



Renmark Paringa Council

2018/19 Annual Business Plan and Budget





Annual Business Plan and Budget 2018/19



Renmark
Paringa
Council

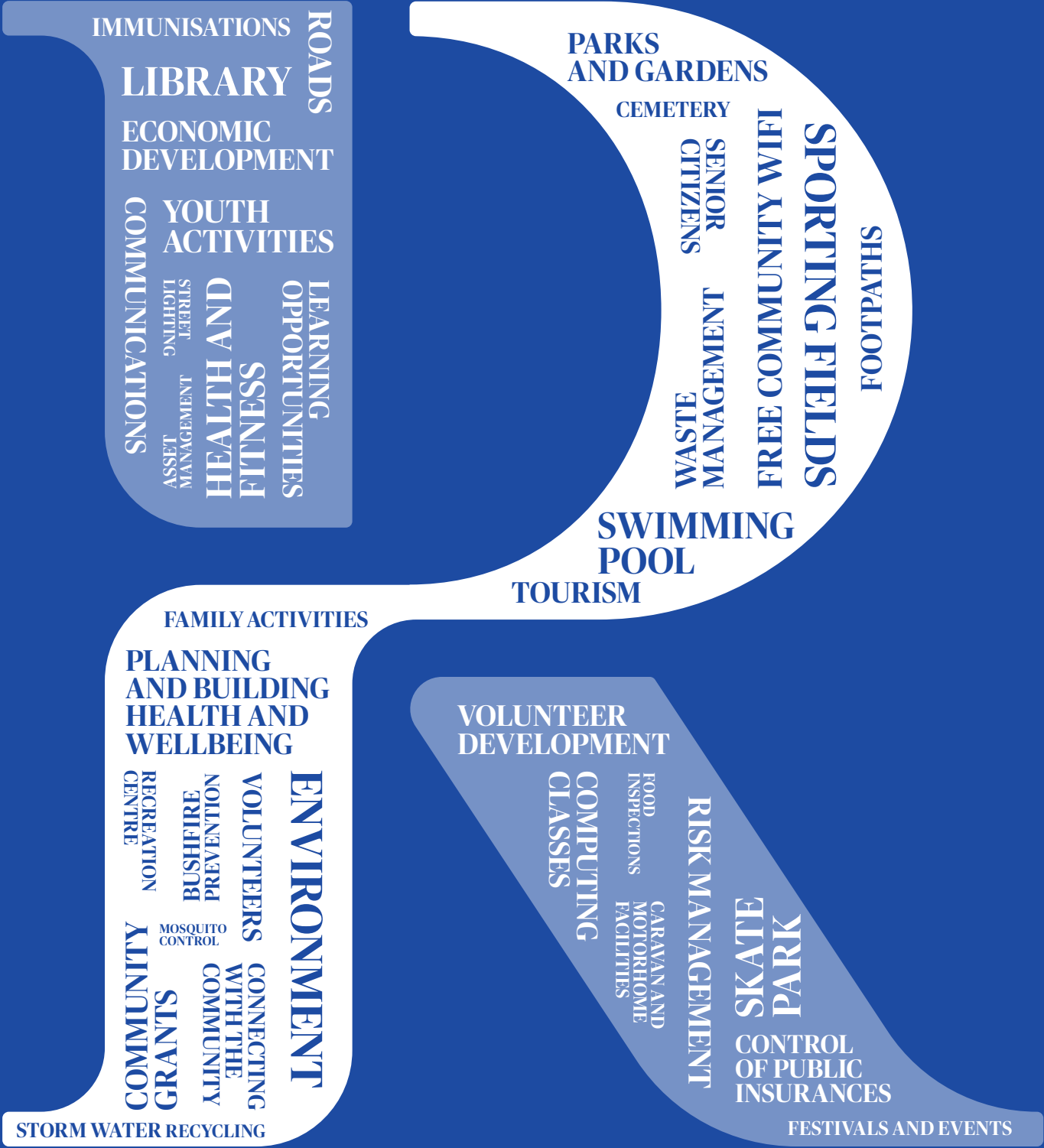


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SPECIAL THANKS

Photography supplied by staff and valued community member Grant Schwartzkopff



At a Glance

The Annual Business Plan and Budget – 2018/19 outlines how Council will allocate its budget and what services, programs and projects will be delivered in the coming financial year to contribute to achieving the community's long term objectives.

In 2018/19 Council has significant expenditure on the renewal and upgrade of key assets including the Renmark Pool, Government Road and the Renmark Riverfront as outlined in the Urban Design Framework.

Major spend areas include Urban Design Framework projects, Road reseal program, and Plant replacement.

Council will continue to maintain essential infrastructure such as roads, footpaths, storm water drainage and open space. It will also provide regulatory services such as planning and development, food hygiene, and provide other key services such as waste collection, a library, community services and environmental management.

The major components of the 2018/19 Annual Business Plan are outlined in the table below.

