



District Council of Mount Remarkable

Annual Business Plan and Annual Budget for the Financial Year Ending 30 June 2016

TABLE OF CONTENTS

| | |
|---|---------------|
| <i>1. Introduction</i> | <i>3</i> |
| <i>2. Key Strategic Objectives - Strategic Plan</i> | <i>3</i> |
| <i>3. Financial Sustainability / Financial Performance Measures</i> | <i>6</i> |
| <i>4. Significant Influences and Priorities</i> | <i>7</i> |
| <i>5. Continuing Services</i> | <i>8</i> |
| <i>6. Capital Expenditure - Project Priorities for the Year</i> | <i>9</i> |
| <i>7. Non-Financial Performance Measures 2014/2015 & 2015/2016</i> | <i>11</i> |
| <i>8. Grant Funding</i> | <i>13</i> |
| <i>9. Funding the Business Plan</i> | <i>13</i> |
| <i>10. Uniform Presentation of Council Finances</i> | <i>14</i> |
| <i>11. Rating Arrangements 2015/2016</i> | <i>15</i> |
| <i>Appendix A – Explanation of Uniform Presentation of Finances</i> | <i>21</i> |
| <i>Appendix B - Statutory Statements</i> | <i>23</i> |

1. Introduction

Pursuant to the provisions of Section 123 of the Local Government Act 1999 (“the Act”) each Local Government Authority is required to develop an Annual Business Plan and a Budget for each financial year.

This Annual Business Plan sets out Council’s program for the 2015/2016 financial year and aims to deliver the goals and objectives of Council’s Strategic Management Plan ‘*Our 2020 Vision*’.

The Annual Business Plan is supported by an annual operating budget for service delivery and asset maintenance, and a capital works budget for the replacement, acquisition or enhancement of assets. The Annual Business Plan and Annual Budget are aimed at satisfying current service requirements and expanding service delivery where possible and affordable, whilst recognising the need to put Council in the best financial position to provide services to the members of our community, both today and into the future.

The Annual Business Plan focuses on ensuring the long-term financial sustainability of the Council to ensure that Council will be able to provide services for current and future generations.

The Annual Business Plan has been prepared in accordance with the requirements of the Act, part of which is to provide the community with an opportunity to comment on the Draft Annual Business Plan using a submission template that is available on Councils website or via email or letter to the Chief Executive Officer.

2. Key Strategic Objectives - Strategic Plan

Council’s strategic and other long term plans outline the longer-term objectives and priorities for the Community. These Plans, together with the Annual Business Plan and Budget, determine the infrastructure needs and services Council will provide, including the costs required to deliver those services.

Council’s objectives for the District are detailed within Council’s Strategic Management Plan, in the form of the Vision, its Mission, its Values and its Objectives. These are as follows:

2.1 Our 2020 Vision

Our Organisation

A financially sustainable, proactive and responsive customer focused organisation which meets and exceeds the diverse needs and expectations of our stakeholders in an efficient and effective manner.

Through team work, co-operation and continuous improvement, and by fostering creativity and developing our valued employees, we will grasp the challenges and capture the opportunities for the benefit of all, to ensure our respected position at the leading edge of our industry is maintained.

Our Council

A dynamic, skilled and representative elected body respected and recognised at the local, regional, state and national levels for its advocacy and positive leadership of all sectors of its Communities, with a strategic focus on policy and effective decision making.

Our Communities

With enviable facilities and services, growing populations and thriving and sustainable economies, our vibrant and diverse Communities are safe, secure, friendly and welcoming to all. Community spirit, co-operation and a sense of belonging are fostered by our determined, hardworking people with positive vision and initiative to make our Communities exceptional places to live, visit, work and do business.

2.2 Our Mission

Council will accept the challenges of, and excel in the provision of, Local Government services to our district, enhancing and preserving the unique character of our communities, maintaining a safe and secure environment for our residents, whilst retaining and promoting the quality lifestyle and amenity of country living. Council will continually promote open communication, accountability, and efficient and effective leadership, governance and service delivery by:

- acting as a representative, informed and responsible decision maker;
- providing and coordinating services, facilities and programs that are adequate, appropriate and equitably accessed;
- developing the Community, its resources and its infrastructure in a socially just and sustainable manner;
- ensuring that Council resources are used fairly, effectively and efficiently;
- encouraging and developing initiatives within the Community for improving the quality of life and amenity of the Community;
- managing, developing and protecting the environment in an ecologically sustainable manner;
- planning at the local and regional level for the development and future requirements of the Community;
- promoting the area and providing an attractive climate and location for the development of business, commerce, industry and tourism;
- ensuring a proper balance between economic, social, environmental and cultural considerations within the Community;
- developing its capacity and professionalism to undertake a growing range of leadership, advocacy and service delivery challenges; and
- exercising, performing and discharging the power, functions and duties of the Local Government Act 1999 and other relevant legislation.

2.3 Our Values

As a results oriented organisation, Council is committed to its core values of:

- pro-active and effective communication
- honesty and transparency
- accepting and pursuing challenges
- creative, positive and energetic workforce and leadership

2.4 Objectives

Respected, Responsive, Open and Effective Leadership

With visionary, respected and strong leadership, Council will be in a position to successfully develop constructive partnerships with other levels of government and our communities, to ensure our aspirations are met and our futures are secured.

Accountable, Secure and Sustainable Organisation

It is Council's responsibility to represent the interests of its ratepayers and residents and to efficiently and effectively provide a range of services and facilities. An adequately financed organisation with skilled and qualified employees is required to undertake these duties, over a variety of time periods.

It is equally important that Council delivers "best value" to ratepayers and to other levels of government. It is in the interests of our communities that Council not only be well resourced and financially sustainable in the long term, but that it is continually accountable to all stakeholders.

Growing Prosperity

Our residents and ratepayers enjoy and expect ongoing access to a high level of facilities and services in their communities and high standards of living. For this to continue we require growth in the local and regional economies, jobs and populations.

Building Communities and Fostering Creativity

To survive, compete and grow in the modern world we require creative and entrepreneurial people, businesses and communities. With new people, new jobs, new ideas and new enthusiasm our communities will be well placed to "get through the tough times" and stake claims as desirable residential, work and holiday locations.

