



2019-20 *Annual Business Plan*



District Council of Loxton Waikerie
Influencing today . . . shaping tomorrow



Contents

Community Engagement

The 2019/20 draft Annual Business Plan was released for public consultation on Wednesday 22 May 2019.

The community was invited to make written submissions on this plan by 5pm Wednesday 12 June 2019.

Community members were invited to attend meetings of Council scheduled from

7pm Tuesday 4 June 2019 at the Loxton Council Chamber

and

7pm Wednesday 5 June 2019 at the Waikerie Council Chamber

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The financial year predictions for 2019/20 are difficult for the community with the issues of drought for our dryland farming areas and indications of low water allocations for our horticulture sector; coupled with increased household expense pressures requiring a response from Council to support the community. Council has re-examined its service delivery and cost structures, with a reduction in staff numbers and underlining spending and as a result is setting a budget based on a 0% rate increase across the Council. The Council will also offer an easier deferral application for primary producers who maybe required to buy in additional fodder and water over the next year until conditions improve without an interest penalty. Council has been successful in obtaining extensive federal funding for projects that will support economic growth in the future including \$500,000 towards new cabins at the Loxton Caravan Park; Upgrades to the Loxton Wharf and the development of a LoRa WAN network across the Riverland and Mallee that should assist tourism and our primary production sectors in the future.

Our 2019-20 Annual Business Plan sets out our key directions and projects for the coming year; what these projects are aiming to achieve; their cost; and how they will advance the overall strategic direction for our district, as contained in LW Future.

This year there is a focus on completing projects already underway and projects that are prioritised from our strategic management plans. Together with the community Council has invested time and

resources in past years developing our strategic plans which are now bearing fruit as the individual projects from within them take priority in our business planning process.

Some examples of these are:

- The Loxton Recreation Centre and Sporting Precinct which will see new sporting facilities developed in accordance with the Sporting Precinct Master Plan. This project commenced in 2017-18 and will be completed during 2019-20
- The Waikerie CBD Revitalisation Plan which will see works undertaken in Peake Tce. This is a project that will include carry forward funds from 2018-19, capital works proposed will be completed in 2019-20. This links to the Waikerie Prosperity Strategy
- Construction of a stormwater detention dam at the Waikerie Sporting Precinct to improve stormwater capture as well as a reuse system which will also complement the Waikerie Sporting Precinct and Well Being Master Plan that is currently being developed.

Council is continuing its investigations of the community wastewater management systems to map their integrity and proactively identify if there are any major repairs or replacements needed. Our investigations have been completed in Waikerie and \$500,000 has been allocated to undertake required works to the Loxton CWMS.

Recognising the economic driver that is our horticultural and agricultural sector, Council is implementing the outcomes of an investigation completed in 2017-18 of its road network to ensure our B-Double GML and Commodity routes are maintained to an appropriate standard. Council has allocated carry forward funds from 2018-19 of \$370,000 towards these works as well as committing approximately \$3.5m to renewing our sealed and unsealed road networks.

Council is committed to ensuring it provides an appropriate level of community facilities across the Council district. However it is also mindful of on-going maintenance and depreciation costs associated with our building assets consisting of over 260 buildings. To address this Council will investigate the use of our building assets to identify opportunities for multi-use community facilities as well as reviewing all Council buildings to ensure they are adequate for the future. In 2019-20 Council will make a further investment in information technology that will result in the migration of Council's information technology infrastructure into a cloud environment and upgrades to Council websites.

The Annual Business Plan proposes an operating surplus of \$442,000 which indicates that the changes to Council's expenditure is sustainable into the future. This is supported by the other financial key performance indicators, that demonstrates that we are operating within the parameters set by the elected Council.

Reinforcing the environmental and economic factors including; sustained conditions of water shortage within the Murray Darling Basin continue to adversely impact primary production, business, local industry and our communities. The Council, in response has developed an Annual Business Plan that is fiscally responsible and maintains our long term focus on financial sustainability. In considering a responsible level of rate revenue to raise for this Annual Business Plan Council is proposing to freeze rate increases for the 2019-20 year and collect only rate increases that have arisen through natural growth.

Our Annual Business Plan contains many more projects and we commend it to you for your information.

Kind regards



David Beaton
Chief Executive Officer

A handwritten signature in black ink that reads "David Beaton".



Leon Stasinowsky
Mayor

A handwritten signature in black ink that reads "Leon Stasinowsky".



Elected Members

Our Council comprises ten Councillors as well as a Mayor. The Councillors are responsible for policy making and decisions that impact on our district, our community, our businesses and our environment.

The roles of our Elected Members are to:

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



**CR Trevor Norton
Deputy Mayor**



CR Sonya Altschwager



CR Jody Flavel



CR Jordann Kleemann



CR Clive Matthews



CR Debbie Thiele



CR Michael Vowles



CR Peter Walker



CR Kym Webber



CR Terry Wheeldon



Fast Facts



- 
Population: 11487
- 
Size: 7957 square KMs
- 
Main Towns
 Loxton: 4568 Waikerie: 2684
- 
Rateable Properties: 8037
- 
Road Network
 Sealed: 396km Unsealed: 1947km

About Us

The District Council of Loxton Waikerie is located on the Murray River in the Riverland of South Australia, spanning from the Blanchetown Bridge in the west and the Victorian border in the east. The townships of Loxton and Waikerie are our main service centres and our district also contains many smaller towns and communities.

Our main industries include agriculture and horticulture with the district contributing significantly to the national output of food and beverage. Important value added activities also occur locally with food and beverages being processed, packaged, stored, and distributed within and from the local area.

Tourism also plays an important part in the mix of our local economy, with an increasing and coordinated effort evident in this sector in recent years.

Whilst our district is faced with several population, economic and environmental challenges our community continues to show resilience. Council is proud of the 'can do' attitude of its communities and the extraordinary spirit that makes the district such a great place to live.



Vision and Values

Our Vision

Our vision statement is our inspiration and provides us with purpose, strategic direction, motivation and purpose.

Influencing today ... Shaping tomorrow

Our Mission

Our mission aligns with our strategic objectives and indicates how we will achieve our vision. It provides an indication of how we are going to get to where we want to be.

We are committed to:

- Actively enhancing the quality of life of our communities by encouraging health, well being and safety
- Encouraging and supporting a strong diverse economy that will provide prosperity, growth and employment opportunities for our community
- Responsibly managing our built and natural environment
- Providing genuine and accountable leadership that inspires confidence within our community and ensures the responsible management of our resources
- Being an organisation that has a constructive culture and the capacity to be innovative, effective and efficient in delivering quality services to the community

Our Core Values

Our core values are the principles, attributes and qualities we hold as important that we will display in the way we go about our business.

We are
GENUINE

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

We are
CARING

Showing respect, compassion and empathy and being supportive of each other and our community.

We will
LISTEN

Communicating as well as engaging the community in an open, honest and constructive manner at all times.

We are
UNITED

Working as a team in an inclusive, co-ordinated and collaborative manner to achieve our common goals.

We will aim for
EXCELLENCE

Consistently delivering quality service outcomes and endeavouring to be a high performance organisation.

We will be
INNOVATIVE

Seeking out and making use of new ideas and opportunities, showing initiative and being progressive, proactive and creative.



Like all Councils, Council has mandatory responsibilities under the Local Government Act, the Development Act, the Public Health Act, the Natural Resources Management Act as well as other relevant legislation.

These include:

- Regulatory activities such as maintaining the voters' roll, property ownership data and supporting our Elected Members
- Setting rates, preparing an annual budget and determining longer term strategic management plans for our district
- Management of infrastructure, including community buildings, roads, footpaths, parks, public open spaces, and stormwater drainage
- Street cleaning, refuse collection and recycling
- Development planning and control, including building fire safety assessment.
- Environmental health services, including health standards inspections and waste control application assessment.

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

These include:

- Tourism related activities and facilities
- Community Wastewater Management Systems (CWMS)
- Public libraries
- Recreation centres and sporting facilities
- Swimming pools in Loxton and Waikerie
- On street parking management to maximise use of kerbside spaces
- Community funding programs.

Council operates a number of facilities on behalf of the community. These facilities provide important community benefits and include the stand alone business units of the Loxton Riverfront Holiday Park and the Loxton Retirement Village.



In November 2015 Council adopted its new Strategic Plan, titled LW Future. LW Future guides the development and management of the Council district. LW Future has a direct impact on the 2019-20 Annual Business Plan through the progression of projects and actions that will ensure the delivery of its strategic objectives and goals.

