



The Barossa Council



ANNUAL BUDGET & BUSINESS PLAN

2021/22

Incorporating the annual review of the Long Term Financial Plan
2021/22 to 2030/31

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ACKNOWLEDGEMENT OF COUNTRY

The Barossa Council acknowledges the traditional lands of the Peramangk, Ngadjuri and Kaurna people and that we respect their spiritual relations with Country.

CONTACT US

You are welcome to contact Council if you have questions regarding the Annual Budget and Business Plan 2021/22, or would like further information regarding the finances of Council.

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<u>Version</u>	<u>Status</u>	<u>Date</u>
Version 1.0	Draft for Council adoption for Public Consultation	1 June 2021
Version 1.1	Draft for Council following Public Consultation	6 July 2021
Version 1.2	Final Adopted Version	8 July 2021

OUR VISION

**Enhancing our
premium wine, food
and tourism region and
its unique lifestyle,
heritage and
community spirit.**



OUR VALUES

A commitment to our **land and place**, by valuing our identity for the benefit of future generations.

A commitment to our **community**, embracing a culture of mutual respect, inclusion, safety and security.

A commitment to **leadership**, inspiring vision, courage and enterprise.

A commitment to **achievement**, encouraging and celebrating successes that enrich and strengthen our community.

OUR BAROSSA

The Barossa is a rich and diverse region and home to the internationally renowned Barossa wine region.

Prior to European settlement, the Barossa region was inhabited by the Peramangk and Ngadjuri people. Colonel William Light first visited the area in 1837, naming the Barossa Range from which the region derives its name. The settlement of the Barossa region began in 1840, with settlers originating from the British Isles, Prussia and Silesia. Lyndoch was the first township to be settled in 1837.

Early farmers of the Barossa established vineyards in the 1840s and 1850s to supplement their primary activities of wool and livestock production and crop farming. In the late 1880s and 1890s there were substantial increases in the production of wine in the region which resulted in the establishment and subsequent expansion of a number of cellars. The wine industry has continued to grow from these early beginning and is the major source of income for the region, with the cultural landscape of present day Barossa being reflective of the influence of the early British and German settler's influence.

The tourism industry has become a major focus for the continued development of the region with the Barossa acknowledged as one of the five most recognised wine regions in the world.

The Barossa Council was originally formed in 1996 after the amalgamation of the District Councils of Barossa, Tanunda and Angaston. The majority of the District Council of Mount Pleasant was later amalgamated in 1997. The Council covers an area of approximately 912 square kilometres, is located approximately 60 kilometres north east of Adelaide, adjacent to the town of Gawler, and is home to a population of 23,558 people.

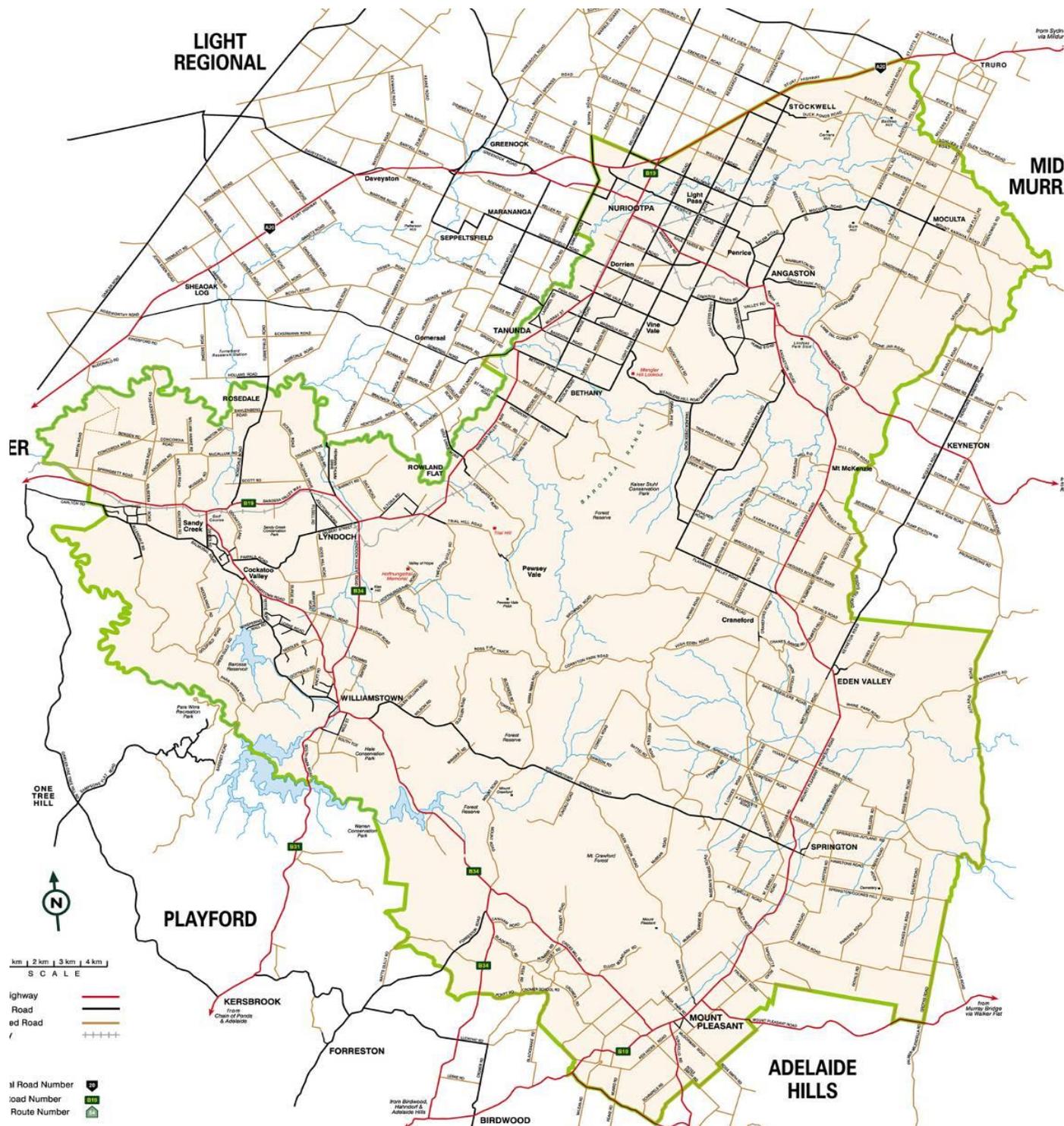
Distance of Principal Office from Adelaide CBD.....	80 km
Area of Council.....	893.5 km ²
Number of Rateable Assessments.....	13,124
Number of Non-Rateable Assessments.....	543



OUR TOWNSHIPS

Altona, Angaston, Barossa Goldfields, Bethany, Cockatoo Valley, Concordia, Craneford, Cromer, Dorrien, Eden Valley, Flaxman Valley, Kalbeeba, Krondorf, Light Pass, Lyndoch, Moculta, Mount Crawford, Mount McKenzie, Mount Pleasant, Nuriootpa, Penrice, Pewsey Vale, Rosedale, Rowland Flat, Sandy Creek, Springton, Stockwell, Tanunda, Taunton, Vine Vale, Williamstown and Wilton.

COUNCIL AREA MAP



FROM THE MAYOR



The Barossa is a unique and highly desirable tourism destination, but is also a community with strong underpinning values and a pride in its heritage. As a Council we are prepared to maximise opportunities to work together with the community to enhance our unique lifestyle, heritage and community spirit while creating a strong future for the region.

Our 2021/22 budget has an increase in general rate revenue to existing ratepayers a net 2.35% to deliver expanded services, additional road infrastructure and The Big Project activities.

Additionally, in recognition of the State-wide revaluation initiative of the Valuer-General our budget includes automatic rebates for those significantly impacted by this initiative, in particular our primary producers, of over \$400,000. Council also acknowledges this rebate may need to be retained until the valuation impacts have been smoothed out over the coming years.

Highlights within our 2021/22 budget include:

- \$1.14M for footpath upgrades and renewal
- Over \$5M for road sheeting, construction, sealing and resealing
- \$80k in streetscaping within Angaston
- \$904k for stormwater projects
- \$75k for safety guardrails on Mengler Hill Road
- \$2.72M for the establishment of the Barossa Rugby Park under The Big Project
- \$3.81M for soccer infrastructure including new pitches and clubrooms at Nuriootpa as part of The Big Project

The 2021/22 year will see additional grassroots staff resourcing of approximately \$755,000 for our business-as-usual work. Key areas are in asset management, depot operations such open space, tree management and general maintenance activities in response to growing demands, new development and increased population. Social inclusion and community development is also being supported with additional staffing to assist in many areas including community connection, advocacy and support, programs around health and wellbeing, youth programs and those who are vulnerable in our community.

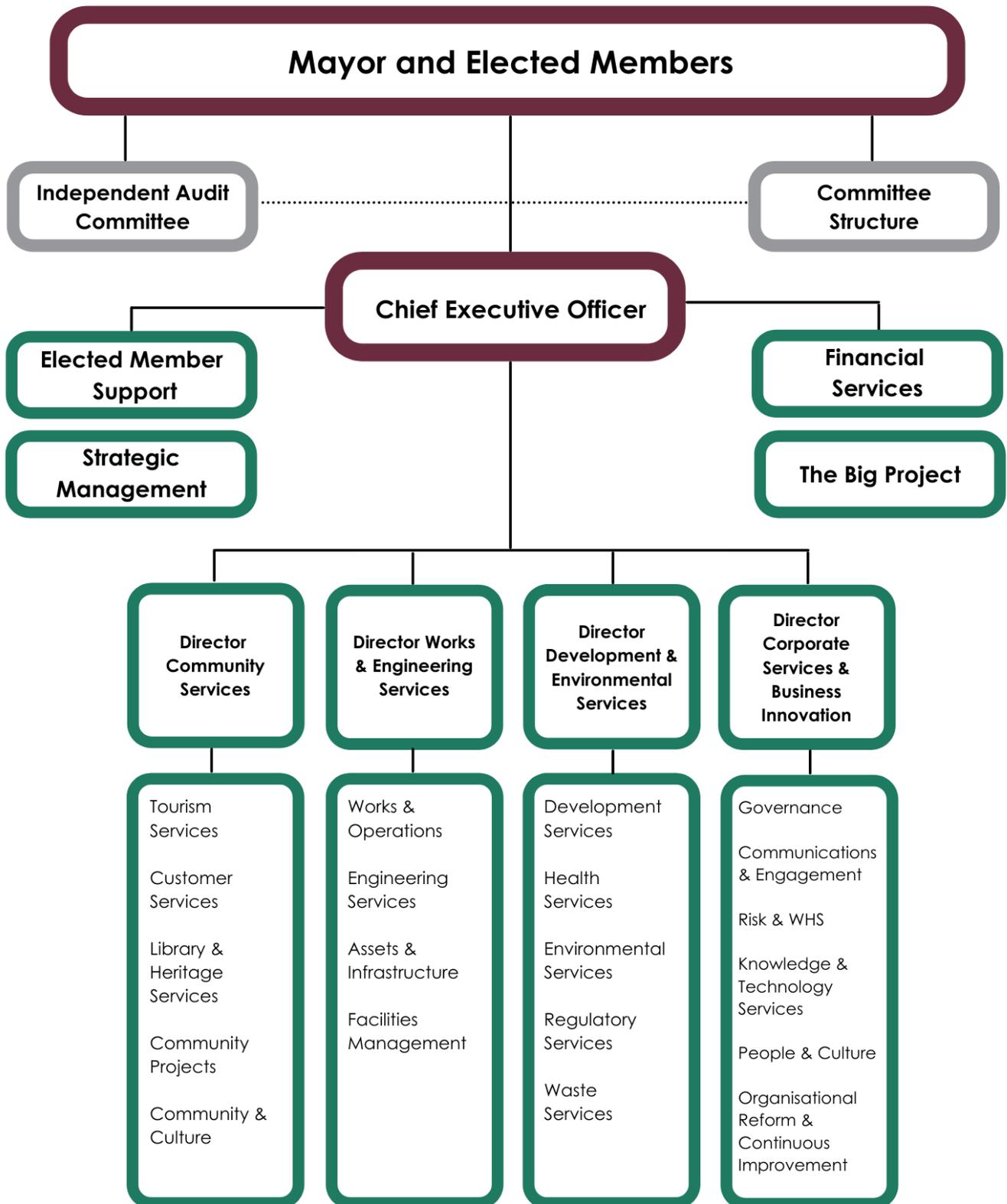
The Annual Budget and Business Plan incorporating the annual review of the Long Term Financial Plan is available on our website and at the Customer Support desk at our principal office located at 43-51 Tanunda Road, Nuriootpa.

A handwritten signature in black ink, appearing to read 'Bim Lange', written in a cursive style.

Mayor Bim Lange OAM

The Barossa Council

ORGANISATIONAL STRUCTURE



OVERVIEW

2021/22 Budget at a glance

Net Rate Revenue	\$33.6m	Capital Income	\$ 7.4m
Other Operating Revenue	\$ 7m	Capital Expenditure (Excl. donated assets)	\$30.4m
Operating Expenditure	\$41.5m	Loan Financing	\$ 13.1m

The **Annual Budget and Business Plan** is The Barossa Council's statement of intended programs and outcomes for the coming financial year. This Plan has been developed through a rigorous process of consultation and review with Council Officers and Elected Members, and follows the **Business Planning Framework** outlined in the Strategic Directions area of this document. It includes both continuing services, programs, and follows the strategic directions outlined in Council's Community Plan 2020 - 2040, the Long Term Financial Plan (LTFP) – (the annual review is included in this document) and Long Term Infrastructure and Asset Management Plan.

