



Committed to a sustainable future

Renmark Paringa Council

2019/20 Annual Business Plan and Budget





Angove Farm

European Cuisine



Renmark
Paringa
Council

Annual Business Plan and Budget 2019/20

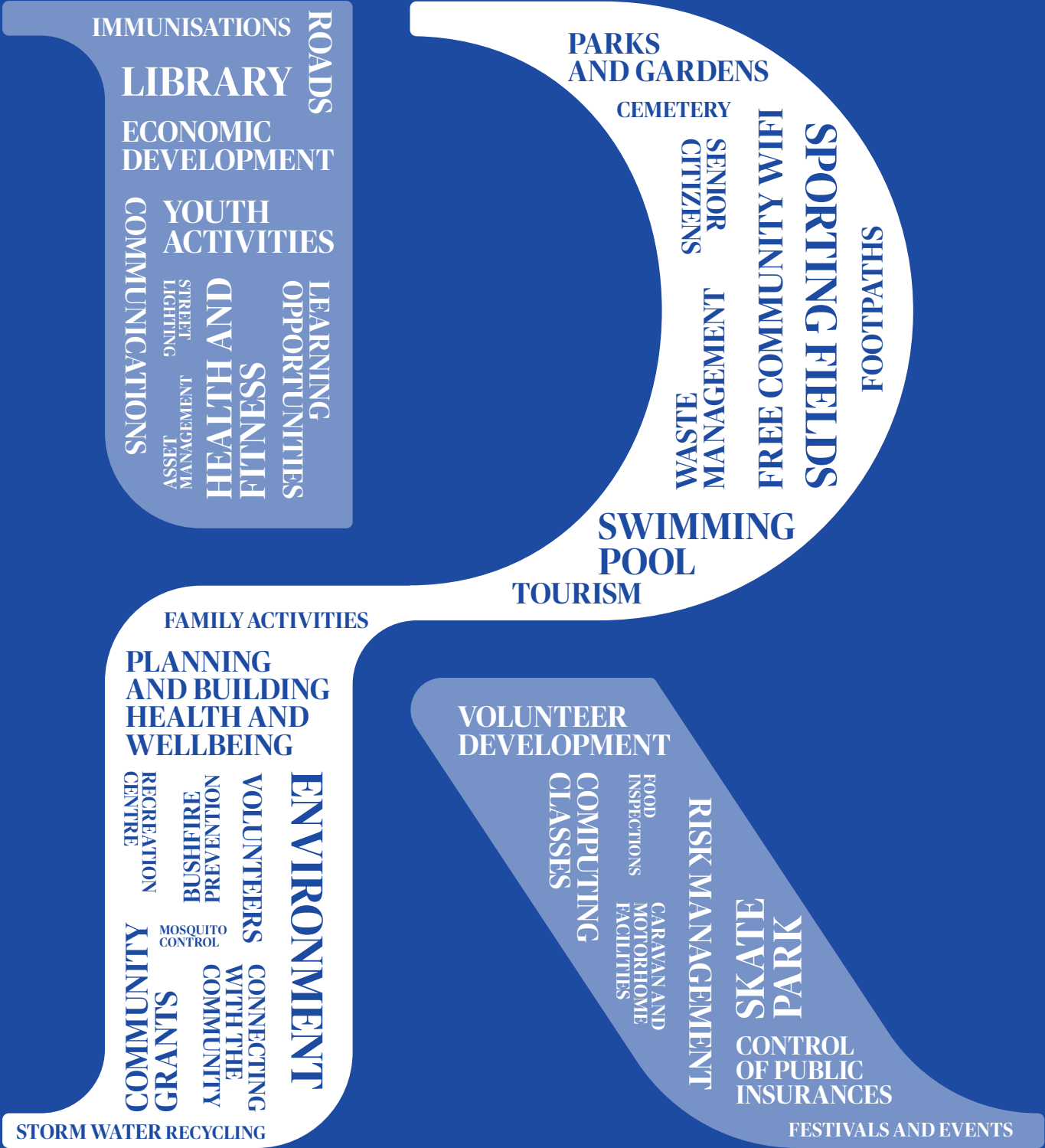


Contents

At a Glance	07
Our Council	08
Community Capacity	11
Our Future	15
Community Health and Wellbeing	16
A Vibrant Economy	16
A Sustainable Region	16
A Positive Experience	16
Significant Projects for the 2019/20 Year	17
Significant Influences	21
Funding our ABP and Budget	22
Measuring our Performance	24
General Rates	28
Service Charges	30
Rebate of Rates	32
Other Revenue	34
Financial Statements	36
Operating and Capital Projects	42

SPECIAL THANKS

Photography supplied by local photographer Honi Honi Photography, staff and valued community member Grant Schwartzkopff



At a Glance

The Annual Business Plan and Budget 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 2019/20 Council has significant expenditure on the renewal and upgrade of key assets including:

- Stage 1a of the Urban Design Framework sees the redevelopment of Renmark's Riverfront to become an active community precinct.
- Renmark Outdoor Swimming Pool Upgrade will bring the swimming pool and filtration system up to modern standards.
- Government Road is entering the second stage of this project and will be upgrading and widening the road as well as intersection realignments.

- Renmark Olympic Soccer Club Lighting Project will see the installation of improved lighting at the Renmark Olympic Soccer Club main pitch to increase participation at the club.

Some of these projects are multi year projects and have commenced in 2018/19 and will carry over to 2020/21. This ensures that Council achieves its long term goals through effective project management.

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 2019/20 Annual Business Plan are outlined in the table below.

