



# **District Council of Mount Remarkable**

## **Annual Business Plan and Annual Budget for the Financial Year Ending 30 June 2017**

**Adopted by Council  
on  
19 July 2016**

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## 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 2016/2017 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 2016/2017 Council intends to review and update its Long-Term Financial Plan and Infrastructure and Asset Management Plans, and review its Strategic Plan.

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 Plans 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 total operating income. Council is aiming to make a small percentage surplus for the year ending 30 June 2017 of 3.1%, (i.e. a slightly better than breakeven result, based on the revised methods for ratio calculations). This result arises because operating revenue is budgeted to be \$223k more than Council's operating expenses for the year. This will offset part of the draw down for the accelerated capital works program.

#### 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 are current cash and cash equivalents, current trade and other receivables, current other financial assets and non-current financial assets, but excludes equity held in Council businesses.

The Net Liabilities Ratio is calculated by expressing the net liabilities at the end of the year as a percentage of operating revenue for the year. The following table sets out revised estimates as at 30 June 2017.

	<b>Estimated 30 June 2017 \$000</b>
Total Liabilities	1,892
Less Total Financial Assets	4,635
<b>Net Financial Liabilities</b>	<b>(2,743)</b>
<b>Total Operating Income</b>	<b>7,111</b>
<b>Net Financial Liabilities Ratio</b>	<b>(39%)</b>

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 (\$2.74M) indicates that Council has sufficient capacity to continue its operational and accelerated capital expenditure programs and allows for any major project contingency.

### **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 Infrastructure and Asset Management Plans (IAMP). Council is aiming to attain a result of 146% for the year ending 30 June 2017. This means that Council is spending more than the IAMPs expenses on asset renewal, reflecting the continued commitment of the last 3 years to an accelerated capital works program addressing the under-spend of prior 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. The Asset Sustainability Ratio of 146% shows Council is replacing its assets in excess of its IAMP. The Net Financial Liabilities Ratio of -39% shows Council has the ability to meet its financial obligations and also a capacity to meet unforeseen circumstances or undertake future major projects (such as a coastal urban levy bank).

## **4. Significant Influences and Priorities**

A number of significant factors have influenced the preparation of the Council's 2016/2017 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 wage increases above CPI;
- requirements to maintain and improve infrastructure assets to acceptable standards, including roads, footpaths, storm water drainage and community wastewater management systems;
- the need and commitment to deliver a higher asset replacement ratio
- 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 passed on to councils from State Government;
- the ongoing impact of flood damage (2013/2014 & 2014/2015);
- previous and expected further increases in the Emergency Services Levy and other State Government charges
- increases in the Solid Waste Levy.

## 5. Continuing Services

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

numerous regulatory activities (increasing each year)
supporting the elected Council;
setting rates, preparing an annual business plan and budget, and determining longer-term strategic management plans for the area;
management of basic infrastructure including roads, footpaths, 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

Council also provides, performs or contributes to a range of additional services and programs in response to community needs, including (but not restricted to):

Mobile Library Service	Asset Management
Cemeteries	Animal and Plant Control
Booleroo Centre Airstrip	Walking and Riding Trails
Melrose Licenced Post Office	Parking
Community Wastewater Mgt Schemes x 4	Playgrounds
Community Bus	Property Searches
Community Development	Public Toilets
Community Grants	Opal Program
Community Engagement and Information	Recreation and Sporting Facilities
Community Passenger Transport	Road Construction and Maintenance
Community Halls and public venues	Leases
Abandoned Vehicles	StarClub Program
Council Newsletters	Rural Road Signs
Customer Service	Urban Street Signs
Caravan Parks	Street Trees and Gardens
Dog and Cat Management	Swimming Pool (Public)
Economic Development	Tourist and historical sites
Fire Prevention	Traffic Control
Food Act Administration	Waste Management Transfer Stations
Health Act Administration	Willowie Landfill Management
Safe Drinking Water Act Administration	Jetty management
Safe Food Handling Training	Waste Collection
DrumMuster	Recycling Collection
Desludging Programs	Council Website
Environmental Health	Kerbing Watertable Footpaths Floodways
Litter and Nuisance	Tourism information and promotion
Building Approvals	Weeroona Island Water Supply
Planning Approvals	Regional Development
Boat Launching Facility	Coastal Protection
Tidy Towns	Citizenship Ceremonies
Immunisation	Medical Facility