Local Government is the most asset-intensive tier of government. The Barossa Council acts as custodian of approximately \$394m of assets, including road infrastructure encompassing approximately 350 kilometres of sealed, 570 kilometres of unsealed roads and 70 kilometres of unformed roads. This presents Council with a number of complexities, including how to allocate resources in order to satisfy community demands for new and expanded services, whilst ensuring appropriate resources are provided for maintenance and future replacement of existing community assets.

Council is committed to ensuring that the wide variety of services and activities it provides to the community reflect financial sustainability. The key measure of financial sustainability is ensuring operating expenditure (inclusive of depreciation) is fully funded from recurrent operating revenue streams. This means that Council should generally have sufficient recurrent revenue funds generated over a three year average in order to finance the programmed replacement of existing community assets at the end of their useful lives. Refer to the section Financial Sustainability for details for this plan's forecast results.

2021/22 General Rate & Service Charges

General Rate (Exc. Growth 1.42%, Inc. Fines & Interest)	Net Revenue increase	2.35%
Refuse and Recycling	Service charge increase	0.44%
CWMS	Service charge increase	1.97%

Underlying assumptions

- General Rate and Service Charge revenue increase on existing ratepayers to ensure Council is sustainable; indexation above includes revenue from growth/development but not increases in service numbers for Waste and CWMS.
- All other income and expenditure has been increased in line with the current cost for providing those services and consideration of Council's Long Term Financial Plan (LTFP).
- Staffing costs increase in line with existing contracts, Enterprise Bargaining Agreements, Superannuation and current Legislation.
- The SA Local Government Price Index is 0.4% and the general Consumer Price Index for Adelaide all groups is 1.2% as at March 2021, change from previous year.
- Selected operating costs have been isolated from general expenditure, e.g. electricity, water, insurance premiums, waste collection and disposal service costs. The projected increases for these are higher than the base rate and range from 1% to 6.5%.

For further information on rating and its impact please refer to the relevant areas within this document

Key features

A comprehensive capital works program of **\$30.6m** (including donated assets **\$282k** and carried forward works from previous year of **\$4.1m**) - some projects are subject to successful grant applications. The program includes **\$5.8m** for transport assets (resealing and resheeting of roads, replacement footpaths), drainage and bridge works **\$2m** and Community Waste Water Management Systems (CWMS) **\$1.5m**. Expenditure of **\$783k** for upgrade/renewal works on various buildings and structures,

Provision over the next four years of selected projects with The Big Projects (TBP), subject to successful grant and third party funding contributions. The Building and Recreation allocation for 2021/22 is **\$18.5m**.

STRATEGIC DIRECTIONS

The Barossa Council's Community Plan 2020-2040 was adopted by Council on 17 November 2020. The Community Plan is an aspirational document and cornerstone for future investment. It will guide future decision making over the next 20 years through the delivery of highlighted strategies and targets. The Community Plan shows commitment to the values of Land and Place, Community, Leadership and Achievement and will drive performance through objectives within the key result areas of Natural Environment and Built Heritage, Community and Culture, Infrastructure, Health and Wellbeing and Business and Employment.

The Annual Business Plan and Budget outlines the annual program that delivers upon the Community Plan and its strategies as outlined in the following tables. Further the Community Plan has a supporting Corporate Plan which outlines key corporate actions to support the Community Plan and performance targets.

Council activity for 2021/22 is identified as one or more of the following four roles and relates to the Community Plan strategies as outlined in the following tables.



Natural Environment and Built Heritage

Goal	Strategies		Council Role
1. The Barossa has sustainable farmland providing diverse and stable returns, while protecting the unique natural environment and biodiversity of the region.	1.1	Ensure land use planning and resource use protects the quality of the natural environment, the existing character of rural landscapes, historic significance and the high value of agricultural land.	Provider/Regulator
	1.2	Support tourism development that is sensitive to the natural environment and ensures that the unique character of the rural landscape is appropriately managed and promoted.	Advocator Facilitator/Partner
	1.3	Build on the conservation of the region's natural heritage including bush eco-systems, grassy woodlands, agricultural landscapes and recreational green spaces.	Leader Advocator
2. The history of our region including aboriginal sites is reflected in our streetscapes and our historic buildings are maintained for future generations.	2.1	Continue to maintain streetscapes that reflect the character and heritage of the region and facilitate opportunities to repurpose or find alternative uses of built heritage.	Provider/Regulator
	2.2	Ensure clearly defined townships are maintained to manage residential and commercial development that is sensitive to the natural environment and areas of historical significance.	Provider/Regulator
3. We take a proactive approach in responding to key environmental challenges such as climate change, water security and waste management.	3.1	Support community based sustainability initiatives to help reduce the Barossa's contribution to the climate crisis and build on the capacity of local residents and industry to mitigate negative impacts.	Leader Facilitator/Partner
	3.2	Collaborate with partners and our community to support innovative approaches to waste minimisation, and increase reuse and recycling opportunities.	Advocator Facilitator/Partner
	3.3	Ensure long term confidence in the Barossa's capacity to access water to meet its industrial, domestic and environmental needs.	Facilitator/Partner Advocator



Community and Culture

Goal	Strategies		Council Role
4. The Barossa fosters community resilience, connection and wellbeing through its social planning, recreation, safety, education, preventative health and social strategies especially for our youth and vulnerable people.	4.1	Build on a strong sense of community pride with active community groups and individuals participating in local decision making and community building activities.	Leader Facilitator/Partner
	4.2	Continue creating strong and sustainable community networks, and support young people to actively participate in the community and develop the leaders of the future.	Leader Facilitator/Partner
	4.3	Embrace place-making principles when developing community infrastructure and regulate planning and development in public spaces and active recreation.	Provider/Regulator
5. We are a strong community that is welcoming, safe and enjoys a quality lifestyle that celebrates our local identities, diversities, cultures and histories including our Aboriginal heritage.	5.1	Support the development of activities that celebrate the history, art and culture of the Barossa and its people.	Leader Facilitator/Partner
	5.2	Create places where people want to live and plan for the future in a coordinated, affordable, appropriate and proactive way.	Leader Facilitator/Partner
	5.3	Create vibrant public spaces that provide places for creative development, cultural interaction and social connections.	Provider/Regulator
	5.4	Recognising and celebrating the community successes and learning from opportunities.	Leader Facilitator/Partner



Infrastructure

Goal	Strategies		Council Role
6. The Barossa maintains and develops infrastructure that meets the needs of the region and is efficient.	6.1	Advocate for and identify funding opportunities that support the development of community, cultural, health and other facilities and infrastructure to meet personal and commercial needs of residents and businesses.	Advocator
	6.2	Continue to ensure that infrastructure considers place-making is inclusive and accessible for all.	Provider/Regulator Facilitator/Partner
	6.3	The use of new and emerging technologies, alternative and renewable materials where appropriate and cost effective will be trailed.	Leader Facilitator/Partner
7. Community infrastructure planning is aligned to both current and the future needs of the community.	7.1	Build on sound asset management practices to deliver sustainable services to ensure that infrastructure is adequate to support the community.	Provider/Regulator
	7.2	Ensure both current and future infrastructure needs are met in a proactive rather than reactive way.	Provider/Regulator
8. To have a connected and safe transport network that meets the needs of our community.	8.1	Support opportunities to increase community transport and access to services and facilities.	Leader Advocator
	8.2	Ensure a high quality road, shared paths and footpath network throughout the Barossa in partnership with all levels of government.	Provider/Regulator Facilitator/Partner



Health and Wellbeing

Goal	Strategies		Council Role
9. Our community has fair and equitable access to the resources and services they need to lead a safe, healthy, inclusive and connected lifestyle.	9.1	Work towards combating loneliness and social isolation and ensuring that people enjoy a sense of inclusion and feel connected.	Leader Advocator
	9.2	Promote a healthy community through a planned approach to public health, and sustainable access to allied, primary and mental healthcare services and facilities.	Provider/Regulator Advocator
10. Our region enjoys the benefits of sustainable community groups, networks and facilities that encourage everybody to participate in the community.	10.1	Children and young people are supported to feel safe and to engage, thrive and feel empowered within the community.	Leader Advocator
	10.2	Advocate for and encourage services that ensure equity and support inclusion and at risk members of the community.	Leader Advocator
	10.3	Build on the capacity of community members to participate in cultural, creative, recreational, sporting and learning opportunities.	Leader Advocator



Business and Employment

Goal	Strategies		Council Role
11. The Barossa has a strong local economy that adapts, innovates and thrives on change and strives for a diverse industry base that provides a sustainable range of business and job opportunities for people.	11.1	Work closely with State Government, Federal Government and other key stakeholders to support economic growth, development and job creation.	Leader Advocator Facilitator/Partner
	11.2	Support proactive population growth that is incremental, well managed and is backed up by local planning and development opportunities.	Provider/Regulator Facilitator/Partner
	11.3	Promote the Barossa as a place for businesses to thrive, invest, innovate, take measured risks and prosper.	Provider/Regulator Facilitator/Partner
12. We are a visitor destination of choice.	12.1	Encourage and support the sector to further promote and develop tourism experiences including ecological, cultural and agricultural tourism.	Leader Facilitator/Partner
	12.2	Support economic development and destination awareness through events, festivals, creative enterprise and attractions.	Leader Facilitator/Partner
	12.3	Provide experiences and infrastructure that continue to support the needs of the tourism market.	Leader Facilitator/Partner
13. The Barossa is competitive and in a strong position to attract both private and public investment in the development of new and existing businesses, services and industry.	13.1	Foster small business and industry confidence and growth that translates into innovation and strong employment figures.	Leader Advocator Facilitator/Partner
	13.2	Attract investment for new and innovative industries, and facilitate business growth by supporting local industry and their capacity to compete for government contracts.	Leader Advocator Facilitator/Partner

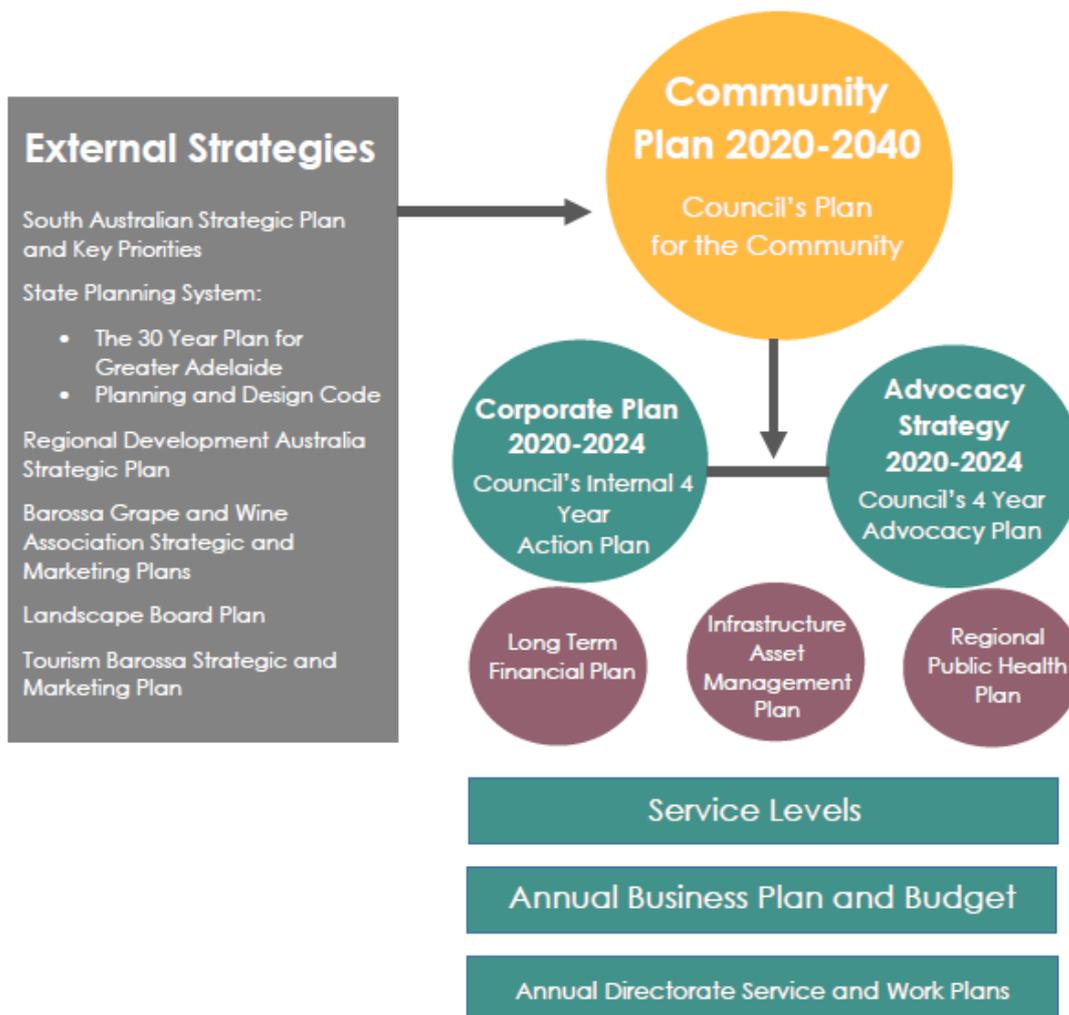
BUSINESS PLANNING FRAMEWORK

Council's Business Planning Framework describes how the Community Plan and its Key Result Areas, their associated Objectives and the Strategies reach these Objectives and provide guidance to the preparation of other Council long term and operational plans. These plans include:

- **Corporate Plan** which outlines key corporate actions to support the Community Plan and performance targets over four years;
- **Long Term Financial Plan** which provides financial directions for the next 10 years;
- **Long Term Infrastructure and Asset Management Plan** which provides the strategic upgrade, replacement and renewal programs for Council assets and infrastructure;
- **Annual Budget and Business Plan** which provides the annual financial and operational plans, objectives and performance targets for Council;
- **Regional Public Health Plan** provides a coordinated strategy across Council to the health and wellbeing of communities and helps inform decisions in both soft and hard infrastructure;
- **Development Plans** which provide policy direction for the continued development of the Council area;
- **Infrastructure and Asset Management Plans** which describe the current programs of upgrade, replacement and renewal of assets and infrastructure.