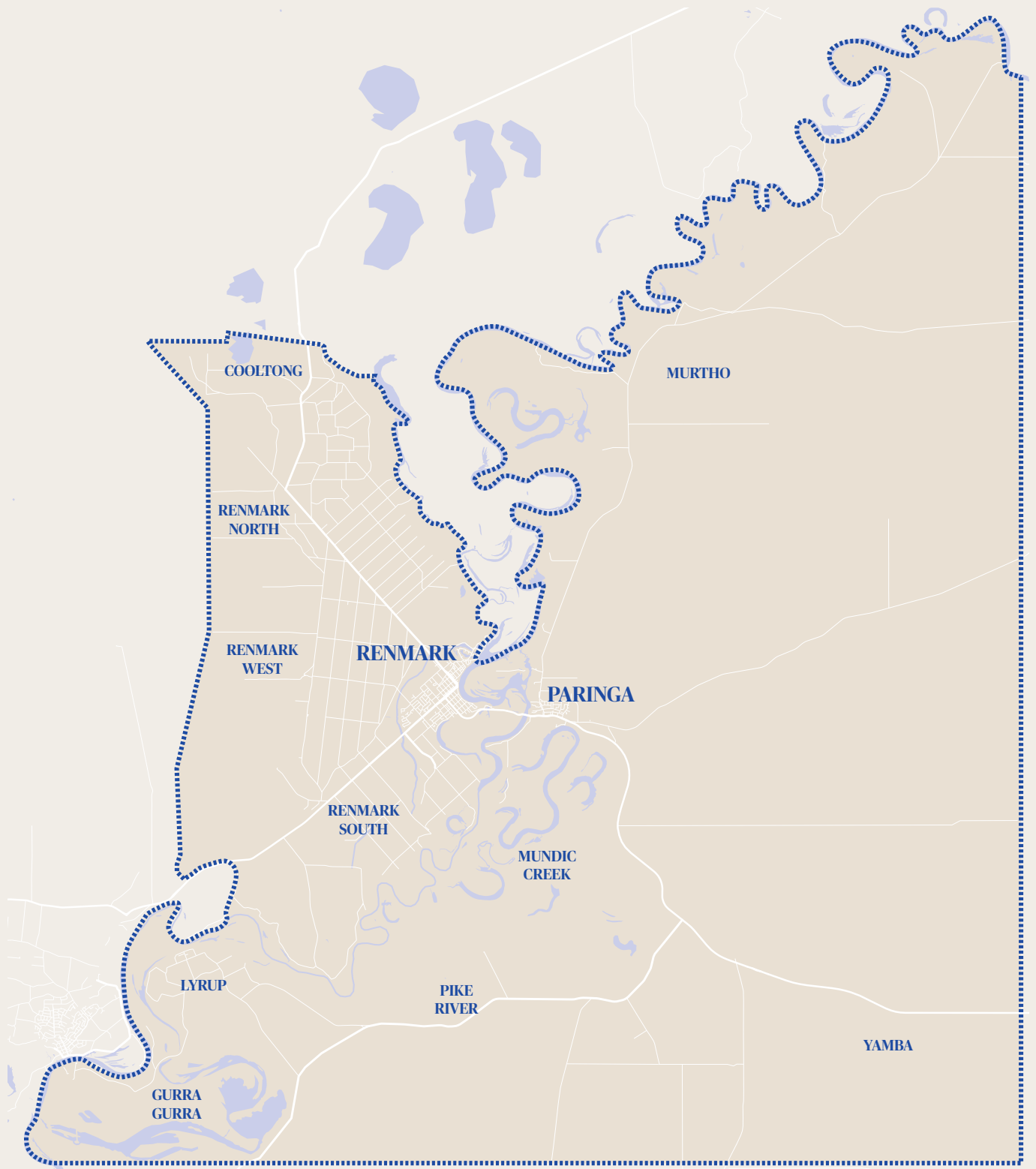
Planned Projects	48 Annual Business Plan and Budget projects have been identified to contribute towards achieving Council's long term objectives.
Capital Budget	\$13.37 million of capital works (\$8.8 million carry over from 2018/19 for multi year projects; Stage 1a of the Urban Design Framework, Government Road, Outdoor Swimming Pool).
Operating Budget	Operating surplus of \$2,000. This is on target with Council's Long Term Financial Plan target.
Loans	An increase in loan balances of \$3million to fund the renewal of the Renmark Swimming Pool.
Rates	Average residential rate increase of \$55. Property valuation growth of 5%. Fixed charge is maintained at \$400.
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 0.0%. Net financial liabilities ratio of -10%. Asset sustainability ratio of 107%. These ratios are within Councils long term targets.

Our Council

Renmark Paringa Council covers an area of approximately 407 square kilometres and is home to an estimated population of 9,825 (2016 Census). 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 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, 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.

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)
- Cooperating and collaborating with other agencies to gain the best outcomes for our community (including neighbouring Councils, industry groups, State and Federal departments).

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.



'Renmark Summer Night on the Murray' competition winner of summer social media photography campaign

Community Capacity

Renmark Paringa Council is committed to the health and wellbeing of our community, ensuring that we have a vibrant economy, a sustainable region which enhances and protects our environment and heritage and create a positive experience for our community members, visitors and business affiliates. Council is passionate about assisting with the coordination and promotion of events and activities that enrich the wellbeing and inclusion of the whole community and to support industry growth to ensure we have a sustainable future.

As a Council we host and support an array of events and activities to develop partnerships, increase promotion of the region and to help build the skills and capacity of our community.

