

District Council of Orroroo Carrieton

Annual Business Plan and Budget Summary – 2016/2017



INTRODUCTION

The adopted Annual Business Plan and Budget outlines Council's strategic focus, planned services, projects and major expenditures for the 2016/2017 Financial Year.

KEY STRATEGIC PRINCIPLES AND PROJECTS

Governance, Administration and Compliance

- Finalise 5 year Strategic and Community Plan
- Completion of Business Continuity Plan
- Complete elector representation review as required under the Local Government Act 1999
- Continued review of Council policies to ensure legislative compliance
- Review all leases and licenses over Council land and implement new documentation

Financial and Asset Management

- Finalise 10 year Long Term Financial Management Plan and Asset Management Plan, to ensure long term financial sustainability
- Review all Council buildings and categorise to determine priority for replacement, maintenance, insurance and identify surplus buildings for sale
- Continued collection of outstanding rate debtors with the sale of land for non payment of rates
- Continued review of all operations to explore efficiencies and savings, to include exploring shared service arrangements and other models for the efficient and cost effective delivery of services
- Finalise the development of the internal control systems to ensure compliance with accounting principles and Auditor requirements
- Finalise review and development of financial management policies, procedures and systems

Infrastructure and Services

- Continued review of standards and service levels for the efficient, effective and sustainable delivery of all Council's services and management of assets
- Develop 5 year capital works program for road re-sheeting and footpaths

OPERATING EXPENDITURE – PROJECT PRIORITIES FOR THE YEAR

The following are Key Operating Projects included in the Annual Business Plan:

Project	Amount
Community Plan and Strategic Management Plan	1,000
Business Continuity Plan	7,000
Sale of Land for Non Payment of Rates	40,000
Land and Buildings Valuations – Insurance Review	2,000
Waste Management Study	5,000
Waste Water Disposal Study/Project	2,000
Carrieton Town Entrance Wall	5,000

Crown Land Development Concepts	5,000
Heavy Vehicle Bypass Concept Designs	15,000
Orroroo Memorial Hall and Toilets Maintenance Works	15,000
Total	97,000

CAPITAL EXPENDITURE - PROJECT PRIORITIES FOR THE YEAR

The following are Capital Projects included in the Annual Business Plan:

Project	Amount
Council Chamber Chairs	3,500
Orroroo Memorial Hall – Switch Board Upgrade	6,800
Orroroo Oval Irrigation Controller	4,500
Orroroo Swimming Pool Filtration Plant Upgrade and other works	85,000
Road Capital Works Projects	
Paratoo North Road	30,000
Johnburg Road	165,000
Wilmington Road	120,000
Booloroo Springs Road	30,000
O'Dea Road	25,000
Bullyacre Road	20,000
Morchard (Hammond) Road	30,000
Kilmore Road	20,000
Morchard Road (Shephard's)	20,000
Minburra Road	60,000
Orroroo – Fifth Street Footpath	85,000
Plant and Machinery Purchases	200,000
Skid Steer Loader - \$125,000	
Utes - \$75,000	
Total Capital Expenditure	904,800
Road Capital Works – Carried Over from 2015/2016 Year	
Paratoo Road	52,000
Treehaven Road	55,600
Almerta Road	13,500
Baratta Road	5,000
Tyeka Road	20,000
Mount James Road	17,000
Total	163,100

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BUDGET SUMMARY

The Budget is summarised as follows:

- Operating Deficit of \$371,000
- Net Assets and Equity of \$28,112,000
- Cash and Cash Equivalents of \$616,000
- Net borrowing for financial year of \$7,000

FINANCIAL SUSTAINABILITY/FINANCIAL PERFORMANCE MEASURES

Performance Measure	Target Range	Budget Result
Operating Surplus Ratio	Great than 0%	-38%
Asset Sustainability Ratio	90% to 110%	100%
Net Financial Liabilities Ratio	0% to 100%	15%

OPERATING EXPENDITURE

The following summarises the operating expenditure

STATEMENT OF COMPREHENSIVE INCOME	Budget 2016
EXPENDITURE	\$,000
Employee Costs	732
Materials, Contracts & Other	1,297
Depreciation	980
Finance Charge	39
Total Operating Expenditure	3,048

FUNDING THE BUSINESS PLAN

The following is a summary of the income to fund the Business Plan

STATEMENT OF COMPREHENSIVE INCOME	Budget 2016
INCOME	\$,000
Rates	1,002
Statutory Charges	12
User Charges	182
Grants & Subsidies	1,649
Investment Income	15
Reimbursements	51
Other Revenues	5
Total Operating Income	2,916

RATING ARRANGEMENTS

Valuations

The Capital Property values declared by the Valuer General, which total \$188,768,080 with the rateable values being \$180,959,440.

General Rates

To raise Rate Revenue from rateable properties, Council raises General Rates using a rate in the \$ and a fixed charge.

General Rates to be Raised	\$838,000
Declared Rate cents in the \$	0.003645
Fixed Charge	\$252.00

Service Charge – Refuse Collection

The Council uses a Service Charge to fund the Refuse and Waste Collection and Management Services of the Council.

Service Charge to be Raised	\$132,000
Declared Service Charge	\$348.00
Additional Bin Charge	\$80.00

Natural Resources Management (NRM) Levy

The Council's 2016/17 Rating Strategy provides for the collection of the Natural Resource Management Levy for the Northern and Yorke Natural Resources Management Board, with the amount required to be collected and the rate in the Dollar being:

NRM Levy to be Raised	\$31,954
Declared Rate cents in \$	0.0001755

Rate Impact Statement

The Council's total rate revenue, fixed charges and Service Charges generated in the 2016/17 budget will need be approximately \$970,000. This is a \$62,308 increase or **6.86%** over the total 2015/16 rate revenue.

The following provide examples of the impact on Rates on an average household and single farm enterprise

- **Average impact to householders with a house with a Capital Value of \$180,000 in Orroroo is a \$77.10 or a 6.5% increase in rates.**
- **Average impact to a single farm enterprise holding with a Capital Value of \$1,800,000 is a \$451.00 or a 7.0% increase in rates.**

PAYMENT OF RATES

The payment of rates will be by 4 equal or approximately equal installments due:

15 September 2016
15 December 2016
15 March 2017
15 June 2017