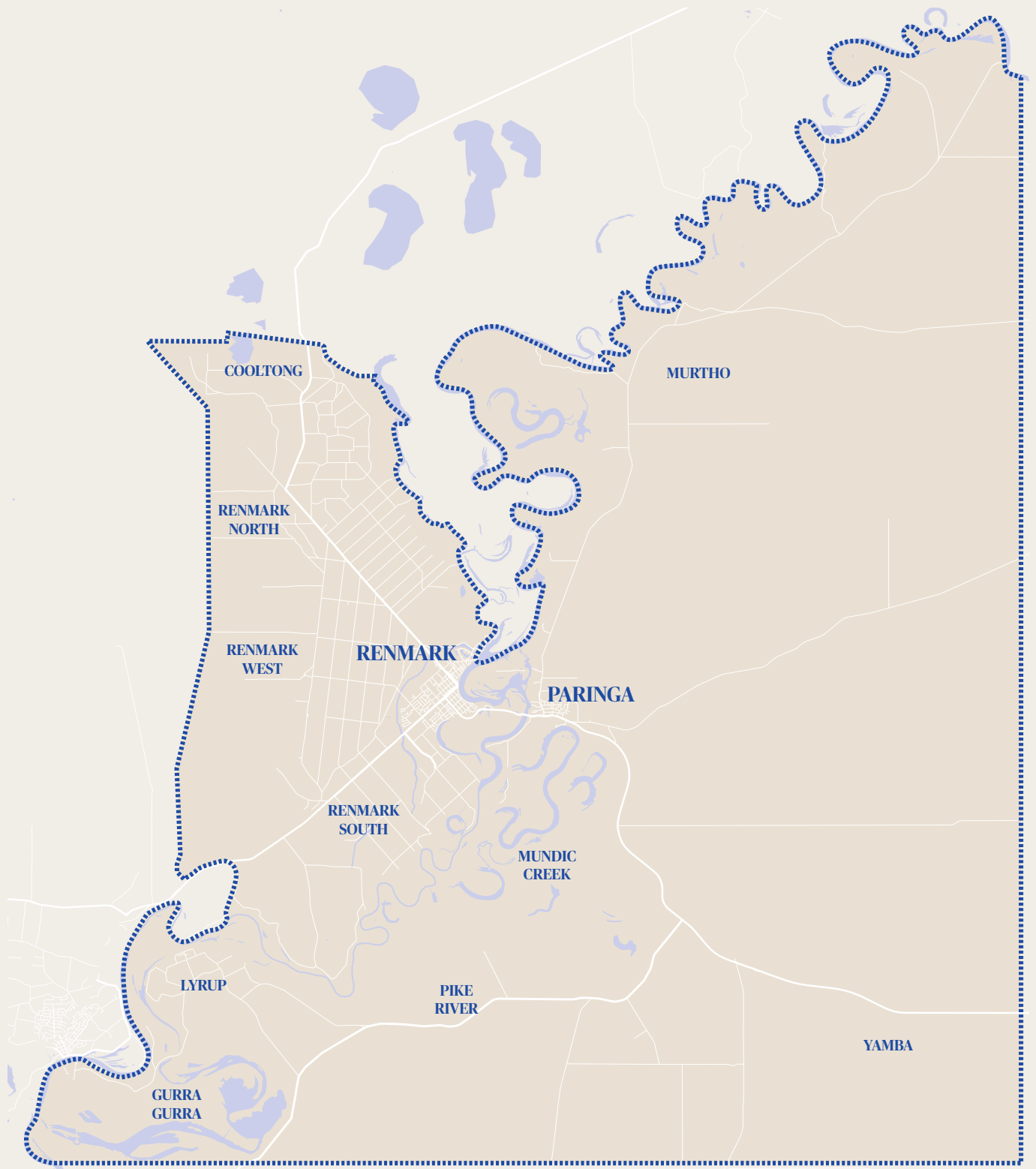
Planned Projects	39 Annual Business Plan and Budget projects have been identified to contribute towards achieving Council's long term objectives.
Capital Budget	\$17 million of capital works. Major Projects include the Urban Design Framework, the Renewal of the Renmark Swimming Pool and works on Government Road.
Operating Budget	Operating surplus of \$3,000. This is on target with Council's Long Term Financial Plan target.
Loans	An increase in loan balances to \$6.058 million, to fund the renewal at the Swimming Pool and the expansion of the Commercial Marina.
Rates	Average residential Rate increase of \$39. Residential valuation growth of 2.6%. Fixed charge is maintained at \$400. There is no increase from the 17/18 Charge.
Rating Policy	Council continues to use Capital Value when rating properties. Council uses a differential rating system, using Land Use Codes as the factor to apply such differential rates. Highest differential rate is on vacant properties to encourage development.
Financial Sustainability	Operating Surplus Ratio of 0% Net Financial Liabilities Ratio of 19% Asset Sustainability Ratio of 119% These ratios are within Councils long term targets.

Our Council

The Renmark Paringa Council covers an area of approximately 407 square kilometres and is home to an estimated population of 9,825 (2016 Census). The Council was formed in 1996 after the amalgamation of the Corporation of the Town of Renmark and the District Council of Paringa. The area has three major settlements being Renmark, Paringa and Lyrup.

The Renmark Paringa economy is centred on irrigated primary production, with viticulture being the major industry, supported by an expanding citrus and almond industry with stone fruit and vegetables. Dry land farming is also a major primary industry in the district. Tourism plays a major part in our economy with the River Murray the predominant tourist attraction.





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

- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and storm-water drainage
- Waste management including kerbside collection and the Waste Transfer Station and the management of the Community Wastewater Management Schemes (CWMS)
- Development planning and control, including building fire safety assessment
- Various environmental health services
- Other legislative responsibilities such as animal control and bushfire prevention
- Cemeteries
- Regulatory activities such as supporting the elected Council, maintaining the assessment records and voters roll
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area.

The Council also provides further services that are not required by legislation, but provide additional amenity and quality of life benefits to the community. Council has direct or indirect involvement in over 30 programs, projects or services that are incorporated in the following areas:

- Library
- Public Conveniences
- Visitor Information Centre
- Economic development including tourism support
- Sport and Recreation grounds
- Community services – including youth activities and Chaffey Community Centre
- Aged persons support
- Multicultural activities
- Halls
- Heritage (i.e. PS Industry and Argo Barge)
- Community events
- Environment (e.g. Renmark Paringa Landcare, McCormick Centre, Clean up Australia Day, etc.)
- Cooperating and collaborating with other agencies to gain the best outcomes for our community (including neighbouring Councils, industry groups, State and Federal departments).

The Council also operates a number of facilities on a fee for service basis. These provide community benefits while also generating revenue to offset (partially or fully) the cost to the community at large and include:

- Swimming pool
- Recreation Centre
- Cemeteries
- Aerodrome
- Houseboat marinas.



Celeste Newbery, Baton Bearer for the 2018 Commonwealth Games Queens Baton Relay aboard "Betty Boob for Breast Cancer Research"

Our Future

COMMUNITY PLAN 2016-2020

In 2016, Council underwent a major review of its Community Plan. The Plan contains the Council's vision for the community, strategies, core activities, and emerging priorities. Council's Community Plan is available for viewing at www.renmarkparinga.sa.gov.au

COUNCIL'S VISION FOR ITS COMMUNITY IS:

Committed to a sustainable future

- Creating opportunities for change
- Facilitating innovation
- Informed decisions based on research, consultation and forward thinking
- Working together as a team
- Sustainable use of resources
- A focus on providing high quality service to our customers
- A genuine commitment to contribute to the wellbeing of our community.



