Notice of Meeting

Alexandrina Council Special Meeting

In accordance with sections 83 and 84 of the *Local Government Act 1999*, notice is hereby given that a special meeting of Council will be held in the *Alexandrina Council Community Chambers "Wal Yuntu Warrin", 11 Cadell Street, Goolwa* on Monday, 29 April 2024 commencing at 7:00 PM.

A recording of the Council meeting will be placed on www.alexandrina.sa.gov.au as soon as practicable following the meeting.



Alan Harvey
Acting Chief Executive Officer

24 April 2024

Alexandrina Council
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Agenda for the Alexandrina Council Special Meeting
Monday, 29 April 2024, commencing at 7.00 pm

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1. Opening of Meeting

An audio recording of this meeting will be made for minute-taking purposes and will last the length of the open meeting. The audio file will be available on the Council website after the draft Minutes have been circulate

Present

Apologies / Leave of Absence

In Attendance

Gallery

Acknowledgement of Traditional Owners

The Alexandrina Council and its communities acknowledge the Ngarrindjeri, Peramangk and Kaurna people as the traditional custodians of the lands and waters of our Council District.

Local Government Prayer

Almighty God, we humbly beseech thee to grant thy blessing upon the works of this Council, guide us in our deliberations for the advancement and the true welfare of the people of this district.

Declarations of Interest

If a Council Member has an interest in a matter which will be before the Council at this meeting, they are asked to disclose the interest to the Council and provide full and accurate details of the relevant interest at the beginning of the meeting. Members are reminded they must also declare their interest and provide details at the time the relevant item arises for consideration.

2. Adjourned Debate

Nil

3. Presentations / Deputations

Nil

4. Administration Reports

4.1. Adelaide Hills Region Waste Management Authority Draft Annual Budget and Business Plan 2024/25

Responsible Officer: Nigel Morris (Chief Executive Officer)

Report Author: Brett Sterzl (Interim Chief Financial Officer)

Mwewa Chisenga (Team Leader Strategic Financial Performance)

Recommendation

That Council approves the Adelaide Hills Region Waste Management Authority draft Annual Budget and Business Plan 2024/25 and updated long term financial plan, as per Attachment 2 to this report.

Prior Resolutions

Nil

Community Strategic Plan Impact

LIVEABLE	Defined by distinctive townships, places, spaces and transport networks that support active lifestyles, vibrant cultures and productive enterprise
GREEN	Climate-ready, a place where nature is valued, and resources are managed sustainably and creatively to support a new economy

Report Objective

To present the Adelaide Hills Region Waste Management Authority (AHRWMA) (Authority) draft Annual Business Plan and Budget 2024/25, in accordance with AHRWMA's Charter

Executive Summary

AHRWMA's Charter requires the submission of a draft Annual Business Plan and Budget for the ensuring financial year and to the obtain approval of Council. Following approval by Council, after 31 May and before the 30 June, AHRWMA must adopt the draft Annual Business Plan and Budget.

AHRWMA have presented their draft Annual Budget and Business Plan 2024/25 and updated Long Term Financial Plan (LTFP) to Council for consideration.

Context

AHRWMA was formed to provide waste disposal solutions to the Alexandrina Council, Adelaide Hills Council, Mount Barker District Council and the Rural City of Murray Bridge.

AHRWMA is a section 43 Regional Subsidiary of Council.

The AHRWMA Charter provides:

4.2. Business Plan

The Authority:

4.2.1. must in consultation with the Constituent Councils prepare and adopt an annual Business Plan linking the core business activities of the Authority to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period

4.2.2. must before 31 March of each year submit a draft business plan and draft budget to the Constituent Councils for the ensuing Financial Year in accordance with the Act and obtain approval of the draft budget by an Absolute Majority of the Constituent Councils

4.2.3. following approval of the draft business plan by the Constituent Councils, after 31 May and before 30 June each year, the Authority must adopt the draft business plan as the Business Plan for the ensuing Financial Year

5.2. Annual Budget

5.2.1. The Board will determine annually, and will include within the draft budget submitted to the Constituent Councils for approval, the funds required to enable the Authority to operate and to fulfil its purpose and undertake its functions

5.2.2. The Authority must before 31 March of each year prepare and submit a draft budget (including proposed Fees and Financial Contributions) to the Constituent Councils for the ensuing Financial Year in accordance with the Act and obtain approval of the draft budget by an Absolute Majority of the Constituent Councils

5.2.3. Following approval of the draft budget by the Constituent Councils, after 31 May and before 30 June each year, the Authority must adopt the draft budget as the Budget for the ensuing Financial Year in accordance with the Act.

General Analysis

On 4 April 2024, AHRWMA's Executive Officer, Leah Maxwell, provided a summary of key outcomes from the 28 March 2024 Authority Board Meeting where the Board endorsed the Authority's draft Annual Business Plan and Budget 2024/25 for distribution to Constituent Councils.

AHRWMA indicates that the budget projects a net surplus of $220,000 and have identified the following key budget assumptions in their draft Annual Business Plan:

Revenue

- Gate rate (landfill fees) increased by 10% in line with increased expenses across the business. AHRWMA has not increased its gate fee beyond CPI in several years.
- Landfill tonnage modelled on current year and prior year trends.
- Council fees have been increased by CPI of 4.8%

Expenditure

- Employee costs increased in line with applicable Enterprise Bargaining Agreement
- Superannuation to increase as per legislation
- Solid waste levy increases in line with previous years increases - Metro $163 per tonne and non-Metro $81.50 per tonne
- RRC Operations with 100% direct charge to participating Councils, cost neutral to the Authority.

Table 1 - Capital Program 2024/25

Description	$
Buildings expansion	450,000
IT renewal	19,000
IT Expansion	5,700
General Plant renewal	2,500
Compactor renewal	894,300

Description	$
Hook bins renewal	47,455
Backhoes (2)	355,000
Dump Truck	350,000
Forklift	53,220
Road infrastructure	50,000
Total	2,227,175

Table 2 - Constituent Council Contributions 2024/25

	Constituent Council Waste Disposal	Solid Waste Disposal Levy (collected on behalf of State Gov)**	Resource Recovery Centre Management Fees	Regional Education Budget	Waste Administration Support	Strategic Management Contribution
Murray Bridge	$295,197*	$519,400	$38,884	$10,000	$4,200	$22,875
Adelaide Hills	$439,994*	$1,269,281**	$40,000	$10,000	N/A	$46,125
Mount Barker	$523,787	$921,602	N/A	$10,000	N/A	$44,625
Alexandrina	$104,405	$183,701	N/A	N/A	N/A	$11,375
Total	**$1,363,383**	**$2,893,984**	**$78,884**	**$30,000**	**$4,200**	**$125,000**

*Includes RRC waste disposal fees, which the Councils do not pay directly. The AHRWMA pays for RRC waste disposal expenses and recovery from RRC user fees and the RRC Council Contribution

**The Adelaide Hills Council includes the non-metro and metro waste disposal levy and therefore their levy contribution is higher than the other non-metro Constituent Councils.