## 6. Capital Expenditure - Project Priorities for the 2016/2017

PROJECT	Comment	Budget 2016/2017
<b><i>CAPITAL EXPENSES - EXISTING ASSETS</i></b>		
<b>Office Equipment</b>		
IT Main Server		\$49,000
<b>Total Office Equipment</b>		<b>\$49,000</b>
<b>Buildings</b>		
Melrose Caravan Park - Bunkhouse	Stormwater & Drainage	\$18,000
Public Amenities	Upgrades	\$30,000
Playgrounds	Replace Playground Pieces	\$25,000
Wilmington CWMS - Electrical Upgrade	Meter & Computer Upgrade	\$18,000
Depots	2 x Storage Containers	\$8,000
Willowie Landfill Office	Refurbish Shed & Signage	\$20,000
<b>Total Buildings</b>		<b>\$119,000</b>
<b>Plant &amp; Equipment</b>		
Admin Vehicles	2x Replacement - (Trade In Estimated \$55k)	\$100,000
Scaffolding		\$4,000
Combination Roller Rebuild		\$30,000
1 x NPTN Vehicles	Replacement - (Trade in 2 x Cars \$24-30k)	\$25,000
Rock Buster	Replacement	\$175,000
Slasher Attachment	Replacement	\$8,000
<b>Total Plant and Equipment</b>		<b>\$342,000</b>
<b>Roads - Category 1 &amp; 2</b>		
<i>Category One</i>		
Wirrabara/Appila (Greyhound to Pine Creek)	Partial Re-sheeting 1.5 km	\$30,000
Pinda Road	Resheeting 2.9 km	\$75,100
Piggott Road	Resheeting 2 km	\$59,100
Gunyah Road (Redhill Rd to Racecourse Rd)	Resheeting 5.6 km	\$145,000
Survey Road	Partial Re-sheeting 2 km	\$40,000
Wilmington Road (highway to bridge)	Resheeting 7 km	\$182,000
Middle Track (Broad Creek Rd to Jacob Rd)	Resheeting 5.6 km + Creek Repair	\$180,000
<i>Category Two</i>		
Collins Road (Girdham to Whim Rd)	Partial Re sheeting 1.5 km	\$30,000
Bouilly Road (from Spear Creek Rd to Caravan Park)	Re sheeting 3.9 km	\$66,300
Coonatto Road (Highway to McCallum Road)	Resheeting 5 km	\$85,000
Road Rubble	Partial Resheeting Various Cat 1 & 2	\$206,000
<b>Total Roads - Category 1 &amp; 2</b>		<b>\$1,098,500</b>
<b>Roads, Kerbing, Watertable, Footpaths, Floodways</b>		
Stephens Street, Booleroo Centre Footpaths	IGA to Post Office	\$45,000
Booleroo Hospital Footpath	Hospital to Medical Centre	\$15,000
Yandiah Road (Highway to Creek Crossing)	Construct & Seal	\$30,000
Middle Track Floodway	Concrete Floodway	\$50,000
Arthur Street, Booleroo (Stephens Street to Edwin)	Resurface Footpath	\$20,000
Spring Creek, Wilmington/Melrose	Side Road wash out	\$15,000
Collin Road, Booleroo Centre (entrance to Silo's)	Replace Bitumen with concrete	\$25,000
Searle Street, Melrose	Sealing of Verges 150m	\$9,000
Paradise Square, Melrose	Paving & BBQ	\$7,800