The above framework has various internal and external reporting and accountability systems including:

- **Quarterly Business Plan and Budget Reviews** which outline financial performance against the Annual Budget and Business Plan;
- **Monthly Financial Reports** which regularly track the finances of Council;
- **Annual Report** which describes the performance of Council on objectives set in the Annual Budget and Business Plan, as well as disclosing statutory information regarding the status of Council and Council services;
- **Quarterly Performance Reports** which report against key indicators and activities of Council.



JOINT VENTURES & ASSOCIATED ENTITIES

Nuriootpa Centennial Park Authority (NCPA)

Established as a subsidiary of Council pursuant to Section 42 of the *Local Government Act 1999*, the Nuriootpa Centennial Park Authority (NCPA) manages and maintains the Barossa Tourist Park and adjacent sporting and leisure facilities on behalf of Council.

To this end, and in accordance with the Authority's Charter, operating surpluses of the Tourist Park activities are utilised to maintain the Nuriootpa Recreation Park facilities (including tennis courts, 3 ovals and associated buildings and infrastructure), as well as the picturesque Coulthard Reserve located adjacent to the Tourist Park. Operating surpluses from the Tourist Park activities are also utilised to provide important funding for the programmed upgrade and replacement of the facility assets managed by the Authority.

The two ovals, a soccer pitch and eight tennis courts are extensively used by local sporting clubs. The four-star rated Tourist Park facilities include on-site cabins and vans, a camp kitchen, and various other standard amenities.

The projected 2021/22 Income Statement for the Authority is included within Council's financial statements contained within this document. The Authority's ten year business case has been reviewed and included within the Long Term Financial Plan financial forecasts in this document.

Local Government Association (LGA)

Established in 1998, this organisation is formed under Section 43 of the *Local Government Act 1999* and operates as a regional subsidiary of Councils included in the membership. An amount of \$11,347 is included for the subscription.

Gawler River Floodplain Management Authority (GRFMA)

Established in 2002, this organisation is responsible for the construction, operation and maintenance of flood mitigation infrastructure in the Gawler River catchment. An amount of \$36,730 is included for the operational and maintenance subscription. Council has a share in the Net Assets \$2,217,524 as at 30 June 2020. An adjustment for the movement from last year's balance is not as yet reflected in the Financial Statements in this document.

SERVICE PROVISION FOR 2021/22

The following outlines the service provision provided by The Barossa Council for 2021/22:

Office of The Mayor and CEO

Australia Day Awards, Strategic Planning and Management, Organisational Reform and Leadership, Citizenship Ceremonies, Economic Development, Executive Support and Management, Advocacy, Governance, Strategic and Operational Financial Management, Rating Services, Taxation Management, Payroll, Creditor and Debtor Management, Organisational Performance Reporting;

The Big Project

Strategic Planning and Management of Community Buildings and Recreational Facilities, Project Management, Grant Management, Community Engagement, Contractor Management.

Community Services

Customer Support Services, Arts and Culture Facilities, Development and Programs, Volunteer Resourcing and Support, Community Development, Advocacy and Program Support, Community Transport, Home and Community Care, Library and Heritage Services, Youth Services, Event Support, Tourism and Visitor Services, Community Committee Support, Sport and Recreation Services and Facilities Management, Community Land Agreement Administration, Community Assistance Grant Administration.

Corporate Services and Business Innovation

Technology and Communications, Records Management, Information Management, Advocacy, Governance, Organisational Development, Internal Audit, Human Resource Management, External and Internal Communications, Community Engagement and Consultation, Risk Management, Strategic and Operational Reform, Work Health and Safety, Grant Writing, Insurance Management, Support Organisational Performance Reporting and Procurement Advice.

Development and Environmental Services

Planning and Building Assessment, Licensing, Dog and Cat Management, Safer Communities, Enforcement and Compliance Matters, Public Health, Fire Prevention and Safety, Safe Food Practices, Heritage Advice, Immunisation, Natural Resource Management, Parking and Traffic Controls, Strategic Land Use and Development Planning, Waste Management, Advocacy, Corporate and Service Level Planning, Shared Organisational Performance Reporting.

Works and Engineering Services

Building Asset Construction and Maintenance, Bridge Construction and Maintenance, Cemetery Management, Unmade Public Road Management, Road Closure Management and Approvals, Community Wastewater Management System Construction Operations and Maintenance, Treated Water Reuse Distribution System Construction, General Operations and Maintenance, Open Space Construction and Maintenance, Footpath and Bike Path Construction and Maintenance, Infrastructure Planning and Development, Asset Management, Advocacy, Recreational Oval Management, Public Lighting, Public Conveniences, Road Design Construction and Maintenance, Traffic Planning and Management, Road Safety Control, Event Support, Roadside Vegetation Management and Control, Tree Management, Stormwater Drainage and Construction and Maintenance, Engineering Development Assessment, Facilities (Buildings) Management, Quarry Operations and Resource Management, Waste (Transfer Station) Operations.

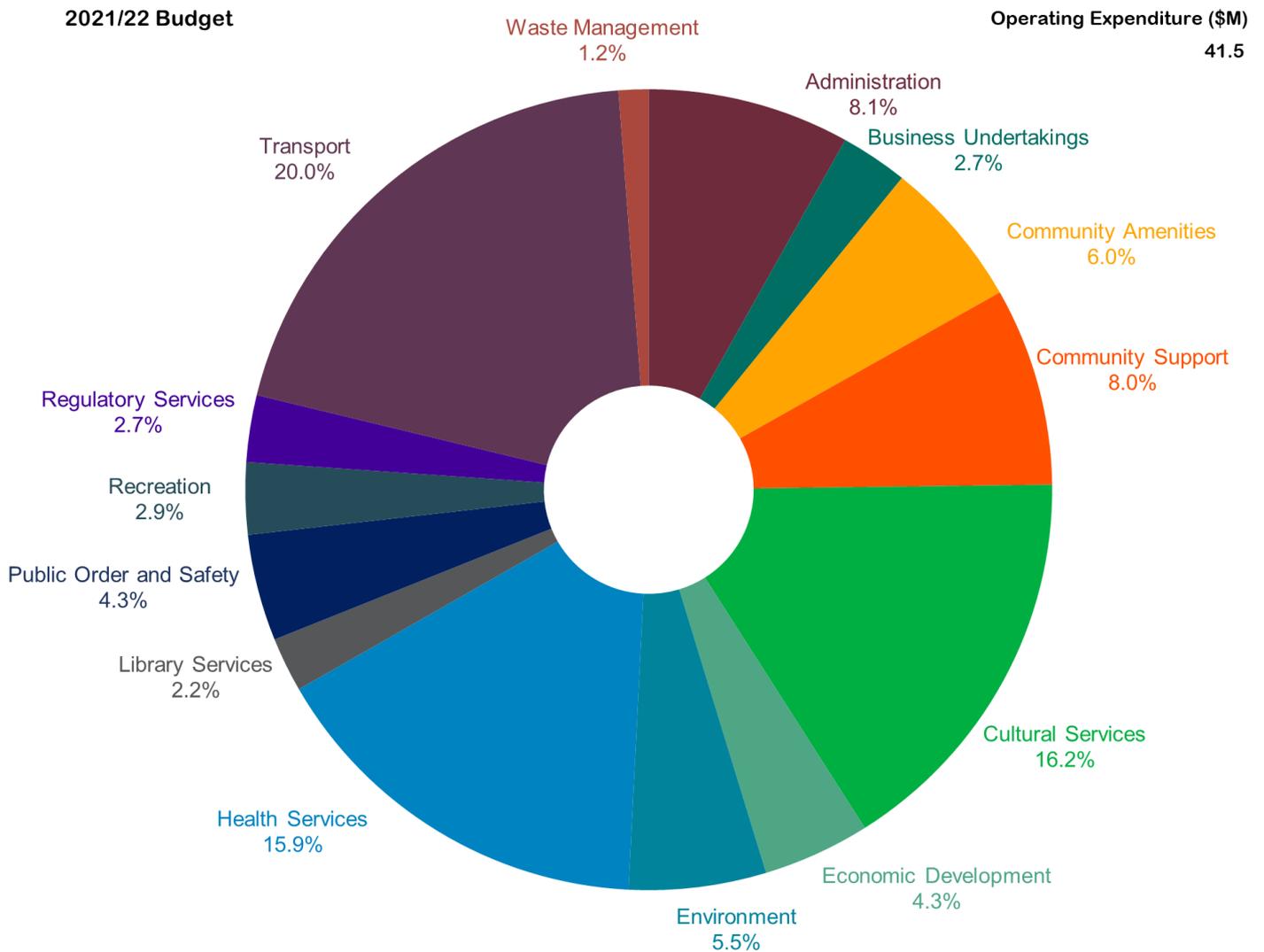
OPERATING EXPENDITURE

In support of service provision for 2021/22

The following graph shows operating expenditure for the 2021/22 year by the following functions in support of the provision of the services outlined. (Full Cost Attribution has been applied. This is an allocation of internal services to external services and does not affect the overall net result. It will be included in the final version of this plan for adoption after Public Consultation).

Functions

Administration, Business Undertakings, Community Amenities, Community Support, Cultural Services, Economic Development, Environment, Health Services, Library Services, Public Order and Safety, Recreation, Regulatory Services, Transport, Waste Management



*Administration costs are incurred in direct support of delivery of all services.

KEY ACTIVITIES FOR 2021/22

Description	Community Plan Theme
Complete Roadside Native Vegetation plan and commence implementation	Natural Environment and Built Heritage
Develop and Implement a Climate Change Adaptation Strategy	
Support heritage grant program	
Facilitate works and discussion on the development of the Concordia Growth Area master plan under an agreed governance framework	
Review of Land Management Agreement templates	Community and Culture
Roll out increased social inclusion resourcing	
Delivery of approved The Big Project activities (planning of priority projects and grant applications)	
Complete review and commence implementation of library and heritage service reforms	
Support community grants program	Infrastructure
Continue support of Council's Volunteer Management coordination	
Implement 85% of targeted planned infrastructure capital program	
Delivery of approved The Big Project construction in line with funding agreements	
Pursue suitable grant funding opportunities and partnerships for freight route, bridges and other key road, footpath and urban development projects	Health and Wellbeing
Review and implement the Regional Public Health Plan	
Continue to improve and implement community education programs around waste management	Business and Employment
Develop and implement the Local Economic Development Plan	
Continued implementation and review of business and other support components of the COVID-19 recovery program including visitor marketing	Good Governance
Continued implementation of the approved efficiency, customer service and continuous improvement program	
Complete review of Operational / Service Plan	
Implement phase 1 of the Business Case for Sustainable Resourcing	
Commence implementation of the Local Government Reform legislative changes	

This is a list of key activities that are included in the operating or capital budget and form part of the summarised service provisions included in this Business Plan.

