



Committed to a sustainable future

**Renmark
Paringa
Council**

2017/18 Annual Business Plan and Budget





Annual Business Plan and Budget 2017/18



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 – 2017/18 shows 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.

The main focus for Council's capital expenditure is on asset renewal as identified in the Infrastructure and Asset Management Plan (IAMP).

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 2017/18 Annual Business Plan are outlined in the table below.

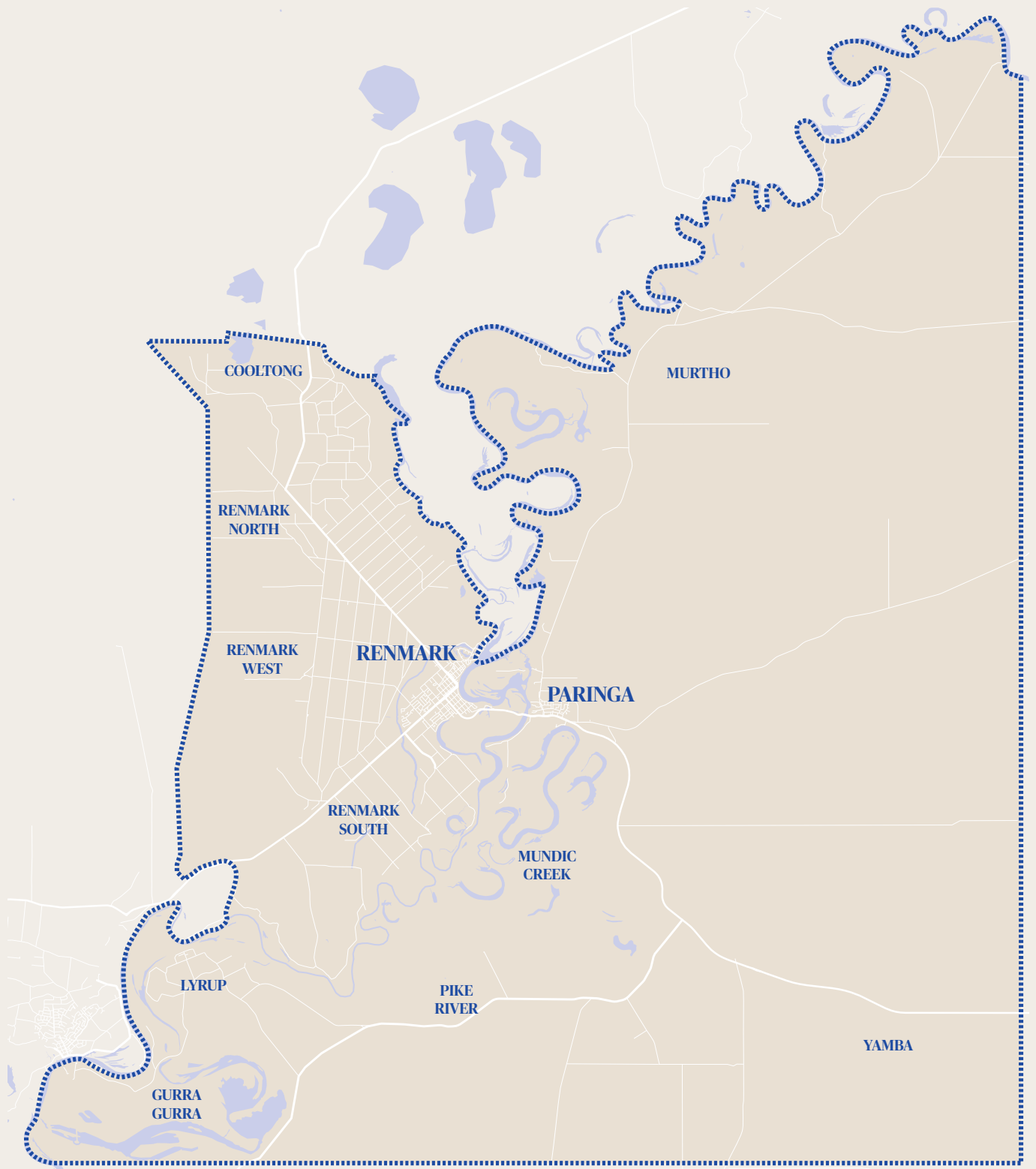
Planned Projects	41 Annual Business Plan and Budget projects have been identified to contribute towards achieving Council's long term objectives.
Capital Budget	\$4.61 million of capital works. Major projects include Road Reseal Program, Urban Design Framework Project, Footpath and Pram Ramp Upgrades.
Operating Budget	Operating result of \$0 (break even). This is on target with Council's Long Term Financial Plan target.
Loans	A reduction in outstanding loan balances, from \$384,100 to \$146,000.
Rates	Average residential Rate increase of \$24 (or 0.46c per week). Residential valuation growth of 2.23%. Fixed charge is maintained at \$400. There is no increase from the 16/17 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% compared to an estimated 0% Surplus in the Long Term Financial Plan (LTFP). Net Financial Liabilities Ratio of (38%) compared to an estimated (34%) in the LTFP. Asset Sustainability Ratio at 116% compared to the 97% estimate in the LTFP. All of these ratios are on target with the LTFP.