**Outdoor Cinema Under the Stars,
a free community event held on
the banks of the River Murray**

Council has established four key strategic pillars which cover all of Council's major services and responsibilities.

The Strategic Pillars drive the detailed approaches/plans that Renmark Paringa Council have in place to achieve Council's broader strategic objectives.



Community Health and Wellbeing

An active and engaged community supported by services and facilities that enhance our quality of life.

A Vibrant Economy

A strong and sustainable economy built on diversifying our established industries and attracting new industries and investors through collaborative partnerships.

A Sustainable Region

The enhancement and protection of our natural and built environment and cultural heritage.

A Positive Experience

Council aspires to be recognised as a highly regarded and reputable organisation which achieves its goals and builds community trust and pride in our organisation.

Significant Projects for the 2018/19 Year



URBAN DESIGN FRAMEWORK – STAGE 1A

In May 2017, following an extensive period of consultation, Council endorse the Renmark Urban Design Framework (UDF). The UDF proposes a vision to trigger long term changes to the town centre.

In 2018/19 Council will commence the implementation of Stage 1A of the UDF which will deliver a high quality regional destination on the riverfront to draw residents and visitors to the region.

Council has already secured \$548,000 from the state government based 'Places for People' fund. In addition Council has a live application to the federal government for additional funding.

Should council be unsuccessful in receiving federal funding the scope of works for the project will be reduced to reflect this.

Significant Projects for the 2018/19 Year



HOUSEBOAT MANAGEMENT PLAN

Council recently developed a Houseboat Management plan to grow our houseboat sector. The development of this plan has identified many areas in which Council could improve its facilities and level of access to the town.

The implementation of the Houseboat Management plan requires funding to improve some of the facilities which service the houseboat sector.

The 2018/19 deliverables include willow/tree/root maintenance along council's foreshore, the installation of five landing walkways to allow houseboat moorings along Jarrett Gardens river frontage and to upgrade services where required and enable disabled access to and from boats moored on the riverbank in Renmark Town Centre.

In addition, Council will complete a concept design and business case for an off river commercial houseboat marina and boat slip.



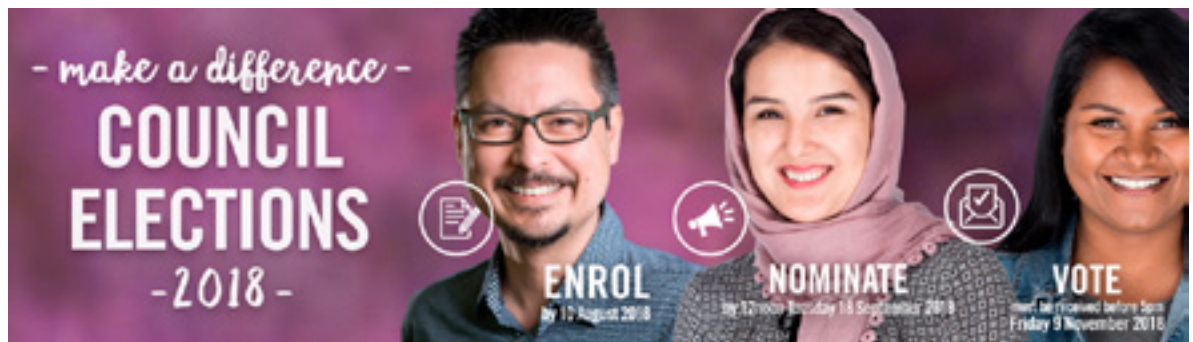
REMARK SWIMMING POOL UPGRADE

The Remark Swimming Pool has serviced the community well for over five decades and is now due for renewal. This is required to bring the swimming pool and associated filtration system up to new legislative standards that have evolved since the swimming pool was constructed.

Works will include new filtration, plant storage, disabled access ramp, entrance and building upgrades, new wet decks and replacement / repairs to the entire pipe network.

The upgrades to the pool will result in operational savings in power, chemical use and maintenance which is estimated at \$735,000 over the next 25 year period.

Significant Projects for the 2018/19 Year



LOCAL GOVERNMENT ELECTIONS

In November 2018 Local Government Elections will be held. Council elections are the biggest single voluntary civic participation activity in the state with nearly 360,000 people voting in the 2014 council elections.

Becoming a councillor is one of the most direct ways that you can influence decisions that affect the quality of life in your local area. Council actively encourages nominations from people from diverse backgrounds to ensure that a wide range of views are being represented.

Renmark Paringa Council will run information sessions for potential candidates.

Enrolment for the 2018 council elections closes at 5pm on Friday 10 August 2018.

For more information about eligibility and to obtain a voter registration form for the supplementary roll contact either the Local Government Association and/or your local Council:

— Local Government Association
www.lga.sa.gov.au/councilelections

— Renmark Paringa Council 8580 3000
www.renmarkparinga.sa.gov.au/elections

Nominations for the 2018 local government elections open Tuesday 4 September 2018 and close Tuesday 18 September 2018 at 12 noon. During this time, you must complete and lodge a nomination form which is available from Council and other advertised locations.

Significant Influences

A number of significant factors have influenced the preparation of Council's draft Annual Business Plan and Budget 2018/19. These include:

- Balancing the expectations of keeping rates low against increasing service delivery and infrastructure responsibilities and unavoidable cost increases
- Long term financial pressures with the need to ensure that Council can continue to meet its financial obligations without leaving a financial impost for future generations
- Infrastructure demands – ongoing maintenance of existing infrastructure is required to ensure continued benefit to the community
- The Local Government Price Index 3.2% and the Consumer Price Index (CPI) 2.3% (March 2018)
- Council is expecting to be financially impacted by China's recent ban on receiving recyclable waste by \$9 annually per ratepayer.



Funding our ABP and Budget

Council has budgeted for an operating surplus of \$3,000 for 2018/19. The operating result measures the between revenue and expenses for the period.