Attaining Sustainability

There is strong evidence, now accepted by the broader community, that mankind's population growth, industrial expansion and resources use is contributing to climate change and will ultimately make the planet an unfriendly environment for us. We have a duty as custodians for future generations to ensure our environments are healthy and our ways of life are sustainable. We must alter our activities to stop further damage to the environment, and adjust our behaviours and lifestyles accordingly.

Developing the Foundation for Our Future

A range of reliable infrastructure is required to cater for the current and future transportation, communication, water, electricity and quality of life needs of our residents, businesses and communities. We acknowledge that Council has a leadership role in encouraging the adoption alternative technologies and sharing of facilities and resources, to deliver infrastructure and services in a sustainable and environmentally sensitive manner.

Improving Wellbeing

Members of our District highly value the fact that their communities have low crime rates; they have a good range of essential and emergency services; lifestyles are healthy with high participation rates in sport and ready access to attractive natural environments; they have numerous opportunities for socialising; and they can rely on neighbours and friends in times of need. It is important that these lifestyle advantages are maintained by continuing to provide a safe and healthy local environment.

3. Financial Sustainability/Financial Performance Measures

Amendments to the Local Government Act 1999 (the 'Act') in 2005 combined with an independent review initiated by the Local Government Association into the long term financial sustainability of South Australian councils clearly indicated that there was a need for councils to take a longer view into their financial planning and sustainability in working towards their goals. In 2015/2016 Council intends to further develop its Long-Term Financial Plan and Infrastructure and Asset Management Plan, and review its Strategic Plan and finalise.

Council is committed to ensuring its long term financial sustainability. Council's financial sustainability is dependent on ensuring that, on average over time, its expenses are at least matched by its revenue. In addition, capital expenditure on existing infrastructure and other assets should be optimised (in accordance with the Infrastructure and Asset Management Plan so as to minimise the whole-of-life-cycle costs of assets).

Regulation 7 (Budgets) of the Local Government (Financial Management) Regulations 2011 directs at 7(d) that pursuant to section 123(10)(b) of the Act, each budget of a council under the Act must include estimates with respect to the council's operating surplus ratio, net financial liabilities ratio and asset sustainability ratio presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.

3.1 Operating Surplus Ratio

The Operating Surplus Ratio expresses the operating surplus (deficit) as a percentage of general and other rates. Council's is aiming to make a small percentage surplus for the year ending 30 June 2016. The operating surplus ratio from the proposed budgeted activity for the year is 12%, (i.e. a slightly better than breakeven result). This result arises because operating revenue is budgeted to be \$336k more than Council's operating expenses for the year. This will offset part of the draw down for the accelerated capital works.

3.2 Net Financial Liabilities & Net Financial Liabilities Ratio

Net Financial Liabilities is a comprehensive measure of the indebtedness of the Council as it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of the level of Council's available cash and investments. Specifically, Net Financial Liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, cash equivalents, trade and other receivables, and other financial assets, but excludes equity held in Council businesses, inventories and land held for resale. The following table sets out revised estimates as at 30 June 2016:

| | Estimated 30 June 2016 \$000 |
|--|---|
| Total Liabilities | 987 |
| Less Total Financial Assets | 3,143 |
| Net Financial Liabilities | (2,155) |
| Net Financial Liabilities Ratio | (33%) |

The local government sector wide results for this financial indicator usually fall between 0% and 100%. The negative result indicates that Council is in a net financial assets position. Net Financial Liabilities of (\$2.156M) indicates that Council has sufficient capacity to continue its operational and accelerated capital expenditure programs.

3.3 Asset Sustainability Ratio

The Asset Sustainability Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to its level of depreciation. Council's is aiming to attain a result of 121% for the year ending 30 June 2016. This means that Council is spending more than the depreciation expenses on asset renewal. This reflects a continued accelerated capital roads works program with the intention of addressing the under-spend in this area in previous years.

3.4 Overall Assessment of Councils Financial Sustainability (based on ratios above)

The above ratios indicate that the proposed Annual Business Plan and the associated Budget that underpins it, is financially sustainable over the following 12 months. The operating surplus indicates that Council is covering the cost of its operating activities from its operating revenue.

It is expected that the cash surplus will be run down in a strategic manner over time addressing and funding capital construction in a coordinated manner. The developed long term financial plan will ensure that Council sets appropriate ranges for senior management to operate within. The target Asset Sustainability Ratio of 121% is slightly higher than the range the local government sector usually operates within, however this reflects a continuing catch up of works not completed over past few years.

4. Significant Influences and Priorities

A number of significant factors have influenced the preparation of the Council's 2015/2016 Annual Business Plan. These include:

- the Federal Government abolishing the Supplementary Local Roads Grant funding for South Australia in 2014 means the loss of around \$160k to Council per annum;
- the Federal Government decision to freeze the indexation on the local government Financial Assistance Grants (FAGs) for 3 financial years will mean the loss of around \$60k to Council per annum. The loss will compound each year and set a net lower base in 2017/2018;
- Consumer Price Index increases on existing goods and services;
- State & Commonwealth grant funding not keeping pace with the increase in associated service delivery costs;
- Enterprise Bargaining Agreement which provides for wages and salary increases;
- requirements to maintain and improve infrastructure assets to acceptable standards, including roads, footpaths, storm water drainage and community wastewater management systems;
- the need to deliver a higher asset replacement ratio to catch-up on under-spend in past years
- service delivery needs of the community;
- facilitating the future financial sustainability of Council by ensuring the financial operations remain within targets adopted for such purpose;
- provision of sufficiently qualified experienced and trained staff to meet service delivery demands;
- increased demands for regulatory activities;
- the ongoing impact of fire damage (2013/2014) and flood damage (2013/2014 & 2014/2015);
- the expected rises in costs goods and services due to higher fuel prices;
- previous and expected further increases in the Emergency Services Levy.

5. Continuing Services

All councils have basic responsibilities under the Act and other relevant legislation. These include:

- regulatory activities
- supporting the elected Council;
- setting rates, preparing an annual budget and determining longer-term strategic management plans for the area;
- management of basic infrastructure including roads, footpaths, parks, public open spaces;
- street lighting and storm-water drainage;
- street cleaning, rubbish collection, recycling and waste management;
- development planning and control, including building safety assessment;
- various environmental and public health services.