Our Community

Actively enhancing the quality of life of our communities by encouraging health, well being and safety.

Community Enablement

Enhance the quality of life of our community by encouraging community participation and building on our community spirit.

Community Health

Enhance the quality of life of our community by advocating, supporting and undertaking health and community safety initiatives.

Sport and Recreation

Provide a range of sporting and recreational facilities and continue put community's active participation in sport and recreation.

Key Initiatives:

- To improve conditions for animals and allow staff to work to best practice replace both dog pounds
- Implement library initiatives across the District including installation of self checkouts and mobile inventory systems.
- Replace the carpet at the Waikerie library.
- Repaint both public swimming pools.
- Replace solar matting, skimmer boxes and complete filter repairs at the Loxton public swimming pool
- Purchase of entertainment inflatables at the Loxton swimming pool.

- Support the Waikerie Christmas Committee in the completion of a Christmas tree forest project.

Our Economy

Encouraging and supporting a strong diverse economy that will provide prosperity, growth and employment opportunities for our community.

Economic Activity

To have a strong and prosperous economy built on diversifying our established industries, businesses and enterprises and attracting new industries and investors.

Population Growth

To address our population decline and have a population that is growing.

Tourism

To have a vibrant and growing tourism industry.

Key Initiatives:

- Complete upgrades to the Loxton Riverfront Holiday Park including the installation of new cabins and boom gate
- Develop a strategy for the future of the Loxton Riverfront Holiday Park
- Obtain comprehensive data and information on our local economy and population

Our Environment

Responsibly manage our built and natural environment.

Assets and Infrastructure

Sustainably provide core community assets and infrastructure.

Planning Policy and Development Assessment

Have an up to date Development Plan backed up by responsive development planning systems and processes that reflect the aspirations of the community.

Character and Amenity

Present townships and riverfronts in a manner which enhances their character and amenity and create pride in our community.

Environmental Management

Adopt the principles of sustainable development in our operations and our management of the natural environment.

Key Initiatives:

- Review the Boating and Riverfront Facilities Plan 2015-23
- Ensure Council's B-Double GML and commodity freight routes are maintained to an appropriate standard
- Develop a houseboat mooring management plan that provides guidance on future management of mooring sites
- Obtain detailed concept plans for a proposed new depot at Loxton
- Complete upgrades to the Loxton Community Wastewater Management System network
- Construct a new footpath connecting the Waikerie riverfront playground and water play park to Peake Terrace
- Green the streetscape of East Terrace and McCoy Street through the construction of planter boxes
- Complete the Waikerie Main Street Revitalisation Project (Peake Terrace Section)
- Complete identified Stormwater Management improvements in Waikerie
- Complete improvements to the Loxton Riverfront wharf.

Leadership and Engagement

Providing genuine and accountable leadership that inspires confidence within our community and ensures the responsible management of our resources.

Financial and Risk Management

Have a secure revenue base and manage our business through responsible and efficient administration of finances and risk.

Governance

All decision making is undertaken within a robust and accountable governance framework.

Community Engagement

Provide accountable, open and transparent communication with the community.

Collaboration and Partnerships

Working in collaboration with our community and relevant stakeholders and partners to deliver improved outcomes.

Service Delivery

Provide services to our community in an equitable, effective and efficient manner.

Key Initiatives:

- Complete upgrades to Council websites
- Complete cataloguing and register of memorials for the Loxton Cemetery
- Review Council's rating structure
- Develop a Community Engagement Strategy
- Implement a professional development program for all Elected Members.

Innovation and Excellence

Being an organisation that has a constructive culture and the capacity to be innovative, effective and efficient in delivering quality services to the community.

Organisational Development

Be recognised as a high performance, values based organisation.

Key Initiatives:

- Complete initiatives from the Riverland G3 Alliance information technology and communication strategic plan
- Achieve industry certification of Council's newly implemented electronic document records management system and sentence archived records
- Collaborate with the Riverland G3 Alliance in reviewing and implementing a new human resources framework
- Deploy fuel management systems at both depots.



Influences, Priorities and Opportunities of Significance

Major influences on the 2019-20 Annual Business Plan include several infrastructure projects that are carrying forward into 2019-20 combined with a number of new projects.

Our focus on asset management will also require significant investment, in particular on our Community Wastewater Management Systems (CWMS).

Council is committed to continue to engage with the community at a higher level and in a manner that supports overall well being.

Population Growth and Prosperity

Responding to our objectives of promoting economic activity and growing our population the Annual Business Plan allocates funds to the following strategic activities:

- Annual contribution to Regional Development Australia Murraylands and Riverland (\$50,000)
- Annual support of the Loxton Chamber of Commerce (\$14,000)
- Annual support of the Riverland West Chamber of Commerce (\$14,000)
- Annual support of Destination Riverland (50,000)

Funding from 2018-19 will also be carried forward for the Waikerie CBD Revitalisation. It is expected that works associated with this project will be completed during 2019-20.

Our largest major capital works project that is currently underway is the Loxton Sporting Complex.

Project management and construction of this project will require significant staff time with this major project estimated to be completed during 2019-20.

During 2017-18 Council commenced detailed designs for stormwater dams in Waikerie. In 2019-20 Council will commence construction of a stormwater detention dam at the Waikerie Sporting Precinct at an estimated cost of \$700,000.

Sustainable Asset Maintenance

The requirement to maintain and improve ageing infrastructure assets to acceptable standards, including roads, footpaths, stormwater drainage, street trees, open space and Council properties is a key priority and responsibility.

One of the greatest challenges for Council is maintaining its large asset base, prioritising capital works programs and determining what it can afford.

The following expenditure on the renewal and maintenance of assets is included in 2019-20:

- Resheeting unsealed roads (\$3.082m)
- Resealing roads (\$400,000)
- Refurbishment of Loxton Retirement Village units (\$495,000)
- Maintenance, repairs and painting of buildings (\$140,000).

Asset Management

In line with maintaining our large asset base Council also needs to continue to improve its asset management practices. In 2016-17 Council commenced a condition audit of all its Community Wastewater Management Systems and this condition audit was completed in

2018-19. \$500,000 has been allocated to commence works in Loxton to renew CWMS assets that have been identified as priorities for replacement.

Tourism Support and Development

Tourism will continue to be a focus for Council during 2019-20.

In 2019-20 Council will transition the management of the Loxton Historical Village following a review of its operations and a period of public consultation. The new management and operation of this facility will breathe renewed life into the facility and reduce Council's direct involvement.

Community Development and Wellbeing

Council will continue its support of community events during 2019-20 at a figure of \$250,000. Some of the notable events Council support include, but is not limited to:

- Loxton Pedal Prix
- Loxton Lights Up
- Moorook Down the River
- Nippy's Gift
- Waikerie Street Festival Event
- Waikerie Australia Day
- Waikerie Lions Christmas Pageant.

There are also a number of other smaller community events that are supported.

Council donates to a large number of community associations and groups that assist with ensuring the community's health, well being and safety.

Keeping Up with Statutory Changes

There are a number of statutory matters that absorb significant amounts of staff time. These include reporting to Council's Community Wastewater Management Systems regulator, the Essential Services Commission of South Australia, drafting and updating asset management plans and meeting other legislative obligations.

There have been recent changes to the Planning Development and Infrastructure Act

and the Animal Management Act where Council will need to ascertain the cost implications associated with implementing any changes. Council is also partnering with the Berri Barmera and Renmark Paringa Councils to investigate the potential benefits of a Regional Joint Planning Board.

Financial Pressures

Council has been successful in obtaining extensive Federal funding for projects that will support economic growth in the future including \$500,000 towards new cabins at the Loxton Caravan Park; Upgrades to the Loxton Wharf and the development of a LoRa WAN network across the Riverland and Mallee that should assist tourism and our primary production sectors in the future.

Council is committed to being more efficient in its operations to ensure it is delivering the most important services to the community.

Several financial factors have influenced the preparation of the Annual Business Plan including:

- Increase in the Consumer Price Index (CPI) of 1.3% for the year ending December 2019 (Adelaide all groups)
- Increase in the Local Government Price Index (LGPI) of 2.7% for the year ending December 2018
- Increases in public liability and property insurance, electricity supply and street lighting expenses
- A provision for an increase in salaries and wages in accordance with the relevant Enterprise Bargaining Agreements.