Hancocks Lookout Road	3 x Floodways	\$40,000
White Cliffs Road / Miller Road Intersection Drainage	Swale/Spoon Drain	\$18,000
<b>Total Roads, Kerbing, Watertable, Footpaths,Floodways</b>		<b>\$274,800</b>
<b>Infrastructure</b>		
Port Germein Shelter Sheds	Renew shelters on eastern side	\$60,000
Jetty Works		\$40,000
Walking & Riding Trail Wilmington - Melrose	6 x Bridges and Trail	\$30,000
Wirrabara Cemetery	Drainage	\$20,000
<b>Total Infrastructure</b>		<b>\$150,000</b>
<b>TOTAL CAPITAL EXPENSES - EXISTING ASSETS</b>		<b>\$2,033,300</b>

<b>PROJECT</b>	<b>Comment</b>	<b>Budget 2016/2017</b>
<b>CAPITAL EXPENSES - NEW ASSETS</b>		
<b>Plant &amp; Equipment</b>		
Tractor		\$265,000
Prime-mover Truck		\$220,000
Ride on mower		\$4,000
Skid Steer - Grader Blade Attachment		\$30,000
Boom Lift		\$50,000
<b>Total Plant &amp; Equipment</b>		<b>\$569,000</b>
<b>Roads, Kerbing, Watertable, Footpaths, Floodways</b>		
Dignan Street, Wilmington (Pinda to Edwards Street)	170m Construct & Seal	\$52,000
Bassington Terrace, Wilmington Drainage	Culvert/Spoon Drain	\$6,000
Booleroo Main Street Plan (adjacent IGA) Stage 1 of 3	Site Preparation including removing pine trees, kerbing & water table, paving around the edges and sealing parking area	\$90,000
Stony Creek Road, Wilmington Culvert	Culvert/Spoon Drain	\$15,000
<b>Total Roads, Kerbing, Watertable, Footpaths,Floodways</b>		<b>\$163,000</b>
<b>Infrastructure</b>		
Wilmington Drainage Stage 2 (Statue to Angus Street)	Culverts under Driveways (no seal)	\$80,000
Appila Drainage	Adjacent CFS	\$8,000
York Road, Weeroona Island, Alignment & Drainage	Rangeview to York Road	\$60,000
Works Depot upgrade	Walkway & Gates	\$35,000
Weeroona Island - Drainage	Calvary Drive, Glacier Road - North Flinders Esplanade	\$145,000
<b>Total Infrastructure</b>		<b>\$328,000</b>
<b>TOTAL CAPITAL EXPENSES - NEW ASSETS</b>		<b>\$1,060,000</b>
<b>TOTAL CAPITAL EXPENDITURE</b>		<b>\$3,093,300</b>

## 7. Non-Financial Performance Measures

### 7.1 Targets and Outcomes - 2015/2016 Measures

The following table shows the 2015/2016 non-financial performance measure targets and outcomes for the financial year ended 30 June 2016:

2015/2016 Target	2015/2016 Outcome
Resheet 19.8kms of category 1 unsealed roads	21.6 Kms Completed: <ul style="list-style-type: none"> <li>• Pine Creek Road 6.2 km.</li> <li>• Hammond Road 6 km</li> <li>• Morchard Road 4.6 km</li> <li>• Gunyah Road 4.8 km</li> </ul>
Resheet 11.2kms category 2 unsealed roads	12.3 Kms Completed: <ul style="list-style-type: none"> <li>• Borgas Road 3 km</li> <li>• Collins Road 6 km</li> <li>• Perroomba Road 3.3 km</li> </ul>
Resurface works to unsealed roads	6 Kms Completed: <ul style="list-style-type: none"> <li>• Pine Creek 6 kms</li> </ul>
Continue working with government to finalise flood damage claims	Completed - Minister has approved flood damage claim and agreed Council contribution
Implement a new operational grading program	Completed - Council adopted new methodology for Patrol Grading
Finalise the current bitumen reseal program in Booleroo Centre, Port Germein, Melrose and Wilmington and develop new 10 year program	Completed: <ul style="list-style-type: none"> <li>• Edwin Street Booleroo Centre</li> <li>• High Street Port Germein (edge reseal and 1 section)</li> <li>• Cottage Road Port Germein</li> <li>• White Well Road (3 sections)</li> <li>• Mount Street Melrose</li> <li>• Spear Creek Road Wilmington</li> <li>• Arthur Street Booleroo Centre (Rain delayed – completed July 2016)</li> </ul>
Develop a plan for the construction and seal of all remaining township streets	Completed
Construct and seal roadwork's in Wilmington and Wirrabara	<ul style="list-style-type: none"> <li>• Oval, Tuckwell &amp; Dignan - Completed</li> <li>• Callistemon (awaiting completion of rain delayed CWMS July 2016)</li> </ul>
Instigate Stage 1 of the Wilmington drainage works and investigate further options	Works commenced. Rain delayed; completion July 2016
Continue Drainage works on Weeroona Island	Tender Awarded, weather dependent Works in August 2016
Reline the Melrose CWMS to progress water reuse at oval	Tender finalised – Works to be carried out September 2016 (weather dependent)
Continue with plans for the introduction of a Wirrabara CWMS	Near Completion – Rain delayed handover August 2016.
Continue working with government, the community and others for the redevelopment of Wirrabara Forest.	Council agreed not to proceed with binding EOI but to instead concentrate on a proposed Caravan Park in Wirrabara

## 7.2 Proposed 2016/2017 Measures

The following proposed non-financial performance measures for the 2016/2017 financial year are linked to *Our 2020 Vision*, District Council of Mount Remarkable Strategic Management Plan 2008 – 2020, namely:

- Resheet 26.6 kms of category 1 unsealed roads
- Resheet 10.4 kms category 2 unsealed roads
- Partial re-sheeting of various roads
- Finalise flood damage works
- Installation of urban street-name signage and urban house numbering
- Carry out footpath refurbishment in Booleroo Centre
- Construct and seal roadwork in Wilmington
- Instigate Stage 2 of the Wilmington drainage works
- New drainage works in Weeroona Island, Wilmington and Appila
- Road alignment on Weeroona Island
- Reline the Melrose CWMS to progress water reuse at oval
- Implement owner connections to Wirrabara CWMS and finalise oval watering system
- Continue working with government agencies and others for the opening of Baroota Reservoir to the public for fishing and recreational activities
- Commence Phase 3 works on the Wilmington to Melrose Walking & Riding Trail (including 6 bridges and trail works)
- Finalise the Weeroona Island boat launching facility
- Work with agencies for the continuance of the Northern Passenger Transport Network
- Finalise the review of Council's Strategic Management Plan
- Complete final phase of 2015-2017 Work Health and Safety Implementation Plan
- Continue the ongoing review of Council policies and procedures
- Finalise works to culverts on Spear Creek Road
- Continue to be an active member in the change management of the Central Local Government Region
- Stage 1 of Booleroo Centre Carpark area
- Upgrade IT Infrastructure
- Upgrade Swimming Pool pump and pipe infrastructure
- Continue support for Opal Program
- Continue support for StarClub Program
- Finalise transfer of all hard copy cemetery registers to electronic database

## 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 2016/2017 budget assumes that four quarterly instalments of Federal Government Financial Assistance Grants (FAGs) (both general purpose and local roads components), will be received during 2016/2017.

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	\$189k
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### 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	602k
<b>Total Grant Funding</b>	<b>2,642k</b>

## 9. Funding the Business Plan

An operating surplus of \$223k is being targeted in 2016/2017. 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 2016/2017 includes \$3.309M 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 and subsidies
- Investment Income
- 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).