CAPITAL INVESTMENT In support of service provision for 2021/22

Capital Program 2021/22	
<i>Disclaimer: The following capital items are subject to final approval of Council; alterations and additions to this list may occur</i>	
Description	2021/22 Budget
<i>(Items noted as 'Carried Forward' are items transferred from 2020/21 Budget)</i>	
CORPORATE & COMMUNITY SERVICES	18,822,309
Community Services - Community Transport	56,000
Community Transport Vehicles	56,000
Library Services	82,059
Library books	82,059
Barossa Regional Gallery	5,417,594
Barossa Regional Gallery Air Conditioning <i>(carried forward)</i>	89,450
Barossa Culture Hub - The Big Project <i>(subject to grant funding approval)</i>	5,328,144
Offices and Community Facilities	13,266,656
The Big Project - Phase 1 Implementation - Buildings <i>(subject to grant funding)</i>	225,301
The Big Project - Phase 1 Implementation - Recreation <i>(subject to grant funding)</i>	219,334
Angas Recreation Park Tennis/Netball Courts <i>(carried forward)</i>	42,000
Various tennis/netball courts as per Court audit report July 2019 <i>(expected 40% grants/contributions)</i>	150,000
Angas Recreation Park Second Oval and Ancillary Works <i>(carried forward)</i>	615,740
Angas Recreation Park Multi Functional Clubrooms <i>(part carried forward)</i>	1,665,745
Barossa Rugby Park - The Big Project <i>(Infrastructure Projects Grant Programs)</i>	2,721,000
Nuriootpa Soccer Clubrooms	1,588,104
Nuriootpa Soccer Civil Infrastructure	1,119,330
Nuriootpa Soccer Infrastructure Pitches	1,102,869
Talunga Caravan Park Facilities <i>(part carried forward)</i>	2,033,216
Tanunda Recreation Park - Oval Widening	46,481
Tanunda Recreation Park Junior Sports Field <i>(part carried forward - Infrastructure Projects Grant Programs)</i>	971,909
Tanunda Recreation Park Playground <i>(Open Space and Places for People Grant Funding)</i>	609,737
Tanunda Recreation Park Cricket Nets <i>(Infrastructure Projects Grant Programs)</i>	155,890
EXECUTIVE SERVICES	20,000
Offices and Community Facilities	20,000
Website Development Project - Stage 2	20,000
NURIOOTPA CENTENNIAL PARK AUTHORITY	135,000
Internal Roadworks	20,000
Cleaners Van	25,000
Ensuite Sites	90,000
WORKS & ENGINEERING	11,394,649
Bridges and Guardrails	1,133,236
Bridges Unallocated Budget	250,000
Moculta Road Bridge <i>(subject to grant funding approval)</i>	693,236
Smyth Road Tanunda Bridge <i>(carried forward)</i>	115,000
Mengler Hill Road Angaston Safety Guardrails	75,000
Buildings	782,893
Building Renewal and Replacement	300,000
Nuriootpa Office/Library Building Renewals	70,000
Nuriootpa Office - LED Lighting Replacement	63,472
Talunga Recreation Park Show Hall Drainage	65,000
The Rex Barossa Aquatic and Fitness Centre - Gas Pool Water Heaters	186,000
The Rex Barossa Aquatic and Fitness Centre - Pool Deck Air Conditioning	30,000
The Rex Barossa Aquatic and Fitness Centre - LED Lighting Replacement	42,421
Williamstown Caravan Park - 2 Cabins - Decking/Floor	26,000
Footpaths	1,245,755
Project Management Salaries	104,834
Barossa Trail extension to Gawler <i>(part grant funded \$336,264 - PIRSA Regional Growth Fund)</i>	800,000
Saleyard Road Mount Pleasant	140,921
Barossa Trail Shared Path - renewal	200,000
Motor Vehicles, Plant and Equipment	964,000
Backhoe	175,000
Excavator	60,000
Articulated Wheel Dumper	40,000
Plant Trailer	40,000
4.5 Tonne Truck	100,000
Motor Vehicles Renewal - including Depot Utes <i>(part carried forward)</i>	399,000
Business Case - additional vehicle requirements	100,000
Minor Plant	50,000

Capital 2021/22 (Continued)	
Description	2021/22 Budget
Parks and Gardens	298,500
Krieg Park BMX Track	15,000
Playground Equipment Renewal	93,500
Tanunda Recreation Park Oval Renewal <i>(carried forward)</i>	190,000
Road Resheeting	756,385
E Lorles Road Springton	173,910
Golden Gate Mines Road Flaxman Valley	115,462
Heggies Range Road Eden Valley	71,125
Hilsenitz Road Eden Valley	26,554
Keyneton Road Moculta	98,967
Mount Road Mount Crawford	119,560
Roberts Road Stockwell	59,380
Steingarten Road Rowland Flat	75,858
Resheeting Budget Contingency	15,569
Road Construction, Sealing and/or Resealing	3,776,437
Acacia Street Tanunda	48,977
Altona Road Altona	32,846
Basedow Road Tanunda	100,100
Bushman Street Tanunda	81,500
College Street Tanunda	160,315
Diagonal Road Angaston	75,937
Elm Street Tanunda	32,171
Forreston Road Mount Crawford	304,475
George Street Williamstown	21,733
Herriot Road Mount Pleasant	54,239
Humbug Scrub Road Goldfields	60,438
Koch Road Krondorf	17,001
Lindsay Park Road Angaston	32,017
MacDonnell Street (Basedow Road to Bushman Street) Tanunda	290,500
Margaret Street Williamstown	47,377
Miamba Road Williamstown	15,508
Mirooloo Road Flaxman Valley	26,232
Nuraip Road Nuriootpa	90,871
Redford Street Springton	24,703
Research Road Nuriootpa	96,870
Rosedale Scenic Road Rosedale	36,020
Saleyard Road Mount Pleasant	190,504
Seven Steps Road Flaxman Valley	69,238
Short Row Angaston	61,000
South Terrace Angaston	8,200
Springton Road Williamstown	101,428
Staehr Street Nuriootpa	68,386
Trial Hill Road Altona	76,377
Road Reseal Contingency	14,363
Road Reseal Program Budget including Project Management Salaries	298,914
Barossa Visitor Centre Carpark Upgrade	421,100
Road Reconstruction - Stockwell Road Freight Route	430,000
Melrose Street Mount Pleasant - Road Resurfacing Contribution (Department of Infrastructure and Transport)	111,500
Road Shoulders	
Diagonal Road Angaston	24,723
Herriot Road Mount Pleasant	23,426
Mirooloo Road Flaxman Valley	20,626
Nuraip Road Nuriootpa	14,646
Redford Street Springton	15,116
Research Road Nuriootpa	25,187
Rosedale Scenic Road Rosedale	15,116
Springton Road Williamstown	115,673
Staehr Road Nuriootpa	21,084
Stormwater	904,343
Project Management Salaries	94,343
Elizabeth Street Tanunda Drainage	210,000
Maria Street Tanunda Drainage Swale	300,000
Calton Road to Hameister Court Drainage Kalbeeba <i>(carried forward)</i>	300,000
Streetscaping	80,000
Streetscaping - Angaston	80,000
Community Wastewater Management System (CWMS)	1,453,100
Nuriootpa Waste Water Treatment Plant - upgrades/improvements	1,300,000
CWMS Pipeline Radio Link Upgrad/Control Change <i>(carried forward)</i>	92,100
Operation Construction of New Inspection Points (IP)	6,000
Stockwell Recreation Park - CWMS Irrigation	30,000
Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	25,000
Budget Capital Total	30,371,958

Grants, Contributions and Asset Sales 2021/22	
Description	2021/22 Budget
CORPORATE & COMMUNITY SERVICES	(6,296,270)
The Big Project - Grants (subject to grant funding approval)	(2,913,063)
Talunga Caravan Park - Cabins and Amenities (Local Government Infrastructure Partnership Program Grant Funding)	(817,286)
Tanunda Recreation Park Playground (Open Space and Places for People Grant Funding)	(330,221)
Tanunda Recreation Park Junior Oval and Cricket Nets (Infrastructure Projects Grant Programs)	(580,700)
Barossa Rugby Development (Infrastructure Projects Grant Programs)	(995,000)
Angas Recreation Park Oval/Cricket Nets/Clubrooms Contributions	(350,000)
Barossa Rugby Development Contributions	(310,000)
WORKS & ENGINEERING	(1,342,118)
Barossa Trail extension to Gawler (PIRSA Regional Growth Fund Grant Funding)	(336,264)
Special Local Roads Program (subject to grant funding approval)	(215,000)
Moculta Road Bridge (subject to grant funding approval)	(346,618)
Vehicle and Equipment Trade-in Sales - Motor Vehicles and Plant	(251,500)
CWMS Developer Contributions	(50,000)
Open Space Developer Contributions	(142,736)
Grand Total	(7,638,388)

FUNDING

Council is budgeting expenditure of \$63.5m in 2021/22 on the delivery of services, programs, maintenance of assets (not including depreciation), replacement, new and upgraded assets and loan servicing.

Operating Revenue

The Budget provides for operating revenue to increase from the 2020/21 third quarter Budget Update of \$40.6m to \$40.7m – an increase of 0.2%. Recurrent revenue streams of Council are:

\$m	%	Type	Description
33.7	82.70%	General Rates and Service Charges	General rates on properties as well as service rates (i.e. sewerage and refuse/recycling rates)
3.2	7.76%	User Pay Charges set by Council	Charges for the Council's fee based facilities and services such as caravan parks, swimming pools, community halls, cemeteries and refuse dump fees
2.2	5.43%	Grants and Subsidies	Council seeks to attract as much grant funding from other tiers of government as possible, thereby reducing the reliance on other revenue streams
0.9	2.29%	Investment, Reimbursements and Other Income	Interest received on Council's internal cash reserves and deposits, Reimbursements for work undertaken and Other Income`
0.7	1.82%	Statutory Charges set by State Government	Fees and charges set by State Government regulation and received by the Council for regulatory functions undertaken such as assessment of development and building applications, and dog control management

Operating Expenditure

The Budget provides for operating expenditure to increase from the 2020/21 third quarter Budget Update of \$41.0m to \$41.5m – an increase of 1.2%. Full Cost Attribution has been applied - this is an allocation of internal services to external services and does not affect the overall net result. Recurrent expenditures incurred by Council are:

\$m	%	Type	Description
17.70	42.65%	Contractual Services, Materials and Other Expenses	Payments for external provision of services Payments for physical goods such as water, fuel, energy, road materials, office consumables and stationary Includes expenses not separately classified above such as insurances, postage, telephone, government levies, contributions and donations
14.50	34.94%	Employee Costs	All labour related expenses such as wages and salaries, and on-costs such as allowances, leave entitlements and employer superannuation
8.80	21.21%	Depreciation	Annual consumption of Council's fixed assets (e.g. infrastructure, equipment, buildings, etc) over their useful lives
0.50	1.20%	Finance Costs	Costs of financing Council's activities through borrowings or other types of financial accommodation

IMPLICATIONS FOR RATES

Council plans to raise a net sum of **\$28.6m** from general rates in 2021/22 (which includes projected growth of 1.42%, but excludes service charges and the State Landscape Board levy).

Council recognises that ratepayers would like increases to their rates to be as low as possible, however it is necessary to ensure that current services are properly funded and can continue to be delivered without significantly impacting standards or passing on a financial burden to future ratepayers or cutting services utilised by the community. Current assets and infrastructure owned by Council deteriorate over time through wear and tear and must be replaced or renewed at appropriate intervals in order to prolong their lives and continue to deliver services to the community.

The increase in rate revenue will provide the necessary funding to meet the programmed upgrade, renewal and replacement plans in place as outlined in the Long Term Infrastructure and Asset Management Plan, ensuring that existing services to the community will be maintained.

The indexation applied to general rate revenue in this 10 year plan is in line with the previous year LTFP increments for 2021/22 at 2.35% per annum plus growth 1.42% a total of 3.77% and an additional amount of \$408k to provide a Revaluation Initiative General Rate Cap (further detail within this section). The SA Local Government Price Index is 0.4% and the general Consumer Price Index Adelaide all Groups is 1.2% as at March 2021, change from the previous year.

Council is aware of the impact on ratepayers and is committed to providing and developing options to ease the rate burden through increasing its own efficiency and by providing those under hardship with appropriate alternatives to suit their circumstances.

Rating Policy

Section 147 of the *Local Government Act 1999* provides Council with the power to rate all land within The Barossa Council, except for land specifically exempted, such as Crown land and land occupied by Council. Council is mindful of its responsibility to continually review its rating policy to ensure it is fair and equitable on its residents. The current Rating Policy is available for inspection at all Council branches and can be downloaded from Council's website at barossa.sa.gov.au (Council rates are exempt from GST).

Land Valuation Method

Council uses the capital value determined by the State Valuation Office as the basis for valuing land and calculating rates.

Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more taxes than ratepayers of lesser wealth;
- Property value is a relatively good indicator of market value of a property, providing the fairest method of calculating rates.

The total property rateable valuations provided by the State Valuation Office as at 1 July 2021 was \$5,733,096,505 – an increase of 4.25% over last year, this valuation includes growth of 1.42%.

Local Govt. Category	Total Valuation Movement
Residential	3.48%
Commercial	-0.60%
Industry - Light	0.43%
Industry - Other	4.22%
Primary Production	7.41%
Vacant Land	4.53%
Other	2.06%

How rates are calculated



Differential rates

Council applies differential general rates based on the land use of the property, as outlined in the Local Government Category table (page 27).

Revaluation Initiative and General Rates Capping

The Valuer-General (VG) has undertaken a state-wide Revaluation Initiative (RI) to improve the accuracy of the data that forms the basis of the annual General Valuation. For the Barossa Council this review has resulted in increases or decreases to Primary Production, Rural living - Rural Residential and other property values due to influencing factors such as rezoning and redevelopment. Further information about the Revaluation Initiative can be found on the OVG website. To assist principle property owners with the impact of the RI valuation movement Council is applying an automatic Revaluation Initiative - General Rate Cap (RI - GRC), calculated on general rate increases over 8% from last year's rates notice (not inc. Fixed Charge) on assessments meeting set criteria. To recover general rate revenue of \$408k allocated for the automatic RI GRC, Council has increased the rate in dollar to the Residential and Primary Production and minor adjustments with the other Local Government Categories along with increasing the Fixed Charge by a further \$10 per assessment.

Fixed Charge

As part of the general rates, Council applies a fixed charge component so that all rateable properties make a fixed contribution towards the cost of administering Council's activities. The fixed charge has increased from \$360 to \$380 per assessment (including the RI GRC - \$10).

Service Rates & Charges

Council provides various prescribed services pursuant to Section 155 of the *Local Government Act 1999* which includes community wastewater management systems, refuse collection and kerbside recycling service. The cost of these services, including a component for future capital works where appropriate, is recovered from those ratepayers utilising the service.

Local Government Category – Average Valuation and Differential Rate in \$

Local Government Category	Year	Average Valuation - Net of Past/New assessments	Rate charge \$	Average Valuation change % - Net of Past/
Residential: residential dwellings, flats, units	2020/21	353,837	0.0034890	2.8%
	2021/22	363,824	0.0035300	
Commercial: Retail shops, professional services e.g.	2020/21	571,441	0.0052710	-0.8%
	2021/22	566,677	0.0053100	
Industry – Light: Vehicle repairs, workshops	2020/21	364,578	0.0054220	0.9%
	2021/22	367,860	0.0054350	
Primary Production: Agriculture, livestock, horticulture, commercial	2020/21	646,842	0.0032000	7.6%
	2021/22	695,814	0.0032550	
Vacant Land: Vacant allotments	2020/21	170,430	0.0063250	4.6%
	2021/22	178,215	0.0064000	
Other: Government agencies, education, public utilities	2020/21	407,744	0.0057920	2.4%
	2021/22	417,342	0.0058090	
Industry – Other: Wineries, manufacturing	2020/21	2,581,168	0.0159080	3.4%
	2021/22	2,668,264	0.0158500	
Using the annual valuation report provided by the Valuer General 1 July 2021 an average valuation calculation was prepared, removing past and new assessments. Individual assessments may vary from these amounts.				

State Government Levies

Council collects a regional Landscape Levy on behalf of Northern and Yorke Landscape Board on all rateable properties. In this capacity, Council is operating as a revenue collector for the State Government and does not retain the revenue or determine how it is spent. Further information is available from the Board.

Mandatory Rebates

Council is required under the *Local Government Act 1999* to rebate rates payable on some land. Specific provisions are made for land used for specific purposes, e.g. health services, public cemeteries and educational institutions.

Discretionary Rebates

Discretionary rebates may be applied by the Council on land used for community purposes under Section 166 of the Act.

Residential Rate Capping

Council offers a rebate of general rates to the principal ratepayer where the increase in general rates levied upon a property exceeds the 2020/21 general rates levied by more than:

- 7.5% for ratepayers on fixed government incomes;
- 15% for other ratepayers

Rate rebate, remission, relief and capping application forms with eligibility criteria are available on-line on Council's website barossa.sa.gov.au, from Council's Principal Office or any branch office.

Concessions and Postponement

In order to support ratepayers who are in receipt of fixed incomes, there are concessions available for eligible pensioners. The 'Cost of Living Concession Payment' is paid *directly to eligible concession holders* by

the State Government and the concession for Community Wastewater Management System (CWMS), which will also be paid directly by the State Government. The Department of Human Services administer all State concessions and Council has no part in approving or providing these concessions. In accordance with the *Local Government Act 1999*, persons who hold a Seniors Card may apply to postpone payment for any amount in excess of \$500 (\$125 per quarter) for their principal place of residence.

Council encourages ratepayers who are experiencing difficulties in paying rates to contact Council on (08) 8563 8444 to discuss support that may be available to alleviate any financial hardship. Such enquiries are treated confidentially by Council.

Paying Your Rates

Council provides for quarterly payment of rates in September, December, March and June each year. Payments can be made via Council's website (barossa.sa.gov.au), B-Pay, Australia Post Billpay, by mail, allocated EFT payment or by cash/cheque/EFTPOS over the counter at the Nuriootpa or branch offices.

Impact on Ratepayers

The Annual Budget and Business Plan for 2021/22 for general rate revenue after the allocation of the RI – GRC, plus growth from new ratepayers property development, is a net increase of 2.35%. Revenue required to fund the recurrent services, activities and major works program is incorporated within the plan.

For more information on the rate revenue increases please refer to the Long Term Financial Plan (LTFP) section in this document (from page 38).

The table on page 29 incorporates the overall rating and its impact using **average valuations** as shown in the Local Government Category Table (refer previous page); rate changes for individual assessments will likely vary from these amounts.

Service Charges

The adopted LTFP included an increase for Waste and CWMS service charges to ensure cost recovery and the service charge increase is rounded to the nearest dollar.

CWMS Services

The Residential CWMS Service charge will increase from last year at \$344 to \$350. The Non-Residential CWMS service rate for each of the townships is to be increased from last year at \$0.001127 to \$0.001156. Many Springton properties are charged a capital contribution of \$245 for a 15 year period. An annual service charge was increased to \$80 for vacant allotments in Springton and an annual service charge remains at \$110 for all other vacant allotments where a CWMS connection fee has been paid but no wastewater is being discharged. The CWMS rate service charges will raise \$2,981k with other related revenue bringing the total for CWMS income to \$3,269k for 2021/22. Operating expenditure at \$3,284k, resulting in a deficit of \$16k. A CWMS reserve is held for future capital expenditure and to ensure the services are maintained and grow with service demands into the short to medium term. Total capital expenditure for CWMS is \$1,453k (including carried forwards \$92k). CWMS charges are included in the table on page 29.

Waste Services

Overall the refuse, recycling and green organics collection service charge has been increased from last year at \$226 to \$227. The 140L Refuse Bin has increased from last year at \$111 to \$113, Recycling increased from last year at \$62 to \$63 and Green Organics reduced from \$53 to \$51. The refuse collection service rate for 240L bins, available to commercial premises to upsize to 240L, has increased from last year at \$140 to \$143. The service charges are based on cost increases for collection and disposal.

General Rates Equalisation from last year, development growth and total net increase to general rates

Total General Rating - Equalisation		Total General Rate Revenue		Net General Rate Revenue applying RI GRC		
Local Govt. Category	Year	General Rates	% of General Rate Revenue	RI GRC*	Net General Rates after RI GRC	% of General Rate Revenue
Residential*	2020/21	11,604,436	51.1%	-	11,604,436	51.07%
	2021/22	12,149,215	50.9%	(92,050)	12,057,165	51.39%
Commercial	2020/21	1,893,163	8.3%	-	1,893,163	8.33%
	2021/22	1,895,784	7.9%	(7,880)	1,887,904	8.05%
Industry - Light	2020/21	95,330	0.4%	-	95,330	0.42%
	2021/22	95,967	0.4%	-	95,967	0.41%
Primary Production*	2020/21	4,518,846	19.9%	-	4,518,846	19.89%
	2021/22	4,937,021	20.7%	(306,508)	4,630,513	19.74%
Vacant	2020/21	614,363	2.7%	-	614,363	2.70%
	2021/22	647,412	2.7%	-	647,412	2.76%
Other	2020/21	334,348	1.5%	-	334,348	1.47%
	2021/22	342,250	1.4%	(1,670)	340,580	1.45%
Industry - Other	2020/21	3,661,663	16.1%	-	3,661,663	16.11%
	2021/22	3,802,233	15.9%	-	3,802,233	16.21%
Fixed charges	2020/21	4,470,480			4,470,480	
	2021/22	4,756,840			4,756,840	
Total	2020/21	27,192,629			27,192,629	1,025,986
	2021/22	28,626,723		(408,108)	28,218,615	3.77%

Rate charges \$ for Local Government Categories

Total Rates charge by Assessment nos. - average rates (Includes the RI GRC net contribution and benefit) and increase over last year, <u>not</u> including Growth from development \$							
Local Govt. Category (LGC)	Year	No. of Properties	General Rates not inc FC	Fixed Charge and relevant Service Charges/Rates	Total rates	Increase per week and year	Net% increase
Residential*	2020/21	9,365	1,239.13	930.00	2,169.13	0.74	
	2021/22	9,461	1,250.64	957.00	2,207.64	38.52	1.78%
Commercial	2020/21	632	2,995.51	1,066.00	4,061.51	1.61	
	2021/22	632	3,047.22	1,098.10	4,145.32	83.81	2.06%
Industry - Light	2020/21	48	1,986.04	832.90	2,818.94	0.93	
	2021/22	48	1,999.32	868.20	2,867.52	48.58	1.72%
Primary Production *	2020/21	2,189	2,064.34	586.00	2,650.34	1.14	
	2021/22	2,190	2,102.41	607.00	2,709.41	59.06	2.23%
Vacant Land	2020/21	564	1,089.30	470.00	1,559.30	- 0.75	
	2021/22	558	1,030.50	490.00	1,520.50	- 38.80	-2.49%
Other	2020/21	143	2,338.10	586.00	2,924.10	1.19	
	2021/22	143	2,378.83	607.00	2,985.83	61.73	2.11%
Industry - Other	2020/21	88	41,609.81	422.00	42,031.81	- 8.01	
	2021/22	92	41,172.17	443.00	41,615.17	- 416.64	-0.99%

Some Residential and most Primary Production assessments will contribute and benefit from the RI GRC, the above calculations are the average net result of that application.

MEASURING OUR PERFORMANCE

Measuring and monitoring performance is important to ensure our objectives are achieved and services are delivered to our community. Council monitors financial performance through its **Business Planning Framework** (refer also to the section on "Strategic Directions"). This includes:

- **Monthly Financial Reports** which regularly track Council finances;
- **Quarterly Budget Reviews** which outline financial performance against the Annual Budget and Business Plan;
- **Audited Financial Statements** which are included in the **Annual Report** as required under the *Local Government Act 1999*;
- the **Annual Report** which describes the performance of Council on objectives set in the **Annual Budget and Business Plan**;
- Council's **Community Plan 2020-2040** includes the long term objectives and strategies Council is striving to achieve. The Community and Corporate plans are used to form the Annual Budget and Business Plan.

To provide advice and recommendations on financial and governance matters, Council has appointed an Audit Committee which includes independent members with qualifications and experience in related disciplines.

Key Performance Indicators

Council has a number of financial Key Performance Indicators (KPI's) which measure the impact of the annual budget on Council's financial position. Each of these indicators, together with associated comments, is outlined below:

Legend:	Target Not Met	Target At Risk	Target Met
			

Forecast is the third Budget Update (Q3) for the year, adopted by Council at the May 2021 meeting and material financial information received since that time has been included.

The Key Performance Indicator: Asset Consumption Ratio is no longer showing within this report. The *Local Government (Financial Management) Regulations 1999* no longer require the inclusion of this KPI with the budget estimates.

Individual years are shown within the Long Term Financial Plan section in this document from page 38, including a rolling 3 year period on selected KPIs.

Key Performance Indicator 1: Operating Result (\$'000)

Council has set the following target - **To achieve an operating break-even position, or better, over any ten year period. The operating result for 2021/22 is forecast as a deficit due to the Federal Government decision to pay \$843k of the 2021/22 grants in June 2021. The cumulative ten year period is a surplus position at \$187k (if grants were not paid early this would have been \$1,030k) for more information refer to LTFP section within this plan.**

Year	2018/19 Actual	2019/20 Actual	2020/21 Forecast Q3+	2021/22 Budget
Result	1,843	1,511	-340	-847
Status				

Key Performance Indicator 2: Operating Surplus/(Deficit) Ratio

Expresses the projected Operating Surplus/(Deficit) result as a percentage of general rate revenue. Council has set the following target - **To achieve an operating surplus ratio of between -2% to 10%. This forecast is outside the range due to factors noted in KPI 1.**

Year	2018/19 Actual	2019/20 Actual	2020/21 Forecast Q3+	2021/22 Budget
Result	4.74%	3.86%	-0.84%	-2.1%
Status				

Key Performance Indicator 3-1: Net Financial Liabilities (\$'000)

Council has set the following target - **Council's level of net financial liabilities is no greater than its annual operating revenue and not less than zero.**

Year	2018/19 Actual	2019/20 Actual	2020/21 Forecast Q3+	2021/22 Budget
Result	3,833	5,231	9,225	23,114
Status				

Key Performance Indicator 3-2: Net Financial Liabilities Ratio

Expresses the projected Net Financial Liabilities as a percentage of total operating revenue for each year. It is Council policy (and industry best practice) that this ratio shall not exceed 100%. Council has set the following target - **Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.**

Year	2018/19 Actual	2019/20 Actual	2020/21 Forecast Q3+	2021/22 Budget
Result	10%	13%	23%	57%
Status				

Key Performance Indicator 4: Asset Renewal Funding Ratio

Expresses the rate by which assets are wearing out and being replaced by comparing capital outlays on renewal/replacement to the Infrastructure Asset Management Plans. Council has set the following target: **Capital outlays on renewing/replacing assets net of proceeds from sale of replaced assets is greater than 80% but less than 110% of Infrastructure Asset Management Plans.** A substantial amount of 'Upgraded' asset work completed each year are partly renewing components of existing assets. The calculation to compile this ratio does not include any upgrade costs as it is not considered 'renewal/replacement'. This is then effectively understating the expenditure for asset replacement and the ratio is not then reflecting the true actual net asset renewals. It is expected the renewal spend information will be more accurate when the four year review of the IAMP's is undertaken and the improvement plans from that work provides these projections pa.

Year	2018/19 Actual	2019/20 Actual	2020/21 Forecast Q3+	2021/22 Budget
Result	443%	92%	86%	99%
Status				

NON-FINANCIAL PERFORMANCE MEASURES

Council continues to review its Key Performance Indicators (KPIs) to improve the measurement of performance. This is part of Council's Community Plan, as well as continuous improvement initiatives related to Council's Business Planning Framework. Indicators measuring the performance of Council in relation to the Annual Business Plan are show below.