In response to community needs, Council also provides, performs or contributes to a range of additional services and programs, including:

| | |
|----------------------------------|--|
| Animal Management | Mobile Library Service |
| Abandoned Vehicles | Natural Resource Management |
| Asset Management | Rail Trails |
| Caravan Parks | Parking (On and Off Street) |
| Cemeteries | Playgrounds |
| Community Bus | Property Searches |
| Community Development | Public Conveniences |
| Community Grants | Opal |
| Community Information | Recreation and Sporting Facilities |
| Community Passenger Transport | Road Construction |
| Community Wastewater Mgt Schemes | Safe Drinking Water Act Administration |
| Community Halls public venues | Safe Food Handling Training |
| Community health initiatives | StarClub Program |
| Council Newsletter | Sporting grounds |
| Customer Service | Street Signs |
| Dog and Cat Management | Street Trees |
| Economic Development | Stormwater Drainage |
| Fire Prevention | Swimming Pool (Public) |
| Food Act Administration | Tourist and historical sites |
| Governance | Traffic Control |
| Health Act Administration | Transfer Stations |
| Leases | Willowie Landfill Management |
| Melrose Licenced Post Office | |

6. Capital Expenditure - Project Priorities for the 2015/2016

| PROJECT | Comment | Budget 2015/2016 |
|--|---|---------------------|
| <i>CAPITAL EXPENSES - EXISTING ASSETS</i> | | |
| Buildings | | |
| Caravan Park | Bunkhouse Air-Conditioning, Painting of old Toilet Block and boarder & access | \$25,000 |
| Public Amenities Upgrade | | \$7,000 |
| Playground - Replace Playground Pieces | | \$25,000 |
| Wilmington CWMS - Chemical Wash-down Area | | \$5,000 |
| Melrose Office Entrance Upgrade | | \$30,000 |
| Total Buildings | | \$92,000 |
| Plant & Equipment | | |
| 1 x Administration Car | Trade In Estimated \$40k | \$60,000 |
| 2 x Dual Cab Utilities | Trade In Estimated \$34k | \$75,000 |
| Combination Roller Rebuild | | \$30,000 |
| Water Pump | For Water Tanker | \$12,000 |
| Vibe Roller | | \$50,000 |
| Skid Steer | | \$73,000 |
| 2 x NPTN Vehicles | Trade In Estimated \$40k | \$50,000 |
| Total Plant and Equipment | | \$350,000 |
| Roads - Category 1 & 2 | | |
| <i>Category One</i> | | |
| Pine Creek Road (Kelly to Wirrabara Appila) | Partial Resheeting 10 km (5km) | \$186,000 |
| Hammond Road (Willowie to Bluebush) | Resheeting 6 km | \$156,000 |
| Morchard Road (Boundary heading West) | Resheeting 4 km | \$100,000 |
| Gunyah Road (Homestead to Redhill) | Resheeting 4.8 km | \$75,000 |
| <i>Category Two</i> | | |
| Borgas Road | Re sheeting 3.5 km | \$59,500 |
| Collins Road (Whitewell to Girdham) | Re sheeting 5.7 km | \$96,900 |
| Perroomba Road (section between Bastian to Gander) | Re sheeting 2 km | \$34,000 |
| Total Roads - Category 1 & 2 | | \$707,400 |
| Road, Kerbing & Footpaths | | |
| Arthur Street, Booleroo | Roadside Reseal (RTR Project #1) | \$140,000 |
| Edwin Street, Booleroo | North Tce - Station Road - Reseal | \$11,000 |
| High Street, Port Germein | Bitumen Edge Reseal | \$25,000 |
| High Street, Port Germein | Favell Street - Kobenhavan Street - Reseal | \$12,000 |
| White Well Road | (2 x Sections) Reseal | \$15,500 |
| Mount Street, Melrose | Reseal | \$33,700 |
| White Well Road between Booleroo & Melrose | Reseal | \$6,000 |
| Spear Creek Road, Wilmington | 2 km - Reseal | \$35,000 |
| Main Street, Wilmington | Drainage - Stage 1 | \$120,000 |
| Middle Track | Concrete Creek Crossing | \$26,500 |
| Survey Road | Floodway | \$45,000 |
| Total Roads, Kerbing and Footpaths | | \$469,700 |
| Infrastructure | | |
| Booleroo Centre Carpark | (between School & Hospital) | \$30,000 |
| Willowie Landfill | Install Netting | \$18,000 |
| Paradise Square Melrose | Sprinkler System | \$5,000 |
| Melrose CWMS | Reline Pond | \$115,000 |
| Access Trails | | \$30,000 |
| Spear Creek Road | Bridge Repairs (RTR Project #2) | \$247,000 |
| Total Infrastructure | | \$445,000 |
| <i>TOTAL CAPITAL EXPENSES - EXISTING ASSETS</i> | | \$2,064,100 |

| PROJECT | Comment | Budget 2015/2016 |
|---|------------------|-----------------------------|
| CAPITAL EXPENSES - NEW ASSETS | | |
| Furniture & Equipment | | |
| Cemetery Module | | \$4,700 |
| Total Furniture & Equipment | | \$4,700 |
| Plant & Equipment | | |
| Loader | | \$300,000 |
| Street Sweeper (second-hand) | | \$185,000 |
| Ride On Mower | | \$45,000 |
| Forklift (second-hand) | | \$20,000 |
| Weighbridge Willowie Landfill | | \$25,000 |
| Water Trailer | | \$7,000 |
| Chlorinator - Melrose CWMS Shed | | \$5,000 |
| Total Plant & Equipment | | \$587,000 |
| Road, Kerbing & Footpaths | | |
| Callistemon Street, Wirrabara | Construct & Seal | \$84,000 |
| Maria Terrace, Wilmington | Construct & Seal | \$84,000 |
| Pedestrian Crossings - 2 x Stephens Street, Booleroo Centre - between Hospital & School, 1 x Arthur Street, Booleroo Centre between Mt View Homes & Post Office | | \$30,000 |
| Total Roads, Kerbing and Footpaths | | \$198,000 |
| Infrastructure | | |
| Willowie Landfill Fire Fighting Unit | | \$7,000 |
| Weeroona Island - Boat Launching Facility | | \$405,000 |
| Weeroona Island - Drainage | | \$123,000 |
| Total Infrastructure | | \$535,000 |
| TOTAL CAPITAL EXPENSES - NEW ASSETS | | \$1,324,700 |
| TOTAL CAPITAL EXPENDITURE | | \$3,388,800 |