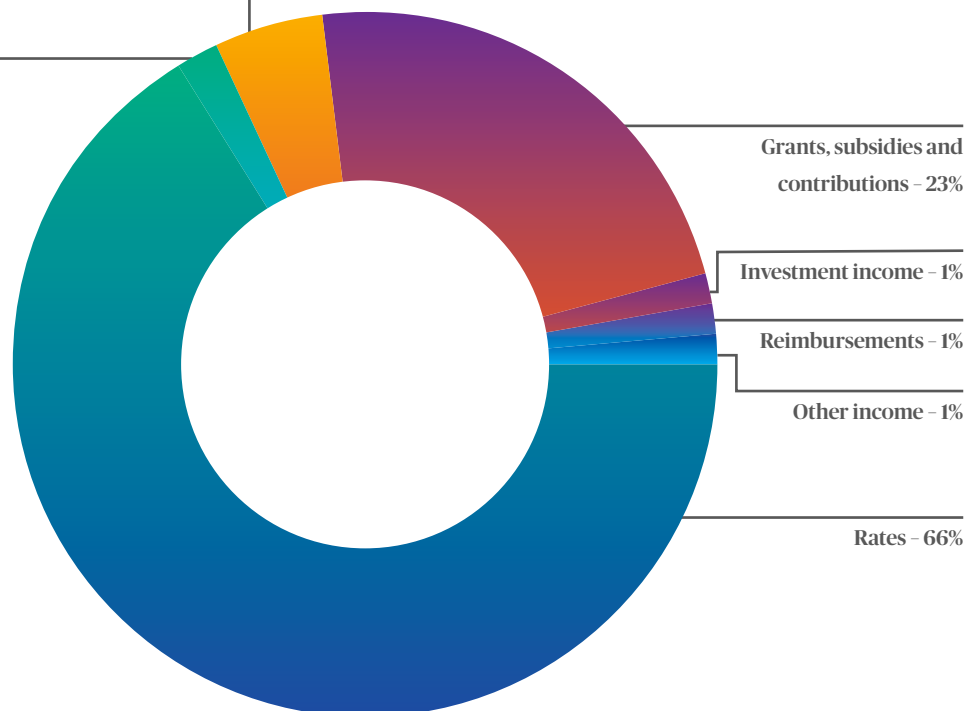
The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

The Council has developed a Long Term Financial Plan and Infrastructure and Asset Management Plan which provides a system for Council to meet its financial obligations into the future.

INCOME	\$'000
Rates	9,043
Statutory charges	270
User charges	689
Grants, subsidies and contributions	3,126
Investment income	193
Reimbursements	185
Other income	159
Total Income	13,665

User charges - 5%

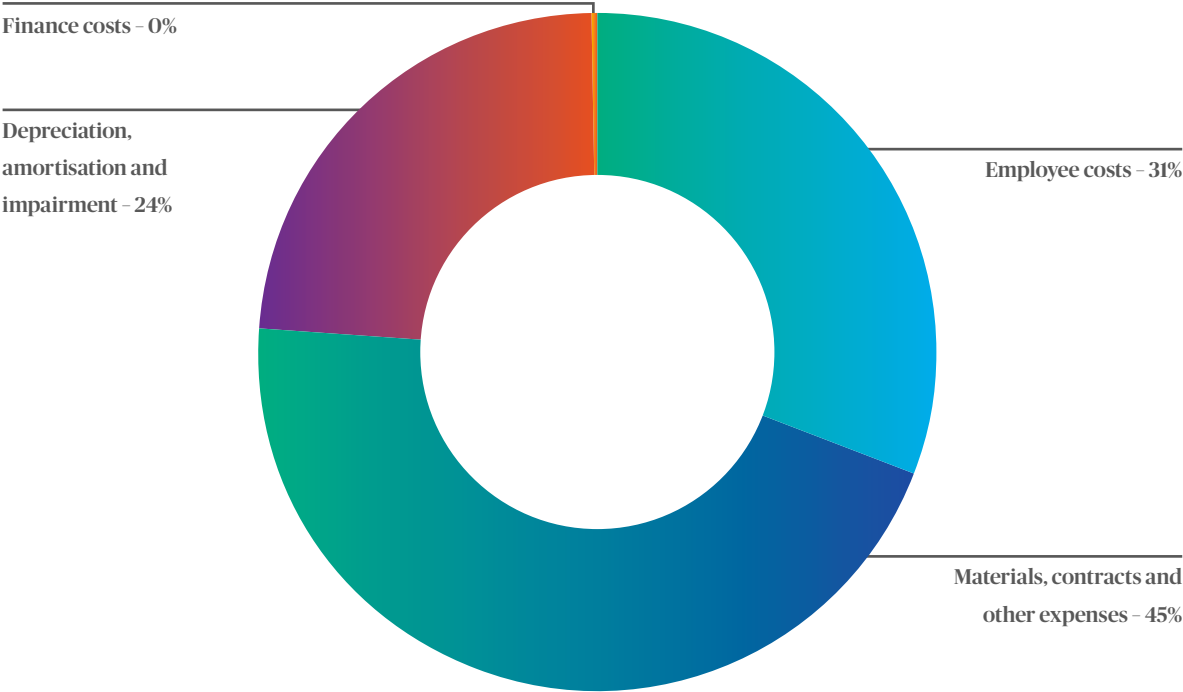
Statutory charges - 2%



The previous chart has been prepared to provide a visual representation of the sources of revenue received by Council. As can be seen from this graph over 66% of this revenue is received by way of rate income and 23% from grants.

The expenditure chart below shows that approximately 31% of costs are attributable to the payment of salaries and wages and approximately 45% is applied to materials, contracts and other expenses.

EXPENSES	\$'000
Employee costs	4,213
Materials, contracts and other expenses	6,203
Depreciation, amortisation and impairment	3,240
Finance costs	6
Total Expenses	13,662





Measuring our Performance

To enable both the Council and the community to assess Council’s performance over the 2018/19 year, “Performance Targets” have been set for a number of selected activities as shown below.

These financial and non-financial “Performance Targets” will be reviewed throughout the year and at its conclusion a report on the performance outcomes will then be included in the 2018/19 Annual Report.