	Forecast y.e. 30 June 2016 \$,000	Proposed Budget y.e 30 June 2017 \$,000	Proposed LTFP \$,000
<b>Section 1:</b>			
<b>Operating Revenue</b>	7,054	7,111	7,111
<b>less Operating Expense</b>	(6,440)	(6,888)	(6,888)
<b>Operating Surplus / (Deficit) before Capital Amounts</b>	<b>614</b>	<b>223</b>	<b>223</b>
<b>Section 2:</b>			
<b>less Net Outlays on Existing Assets</b>			
Capital Expenditure on renewal and replacement of Existing Assets	2,056	2,033	2,107
less Depreciation, Amortisation & Impairment	(1,700)	(1,734)	(1,734)
less Proceeds from Sale of Replaced Assets	(104)	(77)	(207)
	<b>252</b>	<b>222</b>	<b>166</b>
<b>Section 3:</b>			
<b>less Net Outlays on New &amp; Upgraded Assets</b>			
Capital Expenditure on New & Upgraded Assets	5,440	1,060	1,060
less Amounts specifically for new or upgraded Assets	(3,989)	0	0
less Proceeds from Sale of Surplus Assets	0	0	0
	<b>1,451</b>	<b>1,060</b>	<b>1,060</b>
<b>Section 4:</b>			
<b>Net Lending/ (Borrowing) for Financial year</b>	<b>(1,089)</b>	<b>(1,059)</b>	<b>(1,003)</b>

The above data indicates that Council will use \$1,059k 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 2016/2017**

### **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;
- assisting 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 on 10 July 2016. 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 Office are:

State Valuation Office

GPO Box 1354

ADELAIDE SA 5001 .

Email: [lsg.objections@sa.gov.au](mailto:lsg.objections@sa.gov.au)

Telephone: 1300 653 345

The total capital valuation (CV) of the Council area as at 12 July 2015 was \$640,566,400 and as at 10 July 2016 proposed CV is valued at \$644,783,700.

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 2016/2017 financial year, Council is raising general rate and service charge revenue of \$3.309M. Council will retain a 15% cap on increases (on general rates and fixed charges).

#### **11.4.1 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 \$289.40. 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;



## 11.4.2 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 0.3478 cents in the dollar for the 2016/2017 financial year.

## 11.5 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.

**Please Note: Council objects strongly to the NRM Levy being shown on the Council Rates Notice as if it is part of council rates; it is not a Council levy. Rises in the NRM Levy are not rises imposed by Council yet they inflate the bottom line on your rates notice. The Local Government Association General Meeting in April 2016 passed a motion objecting to the collection of the NRM Levy by councils and to lobby the State Government to get this State NRM Levy as a separate notice to the community.**

The Northern & Yorke NRM Board has declared a total contribution to be raised by Council from this area of \$108,652. 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 0.0253 cents in the dollar for the 2016/2017 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](mailto:DEWNR.NYNRBoard@sa.gov.au), web [www.nynrm.sa.gov.au](http://www.nynrm.sa.gov.au).

## 11.6 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.

### 11.6.1 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 \$472.50 in the 2016/2017 financial year. Wirrabara will be charged a service charge on a pro-rata basis as/when connected for this 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 a septic or sullage tank desludging undertaken on CWMS properties in the 2016/2017 financial year expected to be in the order of \$135 subject to tender determination.

#### **11.6.2 Waste Management**

In the 2016/2017 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 \$221.70 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.

#### **11.6.3 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 (\$71.60 per quarter) and a supply charge of \$3.51 per kilolitre of water supplied. These service charges also apply to non-rateable land to which the service is made available within the area of Weeroona Island.

#### **11.7 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 announced a \$200 '*Cost of Living Allowance*' on 18 June 2015.

A CWMS and Water Supply concessions will be determined by State Government.

#### **11.8 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 2016/2017 are proposed to be:

- 30 September 2016;
- 16 December 2016;
- 31 March 2017;
- 23 June 2017.

## **11.9 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](http://www.mtr.sa.gov.au)
- 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.

## **11.10 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.

## **11.11 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.

## **11.12 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 (08) 8666 2014 to discuss the matter. Such inquiries are treated confidentially.

## **11.13 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.

### **11.13.1 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.

### **11.13.2 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 under Chapter 13 Part 2;
- 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’.