7. Non-Financial Performance Measures

7.1 Targets and Outcomes - 2014/2015 Measures

The following table shows the 2014/2015 non-financial performance measure targets and outcomes for the financial year ended 30 June 2015:

| 2014/2015 Target | 2014/2015 Outcome |
|---|---|
| Re-sheet 31kms of unsealed roads | 32.4kms Completed <ul style="list-style-type: none"> • Pine Creek Road - 9.2km resheet • Stone Creek Road - 2.5km resheet • Gladstone Road - 7.0km resheet • Poles Road - 5.0km resheet • Survey Road - 7.4km resheet • Seymour Road - 1.3km resheet |
| Reseal 4.7kms of town roads – Wirrabara, Port Germein, Wilmington | Completed - Reseal sections as per program <ul style="list-style-type: none"> • Winterhude St, Port Germein • Favell St, Port Germein • Pedersen St, Port Germein • Rydberg St, Port Germein • Kobenhaven St, Port Germein • Forrest Rd, Wirrabara • Callistemon St, Wirrabara • East Tce, Wirrabara • West Tce, Wirrabara • Challenger St Melrose • Alligator Gorge Rd Also Construction and Seal <ul style="list-style-type: none"> • High Street Wirrabara (+ drainage) • Joes Road to Monument Melrose |
| Full construction and bitumen seal 1.1kms town road – Weeroona Island | Completed <ul style="list-style-type: none"> • North Flinders Esplanade |
| Finalise Phase 1 and 2a of the Weeroona Island Boat Launching Facility | Near Completion Council agreed to delay project after negotiations with successful tenderer. Expected to be completed in July 2015. |
| Complete the construction of a new cell at the Willowie Land Fill | Completed <ul style="list-style-type: none"> • Completed 1 new cell plus preparatory work for second cell |
| Finalise rehabilitation works at closed rubbish dumps at Port Germein and Wirrabara | Works Scheduled for completion by 30 June 2015 |
| Finalise the Phase 1 redevelopment of the Port Germein Foreshore | Completed Phase 1 completed with additional Phase 2 works also completed |
| Implement Phase 1 of the Drainage Plan for Weeroona Island | Completed |
| Trial and evaluate Regional Video Conferencing Pilot Program | Flinders Shared Services finalising purchase of equipment for 3 Councils by 30 June 2015 after successful grant |
| Continue delivery of the Healthy Communities Initiative (concludes Sept 2014) | Continued delivery until conclusion in Sept 2014 |
| Finalise Council Asset Management Plan | Final Draft Plans for Council adoption |
| Finalise Council Long Term Financial Plan | Final Draft Plan for Council adoption |
| Review Council's Strategic Plan with new Council | To be completed by December 2015 |
| Phase 2 Work Health Safety Implementation Plan | Completed |
| Continue to develop further Control Registers | Continued |

| | |
|--|--------------------------|
| Continue the review Council policies and procedures | Continued |
| Finalise Stimulus Package projects: <ul style="list-style-type: none"> • Booleroo Centre Playground • Wilmington Main Street • Port Germein Foreshore | All 3 projects finalised |
| Upgrade Radio Tower to enhance radio communication | Completed |
| Seal entrance driveway to Booleroo and District Airstrip | Completed |

7.2 Proposed 2015/2016 Measures

The following proposed non-financial performance measures for the 2015/2016 financial year are linked to *Our 2020 Vision*, District Council of Mount Remarkable Strategic Management Plan 2008 – 2020, namely:

- Resheet 19.8kms of category 1 unsealed roads
- Resheet 11.2kms category 2 unsealed roads
- Resurface works to 12kms of unsealed roads
- Continue working with government to finalise flood damage claims
- Implement a new operational grading program
- Finalise the current bitumen reseal program in Booleroo Centre, Port Germein, Melrose and Wilmington and develop new 10 year program
- Develop a plan for the construction and seal of all remaining township streets
- Construct and seal roadwork's in Wilmington and Wirrabara
- Instigate Stage 1 of the Wilmington drainage works and investigate further options
- Continue Drainage works on Weeroona Island
- Reline the Melrose CWMS to progress water reuse at oval
- Continue with plans for the introduction of a Wirrabara CWMS
- Continue working with government, the community and others for the redevelopment of Wirrabara Forest.
- Continue working with government agencies and others for the opening of Baroota Reservoir to the public for fishing and recreational activities
- Commence Phase 2 works on the Wilmington to Melrose Access Trail
- Finalise the Weeroona Island boat launching facility
- Continue the support of the Opal Program
- Work with agencies for the continuance of the Northern Passenger Transport Network
- Finalise the review of Council's Strategic Management Plan
- Continue investigation of local television reception for Wilmington and Melrose
- Work with NBN Co. for the introduction of broadband services in the district
- Continue with Phase 3 Work Health and Safety Implementation Plan
- Continue the review of Council policies and procedures
- Works to culverts on Spear Creek Road
- Introduce pedestrian crossing in Booleroo Centre at school/hospital and post office
- Continue to be an active member in the change management of the Central Local Government Region
- Finalise all installation of rural road-name signage throughout the district

8. Grant Funding

Local Government receives three types of grant funding, namely:

General Purpose & Local Roads Financial Assistance Grants (Federal)

Council has complete discretion as to expenditure of funds received.

Council's 2015/2016 budget assumes that four quarterly instalments of Federal Government Financial Assistance Grants (FAGs) (both general purpose and local roads components), will be received during 2015/2016.

It also assumes the abolition of the South Australian Supplementary Local Roads funding and the freezing of indexation on the FAGs for 3 financial years, announced in the 2014/2015 Federal Government Budget. These cuts will affect all councils and hit hardest on the smaller rural councils such as ours.

Specific Purpose Grants

These are to be spent on specific projects or programs. In Council's case include:

| | |
|---|--------|
| DCSI/HACC (until 30 Oct 2015) | \$ 43k |
| NRM | \$ 24k |
| Minister for Emergency Services & SAFECOM | \$ 30k |
| SABFAC | \$355k |

Roads to Recovery & Financial Assistance Grants (Federal)

Whilst funds received are to be spent on road projects, Council has complete discretion on whether such spending is on maintaining, renewing or upgrading roads.

| Expected Grant Funding | Amount |
|---|---------------|
| General Purpose (Grants Commission) | 1,685k |
| Local Roads (Grants Commission) | 355k |
| Supplementary Local Roads funding (Abolished by Federal Government) | 0k |
| Roads to Recovery | 520k |
| Total Grant Funding | 2,560k |

9. Funding the Business Plan

An operating surplus of \$336k is being targeted in 2015/2016. The operating surplus 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.