FINANCIAL PERFORMANCE


Council is required to report on defined Key Performance Indicators (KPI) which measures the impact of the Annual Budget on Council’s financial position and ultimately, its long term sustainability. Council’s Long Term Financial Plan (LTFP) establishes the target for a particular year into the future, combined with target ranges adopted by Council.

-  Indicates that Council is ahead of the KPI target from the LTFP for the corresponding year.
-  Indicates that Council is behind the KPI target from the LTFP for the corresponding year.
-  Indicates that the Council is on par with the KPI target from the LTFP for the corresponding year.

OPERATING RESULT

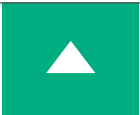
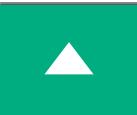
In 2018/19 Council is budgeting for an Operating surplus of \$3,000. This is within the target range in the Councils LTFP.

To determine whether Council has achieved a successful result in 2018/19, the target is measured against the corresponding 2018/19 target from the LTFP.

Year	2017/18 Forecast	2018/19 Draft LTFP Target	2018/19 Budget
Result	92,000	31,000	3,000
Status			



OPERATING SURPLUS RATIO

The Operating Surplus ratio expresses the projected Operating Result as a percentage of general rate revenue. The Operating Surplus Ratio is directly related to the Operating Result, and as such the target is to have a ratio of between 0% and 10%.

Year	2017/18 Forecast	2018/19 Draft LTFP Target	2018/19 Budget
Result	0%	0%	0%
Status			



NET FINANCIAL LIABILITIES RATIO

The Net Financial liabilities ratio expresses the projected Net Financial Liabilities as a percentage of total operating revenue for each year. Council has set a target range of between -50% and 50%.

Year	2017/18 Forecast	2018/19 Draft LTFP Target	2018/19 Budget
Result	(44%)	(24%)	19%
Status			

ASSET SUSTAINABILITY RATIO

This ratio indicates the extent to which existing non-financial assets are being renewed and replaced, compared with what is needed to cost-effectively maintain service levels. It is calculated by measuring capital expenditure on renewal or replacement of assets, relative to the optimal level of such expenditure proposed in Council's Infrastructure and Asset Management Plan. Council has set a target range of between 90% and 110%. This ratio is slightly outside of target range due to increased spending relating to the Urban Design Framework.

Year	2017/18 Forecast	2018/19 Draft LTFP Target	2018/19 Budget
Result	92%	100%	119%
Status			

Measuring our Performance

NON-FINANCIAL PERFORMANCE

While financial performance measures are important in tracking the Council's financial sustainability and management of community assets, they are not the only performance measures that should be used to determine overall performance. Non-financial measures provide information on Council's capacity to deliver services to the community.

COMMUNITY ENGAGEMENT BASED INDICATORS

Indicator	Council Target
Community satisfaction with the range and quality of services provided by Renmark Paringa Council.	A minimum of 75% of respondents report satisfaction with the range and quality of services provided. <i>Measure: LGA Community Satisfaction Survey</i>
Community satisfaction with the variety of opportunities to engage with Council.	A minimum of 70% of respondents report satisfaction with the opportunities to engage with Council. <i>Measure: LGA Community Satisfaction Survey</i>
Community perception that services and facilities provided by Renmark Paringa Council enhance quality of life.	A minimum of 70% of respondents report that services and facilities provided enhance their quality of life. <i>Measure: LGA Community Satisfaction Survey</i>
Community satisfaction with recreational and leisure facilities provided by Renmark Paringa Council.	A minimum of 80% of respondents report satisfaction with the recreational and leisure facilities provided. <i>Measure: LGA Community Satisfaction Survey</i>
Community satisfaction with library services.	A minimum of 80% of respondents report satisfaction with library services. <i>Measure: LGA Community Satisfaction Survey</i>
Community perception of safety and security.	A minimum of 70% of respondents report that the safety and security provided by Council is satisfactory. <i>Measure: LGA Community Satisfaction Survey</i>
Community satisfaction with Council's Performance.	A minimum of 70% of respondents report satisfaction with Council's overall performance. <i>Measure: LGA Community Satisfaction Survey</i>
Community satisfaction with council facilitation in promoting tourism, business development and growth.	A minimum of 70% of respondents report satisfaction with Council's tourism and business development and growth. <i>Measure: LGA Community Satisfaction Survey</i>

ACTIVITY BASED INDICATORS

Indicator	Council Target
Annual Business Plan initiatives.	A minimum of 85% of projects listed in the Annual Business Plan are completed in the financial year of adoption. <i>Measure: Annual Business Plan</i>
Amount of River Murray water used to irrigate public open space.	Annual reduction of River Murray water used to irrigate public open space. <i>Measure: Renmark Irrigation Trust data</i>
Residual Waste Reduction.	Reduce waste to landfill by 35% by 2020. <i>Measure: EPA and Zero Waste data</i>
Local Business Confidence.	A minimum of 70% of respondents report confidence in the economic development activities undertaken by Council. <i>Measure: LGA Community Satisfaction Survey</i>
Tourism Visitors.	Increase visitor numbers to the district by 5% per annum. <i>Measure: Visitor Information Centre Statistics</i>



General Rates

Rates are a tax levied on properties according to their capital value which are determined by the Valuer General. After consideration of the influences and priorities forecast to be present in 2017–18 and beyond, Council is forecasting to generate \$6,004,086 in General Rate Revenue (excluding CWMS and Waste Management Charge). The table below highlights the change in average rates paid based on an average residential property value of \$226,978.

2017/18 RPC Residential Average	\$1658
2018/19 RPC Residential Average	\$1697
2018/19 RPC average dollar value of rate increase for residential properties	\$39
2018/19 RPC average percentage rate increase for residential properties	2.4%

VALUATION METHOD

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

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

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

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

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

DIFFERENTIAL GENERAL RATES AND COMMUNITY EQUITY ISSUES

All land within a council area, except land specifically exempt (e.g. crown land, council occupied land and other land prescribed in the Local Government Act – refer Section 147 of the Act), is rateable.

The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through the imposition of a single general rate or through differential general rates, which apply to all rateable properties within the Council area.

