



Introduction

This year Council is faced more pointedly with what it can afford to pursue short and long term and put the structure of its operations and long term financial position in alignment. Council is questioning its level of services that are built upon the long term expectations of the community. Parts of the community are faced with difficult financial trading conditions with primary production, tourism and many businesses constrained.

Council is obliged to its residents to provide the services that are required now and into the future and focuses on supplementing its own funds with available grants from mainly the federal Government. Council has been very successful in attracting funding for the upgrade of its infrastructure, including \$3million above the usual level of government support. These opportunities are too important for the community to miss out.

The Annual Business Plan and Budget sets out the Council's proposed services, programmes and projects for 2011/2012.

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 financial concern is its 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. Council will continue an operating deficit until the financial year 2016/17.

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 –

- Closure of significant industry within the district.
- The need to plan for future development within the townships of Berri & Barmera.
- The ongoing development of Council's strategic planning framework.
- The ongoing management of Council's infrastructure.
- Large increases in waste management costs & the need to provide for future rehabilitation of waste sites.
- The ongoing demand on Council for the redevelopment of community facilities & supporting key community events & organisations.
- Cost increases higher than that of the published CPI, such as electricity charges, insurances etc.
- The requirement to maintain the provision of services at the high level currently provided & expected of the community – yet striving towards an operating surplus position.

Some of the Projects Planned for 2011/2011

- Berri Centenary Celebrations - \$20,600
- Barmera & Berri Town Beautification Committee Projects - \$40,000
- IT Plant & Equipment Upgrades - \$165,000
- Korean War Veteran Memorial - \$15,000
- Bonney Theatre Upgrades - \$384,100
- Berri Marina Boatramp Upgrade - \$410,000
- Glassey Park Soccer Ground Preparation - \$90,000
- Sub Surface Irrigation Upgrades - \$2,135,951
- Playground replacement & renewals - \$10,000
- Lighting Berri Tennis Court carpark - \$7,680
- Resealing of roads throughout towns & district - \$208,000
- Unsealed roads general maintenance - \$164,800
- Road Reconstruction – Gilbert Street Berri - \$180,000
- Kerbing, Verge works & Drainage works on several town roads - \$164,000
- Continued upgrades of footpaths in Berri & Barmera - \$150,380
- Upgrade of footpaths in Glossop & Cobdogla - \$53,500
- Stormwater Harvesting Project (Infrastructure Upgrades) – \$1,313,120
- Construction Boat Ramp Lake Bonney - \$200,000
- Riverland Regional Waste Facility - \$600,000
- Open Space Projects, Roundabouts, Pollard Park - \$125,000
- Kerbing reconstruction – Hughes Street, Berri - \$125,000



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



General Rates and Effluent Drainage Charge

To fund the 2011/2012 Budget, Council will raise operating revenue of \$14,019,020. This includes an amount of \$6,726,294 coming from general rate revenue. The average rates charge per residential township property has increased by \$33.17 whereby the average rates charge for all classes of property has increased by \$38.58 for the year.

The Valuer-General has provided Council with the property valuations for 2011/2012 whereby there has been an overall increase of 1.16% for valuations over the Council area. This demonstrates minimal overall movements of valuations over the Council area.

Council provides a Community Wastewater Management Scheme (CWMS) to each of its townships and the full cost to maintain this service for 2011/2012 is budgeted to be \$3,808,315. These costs include capital expenditure of \$164,500 for the replacement and renewal of pumps and other equipment and for the running of the Wastewater Re-Use Scheme. The service charge for 2011/2012 is \$617 per occupied unit and \$308.50 for each unoccupied unit.

The total revenue Council will raise from the effluent drainage service charge is \$2,432,553. 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 impact the drought and loss of key industry 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.

Payment of Rates

The due dates for the quarterly installments of Council rates for 2011/2012 are:

- 1 September 2011,
- 1 December 2011,
- 1 March 2012, and
- 1 June 2012.

Contact Details for Further Information

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A copy of the Entire Annual Business Plan 2011/2012 can be obtained from Council's offices.