Constituent Councils also have access to the following services on an at cost basis:

- Concrete crushing service
- Hooklift truck transport services
- Green organics services (e.g., free greens at the Adelaide Hills Council). Specific pricing for Constituent Councils is available on a job-by-job bases.

In line with previous years, AHRWMA's budget has been based on a fee increase in accordance with CPI for the December 2023 quarter, as published by the Australian Bureau of Statistics, which is 4.8%. The AHRWMA Board considered and discussed the impact of this fee increase particularly in relation to Constituent Councils. Due to escalating costs across the sector, the draft budget includes a non-member landfill fee of 10% plus applicable levy. The application of the tiered price ensures that AHRWMA is financially sustainable and enabling implementation of the actions within their business plans and respond to challenges and opportunities as they arise into the future, for the overall benefit of the Constituent Councils. The Board also resolved that a detailed fee review will be undertaken during FY2025 to inform any future fee adjustments.

It is recognised that the Authority operates in a commercial space and therefore it is appropriate to ensure adequate fees are charged and where possible in future (if accumulated funds exceed the AHRWMA's requirements), in accordance with Clause 2.2.7 of the Charter and in line with budgeting processes, the AHRWMA Board may consider the distribution of surplus funds to the Constituent Councils.

Comparative Analysis

Nil

Financial and Economic Implications

The 2024/25 AHRWMA budget proposes an operating surplus ratio of 3% and the operating surplus ratio averages 3% over the 10-year financial plan period. The Authority's net financial liabilities ratio for the 2024/25 budget is 31% and averages 11% over the 10-year financial plan period. This ratio falls over time which indicates the Authority is meeting financial obligation from operating revenue.

Council's budgeted contribution for 2024/25 is $299,481, which is $80,756 (37%) more than the 2023/24 Budget. This is due to a projected increase in waste disposal volume by Council. The impacts of the AHRWMA draft budget will be reflected in Council's Budget 2024/25 prior to adoption.

Risk Management

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low as all statutory requirements have been met in accordance with the *Local Government Act 1999* and the AHRWMA's Charter.

Conclusion

It is recommended that Council approves the Adelaide Hills Region Waste Management Authority draft Business Plan and Budget 2024/25 and updated Long Term Financial Plan as per Attachment 2.

Attachments

Attachment 1 - Adelaide Hills Region Waste Management Authority Budget and Business Plan Letter to Member Council

Attachment 2 - Adelaide Hills Region Waste Management Authority draft Business Plan and Budget 2024/25

Attachment 1 - Adelaide Hills Region Waste Management Authority Budget and Business Plan Letter to Member Council

AHRWMA

"Sustainable Waste Management Through Shared Services"

Name: Nigel Morris Chief Executive Officer Alexandrina Council
nigel.morris@alexandrina.sa.gov.au

Dear Nigel,

AHRWMA Draft Annual Budget and Business Plan 2024-25

The Authority Board met on 28 March 2024 where it resolved to endorse the Draft Annual Business Plan and Budget.

Clause 5.2.2 of the Authority's Charter states that the Authority must before 31 March of each year prepare and submit a draft budget (including proposed Fees and Financial Contributions) to the Constituent Councils for the ensuing Financial Year in accordance with the Act and obtain approval of the draft budget by an Absolute Majority of the Constituent Councils.

In line with previous years the budget has been based on a Member Council fee increase in accordance with CPI which is 4.8% (movement for Adelaide Dec 2023 quarter). In addition to CPI waste disposal fees will also include the Solid Waste Disposal Levy, which for budgeting purposes has been estimated to increase by 4.5%. This will be adjusted to actuals when known.

Due to escalating costs across the sector the 2024/25 draft budget includes a non-member landfill fee increase of 10% plus applicable levy.

The application of this tiered price increase ensures that the Authority is financially sustainable, enabling us to implement the actions within our business plans and respond to challenges and opportunities as they arise into the future, for the overall benefit of our Member Councils. The Board also resolved that detailed fee review be undertaken during FY2025 to inform any future fee adjustments.

The Board also considered modelling of various waste tonnage inputs, based on the Authority's waste reduction goals and Local Government's continued efforts to minimise waste to landfill. Under a model of reduced tonnages the Authority's business model continues to be financially sustainable.

Please find attached a copy of the draft Business Plan, Budget and updated LTFP for presentation to your Council.

In accordance with the Charter Council approval and/or feedback is sought prior to 31 May 2024. Please ensure your Council resolution includes reference to approving the Budget, Business Plan and updated Long Term Financial Plan.

I am available to discuss this draft budget with Council staff, including providing additional advice regarding Member Council fees and charges and the assumptions we have made for budgeting purposes. I am also available to present to Elected Members as required.