A key initiative Council has commenced is service and activity reviews. These reviews will not only seek to ensure that Council continually improves its service delivery but also to identify cost savings and efficiencies to reduce increases in its operational expenditure. This is critical for Council to ensure its long term financial sustainability and aligns with its aims in becoming a high performance organisation.



In determining its Capital Works Program Council has been mindful of the need to focus on replacement and renewal of assets as opposed to constructing new projects. There are long term financial implications for constantly increasing assets and not replacing and renewing existing assets.

The capital works program for 2019-20 includes \$9.785m of capital expenditure. This includes \$6.295m for replacement and renewal of infrastructure and \$3.490m for new infrastructure.

The following tables list the projects included in the 2019-20 Capital Works Program.

Our Community

LW Future Goal	LW Future Strategy	Project	Budget (\$,000)	Capital Income (\$,000)	N or R	Comment
1.1 Community Enablement	1.1.2	Replacement of carpet at Waikerie Public Library	14	-	R	Replacement of carpet at Waikerie Library that has aged and needs renewal
1.1 Community Enablement	1.1.2	Loxton / Waikerie Public Library self checkout	21	-	N	Installation of new self checkouts at both public libraries
1.2 Community Health	1.2.3	Upgrade of dog pounds	100	-	N	Upgrade of both dog pounds. Existing pounds offer poor conditions for animals and do not allow staff to work using best practice (particularly with dangerous dogs)
1.3 Sport and Recreation	1.3.1	Boat Ramps	55	-	N	Upgrade of boat ramp facility at Kingston on Murray
1.3 Sport and Recreation	1.3.1	Loxton Swimming Pool skimmer boxes	5	-	R	Replace ageing skimmer boxes with new and automatic pool leveller
1.3 Sport and Recreation	1.3.1	Loxton Swimming Pool solar matting	40	-	R	Replace solar matting that is damaged and at the end of its useful life
TOTAL			235	-		

* N = new infrastructure, R = renewal or replacement of infrastructure

Our Economy

LW Future Goal	LW Future Strategy	Project	Budget (\$,000)	Capital Income (\$,000)	N or R	Comment
2.3 Tourism	2.3.4	Installation of new boom gate at the Loxton Riverfront Holiday Park	20	-	R	Installation of new boom gate at the Loxton Riverfront Holiday Park

Our Environment

LW Future Goal	LW Future Strategy	Project	Budget (\$,000)	Capital Income / Trade in Sales (\$,000)	N or R	Comment
3.1	3.1.1	Waikerie CBD Revitalisation	1,210	-	N	Complete works on the revitalisation of the Waikerie central business district (Peake Terrace)
3.1 Assets and Infrastructure	3.1.1	Waikerie Riverfront - Fencing & Kerb	21	-	N	Upgrade of fencing and kerbing at the Waikerie Riverfront
3.1 Assets and Infrastructure	3.1.1	GML Routes, Intersections and Risk Management – Intersection Works	250	-	N	This project will commence addressing the highest priority works to ensure intersections and roads are adequate as GML & Commodity B-Double Routes. This project will likely take 3-4 years. This project is carried forward from 2018-19.
3.1 Assets and Infrastructure	3.1.1	GML routes, intersections and risk management – detailed designs	120	-	N	This project will commence addressing the highest priority detailed designs to ensure intersections and roads are adequate as GML & Commodity B-Double Routes. This project is carried forward from 2018-19 and will likely take 3-4 years.
3.1 Assets and Infrastructure	3.1.2	Waikerie cemetery irrigation replacement	20	-	R	Current irrigation pump towards end of useful life and in need of replacement. This project incorporates \$10,000 carried forward funding from 2018-19 and \$10,000 of additional funding.
3.1 Assets and Infrastructure	3.1.10	Stormwater Detention Basin – Waikerie Sporting Precinct	700	-	N	Construction of a stormwater detention dam at the Waikerie Sporting Precinct to improve stormwater capture as well as reuse system which will also complement the Waikerie Sporting Precinct Master Plan
3.1 Assets and Infrastructure	3.1.3	LED lighting upgrade	30	-	N	To increase efficiency of newly installed solar panels upgrade current lighting with LED lights across various Council buildings
3.1 Assets and Infrastructure	3.1.10	Upgrade of security cameras	15	-	N	Security camera upgrade at the Waikerie Riverfront Public Toilets, Waikerie Civic Centre and Loxton Toilets (East Terrace)
3.1 Assets and Infrastructure	3.1.10	Automatic locking doors for the Waikerie Riverfront Toilets	9	-	N	Upgrade of locking doors at the Waikerie Riverfront Toilets due to ongoing issues with vandalism
3.1 Assets and Infrastructure	3.1.1	Resheeting of road network	3,082	-	R	Resheeting of unsealed road network (refer table below for individual road works proposed)

LW Future Goal	LW Future Strategy	Project	Budget (\$,000)	Capital Income / Trade in Sales (\$,000)	N or R	Comment
3.1 Assets and Infrastructure	3.1.1	Resealing of road network	400	-	R	Resealing of road network (refer table below for further detail)
3.1 Assets and Infrastructure	3.1.3	Loxton depot plans	20	-	N	Detailed concept plans for proposed replacement of the Loxton Depot
3.1 Assets and Infrastructure	3.1.10	New Plant Purchase	45	-	N	Purchase of a new mini excavator
3.1 Assets and Infrastructure	3.1.10	Plant Replacement Program	675	100	R	Includes the renewal of 2 tractors, 2 rollers, a mower and a street sweeper
3.1 Assets and Infrastructure	3.1.10	Fleet Replacement Program	430	169	R	Replacement of 5 fleet vehicles and 5 commercial vehicles
3.1 Assets and Infrastructure	3.1.2	Loxton Cemetery kerbing and cremation plinth	15	-	N	Installation of kerbing will help to define the different areas and tidy up the area. Cremation plinths to be installed to create more cremation plots.
3.1 Assets and Infrastructure	3.1.10	Loxton Community Wastewater Management System	500	-	R	Outcome of the Community Wastewater Management System audit that infrastructure be renewed.
3.1 Assets and Infrastructure	3.1.2	East Terrace irrigation replacement	21	-	R	Complete infrastructure replacement including valves, pipe work, controller cable and sprinklers. Existing pipe work is approx. 40 years old.
3.1 Assets and Infrastructure	3.1.2	Mill Corner car parking upgrades	25	15	N	Project includes earthworks, irrigation, lawn and landscaping. Project is a joint venture between the Loxton Rotary Club and Council
3.1 Assets and Infrastructure	3.1.2	Habels Bend and McMillan Street dam filtration	40	-	R	Irrigation system was replaced in 2018-19. New irrigation filter is now required at Habel's Bend and McMillan Street dam.
3.1 Assets and Infrastructure	3.1.2	Loxton Hockey Oval Sub Surface Irrigation	7	-	R	Replace sub surface irrigation with sprinklers.
3.1 Assets and Infrastructure	3.1.2	Loxton North Sporting Club	20	-	N	Upgrade entrance / exit road around netball courts to change rooms
3.1 Assets and Infrastructure	3.1.2	Loxton North Sporting Club	10	-	N	Upgrades to area behind new changerooms
3.1 Assets and Infrastructure	3.1.1	Lions Riverfront Playground footpath	20	-	N	Construct footpath to connect riverfront playground and new water play park to Peake Terrace

LW Future Goal	LW Future Strategy	Project	Budget (\$,000)	Capital Income / Trade in Sales (\$,000)	N or R	Comment
3.1 Assets and Infrastructure	3.1.1	Mobile speed signs	15	-	N	Purchase of mobile speed signs
3.1 Assets and Infrastructure	3.1.3	Waikerie Men's Shed	8	-	R	Resurfacing of Waikerie Men's Shed floor
3.1 Assets and Infrastructure	3.1.3	Recreation Centre Stadium Floor Protection	84	-	N	Purchase of event guard stadium floor system to protect floors during events
3.1 Assets and Infrastructure	3.1.3	Waikerie Community Sports Centre Air conditioning	8	-	N	Installation of 2 x air conditioners in old gym area to allow space to be utilised for new programs / crèche
3.1 Assets and Infrastructure	3.1.5	Loxton Retirement Village	495	-	R	Loxton Retirement Village refurbished as required (funded from LRV investment reserve)
3.1 Assets and Infrastructure	3.1.10	Loxton Hydrotherapy Pool	4	-	N	Capital works at the Loxton hydrotherapy pool
3.1 Assets and Infrastructure	3.1.10	Waikerie Institute Kitchen	70	-	R	Refurbishment of Waikerie institute kitchen
3.1 Assets and Infrastructure	3.1.10	Loxton Riverfront Holiday Park Cabins	615	500	R	Installation of new cabins at the Loxton Riverfront Holiday park to replace dormitory
3.1 Assets and Infrastructure	3.1.10	Loxton Wharf Upgrade	483	395	N	Upgrade to Loxton riverfront wharf
3.1 Assets and Infrastructure	3.1.10	Riverland Smart Agricultural Project	170	170	N	Creation of LoRaWAN infrastructure to allow for greater use of sensors within the agricultural areas including irrigated and dryland
3.1 Assets and Infrastructure	3.1.10	Loxton Sporting Complex	58	-	R	Allocation of project management time to Loxton Sporting Complex
3.1 Assets and Infrastructure	3.1.10	Loxton Country Womens Association toilets	25	-	R	Refurbishment of toilet facilities for the Loxton CWA
TOTAL			9,720	1,349		