#### **11.14 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	2015-16 Forecast \$'000	2016-17 Budget \$'000
Income		
<i>less</i> Expenses		
<b>Operating Surplus / (Deficit)</b>	-	-
<b>Less: Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal / Replacement of Existing Assets		
<i>less</i> Depreciation, Amortisation and Impairment Expenses		
<i>less</i> Proceeds from Sale of Replaced Assets		
<b>Net Outlays on Existing Assets</b>	-	-
<b>Less: Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New / Upgraded Assets		
<i>less</i> Amounts received specifically for New / Upgraded Assets		
<i>less</i> Proceeds from Sale of Surplus Assets		
<b>Net Outlays on New and Upgraded Assets</b>	-	-
<b>Net Lending / (Borrowing) for Financial Year</b>	-	-

The **Uniform Presentation of Finances** 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.

*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:* occurs where a previously existing asset is replaced - giving a new asset with a new useful life - without enhancement of the service capability except where this is incidental and unavoidable e.g. Road 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:*

A *new asset* is additional to Council's previous asset complement e.g. constructing a new building.

An *upgraded asset* replaces a previously existing asset with enhanced capability or functionality, where an option existed for replacement without the enhanced capability or functionality e.g. the replacement of a 300mm stormwater pipe with a 500mm stormwater pipe results in an *upgraded asset*.

*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:* e.g. Proceeds from the sale of a council building that was no longer required, sale of surplus land.

## Appendix B - Statutory Statements

### District Council of Mount Remarkable Statement of Comprehensive Income Proposed Budget for Year Ending 30 June 2017

	Forecast y.e. 30 June 2016	Proposed Budget y.e 30 June 2017	Proposed LTFP
	\$,000	\$,000	\$,000
<b>INCOME</b>			
Rates	3,113	3,309	3,309
Statutory Charges	66	60	60
User Charges	577	606	606
Grants & Subsidies	2,974	2,831	2,831
Investment Income	168	150	150
Reimbursements	90	95	95
Other Revenues	66	60	60
<b>Total Operating Income</b>	<b>7,054</b>	<b>7,111</b>	<b>7,111</b>
<b>EXPENDITURE</b>			
Employee Costs	2,138	2,383	2,383
Materials, Contracts & Other Expenses	2,560	2,728	2,728
Finance Charges	42	43	43
Depreciation	1,700	1,734	1,734
<b>Total Operating Expenditure</b>	<b>6,440</b>	<b>6,888</b>	<b>6,888</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>614</b>	<b>223</b>	<b>223</b>
Gain / Loss on Disposal & Fair Value Adjustments			
Amounts specifically for new or upgraded assets	3,989	0	0
Physical resources received free of charge			
<b>NET SURPLUS / (DEFICIT)</b>	<b>4,603</b>	<b>223</b>	<b>223</b>

**District Council of Mount Remarkable**  
**Statement of Financial Position**  
**Proposed Budget for Year Ending 30 June 2017**

	<b>Forecast y.e. 30 June 2016</b>	<b>Proposed Budget y.e 30 June 2017</b>	<b>Proposed LTFP</b>
	<b>\$,000</b>	<b>\$,000</b>	<b>\$,000</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	5,132	3,933	3,989
Trade & Other Receivables	650	683	683
Inventories	40	40	40
<b>Total Current Assets</b>	<b>5,822</b>	<b>4,656</b>	<b>4,712</b>
<b>NON-CURRENT ASSETS</b>			
Financial Assets	33	19	19
Infrastructure, Property, Plant & Equipment	56,870	57,439	57,439
<b>Total Non-Current Assets</b>	<b>56,903</b>	<b>57,458</b>	<b>57,458</b>
<b>TOTAL ASSETS</b>	<b>62,725</b>	<b>62,114</b>	<b>62,170</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade & Other Payables	253	253	253
Borrowings	52	140	140
Short Term Provisions	107	107	107
<b>Total Current Liabilities</b>	<b>412</b>	<b>500</b>	<b>500</b>
<b>NON-CURRENT LIABILITIES</b>			
Long Term Borrowings	890	1,306	1,306
Long Term Provisions	86	86	86
<b>Total Non-Current Liabilities</b>	<b>976</b>	<b>1,392</b>	<b>1,392</b>
<b>TOTAL LIABILITIES</b>	<b>1,388</b>	<b>1,892</b>	<b>1,892</b>
<b>NET ASSETS</b>	<b>61,337</b>	<b>60,222</b>	<b>60,278</b>
<b>EQUITY</b>			
Accumulated Surplus	34,845	35,068	35,068
Asset Revaluation Reserve	30,066	30,066	30,066
Other Reserves	0	0	0
<b>TOTAL EQUITY</b>	<b>64,911</b>	<b>65,134</b>	<b>65,134</b>