Our Council

The Renmark Paringa Council covers an area of approximately 407 square kilometres and is home to an estimated population of 9,245 (2011 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 to the Border Local Action Planning, 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.



**Paringa proudly
celebrated 100 years
of Local Government
in 2016**

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 well being of our community.



Council successfully released 50,000 cod fingerlings into the Murray River in 2017 and held a community event with over 200 people in attendance

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 Well Being

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

A Vibrant Economy

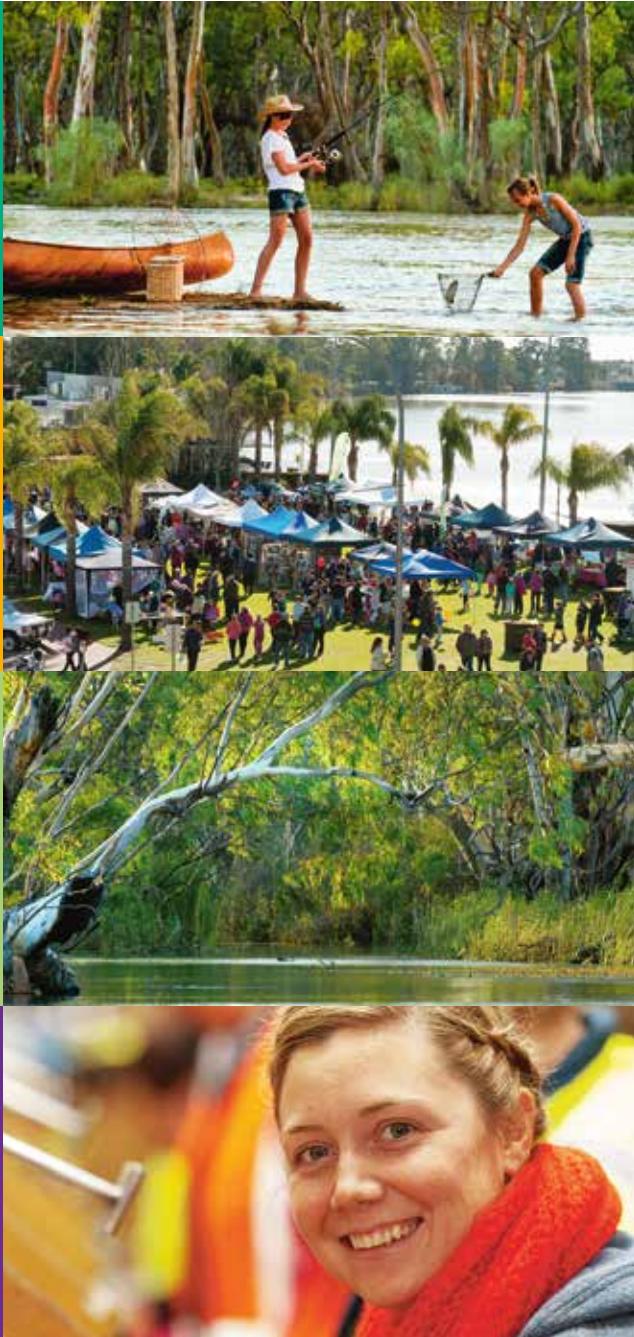
A strong and sustainable economy built on diversifying our established industries and attracting new industries and investors through collaborative partnerships.