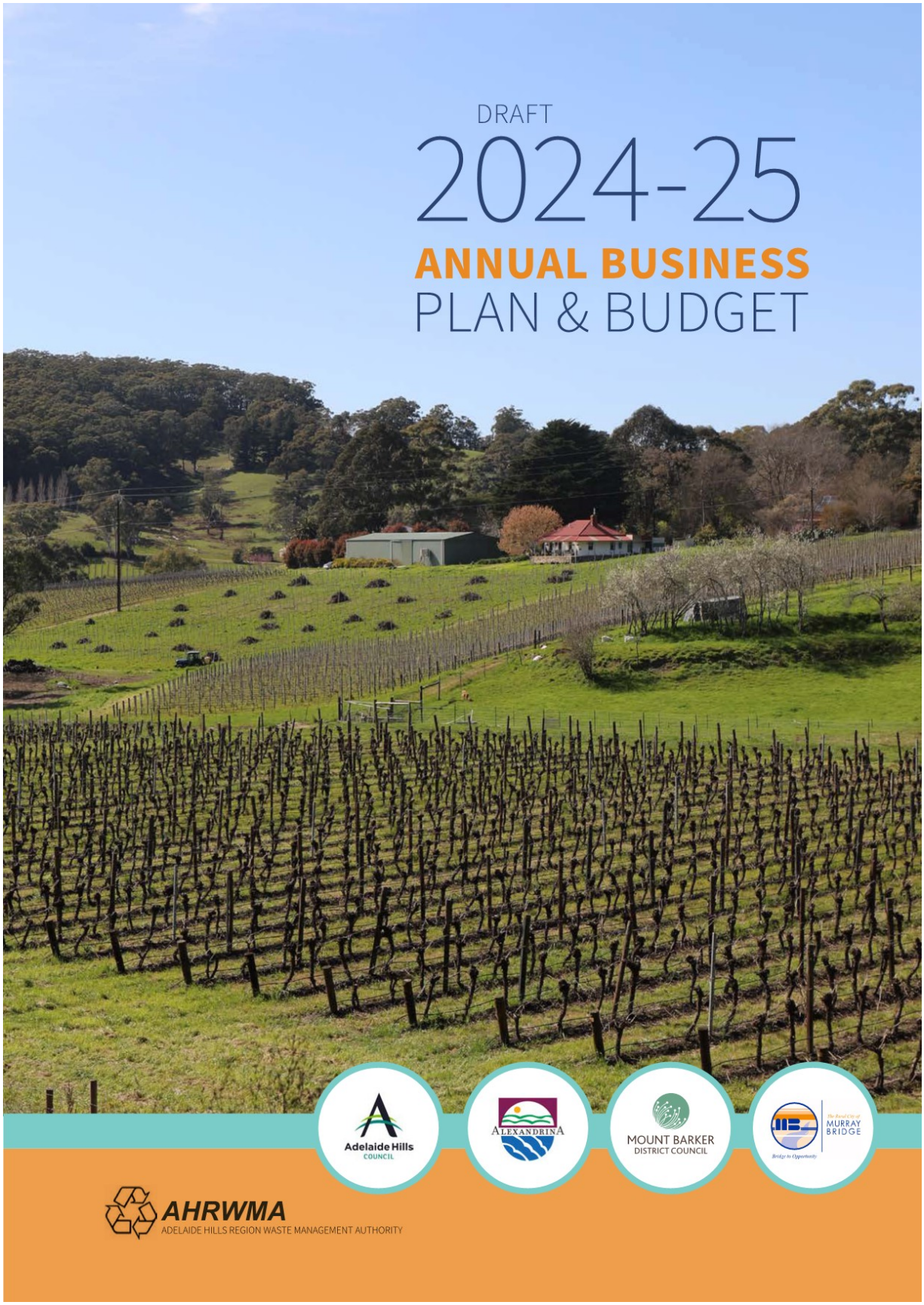
Yours sincerely

Leah Maxwell
Executive Officer
Adelaide Hills Region Waste Management Authority

Adelaide Hills Region Waste Management Authority
PO Box 519
MURRAY BRIDGE SA 5253

Phone/Fax: 08 8532 6385
Email: admin@ahrwma.com

Attachment 2 - Adelaide Hills Region Waste Management Authority draft Business Plan and Budget 2024/25




2 Adelaide Hills Region Waste Management Authority

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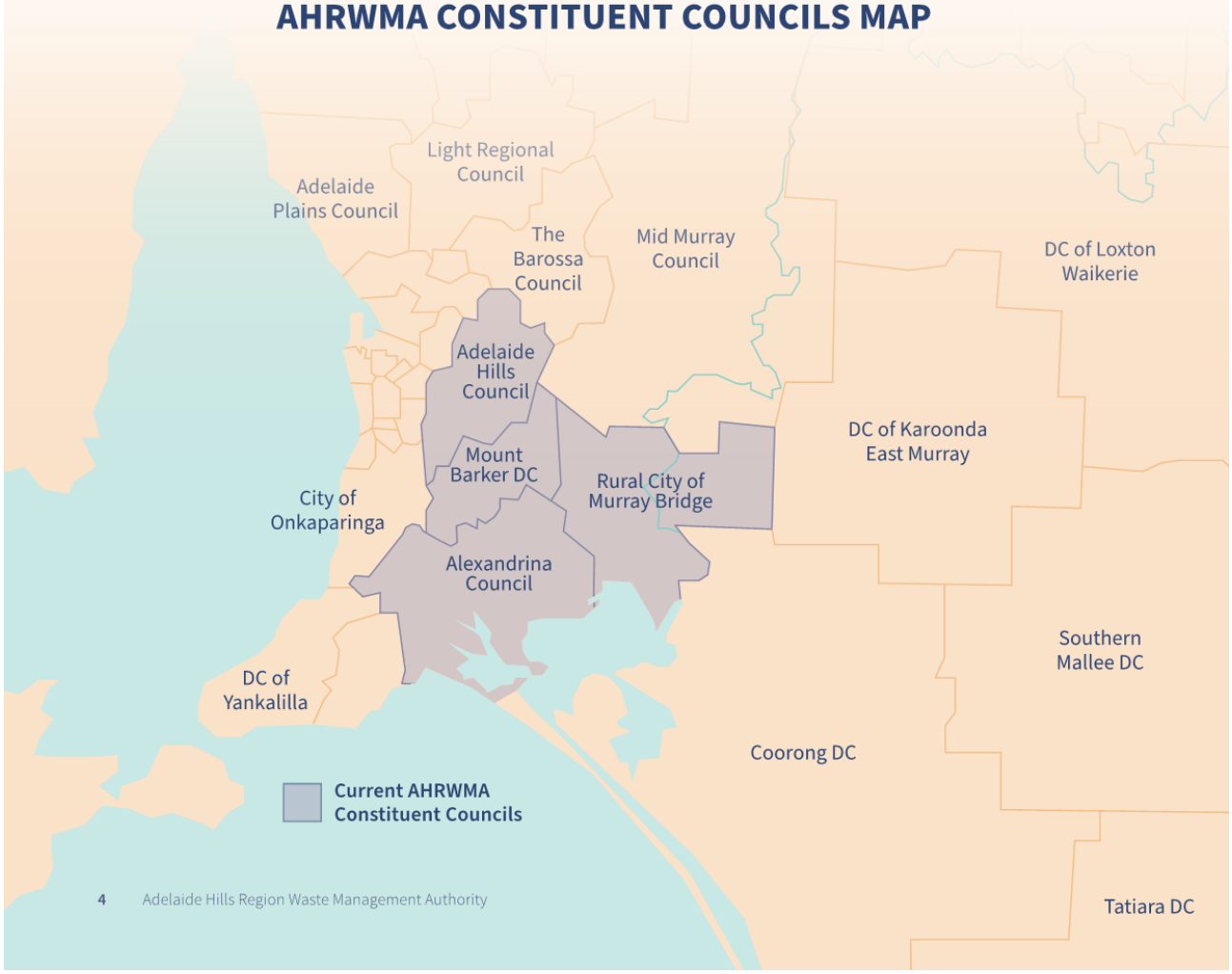
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1 ABOUT AHRWMA

The Adelaide Hills Region Waste Management Authority (The Authority/ AHRWMA) is a Local Government Regional Subsidiary established by its Constituent Councils – The Adelaide Hills Council, The Alexandrina Council, The Mount Barker District Council and The Rural City of Murray Bridge.