Council uses a differential rating system, using Land Use Codes as the factor to apply such 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 Council areas, particularly as it relates to the various sectors of the business and wider community.

The table below lists the proposed differentials and general rates to be raised.

Land Use	Capital Value 18/19	Capital Value 17/18	Capital Valuation Growth	Rate (cents in the dollar) 18/19	General Rates Raised 18/19	General Rates Raised 17/18
Residential	791,700,936	774,678,507	2.2%	0.2348	3,248,242	3,141,967
Commercial (Shops)	49,266,400	49,018,018	0.5%	0.4979	301,695	293,351
Commercial (Office)	4,699,214	4,929,145	-4.7%	0.4979	32,677	33,907
Commercial (Other)	52,952,838	52,384,687	1.1%	0.4979	311,583	300,759
Industrial (Light)	2,623,047	2,937,500	-10.7%	0.4979	18,060	19,600
Industrial (Other)	28,253,251	26,056,343	8.4%	0.4979	163,052	147,135
Primary Production	395,965,516	380,489,316	4.1%	0.3502	1,757,458	1,667,537
Vacant Land	25,666,220	25,477,220	0.7%	0.774	288,259	279,531
Other	17,063,195	17,395,768	-1.9%	0.2348	139,652	140,183
Totals	\$1,368,190,617	\$1,333,366,504			\$6,260,679	\$6,023,970

FIXED CHARGE

A fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and 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. Also if two or more pieces of rateable land within the area of the Council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land.

The reasons for imposing a fixed charge are:

- Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities
- 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.

Council is limited to the amount that can be raised by the fixed charge in that it cannot raise more than 50% of its general rate revenue from the fixed charge component. In 2018/19 Council proposes to raise 36% of its general rate revenue by way of the fixed charge.

The Fixed Charge proposed for 2018/19 is \$400. The charge in 2017/18 was \$400.

SEPARATE RATE

Renmark Paringa Council is within the Murray Darling Basin Natural Resources Management Board area and is required under the Natural Resources Management Act 2004 to fund the operations of the board. It does so by imposing a separate rate for all rateable properties within the Council. The Council is required to act as a collection agent for the Natural Resources Management Board in this regard. Council does not retain this revenue, nor determine how it is spent.

The Natural Resources Management Board has determined Council's contribution for 2018/19 at \$330,145. This is an increase of 0.8% on last years contribution. The total revenue will be generated by a rate in the dollar against the capital value of each rateable property.

The proposed NRM Levy rate in the dollar for 2018/19 is \$0.0002414. There is no increase for the average rateable property.

Service Charges

Council may impose an annual service charge on land (both rateable and non rateable) within its area to which it provides or makes available a prescribed service. A prescribed service is legislated as any of the following services:

- The treatment or provision of water
- The collection, treatment or disposal (including recycling) of waste
- A television transmission service
- Any other service prescribed by the regulations.

Council levies three (3) service charges; two Community Wastewater Management Schemes (CWMS) and a Waste Management Charge. The CWMS service charge is levied against all properties that currently are connected or have the ability to be connected to these schemes. The Waste Management Charge is levied against all properties that are eligible to receive the Council's Waste Collection Service.

The proposed Waste Management Charge to be applied for 2018/19 is:

All revenue raised from the CWMS charge must be used to cover the cost to the Council of establishing, operating, maintaining, improving and replacing (including by future capital works) the service. The service charge for CWMS is calculated using the Code for Establishing and Applying Property Units for the Imposition of Annual Service Charges for CWMS. The proposed CWMS Service Charge for 2018/19 is \$435 per property unit. The charge in 2017/18 was \$425.

The service charge for Waste Management is calculated based on the total cost to provide the service to relevant properties and the cost to dispose of that waste. The service is supplied to town residential and rural residential, with the service charge based on providing a three bin system for Town Residential properties and a two bin system for Rural Residential properties, as well as the appropriate disposal of the waste collected.

Area	Service Provided		Proposed Service Charge 18/19	Service Charge 17/18
Town Residential – this includes properties that are within the township boundaries of Renmark, Paringa and Lyrup	Collection and Disposal	General Waste (140 litre bin collected weekly)	\$145.00	\$135.00
		Recyclables (240 litre bin collected fortnightly)	\$70.00	\$65.00
		Green Waste (240 litre bin collected fortnightly)	\$60.00	\$58.00
		TOTAL	\$275.00	\$258.00
Rural Residential – this includes properties that exist outside of the township boundaries of Renmark, Paringa and Lyrup	Collection and Disposal	General Waste (140 litre bin collected weekly)	\$145.00	\$135.00
		Recyclables (240 litre bin collected fortnightly)	\$70.00	\$65.00
		TOTAL	\$215.00	\$200.00



Rebate of Rates

MANDATORY

The Local Government Act requires Councils to rebate the rates payable for certain land uses. This includes land used for health and community services, religious purposes, cemeteries and educational institutions. The rebates vary from 75% to 100%. People or bodies seeking a rebate must make an application to Council. Information and application forms can be obtained from the Council Office at Eighteenth Street, Renmark.

DISCRETIONARY

Council has the power to provide discretionary rebates in certain circumstances.

All discretionary rebates are only considered on application and must be received by 31st May for consideration in the following financial year.

POSTPONEMENT OF RATES – HARDSHIP

Section 182 of the Local Government Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where the ratepayer is suffering hardship in paying rates they are invited to contact the Council's Rates Officer on 8580 3000 to discuss the matter. Council treats such inquiries confidentially.