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 2017/18 Year



JANE ELIZA RIVERFRONT PAVING EXTENSION

Construct 300 metres of paved footpath along the Renmark Riverfront, linking the existing footpath to the Tower Tavern lawned area at the end of New Landing Way in the Jane Eliza development.



PARINGA CEMETERY MEMORIAL GARDEN

The project will deliver a memorial garden within the Paringa Cemetery. The concept includes a garden with grassed area and bench seating.



LIBRARY COMMUNITY HUB

Develop a concept plan to create an outside sheltered library space to access 24 hour wifi services and library resources, to be implemented over 2 years. The concept plan would look at incorporating the library foyer, include potential functional art furniture (tables and seating) and installing display areas to further promote and increase usage of other library resources.

Significant Projects for the 2017/18 Year



JANE ELIZA MASTERPLAN

In February 2017 Council adopted a 30 year vision and a Masterplan for the Jane Eliza area. The budget allocation is to commence exploring some of the opportunities outlined in the Masterplan namely – Renewal energy site, dry dock and slip, tourist accommodation land, commercial houseboat marina and residential land.



GOVERNMENT ROAD DESIGN AND TENDER PROJECT

This is the first stage of a 5 year project to upgrade Government Road. The following 4 years will involve on-ground construction works to upgrade the road. Once completed the speed limit should increase from the current 80km to 100km.



URBAN DESIGN FRAMEWORK PROJECTS

This project will implement priorities approved by the Elected Members from the Urban Design Framework. The number of priorities undertaken will be dependant upon the amount of external funding sought.



RENMARK CEMETERY TOILET RENEWAL

The outcome of this project will be the creation of new unisex block at the Renmark Cemetery. This block will be built to a similar standard as that provided at the Jane Eliza (Old Tower Tavern site).



PLUSH'S BEND PLAN IMPLEMENTATION

This project aims to implement some of priorities outlined within the Plush's Bend Management Plan. In 2017/18 outcomes of this project include to install site identification, bollarding, entry signage and riverfront improvements including a lawned area.



RENMARK SPORTING COMPLEX CARPARK UPGRADES

This project will deliver a shaded and resealed carpark on the corner of Paringa and Fifteenth Streets that is easier to use for patrons attending the Alan Coulter Recreation Centre, Netball Courts, Soccer or Football ovals.

Significant Projects for the 2017/18 Year



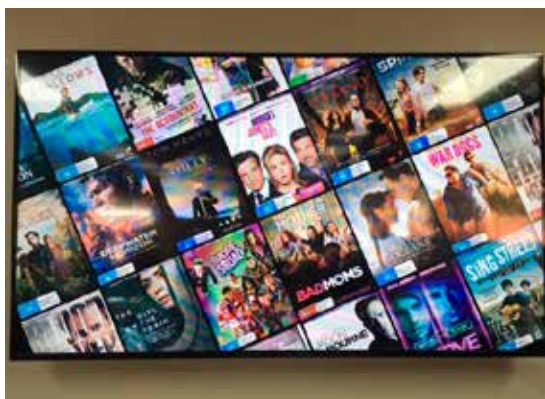
TRACKS AND TRAILS PROMOTION

With the completion of three tracks from the Tracks and Trails Strategy for 2016/17; Paringa Paddocks, Bookmark Creek and Lock 5 Loop, promotion is required to encourage activity on these tracks and trails.



COMMUNITY SATISFACTION SURVEY

Renmark Paringa Council undertakes a biennial Community Survey. Note that bi-annual means twice a year, biennial is every other year. The survey trends community satisfaction with Council, highlights areas of improvements and success, whilst showing areas of required effort. This project is to engage a consultant to undertake a Community Satisfaction Survey for our Council.