Council's revenue in 2015/2016 includes \$2.99M proposed to be raised from general rates and service charges. This is based on an increase of 5%. There is little forecast growth expected for the region accordingly no increases to rates revenue has been factored in for growth. Other sources of proposed revenue for the Council are:

- User Charges and Commercial Revenue
- Statutory Charges set by State Government
- Grants
- Other Revenue

10. Uniform Presentation of Council Finances

The Uniform Presentation of Council Finances together with the results of the Key Financial Indicators provides a summarised report that focuses on Council's finances at a strategic level.

Readers are strongly encouraged to take the time to comprehend how this report is structured and what the implications of the various lines of this report are for the Key Financial Indicator calculations. Definitions and examples of the key components of this report are included in the glossary at the end of this document.

The Summary of Financial Position report highlights the operating surplus (deficit) measure which is considered the most critical indicator of a Council's financial performance. The result of this report is the movement in Net Financial Liabilities (Net Lending / Borrowing) for the year based on Council's planned capital and operating budgets for that year. Achieving a zero result on the net lending / (borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new / upgraded assets).

| | Budget Review #2 y.e. 30 June 2015 | Proposed Budget y.e 30 June 2016 |
|--|---|---|
| | \$,000 | \$,000 |
| Section 1: | | |
| Operating Revenue | 6,649 | 6,775 |
| less Operating Expense | (6,457) | (6,439) |
| Operating Surplus / (Deficit) before Capital Amounts | 192 | 336 |
| Section 2: | | |
| less Net Outlays on Existing Assets | | |
| Capital Expenditure on renewal and replacement of Existing Assets | 2,779 | 2,064 |
| less Depreciation, Amortisation & Impairment | (1,900) | (1,623) |
| less Proceeds from Sale of Replaced Assets | (62) | (104) |
| | 817 | 337 |
| Section 3: | | |
| less Net Outlays on New & Upgraded Assets | | |
| Capital Expenditure on New & Upgraded Assets | 1,583 | 1,325 |
| less Amounts specifically for new or upgraded Assets | 0 | (355) |
| less Proceeds from Sale of Surplus Assets | 0 | 0 |
| | 1,583 | 970 |
| Section 4: | | |
| Net Lending/ (Borrowing) for Financial year | (2,208) | (971) |

The above data indicates that Council will use \$971k of investments to fund the activities and projects outlined in this business plan. A full explanation of the components to the above Uniform Presentation of Finances is contained in Appendix A.

11. Rating Arrangements 2015/2016

11.1 Business Impact

The Council has considered the impact of rates on all businesses in the Council area, including Primary Production. In considering the impact, Council assessed the following matters:

- those elements of the Council's Strategic Management Plan relating to business development;
- the equity of the distribution of the rate burden;
- Council's policy on facilitating local economic development through its financial support to the Regional Development Australia Board, who employ a small business advisor;
- the specific Council project that has seen a tourism officer based in the area to assist tourism product development;
- rebates of rates given to certain businesses where Council considered rates levied were beyond the capacity of those businesses to pay;
- specific projects that have principally provided benefit to the primary producers included:
- a continuing proactive effort in promoting the Single Farm Enterprise benefit which has reduced the rate burden on primary production enterprises;
- Continuation of the CWMS implementation program which will assist both residential and business land uses to dispose of waste water. These Schemes will have a largely beneficial use to high water usage businesses e.g. Hotels, Caravan Parks and other accommodation facilities.
- Increased Regulatory Requirements and Legislative compliance.

11.2 Method Used to Value Land

Council may adopt one of three valuation methodologies to value the properties in its area. They are:

- Capital Value - the value of the land and all of the improvements on the land.
- Site Value - the value of the land and any improvements which permanently 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.

A review should be undertaken periodically as the most appropriate rating system for a council may vary over time as changes occur in its area, including as a result of:

- A change in the mix of properties, for example as a result of development;
- A change in the mix of council services; and
- Significant changes in relative value between different classes of property.

Council conducted a review of its basis of rating to ensure that the rating methodology it applies generates equitable outcomes for all classes of ratepayers. The review focussed on what share of total rate revenue will be collected from different types of properties (for example commercial, industrial, primary production and residential) and of different relative values (high or low).

Council proposes to adopt:

- Capital value based rating;
- Using land use Council-wide as the basis of differential rating;
- Maintaining a fixed charge when implementing changes to the basis of rating;
- Using a common rate for all properties Council-wide; and
- Maintaining a rating cap to limit the annual rates increases.

11.3 Adoption of Valuations

Council is proposing to adopt the valuations made by the Valuer-General and provided to the Council in June 2015 (subject to minor revision and correction in the lead up to the formal adoption of the Valuation). If landowners are dissatisfied with the valuation made by the Valuer-General then they may object to the Valuer-General in writing, within 60 days of receiving notice of the valuation on their rate notice, explaining the basis for the objection - provided they have not:

- (a) previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice; or
- (b) previously had an objection to the valuation considered by the Valuer-General.

The contact details for the State Valuation Officer are:

State Valuation Office

GPO Box 1354

ADELAIDE SA 5001 .

Email: lsg.objections@sa.gov.au

Telephone: 1300 653 345

The total capital valuation (CV) of the Council area as at 30 June 2014 was \$635,883,860 and as at 12 July 2015 was valued at \$640,566,400.

The Council has no role in this process. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

11.4 General Rates

All land within a Council area, except for land within a specific exemption (eg. Crown land, Council occupied land and other land prescribed in Section 147 of the Act), is rateable. The Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate which applies to all rateable properties. For the 2015/2016 financial year, Council is raising general rate and service charge revenue of \$2.99M.

11.5 Fixed Charge

The Council is proposing to continue to impose a fixed charge system, rather than a minimum rate. This financial year the fixed charge will be \$275.60. This fixed charge is levied uniformly on all non-contiguous assessments, unless the principal ratepayer has applied for and been granted the benefit of a Single Farm Enterprise. In this instance, only one fixed charge is applied to that Farm Enterprise. The 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.