Council also seeks to engage and consult with the community on a wide range of projects to ensure that goals and objectives are achieved through active participation. Council communicates with the community utilising multiple platforms both traditional and digital. This allows Council to reach the many demographics in our community.

Some projects which the community will be aware of via Council's media platforms have commenced in 2018/19 and will continue into this financial year. By allowing projects to commence in one year and to be completed in the next, allows Council to scope projects accordingly driven by extensive community consultation and will have long term benefits to the community as a whole. Some such initiatives are Stage 1a of the Urban Design Framework which will deliver a high quality regional destination on the riverfront to draw residents and visitors to the region. Council successfully obtained funding through State and Federal funding streams and will commence development of the project early this Financial Year.



Tech Savvy sessions available at the Library and Chaffey Community Centre

Community Capacity

The Renmark Paringa Chaffey Community Centre (CCC) Engagement Project which saw the CCC Team actively consult with the community at many public venues such as Renmark Square and the Renmark Post Office. A survey was also available online and the purpose of this engagement project was to better understand the needs and wants of the community to ensure that social infrastructure which Council manages hosts programs which will appeal to the community. A calendar of programs will be developed for this financial year and we hope to see an increase in participation from the community at the CCC.

Council has also partnered with other agencies to develop region wide projects which will benefit all the communities of the region. Examples of these initiatives are Riverland STARCLUB, Riverland Trail Strategy and Riverland Social Indicators. Riverland STARCLUB provides the Riverland community as a whole with a touch point to the Office for Recreation, Sport and Racing within the region. This position has been hosted by Renmark Paringa Council, Berri Barmera Council and in 2019/20 Financial Year will see District Council of Loxton Waikerie join the consortium. This position provides support to sporting clubs and organisations to ensure that they are performing well and to support them with any issues they may have in terms of club development. A series of workshops which are free to Riverland community members will be held throughout the 2019/20 Financial Year and provides an opportunity to upskill clubs and groups in areas which have been identified through consultation as being required.

The Riverland Trail Concept was explored in 2018/19 and will be developed into a strategy this Financial Year with Renmark Paringa Council and Berri Barmera

Council collaborating to develop a multi use trail which will follow along the banks of the mighty River Murray, commence at the Berri Barmera Council border and finish at the Victorian border. This strategy will encompass a steering group who will have representatives from all major tourism and recreation industries to ensure that the trail becomes a vital and integral asset to our community and to visitors alike.

The Riverland Social Indicators Project is a collaboration between Renmark Paringa Council, Berri Barmera Council, District Council of Loxton Waikerie and Regional Development Australia for the Murraylands and Riverland. This project seeks to identify crucial social issues which underpin our region and will provide Local Government and other agencies with the data and tools to advocate on behalf of the community on those issues. This project is innovative not only for the region but also for South Australia; careful planning was carried out to ensure that this project could deliver long term social and economic benefits to the region. Federal funding was sought for 50% of the project and was granted.

Across our facilities, Council provides services and programs which enhance social inclusion, capacity building and an opportunity to develop creativity and skills. Over the past 12 months we have seen over 1,200 children participate in our school holiday programs which are held at the Library, Chaffey Community Centre, and Visitor information Centre and this Financial Year we expect this number to increase.

We have also seen over 45,000 people utilise our Visitor Information Centre visitor services and we have directed them to the many local attractions which our region has to offer and again we expect this number to grow this Financial Year.



Drumming Monkeys, one of the many School Holiday activities held at the Library

Council also supports Young Professionals who move to the region by connecting them with other Young Professionals at networking events and utilising Councils' digital platforms and again is proud to collaborate with Berri Barmera Council, District Council of Loxton Waikerie and Regional Development Australia Murraylands and Riverland to ensure that all the Young Professionals who move or return to the region feel supported.

In 2018/19 Council provided financial and in kind support to many local clubs, groups and organisations and also to advocacy bodies who lobby on behalf of not only our Council area but the region and the sector. Council does this to ensure that our community members have access to social infrastructure which enriches their lives and also to have peak body's advocate on their behalf on crucial issues which underpin our region.

In 2018/19 Council supported youth and community groups through our Community Grants Program which amounted in over \$29,000 being invested. This ensured that individuals and groups could participate in sporting competitions and could make vital

upgrades to infrastructure to enable clubs to grow and attract further membership. Council also supported an array of events and activities through Council's Community Support Program which amounted to over \$100,000. Some of these events saw the State Symphony Orchestra attend the Chaffey Theatre, South Australia National Football League hold their Country Championships here and also ensured that long standing events continued such as the Renmark Rose Festival and Carols in the Garden and Council will continue to support initiatives like these in 2019/20.

Council is no longer just roads, rates and rubbish; we are part of your everyday. Council's Elected Members and Staff work towards achieving long terms strategic goals to make our community not only a desirable place to visit but a truly vibrant and enriching place to live.

**Batonbearers of the Gold Coast
Commonwealth Games Baton
Relay from Paringa to Renmark
in February 2018**



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 will finalise planning for the 2020–2024 Community Plan in the coming 12 months.