Waste management and recycling services for local ratepayers, residents and visitors is a key Local Government function. The Constituent Councils resolved to work together through the Authority to coordinate waste management and recycling within the region. The Authority undertakes landfill operations, resource recovery facility management, hooklift truck transport services and mobile concrete crushing for the benefit of its Constituent Councils. The Authority provides an avenue for Constituent Councils to be represented in relevant forums and provides technical waste and resource management advice to Constituent Councils when required. Governed by its Charter, Board and Audit Committee the Authority aims to evaluate and enhance waste and recycling services throughout the region.

AHRWMA CONSTITUENT COUNCILS MAP



2 INTRODUCTION AND BACKGROUND

Welcome to the Authority's Annual Business Plan and Budget for the 2024/25 financial year. In accordance with the requirements set out in the Local Government Act, this business plan outlines the performance targets that the Authority aims to pursue, performance measures and an associated budget.

THE CHARTER

The process of preparing and adopting the Annual Business Plan and Budget meets the requirements included within the Authority's Charter and the Local Government Act. The Authority's Charter includes the following sections regarding the Business Plan and Budget;



SECTION 4.2 BUSINESS PLAN

The Authority:

4.2.1 must in consultation with the Constituent Councils prepare and adopt an annual business plan linking the core business activities of the Authority to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period;

4.2.2 must before 31 March of each year submit a draft business plan and draft budget to the Constituent Councils for the ensuing financial year in accordance with the Act and obtain approval of the draft budget by an absolute majority of the Constituent Councils;

4.2.2.1 following approval of the draft business plan by the Constituent Councils, after 31 May and before 30 June each year, the Authority must adopt the draft business plan as the business plan for the ensuing financial year;

4.2.2.2 may, after consultation with the Constituent Councils, amend its business plan at any time; and

4.2.2.3 must ensure the contents of the business plan are in accordance with the Act.

SECTION 5.2 ANNUAL BUDGET

5.2.1 The Board will determine annually, and will include within the draft budget submitted to the Constituent Councils for approval, the funds required to enable the Authority to operate and to fulfil its purpose and undertake its functions.

5.2.2 The Authority must before 31 March of each year prepare and submit a draft budget (including proposed fees and financial contributions) to the Constituent Councils for the ensuing financial year in accordance with the Act and obtain approval of the draft budget by an absolute majority of the Constituent Councils.

5.2.3 Following approval of the draft budget by the Constituent Councils, after 31 May and before 30 June each year, the Authority must adopt the draft budget as the budget for the ensuing financial year in accordance with the Act.

5.2.4 The Authority may in a financial year, after consultation with the Constituent Councils, incur spending before adoption of its budget for the year, but the spending must be provided for in the appropriate budget for the year.

5.2.5 The Authority must each financial year provide a copy of its budget to the Constituent Councils within five (5) business days after adoption by the Authority.

5.2.6 Reports summarising the financial position and performance of the Authority against the budget shall be prepared and presented to the Board at each ordinary meeting of the Board and copies provided to the Constituent Councils.

5.2.7 The Authority must reconsider its budget in accordance with the Act in a manner consistent with the Act and may with the approval of the Constituent Councils amend its budget for a financial year at any time before the financial year ends.



SECTION 5.3 FINANCIAL CONTRIBUTIONS

5.3.1 The Authority may include in the budget submitted to the Constituent Councils for approval financial contributions to be paid by the Constituent Councils.

5.3.2 The Authority may during any financial year for purposes of genuine emergency, extraordinary circumstances or hardship determine that additional financial contributions are required by the Authority for the continuing functioning of the Authority and request these funds from the Constituent Councils.

5.3.3 Any additional financial contributions to be paid by the Constituent Councils will be submitted to the Constituent Councils for approval.

LOCAL GOVERNMENT ACT

BUSINESS PLAN

A subsidiary must, in consultation with the council, prepare and adopt a business plan consistent with its charter.

A subsidiary and the council must ensure that the first business plan of the subsidiary is prepared within six months after the subsidiary is established. A business plan of a subsidiary continues in force for the period specified in the plan or until the earlier adoption by the subsidiary of a new business plan. A subsidiary must, in consultation with the council, review its business plan on an annual basis. A subsidiary may, after consultation with the council, amend its business plan at any time.

A business plan must set out or include—

(a) the performance targets that the subsidiary is to pursue; and

(b) a statement of the financial and other resources, and internal processes, that will be required to achieve the subsidiary's performance targets; and

(c) the performance measures that are to be used to monitor and assess performance against targets.

BUDGET

A subsidiary must have a budget for each financial year.

Each budget of a subsidiary—

(a) must deal with each principal activity of the subsidiary on a separate basis; and

(b) must be consistent with its business plan; and

(c) must comply with standards and principles prescribed by the regulations; and

(d) must be adopted after 31 May for the ensuing financial year, and before a date fixed by the council; and

(e) must be provided to the council in accordance with the regulations.

A subsidiary may, with the approval of the council, amend its adopted budget for a financial year at any time before the year ends. A subsidiary may incur, for a purpose of genuine emergency or hardship, spending that is not authorised by its budget. A subsidiary may, in a financial year, after consultation with the council, incur spending before adoption of its budget for the year, but the spending must be provided for in the appropriate budget for the year.



8 Adelaide Hills Region Waste Management Authority

3 GOVERNANCE

The Authority's Board is comprised of five (5) members appointed as follows:

- One (1) person (who may be an Elected Member, an employee or an Independent Member) appointed by each Constituent Council with skills and/or knowledge in any of the following:
  - **a.** financial management
  - **b.** legal / corporate governance
  - **c.** marketing and promotion
  - **d.** waste management
  - **e.** business management
- One (1) person appointed jointly by absolute majority of the Constituent Councils, with relevant professional expertise, who is not a member or officer of a Constituent Council to be the chairperson of the Board.