* N = new infrastructure, R = renewal or replacement of infrastructure

Innovation and Excellence

LW Future Goal	LW Future Strategy	Project	Budget (\$,000)	Capital Income (\$,000)	N or R	Comment
5.1 Organisational Development	5.1.6	Information technology replacement	40	-	R	Replacement of information technology hardware
5.1 Organisational Development	5.1.1	Office renovation	20	-	N	Modification to file server room
5.1 Organisational Development	5.1.6	Fuel Management System	20	-	N	Fuel management system will allow accurate electronic measurement of fuel usage at both depots.
TOTAL			80	-		

* N = new infrastructure, R = renewal or replacement of infrastructure

Unsealed road works

Road	Budget (\$,000)
Taplan Road	417
Christie Road	273
Dog Fence Road	300
Mt China Road	308
Drogemuller Road	152
Crase Road	316
New Well Road	385
Enduro Road	269
Schultz Road	208
Foster Road	44
Butterworth Road	44
Marschall Road	44
Kemp and Cameron Street	31
Ramco Point Road	21
Snodgrass Road	270
TOTAL	3,082

Sealed road renewals

Road	Budget (\$,000)
Railway Terrace Loxton	100
Reseals	300
TOTAL	400



In order to implement LW Future, our 2015-2020 Strategic Plan, the following strategic projects will be completed during 2019-20. These are one off projects in addition to the capital projects listed above that are funded through operating expenditure of Council.

Our Community

LW Future Goal	LW Future Strategy	Project	Budget (\$'000)	Comment
1.1 Community Enablement	1.1.2	Library mobile inventory management system	2	Installation of mobile inventory management systems at both public libraries
1.3 Sport and Recreation	1.3.1	Swimming Pool Painting	65	Repainting of both swimming pools
1.3 Sport and Recreation	1.3.1	Swimming Pool Filter Repairs	10	Repairs to existing filter of the Loxton swimming pool
1.3 Sport and Recreation	1.1.1	Swimming Pool Entertainment Inflatables	15	Purchase large inflatables for the Loxton swimming pool
1.2 Community Health	1.2.2	Health Register Development	10	Development of electronic registers for cooling tower, and food inspections
1.2 Community Health	1.2.2	Purchase of 2 defibrillator's	7	Purchase of defibrillator's for both public swimming pools
1.2 Community Health	1.2.3	De-sex subsidy and education program	10	Fund the chip blitz program to assist with the new Animal Management Act
1.1 Community Enablement	1.1.1	Street pole decorations	10	Renewal of street pole banners
1.1 Community Enablement	1.1.1	Waikerie Christmas Tree Forest Project	20	Create a Christmas tree forest with timber cut out trees which light up from all angles using solar LED lights
TOTAL			149	

Our Environment

LW Future Goal	LW Future Strategy	Project	Budget (\$'000)	Performance Measure
3.1 Assets and Infrastructure	3.1.8	Purchase of new suite of lease and licence agreements	5	Keep up to date with industry changes and ensure compliance with the Act
3.1 Assets and Infrastructure	3.1.3	Security upgrade to Waikerie office front counter	5	Increase security at Waikerie office front counter
3.1 Assets and Infrastructure	3.1.3	Upgrades to Waikerie chambers and meeting room	20	Upgrade door and silicone around glass joins to reduce travel of noise. Replace blinds in chambers, upgrade tables in chambers
3.1 Assets and Infrastructure	3.1.1	Road shoulder renewals	50	Targeting the Waikerie irrigation areas including Virgo Road, Holder Top Road and Waikerie Sunlands
3.1 Assets and Infrastructure	3.1.10	Loxton Community Wastewater Management System dam network automation	20	Automation of the Loxton Community Wastewater Management System dam network
3.1 Assets and Infrastructure	3.1.2	Mill Corner car parking upgrades	25	Project includes earthworks, irrigation, lawn and landscaping. Project is a joint venture between the Loxton Rotary Club and Council
3.1 Assets and Infrastructure	3.1.1	Planter boxes	20	Greening of streetscapes in East Terrace and McCoy Street to enhance a "village like atmosphere". Strategic siting of planter boxes with a focus on footpaths for each town.
3.1 Assets and Infrastructure	3.1.1	Signage audit	48	Replacement of signage in the Waikerie area to meet Australian Standards and class 1 reflection
3.1 Assets and Infrastructure	3.1.1	Playground service level review	15	Inspection and service level review of District playgrounds
3.3 Character and Amenity	3.3.2	Salt management plan – Loxton Riverfront	30	Need to develop a salt management plan prior to commencing any future beautification projects in the locality
3.1 Assets and Infrastructure	3.1.2	Infrastructure Asset Management Plan Update	90	Review road condition ratings and kerb and footpaths
3.2 Planning Policy and Development Assessment	3.2.2	Planning Act Transition	10	Implement actions required for the Planning Development and Infrastructure Act
3.1 Assets and Infrastructure	3.1.3	Building condition assessments	30	Create a 10 year building maintenance plan which will enable Council to identify and prioritise maintenance projects for future budgets
3.1 Assets and Infrastructure	3.1.10	Upgrade Council Aerial Photography	100	Previous imagery was completed in 2011 and now has limited value. Updates are required to allow effective asset planning
3.1 Assets and Infrastructure	3.1.4	Houseboat Management Plan	25	Develop houseboat management plan that provides guidance on future management of mooring sites at Loxton, Kingston on Murray, Moorook and Waikerie.

LW Future Goal	LW Future Strategy	Project	Budget (\$'000)	Performance Measure
3.1 Assets and Infrastructure	3.1.10	Riverland Smart Agricultural Project	100	Creation of LoRaWAN infrastructure to allow for greater use of sensors within the agricultural areas including irrigated and dryland
3.1 Assets and Infrastructure	3.1.10	East Terrace public conveniences	30	Obtain detailed designs for public conveniences in East Terrace
3.1 Assets and Infrastructure	3.1.7	Hard waste dumping	30	Provision of a free hard waste dumping day for residents to deliver waste to eligible waste transfer stations in the District
3.1 Assets and Infrastructure	3.1.10	Waikerie Senior Citizens Kitchen Renovations	2	Renovate the Waikerie Senior Citizens kitchen
3.1 Assets and Infrastructure	3.1.10	Waikerie Cemetery Pergola Renovations	3	Renovations to the pergola situated at the Waikerie Cemetery
3.2 Planning Policy and Development Assessment	3.2.2	Implementation of Joint Planning Board	50	Cost of information technology implementation for the Planning Development and Infrastructure Act
TOTAL			708	

Leadership and Engagement

LW Future Goal	LW Future Strategy	Project	Budget (\$'000)	Comment
4.2 Governance	4.2.2	Loxton Cemetery Register of Memorials	30	Catalogue memorials and create a register of memorials for the Loxton Cemetery in line with the Burials and Cremation Act 2013
4.3 Community Engagement	4.3.4	Industry Upgrades to Website Editor / Migration investigation	10	Council Unity Platform migrating. Investigation in migration of all websites onto single editor platform
4.1 Financial and Risk Management	4.1.1	Complete a Review of Council's Rating Structure	*	Review Council's rating structure ensuring equitability in the distribution of rates across the District
4.4 Collaboration and Partnerships	4.4.1	Improve mobile blackspots in the District	50	Contribute toward mobile blackspot funding attending to known coverage issues in the District including Taplan, Nangari and Peebinga
TOTAL			90	

* Project will be completed using internal staff resources.