POSTPONEMENT OF RATES – SENIORS

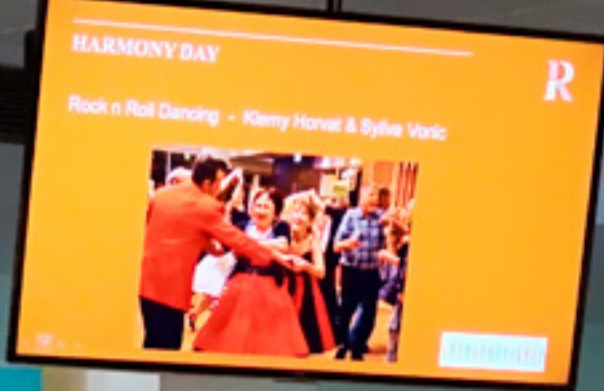
Application may be made to Council for a postponement of the payment of any amount of rates in excess of \$500.00, for the current or a future financial year by:

-
- A ratepayer who holds a current State Seniors Card issued by the State Government, (prescribed ratepayer) or spouse of a prescribed ratepayer, and
-
- Where the rates are payable on the principal place of residence, and
-
- Where the land is owned by the prescribed ratepayer, or the prescribed ratepayer and his or her spouse, and no other person has an interest, as owner, in the land.

Any rates which are postponed will become due and payable:

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

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



Other Revenue

STATUTORY CHARGES SET BY STATE GOVERNMENT

These are maximum fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications, dog registrations, assessment of septic tank applications and freedom of information applications.

USER CHARGES SET BY COUNCIL

These comprise charges for the Council's fee based facilities such as hire of sporting and community venues.

INVESTMENT INCOME

This comprises income earned on investment of surplus funds during the year and is dependent on levels of Council's cash reserves. Revenue earned on specific reserves including CWMS reserves is allocated to those reserves.

RESERVES

Council currently has three reserve accounts. Funds in these accounts should only be used for works specific to the purpose the reserve account was created for.

Reserve	Transaction 2017/18	1/7/18 Balance	Increase/ (Decrease)	30/6/19 Balance
Development	Income from Land Sales. Expenses for Jane Eliza Development and Calperum Industrial Estate	\$887,000	\$40,000	\$927,000
CWMS	Transfer to reserve, Madigan Reserve upgrades, Drying Lagoon upgrades	\$3,573,000	\$298,000	\$3,871,000
Open Space	Darnley Taylor Park Plan, Bookmark Creek Track	\$48,000	Nil	\$48,000

GRANTS AND SUBSIDIES

Grants and subsidies are broken into two components being operating and capital. The major operating grant is the Commonwealth Financial Assistance Grants which is approximately \$2.7 million. Other operating grants include Grants Commission Road funding, library operations, immunisations, mosquito control, and Roads to Recovery funding. Capital Grants are typically for major projects and are usually jointly funded between Council and other levels of Government. Council is committed to seeking any external funding that is available in order to fulfil its funding needs.

OTHER REVENUE

Revenue received through sundry Council activities.

LOAN FUNDS

Council has the ability to borrow funds for major projects. In the 2018/19 budget Council is proposing to borrow funds for Renmark Swimming Pool upgrades and to expand the Commercial Houseboat Marina (if feasible).



St Joseph's School Renmark students enjoyed learning all about robotics at the Telstra Maker Party in a Box launch at the Renmark Paringa Public Library.

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2019

	Budget	Forecast
	2019	2018
	\$'000	\$'000
INCOME		
Rates	9,043	8,674
Statutory charges	270	255
User charges	689	690
Grants, subsidies and contributions	3,126	3,342
Investment income	193	187
Reimbursements	185	186
Other income	159	123
Total Income	13,665	13,457
EXPENSES		
Employee costs	4,213	4,050
Materials, contracts and other expenses	6,203	6,056
Depreciation, amortisation and impairment	3,240	3,240
Finance costs	6	19
Total Expenses	13,662	13,365
OPERATING SURPLUS / (DEFICIT)	3	92
Asset disposal and fair value adjustments	–	–
Amounts received specifically for new or upgraded assets	5,948	1,505
NET SURPLUS / (DEFICIT)	5,951	1,597
transferred to Equity Statement		
TOTAL COMPREHENSIVE INCOME	5,951	1,597

*The 'Rates' income line includes General Rates, NRM levy, CWMS Charge and the Waste Management Charge.

STATEMENT OF FINANCIAL POSITION
as at 30 June 2019

	2019	2018
	\$'000	\$'000
ASSETS		
Current Assets		
Cash and cash equivalents	4,503	7,361
Trade and other receivables	401	401
Inventories	20	20
Total Current Assets	4,924	7,782
Non-current Assets		
Financial assets	–	22
Infrastructure, property, plant and equipment	128,573	114,097
Other non-current assets	–	–
Total Non-current Assets	128,573	114,119
Total Assets	120,896	119,947
LIABILITIES		
Current Liabilities		
Trade and other payables	578	854
Borrowings	58	88
Provisions	818	811
Total Current Liabilities	1,454	1,753
Non-current Liabilities		
Borrowings	6,000	58
Provisions	28	26
Total Non-current Liabilities	6,028	84
Total Liabilities	7,482	1,837
NET ASSETS	126,015	120,064
EQUITY		
Accumulated Surplus	39,930	34,317
Asset Revaluation Reserves	81,279	81,279
Other Reserves	4,806	4,468
TOTAL EQUITY	126,015	120,064

Financial Statements

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2019

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Budget				
2019	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	34,317	81,279	4,468	120,064
Net Surplus / (Deficit) for Year	5,951	–	–	5,951
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant and equipment	–	–	–	–
Total Comprehensive Income	5,951	–	–	5,951
Transfers between reserves	(338)		338	–
Balance at end of period	39,930	81,279	4,806	126,015
Forecast				
2018				
Balance at end of previous reporting period	33,249	81,279	3,939	118,467
Net Surplus / (Deficit) for Year	1,597	–	–	1,597
Other Comprehensive Income				
Changes in revaluation surplus – infrastructure, property, plant and equipment	–	–	–	–
Total Comprehensive Income	1,597	–	–	1,597
Transfers between reserves	(529)	–	529	–
Balance at end of period	34,317	81,279	4,468	120,064