The Authority has an Audit and Risk Committee with two independent members. The Authority will continue to maintain an Audit and Risk Committee in accordance with Schedule 2 of the Local Government Act.



4 DRAFT STRATEGIC PLAN





GUIDING PRINCIPLES

ENVIRONMENTAL SUSTAINABILITY AND CIRCULAR ECONOMY

We encourage the reduction of waste to landfill and maximise diversion.

We lead the shift towards a circular economy.

We meet environmental compliance requirements in our operations.

COLLABORATION AND COMMUNITY

We are in touch with our Constituent Councils and community needs and provide value adding services.

We empower our communities with a strong education program targeting positive behaviour change.

COST EFFECTIVENESS AND FINANCIAL SUSTAINABILITY

We provide value for money waste and resource management solutions through economies of scale and shared services.

We ensure financial sustainability by charging adequate fees for service.

BEST PRACTICE AND INNOVATION

We actively seek out best practice in the industry and bring it back to our region.

We are agile and responsive to industry changes, innovation, and new technology.

We advocate for positive change throughout the entire waste management process.

FOUR GOAL AREAS

GOAL 1: BEST PRACTICE

We aim to establish our facilities as best practice community hubs for waste and resource management across the Region with circular economy, waste diversion and local employment at the forefront. We will consider new and emerging technology that may benefit Constituent Councils and achieve our common goals to increase diversion rates, reduce waste to landfill and reduce our ecological footprint, while balancing costs for service provision. We will advise and encourage our Constituent Councils to implement best practice systems and services, where appropriate.

GOAL 2: COLLABORATE

AHRWMA will maximise engagement and leadership across the region. We will coordinate and communicate with our Constituent Councils and beyond to meet the needs of our stakeholders in all areas of waste and resource management.

GOAL 3: EMPOWERED COMMUNITY

AHRWMA will take a leading role in planning and implementing community engagement and education strategies across the region. This will reinforce effective behaviours relating to waste management and strengthen positive attitudes towards Member Council, State and Federal waste management and resource recovery actions.

GOAL 4: GOOD GOVERNANCE

We will ensure good governance practices, including WHS, landfill management, strategic and financial management.



WE HAVE ACHIEVED 83% PROGRESS ON AUTHORITY SERVICE DELIVERY OBJECTIVES FOR 23/24

5 PERFORMANCE TARGETS AND MEASURES

GOAL 1: BEST PRACTICE

Action	Rationale	Performance Indicator	Timeframe
Investigate and implement a bulk up facility at Brinkley or a central locale to increase transport efficiencies.	Increase economies of scale and achieve better outcomes for Council.	Feasibility study commenced.	QTR 3
Consider land tenure.	Ensure forward planning.	Progress land tenure review.	QTR 1 – ongoing
Continue to investigate and implement Circular economy programs and projects that increase resource recovery and create community benefit.	Increase resource recovery and create community benefit.	Programs and projects are considered and implemented where deemed viable and beneficial, as determined by the Circular Economy Officer, Executive Officer and Member Councils where applicable.	QTR 1 – ongoing
Review and enhance construction and demolition processes.	Enhance resource recovery offerings. Minimise risk.	Review completed and findings implemented.	QTR 4
Continue to monitor advances in the latest developments in waste management nationally and internationally and share this information with stakeholders.	Continue to establish the Authority as a leader in the field and ensure knowledge sharing.	EO or delegate will attend industry meetings and relevant forums/ conferences/information sessions.	QTR1, QTR 2, QTR 3, QTR 4
Evaluate kerbside service models and consider best practice options for Constituent Councils to minimise waste to landfill.	Assist members in assessing their options to increase resource recovery and decrease waste to landfill.	An evaluation of kerbside service models will be undertaken, with a report presented to the Board and communicated to Member Councils.	QTR 4
Measure emissions and set an emissions reduction target.	Prioritise projects that minimise carbon emissions and assist Constituent Councils to meet emissions	Emissions baseline will be established and a reduction target will be set.	QTR 4

GOAL 2: COLLABORATE

Action	Rationale	Performance Indicator	Timeframe
Provide responses on behalf of Constituent Councils to State, Federal and other communications regarding legislation/ policy changes etc.	Represent Constituent Councils, the region and Local Government, on waste management issues to all stakeholders. Position the Authority as a leader in the field.	Regional responses provided as required.	QTR 1 – ongoing
Maximise our presence across Constituent Councils and within the waste and Local Government sectors.	Encourage the Councils to consider the Authority as the point of contact for waste and resource matters.	Attend WMRR meetings and actively participate in State and Federal waste/ resource recovery LGA/State/Federal/ industry groups. Represent constituent Councils in all relevant forums, with Councils support.	QTR 1 – ongoing
Implement projects that engage and connect with Constituent Councils and other stakeholders across the region.		Facilitate quarterly knowledge sharing forum with Constituent Councils.	Qrtly
		Distribute a quarterly newsletter.	Qrtly
Support Constituent Councils to utilise the AHRWMA and the services we offer and collaborate regionally to achieve economies of scale.		Facilitate individual annual meetings and collective biannual meetings with Constituent Council CEOs.	QTR 1 - QTR 4 subject to availability
		Deliver annual presentations to Constituent Council Elected Members.	QTR 1 - QTR 4 subject to availability
Pursue considered opportunities to expand the scope of input streams to the Brinkley Landfill and identify additional revenue streams.	Expand service provisions to ensure long term financial sustainability.	Host annual meetings with neighbouring Local Government Council representatives and major commercial customers.	QTR 1 - QTR 4 subject to availability



GOAL 3: EMPOWERED COMMUNITY

Action	Rationale	Performance Indicator	Timeframe
Implement a wide-reaching regional education program in collaboration with Member Councils, other stakeholders such as GISA, collection partners and other subsidiaries.	Develop and deliver on a regional education plan and program.	Plan finalised and program implemented.	QTR 1
Support community groups by providing information on resource recovery and waste management.	Connect with community groups that align with the values of the Authority.	Presentations and education sessions undertaken with community groups across the region.	QTR 1 – ongoing
Implement an annual awards program for community groups and businesses for efforts relating to resource recovery and the circular economy.	Recognise community and business efforts with an annual award.	Awards program implemented.	QTR 3