The reasons for imposing a fixed charge are:

- the Council considers it appropriate that all rateable properties make a reasonable base contribution to the cost of administering the Council's activities;
- the Council considers it appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property;
- the fixed charge system has a lesser proportionate impact on lower income earners than a minimum rate system;
- the fixed charge system is more readily understandable than a minimum rate system;

11.6 Differential General Rates

The differential general rates pursuant to Section 156(1)(a) of the Local Government Act 1999 is proposed to be declared by Council as 0.3416 cents in the dollar for the 2015/2016 financial year.

11.7 Separate Rates

Natural Resources Management (NRM) Levy (N.B. This is a State Government Levy)
Councils are required, by the State Government, to collect an amount specified as the Northern & Yorke NRM Levy on all rateable land. Collection occurs on behalf of the State Government via the Northern & Yorke NRM Board, which uses the funds to manage natural resources.

The Northern & Yorke NRM Board has declared a total contribution to be raised by Council from this area of \$86,566k. The Board has advised that the Board will continue to use, the value of rateable land (capital value) as the basis for determining the Regional NRM Levy which will mean a rate of 0.0207 cents in the dollar for the 2015/2016 financial year.

Any queries relating to the NRM Levy should be directed to the Northern and Yorke Natural Resources Management Board, Unit 2/17 Lennon Street Clare SA 5453, Phone: (08) 8841 3400 email: DEWNR.NYNRBoard@sa.gov.au, web www.nynrm.sa.gov.au.

11.8 Service Charges

The Council continues to raise revenue by means of service charges because of:

- the concept of user pays;
- the nature of the service;
- the cost to operate and maintain the service;
- the capital cost to establish the service;
- the cost to improve or replace the service;
- recognition that the value of a property is likely to be enhanced by the availability of the service, whether or not the service is actually being used.

Properties rebated from payment of general rates in part or in full, are not provided with a rebate on these service charges.

Community Wastewater Management Schemes

The Council provides a Community Wastewater Management Scheme (CWMS) to all residential, commercial and vacant properties in Wilmington, Melrose and Booleroo Centre. The Council will recover the cost of servicing the construction loans, operating and maintaining these services for this financial year through the imposition of service charges for each occupied property unit and for each vacant allotment of \$452.50 in the 2015/2016 financial year.

The charges were increased to the current levels over a period of time to comply with a sustainable pricing regime being promoted by the State Government and the Local Government Association. A move in this direction will ensure that the current Schemes, together with any future Schemes, receive appropriate State Government financial assistance and are sustainable financially in the longer term.

There will be no septic or sullage tank desludging undertaken on CWMS properties in the 2015/2016 financial year.

Waste Management

In the 2015/2016 financial year, Council will continue to provide a weekly kerbside waste collection service and fortnightly recycling collection to the majority of the towns in the Council area and to the rural residential properties abutting the collection route.

The cost to operate these services is beyond Council's ability to absorb in general revenue and it would not be equitable to all ratepayers for them to do so. Council will therefore continue to recover the cost of these services through the imposition of a service charge of \$210.60 for the collection and disposal of domestic waste and the fortnightly collection and disposal of recycling. The service charge will apply to all occupied properties that have access to the service, regardless of whether or not the service is utilised. The exception is vacant land.

Where the service is available to non-rateable land, the charge is levied against that land. Where the service is made available after the declaration of rates, Section 188 of the Act permits Council to apply the charge pro rata against the remaining period of the financial year.

Weeroona Island Water Supply

The cost to operate the Weeroona Island Water Supply is beyond Council's ability to absorb in general revenue and it would not be equitable to all ratepayers for them to do so. Pursuant to Section 155 of the Local Government Act 1999 the Council will recover the cost of servicing the construction loans, operating and maintaining this services for this financial year through the imposition of an annual service charge of \$286.40 per annum and a supply charge of \$3.63 per kilolitre of water supplied. These service charges also apply to non-rateable land to which the service is made available within the township of Weeroona Island.

11.9 Rate Concessions

The State Government advised in its 2014/15 budget that pensioner concessions of \$190 on Council rates would cease as at 30 June 2015; Council will not be covering that cost. Notwithstanding, the State Government has recently announced a \$200 '*Cost of Living Allowance*' is expected to be considered in Parliament on 18 June 2015.

11.10 Quarterly Payment of Rates

The Act provides that rates are payable in four quarterly instalments. The quarterly instalments must be approximately equal in value and a rate notice in relation to each instalment must be sent at least 30 days and no more than 60 days before payment is due. The due dates for instalments for 2015/2016 are proposed to be:

- 25 September 2015;
- 18 December 2015;
- 24 March 2016;
- 17 June 2016.

11.11 Methods by Which Rates May Be Paid

Council continues to provide a wide variety of payment methods, including:

- Internet Direct Debit: www.mtr.sa.gov.au
- eCouncil Use Assessment Number on your rates notice
- BPay Biller Code 2253
- Post: PO Box 94, Melrose SA 5483
- In person at the office of the Council in Stuart Street Melrose between the hours of 9.00 am to 5:00 pm Monday to Friday. Council also has EFTPOS facilities available.
- Centrepay - Centrelink has developed a free bill paying service for customers receiving Centrelink payments, whereby fortnightly payments are directed into Council's bank account

out of the Centrelink pension / benefit. Ratepayers can telephone or visit their nearest Centrelink Office to request a deduction form (SA 325).

The Council has adopted a policy that where the payment of rates will cause a ratepayer demonstrable hardship, the Council is prepared to make extended payment provisions or payments by deferred arrangement. Any ratepayer who may, or is likely to experience difficulty with meeting the standard payment arrangements is invited to contact the Chief Executive Officer at the Council Office to discuss alternative payment arrangements. All such inquiries are treated confidentially.

The Chief Executive Officer has a delegation to make alternative arrangements and it is not necessary that they be reported to Council.

11.12 Postponement of Rates for Seniors

Section 182A of the Act allows eligible Senior Ratepayers to postpone a proportion of their Council rates each financial year commencing in 2007/2008 (there is a threshold amount of rates which cannot be postponed). The outstanding rates remain a charge on the property until it is sold or the Senior person no longer lives on the property or becomes ineligible to continue the postponement. For further information, please contact the Rates Officer at the Council office.

11.13 Late Payment of Rates

The Local Government Act 1999 provides that Councils impose a penalty of 2.0 % on any payment of rates that is received late. A payment that continues to be late is then charged a prescribed interest rate on the expiration of each month that it continues to be late. For each financial year this rate is determined by the Local Government Association Cash Advance Debenture Rate.