**District Council of Mount Remarkable**  
**Statement of Cash Flows**  
**Proposed Budget for Year Ending 30 June 2017**

	<b>Forecast y.e. 30 June 2016</b>	<b>Proposed Budget y.e 30 June 2017</b>	<b>Proposed LTFP</b>
	<b>\$,000</b>	<b>\$,000</b>	<b>\$,000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Operating Receipts	8,180	6,961	6,961
Investment Receipts	215	150	150
<b>Payments</b>			
Operating Payments to Suppliers & Employees	4,789	5,111	5,111
Finance Payments	28	43	43
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>3,578</b>	<b>1,957</b>	<b>1,957</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts</b>			
Grants Specifically for new or upgraded assets	3,989	0	0
Sale of replaced Assets	104	77	207
Sale of surplus Assets	0	0	0
<b>Payments</b>			
Expenditure on renewal/replaced assets	2,055	2,033	2,107
Expenditure on new/upgraded assets	5,440	1,060	1,060
<b>Net cash provided by (used in) Investing Activities</b>	<b>(3,402)</b>	<b>(3,016)</b>	<b>(2,960)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Receipts</b>			
Proceeds from Borrowings	0	0	0
<b>Payments</b>			
Repayment of Borrowings	(52)	(140)	(140)
<b>Net Cash Provided by (Used in ) Financing Activities</b>	<b>(52)</b>	<b>(140)</b>	<b>(140)</b>
<b>Net Increase / Decrease in Cash</b>	<b>124</b>	<b>(1,199)</b>	<b>(1,143)</b>
Cash and Cash Equivalents at start of reporting period	5,008	5,132	5,132
<b>Cash &amp; Cash Equivalents at the end of the reporting period</b>	<b>5,132</b>	<b>3,933</b>	<b>3,989</b>

**District Council of Mount Remarkable**  
**Statement of Changes in Equity**  
**Proposed Budget for Year Ending 30 June 2017**

	<b>Forecast y.e. 30 June 2016</b>	<b>Proposed Budget y.e 30 June 2017</b>	<b>Proposed LTFP</b>
	<b>\$,000</b>	<b>\$,000</b>	<b>\$,000</b>
<b>ACCUMULATED SURPLUS</b>			
Balance at end of previous reporting	30,242	34,845	34,845
Net Result for Year	4,603	223	223
Transfer from Reserves	0	0	0
Transfer to Other Reserves	0	0	0
Balance at end of period	<b>34,845</b>	<b>35,068</b>	<b>35,068</b>
<b>ASSET REVALUATION RESERVE</b>			
Balance at end of previous reporting	30,066	30,066	30,066
Gain on Revaluation of Property Plant & Equipment	0	0	0
Balance at end of period	<b>30,066</b>	<b>30,066</b>	<b>30,066</b>
<b>OTHER RESERVES</b>			
Balance at end of previous reporting	0	0	0
Transfers from Accumulated Surplus	0	0	0
Transfers to Accumulated Surplus	0	0	0
Balance at end of period	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>64,911</b>	<b>65,134</b>	<b>65,134</b>