GOAL 4: GOOD GOVERNANCE

Action	Rationale	Performance Indicator	Timeframe
Commence Brinkley site master plan.	Ensure adequate future planning.	Master plan commenced.	QTR 3
Achieve best practice hazard reporting.	Continue to implement and improve WHS and governance programs.	Strengthen staff training and awareness programs to encourage increased hazard recognition and reporting.	QTR 2
Achieve no lost time injuries.			
Complete a pricing landfill pricing review.	Ensure adequate fees are charged.	Pricing review completed to inform future pricing adjustments.	QTR 2
Review the Audit and Risk Committee's Terms of Reference.	Ensure good governance practices	Terms of reference reviewed in accordance with the Local Government Act.	QTR 1

6 KEY FINANCIAL INDICATORS

Key financial indicators enable an assessment of the Authority's long-term financial performance and position and will place the Authority on a path to deliver long term sustainability of operations. The key financial indicators support a positive forward outlook and adherence over the longer term to the Authority's financial sustainability. The Authority has set targets for its key financial indicators to guide revenue and expenditure decisions, overall budget strategies and future decision making. Where changes result in a variance from these targets they will be considered and reported to the Board.

The Authority's financial indicator performance targets assist in ensuring the long-term financial sustainability of the Authority. The draft budget exceeds the adopted long-term targets.

Financial Indicator	Long Term Target	FY2025 Draft Budget	Long Term Average
Operating Surplus Ratio	2%	3%	3%
Net Financial Liabilities Ratio	55%	31%	11%
Interest Cover Ratio	1%	0%	0%
Asset Renewal Funding Ratio	100%	100%	100%

INDICATOR 1:
OPERATING SURPLUS RATIO INDICATOR

A positive ratio indicates the percentage of total revenue available (from commercial customers and Constituent Councils) to help fund proposed capital expenditure. If the relevant amount is not required for this purpose in a particular year, it can be held for future capital expenditure needs by either increasing financial assets or preferably, where possible, reducing debt in the meantime. A negative ratio indicates the percentage increase in total revenue (or additional financial input from Constituent Councils) would be required to achieve a break-even operating result. If the Authority consistently achieves operating surpluses and estimates that it can do so in future, having regard to asset management and Constituent Council service level needs, then it is financially sustainable. Favourable trend results measured against the other financial indicators will assist, but not in themselves ensure, that the Authority operates sustainably. The Operating Surplus Ratio for the draft budget exceeds the long-term target and remains strong over the LTFP.



INDICATOR 2:
NET FINANCIAL LIABILITIES RATIO

This ratio indicates the extent to which net financial liabilities of the Authority can be met by its operating revenue. Where the ratio is falling over time it indicates that the Authority's capacity to meet its financial obligations from operating revenue is strengthening. An increase in the net financial liabilities ratio will sometimes mean that the Authority is incurring higher net operating costs (e.g. as a result of additional maintenance and depreciation costs). This will detract from the Authority's overall operating result. Nevertheless, if the Authority has a healthy operating surplus it could quite appropriately decide to allow its net financial liabilities ratio to increase in order to provide additional services to its community and Constituent Councils through acquisition of additional assets without detracting from its financial sustainability. The Net Financial Liabilities Ratio reduces over time. The long-term financial projection shows that operating revenue can sustain the business without the requirement to borrow funds.

INDICATOR 3:
INTEREST COVER RATIO

This ratio indicates the extent to which the Authority's operating revenues are committed to interest expenses. There is no interest expense in this budget or for the long term, therefore the interest cover ratio is 0%.

INDICATOR 4:
ASSET RENEWAL FUNDING RATIO

This ratio indicates whether the Authority is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out. The ratio is calculated by measuring capital expenditure on renewal or replacement of assets relative to the expenditure estimates as set out in the Asset Management Plan (AMP). The Asset Renewal Funding Ratio indicates that the Authority is reasonably optimising the timing of capital outlays on the replacement of assets.

7 2024/2025 BUDGET

KEY BUDGETARY ASSUMPTIONS

REVENUE:

The commercial gate rate (landfill fees) have been increased by 10%, which is based on increased expenses across the business and a desktop pricing review. The AHRWMA has not increased its gate fees beyond CPI in several years. A detailed pricing review will be undertaken in 2024/25 which will inform future pricing. Constituent Council fees have been increased by CPI 4.8%.

Landfill tonnages have been modelled based on current year actuals and include growth based on previous year trends. Member Councils were also contacted requesting information on any plans they have that may impact on tonnes to landfill in the upcoming budget period. There were no planned changes of any significance.

EXPENDITURE:

Employee costs have been increased in line with applicable Enterprise Bargaining agreements. Superannuation is modelled as per current legislation. The solid waste levy has been predicted based on previous years increases, being $163.00/tonne for the metro levy and $81.50/tonne for the non-metro levy. Resource Recovery Centre (RRC) operations budgets for AHC and RCMB are100% directly charged to those Member Councils and are cost neutral to the Authority.

CAPITAL

The following assets are planned for expansion or renewal in 2024/2025.

Item	Budget Renewal	Budget Expansion
Buildings	-	450,000
Roads infrastructure	-	50,000
IT	19,000	5,700
General Plant	2,500	-
Compactor	894,300	-
Hook bins	47,455	-
Backhoes (2)	355,000	-
Dump truck	350,000	-
Forklift	53,220	-

The budget to deliver this Annual Plan, along with all AHRWMA Services and legislative requirements is detailed in the following proposed 2024/25 Financial Papers (as attached separate report and to be included in final Business Plan).




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UNIFORM PRESENTATION OF FINANCES

						Forecast					
	EOY 2024 $000	Y1 2025 $000	Y2 2026 $000	Y3 2027 $000	Y4 2028 $000	Y5 2029 $000	Y6 2030 $000	Y7 2031 $000	Y8 2032 $000	Y9 2033 $000	Y10 2034 $000
OPERATING ACTIVITIES											
Operating Revenues	9,249	10,710	11,158	11,651	12,173	12,675	13,200	13,736	14,322	14,976	15,581
less Operating Expenses	(9,058)	(10,394)	(10,943)	(11,362)	(11,871)	(12,392)	(12,853)	(13,311)	(13,861)	(14,362)	(14,840)
Operating Surplus/ (Deficit)	**191**	**316**	**215**	**289**	**302**	**283**	**347**	**425**	**461**	**614**	**741**
CAPITAL ACTIVITIES											
Net Outlays on Existing Assets											
Capital Expense on renewal and replacement of Existing Assets	(1,139)	(1,721)	(423)	(257)	(1,306)	(502)	(720)	(1,812)	(537)	(293)	(963)
less Depreciation, Amortisation and Impairment	941	1,132	1,203	1,241	1,271	1,290	1,339	1,310	1,278	1,294	1,296
less Proceeds from Sale of Replaced Assets	238	303	90	92	290	162	305	367	144	92	308
Net Outlays on Existing Assets	**40**	**(286)**	**870**	**1,076**	**255**	**950**	**924**	**(135)**	**885**	**1,093**	**641**
Net Outlay on New and Upgraded Assets											
Capital Expenditure on New and Upgraded Assets	(1,046)	(506)	-	-	-	(600)	(1,300)	-	-	-	-
Net Outlays on New and Upgraded Assets	**(1,046)**	**(506)**	**-**	**-**	**-**	**(600)**	**(1,300)**	**-**	**-**	**-**	**-**
Net Lending/ (Borrowing) for Financial Year	**1,197**	**1,108**	**(655)**	**(787)**	**47**	**(67)**	**723**	**560**	**(424)**	**(479)**	**100**
Financing transactions associated with the above net overall deficit, or applying the overall net funding surplus are as follows:											
(Increase)/Decrease in Cash and Investments	550	574	(1,056)	(1,316)	(151)	(226)	71	(246)	(1,300)	(1,660)	(1,331)
Net Balance Sheet funding (debtors & creditors etc)	(1,747)	(1,682)	1,711	2,103	104	293	(794)	(314)	1,724	2,139	1,231
Financing Transactions	**(1,197)**	**(1,108)**	**655**	**787**	**(47)**	**67**	**(723)**	**(560)**	**424**	**479**	**(100)**

STATEMENT OF COMPREHENSIVE INCOME

		Forecast									
	EOY 2024 $000	Y1 2025 $000	Y2 2026 $000	Y3 2027 $000	Y4 2028 $000	Y5 2029 $000	Y6 2030 $000	Y7 2031 $000	Y8 2032 $000	Y9 2033 $000	Y10 2034 $000
INCOME											
User Charges	6,606	7,802	8,194	8,582	8,988	9,411	9,853	10,313	10,811	11,340	11,829
Investment Income	45	25	12	47	90	95	102	100	108	151	206
Other Income	2,598	2,883	2,952	3,022	3,095	3,169	3,245	3,323	3,403	3,485	3,546
Total Income	**9,249**	**10,710**	**11,158**	**11,651**	**12,173**	**12,675**	**13,200**	**13,736**	**14,322**	**14,976**	**15,581**
EXPENSES											
Employee Costs	2,217	2,310	2,421	2,498	2,577	2,659	2,744	2,831	2,921	3,014	3,127
Materials, contracts & other expenses	5,896	6,950	7,318	7,601	8,003	8,425	8,753	9,155	9,649	10,043	10,409
Depreciation, amortisation & impairments	941	1,132	1,203	1,241	1,271	1,290	1,339	1,310	1,278	1,294	1,296
Finance Costs	4	2	1	22	20	18	17	15	13	11	8
Total Expenses	**9,058**	**10,394**	**10,943**	**11,362**	**11,871**	**12,392**	**12,853**	**13,311**	**13,861**	**14,362**	**14,840**
Operating Surplus/(Deficit)	**191**	**316**	**215**	**289**	**302**	**283**	**347**	**425**	**461**	**614**	**741**
Asset disposal & fair value adjustments	43	(96)	8	-	(2)	17	34	26	-	-	-
Net Surplus/(Deficit)	**234**	**220**	**223**	**289**	**300**	**300**	**381**	**451**	**461**	**614**	**741**



STATEMENT OF FINANCIAL POSITION

		Forecast									
	EOY 2024 $000	Y1 2025 $000	Y2 2026 $000	Y3 2027 $000	Y4 2028 $000	Y5 2029 $000	Y6 2030 $000	Y7 2031 $000	Y8 2032 $000	Y9 2033 $000	Y10 2034 $000
ASSETS											
Current Assets											
Cash & Cash Equivalents	928	354	1,410	2,726	2,877	3,103	3,032	3,278	4,578	6,237	7,569
Trade & Other Receivables	505	529	542	556	570	584	599	614	629	645	660
Total Current Assets	**1,433**	**883**	**1,952**	**3,282**	**3,447**	**3,687**	**3,631**	**3,892**	**5,207**	**6,882**	**8,229**
Non-current Assets											
Infrastructure, Property, Plant & Equipment	6,016	7,264	7,106	6,133	5,952	5,701	7,709	8,004	7,255	6,303	5,819
Total Non-Current Assets	**6,016**	**7,264**	**7,106**	**6,133**	**5,952**	**5,701**	**7,709**	**8,004**	**7,255**	**6,303**	**5,819**
Total Assets	**7,449**	**8,147**	**9,058**	**9,415**	**9,399**	**9,388**	**11,340**	**11,896**	**12,462**	**13,185**	**14,048**
LIABILITIES											
Current Liabilities											
Trade and Other Payables	830	869	891	913	935	958	983	1,009	1,033	1,059	1,085
Lease Liability	128	72	572	514	454	395	331	266	198	128	68
Short Term Provisions	383	401	411	422	432	443	454	465	477	489	500
Total Current Liabilities	**1,341**	**1,342**	**1,874**	**1,849**	**1,821**	**1,796**	**1,768**	**1,740**	**1,708**	**1,676**	**1,653**
Non-Current Liabilities											
Long Term Provisions	2,337	2,814	2,970	3,063	2,775	2,489	4,088	4,221	4,358	4,499	4,644
Total Non-Current Liabilities	**2,337**	**2,814**	**2,970**	**3,063**	**2,775**	**2,489**	**4,088**	**4,221**	**4,358**	**4,499**	**4,644**
Total Liabilities	**3,678**	**4,156**	**4,844**	**4,912**	**4,596**	**4,285**	**5,856**	**5,961**	**6,066**	**6,175**	**6,297**
Net Assets	**3,771**	**3,991**	**4,214**	**4,503**	**4,803**	**5,103**	**5,484**	**5,935**	**6,396**	**7,010**	**7,751**
EQUITY											
Accumulated Surplus	3,771	3,991	4,214	4,503	4,803	5,103	5,484	5,935	6,396	7,010	7,751
Total Equity	**3,771**	**3,991**	**4,214**	**4,503**	**4,803**	**5,103**	**5,484**	**5,935**	**6,396**	**7,010**	**7,751**