CIVIC CENTRE FOYER UPGRADES

Renewing the Civic Centre foyer, with the purchase of a digital screen to enable all flyers usually pinned up in public notices section to be displayed digitally and modernise our promotion of Council and Community events, activities and notices; purchase of new pin-up boards for use in the display area and other areas as required to replace older style boards; purchase of various sized brochure holders to hold flyers and brochures.

Significant Influences

There are a number of challenges and opportunities facing Council today and into the future.

These initiatives and pressures 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
- Working collaboratively with neighbouring Councils to identify financial and outcome based efficiencies (G3 Alliance)
- Delivery of strategies within Council's 'Community Plan Framework'
- The reinstatement of indexation of Financial Assistance Grants, and Supplementary Roads Funding.

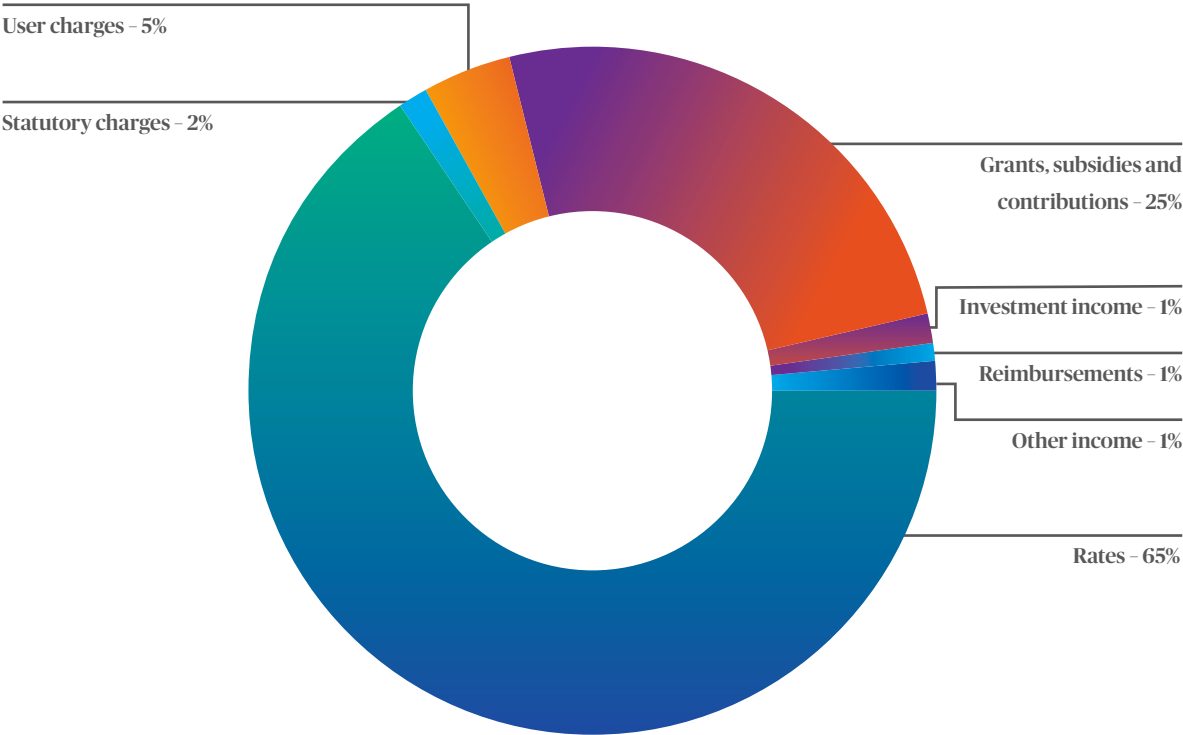


Funding our ABP and Budget

Council has budgeted for an operating result of \$0 (break even) in 2017–18. The operating result measures the difference between operating 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.