COUNCIL'S VISION FOR ITS COMMUNITY IS:

Committed to a sustainable future

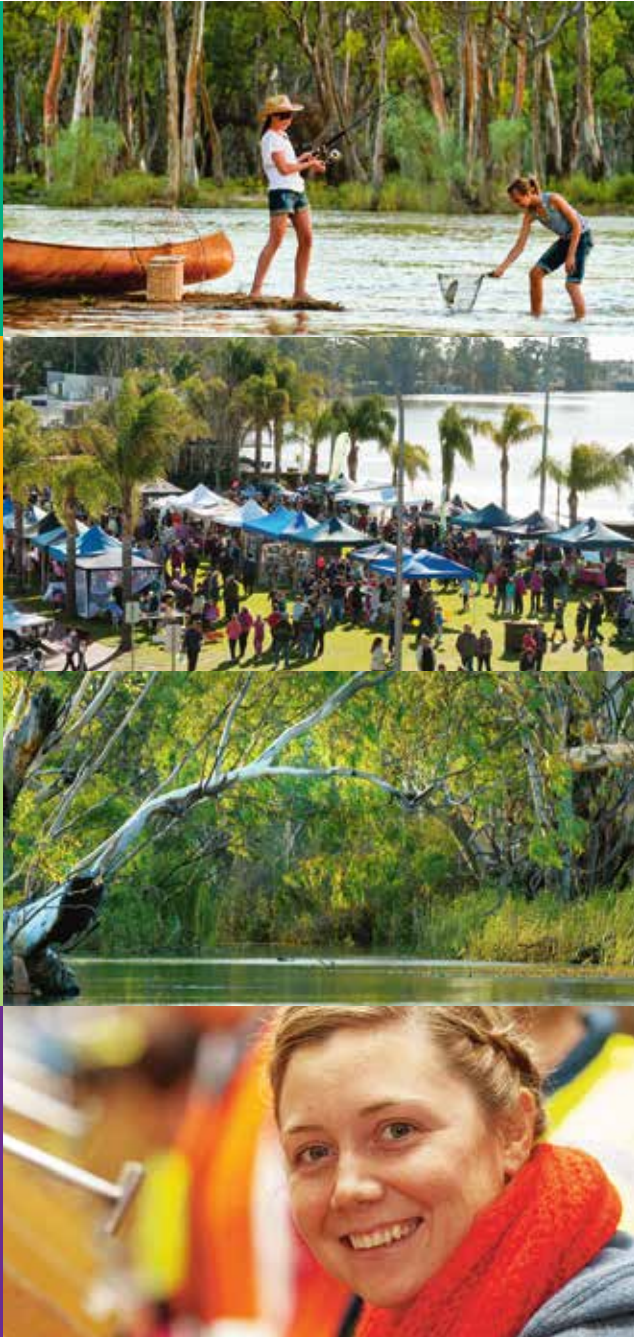
- Creating opportunities for change
- Facilitating innovation
- Informed decisions based on research, consultation and forward thinking
- Working together as a team
- Sustainable use of resources
- A focus on providing high quality service to our customers
- A genuine commitment to contribute to the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



Australia Day 2018 Winners

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 2019/20 Year



RIVERLAND SOCIAL INDICATORS PROJECT

In 2018/19 Renmark Paringa Council, Berri Barmera Council, District Council of Loxton Waikerie, Murraylands Riverland Local Government Association and Regional Development Australia Murraylands and Riverland commenced collaborating on a project which seeks to identify crucial issues which underpin the Riverland region and provide data and tools to enable Local Government and supporting agencies

to advocate on behalf of the community to address these issues. In 2018/19 Federal funding was obtained and implementation of this project will commence in 2019/20, providing the Riverland community with a powerful tool to advocate with.

Significant Projects for the 2019/20 Year



REMARK PARINGA WAYFINDING STRATEGY

The Urban Design Framework document was developed in 2017 and a project identified through that process was to develop a brand for Renmark Paringa which could be utilised by the tourism sector, event organisers and by businesses to enhance our reputation as a destination of choice for visitors.

To build upon the branding project Council will also develop a wayfinding strategy to ensure that visitors and locals alike can easily navigate their way through our region to visit the many attractions

which our Council area has to offer. Wayfinding refers to information infrastructure that guide people through a physical environment and enhance their understanding and experience of the space. This initiative aims to enhance people experience when visiting the Renmark Paringa Council area.

Council will consult with the relevant stakeholders to ensure that the branding developed represents the essence of the region.



GOVERNMENT ROAD STAGE 2

Government Road is a four year project and we are now entering the second year. Works will consist of completion of Stage 1 and 2 for Government Road from Airport Road to Rialto Street and continue into the second stage; Rialto Street to Cucumunga Street. Council will be upgrading and widening the road as well as intersection realignments. This project will greatly

improve safety and rideability on Government Road. On completion the road will provide a safe alternative route for commercial trucks and cater for the horticultural and mining expansions that are happening and predicted.

Significant Projects for the 2019/20 Year



PLANNING, DEVELOPMENT AND INFRASTRUCTURE ACT (PDI)

The PDI Act 2016 provides for the new SA Planning Portal, a one-stop shop website for information, online services and community participation relating to the South Australian planning system.

South Australians will now have the planning information they need at their fingertips, and will be able to access the planning system 24 hours a day using their computer, phone or tablet.

With the roll out of the e-Planning lodgement of Development Applications the implementation phase of this it is likely to require Council to seek external assistance through consultants and/or casual staff to assist in the implementation. This project will ensure that there is a smooth transition over to the new system and that the customer service experience will be positive.

Significant Influences

A number of significant factors have influenced the preparation of Council's draft Annual Business Plan and Budget 2019/20. These include:

- The minimum opening allocation for River Murray irrigators in the 2019–20 water year is projected to be 22% of the water entitlement (May 2019). This reflects the extremely dry conditions across the Murray-Darling Basin and Council is aware of the impact this will have on our community.
- As part of the Commonwealth Government's plan to continue to support farmers and their communities in drought, the Drought Communities Program has been extended to include the Renmark Paringa Council. This guarantees \$1 million in funding for local infrastructure projects and other drought-relief activities under the Drought Communities Program for our community.
- 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.
- Consumer Price Index (CPI) increase of 1.3% (year ending March 2019).
- Renmark Paringa Council along with all Council's across the country are financially impacted by China's recent ban on receiving recyclable waste.
- Balancing the expectations of keeping rates low against increasing service delivery and infrastructure responsibilities and unavoidable cost increases.



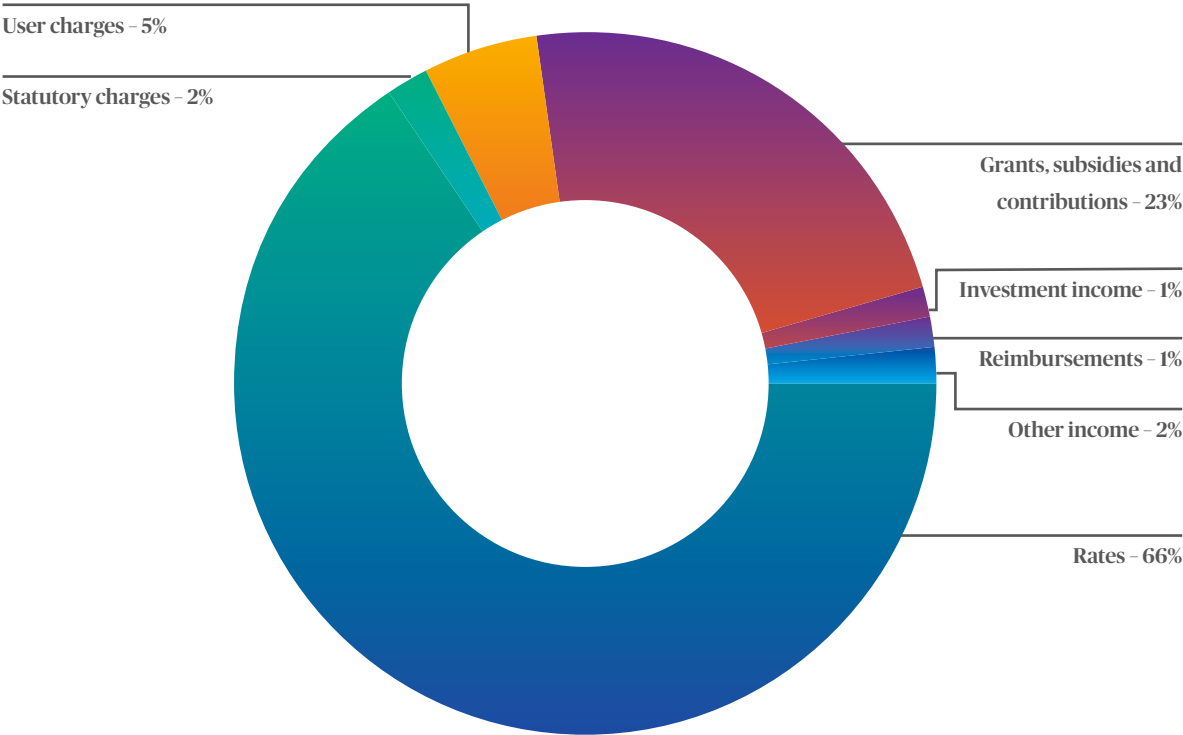
Funding our ABP and Budget

Council has budgeted for an operating surplus of \$2,000 for 2019/20. The operating result measures the between revenue and expenses for the period.

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

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.

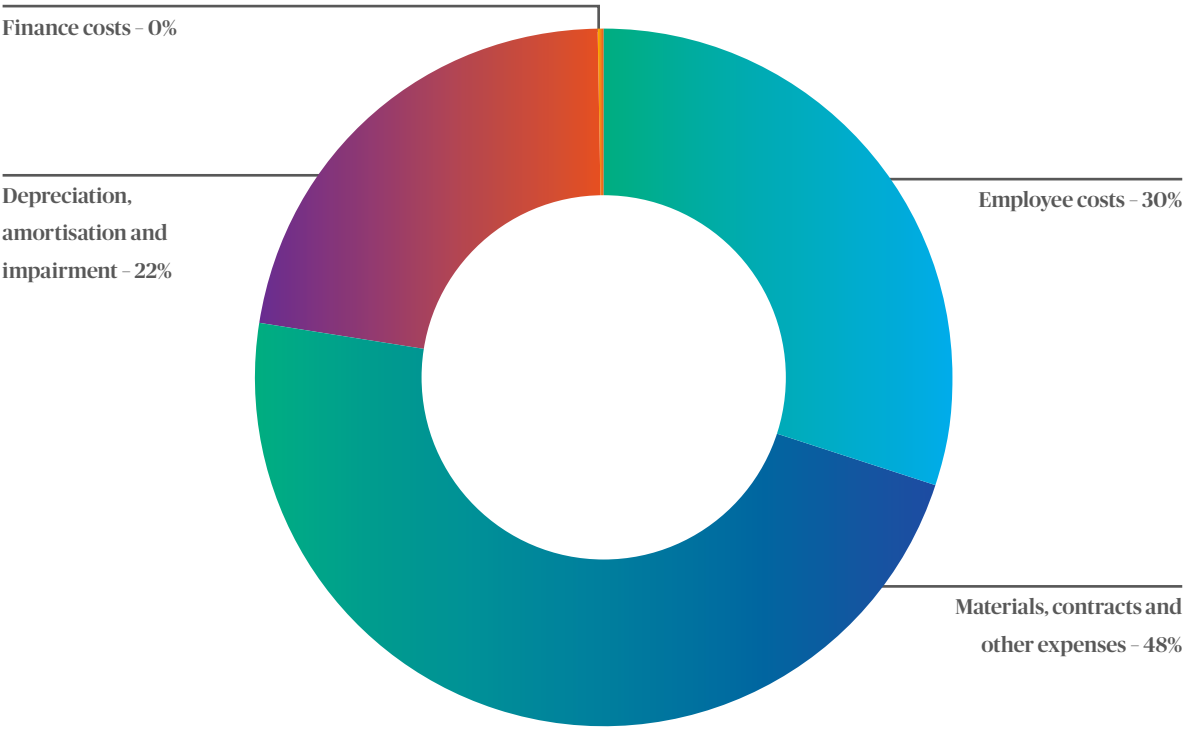
INCOME	\$'000
Rates Revenues	9,469
Statutory Charges	281
User Charges	764
Grants, Subsidies and Contributions	3,322
Investment Income	198
Reimbursements	183
Other Income	232
Total Income	14,449



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 66% of this revenue is received by way of rate income and 23% from grants.

The expenditure chart below shows that approximately 30% of costs are attributable to the payment of salaries and wages and approximately 48% is applied to materials, contracts and other expenses.

EXPENSES	\$'000
Employee costs	4,378
Materials, contracts and other expenses	6,822
Depreciation, amortisation and impairment	3,243
Finance costs	4
Total Expenses	14,447






Measuring our Performance

To enable both the Council and the community to assess Council’s performance over the 2019/20 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 2019/20 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

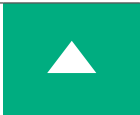
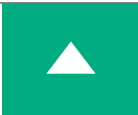
In 2019/20 Council is budgeting for an operating surplus of \$2,000.

To determine whether Council has achieved a successful result in 2019/20, the target is measured against the corresponding 2019/20 target from the LTFP.

Year	2018/19 Forecast	2019/20 Draft LTFP Target	2019/20 Budget
Result	1,000	(146,000)	3,000
Status			

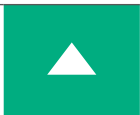
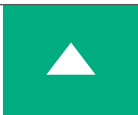
OPERATING SURPLUS RATIO

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	2018/19 Forecast	2019/20 Draft LTFP Target	2019/20 Budget
Result	0%	(1%)	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	2018/19 Forecast	2019/20 Draft LTFP Target	2019/20 Budget
Result	-5%	35%	-10%
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 was slightly outside of target range in 2018/19 due to increased spending relating to the Urban Design Framework.

Year	2018/19 Forecast	2019/20 Draft LTFP Target	2019/20 Budget
Result	119%	100%	107%
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>



Book Week Fun at the Library

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 2019–20 and beyond, Council is forecasting to generate \$6,539,857 in General Rate Revenue (excluding CWMS and Waste Management Charge).

The table below highlights the change in average rates paid including (CWMS, Waste Management Charge and NRM Levy) based on an average residential property value of \$235,926.

2019/20 RPC Residential Average	\$1,752
2018/19 RPC Residential Average	\$1,697
2019/20 RPC average dollar value of rate increase for residential properties	\$55
2019/20 RPC average percentage rate increase for residential properties	3.10%

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 19/20	Capital Value 18/19	Capital Valuation Growth	Rate (cents in the dollar) 19/20	General Rates Raised 19/20	General Rates Raised 18/19
Residential	830,698,815	791,700,936	4.93%	0.2371	3,372,086	3,248,242
Commercial(Shops)	49,552,612	49,266,400	0.58%	0.5029	305,597	301,695
Commercial(Office)	4,921,814	4,699,214	4.74%	0.5029	34,031	32,677
Commercial(Other)	54,935,617	52,952,838	3.74%	0.5029	324,602	311,583
Industrial(Light)	2,651,547	2,623,047	1.09%	0.5029	18,335	18,060
Industrial(Other)	29,553,951	28,253,251	4.60%	0.5029	170,239	163,052
PrimaryProduction	422,682,668	395,965,516	6.75%	0.3537	1,864,516	1,757,458
VacantLand	27,384,940	25,666,220	6.70%	0.7817	305,170	288,259
Other	17,838,330	17,063,195	4.54%	0.2371	145,281	139,652
Totals	\$1,440,220,294	\$1,368,190,617			\$6,539,857	\$6,260,679

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 raised 32% of its general rate revenue by way of the fixed charge.

The fixed charge proposed for 2019/20 is \$400.

The charge in 2018/19 was \$400.

SEPARATE RATE – NATURAL RESOURCE MANAGEMENT LEVY

Renmark Paringa Council is within the South Australian Murray-Darling Basin Natural Resources Management Board region 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 2019/20 as \$334,147. This is an increase of 1.2% 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 2019/20 is \$0.0002366. 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

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 2019/20 is \$445 per property unit. The charge in 2018/19 was \$435.

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.

The recent State Government announcement of a 40% increase in the Solid Waste Levy, days before Council was scheduled to adopt its budget resulted in Council increasing the General Waste Charge by an additional \$6 and increasing fees at the Renmark Paringa Waste Transfer Station.