Council issues a final notice for payment of rates when rates are overdue i.e. unpaid by the due date. Should rates remain unpaid more than 30 days after the due date, unless alternative payment arrangements have been agreed with the Council, the debt may be referred to a debt collection agency for collection. The debt collection agency charges collection fees to the ratepayer.

When Council receives a payment in respect of overdue rates, it applies the money received as follows:

- first - to satisfy any costs awarded in connection with court proceedings;
- second - to satisfy any interest costs;
- third - in payment of any fines imposed;
- fourth - in payment of rates, in chronological order, starting with the oldest account first.

11.14 Remission and Postponement of Rates

Section 182 of the 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 a ratepayer is suffering hardship in paying rates he/she is invited to contact the Chief Executive Officer at the Council Office on 8666 2014 to discuss the matter. Such inquiries are treated confidentially.

11.15 Rebate of Rates

Rebates and remissions are a concession granted by the Council and the granting of such rebates redistribute the rate burden to other ratepayers, irrespective of whether the rebates are mandated by legislation or granted on a discretionary basis by the Council.

Mandatory Rebates

The Local Government Act 1999 requires Councils to rebate the rates payable for certain land uses. These include rebates of 100% for land being predominantly used for service delivery or administration by a hospital or health centre; containing a church or other building used for public worship; used for a cemetery.

The Recreational Grounds Rates and Taxes Exemption Act 1981 also provides for rebates on land and various other legislation makes provision for rate rebates, for example the National Trust Act; and the Native Vegetation Act.

Discretionary Rebates

Pursuant to Section 166 of the Act, the Council may in its absolute discretion grant a rebate of rates or service charges in any of the following cases:

- where it is desirable for the purpose of securing the proper development of the area (or a part of the area);
- where it is desirable for the purpose of assisting or supporting a business in its area;
- where it will be conducive to the preservation of buildings or places of historic significance;
- where the land is being used for educational purposes;
- where the land is being used for agricultural, horticultural or floricultural exhibitions;
- where the land is being used for a hospital or health centre;
- where the land is being used to provide facilities or services for children or young persons;
- where the land is being used to provide accommodation for the aged or disabled;
- where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1987 (Commonwealth) or a day therapy centre;
- where the land is being used by an organisation which, in the opinion of the Council, provides a benefit or service to the local community;
- where the rebate relates to common property or land vested in a community corporation under the Community Titles Act over which the public has a free and unrestricted right of access and enjoyment;
- where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations;
- where the rebate is considered by the council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities that were anticipated by the council in its annual business plan; or a liability that is unfair or unreasonable;
- where the rebate is to give effect to a review of a decision of the council;
- where the rebate is contemplated under another provision of this Act.

In exercising this general power, Council is able to pursue policy objectives and provide assistance to local community groups as well as local businesses and residential use landowners experiencing above normal increases in rates that result from property valuation ‘spikes’.

11.16 Sale of Land for Non-Payment of Rates

The Act provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to notify the owner of the land of:

- its intention to sell the land;
- details of the outstanding amounts;
- Council’s intention to sell the land if payment of the outstanding amount is not received within one month.

Except in extraordinary circumstances, Council enforces the sale of land for arrears of rates.

Appendix A – Explanation of Uniform Presentation of Finances

| UNIFORM PRESENTATION OF FINANCES | 2013-14 Forecast \$'000 | 2014-15 Budget \$'000 |
|---|-------------------------------|-----------------------------|
| Income | | |
| less Expenses | | |
| Operating Surplus / (Deficit) | - | - |
| Less: Net Outlays on Existing Assets | | |
| Capital Expenditure on Renewal / Replacement of Existing Assets | | |
| less Depreciation, Amortisation and Impairment Expenses | | |
| less Proceeds from Sale of Replaced Assets | | |
| Net Outlays on Existing Assets | - | - |
| Less: Net Outlays on New and Upgraded Assets | | |
| Capital Expenditure on New / Upgraded Assets | | |
| less Amounts received specifically for New / Upgraded Assets | | |
| less Proceeds from Sale of Surplus Assets | | |
| Net Outlays on New and Upgraded Assets | - | - |
| | | |
| Net Lending / (Borrowing) for Financial Year | - | - |

Explanation / Examples of Components of Uniform Presentation of Finances

Operating Revenue and Expenditure: Represent the totals from the relevant lines of the Statement of Comprehensive Income (operating statement) for the year being reported on.

Capital Expenditure on renewal and replacement of Existing Assets: e.g. Roads reseals, replacement tractor, building renovations, replacement computer hardware.

Proceeds from sale of replaced assets: e.g. trade in value of a tractor or motor vehicle being replaced.

Capital Expenditure on New & Upgraded Assets: e.g. constructing a new building, constructing a new catchment pond, purchasing a piece of machinery that was not previously on hand.

Amounts specifically for new or upgraded Assets: e.g. Capital grants to partly fund a new CWMS, funds received to build new footpaths that did not previously exist.

Proceeds from Sale of Surplus Assets: Proceeds from the sale of a council building that was no longer required, sale of surplus land.

New / Upgraded vs Renewal / Replacement of Assets

The following definitions have been obtained from the South Australian Local Government Model Financial Statements

A *new asset* is additional to Council's previous asset complement.

E.g. Roads constructed as part of a Council owned subdivision are new assets. Similarly laying footpaths in areas where they did not previously exist are also new assets.

An *upgraded asset* replaces a previously existing asset with enhanced capability or functionality.

Renewal or replacement of an asset occurs where a previously existing asset is replaced without enhancement of the service capability except where this is incidental and unavoidable.

It is possible for capital expenditure to be a *combination of renewal as well as upgrade*. This is particularly prevalent in this Council region due to the increased volume of B-double traffic experienced in recent times. This has required existing roads to be rebuilt to higher standards.

E.g. the replacement of a road that was initially a 6 metre wide sheeted surface with an 8 metre wide sheeted surface can be considered part replacement and part upgrade.

The important point to understand is that if Council is not able to replace its existing assets in a timely manner then new assets should not be built unless essential. By building new assets Council is effectively building new liabilities as the assets usually don't generate revenue (e.g. roads) cannot be sold and will need to be maintained and eventually replaced.