Innovation and Excellence

LW Future Goal	LW Future Strategy	Project	Budget (\$'000)	Comment
5.1 Organisational Development	5.1.6	Riverland G3 Information Technology and Communication Strategic Plan	300	Implementation of initiatives to improve and enhance Council's information technology delivery. Projects include migrating infrastructure to a cloud environment, development of websites, and implementation of an agendas and minutes management system
5.1 Organisational Development	5.1.6	Electronic Document Records Management System Industry Certification	8	Achieve industry certification of Council's Electronic Document Records Management System
5.1 Organisational Development	5.1.6	Records Management Archiving	11	Sentencing of 137 archive boxes of records that have become redundant as a result of the implementation of Council's new electronic document records management system
5.1 Organisational Development	5.1.6	Employment Relations Framework	20	Riverland G3 Alliance project to engage legal practitioner to review and implement a new human resources and industrial relations framework
5.1 Organisational Development	5.1.6	Scan and log property files	10	Operational requirement to scan and log property files
TOTAL			349	



Funding the Annual Business Plan

The 2019-20 budget forecasts an operating surplus of \$442,000. The operating surplus measures the difference between operating revenue and expenses for the financial year. Our long term financial sustainability is dependent on ensuring that, on average over time, our expenses are less than our revenue and a target of better than break even is strived for.

Our revenue includes \$10.065m to be raised from general rates. In 2019-20 it is proposed to put a 0% increase in rate revenue including general rates and service charges with increases only received through natural growth.

A total of \$3.557m is proposed to be raised from separate rates (NRM Levy, CWMS, Kerbside Waste Collection).

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

In 2019-20 Council has been informed that it will be required to collect and make payable to the SA Murray-Darling Basin Natural Resources Management Board an amount of \$461,454.

CWMS service charges will remain at \$514 for occupied connections within the Loxton and Waikerie townships (\$494 for vacant land connections).

CWMS service charges will remain at \$452 for occupied connections within the Moorook and Kingston on Murray townships (\$432 for vacant land connections).

A total amount of \$1.711m will be raised as a CWMS service charge to cover the operation,

maintenance and renewal of Council's respective community wastewater management systems across the district.

Kerbside Waste Management service charges will remain static as follows:

3 bin collection (\$299 per collection)
2 bin collection (\$235 per collection)
Retirement village collection (\$197 per collection).

A total amount of \$1.385m will be raised as a waste service charge to cover the cost of providing this service. Included in this service charge are expenses to cover the cost of providing rural pick ups by Council.

Depreciation forms a significant portion of our operating result. We will continue to monitor the depreciation value, useful lives of assets and the residual value of assets annually to ensure accuracy of the depreciation figure. Depreciation is a non cash item, however depreciation does provide an indicative cost of the consumption / degradation of our assets. We are forecasting to spend \$6.295m on renewing and replacing our assets.

In addition to the amount to be expended on the renewal of assets we expect to deliver \$3.490m in new capital works projects during 2019-20.

Other sources of revenue include:

User Pay Charges set by Council

These comprise charges for our fee based facilities such as: Loxton Holiday Park, swimming pools, cemeteries, waste transfer stations, sundry sales and hall hire.

Statutory Charges set by State Government

These are fees and charges for regulatory services set by regulation and collected by us for functions including: Development Act applications, rate searches, animal registration and fines, parking fines and expiation fees, health fines, environment control fines, litter control fines, waste control system fees and other licence fee/fines.

We review our fees and charges annually.

Grants and Partnerships

We generally seek to attract as much external grant funding as possible from other levels of government and major projects of wider State benefit are usually jointly funded in partnership with the State Government and other relevant parties.

Key Financial Indicator	Adopted Targets	2019-20 Adopted Budget	2018-19 Adopted Budget
Operating Surplus Ratio	2.5%	3.4%	1.4%
Net Financial Liabilities Ratio	0 – 100%	24%	66%
Asset Sustainability Ratio	90 – 110%	110%	181%

Impact on Council's Financial Position

After taking account planned net outlays on existing and new assets in 2019-20, Council's net borrowing is expected to be \$1.793m. Accordingly, the level of Council's net financial liabilities is expected to increase by that amount to a total of \$5.006m.

Net financial liabilities are a key indicator of the Council's financial position. It measures total liabilities less financial assets (ie what the Council owes to others, less money the Council

has or is owed). The expected level of net financial liabilities represents 24% of budgeted operating revenue. This compares with a long term targeted level for this indicator of less than 100% of operating revenue.

Council is planning on expending 110% on the renewal and replacement of existing assets as compared with what our adopted asset management plans prescribe.



Rates Revenue for 2019-20

General Rating Statement

Our revenue for 2019-20 includes \$10.065m to be raised from general rates. This equates to 46% of Council's operating revenue.

We are proposing a 0% rate increases for the 2019-20 financial year. This nil rating increase will maintain a sustainable financial position in the long term. The actual increase payable by any individual ratepayer may be more or less than this depending on the movement in the capital value of their property (relative to the average).

In setting a 0% rate increase for the 2019-20 financial year we have considered the need to keep rate increases as low as possible whilst also considering the implementation of the following plans and issues:

- LW Future, our Strategic Management Plan that sets the overall direction of Council
- Long Term Financial Plan that sets the overall financial objectives for Council for the next 10 years
- Asset Management Plans that set capital works, maintenance and renewal program's for Council's road infrastructure
- The resources required to deliver the Council services as detailed in the 2019-20 Annual Business Plan and Budget
- Changes in valuation and how the impact can be minimised in setting rating levels
- The increased use of 'user pays' cost recovery systems.

Method Used to Value Land

We have decided to continue to use capital value as the basis for valuing land within the council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers because property value is a

relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

Business Impact Statement

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

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

Capital Valuation Movements

Proposed capital values across the whole district for 2019-20 have increased by \$46.90

million (2.50%) from last year. Split by land use category values have changed as follows:

Land Use Category	Valuation 2018-19 \$	Valuation 2019-20 \$	Valuation Movement \$	Valuation Movement (%)
Residential	902,500,548	914,526,503	12,025,955	1.33
Commercial	101,129,081	100,953,247	(175,834)	(0.17)
Industrial	28,659,376	29,020,056	360,680	1.26
Primary Production	784,341,478	817,734,654	33,393,176	4.26
Vacant Land	41,327,523	43,402,523	2,075,000	5.02
Others	17,684,287	16,910,225	(774,062)	(4.38)
TOTAL	1,875,642,293	1,922,547,208	46,904,915	2.50

*Valuations displayed are valuations used for rating purposes, that is non-rateable valuations are not included

The following table depicts average valuations for properties across the district and their respective increases in rates compared against

the prior year. These figures are exclusive of the proposed waste management and CWMS service charges:

Land Use	Year	Average valuation (\$)	Average rates (\$)	Number of properties	Average increase (\$)	Average increase (%)
Residential (Town)	2018-19	199,574	1,186	4,522	3	0.25%
	2019-20	200,995	1,189	4,550		
Commercial	2018-19	263,545	1,405	384	32	2.28%
	2019-20	263,586	1,437	383		
Industrial	2018-19	298,535	1,548	96	2	0.13%
	2019-20	305,474	1,550	95		
Primary Production	2018-19	364,806	1,820	2,150	1	0.05%
	2019-20	381,228	1,821	2,145		
Vacant land	2018-19	67,236	600	615	21	3.50%
	2019-20	69,667	621	623		
Other	2018-19	78,317	646	234	18	2.79%
	2019-20	70,167	664	241		

*Figures utilised were the most recent valuations of the Valuer-General available to Council as at 9 June 2019. Average valuation has been calculated by dividing the total capital value for land use by the number of properties.

Rating Methodology

Council is proposing to utilise differential rating according to the land use and locality of the property, pursuant to the Local Government Act 1999, s156 (1)(c) together with a fixed charge component on properties within the council area.

Differential Rates

In applying differential general rates Council has considered and is satisfied that the rating system addresses the issue of consistency and comparability across all areas, particularly as it relates to the various sectors of the business and wider community. This satisfies the requirements of the Local Government Act 1999, s153(2).

Differential general rates will apply to all rateable land within the area based upon the capital value of the land varied by reference to the locality and use of the land.

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

For the 2019-20 year Council is proposing to raise differential general rate revenue of \$7.819m. The following tables show the proportion of differential general rates raised by category of land use and location.