The proposed Waste Management Charge to be applied for 2019/20 is:

Area	Service Provided		Proposed Service Charge 19/20	Service Charge 18/19
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)	\$155.00	\$145.00
		Recyclables (240 litre bin collected fortnightly)	\$75.00	\$70.00
		Green Waste (240 litre bin collected fortnightly)	\$64.00	\$60.00
		TOTAL	\$294.00	\$275.00
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)	\$155.00	\$145.00
		Recyclables (240 litre bin collected fortnightly)	\$75.00	\$70.00
		TOTAL	\$230.00	\$215.00



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

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

INVESTMENT INCOME

This comprises of 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 2019/20	1/7/19 Balance	Increase/ (Decrease)	30/6/20 Balance
Development	Jane Eliza Development	\$1,042,000	(\$45,000)	\$997,000
CWMS	CWMS Upgrades, CWMS Condition Assessment, Pump Upgrades	\$3,399,000	\$362,000	\$3,761,000
Open Space	Paringa Beautification Project	\$110,000	(\$110,000)	Nil

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 2019/20 budget Council is proposing to borrow funds for Renmark Swimming Pool upgrades.



Council encourages
lifelong learning

Financial Statements

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2020

	Budget	Forecast
	2020	2019
	\$'000	\$'000
INCOME		
Rates	9,469	9,054
Statutory charges	281	270
User charges	764	694
Grants, subsidies and contributions	3,322	3,126
Investment income	198	193
Reimbursements	183	206
Other income	232	377
Total Income	14,449	13,880
EXPENSES		
Employee costs	4,378	4,142
Materials, contracts and other expenses	6,822	6,483
Depreciation, amortisation and impairment	3,243	3,242
Finance costs	4	6
Total Expenses	14,447	13,873
OPERATING SURPLUS / (DEFICIT)	2	7
Asset disposal and fair value adjustments	32	–
Amounts received specifically for new or upgraded assets	2,339	3,948
NET SURPLUS / (DEFICIT)	2,373	3,955
Transferred to Equity Statement		
TOTAL COMPREHENSIVE INCOME	2,373	3,955

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

STATEMENT OF FINANCIAL POSITION
as at 30 June 2020

	2020	2019
	\$'000	\$'000
ASSETS		
Current Assets		
Cash and cash equivalents	5,545	4,808
Trade and other receivables	451	401
Inventories	20	20
Total Current Assets	6,016	5,229
Non-current Assets		
Infrastructure, property, plant and equipment	131,174	129,551
Other non-current assets	–	–
Total Non-current Assets	131,174	129,551
Total Assets	137,190	134,780
LIABILITIES		
Current Liabilities		
Trade and other payables	570	578
Borrowings	47	58
Provisions	903	818
Total Current Liabilities	1,520	1,454
Non-current Liabilities		
Borrowings	2,953	3,000
Provisions	33	28
Total Non-current Liabilities	2,986	3,028
Total Liabilities	4,506	4,482
NET ASSETS	132,684	130,298
EQUITY		
Accumulated Surplus	39,643	37,534
Asset Revaluation Reserves	88,275	88,275
Other Reserves	4,753	4,489
TOTAL EQUITY	132,671	130,298

Financial Statements

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2020

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Budget				
2020	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	37,534	88,275	4,489	130,298
Net Surplus / (Deficit) for Year	2,373	–	–	2,373
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant and equipment	–	–	–	–
Total Comprehensive Income	2,373	–	–	2,373
Transfers between reserves	(264)	–	264	–
Balance at end of period	39,643	88,275	4,753	132,671
Forecast				
2019				
Balance at end of previous reporting period	33,917	88,275	4,151	126,343
Net Surplus / (Deficit) for Year	3,955	–	–	3,955
Other Comprehensive Income				
Changes in revaluation surplus – infrastructure, property, plant and equipment	–	–	–	–
Total Comprehensive Income	3,955	–	–	3,955
Transfers between reserves	(338)	–	338	–
Balance at end of period	37,534	88,275	4,489	130,298

STATEMENT OF CASH FLOWS
for the year ended 30 June 2020

	Budget	Forecast
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES	\$'000	\$'000
<u>Receipts</u>		
Rates receipts	9,432	9,106
Statutory charges	307	270
User charges	835	808
Grants, subsidies and contributions (operating purpose)	3,462	3,140
Investment receipts	198	193
Reimbursements	195	185
Other receipts	163	198
<u>Payments</u>		
Payments to employees	(4,392)	(4,026)
Payments for materials, contracts and other expenses	(6,912)	(6,891)
Finance payments	(4)	(6)
Net cash provided by (or used in) operating activities	3,290	2,977
CASH FLOWS FROM INVESTING ACTIVITIES		
<u>Receipts</u>		
Amounts received specifically for new/upgraded assets	2,339	5,948
Sale of replaced assets	42	205
Sale of surplus assets	–	–
<u>Payments</u>		
Expenditure on renewal/replacement of assets	(2,318)	(4,738)
Expenditure on new/upgraded assets	(2,558)	(12,652)
Net cash provided by (or used in) investing activities	(2,495)	(11,237)
CASH FLOWS FROM FINANCING ACTIVITIES		
<u>Receipts</u>		
Proceeds of borrowings	–	5,912
<u>Payments</u>		
Repayments of borrowings	(58)	(88)
Net cash provided by (or used in) financing activities	(58)	5,824
Net increase (decrease) in cash held	737	(2,436)
Cash and cash equivalents at beginning of period	4,808	7,244
Cash and cash equivalents at end of period	5,545	4,808

Financial Statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note – FINANCIAL INDICATORS

Amounts	Indicator	Indicator
Forecast	2019/20	2018/19

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	2	0%	0%
Total Operating Revenue	14,449		

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

Net Financial Liabilities Ratio			
Net Financial Liabilities	(1,490)	-10%	-5%
Total Operating Revenue	14,449		

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	2,173	107%	116%
Infrastructure and Asset Management Plan required expenditure	2,028		

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 2020

NOTE – 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.