Appendix B - Statutory Statements

| OPERATING STATEMENT | Budget Review #2 y.e. 30 June 2015 | Proposed Budget y.e 30 June 2016 | Variance |
|--|---|---|-----------------|
| | \$,000 | \$,000 | \$,000 |
| INCOME | | | |
| Rates | 2,856 | 2,996 | 140 |
| Statutory Charges | 91 | 83 | (8) |
| User Charges | 565 | 572 | 7 |
| Grants & Subsidies | 2,684 | 2,735 | 51 |
| Investment Income | 184 | 215 | 31 |
| Reimbursements | 120 | 76 | (44) |
| Other Revenues | 149 | 98 | (51) |
| Total Operating Income | 6,649 | 6,775 | 126 |
| | | | |
| EXPENDITURE | | | |
| Employee Costs | 2,036 | 2,354 | 318 |
| Materials, Contracts & Other Expenses | 2,460 | 2,434 | (26) |
| Finance Charges | 61 | 28 | (33) |
| Depreciation | 1,900 | 1,623 | (277) |
| Total Operating Expenditure | 6,457 | 6,439 | (18) |
| | | | |
| OPERATING SURPLUS / (DEFICIT) | 192 | 336 | 144 |
| | | | |
| Gain / Loss on Disposal & Fair Value Adjustments | | | |
| Amounts specifically for new or upgraded assets | 0 | 355 | 355 |
| Physical resources received free of charge | | | |
| | | | |
| NET SURPLUS / (DEFICIT) | 192 | 691 | 499 |

| BALANCE SHEET | Budget Review #2 y.e. 30 June 2015 | Proposed Budget y.e 30 June 2016 | Variance |
|---|---|---|-----------------|
| | \$,000 | \$,000 | \$,000 |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash & Cash Equivalents | 3,464 | 2,210 | (1,254) |
| Trade & Other Receivables | 675 | 650 | (25) |
| Inventories | 36 | 40 | 4 |
| Total Current Assets | 4,175 | 2,900 | (1,275) |
| | | | |
| NON-CURRENT ASSETS | | | |
| Financial Assets | 33 | 33 | (0) |
| Infrastructure, Property, Plant & Equipment | 50,413 | 52,072 | 1,659 |
| Total Non-Current Assets | 50,446 | 52,105 | 1,659 |
| | | | |
| TOTAL ASSETS | 54,621 | 55,005 | 384 |
| | | | |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade & Other Payables | 324 | 253 | (71) |
| Borrowings | 146 | 52 | (94) |
| Short Term Provisions | 271 | 107 | (164) |
| Total Current Liabilities | 741 | 412 | (329) |
| | | | |
| NON-CURRENT LIABILITIES | | | |
| Long Term Borrowings | 509 | 490 | (19) |
| Long Term Provisions | 45 | 86 | 41 |
| Total Non-Current Liabilities | 554 | 576 | 22 |
| | | | |
| TOTAL LIABILITIES | 1,295 | 988 | (307) |
| | | | |
| NET ASSETS | 53,326 | 54,018 | 7,454 |
| | | | |
| EQUITY | | | |
| Accumulated Surplus | 30,439 | 31,130 | 691 |
| Asset Revaluation Reserve | 22,888 | 22,888 | 0 |
| Other Reserves | 0 | 0 | 0 |
| | | | |
| TOTAL EQUITY | 53,327 | 54,018 | 691 |

| STATEMENT OF CASH FLOWS | Budget Review #2 y.e. 30 June 2015 | Proposed Budget y.e 30 June 2016 | Variance |
|---|---|---|-----------------|
| | \$,000 | \$,000 | \$,000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Operating Receipts | 6,465 | 6,560 | 94 |
| Investment Receipts | 184 | 215 | 31 |
| Payments | | | |
| Operating Payments to Suppliers & Employees | 4,496 | 4,789 | 293 |
| Finance Payments | 61 | 28 | (33) |
| | | | |
| Net Cash provided by (or used in) Operating Activities | 2,092 | 1,958 | (134) |
| | | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| <i>Receipts</i> | | | |
| Grants Specifically for new or upgraded assets | 0 | (355) | (355) |
| Sale of replaced Assets | (62) | (104) | (42) |
| Sale of surplus Assets | 0 | 0 | 0 |
| | | | |
| <i>Payments</i> | | | |
| Expenditure on renewal/replaced assets | 2,779 | 2,064 | (715) |
| Expenditure on new/upgraded assets | 1,582 | 1,325 | (257) |
| | | | |
| Net cash provided by (used in) Investing Activities | (4,299) | (2,930) | 575 |
| | | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| <i>Receipts</i> | | | |
| Proceeds from Borrowings | 0 | 0 | 0 |
| | | | |
| <i>Payments</i> | | | |
| Repayment of Borrowings | 0 | 0 | 0 |
| | | | |
| Net Cash Provided by (Used in) Financing Activities | 0 | 0 | 0 |
| | | | |
| Net Increase / Decrease in Cash | (2,207) | (971) | 1,236 |
| | | | |
| Cash and Cash Equivalents at start of reporting period | 5,671 | 3,464 | (2,207) |
| Cash & Cash Equivalents at the end of the reporting period | 3,464 | 2,493 | (971) |

| STATEMENT OF EQUITY | Budget Review #2 y.e. 30 June 2015 | Proposed Budget y.e 30 June 2016 | Variance |
|---|---|---|-----------------|
| | \$,000 | \$,000 | \$,000 |
| ACCUMULATED SURPLUS | | | |
| Balance at end of previous reporting period | 30,247 | 30,439 | 192 |
| Net Result for Year | 192 | 691 | 498 |
| Transfer from Reserves | 0 | 0 | 0 |
| Transfer to Other Reserves | 0 | 0 | 0 |
| Balance at end of period | 30,439 | 31,130 | 690 |
| | | | |
| ASSET REVALUATION RESERVE | | | |
| Balance at end of previous reporting period | 22,888 | 22,888 | 0 |
| Gain on Revaluation of Property Plant & Equipment | 0 | 0 | 0 |
| Balance at end of period | 22,888 | 22,888 | 0 |
| | | | |
| OTHER RESERVES | | | |
| Balance at end of previous reporting period | 0 | 0 | 0 |
| Transfers from Accumulated Surplus | 0 | 0 | 0 |
| Transfers to Accumulated Surplus | 0 | 0 | 0 |
| Balance at end of period | 0 | 0 | 0 |
| | | | |
| TOTAL EQUITY AT END OF REPORTING PERIOD | 53,327 | 54,018 | 690 |