They provide information with regards to Council's capacity to effectively deliver services to our community and the targets Council intends to meet. Council's performance against these indicators is then reported in the Annual Report each year.

Indicator	Description	Target
Theme 1 – Natural & Built Heritage		
Development Performance	% of development applications decided within timeframe	80%
Theme 2 – Community & Culture		
Library Visits	The number of library visits and participation within the Barossa Council Area	5 visits per capita
Theme 3 – Infrastructure		
Asset Spending Ratio	Ratio of asset expenditure on renewal, replacement and upgraded assets and maintenance on assets	Between 100% and 150% of Depreciation
Theme 4 – Health & Wellbeing		
Nuisance and Environmental Complaint Resolution Rate	Percentage resolved within due date	75%
Waste Disposal Rate	Percentage of waste disposed to landfill	Less than 65%
Recycling Rate	Percentage of waste recycled	More than 35%
Theme 5 – Business & Employment		
Tourism Customer Satisfaction with Visitor Information Services	Average Customer Satisfaction Rating	4 or above
Visitor Information Centre Bookings	Annual Booking Revenue (Accommodation/Tours/Tickets)	100% of Budget
How We Work – Good Governance		
LGA KPI Audit Action Plan	Percentage of KPI Audit Actions Complete	90%
LGA Risk Review	Percentage risk review conformance	90%
Customer Request Completion Rate	Percentage of Customer Requests Completed (On Time and Overdue)	85%
Customer Request Resolution Rate	Percentage of Customer Requests Resolved on Time	85%
Operational Expenditure Against Budget	Actual Operating Expenditure as a % of Budgeted Operating Expenditure	95%-100%
Capital Expenditure Against Budget	Actual Capital Expenditure as a percentage of Budgeted Capital Expenditure as adjusted	90%
Staff Development - Training	Percentage of staff with an approved training needs analysis	85%
Staff Development – Performance Partnering	Percentage of staff who have completed performance partnering	85%
Staff Retention	Percentage of employees retained	90%



BUDGETED FINANCIAL STATEMENTS
2021/22

BUDGETED FINANCIAL STATEMENTS

The following pages contain Council's budgeted financial statements, **including the Nuriootpa Centennial Park Authority (NCPA)**, in a format consistent with the requirements of Regulation 5B of the *Local Government (Financial Management) Regulations*, comprising for the year ending 30 June 2022:

- **Statement of Comprehensive Income**
- **Statement of Financial Position**
- **Statement of Changes in Equity**
- **Statement of Cash Flows**
- **Uniform Presentation of Finances**

Please note: the format of the following Financial Statements is based on the 2020 Model Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ending 30 June 2022

	2020/21 Original Budget (\$'000)	2020/21 Revised Budget* (\$'000)	2021/22 Budget (\$'000)
Income			
Rates	32,193	32,239	33,650
Statutory Charges	716	723	741
User Charges	3,099	2,966	3,157
Grants, Subsidies and Contributions	2,901	4,421	2,212
Investment Income	68	77	96
Reimbursements	48	48	41
Other Income	703	986	793
Net Gain – Joint Ventures and Associates	0	0	0
TOTAL REVENUES	39,728	41,460	40,690
Expenses			
Employee Costs	14,011	14,189	14,512
Materials, Contracts and Other Expenses	16,815	17,769	17,698
Depreciation, Amortisation and Impairment	8,032	8,402	8,848
Finance Costs	636	596	479
Net Loss – Joint Ventures and Associations	0	0	0
TOTAL EXPENSES	39,494	40,956	41,537
Operating Surplus / (Deficit)	234	504	(847)
Asset Disposal & Fair Value Adjustments	(827)	(827)	(621)
Amounts Received Specifically for New or Upgraded Assets	8,480	5,449	7,387
Physical Resources Received Free of Charge	295	295	282
Net Surplus / (Deficit)	8,182	5,421	6,201
Transferred to Equity Statement	0	0	0
Other Comprehensive Income	0	0	0
Changes in revaluation surplus - infrastructure, property, plant & equipment	0	0	0
Total Other Comprehensive Income	0	0	0
Total Comprehensive Income	8,182	5,421	6,201

* Revised Budget is the Third Budget Update for the year, adopted by Council at the May 2021 meeting and material financial information received since that time has been included.

STATEMENT OF FINANCIAL POSITION

For the year ending 30 June 2022

	2020/21 Original Budget (\$'000)	2020/21 Revised Budget* (\$'000)	2021/22 Budget (\$'000)
Assets			
Current Assets			
Cash and Cash Equivalents	1,536	4,253	92
Trade and Other Receivables	2,773	2,678	2,728
Other Financial Assets	0	0	0
Inventories	224	375	375
Subtotal	4,533	7,306	3,195
Non-Current Assets Held for Sale	0	0	0
Total Current Assets	4,533	7,306	3,195
Non-current Assets			
Financial Assets	798	795	1,323
Equity Accounted Investments in Council	2,271	2,299	2,299
Infrastructure, Property, Plant and Equipment	414,622	391,203	423,438
Other Non-Current Assets	0	0	0
Total Non-current Assets	417,691	394,297	427,060
Total Assets	422,224	401,603	430,255
Liabilities			
Current Liabilities			
Trade and Other payables	2,978	3,340	3,341
Borrowings	4,600	1,452	9,558
Provisions	2,543	2,922	2,422
Total Current Liabilities	10,121	7,714	15,321
Non-Current Liabilities			
Borrowings	15,175	7,231	10,774
Provisions	824	1,164	1,164
Total Non-current Liabilities	15,999	8,395	11,938
Total Liabilities	26,120	16,109	27,259
Net Assets	396,104	385,494	402,996
Equity			
Accumulated Surplus	91,186	90,562	97,132
Asset Revaluation Reserve	293,253	283,033	294,334
Other Reserves	11,665	11,899	11,530
Total Equity	396,104	385,494	402,996

* Revised Budget is the Third Budget Update for the year, adopted by Council at the May 2021 meeting and material financial information received since that time has been included.

STATEMENT OF CHANGES IN EQUITY

As at 30 June 2022

	Accumulated Surplus (\$'000)	Asset Revaluation Reserve (\$'000)	Other Reserves (\$'000)	Total Equity (\$'000)
Balance at end of previous reporting period 30 June 2021 (Original Budget 2020/21)	91,186	293,253	11,665	396,104
Restated opening balance (Revised Budget)	90,562	283,033	11,899	385,494
Net Surplus / (Deficit) for year	6,201			6,201
Other Comprehensive Income	0	0	0	0
Gain on revaluation of infrastructure, property, plant	0	11,301	0	11,301
Transfer to accumulated surplus on sale of infrastructure, property, plant and	0	0	0	0
Transfer between reserves	369	0	(369)	0
Balance at the End of Period	97,132	294,334	11,530	402,996

* Revised Budget is the Third Budget Update for the year, adopted by Council at the May 2021 meeting and material financial information received since that time has been included.

STATEMENT OF CASH FLOWS

As at 30 June 2022

	2020/21 Original Budget (\$'000)	2020/21 Revised Budget* (\$'000)	2021/22 Budget (\$'000)
Cash Flows from Operating Activities			
Receipts			
Operating Receipts	41,160	41,383	40,594
Investment Receipts	68	77	96
Payments			
Operating payments to Suppliers and Employees	0	(31,868)	(32,347)
LandFill rehabilitation expense	(30,837)	0	(362)
Finance Payments	(636)	(596)	(479)
Net Cash Provided by (or Used in) Operating Activities	9,755	8,996	7,502
Cash Flows from Investing Activities			
Receipts			
Amounts Specifically for New or Upgraded Assets	8,480	3,868	7,387
Sale of Replaced Assets	412	390	252
Repayments of Loans by Community Groups	74	74	72
Payments			
Expenditure on Renewal / Replacement of Assets	(7,690)	(7,457)	(6,491)
Expenditure on New / Upgraded Assets	(18,862)	(10,436)	(23,881)
Loans made to Community Groups	0	0	(650)
Net Cash Provided by (or Used in) Investing Activities	(17,586)	(13,561)	(23,311)
Cash Flows from Financing Activities			
Receipts			
Loans Received	9,700	0	13,100
Lease	0	0	0
Proceeds from Bonds and Deposits	0	0	0
Proceeds from Internal Borrowings	8,200	8,200	700
Payments			
Repayments of Borrowings	(1,899)	(1,829)	(1,410)
Repayment Lease Liabilities	(15)	(60)	(42)
Repayment of Bonds and Deposits	0	0	0
Repayment of Internal Borrowings	(8,200)	(8,200)	(700)
Net Cash Provided by (or Used in) Financing Activities	7,786	(1,889)	11,648
Net Increase / (Decrease) in Cash Held	(45)	(6,454)	(4,161)
Cash and Cash Equivalents at Beginning of Period	1,581	10,707	4,253
Cash and Cash Equivalents at End of Period	1,536	4,253	92

* Revised Budget is the Third Budget Update for the year, adopted by Council at the May 2021 meeting and material financial information received since that time has been included.

UNIFORM PRESENTATION OF FINANCES

For the year ending 30 June 2022

The following is a high level summary of both operating and capital investment activities of the Council prepared in a uniform and consistent basis.

All Councils in South Australia voluntarily have agreed to summarise annual budgets and long term financial plans on the same basis.

The arrangement ensures that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

	2020/21 Original Budget (\$'000)	2020/21 Revised Budget* (\$'000)	2021/22 Budget (\$'000)
Income	39,728	41,460	40,690
Less Expenses	(39,494)	(40,956)	(41,537)
Operating Surplus / (Deficit)	234	504	(847)
Less Net Outlays on Existing Assets			
Capital Expenditure on Renewal and Replacement of Existing Assets	(7,690)	(7,457)	(6,491)
Less Depreciation, Amortisation and Impairment	8,032	8,402	8,848
Less Proceeds from Sale of Replaced Assets	412	390	252
	754	1,335	2,609
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	(18,862)	(10,436)	(23,881)
Less Amounts Received Specifically for New and Upgraded Assets	8,480	3,868	7,387
Less Proceeds from Sale of Surplus Assets	0	0	0
	(10,382)	(6,568)	(16,494)
Net Lending / (Borrowing) for Financial Year	(9,394)	(4,729)	(14,732)

* Revised Budget is the Third Budget Update for the year, adopted by Council at the May 2021 meeting and material financial information received since that time has been included.

STAY



**LONG TERM FINANCIAL PLAN
2021/22 - 2030/31**

INTRODUCTION AND ASSUMPTIONS

Under the *Local Government Act 1999*, Councils are required to have a **Long Term Financial Plan (LTFP)** (for a minimum period of 10 years). This Long Term Financial Plan (LTFP) has been declared by The Barossa Council as a Strategic Management Plan pursuant to Section 122(8) of the *Local Government Act 1999*. This document subsequently reflects an annual review of Council's Long Term Financial Plan and acts as a starting reference point in the formulation of Council's Annual Budget and Business Plan 2021/22.

The Long Term Financial Plan is designed as a 'high-level' document that summarises the future planning of Council's financial operations – particularly in relation to key components such as rate movements, service levels to our community, major infrastructure asset replacement/renewal, loan indebtedness and internal cash reserves.

On this basis and given the 'high-level' nature of the document, the Plan has been developed based on a number of key assumptions previously discussed and endorsed by Council. Further, Council has also previously endorsed a number of strategic financial policies which have also driven the formulation of the Plan.

Section 122 of the *Local Government Act 1999* also prescribes that Councils must have a Long Term Infrastructure and Asset Management Plan to guide the future replacement, renewal and maintenance of our significant fixed asset base. Council's Infrastructure and Asset Management Plan (IAMP) were adopted by Council in February 2021, with an ongoing review process to provide improved asset data and information.

Consequently, in recognition of this, it is appropriate that a cautious and conservative approach be undertaken with financial modelling as part of the update to the Long Term Financial Plan.

With a significant fixed asset base being predominantly comprised of major community infrastructure such as roads, footpaths, stormwater drainage and community wastewater management systems, it is imperative that there is an appropriate link and consistency between the Infrastructure and Asset Management Plan and the Long Term Financial Plan, towards ensuring that the Long Term Financial Plan provides for the necessary capital outlays (as identified in the Infrastructure and Asset Management Plan) for the renewal and replacement of existing community assets – herein referred to as 'non-discretionary' capital expenditure.

General Assumptions

- Long term financial plans have been prepared to measure and check financial sustainability for: CWMS; Waste; Nuriootpa Centennial Park Authority (NCPA); all other Council operations and a consolidated LTFP.
- The NCPA revised LTFP will be adopted by the NCPA Board in June and is incorporated into this LTFP.
- The LTFP reflects existing recurrent service levels to our community being maintained. Council's budget process considers on-going service delivery and commitments and new expenditure items or initiatives.
- For most new initiatives, a Due Diligence Report is prepared to assess the financial commitment in order that current and future budgets are accurate and that Council has full information regarding the financial risks of their decisions. This draft budget contains a number of new initiatives.
- All new initiatives were then assessed using a Bid Analysis Tool and given a score against set criteria.