STATEMENT OF CHANGES IN EQUITY

	Forecast										
	EOY 2024 $000	Y1 2025 $000	Y2 2026 $000	Y3 2027 $000	Y4 2028 $000	Y5 2029 $000	Y6 2030 $000	Y7 2031 $000	Y8 2032 $000	Y9 2033 $000	Y10 2034 $000
ACCUMULATED SURPLUS											
Balance at Beginning of Period	3,537	3,771	3,991	4,214	4,503	4,803	5,103	5,484	5,935	6,396	7,010
Change in financial position resulting from operations	234	220	223	289	300	300	381	451	461	614	741
Total Equity at End of Reporting Period	3,771	3,991	4,214	4,503	4,803	5,103	5,484	5,935	6,396	7,010	7,751



STATEMENT OF CASH FLOWS

			Forecast								
	EOY 2024 $000	Y1 2025 $000	Y2 2026 $000	Y3 2027 $000	Y4 2028 $000	Y5 2029 $000	Y6 2030 $000	Y7 2031 $000	Y8 2032 $000	Y9 2033 $000	Y10 2034 $000
CASH FLOWS FROM OPERATING ACTIVITIES											
Receipts	9,323	10,686	11,144	11,637	12,159	12,661	13,186	13,721	14,307	14,960	15,567
Payments	(7,926)	(9,260)	(9,745)	(10,147)	(10,627)	(11,130)	(11,542)	(12,030)	(12,614)	(13,100)	(13,580)
Net Cash provided by (or used in) Operating Activities	**1,397**	**1,426**	**1,398**	**1,490**	**1,532**	**1,531**	**1,644**	**1,691**	**1,693**	**1,860**	**1,986**
CASH FLOWS FROM INVESTMENT ACTIVITIES											
Receipts											
Sale of replaced assets	238	303	90	92	290	162	305	367	144	92	308
Payments											
Purchase of Renewal/ Replacement Assets	(1,139)	(1,721)	(423)	(257)	(1,306)	(502)	(720)	(1,812)	(537)	(293)	(963)
Purchase of New/ Expansion Assets	(1,046)	(506)	-	-	-	(600)	(1,300)	-	-	-	-
Capping payments	-	(75)	(10)	(10)	(365)	(365)	-	-	-	-	-
Net Cash provided by (or used in) Investing Activities	**(1,947)**	**(1,999)**	**(343)**	**(175)**	**(1,381)**	**(1,305)**	**(1,715)**	**(1,445)**	**(393)**	**(201)**	**(655)**
Net Increase (Decrease) in Cash Held	**(550)**	**(574)**	**1,056**	**1,316**	**151**	**226**	**(71)**	**246**	**1,300**	**1,660**	**1,331**
Cash & cash equivalents at beginning of period	1,478	928	354	1,410	2,726	2,877	3,103	3,032	3,278	4,578	6,237
Cash & cash equivalents at end of period	**928**	**354**	**1,410**	**2,726**	**2,877**	**3,103**	**3,032**	**3,278**	**4,578**	**6,237**	**7,569**

	Long Term Adopted Target	EOY Forecast	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11
Operating Surplus Ratio	2%	2%	3%	2%	2%	2%	2%	3%	3%	3%	4%	5%
Net Financial Liabilities Ratio	55%	24%	31%	26%	14%	9%	5%	17%	15%	6%	-5%	-12%
Interest Cover Ratio	1.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Asset Renewal Funding Ratio	100%	123%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%


Annual Business Plan & Budget 2024-25 25



AHRWMA
ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

4.2. Fleurieu Regional Aquatic Centre Authority Draft Budget 2024/25

Responsible Officer: Nigel Morris (Chief Executive Officer)

Report Author: Brett Sterzl (Interim Chief Financial Officer)

Mwewa Chisenga (Team Leader Strategic Financial Performance)

Recommendation

That Council receive the Fleurieu Regional Aquatic Centre Authority draft Budget 2024/25 report, noting the initial budget position is as provided at the time of publishing this agenda.

Prior Resolutions

Nil

Community Strategic Plan Impact

LIVEABLE	Defined by distinctive townships, places, spaces and transport networks that support active lifestyles, vibrant cultures and productive enterprise
CONNECTED	Created for, with and by the community. We are safe, healthy and all enjoy accessible infrastructure and services
ENABLED	Proactive pursuit of innovative practices, ethical resource management and transparent leadership to foster community engagement, trust, and accountability, thus ensuring an inclusive and empowered Council

Report Objective

To present the Fleurieu Regional Aquatic Centre Authority (FRACA) (Authority) draft Budget 2024/25 report, based on the initial budget position as is provided at the time of publishing this agenda.

Executive Summary

FRACA's Charter requires the preparation and adoption of a draft Budget for the ensuing financial year in accordance with the *Local Government Act 1999* (**the Act**) and *Local Government (Financial Management) Regulations* for approval by the Constituent Councils.

Context

FRACA was formed to enable joint ownership of the Aquatic Centre by City of Victor Harbor and Alexandrina Council, to manage the facilities and services, caretake the assets, and to contribute to the education and welfare, foster social inclusion and improve health and wellbeing of the communities.

FRACA is a section 43 Regional Subsidiary of Council.

The Authority Charter provides:

5.1 Budget

5.1.1 The Authority must before 30 April of each year prepare and submit a draft Budget to the Constituent Councils for the ensuing Financial Year (or, if appropriate, part Financial Year) in accordance with the Act for approval by the Constituent Councils.

5.1.2 The Authority must adopt after 31 May and within six (6) weeks of approval of the draft Budget by both of the Constituent Councils in each year, a Budget in accordance with the Act for the ensuing Financial Year consistent with the approval given by the Constituent Councils pursuant to Clause 5.1.1.

6.2 Business Plan

The Authority:

6.2.1 must in consultation with the Constituent Councils prepare and adopt a Business Plan for a minimum three (3) year period which will continue in force for the period specified in the Business Plan or until the earlier adoption by the Authority of a new Business Plan

6.2.2 must in consultation with the Constituent Councils review the Business Plan annually and following such a review, the Business Plan shall continue to operate for the period for which the Business Plan was adopted pursuant to Clause 6.2.1

General Analysis

Based on initial feedback from the Executive Officer of the Authority, the draft 2024/25 Budget indicates an operating deficit of $642,300, reflecting an increase of $99,698 compared to the 2023/24 Budget.

Council's contribution for 2024/25 stands at $444,500, marking a decrease of $22,500 from the 2023/24 Budget.

As per the Authority's Charter, the draft Budget for the upcoming financial year is due to be presented to Constituent Council's by 30 April 2024. However, