Budget	2014/2015 Proposed Budget
Indicator 2 Net Financial Liabilities Ratio	25%	32%	64%

### Indicator 3 – Interest Cover Ratio

*(how much income is used in paying interest on loans)*

This ratio indicates how much of Council’s operating revenues are committed to interest expense. There is no right or wrong ratio but a Council must be aware to manage this ratio within a range it is comfortable with.

*Council’s Target – less than 10%*

	2012/2013 Audited Annual Financial Statements	2013/2014 Adopted Budget	2014/2015 Proposed Budget
Indicator 3 Interest Cover Ratio	1.2%	2.0%	1.5%

### Indicator 4 – Asset Sustainability Ratio

*(are assets being replaced at the rate they are wearing out)*

This ratio indicates whether Council is renewing or replacing existing non-financial assets at the same rate the assets are wearing out. It is calculated by measuring capital expenditure on renewal or replacement of assets relative to the optimal level of such expenditure proposed in

Council’s infrastructure and asset management plans.

If capital expenditure on renewing or replacing existing assets is at least equal to the level proposed in the infrastructure and asset management plans, then Council is ensuring service levels derived from its existing assets are maintained. Any material underspending on the renewal and replacement of assets over the medium term is likely to adversely impact on service levels.

*Council’s Target – between 90% and 110%.*

	2012/2013 Audited Annual Financial Statements	2013/2014 Adopted Budget	2014/2015 Proposed Budget
Indicator 4 Asset Sustainability Ratio	33%	77%	100%

## 11.2 Non Financial Indicators

- Ensure a percentage of projects are completed within Timeframes where specified within Council’s Strategic and Corporate Plan, and meet all outcomes.
- Ensure that Policies, Codes and Registers required by the Local Government Act and other Legislation are developed, Implemented and maintained to Legislative Compliance.
- Ensure that all reporting requirements and other timeframes established under the Local Government Act are met for Financial Statements, Annual Reports and Annual Business Plan and Budget Reviews.
- To maintain satisfaction levels above the State-wide Average and Regional (MMLGA) averages as reported in the LGA Comparative Performance Measurement Survey for all categories of Governance, Community Satisfaction, Finance and Asset Management & Quality of Life.
- Ensure a percentage of the Infrastructure and Asset Management Plans are operational and linked appropriately with the Long Term Financial Plan of Council.

## 12. Valuation and Rating Analysis

### 12.1 Valuations Used For Rating

The following information relates to the valuation changes in each of the Land use Codes used by Council for rating purposes

The valuations displayed are valuations used for rating purposes, that is non-rateable valuations are not included.

Land Use Code	Valuation 13/14	Valuation 14/15	Variance (\$)	Variance (%)
Residential Towns	483,441,632	487,408,200	3,966,568	0.82%
Residential Rural	301,718,567	308,666,397	6,947,830	2.30%
Primary Production	210,137,083	210,617,053	479,970	0.23%
Rural Dry/Vacant	12,224,420	12,032,340	-192,080	-1.57%
Other	29,354,240	29,301,335	-52,905	-0.18%
Commercial Towns	105,463,554	102,465,458	-2,998,096	-2.84%
Commercial Rural	17,333,550	17,614,950	281,400	1.62%
Industrial Towns	10,179,476	9,409,909	-769,567	-7.56%
Industrial Rural	21,010,000	22,732,300	1,722,300	8.20%
<b>Total</b>	<b>1,190,862,522</b>	<b>1,200,247,942</b>	<b>9,385,420</b>	<b>0.79%</b>

## 12.2 Method Used To Value Land

The Council may adopt one of three valuation methodologies to value the properties in its area. They are:

- **Capital Value** - the value of the land and all of the improvements on the land.
- **Site Value** - the value of the land and any improvements which permanently affect the amenity or use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- **Annual Value** - a valuation of the rental potential of the property.

The Council has decided to continue to use **Capital Value** as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- the equity principle of taxation requires that taxpayers of greater wealth pay more tax than those of lesser wealth;
- 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.

## 12.3 Adoption Of Valuations

The Council proposes to adopt the valuations made by the Valuer-General as provided to the Council for the financial year 2014/2015. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General in writing, within 60 days of receiving the notice of the valuation, explaining the basis for the objection, provided they have not:

- (a) previously received a notice of this valuation under the Local Government Act, 1999, in which case the objection period is sixty (60) days from the receipt of the first notice; or
- (b) This 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause;
- (c) you may not object to the valuation if the Valuer-General has already considered an objection by you to that valuation.

Objections are to be forwarded to:

State Valuation Office  
GPO Box 1354  
ADELAIDE SA 5001  
Email: [LSGO objections@sa.gov.au](mailto:LSGO objections@sa.gov.au)  
Telephone: 1300 653 345.  
Fax: (08) 8226 1428  
Online:

[http://www.landservices.sa.gov.au/1Public/Property\\_Values\\_and\\_Sales/ValuationObjection.aspx](http://www.landservices.sa.gov.au/1Public/Property_Values_and_Sales/ValuationObjection.aspx)

Please note that the Council has no role in this process. It is also important to note that the lodgment of an objection does not change the due date for the payment of rates.

## 12.4 Notional Values

Certain properties may be eligible for a notional value under the Valuation of Land Act 1971 where the property is the principal place of residence of a ratepayer. This can relate to certain primary production land or where there is State heritage recognition. A notional value is generally less than the capital value and this will result in reduced rates, unless the minimum rate already applies. Application for a notional value must be made to the Office of the Valuer-General.

## 12.5 Council's Revenue Raising Powers

All land within a Council area, except for land specifically exempt (e.g. Crown Land, Council occupied land and other land prescribed in the Local Government Act 1999 – refer Section 147 of the Act), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties. In addition, Council can raise separate rates for specific areas of the Council, or service rates or charges for specific services.

The Council also raises revenue through fees and charges, which are set giving consideration to the cost of the service provided and any equity issues. Refer to Section 9 - Funding the Business Plan.

## 12.6 Differential General Rates

The Council has decided to impose differential general rates according to the land use of the property, pursuant to Section 156 (1)(c) of the Local Government Act 1999.

In applying Differential General Rates Council has considered and is satisfied that the rating system addresses the issue of consistency and comparability across all Council areas, particularly as it relates to the various sectors of the business and wider community. This satisfies the requirements of Section 153(2) of the Local Government Act 1999.

The differential general rates imposed by Council are separate and distinct from the service charges imposed for the Community Wastewater Management System and Waste Management. Details of the service charges are provided further in this document.

The Council is proposing to raise general rate revenue of \$7,256,362 in a total revenue budget of \$15,611,001 and will continue to use the differential rating method as follows:

(1)	<i>Land use as defined:</i>			
(a)	<i>Residential</i>	<i>0.5929 cents in the dollar on the capital value of such</i>		
		<i>rateable property</i>		
(b)	Primary Production	0.5276	"	"
(c)	Vacant	0.4765	"	"
(d)	Other	0.7089	"	"
(e)	Commercial	0.6107	"	"
(f)	Industrial	0.7968	"	"

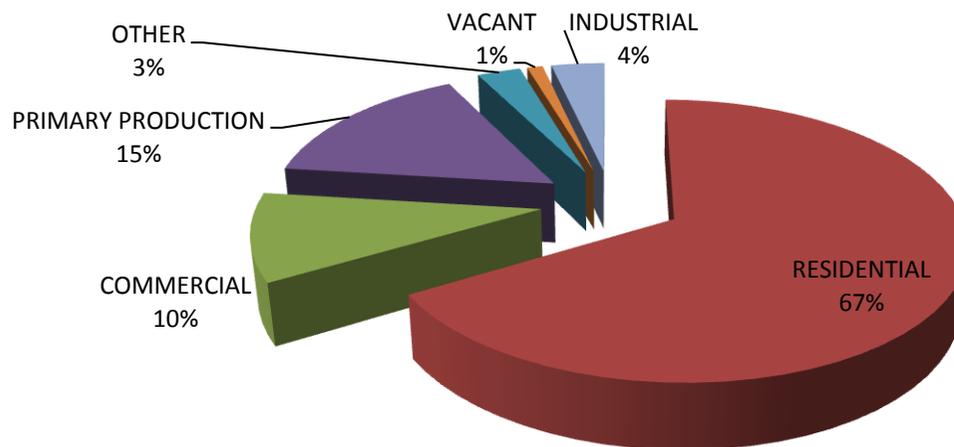
Land use is used as the factor to apply differential rates. If a ratepayer believes that a particular property has been wrongly classified as to its land use, then they may object to that land use within 60 days of receiving notice.

A ratepayer may discuss the matter with the Council's Rates Officer in the first instance and Council will provide a copy of Section 156 of the Local Government Act 1999 which sets out the rights and obligations of ratepayers in respect of objections to a land use.

The following table shows the proportion of general rates raised per category of land use

Land Use	Capital Value	% of total CV	No. of Properties	% of total Properties	Proposed Rates	% of rates levied
Non Rateable	\$ 70,321,138	5.53%	484	7.31%	\$ -	0.00%
Residential	\$ 796,074,597	62.65%	4460	67.37%	\$ 4,830,114.55	66.57%
Primary Production	\$ 210,617,053	16.58%	922	13.93%	\$ 1,124,938.80	15.50%
Commercial	\$ 120,080,408	9.45%	390	5.89%	\$ 752,707.65	10.37%
Industrial	\$ 32,142,209	2.31%	91	1.37%	\$ 260,156.95	3.59%
Vacant - Rural	\$ 12,032,340	0.95%	193	2.92%	\$ 76,224.80	1.05%
Other	\$ 29,301,335	2.53%	80	1.21%	\$ 211,954.90	2.92%
	<b>\$ 1,270,569,080</b>	<b>100.00%</b>	<b>6620</b>	<b>100.00%</b>	<b>\$ 7,256,097.65</b>	<b>100.00%</b>

Percentage of total rates raised by land use



## 12.7 Minimum Rate

A Council may impose a minimum amount payable by way of rates, provided that it has not imposed a fixed charge. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer. Where a Council imposes a minimum rate it must not apply to more than 35% of properties in the Council area.

The Council proposes to set a minimum rate of \$601 which shall be applied to all rateable properties within the Council District. This will affect 17.61% of rateable properties and will raise \$649,080 of rate revenue for the 2014/2015 financial year. The reasons for imposing a minimum rate are:

- The Council considers it appropriate that all rateable properties make a base level contribution to the cost of administering the Council's activities;
- The cost of creating and maintaining the physical infrastructure that supports each property.

## 12.8 Service Charge – Community Wastewater Management System

Council may impose an annual service charge on rateable (and non rateable) land within its area for the provision of a prescribed service. A prescribed service is legislated as any of the following services:-

- The treatment or provision of water;
- The collection, treatment or disposal (including recycling) of waste;
- Any other service prescribed by the regulations (which includes the collection, treatment or disposal of wastewater or effluent).

The Council provides a community wastewater management system to properties in the townships of Barmera, Berri, Cobdogla, Glossop, Monash and Loveday. The full cost of operating and maintaining the service for the financial year 2014/2015 is budgeted to be \$3,752,143. Capital expenditure of \$178,000 for the replacement and renewal of pumps and other equipment is proposed for 2014//2015.

The service charge for CWMS is calculated using the Code for Establishing and Applying Property Units for the Imposition of Annual Services Charges for CWMS. The Council will recover the operating cost through the imposition of a service charge of \$344 for each unoccupied property unit and \$688 for each occupied property unit.

## 12.9 Service Charge – Waste Management

Council provides a recycling and green waste collection service in its district. The service includes -

- Weekly domestic collection in a smaller 140 litre bin for all properties
- Fortnightly recycling collection in a 240 litre bin for all properties
- Fortnightly green waste collection in a 240 litre bin for town residential properties.

To recover the cost of collection and disposal of waste Council will set an annual service charge of \$195 for the three bin collection and \$165 for the two bin collection.

### **12.10 Natural Resources Management Levy**

The Natural Resources Management Act 2004 requires that the Berri Barmera Council collect on behalf of the SA Murray-Darling Basin Natural Resources Management Board a levy on all rateable properties within its Council area.

The SA Murray-Darling Basin NRM Board is responsible for distributing the levy collected by Council and is used to fund projects that are vital to the region to protect and manage precious natural resources such as water and soil and control pest plants and animals.

For the financial year 2014/2015 the Berri Barmera Council are required to make payable to the SA Murray-Darling Basin Natural Resources Management Board an amount of \$122,865.

In order to recover this amount a separate rate of .0104 cents in the dollar has been declared, based on the capital value of all rateable land within the Council area. A minimum separate rate of \$9.00 has also been declared for such rateable land.

### **12.11 Rate Concessions**

The State Government, in providing equity across SA in this area, 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.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates. A refund will be paid to an eligible person if Council is advised that a concession applies and the rates have already been paid.

### **State Seniors Card Ratepayer (Self-Funded Retirees)**

This concession is administered by Revenue SA. If you are a self-funded retiree and currently hold a State Seniors Card you may be eligible for a concession toward Council rates. In the case of couples, both must qualify, or if only one holds a State Senior's Card, the other must not be in paid employment for more than 20 hours per week. If you have not received a concession on your rate notice or would like further information please contact the Revenue SA Call Centre on 1300 366 150.

### **Pension Concession**

If you are an eligible pensioner you may be entitled to a remission on your rates. Application forms (including information on the concessions) are available from the Council office or by phoning the DFC Concessions Hotline on 1800 307 758 or Council on 8582 1922.