Operations

- General Rate Revenue and Service Charges increments have been reviewed to ensure funding and service level provision is maintained in line with sustainability requirements.
- Operating Costs for Employee, Contractors and Materials have been based on a zero based method for this budget year.
- Rubble raising cost is included in 2021/22 at \$285k.
- Selected costs have been isolated from general expenditure, eg. energy use for electricity, water costs, insurance premiums and waste collection and disposal service costs; projected increases from 1% to 6.5%.
- Depreciation has been calculated on existing asset classes, structures, valuation and condition rating; asset componentisation has been included as appropriate to selected asset types. A review of useful lives of all assets and components is an ongoing task refining the data.
- In June 2021 the Federal Budget allocated \$476k for Supplementary Road Funding for use as \$238k in both 2021/22 & 2022/23, Council to allocate this amount to project(s) within the existing budget program.
- The Roads to Recovery (RTR) grant funded program will continue until 2023/24 at \$483k per annum and then to \$383k for the remaining years in the LTFP.

- A prepayment in 2020/21 for half of the 2021/22 Financial Assistance Grant funding payment \$843k was received in June 2021, resulting in an operating deficit in the 2021/22 budget and impacting KPI 1.
- Staff levels have been increased for the adopted Business Case – Sustainable Resourcing Model (phase 1) and other changes have been made for grant funding programs ending and overall increases are projected to be in line with current Enterprise Bargaining Agreements.
- Full Cost Attribution - an allocation of internal services to relevant charge areas has been allocated in the LTFP. This allocation from internal to external service areas does not affect the overall net result.

Capital

- Asset Renewal and/or Replacement expenditure is provided for on various buildings, recreation, transport, stormwater, bridge and CWMS assets.
- The Big Project capital expenditure program over the next five years is \$36.3m.
- The discretionary capital expenditure allocation is listed in the remaining 4 years of the LTFP discretionary spend has been reinstated at \$500k pa.
- Capital grants and contributions in this review include CWMS developer contributions \$50k pa, other developer contributions \$142k pa for two years. Infrastructure programs for roads, bike path, bridges, carpark and footpath program \$898k, other grants for Recreation Parks projects \$1.1m along with The Big Project funding at \$14 over the next five years (Note: the majority of these projects are subject to funding approval).

Loan Principal and Interest Repayments

- The internal loan from Council to Nuriootpa Centennial Park Authority (NCPA) is included in the LTFP and is to be repaid at \$130k pa - the remaining balance is currently at \$390k. The NCPA has an established fixed loan as at 30 June 2021 at \$0.9m to be finalised by 2029/30.
- Council's loan debt is predicted to peak at \$24.1m in 2024/25. The net loan balance outstanding as at 30 June 2021 will be \$8.7m and a projected balance of \$11.2m by 30 June 2031.
- An internal loan (funded from the CWMS operations reserve) of \$16m will be required to ensure Council's general operations meet financial sustainability indicators. No interest is charged as funding is for all Council services.
- There is a scheduled balloon payment for \$2.9m on an existing loan in the year 2024/25 at which time Council will assess its loan requirements and re-finance if/as needed.
- Loan financing is a mix of fixed loans and Cash Advance Debenture (CAD) in 2021/22 \$13.1m, 2022/23 \$6m, 2023/24 \$5m and in 2024/25 \$7.7m.

Financial Sustainability Performance Report

- KPI 1: Operating Surplus a deficit for years 2022/23 to 2026/27; accumulative surplus by year 2030/31 The general rate increases for years for all years in the LTFP are 2.75% to recover the revenue and return to an operating surplus in 2027/28.
- KPI 2: Operating surplus ratios average 3 years. Council's forecast retrospective results range from (1.6%) to 2.1%; Annual ranges from (2.1%) to 2.8%.
- KPI 3: The forecast is 56.8% in 2021/22 peaks at 62.3% or \$28.3m in 2024/25 and by year 2030/31 is projected to be at 22.7% or \$12.5m.
- KPI 4: The target is being met over the ten year period, the average being 92.2% and within previously IAMP spend requirements. IAMP renewal spend information will be updated when the improvement plans are updated for future spend requirements. A selection of TBP builds will upgrade and replace a considerable amount of assets; these works will be identified and then re-assigned as appropriate to renewal works and therefore will improve this ratio.
- Council has reviewed its financial parameters for the LTFP including the indexation used for forward projections on income and expenditure.
- In line with Council Policy a regular review of Council's treasury management will be required to ensure a positive cash position is maintained.

It should be noted that not all KPI's are within the target ranges but Council attains a financially sustainable position within the 10 year period of the LTFP. With the inclusion of TBP grant funding and loan financing, Council has the capacity to undertake TBP asset construction, operational costs and other minor additional projects. Consideration of other major works in future years.

FINANCIAL SUSTAINABILITY

The Barossa Council is committed to the principles of financial sustainability. The importance of this is to ensure that each generation 'pays their way', rather than any generation 'living off their assets' and leaving it to future generations to address the issue of repairing worn out infrastructure. Such issues are frequently referred to as 'intergenerational equity'.

With community infrastructure such as roads, footpaths and stormwater drainage comprising a major proportion of Council's balance sheet, it is important that Council implement appropriate strategies towards the effective maintenance and renewal of such assets to ensure it is fairly and equitably funded from current ratepayers (general rate income) and future ratepayers (long term loan borrowings).

Given the importance of ensuring financial sustainability of operations in the longer term, it is a legislative requirement that Council adopt Long Term Financial Management and Infrastructure and Asset Management Plans (minimum 10 years) as part of future planning.

The Long Term Financial Plan is designed as a 'high-level' summarised document towards the future planning of Council's financial operations; particularly in relation to key components such as rate movements, service levels to our community, major infrastructure asset replacement/renewal, loan financing and internal cash reserves. Council conducts an annual review of its Long Term Financial Plan each year.

The financial sustainability of Council is measured by the surplus/deficit (before capital revenues) disclosed in the Income Statement; with a consistent breakeven or operating surplus result indicative of a Council that is financially sustainable in the long term. Other financial sustainability indicators are separately included within this report.

How We Plan To Pay For It All

Council uses a mix of service, user and statutory charges, grants, commercial and other income as a means of funding both operating and capital expenditure.

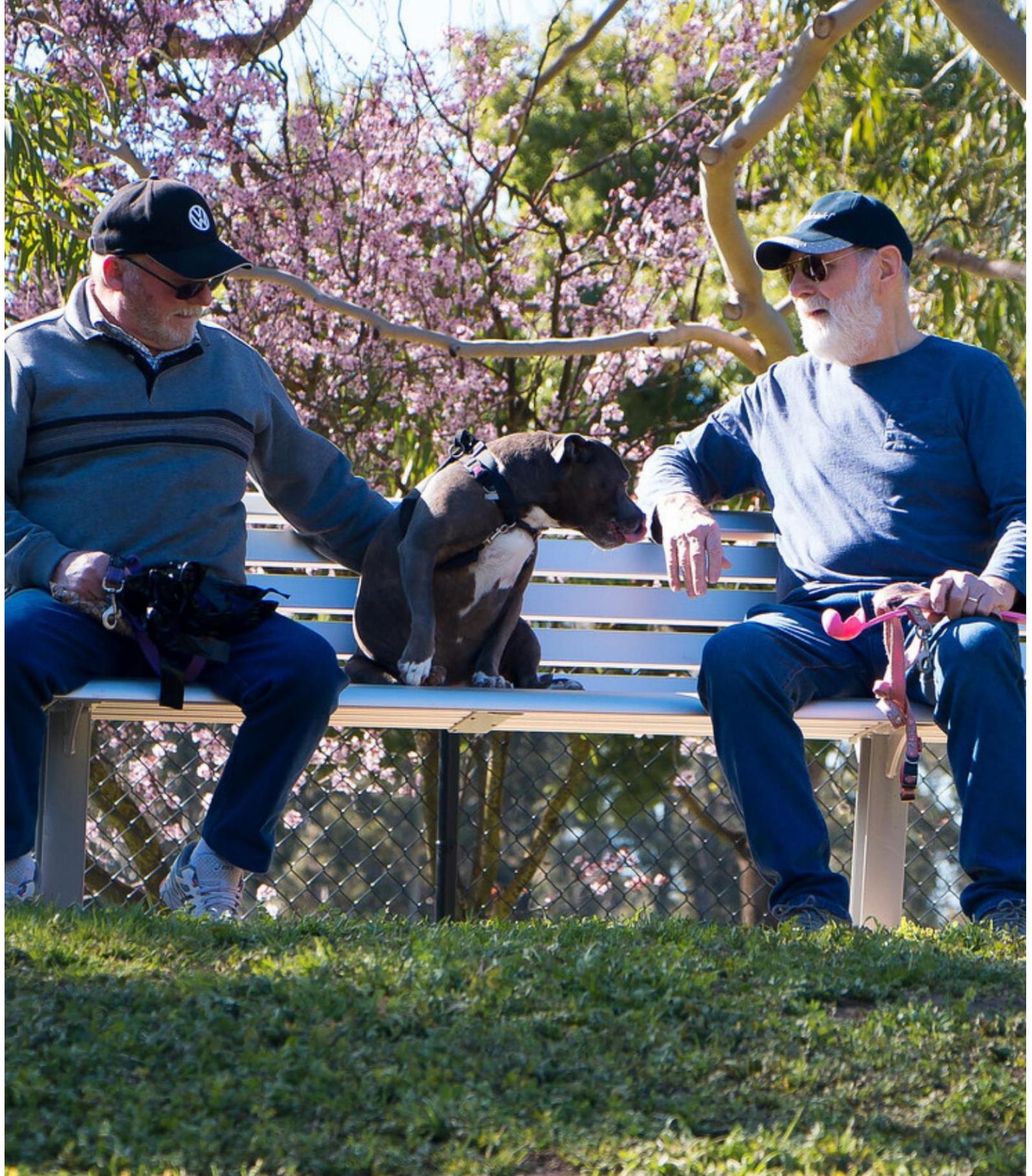
To assist in keeping rates affordable, Council is limiting general rates income to an increase per annum to provide required service levels to the community over the life of this Plan. Annual indexation for the general rate revenue is set at 2.75% plus an allowance for annual growth in development expected at 1.0% keeps the increases in rates during this LTFP relatively low. Service areas are required to recover the cost of these service revenue increases ranging for Refuse, Recycling and Green Organic from 0.44% to 1.5% and CWMS 1.5% to 3.00% excluding revenue for the number of new services.

Council is planning to spend an average of \$13.1m per annum (including indexation and The Big Project) on capital projects and an average of \$36.6m per annum on day to day essential services (operational expenditure, excluding interest and depreciation but including indexation) over the next 10 years.

Our Financial Principles

As part of its commitment to financial sustainability, Council operates under the following key financial principles in preparing the Annual Business Plan:

- Ongoing education and training such that all Council Members and Staff understand and fulfil their financial governance responsibilities
- Policies and practices that support decision making and assessment of performance
- Budget and financial information is presented at a strategic level, succinct and easy to follow
- Budget and financial information is based on the Long Term Financial Plan
- The Asset Management Plans are maintained and reflect whole of life costs
- The Rating strategy is equitable and generates sufficient revenue to meet financial needs
- Financial performance is managed using suitable financial indicators and targets
- A robust audit and internal control process is in place to ensure effective financial and governance compliance
- Information provided to the community is open, transparent and relevant.



APPENDIX

APPENDIX 1: Key Performance Indicators and Financial Parameters

A1 Consolidated Results: Key Performance Indicators and Financial Parameters		2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Draft Bud - next years draft; LTFP = Long Term Financial Plan		Draft Bud	LTFP								
		\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %	\$'000 or %
Key Performance Indicators (KPI's) - Summary		Adopted target									
KPI 1 - Operating Surplus cumulative forward 10 year period*	Surplus year 10	(847)	(1,448)	(2,032)	(2,574)	(3,462)	(3,714)	(3,256)	(2,525)	(1,386)	169
	Operating Surplus - Rolling 3 year - retrospective average	389	(315)	(677)	(576)	(671)	(561)	(227)	312	776	1,142
KPI 2 - Operating Surplus Ratio - Rolling 3 year - retrospective average	(2%) to 10%	1.0%	(0.8%)	(1.6%)	(1.3%)	(1.5%)	(1.2%)	(0.5%)	0.6%	1.5%	2.1%
KPI 2 - Operating Surplus Ratio - Annual		(2.1%)	(1.4%)	(1.3%)	(1.2%)	(1.9%)	(0.5%)	0.9%	1.4%	2.1%	2.8%
KPI 3 - Net Financial Liabilities ratio	0-100%	56.8%	51.8%	50.5%	62.3%	56.3%	47.6%	41.0%	37.2%	29.9%	22.7%
KPI 4 - Asset Renewal Funding Ratio - Annual	80% to 110%	98.9%	97.0%	86.3%	83.2%	83.5%	84.9%	86.7%	97.5%	101.4%	102.2%
Financial parameters - Indexation											
RATE REVENUE INCREASES											
General - Rate Revenue Net Increase (excl growth)		2.35%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
Growth -20/21 Development - General rates 1.42%; Service nos. - CWMS 0.81% & W		1.42%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
CWMS - Service Charge & Rates Increase (excl growth)		1.97%	2.50%	3.00%	1.75%	1.50%	1.50%	2.00%	1.50%	1.50%	1.50%
Refuse, Recycling and Green Organic Services Charge Net Increase (excl growth)		0.44%	0.50%	1.25%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
OPERATING REVENUE											
Operating Grants		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Statutory Charges		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
User Charges		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Investment Income		1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Reimbursements		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Other Revenue		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
OPERATING EXPENDITURE											
Service Cost Natural Growth**		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Employee Costs		2.25%	2.25%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Contracts, Materials & Other		1.00%	1.00%	1.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Energy Costs		1.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Water Costs		1.0%	2.1%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Insurance		6.5%	2.1%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Asset Revaluation Increments											
Land Assets		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Building Assets		0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%
Recreation Assets		0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%
Infrastructure Assets		6.0%	0.0%	4.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	6.0%
CWMS		0.0%	7.0%	0.0%	0.0%	0.0%	7.0%	0.0%	0.0%	0.0%	0.0%
Stormwater Assets		6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	6.0%	0.0%	0.0%	0.0%
Asset Renewal Expenditure Increments											
Infrastructure renewal increments		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Office fleet vehicles		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
* All amounts in KPI 1 are in \$'000											
** Growth index added to Employee Costs and Contracts, Materials & Other for additional service requirements											
2021/22 the budget was either based on last years budget unless a contract or agreement(s) applies or where actual costs are higher to provide the current service level then an index of 1.0% was added to actual for the budget \$											