STATEMENT OF CASH FLOWS
for the year ended 30 June 2019

	Budget	Forecast
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES	\$'000	\$'000
<u>Receipts</u>		
Rates receipts	9,094	8,725
Statutory charges	270	255
User charges	803	804
Grants, subsidies and contributions (operating purpose)	3,140	3,356
Investment receipts	193	187
Reimbursements	185	186
Other receipts	80	72
<u>Payments</u>		
Payments to employees	(4,124)	(4,050)
Payments for materials, contracts and other expenses	(6,659)	(5,853)
Finance payments	(6)	(19)
Net cash provided by (or used in) operating activities	2,976	3,663
CASH FLOWS FROM INVESTING ACTIVITIES		
<u>Receipts</u>		
Amounts received specifically for new/upgraded assets	5,948	1,505
Sale of replaced assets	205	132
Sale of surplus assets	–	–
<u>Payments</u>		
Expenditure on renewal/replacement of assets	(5,402)	(1,514)
Expenditure on new/upgraded assets	(12,409)	(3,230)
Net cash provided by (or used in) investing activities	(11,658)	(3,107)
CASH FLOWS FROM FINANCING ACTIVITIES		
<u>Receipts</u>		
Proceeds of borrowings	5,912	–
<u>Payments</u>		
Repayments of borrowings	(88)	(251)
Net increase (decrease) in cash held	(2,858)	305
Cash and cash equivalents at beginning of period	7,361	7,056
Cash and cash equivalents at end of period	4,503	7,361

Financial Statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 15 – FINANCIAL INDICATORS

Amounts	Indicator	Indicator
Forecast	2018/19	2017/18

These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

Operating Surplus Ratio			
Operating Surplus	3	0%	0%
Total Operating Revenue	13,665		

This ratio expresses the operating surplus as a percentage of total operating revenue.

Net Financial Liabilities Ratio			
Net Financial Liabilities	2,578	19%	(44%)
Total Operating Revenue	13,665		

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.

Asset Sustainability Ratio			
Net Asset Renewals	5,197	119%	92%
Infrastructure and Asset Management Plan required expenditure	4,371		

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019**

NOTE 16 – UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

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

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

	2019	2018
	\$'000	\$'000
Income	13,665	13,457
less Expenses	13,662	13,365
Operating Surplus / (Deficit)	3	92
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	5,402	1,514
Depreciation, Amortisation and Impairment	(3,240)	(3,240)
Proceeds from Sale of Replaced Assets	(205)	(132)
	(1,957)	(1,858)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property and real estate developments)	12,409	3,230
Amounts received specifically for New and Upgraded Assets	(5,948)	(1,505)
Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	–	–
	6,461	1,725
Net Lending / (Borrowing) for Financial Year	(8,415)	(225)

Operating and Capital Projects

Operating Budget			Capital Budget		
COMMUNITY HEALTH AND WELLBEING	Amount	Funding	New	Renewal	Funding
Shi Shi Sister City Visit	\$25,000	–	–	–	–
KM Tucker Hall Upgrades	–	–	–	\$80,000	\$(45,000)
Urban Design Framework	–	–	–	\$3,884,000	\$(2,296,000)
Community Digital Screens - Library/ Visitor Information Centre/ CCC	–	–	\$15,200	–	–
Tintra Tennis Club Lighting Upgrade	–	–	\$272,000	–	\$(207,000)
School Holiday Program Printing	\$4,500	–	–	–	–
Driverless Bus Project	–	–	–	–	–
Social Indicators Report	–	–	–	–	–
A VIBRANT ECONOMY	Amount	Funding	New	Renewal	Funding
Online Tourism/ Events/ Retail Booking System	–	–	\$25,000	–	–
Online Event Permit System	–	–	\$22,500	–	–
Commercial Marina and Boat Slip	\$20,000	\$(20,000)	–	\$5,000,000	\$(5,000,000)
Calperum Industrial Estate Upgrades - Detailed Design	–	–	\$30,000	–	\$(30,000)
Houseboat Management Plan Infrastructure	–	–	\$80,000	–	–
18th Street Subdivision	–	–	–	–	–

*The Funding is funded from external funding or existing council reserves

	Operating Budget		Capital Budget		
A SUSTAINABLE REGION	Amount	Funding	New	Renewal	Funding
Road Reseal Program	–	–	–	\$743,640	(156,450)
Nineteenth Street (Paringa to Murtho Street) - Pavement Repair	–	–	–	\$20,000	–
Renewable Energy Project	–	–	–	–	–
Major Plant and Vehicle Replacement	–	–	–	\$740,000	\$(225,000)
Building Roof Access Assessment	\$15,000	–	–	–	–
CWMS Pump Station Relining (Palm Crt, Cattermole Ln and Hospital)	–	–	–	\$120,000	\$(120,000)
Number 1 Pump Station Upgrade	–	–	\$255,037	–	\$(255,037)
Renmark WWTP - Replacement Line and Roof on Irrigation Storage Tank	–	–	–	\$27,000	\$(27,000)
ACRC - Indoor Pool Access	–	–	–	\$30,000	–
Industry Road - Surface Drainage Repairs	–	–	–	\$67,000	–
Bookmark Creek New Pedestrian Ramp Access	–	–	\$100,000	–	–
Government Road Construction - Stage 1	–	–	–	\$1,450,000	\$(900,000)
Plush's Bend Management Plan Implementation - Stage 2	–	–	\$58,200	–	–
Renmark Wastewater Treatment Plant Renewal Report	\$25,000	\$(25,000)	–	–	–
Pipe and Pump Station Condition Report - Area 1	\$101,141	\$(101,141)	–	–	–
Update Council Signage	–	–	–	\$4,500	–
Renmark Swimming Pool Upgrade	–	–	–	\$3,500,000	\$(3,500,000)
Paringa Cemetery Expansion	–	–	\$15,000	–	–
Acacia Crescent Stormwater Redirection	–	–	\$206,365	–	–
Kerb and Water Table - 19th Street	–	–	\$91,116	–	–
A POSITIVE EXPERIENCE	Amount	Funding	New	Renewal	Funding
ICT Strategy Year 2	\$120,000	–	\$90,000	–	–
Local Government Elections	\$46,000	–	–	–	–
IT Hardware Renewal	–	–	–	\$25,000	–
Continuous Improvement Roadmap	\$5,000	–	–	–	–

*The Funding is funded from external funding or existing council reserves



**Renmark
Paringa
Council**




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Opening Hours

Monday	9am – 5pm
Tuesday	9am – 5pm
Wednesday	9am – 5pm
Thursday	9am – 5pm
Friday	9am – 5pm

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