An eligible pensioner must hold a Pension Card, State Concession Card or be a T.P.I. Pensioner. They must be responsible for the payment of rates on the property for which they are claiming a concession. The State Government administers the applications. It is important to note that seeking a remission does not change the due date for payment of rates.

### **Unemployed Persons Concessions**

The Department for Families and Communities (DFC) Department of Human Services (DHS) may assist with the payment of Council rates for your principal place of residence (remissions are not available on vacant land or rental premises). Please contact the Concessions Hotline on 1800 307 758 or your nearest DHS office for details.

### **Concession on Waste Management Service Charge for Pensioners**

For those ratepayers who are eligible for the above State Government Concessions, Council will remit a fixed amount of \$20 per annum against the newly introduced Waste Management Service Charge. This remission will be applied automatically at the same time the State Government Concessions are applied and will show separately on the rate notice. Please note, however that eligibility for this concession is determined by the various State Government Agencies who then notify Council.

### **12.12 Payment Of Rates**

The Local Government Act 1999 requires that Council must provide an opportunity for all ratepayers to pay rates by quarterly instalments. These instalments are to be payable in the months of September, December, March and June.

It is not mandatory for ratepayers to pay by quarterly instalments, however it is an option that Council must make available to all ratepayers.

The due dates for the quarterly instalments of Council rates for 2014/2015 are:

- 1<sup>st</sup> September, 2014
- 1<sup>st</sup> December, 2014
- 2<sup>nd</sup> March 2015
- 1<sup>st</sup> June, 2015

Council rates may be paid by:

- mail (cheque or money order)
- telephone, using a debit or credit card, phone (08) 8582 1922
- Bpay facility as detailed on the rate notice
- internet as detailed on the rate notice
- through Centrepay as detailed on the rate notice
- Australia Post billpay facility as detailed on the rate notice, or

- in person at the Council Office locations - EFTPOS facilities are available for payments.

Any ratepayer who may, or is likely to, experience difficulties with meeting the standard payment arrangements should contact the Rates Officer on (08) 8582 1922 to discuss alternative payment arrangements. Such enquiries are treated confidentially.

### **12.13 Late Payment Of Rates**

The Local Government Act provides that Councils impose a penalty of a 2% fine on any payment for rates, whether instalment or otherwise, that is not paid on or before the due date as from 1 July 2011. A payment that continues to be late is then charged a prescribed interest rate, set each year according to a formula in the Act, for each month it continues to be late.

The purpose of this penalty is to act as a deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Councils to recover the administrative cost of following up unpaid rates and to cover any interest cost the Council may meet because it has not received the rates on time.

When the Council receives a payment in respect of overdue rates the Council applies the money received as follows:

- first – to satisfy any costs awarded in connection with court proceedings;
- second – to satisfy any interest costs;
- third – in payment of any fines imposed;
- fourth – in payment of rates, in chronological order (starting with the oldest account first).

#### 12.14 Rebate Of Rates

The Local Government Act requires Councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries and educational institutions.

Discretionary rebates may be applied by the Council under Section 166 of the Act, upon receipt of applications in accordance with Council's Rate Rebate Policy that deem to satisfy the criteria specified within this section. The Council under the discretionary rebate of rates, may grant a rebate in any of the following purposes and cases:

- Where the rebate is desirable for the purpose of securing the proper development of the area (or a part of the area).
- Where the rebate is desirable for the purpose of assisting or supporting a business in its area.
- Where the rebate will conduce to the preservation of buildings or places of historic significance.
- Where the land is being used for educational purposes.
- Where the land is being used for agricultural, horticultural or floricultural exhibitions.
- Where the land is being used for hospital or health centre.
- Where the land is being used to provide facilities or services for children or young persons.
- Where the land is being used to provide accommodation for the aged or disabled.
- Where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Cwlth) or a day therapy centre.
- Where the land is being used by an organisation which, in the opinion of the council, provides a benefit or service to the local community.
- Where the rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment.
- Where the rebate is considered by the council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to –
  - A redistribution of the rates burden within the community arising from a change to the basis or structure of the council's rates, or
  - A change to the basis on which land is valued for the purpose of rating, rapid changes in valuation, or anomalies in valuations.
  - Any rebate over and above the legislated percentage provided by the Act, for mandatory rebates or discretionary rebates, will need to be considered by Council upon written application and in conjunction with the Rate Rebate Policy adopted by Council on 26th July 2005. Applications for such additional rebates are required on an annual basis.

## 12.15 Rate Capping

To address any potential inequities in how the rates are levied across the district, Council has decided to provide relief by way of rate capping. Where a ratepayer is levied an increase in general rates greater than 12% a rate cap will be applied to ensure no ratepayer will pay any more than 12% on the previous year's general rates. This rebate will not apply where:

- Ownership of the rateable property has changed since 1 July, 2013;
- Any such increase in the capital value of the rateable property is a result of improvements made on the property since 1 July, 2013 with a value in excess of \$10,000;
- There has been a change of land use, or there have been zoning changes which have contributed to the increase in valuation.

*A copy of Council's Rate Capping Policy is available from its offices or on Council's website.*

## 12.16 Remission And Postponement Of Rates

Section 182 of 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.

A ratepayer may be required to submit evidence of the hardship being suffered to benefit from the application of Section 182. Such enquiries are treated confidentially by the Council.

For those ratepayers who are on fixed incomes such as pensioners and self funded retirees, we propose to remit a fixed amount of \$20 per annum of the general rates and \$20 per annum of the effluent drainage service charge to assist those ratepayers who may be experiencing hardship. 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 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 Car – 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.

Section 182A of the Local Government Act permits the Council, upon application by the ratepayer, to postpone payment of any amount of rates in excess of \$500.00 for the current or future financial year by:

- A (prescribed) ratepayer who holds a current State Seniors Card issued by the State Government, or spouse of a prescribed ratepayer;
- Where the rates are payable on the principal place of residence;
- Where the land is owned by the prescribed ratepayer, or the prescribed ratepayer and his or her spouse, and not other person has an interest, as owner, in the land.

Any rates that are postponed will become due and payable:

- When the title to the land is transferred to another person, or
- There is failure to comply with a condition of postponement.

Interest will accrue on the amount postponed at the prescribed rate per month until the full amount is paid. Postponement is available as a right and can only be refused when the applicant/s has less than 50% equity in the property.

### 12.17 Sale of Land For Non-Payment Of Rates

The Local Government Act (Section 184) provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.



### 12.18 Rate Impact Statement

The Council has considered the impact of rates on all classes of properties in its area.

In setting rates, Council has taken into account a number of factors including:

- The affects of the current economic climate.
- Imposed legislative changes.
- The need to manage, maintain and improve the community's infrastructure and other assets.
- The requirement to maintain current service levels to the community.
- The need to ensure long term financial sustainability of the Council.
- Cost increases that are over and above inflation.

Council takes into consideration the effect of rates on all ratepayers and is mindful of maintaining the balance between economic and community development.

## 13. *Budget Review Process*

Section 9 (1) of the Local Government (Financial Management) Regulations 2011 sets out requirements of Council pertaining to the timing and extent of its Budget Reviews and essentially consist of the following:

1. Budget Update (at least twice per year)
2. Mid-Year Budget Review (once per year).

In addition to the abovementioned updates and reviews it is a requirement that an end of year report be presented to Council in order to review the financial year's budget performance against actual performance.

The process for reviewing the Annual Business Plan and Budget involves each manager reviewing their department and functional responsibility areas and reporting all progress and any required changes. A report is provided to Council's Audit Committee detailing any changes who then reviews and make further recommendations to Council prior to final adoption.

This process ensures a thorough review of Council's Annual Business Plan and Budget and to ensure that Council continues to meet all financial management targets and other key performance indicators and measures identified within the Annual Business Plan.

With the inclusion of the Audit Committee as part of the process, an independent view is then provided as to the performance of the Council during the year in accordance with all indicators and performance measures. This process will greatly assist in Council and the Community being satisfied that the review process and the overall Annual Business Plan and Budget are being managed in accordance with legislative requirements.

## 14. Community Consultation

To ensure the provisions of Section 123 of the Local Government Act 1999 was adhered to, the consultation process on the Draft Annual Business Plan and Budget included the following:

- The advertising of the Draft Annual Business Plan for consultation within *The Murray Pioneer*, advising of the date of a public meeting for making of submissions and asking of questions. A public meeting was held to ensure all members of the community had an opportunity to avail themselves of the information contained within the Annual Business Plan. The public meeting was held in the Berri Council Chambers at 7.00pm on Tuesday 3<sup>rd</sup> June, 2014.
- Notification of the availability of the Draft Annual Business Plan 2014/2015 on Council's website ([www.berribarmera.sa.gov.au](http://www.berribarmera.sa.gov.au)) within *The Murray Pioneer* and noted on Council's facebook site reaffirming the location, time and date of the public meeting and Special Council meeting.
- Copies of the Draft Annual Business Plan were made available from Council's offices at 19 Wilson Street, Berri, Library and Customer Service Centre at Barwell Avenue Barmera, and Council's Library and Resource Information Centre at Kay Avenue, Berri.
- Additionally a time was scheduled for a Special Council Meeting to be held to consider any written submissions and allowing the public to attend. The Special Council Meeting was held in the Berri Council Chambers on 10<sup>th</sup> June, 2014.
- Following consideration of submissions, and taking into consideration any changes required, the Annual Business Plan was endorsed by Council at its special meeting on 1<sup>st</sup> July, 2014.





# *Appendix 1*

*2014-2015*

*Budgeted Financial Statements*

**BERRI BARMERA COUNCIL  
BUDGETED INCOME STATEMENT  
FOR THE YEARS ENDED 30 JUNE 2015 -2017**

	Actual (Audited) 2012/2013 \$	Revised Budget 2013/2014 \$	Proposed Budget 2014/2015 \$	Proposed Budget 2015/2016 \$	Proposed Budget 2016/2017 \$
<b><u>OPERATING REVENUES</u></b>					
Rates - General	6,841,832	7,044,105	7,110,584	7,430,560	7,764,935
Rates - Other	3,209,898	3,788,703	3,799,897	3,850,958	3,903,396
Statutory Charges	157,539	223,532	238,771	247,122	255,766
User Charges	230,495	156,259	195,772	202,621	209,703
Operating Grants & Subsidies	1,785,164	3,128,840	3,328,337	3,346,157	3,364,600
Investment Income	82,772	80,969	73,846	74,643	75,674
Reimbursements	621,762	808,720	763,523	789,396	816,154
Commercial Activity Revenue	-	51,260	52,798	54,643	56,554
Other	531,649	330,794	47,474	48,956	50,499
<b>TOTAL OPERATING REVENUE</b>	<b>13,461,111</b>	<b>15,613,182</b>	<b>15,611,001</b>	<b>16,045,056</b>	<b>16,497,280</b>
<b><u>OPERATING EXPENSES</u></b>					
Employee Costs	4,065,708	3,581,500	3,706,832	3,908,544	4,019,983
Contractual Services	3,959,255	4,833,363	4,878,580	4,826,278	4,926,447
Materials	1,429,195	1,305,783	1,300,649	1,345,408	1,391,320
Finance Charges	257,984	260,005	304,985	423,511	507,618
Depreciation	3,002,311	3,178,543	3,361,692	3,564,635	3,634,704
Other	1,452,124	2,184,616	2,019,808	2,157,058	2,211,796
<b>TOTAL OPERATING EXPENDITURE</b>	<b>14,166,577</b>	<b>15,343,810</b>	<b>15,572,547</b>	<b>16,225,433</b>	<b>16,691,867</b>
<b>OPERATING SURPLUS/(DEFICIT) Before Capital Revenue</b>	<b>(705,466)</b>	<b>269,372</b>	<b>38,455</b>	<b>(180,377)</b>	<b>(194,587)</b>
<b><u>CAPITAL REVENUES</u></b>					
Asset Disposal & fair value adjustments	(131,180)	-	-	-	-
Amounts Received for New/Upgraded Assets	970,210	493,233	35,000	-	-
	<b>839,030</b>	<b>493,233</b>	<b>35,000</b>	<b>-</b>	<b>-</b>
<b>NET SURPLUS/(DEFICIT) RESULTING FROM OPERATIONS</b>	<b>133,564</b>	<b>762,605</b>	<b>73,455</b>	<b>(180,377)</b>	<b>(194,587)</b>

**BERRI BARMERA COUNCIL  
BUDGETED BALANCE SHEET  
FOR THE YEARS ENDED 30 JUNE 2015 - 2017**

	Actual (Audited) 2012/2013 \$	Revised Budget 2013/2014 \$	Proposed Budget 2014/2015 \$	Proposed Budget 2015/2016 \$	Proposed Budget 2016/2017 \$
<b><u>CURRENT ASSETS</u></b>					
Cash and Cash Equivalents	2,218,374	3,245,702	1,939,826	2,873,013	3,996,234
Trade and other Receivables	3,168,662	3,263,722	3,396,361	3,515,233	3,638,266
Other Financial Assets					
Inventory	18,394	19,038	19,038	19,799	20,591
<b>TOTAL CURRENT ASSETS</b>	<b>5,405,430</b>	<b>6,528,462</b>	<b>5,355,225</b>	<b>6,408,046</b>	<b>7,655,092</b>
<b><u>CURRENT LIABILITIES</u></b>					
Trade and Other Payables	3,917,519	4,035,045	4,156,096	4,301,559	4,452,114
Short Term Provisions	635,753	654,826	674,470	698,077	722,510
Short Term Borrowings	324,149	507,851	652,668	794,375	820,544
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,877,421</b>	<b>5,197,721</b>	<b>5,483,234</b>	<b>5,794,011</b>	<b>5,995,168</b>
<b>Net Current Assets(Current Liabilities)</b>	<b>528,009</b>	<b>1,330,740</b>	<b>(128,009)</b>	<b>614,034</b>	<b>1,659,924</b>
<b><u>NON CURRENT ASSETS</u></b>					
Financial Assets	179,500	125,612	86,796	(11,451)	(40,244)
Capital Works In Progress	303,683	-	-	-	-
Infrastructure, Property, Plant & Equipment	116,278,682	123,084,056	135,132,393	142,190,960	148,967,917
<b>TOTAL NON CURRENT ASSETS</b>	<b>116,761,865</b>	<b>123,209,668</b>	<b>135,219,189</b>	<b>142,179,509</b>	<b>148,927,673</b>
<b><u>NON CURRENT LIABILITIES</u></b>					
Long Term Provisions	819,351	848,027	873,468	904,039	935,681
Long Term Borrowings	3,180,879	4,213,131	8,947,008	8,827,176	8,471,176
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>4,000,230</b>	<b>5,061,158</b>	<b>9,820,475</b>	<b>9,731,216</b>	<b>9,406,857</b>
<b>NET ASSETS</b>	<b>113,289,644</b>	<b>119,479,250</b>	<b>125,270,705</b>	<b>133,062,328</b>	<b>141,180,740</b>
<b><u>EQUITY</u></b>					
Retained Earnings	18,751,030	20,027,886	20,721,718	19,646,626	18,624,323
Asset Revaluation Reserves	93,028,956	98,455,957	104,173,957	111,365,957	118,898,957
Reserves	1,509,658	995,407	375,030	1,269,745	2,067,461
<b>TOTAL EQUITY</b>	<b>113,289,644</b>	<b>119,479,250</b>	<b>125,270,705</b>	<b>132,282,328</b>	<b>139,620,740</b>

**BERRI BARMERA COUNCIL**  
**BUDGETED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED 30 JUNE 2015 - 2017**

	Actual (Audited) 2012/2013 \$	Revised Budget 2013/2014 \$	Proposed Budget 2014/2015 \$	Proposed Budget 2015/2016 \$	Proposed Budget 2016/2017 \$
<b>ACCUMULATED SURPLUS</b>					
Balance at beginning of period	18,526,898	18,751,030	20,027,886	20,721,718	19,646,626
Net Surplus (Deficit) resulting from Operations	133,564	762,605	73,455	(180,377)	(194,587)
Transfers from Reserves	3,675,855	3,542,775	3,592,940	2,881,160	2,970,775
Transfers to Reserves	(3,585,187)	(3,028,524)	(2,972,562)	(3,775,875)	(3,798,491)
<b>BALANCE AT END OF PERIOD</b>	<b>18,751,830</b>	<b>20,027,886</b>	<b>20,721,718</b>	<b>19,646,626</b>	<b>18,624,323</b>
<b>ASSET REVALUATION RESERVE</b>					
Balance at beginning of period	94,341,212	93,028,957	98,455,957	104,173,957	111,385,957
Transfer to Reserve from Accumulated Surplus		5,427,000	5,718,000	7,192,000	7,533,000
Transfers from Reserves to Accumulated Surplus	(1,312,255)				
Other					
<b>BALANCE AT END OF PERIOD</b>	<b>93,028,957</b>	<b>98,455,957</b>	<b>104,173,957</b>	<b>111,365,957</b>	<b>118,898,957</b>
<b>LAND DEVELOPMENT RESERVE</b>					
Balance at beginning of period	980,168	1,289,692	1,008,774	299,159	1,050,941
Transfers from Reserves to Accumulated Surplus	(84,791)	(294,233)	(715,000)	(35,000)	(25,000)
Transfer to Reserve from Accumulated Surplus	304,315	13,315	5,385	786,782	787,125
<b>BALANCE AT END OF PERIOD</b>	<b>1,209,692</b>	<b>1,008,774</b>	<b>299,159</b>	<b>1,050,941</b>	<b>1,813,066</b>
<b>DISTRICT STEDS RESERVE</b>					
Balance at beginning of period	(475,910)	(110,334)	(55,967)	86,270	229,204
Transfers from Reserves to Accumulated Surplus	(2,494,996)	(2,907,842)	(2,824,940)	(2,846,160)	(2,945,775)
Transfer to Reserve from Accumulated Surplus	2,860,572	2,962,209	2,967,177	2,989,093	3,011,366
<b>BALANCE AT END OF PERIOD</b>	<b>(110,334)</b>	<b>(55,967)</b>	<b>86,270</b>	<b>229,204</b>	<b>294,794</b>
<b>WORK IN PROGRESS RESERVE</b>					
Balance at beginning of period	1,080,950	330,300	42,600	(10,400)	(10,400)
Transfers from Reserves to Accumulated Surplus	(1,080,950)	(340,700)	(53,000)		
Transfer to Reserve from Accumulated Surplus	330,300	53,000			
<b>BALANCE AT END OF PERIOD</b>	<b>330,300</b>	<b>42,600</b>	<b>(10,400)</b>	<b>(10,400)</b>	<b>(10,400)</b>
<b>OPEN SPACE, STREET TREES, FOOTPATHS RESERVE</b>					
Balance at beginning of period	14,918	-	-	-	-
Transfers from Reserves to Accumulated Surplus	(14,918)				
Transfer to Reserve from Accumulated Surplus	-				
<b>BALANCE AT END OF PERIOD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY BALANCE AT END OF REPORTING PERIOD</b>	<b>113,289,645</b>	<b>119,479,250</b>	<b>125,270,705</b>	<b>132,282,328</b>	<b>139,620,740</b>

**BERRI BARMERA COUNCIL  
BUDGETED CASHFLOW STATEMENT  
FOR THE YEARS ENDED 30 JUNE 2015 - 2017**

	Actual (Audited) 2012/2013 \$	Revised Budget 2013/2014 \$	Proposed Budget 2014/2015 \$	Proposed Budget 2015/2016 \$	Proposed Budget 2016/2017 \$
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>					
<u>Receipts</u>					
Operating Receipts	15,121,856	14,777,955	15,404,517	15,851,541	16,298,573
Investment Receipts	89,558	80,969	73,846	74,643	75,674
<u>Payments</u>					
Operating payments	(11,417,791)	(11,075,774)	(11,728,145)	(12,064,999)	(12,371,230)
Finance payments	(245,867)	(260,005)	(304,985)	(423,511)	(507,618)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>3,547,756</b>	<b>3,523,145</b>	<b>3,445,233</b>	<b>3,437,674</b>	<b>3,495,399</b>
<b><u>CASHFLOWS FROM INVESTING ACTIVITIES</u></b>					
<u>Receipts</u>					
Amounts specifically for new or upgraded assets	970,210	493,233	35,000	-	-
Sale of replaced assets	118,278	-	-	-	-
Sale of surplus assets	370,000	-	-	780,000	780,000
Sale of real estate developments	-	-	-	-	-
Repayments of loans by community groups	72,547	49,752	37,012	33,054	34,727
<u>Payments</u>					
Expenditure on renewal/replacement of assets	(1,109,988)	(2,522,940)	(2,524,609)	(2,842,013)	(2,385,641)
Expenditure on new/upgraded assets	(3,977,566)	(1,731,816)	(7,177,204)	(497,405)	(471,432)
Development of real estate for sale	-	-	-	-	-
Loans made to community groups	-	-	-	-	-
<b>NET CASH USED IN INVESTMENT ACTIVITIES</b>	<b>(3,556,519)</b>	<b>(3,711,771)</b>	<b>(9,629,801)</b>	<b>(2,526,364)</b>	<b>(2,042,347)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>					
<u>Receipts</u>					
Proceeds from Borrowings	-	1,591,160	5,267,000	555,000	345,000
<u>Payments</u>					
Repayments of Borrowings	(150,839)	(375,206)	(368,307)	(533,123)	(674,831)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(150,839)</b>	<b>1,215,954</b>	<b>4,878,693</b>	<b>21,877</b>	<b>(329,831)</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>(159,602)</b>	<b>1,027,328</b>	<b>(1,305,876)</b>	<b>933,187</b>	<b>1,123,221</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>2,377,976</b>	<b>2,218,374</b>	<b>3,245,702</b>	<b>1,939,826</b>	<b>2,873,013</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF PERIOD</b>	<b>2,218,374</b>	<b>3,245,702</b>	<b>1,939,826</b>	<b>2,873,013</b>	<b>3,996,234</b>

**BERRI BARMERA COUNCIL  
BUDGETED UNIFORM PRESENTATION OF FINANCES  
FOR THE YEARS ENDED 30 JUNE 2015 - 2017**

	Actual (Audited) 2012/2013 \$	Revised Budget 2013/2014 \$	Proposed Budget 2014/2015 \$	Proposed Budget 2015/2016 \$	Proposed Budget 2016/2017 \$
Income	13,461,111	15,613,182	15,611,001	16,045,056	16,497,280
less Expenses	14,166,577	15,343,810	15,572,547	16,225,433	16,691,867
<b>Operating Surplus/(Deficit)</b>	<u>(705,466)</u>	<u>269,372</u>	<u>38,455</u>	<u>(180,377)</u>	<u>(194,587)</u>
<b>less Net Outlays on Existing Assets</b>					
Capital Expenditure on renewal and replacement of Existing Assets	1,109,988	2,522,940	2,524,609	2,842,013	2,385,641
less Depreciation	3,002,311	3,178,543	3,361,692	3,564,635	3,634,704
less Proceeds from Sale of Replaced Assets	118,278	-	-	-	-
	<u>(2,010,601)</u>	<u>(655,603)</u>	<u>(837,083)</u>	<u>(722,622)</u>	<u>(1,249,062)</u>
<b>less Net Outlays on New and Upgraded Assets</b>					
Capital Expenditure on New and Upgraded Assets	3,977,566	1,731,816	7,177,204	497,405	471,432
less Amounts received specifically for New and Upgraded Assets	970,210	493,233	35,000	-	-
less Proceeds from Sale of Surplus Assets	370,000	-	-	780,000	780,000
	<u>2,637,356</u>	<u>1,238,583</u>	<u>7,142,204</u>	<u>(282,595)</u>	<u>(308,568)</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(1,332,221)</b>	<b>(313,608)</b>	<b>(6,266,666)</b>	<b>824,840</b>	<b>1,363,043</b>

# *Appendix 2*

## *Budget Schedules by Council Function*

*The following schedules are not the adopted budget but are best estimates of activity developed for information and operational purposes and are only to be used as a guide to the community as to where proposed income and expenditure will be applied.*

**BERRI BARMERA COUNCIL  
PROPOSED BUDGET BY FUNCTION  
YEARS ENDING 30 JUNE 2015 to 2017**

Expenditure						Revenue					
Adopted Budget 2013/2014	Revised Budget 2013/2014	Function/Description	Proposed Budget 2014/2015	Proposed Budget 2015/2016	Proposed Budget 2016/2017	Adopted Budget 2013/2014	Revised Budget 2013/2014	Function/Description	Proposed Budget 2014/2015	Proposed Budget 2015/2016	Proposed Budget 2016/2017
		<b>GOVERNANCE</b>									
122,120	122,120	OH&S and Risk Management	125,403	129,011	132,727	122,120	122,120	OH&S and Risk Management	125,403	129,011	132,727
409,009	409,009	Administration	466,044	439,045	451,018	409,009	409,009	Administration	466,044	439,045	451,018
183,031	183,031	Elected Members	188,522	195,120	201,949	183,031	183,031	Elected Members	188,522	195,120	201,949
22,058	22,058	Public Relations	20,510	21,053	19,114	22,058	22,058	Public Relations	20,510	21,053	19,114
95,156	95,156	Economic Development	112,698	178,929	200,965	170,156	170,156	Economic Development	164,698	218,929	240,965
75,000	75,000	<b>Projects</b>	52,000	40,000	40,000	-	-	<b>Projects</b>	-	-	-
						2,409,912	2,446,343	LGCC - General Purpose	2,448,101	2,448,101	2,448,101
						211,327	255,082	Other General Purpose Revenue	201,311	207,832	214,573
<b>906,374</b>	<b>906,374</b>	<b>TOTALS GOVERNANCE</b>	<b>965,176</b>	<b>1,003,157</b>	<b>1,045,773</b>	<b>3,527,613</b>	<b>3,607,799</b>		<b>3,614,588</b>	<b>3,659,090</b>	<b>3,708,447</b>
		<b>CORPORATE SERVICES</b>									
223,067	223,067	Financial Management	227,710	233,683	239,815	248,067	248,067	Financial Management	227,710	238,683	239,815
53,494	53,494	Human Resources	54,857	56,281	57,742	53,493	53,493	Human Resources	54,857	56,281	57,742
75,474	75,474	Payroll	75,593	77,493	79,440	75,474	75,474	Payroll	75,593	77,493	79,440
233,562	233,562	Information Technology	251,662	260,470	269,586	233,562	233,562	Information Technology	251,662	260,470	269,586
37,660	37,660	Communication	38,790	40,147	41,553	37,660	37,660	Communication	38,790	40,147	41,553
138,882	138,882	Rates Administration	143,640	147,810	152,104	138,883	138,883	Rates Administration	143,640	147,810	152,104
77,014	77,014	Records Management	75,424	79,298	81,362	77,014	77,014	Records Management	75,424	79,298	81,362
171,713	171,713	Customer Services	176,505	180,941	185,488	171,713	171,713	Customer Services	176,505	180,941	185,488
439,499	439,499	Other Support Services	446,326	461,944	478,109	449,499	449,499	Other Support Services	446,326	461,944	478,109
35,000	35,000	<b>Projects</b>	-	5,000	-						
						7,044,105	7,044,105	General Rates	7,110,584	7,430,560	7,764,935
						39,630	39,630	Other General Purpose Revenue	40,819	42,248	43,726
<b>1,485,365</b>	<b>1,485,365</b>	<b>TOTAL CORPORATE SERVICES</b>	<b>1,490,507</b>	<b>1,543,066</b>	<b>1,585,199</b>	<b>8,569,100</b>	<b>8,569,100</b>		<b>8,641,910</b>	<b>9,015,874</b>	<b>9,393,861</b>
		<b>COMMUNITY SERVICES</b>									
67,722	67,722	Youth Services	-	-	-	8,680	8,680	Youth Services	-	-	-
92,517	92,517	Other Community Amenities	185,284	190,565	195,653	-	-	Other Community Amenities	5,151	5,331	5,518
374,148	374,148	Baramera Library and Customer Service Centre	380,644	392,324	403,658	17,621	16,326	Baramera Library and Customer Service Centre	16,816	17,401	18,008
756,258	756,258	Berri Library	776,226	799,944	822,953	347,946	345,181	Berri Library	355,536	367,981	380,854
76,934	76,934	Sport and Recreation	74,880	150,146	221,656	48,575	48,575	Sport and Recreation	47,250	46,792	46,510
169,490	169,815	Swimming Centre	174,940	181,488	187,950	12,000	600	Swimming Centre	618	640	662
152,073	156,073	Community Events and Organisations	159,076	147,058	163,876	2,252	2,252	Community Events and Organisations	2,320	2,401	2,485
105,411	105,411	Baramera Recreation Centre	108,561	112,623	116,633	22,850	22,850	Baramera Recreation Centre	34,296	35,496	36,738
238,302	238,302	Transport Scheme	254,863	263,251	271,444	248,976	248,976	Transport Scheme	254,007	262,897	272,099
382,687	382,687	Tourism Visitor Information Centre	415,241	429,148	442,749	162,090	162,090	Tourism Visitor Information Centre	157,957	163,483	169,202
100,845	100,845	Tourism Other	122,284	130,629	133,055	20,600	20,600	Tourism Other	24,875	25,575	26,300

**BERRI BARMERA COUNCIL  
PROPOSED BUDGET BY FUNCTION  
YEARS ENDING 30 JUNE 2015 to 2017**

Expenditure						Revenue					
Adopted Budget 2013/2014	Revised Budget 2013/2014	Function/Description	Proposed Budget 2014/2015	Proposed Budget 2015/2016	Proposed Budget 2016/2017	Adopted Budget 2013/2014	Revised Budget 2013/2014	Function/Description	Proposed Budget 2014/2015	Proposed Budget 2015/2016	Proposed Budget 2016/2017
21,474	34,474	<b>Projects</b>	10,000	-	-	-	-	<b>Projects</b>	-	-	-
<b>2,537,861</b>	<b>2,555,186</b>	<b>TOTAL COMMUNITY SERVICES</b>	<b>2,661,998</b>	<b>2,797,174</b>	<b>2,959,627</b>	<b>891,590</b>	<b>876,130</b>		<b>898,825</b>	<b>927,997</b>	<b>958,374</b>
		<b>ENVIRONMENTAL SERVICES</b>									
146,723	146,723	Dog Management	167,028	173,667	179,019	82,011	82,011	Dog Management	94,918	98,498	101,931
55,561	55,561	Fire Protection	55,614	57,983	59,935	7,039	7,039	Fire Protection	7,261	7,620	7,902
44,541	44,541	General Inspection	48,059	49,843	51,249	5,303	5,303	General Inspection	5,756	6,016	6,207
19,679	19,679	Health and Immunisation Services	21,438	22,241	22,830	7,648	7,648	Health and Immunisation Services	8,630	8,943	9,224
249,425	249,425	Health Inspection	251,047	260,170	267,307	50,904	50,904	Health Inspection	51,836	53,934	55,694
36,812	36,812	Mosquito and Wasp Control	37,550	39,107	40,379	13,138	13,138	Mosquito and Wasp Control	13,497	14,035	14,531
3,853,143	3,814,743	Community Wastewater Management System	3,752,143	3,952,086	4,094,080	3,420,963	3,420,963	Community Wastewater Management System	3,416,552	3,466,119	3,507,206
303,386	303,386	Town Planning	318,773	339,323	328,256	122,881	122,881	Town Planning	131,270	140,279	134,193
461,905	451,296	Council Properties	465,429	463,643	478,907	71,301	71,301	Council Properties	77,597	69,841	72,288
42,091	42,091	Cemeteries	50,625	52,899	54,800	39,381	39,381	Cemeteries	42,263	43,852	45,415
243,699	243,699	Public Conveniences	245,398	254,591	261,817	30,206	30,206	Public Conveniences	29,989	31,333	32,315
402,301	364,305	Halls	371,615	388,218	402,074	57,398	57,398	Halls	54,171	56,862	59,049
252,930	252,930	Building Act	262,011	272,963	281,930	63,416	63,416	Building Act	65,681	68,449	70,889
28,566	28,566	Parking Control	31,685	32,929	33,852	22,906	22,906	Parking Control	23,893	24,767	25,621
163,513	163,513	Natural Resources Management	165,256	172,680	178,884	145,737	145,737	Natural Resources Management	149,051	154,626	160,130
113,600	140,300	<b>Projects</b>	185,000	141,961	76,500	-	-	<b>Projects</b>	-	-	-
<b>6,417,875</b>	<b>6,357,570</b>	<b>TOTAL ENVIRONMENTAL SERVICES</b>	<b>6,428,668</b>	<b>6,674,305</b>	<b>6,811,820</b>	<b>4,140,232</b>	<b>4,140,232</b>		<b>4,172,365</b>	<b>4,245,174</b>	<b>4,302,595</b>
		<b>INFRASTRUCTURE SERVICES</b>									
89,192	89,192	Cemeteries	95,118	100,046	103,714	12,638	12,638	Cemeteries	12,480	12,213	12,694
1,621,259	1,600,480	Waste Management	1,450,206	1,522,168	1,578,019	1,145,837	1,158,247	Waste Management	1,153,678	1,181,080	1,223,254
212,283	212,283	Street Cleaning	212,781	227,235	235,568	34,866	34,866	Street Cleaning	35,888	37,621	39,061
214,575	214,575	Public Lighting	218,607	226,444	233,488	25,873	25,873	Public Lighting	29,537	27,642	28,578
52,595	45,245	Foreshore Protection	55,641	51,160	50,067	15,612	15,612	Foreshore Protection	17,164	14,318	14,484
922,880	901,624	Parks and Gardens	1,008,755	1,040,374	1,066,103	118,556	118,556	Parks and Gardens	168,836	159,782	163,965
719,557	719,557	Sport and Recreation	828,354	881,526	913,851	86,761	88,761	Sport and Recreation	106,965	110,714	115,067
114,026	114,026	Quarries	114,293	122,057	126,533	13,749	13,749	Quarries	14,148	14,900	15,487
3,309,552	3,229,552	Road Maintenance	3,166,836	3,478,195	3,530,909	771,891	787,011	Road Maintenance	768,774	796,797	804,422
323,592	325,822	Stormwater Drainage	361,770	376,932	381,147	48,017	48,017	Stormwater Drainage	44,783	46,012	46,651
1,086,799	1,065,828	Plant Operations	1,051,294	1,122,758	1,183,219	975,769	954,798	Plant Operations	969,815	1,006,161	1,059,254
1,692,451	1,692,451	Depot and Overhead Expenses	1,656,537	1,757,953	1,811,012	1,519,546	1,555,646	Depot and Overhead Expenses	1,528,149	1,575,392	1,621,274
19,852	19,852	Vandalism	19,898	21,250	22,029	2,394	2,394	Vandalism	2,463	2,594	2,696
144,089	144,089	Other Purposes	141,816	151,451	157,004	142,963	142,963	Other Purposes	136,623	141,714	146,756
164,634	238,034	<b>Projects</b>	350,280	58,200	56,425	34,082	34,082	<b>Projects</b>	-	-	-
<b>10,687,336</b>	<b>10,612,610</b>	<b>TOTALS INFRASTRUCTURE SERVICES</b>	<b>10,732,187</b>	<b>11,137,750</b>	<b>11,449,086</b>	<b>4,948,554</b>	<b>4,993,213</b>		<b>4,989,303</b>	<b>5,126,941</b>	<b>5,293,642</b>

**BERRI BARMERA COUNCIL  
PROPOSED BUDGET BY FUNCTION  
YEARS ENDING 30 JUNE 2015 to 2017**

Expenditure						Revenue					
Adopted Budget 2013/2014	Revised Budget 2013/2014	Function/Description	Proposed Budget 2014/2015	Proposed Budget 2015/2016	Proposed Budget 2016/2017	Adopted Budget 2013/2014	Revised Budget 2013/2014	Function/Description	Proposed Budget 2014/2015	Proposed Budget 2015/2016	Proposed Budget 2016/2017
2,149,597	2,128,625	Less Non Cash Expenditure	2,151,837	2,218,593	2,302,338	2,149,595	2,128,624	Less Non Cash Revenue	2,151,837	2,218,593	2,302,338
<b>19,885,214</b>	<b>19,788,480</b>	<b>TOTALS OPERATING BUDGET</b>	<b>20,126,699</b>	<b>20,936,860</b>	<b>21,549,167</b>	<b>19,927,494</b>	<b>20,057,850</b>		<b>20,165,154</b>	<b>20,756,483</b>	<b>21,354,580</b>
		<b>NON OPERATING - CAPITAL BUDGET</b>									
-	-	Governance	3,317,154	23,000	-	12,000	12,000	Governance	-	780,000	780,000
56,827	56,827	Corporate Services	70,750	158,550	60,549	-	-	Corporate Services	-	-	-
688,021	708,024	Community Services	482,368	103,110	58,971	58,132	51,018	Community Services	63,061	44,568	46,128
419,298	414,298	Environmental Services	550,866	497,977	448,087	-	12,000	Environmental Services	20,000	-	-
2,242,736	3,075,607	Infrastructure Services	5,280,675	2,556,781	2,289,467	77,233	477,233	Infrastructure Services	15,000	-	-
<b>3,406,882</b>	<b>4,254,756</b>	<b>TOTALS CAPITAL BUDGET</b>	<b>9,701,813</b>	<b>3,339,418</b>	<b>2,857,074</b>	<b>147,365</b>	<b>552,251</b>		<b>98,061</b>	<b>824,568</b>	<b>826,128</b>
<b>510,527</b>	<b>375,207</b>	<b>TOTALS NON OPERATING LIABILITIES</b>	<b>388,307</b>	<b>533,123</b>	<b>674,831</b>	<b>894,752</b>	<b>1,640,912</b>		<b>5,304,012</b>	<b>588,054</b>	<b>379,727</b>
<b>2,975,524</b>	<b>3,028,524</b>	<b>TOTALS EQUITY BUDGET</b>	<b>2,972,562</b>	<b>3,775,875</b>	<b>3,798,491</b>	<b>3,222,475</b>	<b>3,542,775</b>		<b>3,592,940</b>	<b>2,881,160</b>	<b>2,970,775</b>
<b>26,778,147</b>	<b>27,446,967</b>	<b>TOTAL EXPENDITURE</b>	<b>33,189,381</b>	<b>28,585,276</b>	<b>28,879,563</b>	<b>24,192,086</b>	<b>25,793,788</b>	<b>TOTAL REVENUE</b>	<b>29,160,166</b>	<b>25,050,265</b>	<b>25,531,211</b>
3,178,543	3,178,543	Less Depreciation	3,361,692	3,564,635	3,634,704						
						592,482	1,525,364	<b>Cash Surplus/(Deficit)</b>	(667,522)	29,624	286,351

# *Appendix 3*

## *Berri Riverfront Development*

## For Consultation

The Council has been investigating the development of the Berri Riverfront for over five years and with the agreement of the State Government will achieve that in this financial year. Council has estimated the cost of the project to make sure it is affordable and within Council's financial ability. Council believes that as a part of the budget process consultation it should share those costs and methods with the community.

The following estimates regarding the Riverfront Development, including the relocation of the Berri Bowling Club are listed below.

<b>Capital Costs</b>	<b>\$ (all ex gst)</b>
Construction new bowling clubrooms	1,044,683
Construction bowling rinks	583,000
Contingency	160,000
Project Management	40,000
Purchase of land (Not confirmed)	1,200,000
Land Development Costs **	180,000
<b>Total Capital Costs</b>	<b>3,207,683</b>
Less : Sales of allotments based on valuation provided ***	3,900,000
<b>Net Result</b>	<b>\$692,317</b>
Interest costs : \$2m @ 5.25% pa <i>Interest paid on relocation costs will be payable as contracts/milestones of project completed.</i>	105,000

The above costs have been included in the draft budget. Details of the project have not been entirely formulated and therefore it is difficult to calculate the timing of the staggered cash outflows and the timing of access required to a cash advance facility and subsequent interest payments due. Therefore as an estimate, a calculation of interest on two drawdowns of a cash advance facility has been assumed at varying times. Sales of allotments will then be used to recoup the expense of the project. The allotment sales have been estimated to occur over a 5 year period commencing in 2015/2016.