APPENDIX 2: Long Term Plan Financial Statements 2021/22 to 2030/31

A2-1 Consolidated Results: Budgeted Statement of Comprehensive Income	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Draft Bud \$'000	LTFP \$'000								
REVENUES										
Rates	33,650	34,866	36,141	37,429	38,755	40,130	41,571	43,046	44,575	46,160
Statutory Charges	741	756	771	787	802	818	835	851	868	886
User Charges	3,157	3,228	3,293	3,359	3,427	3,496	3,566	3,638	3,711	3,786
Grants, subsidies and contributions	2,212	3,047	2,862	2,801	2,850	2,900	2,951	3,003	3,056	3,111
Investment Income	96	101	102	104	105	107	109	110	112	114
Reimbursements	41	54	49	45	40	35	30	26	22	18
Other Income	793	810	826	842	859	876	894	912	930	949
Net Gain - Joint Venture	0	0	0	0	0	0	0	0	0	0
TOTAL INCOME	40,690	42,862	44,044	45,367	46,838	48,362	49,956	51,586	53,274	55,024
EXPENSES										
Employee Costs	14,512	15,555	16,128	16,722	17,276	17,852	18,367	18,897	19,442	20,003
Materials, Contracts & Other expenses	17,698	17,600	17,907	18,415	19,137	19,275	19,457	19,977	20,470	21,091
Depreciation, Amortisation & Impairment	8,848	9,619	9,959	10,244	10,756	10,975	11,242	11,607	11,880	12,108
Finance Costs	479	689	634	528	557	512	432	374	343	267
Net Gain - Joint Venture	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	41,537	43,463	44,628	45,909	47,726	48,614	49,498	50,855	52,135	53,469
OPERATING SURPLUS / (DEFICIT)	(847)	(601)	(584)	(542)	(888)	(252)	458	731	1,139	1,555
Asset disposal & fair value adjustments	(621)	(533)	(649)	(726)	(858)	(803)	(985)	(1,077)	(1,012)	(1,045)
Amounts specifically for new or upgraded assets	7,387	1,922	2,709	50	50	50	50	50	50	50
Physical Resources received free of charge	282	2,223	2,255	2,313	2,405	2,436	2,492	2,553	2,597	2,638
Operating result from discontinued operations										
NET SURPLUS / (DEFICIT)	6,201	3,011	3,731	1,095	709	1,431	2,015	2,257	2,774	3,198

APPENDIX 2: Long Term Plan Financial Statements 2021/22 to 2030/31 (Continued)

A2-2 Consolidated Results: Budgeted Statement of Financial Position	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Draft Bud	LTFP								
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS										
Current Assets										
Cash and cash equivalents	92	29	1,338	74	367	305	451	439	272	3,169
Trade & other receivables	2,728	2,725	2,729	2,734	2,739	2,733	2,716	2,714	2,712	2,606
Other financial assets	0	0	0	0	0	0	0	0	0	0
Inventories	375	375	375	375	375	375	375	375	375	375
	3,195	3,129	4,442	3,183	3,481	3,413	3,542	3,528	3,359	6,150
Non-Current Assets held for Sale	-	-	-	-	-	-	-	-	-	-
Total Current Assets	3,195	3,129	4,442	3,183	3,481	3,413	3,542	3,528	3,359	6,150
Non-Current Assets										
Financial Assets	1,323	1,204	1,081	952	819	692	582	474	368	368
Equity accounted investments in Council businesses	2,299	2,299	2,299	2,299	2,299	2,299	2,299	2,299	2,299	2,299
Infrastructure, Property, Plant & Equipment	423,438	433,513	443,441	460,988	466,078	473,593	484,412	491,982	498,751	509,566
Other Non-Current Assets	0	0	0	0	0	0	0	0	0	0
Total Non-Current Assets	427,060	437,016	446,821	464,239	469,196	476,584	487,293	494,755	501,418	512,233
TOTAL ASSETS	430,255	440,145	451,263	467,422	472,677	479,997	490,835	498,283	504,777	518,383
LIABILITIES										
Current Liabilities										
Trade & Other Payables	3,341	3,341	3,342	3,343	3,344	3,344	3,345	3,346	3,347	3,348
Borrowings	9,558	3,782	4,013	8,796	8,116	5,630	4,028	3,437	637	652
Provisions	2,422	2,426	2,431	2,435	2,440	2,445	2,450	2,455	2,461	2,466
Total Current Liabilities	15,321	9,549	9,786	14,574	13,900	11,419	9,823	9,238	6,445	6,466
Non-Current Liabilities										
Borrowings (External)	10,774	15,442	16,429	15,332	14,416	13,487	12,658	11,921	11,285	10,633
Provisions	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164	1,164
Total Non-Current Liabilities	11,938	16,606	17,593	16,496	15,580	14,651	13,822	13,085	12,449	11,797
TOTAL LIABILITIES	27,259	26,155	27,379	31,070	29,480	26,070	23,645	22,323	18,894	18,263
NET ASSETS	402,996	413,990	423,884	436,352	443,197	453,927	467,190	475,960	485,883	500,120
EQUITY										
Accumulated Surplus	97,132	99,601	102,599	103,096	103,610	104,323	105,761	107,423	109,517	112,007
Asset Revaluation Reserve	294,334	302,316	308,480	319,854	325,991	335,290	346,539	353,052	360,204	371,243
Other Reserves	11,530	12,073	12,805	13,402	13,596	14,314	14,890	15,485	16,162	16,870
TOTAL EQUITY	402,996	413,990	423,884	436,352	443,197	453,927	467,190	475,960	485,883	500,120

APPENDIX 2: Long Term Plan Financial Statements 2021/22 to 2030/31 (Continued)

A2-3 Consolidated Results: Budgeted Statement of Cash Flows	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Driff Bud	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP	LTFP
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts:										
Operating receipts	40,594	42,760	43,941	45,262	46,733	48,255	49,846	51,476	53,162	54,908
Investment receipts	96	101	102	104	105	107	109	110	112	114
Payments:										
LandFill rehabilitation expense	(362)	0	0	0	0	0	0	0	0	0
Operating payments to suppliers & employees	(32,347)	(33,150)	(34,030)	(35,131)	(36,408)	(37,121)	(37,818)	(38,868)	(39,906)	(41,088)
Finance payments	(479)	(689)	(634)	(529)	(557)	(512)	(432)	(374)	(343)	(267)
Net cash provided by (or used in) Operating Activities	7,502	9,022	9,379	9,706	9,873	10,729	11,705	12,344	13,025	13,667
CASH FLOW FROM INVESTING ACTIVITIES										
Receipts:										
Amounts specifically for new or upgraded assets	7,387	1,922	2,709	50	50	50	50	50	50	50
Sale of replaced assets	252	542	399	527	412	420	427	554	442	450
Repayment of loans by community groups	72	122	119	124	128	133	127	110	108	106
Payments:										
Expenditure on renewal/replacement of assets	(6,491)	(5,846)	(5,916)	(7,157)	(7,161)	(6,884)	(8,474)	(10,468)	(9,065)	(9,433)
Expenditure on new/upgraded assets	(23,881)	(4,717)	(6,599)	(8,201)	(1,413)	(1,094)	(1,259)	(1,274)	(1,290)	(1,306)
Net cash provided by (or used in) Investment Activities	(23,311)	(7,977)	(9,288)	(14,657)	(7,984)	(7,375)	(9,129)	(11,028)	(9,755)	(10,133)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts:										
Proceeds from borrowings	13,100	6,000	5,000	7,700	0	0	0	0	0	0
Proceeds from internal borrowings (CWMS)	700	750	600	1,000	1,200	1,730	2,060	700	0	0
Payments:										
Repayment of borrowings	(1,410)	(7,072)	(3,752)	(4,013)	(1,596)	(3,416)	(2,430)	(1,328)	(3,437)	(637)
Repayment of Lease	(42)	(36)	(30)	0	0	0	0	0	0	0
Repayment of internal borrowings (CWMS)	(700)	(750)	(600)	(1,000)	(1,200)	(1,730)	(2,060)	(700)	0	0
Net cash provided by (or used in) Financing Activities	11,648	(1,108)	1,218	3,687	(1,596)	(3,416)	(2,430)	(1,328)	(3,437)	(637)
Net Increase/(Decrease) in Cash held	(4,161)	(63)	1,309	(1,264)	293	(62)	146	(12)	(167)	2,897
Cash at beginning of period	4,253	92	29	1,338	74	367	305	451	439	272
CASH AT END OF PERIOD	92	29	1,338	74	367	305	451	439	272	3,169

APPENDIX 2: Long Term Plan Financial Statements 2021/22 to 2030/31 (Continued)

A2-4 Consolidated Results: Budgeted Uniform Presentation of Finances	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Draft Bud \$ '000	LTFP \$ '000								
Operating Revenues	40,690	42,862	44,044	45,367	46,838	48,362	49,956	51,586	53,274	55,024
less Operating Expenses	(41,537)	(43,463)	(44,628)	(45,909)	(47,726)	(48,614)	(49,498)	(50,855)	(52,135)	(53,469)
Operating Surplus / (Deficit)	(847)	(601)	(584)	(542)	(888)	(252)	458	731	1,139	1,555
less Net outlays on existing Assets										
Capital expenditure on renewal and replacement of existing assets	(6,491)	(5,846)	(5,916)	(7,157)	(7,161)	(6,884)	(8,474)	(10,468)	(9,065)	(5,532)
less Depreciation, Amortisation and Impairment	8,848	9,619	9,959	10,244	10,756	10,975	11,242	11,607	11,880	12,108
less Proceeds from Sale of Replaced Assets	252	542	399	527	412	420	427	554	442	741
	2,609	4,315	4,442	3,614	4,007	4,511	3,195	1,693	3,257	7,317
less Net outlays on New and Upgraded Assets										
Capital expenditure on New and Upgraded Assets	(23,881)	(4,717)	(6,599)	(8,201)	(1,413)	(1,094)	(1,259)	(1,274)	(1,290)	(4,114)
less Amounts received specifically for New and Upgraded Assets	7,387	1,922	2,709	50	50	50	50	50	50	375
less Proceeds from Sale of Surplus Assets	0	0	0	0	0	0	0	0	0	780
	(16,494)	(2,795)	(3,890)	(8,151)	(1,363)	(1,044)	(1,209)	(1,224)	(1,240)	(2,959)
Net Lending / (Borrowing) for Financial Year	(14,732)	919	(32)	(5,079)	1,756	3,215	2,444	1,200	3,156	5,913

APPENDIX 3: Capital Expenditure

A3 Consolidated Results: Budgeted Capital Expenditure	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Draft Bud \$' 000	LTFP \$' 000								
Renewal/Replacement Capital summary: Non-Discretionary										
Land	0	0	0	0	0	0	0	0	0	0
Buildings	657	390	415	777	529	522	899	937	906	1,068
Recreation	477	113	132	91	93	96	398	811	730	730
Transport - Roads & Footpaths	3,517	3,724	3,851	4,026	4,169	4,709	4,875	5,047	5,225	5,410
Stormwater, Bridges & Floodplain	1,058	300	300	300	300	300	300	1,000	300	300
CWMS	21	350	232	615	1,045	200	738	750	699	699
Equipment - Plant & Vehicles	762	970	987	1,348	1,024	1,058	1,263	1,923	1,205	1,226
Other Assets	0	0	0	0	0	0	0	0	0	0
	6,492	5,847	5,917	7,157	7,160	6,885	8,473	10,468	9,065	9,433
New/Upgrade Capital summary: Discretionary										
Land	0	0	0	0	0	0	0	0	0	0
Buildings (includes TBP program)	11,191	3,197	4,695	2,283	732	50	550	550	550	550
Recreation (includes TBP program)	7,577	597	1,193	5,412	78	80	83	86	89	92
Transport - Roads & Footpaths	2,417	83	85	90	182	190	198	206	214	223
Stormwater, Bridges & Floodplain	904	428	351	355	358	362	366	370	375	379
CWMS	1,714	703	589	379	382	735	411	414	417	420
Equipment - Plant & Vehicles	360	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
	24,163	5,008	6,913	8,519	1,732	1,417	1,608	1,626	1,645	1,664
Total Capital Expenditure	30,655	10,855	12,830	15,676	8,892	8,302	10,081	12,094	10,710	11,097
Note: includes internal allocations & CWMS donated assets										