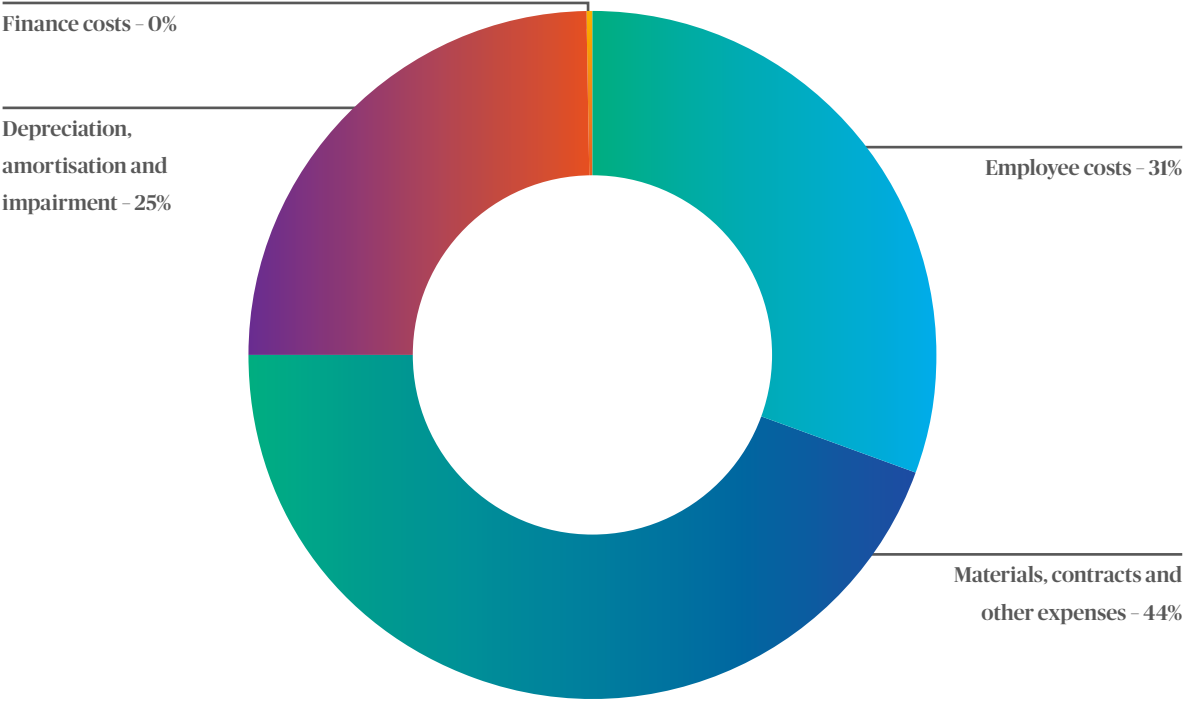
INCOME	\$'000
Rates	8,673
Statutory charges	196
User charges	624
Grants, subsidies and contributions	3,329
Investment income	187
Reimbursements	138
Other income	144
Total Income	13,291



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 65% of this revenue is received by way of rate income and 25% from grants.

The expenditure chart below shows that approximately 31% of costs are attributable to the payment of salaries and wages and approximately 44% is applied to materials, contracts and other expenses.

EXPENSES	\$'000
Employee costs	4,129
Materials, contracts and other expenses	5,843
Depreciation, amortisation and impairment	3,300
Finance costs	19
Total Expenses	13,291





Measuring our Performance

To enable both the Council and the community to assess Council’s performance over the 2017–2018 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 2017–2018 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 2017–18 Council is budgeting for an Operating result of \$0 (break even). This is within the target range in the Councils LTFP.

To determine whether Council has achieved a successful result in 2017–18, the target is measured against the corresponding 2017–18 target from the LTFP.

Year	2016–17 Forecast	2017–18 Draft LTFP Target	2017–18 Budget
Result	40,000	3,000	0
Status			


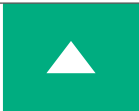
OPERATING SURPLUS RATIO

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 5%.

Year	2016-17 Forecast	2017-18 Draft LTFP Target	2017-18 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	2016-17 Forecast	2017-18 Draft LTFP Target	2017-18 Budget
Result	(36%)	(31%)	(38%)
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	2016-17 Forecast	2017-18 Draft LTFP Target	2017-18 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>



Council received the Lion as gift from our Sister City Shi Shi City in 2000

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 \$224,107.

2016–2017 RPC Residential Average	\$887
2017–2018 RPC Residential Average	\$911
2016–2017 RPC average dollar value of rate increase for residential properties	\$29
2017–2018 RPC average dollar value of rate increase for residential properties	\$24

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 Valuations 17–18	Capital Valuations 16–17	Capital Valuation Growth	Rate (cents in the dollar) 17–18	General Rates Raised 17–18	General Rates Raised 16–17
Residential	\$774,678,507	\$756,516,507	2.40%	0.228	\$3,141,967	\$2,995,557
Commercial (Shops)	\$49,018,118	\$50,210,214	-2.37%	0.4834	\$293,351	\$290,729
Commercial (Office)	\$4,929,145	\$4,868,470	1.25%	0.4834	\$33,907	\$30,802
Commercial (Other)	\$52,384,687	\$50,885,866	2.53%	0.4834	\$300,759	\$259,218
Industrial (Light)	\$2,937,500	\$2,962,500	-0.84%	0.4834	\$19,600	\$19,238
Industrial (Other)	\$26,056,343	\$22,670,118	1.04%	0.4834	\$147,135	\$126,821
Primary Production	\$380,489,316	\$375,279,716	1.43%	0.34	\$1,667,537	\$1,604,102
Vacant Land	\$25,477,220	\$26,409,720	-2.91%	0.7515	\$279,531	\$283,080
Other	\$17,395,768	\$16,850,990	2.99%	0.228	\$140,183	\$45,453
Totals	\$1,333,366,604	\$1,306,654,101			\$6,023,970	\$5,654,999

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 2017–2018 Council proposes to raise 36% of its general rate revenue by way of the fixed charge.

The Fixed Charge proposed for 2017–2018 is \$400. The charge in 2016–2017 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 2017–2018 at \$327,584. This is an increase of 1.5% 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 2017–2018 is \$0.0002521. 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 2017–18 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 2017–2018 is \$425 per property unit. The charge in 2016–2017 was \$410.

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 17–18	Service Charge 16–17
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)	\$135.00	\$135.00
		Recyclables (240 litre bin collected fortnightly)	\$65.00	\$65.00
		Green Waste (240 litre bin collected fortnightly)	\$58.00	\$58.00
		TOTAL	\$258.00	\$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)	\$135.00	\$135.00
		Recyclables (240 litre bin collected fortnightly)	\$65.00	\$65.00
		TOTAL	\$200.00	\$200.00



LIBRARY

IMAGINE CON



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 four 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	1/7/17 Balance	Increase/ (Decrease)	30/6/18 Balance
Development	Jane Eliza and Calperum Industrial Estate expenses	\$962,000	(\$181,000)	\$781,000
CWMS	Transfer to reserve, Madigan Reserve upgrades, Drying Lagoon upgrades	\$2,726,000	\$1,000,000	\$3,726,000
Open Space	Darnley Taylor Park plan, Bookmark Creek Track	\$2,945	Nil	\$2,945
Plant	Nil	\$0	\$0	\$0

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 2017–18 budget, Council is not proposing to borrow any additional funds.



Thank you to our Volunteers who gave 2,984 hours of their time this financial year. Our volunteers assist Council in delivering vibrant and inclusive activities and services which our community and visitors can enjoy.

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2018

	Budget	Forecast
	2018	2017
	\$'000	\$'000
INCOME		
Rates	8,673	8,413
Statutory charges	196	188
User charges	624	562
Grants, subsidies and contributions	3,329	3,408
Investment income	187	173
Reimbursements	138	138
Other income	144	97
Total Income	13,291	12,979
EXPENSES		
Employee costs	4,129	3,855
Materials, contracts and other expenses	5,843	5,826
Depreciation, amortisation and impairment	3,300	3,270
Finance costs	19	34
Total Expenses	13,291	12,985
OPERATING SURPLUS / (DEFICIT)	0	(6)
Asset disposal and fair value adjustments	–	42
Amounts received specifically for new or upgraded assets	1,200	565
NET SURPLUS / (DEFICIT)	1,200	601
transferred to Equity Statement		
TOTAL COMPREHENSIVE INCOME	1,200	601

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

STATEMENT OF FINANCIAL POSITION
as at 30 June 2018

	2018	2017
	\$'000	\$'000
ASSETS		
Current Assets		
Cash and cash equivalents	6,257	5,949
Trade and other receivables	401	401
Inventories	20	20
Total Current Assets	6,678	6,370
Non-current Assets		
Financial assets	22	73
Infrastructure, property, plant and equipment	114,196	113,504
Other non-current assets	–	–
Total Non-current Assets	114,218	113,577
Total Assets	120,896	119,947
LIABILITIES		
Current Liabilities		
Trade and other payables	574	574
Borrowings	88	251
Provisions	811	811
Total Current Liabilities	1,473	1,636
Non-current Liabilities		
Borrowings	58	146
Provisions	26	26
Total Non-current Liabilities	84	172
Total Liabilities	1,557	1,808
NET ASSETS	119,339	118,139
EQUITY		
Accumulated Surplus	33,172	32,791
Asset Revaluation Reserves	81,788	81,788
Other Reserves	4,379	3,560
TOTAL EQUITY	119,339	118,139

Financial Statements

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2018

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Budget				
2018	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	32,791	81,788	3,560	118,139
Restated opening balance	32,791	81,788	3,560	118,139
Net Surplus / (Deficit) for Year	1,200	–	–	1,200
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant and equipment	–	–	–	–
Transfers between reserves	(819)		819	–
Balance at end of period	33,172	81,788	4,379	119,339
Forecast				
2017				
Balance at end of previous reporting period	32,111	81,788	3,639	117,538
Restated opening balance	32,111	81,788	3,639	117,538
Net Surplus / (Deficit) for Year	601	–	–	601
Other Comprehensive Income				
Changes in revaluation surplus – infrastructure, property, plant and equipment	–	–	–	–
Transfers between reserves	79		(79)	–
Balance at end of period	32,791	81,788	3,560	118,139

STATEMENT OF CASH FLOWS
for the year ended 30 June 2018

	Budget	Forecast
	2018	2017
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Rates – general and other	8,724	8,429
Fees and other charges	196	188
User charges	738	676
Investment receipts	187	173
Grants utilised for operating purposes	3,343	3,422
Reimbursements	138	138
Other revenues	93	347
Payments		
Employee costs	(4,129)	(3,863)
Materials, contracts and other expenses	(5,920)	(5,760)
Finance payments	(19)	(34)
Net Cash provided by (or used in) Operating Activities	3,351	3,716
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Amounts specifically for new or upgraded assets	1,200	565
Sale of replaced assets	132	102
Sale of surplus assets	–	–
Payments		
Expenditure on renewal of assets	(2,336)	(1,905)
Expenditure on new/upgraded assets	(1,788)	(2,362)
Net Cash provided by (or used in) Investing Activities	(2,792)	(3,600)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments		
Repayments of borrowings	(251)	(251)
Net Cash provided by (or used in) Financing Activities	(251)	(251)
Net Increase (Decrease) in cash held	289	(135)
Cash and cash equivalents at beginning of period	5,949	6,084
Cash and cash equivalents at end of period	6,257	5,949

Financial Statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 15 – FINANCIAL INDICATORS

Budget	Forecast
2018	2017

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. Detailed methods of calculation are set out in the SA Model Statements.

Operating Surplus Ratio		
Operating Surplus	0%	0%
Rates – general and other less NRM levy		

This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.

Net Financial Liabilities Ratio		
Net Financial Liabilities	(38%)	(36%)
Total Operating Revenue		

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	119%	92%
Infrastructure and Asset Management		
Plan required expenditure		

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 2018

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

	2018	2017
	\$'000	\$'000
Income	13,291	12,979
less Expenses	13,291	12,985
Operating Surplus / (Deficit)	0	(6)
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	2,336	1,905
Depreciation, Amortisation and Impairment	(3,300)	(3,270)
Proceeds from Sale of Replaced Assets	(132)	(102)
	(1,096)	(1,467)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property and real estate developments)	1,788	2,362
Amounts received specifically for New and Upgraded Assets	(1,200)	(565)
Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	–	–
	588	1,797
Net Lending / (Borrowing) for Financial Year	508	(336)

Operating and Capital Projects

	Operating Budget		Capital Budget		
COMMUNITY HEALTH AND WELLBEING	Amount	Funding	New	Renewal	Funding
Jane Eliza Riverfront Paving Extension (RIT Pump Station to old Tower Tavern site)	–	–	\$58,000	–	–
Renmark Avenue Median Upgrades (23rd to 21st Street)	–	–	\$42,188	–	–
Footpath Lighting Continuation Plan – Patey Drive to Paringa (parallel to highway)	–	–	\$5,000	–	–
Food Waste Recycling Study	\$5,200	–	–	–	–
Number 3 Oval (soccer) Lighting Plan	–	–	\$5,000	–	–
Renmark Swimming Pool Detailed Construction Drawings (subject to detailed assessment)	–	–	–	\$110,000	–
Darnley Taylor Masterplan Development	\$30,000	(\$15,000)	–	–	–
Paringa Cemetery Memorial Garden	\$5,000	–	–	–	–
Library Self Service RFID	–	–	\$29,000	–	–
Library Community Hub	–	–	\$10,400	–	–
A VIBRANT ECONOMY	Amount	Funding	New	Renewal	Funding
Calperum Industrial Estate Expansion	\$27,000	(\$27,000)	–	–	–
Jane Eliza Masterplan	–	–	\$154,500	–	(\$154,000)
Government Road Design and Tender Project	–	–	–	\$45,000	–
Expansion of SS Ellen Park hard stand area	–	–	\$16,260	–	–
Gurra Road Extension – All weather access road	–	–	\$220,000	–	–
Urban Design Framework Projects	–	–	\$1,000,000	\$1,000,000	(\$1,000,000)

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

	Operating Budget		Capital Budget		
A SUSTAINABLE REGION	Amount	Funding	New	Renewal	Funding
Transport Asset Revaluation	\$60,000	–	–	–	–
Renmark Stormwater Management Plan	\$100,000	(\$50,000)	–	–	–
Tree Removal and Bank Rehabilitation at Lock 5 Moorings	\$10,664	–	–	–	–
Expose septic tank lid – Renmark Netball Courts	\$5,000	–	–	–	–
Signage Audit – New Branding Alignment	\$2,000	–	–	–	–
Road Reseal Program	–	–	–	\$956,000	(\$356,000)
Plant Replacement (3 Utilities, 2 Mowers, Backhoe, Skid Steer Loader, Mini Backhoe)	–	–	–	\$461,000	(\$132,000)
Clark's Carpark Kerb and Watertable replacement	–	–	–	\$42,805	–
Footpath and Pram Ramp Upgrades	–	–	\$140,000	–	–
Renmark Cemetery Toilet Renewal	–	–	–	\$30,000	–
Paringa Tourist information bay upgrade	–	–	–	\$5,000	–
Small Plant Replacement	–	–	–	\$5,000	–
Evans Street Project (Reshape road and pave footpath)	–	–	–	\$65,000	–
Plush's Bend Plan Implementation – Signage, Bollards and Riverfront Lawn	–	–	\$30,000	–	–
Plush's Bend Old Toilet Block	\$10,000	–	–	–	–
Southwest Gateway (Grey Welcome Wall Improvements)	–	–	–	\$15,000	–
Renmark Sporting Complex Carpark Upgrades (Cnr Paringa and 15th Streets)	–	–	–	\$40,000	–
A POSITIVE EXPERIENCE	Amount	Funding	New	Renewal	Funding
Administration Office Fitouts – Comm Development and Depot	–	–	–	\$23,000	–
Land Supply	–	–	\$15,000	–	(\$15,000)
IT Strategy – Year 1	\$65,000	–	\$55,000	–	–
IT Hardware Renewal	–	–	–	\$20,000	–
Continuous Improvement Roadmap Delivery	\$20,000	–	–	–	–
Tracks and Trails Promotion	\$20,000	–	–	–	–
Community Satisfaction Survey	\$25,000	–	–	–	–
Civic Centre Foyer Upgrades	–	–	\$7,500	–	–

*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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