Proportion of differential rates raised per category of land use and location

	2018-19			2019-20		
	Differential (cents in \$)	Differential Rates \$'000	% of total general rates	Proposed differential (cents in \$)	Proposed Differential Rates \$'000	% of total general rates
Townships	0.4314	2,362	30.26%			
Residential				0.4297	1,939	24.80%
Commercial				0.4280	321	4.11%
Industrial				0.4314	52	0.67%
Primary Production				0.5472	2	0.03%
Vacant Land				0.3736	29	0.37%
Other				0.4833	55	0.70%
Total		2,362	30.26%		2,398	30.68%
Outside Township	0.4098	5,443	69.74%			
Residential				0.4021	1,863	23.82%
Commercial				0.4219	109	1.39%
Industrial				0.4011	68	0.87%
Primary Production				0.3925	3,208	41.03%
Vacant Land				0.4249	152	1.94%
Other				0.3861	21	0.27%
Total		5,443	69.74%		5,421	69.32%

Proposed differential rates generation (within townships)

Land Use	Capital Value	% of total Capital Value	Number of Properties	% of total Properties	Proposed Differential Rates	% of rates levied
Residential	\$451,316,922	23.47%	2,508	31.21%	\$1,939,174	24.80%
Commercial	\$75,021,348	3.90%	291	3.62%	\$321,091	4.11%
Industrial	\$12,018,680	0.63%	46	0.57%	\$51,849	0.66%
Primary Production	\$391,000	0.02%	3	0.04%	\$2,140	0.03%
Vacant Land	\$7,666,923	0.40%	81	1.01%	\$28,643	0.37%
Other	\$11,471,061	0.60%	66	0.82%	\$55,439	0.71%
TOTAL	\$557,885,934	29.02%	2,995	37.27%	\$2,398,335	30.68%

Proposed differential rates generation (outside of townships)

Land Use	Capital Value	% of total Capital Value	Number of Properties	% of total Properties	Proposed Differential Rates	% of rates levied
Residential	\$463,209,581	24.09%	2,042	25.41%	\$1,862,520	23.82%
Commercial	\$25,931,899	1.35%	92	1.14%	\$109,409	1.40%
Industrial	\$17,001,376	0.88%	49	0.61%	\$68,193	0.87%
Primary Production	\$817,343,654	42.52%	2,142	26.65%	\$3,208,078	41.02%
Vacant Land	\$35,735,600	1.86%	542	6.74%	\$151,844	1.94%
Other	\$5,439,164	0.28%	175	2.18%	\$20,998	0.27%
TOTAL	\$1,364,661,274	70.98%	5,042	62.73%	\$5,421,042	69.32%

Proportion of general rates raised (differential / fixed charge)

	2018-19	% of total general rates	2019-20	% of total general rates
Differential	\$7,805	77.7%	\$7,819	77.7%
Fixed charge	\$2,240	22.3%	\$2,246	22.3%
Total	\$10,045	100%	\$10,065	100%

Fixed Charge

Council proposes a fixed charge of \$325, which is a nil increase over last financial year. Expected revenue to be raised by the fixed charge component is \$2.246 million.

The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) only one fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. The reasons for imposing a fixed charge is the Council considers it appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property.

The proposed fixed charge, revenue generated and percentages of total general rates are shown compared against the 2018-19 year as above.

Natural Resource Management (NRM) Levy

The Natural Resources Management Act 2004 requires Council to collect on behalf of the SA Murray-Darling Basin NRM Board a levy on all rateable properties within its area. The Act further provides a range of options as the basis for calculating the regional NRM levy. Based on the principles established by the Board, the value of rateable land was used to determine the regional NRM levy.

For the 2019-20 financial year the District Council of Loxton Waikerie is required to collect, on behalf of the SA Murray-Darling Basin NRM Board an amount of \$461,454 (a 1.65% increase on 2018-19).

Council proposes that in order to recover this amount a separate rate of 0.03305 cents in the dollar based on the capital value of all rateable land within the Council area along with a cap of \$100 for such rateable land.

Rate Rebate

We have determined that rebates of rates will be granted when the applicant satisfies the requirements for mandatory rebates under the Local Government Act ss159 to 165. Applications for discretionary rebates lodged under s166 of the Act will be considered under Council's Rate Rebate Policy and assessed against guidelines prepared by the Local Government Financial Management Group.

The Act acknowledges that there are particular land uses that are economically disadvantaged and provide local community benefit and therefore must be offered rate relief in order to be sustainable. Some rebates under the Act are applied as a mandatory requirement however further discretionary provisions allow for Council to determine whether other desirable land uses may be offered rate relief.

Each year we develop a Rate Rebate Policy which provides the full details regarding rate rebates permissible under the Act. This policy document supports our Strategic Rating Policy.

The purpose of granting discretionary rebates is to assist organisations to maintain their facilities which are predominantly on Council land.

Rate Capping

We will also once again offer a rate cap to assessments that experience a rise in rates payable compared to the rates that were due to be paid in the 2018-19 year. The proposed percentage for the cap for this financial year is 12.5%.

Where the amount of capital value for the 2019-20 financial year has increased by more than 12.5% from the 2018-19 financial year, an application may be submitted and a rebate provided for the difference (in rates payable) between the rates that would have been payable on the 2018-19 capital value, ignoring the rate cap of that year, plus 12.5% and the general rates levied for the 2019-20 financial year.

The rate cap will not apply where any of the following changes have occurred on the property:

- Ownership has changed since 1 January 2018
- Improvements have been made on property since 1 January 2018 with a value in excess of \$10,000
- There has been a change of land use, or there have been zoning changes which have contributed to the increase in valuation and
- The valuation has increased due to the maturity of plantings which have been planted within the previous 6 years.

Service Charges

Community Wastewater Management Schemes (CWMS)

This service charge is set to recover the costs associated with operating and developing the CWMS in townships throughout the district.

We are proposing to set the CWMS Service Charge at:

- \$514 for occupied connections within the Loxton and Waikerie townships (\$494 for vacant land connections),
- \$452 for occupied connections within the Moorook and Kingston on Murray townships (\$432 for vacant land connections).

Waste Management

This service charge is set to recover the costs associated with the collecting of waste from those properties that gain the benefit of the waste collection service.

We are proposing to set the service charge at:

- \$299 for a 3 bin collection
- \$235 for a 2 bin collection
- \$197 for retirement village collection.



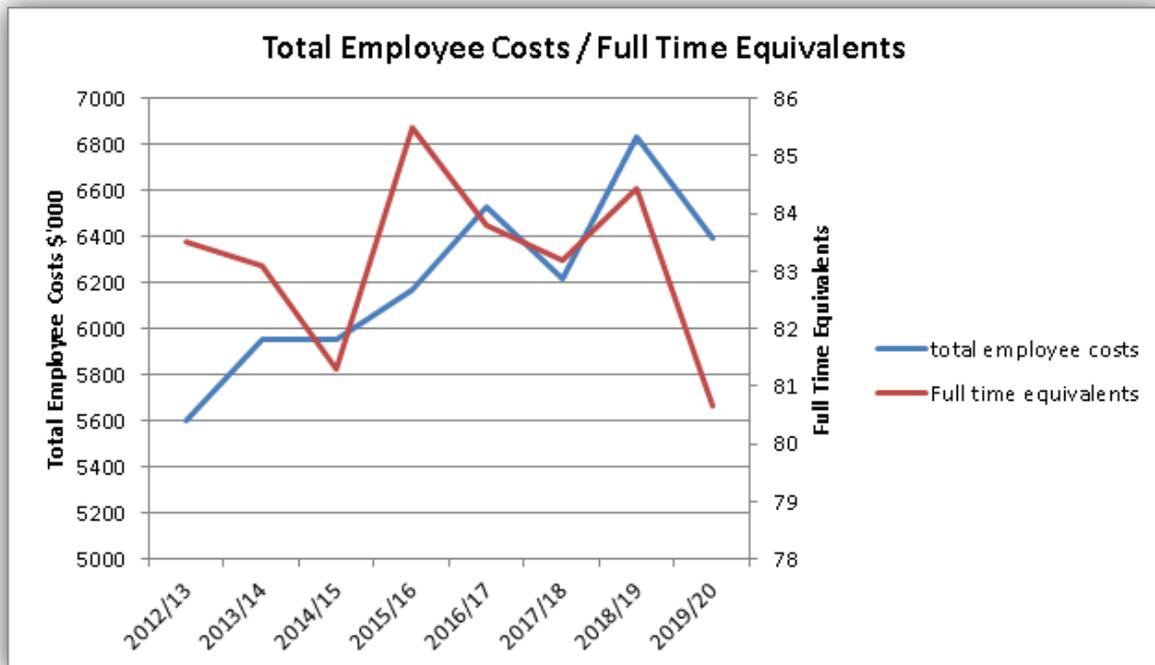
Budgeted Financial Statements

Statement of Comprehensive Income (year ending 30 June 2020)

	2019-20 Adopted Budget \$'000	2018-19 Adopted Budget \$'000	2017-18 Audited Actual \$'000	Note
INCOME				
Rates	13,465	13,423	13,027	1
Statutory charges	254	266	349	
User charges	1,182	2,108	1,403	2
Grants, subsidies and contributions	5,529	5,273	5,753	3
Investment income	126	132	248	4
Other income	1,022	987	1,292	5
Total Income	21,578	22,189	22,072	
EXPENSES				
Employee costs	6,390	6,832	6,217	6
Materials, contracts and other expenses	8,455	8,673	8,427	7
Depreciation, amortisation and impairment	6,229	6,300	6,018	8
Finance Costs	62	202	49	
Total Expenses	21,136	22,007	20,711	
OPERATING SURPLUS	442	182	1,361	9
Asset disposal and fair value adjustments	-	-	(642)	
Amounts received specifically for new or upgraded assets	1,052	55	2,320	10
NET SURPLUS	1,494	237	3,039	

Statement of Comprehensive Income Notes

- 1a Council is legally obligated to levy ratepayers on behalf of the Department for Environment, Water and Natural Resources and then remit that amount back to the Department. Council has been informed that it will be required to collect, on behalf of the SA Murray-Darling Basin NRM Board an amount of \$461,454 in 2019-20
A 0% increase in general rate revenue is proposed for the 2019-20 financial year
- 1b A 0% increase in CWMS service charge for all areas is proposed in 2019-20
- 1c A 0% increase in the kerbside waste service charge is proposed in 2019-20
- 2 User charges are proposed to decrease by \$926,000 from the 2018-19 financial year. The contributing factor behind this decrease is a change in accounting treatment for retirement village unit premiums
- 3 Grant income is projected to increase by \$256,000 from 2018-19. The contributing factor behind this is an increase in Roads to Recovery program funding of \$220,000
- 4 Investment income is budgeted to decrease by \$6,000
- 5 Other income is proposed to increase by \$35,000
- 6 Employee costs are proposed to decrease by \$442,000 (6.5%) over 2018-19
A graph is provided below that depicts the movement in employee costs and full time equivalents over an eight year period



- 7 Materials, contractors and other expenses are proposed to decrease by \$218,000 (2.5%)
- 8 Depreciation expense is proposed at an amount of \$6.229m
- 9 An operating surplus of \$442,000 is forecast for 2019-20
- 10 This amount is representative of grant funding proposed for new capital projects and capital contributions

Statement of Financial Position (year ending 30 June 2020)

	2019-20 Adopted Budget \$'000	2018-19 Adopted Budget \$'000	2017-18 Audited Actual \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	8,044	968	17,395
Trade and other receivables	1,290	1,480	1,606
Inventories	85	80	85
Total Current Assets	9,419	2,528	19,086
Non-Current Assets			
Financial assets	70	1,072	70
Infrastructure, property, plant and equipment	203,751	193,659	184,291
Other non-current assets	4,229	429	4,066
Total Non-Current Assets	208,050	195,160	188,427
TOTAL ASSETS	217,469	197,688	207,513
LIABILITIES			
Current Liabilities			
Trade and other payables	12,200	11,171	12,180
Borrowings	40	335	63
Provisions	1,600	1,740	1,642
Total Current Liabilities	13,840	13,246	13,885
Non-Current Liabilities			
Borrowings	350	4,486	363
Provisions	220	220	146
Total Non-Current Liabilities	570	4,706	509
TOTAL LIABILITIES	14,410	17,952	14,394
NET ASSETS	203,059	179,736	193,119
EQUITY			
Accumulated surplus	79,728	73,401	73,155
Asset revaluation reserve	122,765	105,418	118,965
Other reserves	566	917	999
TOTAL EQUITY	203,059	179,736	193,119

Statement of Cash Flows (year ending 30 June 2020)

	2019-20 Adopted Budget \$'000	2018-19 Adopted Budget \$'000	2017-18 Audited Actual \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates – general and other	13,624	13,445	12,950
Fees and other charges	234	266	385
User charges	1,228	2,100	2,275
Investment receipts	126	132	221
Grants utilised for operating purposes	5,529	5,273	7,082
Reimbursements	178	129	104
Other revenues	844	980	1,531
Payments			
Employee costs	(6,125)	(6,730)	(6,355)
Materials, contracts and other expenses	(8,526)	(8,457)	(9,258)
Finance payments	(62)	(202)	(26)
Net cash provided by (or used in) Operating Activities	7,050	6,936	8,909
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets	1,052	55	2,320
Sale of replaced assets	269	365	421
Repayment of loans by community groups	20	20	22
Payments			
Expenditure on renewal/replacement of assets	(5,316)	(4,866)	(3,350)
Expenditure on new/upgraded assets	(3,914)	(2,688)	(2,568)
Loans made to community groups	-	(1,000)	-
Net cash provided by (or used in) Investing Activities	(7,889)	(8,114)	(3,155)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from aged care facility deposits	990	990	819
Proceeds from borrowings	-	1,000	-
Payments			
Repayment of aged care facility deposits	(890)	(970)	(428)
Repayment of borrowings	(154)	(150)	(59)
Net cash provided by (or used in) Financing Activities	(54)	870	332
Net increase (decrease) in cash held	(893)	(308)	6,086
Cash and cash equivalents at beginning of period	8,937	1,276	11,309
Cash and cash equivalents at end of period	8,044	968	17,395

Statement of Changes in Equity (year ending 30 June 2020)

	2019-20 Adopted Budget \$'000	2018-19 Adopted Budget \$'000	2017-18 Audited Actual \$'000
ACCUMULATED SURPLUS			
Balance at end of previous reporting period	78,211	72,934	67,491
Net surplus for year	1,494	237	3,039
Transfers between reserves	23	230	2,625
Balance at end of period	79,728	73,401	73,155
ASSET REVALUATION RESERVE			
Balance at end of previous reporting period	118,965	105,418	108,360
Revaluations	3,800	-	10,605
Balance at end of period	122,765	105,418	118,965
OTHER RESERVES			
Balance at end of previous reporting period	589	1,147	3,624
Transfers between reserves	(23)	(230)	(2,625)
Balance at end of period	566	917	999
TOTAL EQUITY AT END OF REPORTING PERIOD	203,059	179,736	193,119

Uniform Presentation of Finances (year ending 30 June 2020)

	2019-20 Adopted Budget \$'000	2018-19 Adopted Budget \$'000	2017-18 Audited Actual \$'000	Note
Operating revenues	21,578	22,189	22,072	1
<i>less</i> Operating expenses	21,136	22,007	20,711	2
Operating surplus	442	182	1,361	3
less Net Outlays on Existing Assets				
Capital exp. on renewal and replacement of existing assets	5,709	5,654	3,350	4
<i>less</i> Depreciation, amortisation and impairment	6,229	6,300	6,018	
<i>less</i> Proceeds from sale of replaced assets	269	365	421	
	(789)	(1,011)	(3,089)	5
less Net Outlays on New and Upgraded Assets				
Capital expenditure on new and upgraded assets	4,077	3,147	2,568	6
<i>less</i> Amts rec'd specifically for new and upgraded assets	1,052	55	2,320	
	3,025	3,092	248	7
Net Lending / (Borrowing) for Financial Year	(1,793)	(1,899)	4,202	8
Key Financial Indicators				
Operating Surplus Ratio	3.4%	1.4%	6.2%	9
Net Financial Liabilities Ratio	24%	66%	(21%)	10
Asset Sustainability Ratio	110%	181%	73%	11

- 1 Income available for delivery of services includes all grants except those received specifically for new or upgraded assets
- 2 Cost of services, including depreciation expense
- 3 Extent to which income is sufficient or insufficient to fund the cost of services. Operating surplus / (deficit) is the key measure of a Council's financial performance
- 4 Expenditure which returns the service potential of existing assets up towards that which they had originally
- 5 Consistent negative outlays on existing assets indicates that, overall, existing assets may be deteriorating at a greater rate than expenditure on their renewal or replacement
- 6 Expenditure to acquire new assets or upgrade existing assets to provide expanded, or a higher level of service
- 7 Net cost of acquiring or upgrading assets
- 8 Net lending reduces a Council's accumulated level of net financial liabilities. Net borrowing adds to the level of net financial liabilities. Net financial liabilities are the key measure of a Council's financial position and are calculated by deducting financial assets from its total liabilities.

- 9 This indicator is a measure of Council's operating surplus as a percentage of operating revenue and eliminates the impact of one-off adjustments which would otherwise distort the result (such as advance payment grant funding payments etc.)

Where an operating deficit ratio exists, this measure indicates the percentage increase / decrease in rate revenue / operating expenditure to achieve a break-even operating result. Council's proposed budget result for this KPI of 3.4% is above the LTFMP target of 2.5%

- 10 This indicator shows the extent to which net financial liabilities of Council can be met by Council's total operating revenue. This measure allows interested parties to readily equate the outstanding level of Council's financial obligations against the current level of operating revenue. Council's proposed budget result for this KPI of 24% is below the LTFMP upper limit of 100%
- 11 This indicator is a representation of whether Council is renewing or replacing existing non-financial assets at the rate stipulated within our suite of asset management plans. Council's proposed budget result for this KPI of 110% is at the top of Council's LTFMP target between 90 and 110% indicating Council is spending an adequate amount on the renewal of existing assets as required by the consolidated asset management plan.

Capital Expenditure Summary (year ending 30 June 2020)

	2019-20 Adopted Budget \$'000	2019-20 Asset Man. Plan \$'000	Note
	Renewal	New	
BUILDINGS AND STRUCTURES	-	-	1
Loxton retirement village	495	-	1a
CBD revitalisation	-	1,210	1b
Boat ramps	-	55	1c
Riverfront	-	483	1d
Sporting facilities	45	122	1e,f
Corporate facilities	95	70	1g,h
Libraries	14	-	1i
Dog Pounds	-	100	1j
Loxton Riverfront Holiday Park	635	-	1k
Hydrotherapy Pool	-	4	1l
Public conveniences	-	24	1m
Cemeteries	-	15	1n
Men's shed	8	-	1o
Loxton Sporting Complex	58	-	1p
TOTAL BUILDINGS and STRUCT'S	1,350	2,083	2,578
CWMS	500	-	121 2
ROADS	3,481	370	2,304 3a,b
FOOTPATHS / CARPARKS	-	66	- 3c
STORMWATER	40	700	19 4a,b
IRRIGATION	48	-	- 5
VEHICLES	836	45	674 6a,b
SYSTEMS / EQUIPMENT / INFORMATION TECHNOLOGY	40	226	N/A 7
TOTAL	6,295	3,490	5,696
GRAND TOTAL	9,785		

Capital Summary Notes

- 1 **BUILDINGS and STRUCTURES** - Council's current infrastructure asset management plan requires expenditure on the renewal and replacement of buildings and structures at an amount of \$2.578m. Council is proposing to expend \$1.292m on the replacement of buildings and structures and \$2.141m on new and upgraded buildings and structures:
 - a. Refurbishment of Loxton Retirement Village buildings - \$495,498 (funded from LRV reserve)
 - b. Waikerie CBD revitalisation - \$1.210m
 - c. Renewal of boat ramp facilities at Kingston on Murray - \$55,000
 - d. Loxton Riverfront Wharf Upgrade - \$483,000 (funded via Murray Darling Basin Economic Development Program Grant Funding)
 - e. Loxton Swimming Pool Skimmer boxes - \$5,000, Loxton Swimming Pool Solar Matting - \$40,000
 - f. Loxton North Sporting Club entrance and exit upgrades - \$30,000; Recreation centre stadium floor protection - \$84,250; Waikerie Community Sports Centre Air Conditioners - \$7,583
 - g. Refurbishment of Waikerie Institute kitchen - \$70,000; Renovations to Loxton Community Women's Association Toilet - \$25,000

- h. Modifications to file server room at Loxton office - \$20,000; Obtain detailed designs for Loxton Depot - \$20,000; Upgrade of lighting for Council buildings - \$30,000
 - i. Waikerie library recarpeting - \$14,100
 - j. Upgrade to dog pounds at both Council depots - \$100,000
 - k. Replacement of cabins - \$615,024 (funded via Murray Darling Basin Economic Development Program Grant Funding); Installation of holiday park boom gate - \$20,000
 - l. Completion of works at the Loxton Hydrotherapy Pool - \$4,000
 - m. Upgrade of public conveniences totalling \$23,700 throughout the district including:
 - i. installation of automatic locking doors at the Waikerie Riverfront Toilets - \$8,700
 - ii. Security camera upgrades at the Waikerie Riverfront Toilets, Waikerie Civic Centre and East Terrace Toilets - \$15,000
 - n. Installation of new plinth and kerbing at the Loxton Cemetery - \$15,000
 - o. Replacement of floor coverings at the Waikerie men's shed - \$7,590
 - p. Loxton Sporting Complex project management - \$58,254. It is estimated that approximately \$9 million dollars in budget funding will be required to be carried forward from 2018-19 into 2019-20 for the replacement of the Loxton Sporting Complex
- 2 **CWMS** - Council's current CWMS asset management plan requires expenditure on the renewal and replacement of CWMS infrastructure at an amount of \$121,000
- a. A detailed audit of specified CWMS infrastructure across the district has now been completed. The purpose of this audit was to ascertain the current state of CWMS infrastructure. As a result of this audit a planned renewal amount of identified infrastructure of \$500,000 is forecast. This project is proposed to be funded by transfer from CWMS reserve.
- 3 **ROADS** - Council's current roads asset management plan requires expenditure on the renewal and replacement of roads infrastructure at an amount of \$2.304m for the 2019-20 financial year. It is noted that \$743,520 funding is due to be received from the roads to recovery programme for the 2019-20 financial year.
- a. Council is proposing to expend \$3.481m on the renewal and replacement of Council's road network. Included within this amount is \$400,000 for sealed roads and \$3.081m for unsealed road renewal
 - b. An amount of \$370,000 is proposed for works to commence ensuring intersections and roads are adequate as GML and commodity B-double freight routes
 - c. Council is proposing to expend \$66,088 on new footpath projects. Included within this amount is the construction of a footpath connecting the Waikerie Riverfront Playground / Water Park to Peake Terrace - \$20,000 and \$25,000 for car park works at Mill Corner. A further \$21,088 is included for new fencing and kerbing at the Waikerie Riverfront
- 4 **STORMWATER** – Council's current stormwater asset management plan requires expenditure on the renewal and replacement of stormwater infrastructure at an amount of \$19,000 for the 2019-20 year.
- a. An amount of \$700,000 is included for upgrades to stormwater capture within the Waikerie area. Construction of a stormwater detention dam at the Waikerie Sporting Precinct to improve stormwater capture as well as reuse system which will also complement the Waikerie Sporting Precinct Master Plan that is currently being developed
 - b. \$40,000 is included for the replacement of filters for Habels Bend and McMillan Street dam
- 5 **IRRIGATION** – Council's current irrigation asset management plan requires no expenditure on the renewal and replacement of irrigation infrastructure for the 2019-20 year. Council is proposing to expend \$48,000 on new irrigation infrastructure. Included within this amount is \$20,000 for the replacement of irrigation infrastructure at the Waikerie Cemetery and \$21,000 for replacement of irrigation infrastructure in East Terrace (Dianne's and memorial slope). A further \$7,000 is included for the replacement of sub surface irrigation at the Loxton Hockey Oval with sprinklers.
- 6 **PLANT / VEHICLES** – Council's current plant asset management plan requires expenditure of \$674,000 be made on the replacement of plant / vehicle fleet.
- a. Council is proposing to expend \$836,000 on the replacement of plant and vehicles
 - b. Council is proposing to expend \$45,000 on the purchase of a new mini excavator

7 **SYSTEMS / EQUIPMENT / INFORMATION TECHNOLOGY** – Council is proposing to expend \$226,000 on new office equipment / information technology related capital projects. Included within this amount is:

- \$15,000 for the purchase of mobile speed signs
- \$21,000 for installation of self checkouts at both public libraries
- \$170,000 on the installation of LoRaWAN infrastructure to allow for greater use of sensors within the agricultural areas including irrigated and dryland
- \$20,000 on fuel management systems at both Council Depots

A further \$40,000 is proposed to be spent on the replacement of information technology infrastructure throughout the Council