	2020	2019
	\$'000	\$'000
Income	14,449	13,880
less Expenses	(14,447)	(13,873)
Operating Surplus / (Deficit)	2	7
<i>less Net Outlays on Existing Assets</i>		
Capital Expenditure on renewal and replacement of Existing Assets	(2,318)	(4,738)
Depreciation, Amortisation and Impairment	3,243	3,242
Proceeds from Sale of Replaced Assets	42	205
	967	(1,291)
<i>less Net Outlays on New and Upgraded Assets</i>		
Capital Expenditure on New and Upgraded Assets (including investment property and real estate developments)	(2,558)	(12,652)
Amounts received specifically for New and Upgraded Assets	2,339	5,948
Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	–	–
	(219)	(6,704)
Net Lending / (Borrowing) for Financial Year	750	(7,988)

Operating and Capital Projects

Operating Budget			Capital Budget		
COMMUNITY HEALTH AND WELLBEING	Amount	Funding	New	Renewal	Funding
Renmark Olympic Soccer Club Lighting Upgrades	–	–	\$261,000	–	(\$206,000)
Paringa Football Club Kitchen Renewal	–	–	–	\$25,000	(\$18,500)
Kindergym Upgrades	–	–	–	\$28,750	–
Sims Parade Linear Park Upgrade	–	–	\$71,500	–	–
Riverland Social Indicators Project	\$15,147	–	–	–	–
Riverland Trail Strategy	\$20,000	–	–	–	–
Paringa Beautification Project	–	–	–	\$110,000	–
Lyrup Cemetery Improvements	–	–	\$66,000	–	–
Paringa Silos Contribution	\$10,000	–	–	–	–

A VIBRANT ECONOMY	Amount	Funding	New	Renewal	Funding
Riverland CCTV Project	–	–	–	–	–
Heavy Vehicle Route Assessment and Risk Analysis Implementation	–	–	–	\$30,000	–
Jane Eliza Development	\$45,000	(\$45,000)	–	–	–
Branding and Wayfinding Signage Strategy	–	–	\$39,000	–	–
Tourism and Events Committee Networking Projects	\$3,000	–	–	–	–

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

Operating Budget			Capital Budget		
A SUSTAINABLE REGION	Amount	Funding	New	Renewal	Funding
Paringa Cemetery Fence Replacement	–	–	–	\$22,000	–
Annual Sealed Road Reseal program	–	–	–	\$595,000	(\$180,317)
Road Resheeting	–	–	–	\$259,000	–
Kerb and Watertable Replacement – Murray Avenue	–	–	–	\$80,000	–
CWMS Upgrades	–	–	–	\$444,745	(\$444,745)
Master Key System	–	–	–	\$20,000	–
Government Road – Construction Stage 2	–	–	\$1,475,000	–	(\$975,000)
Westpac Building – Replace gutters, downpipes and flashings	–	–	–	\$8,500	–
Renmark Library – Disabled Toilet	–	–	–	\$15,000	–
Pram Ramp Upgrades	–	–	–	\$50,000	–
CWMS Condition Assessment	\$100,000	(\$100,000)	–	–	–
Renmark Pool Shelters	–	–	\$12,000	–	–
Paringa Oval WWTP irrigation pump station – Replace pumps and filtration	–	–	–	\$138,000	(\$138,000)
Major Plant and Vehicle Replacement	–	–	–	\$181,000	(\$42,000)
Town Wharf Condition and Detailed Designs	–	–	–	\$90,000	–
Crane Trailer replacement	–	–	–	\$16,000	–
Thompson Court Stormwater upgrades	–	–	–	\$45,000	–
Asphalt Seal – Bike Track Number 1 Oval	–	–	\$70,000	–	–
Footpath Strategy	\$10,000	–	–	–	–
10th Street Stormwater Upgrades	–	–	–	\$44,850	–
14th Street Stormwater Upgrades	–	–	–	\$25,000	–
Replacement Kerb and Watertable on Mildura Street (19th–20th Streets)	–	–	–	\$28,000	–
Events Power Supply – Renmark Riverfront	–	–	\$30,000	–	–
Bookmark Creek Vehicle Restrictions	–	–	\$15,710	–	–
James Avenue – Paving to Footpath along Jarrett Memorial	–	–	\$42,000	–	–
Asphalt Footpath – Murray Dyer Avenue	–	–	\$35,000	–	–
Stormwater Outlets – Sims Parade (Bookmark Creek)	–	–	\$15,000	–	–
Kerb and Water Table New Works – 18th and 19th Street	–	–	\$167,136	–	–
Sealing Lyrup Bowling Club on street Carpark	–	–	–	\$13,000	–
Capital Project Designs	–	–	\$120,000	–	–
Lyrup Sports Complex Improvements	–	–	–	\$20,000	–
A POSITIVE EXPERIENCE	Amount	Funding	New	Renewal	Funding
PDI Act Implementation	\$35,000	–	–	–	–
ICT Strategy Year 3	\$279,033	–	\$137,500	–	–
IT Hardware Renewal	–	–	–	\$30,000	–

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



**Renmark
Paringa
Council**




Contact Details

Telephone +61 8 8580 3000
Email council@renmarkparinga.sa.gov.au
Web www.renmarkparinga.sa.gov.au

Opening Hours

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

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Committed to a sustainable future

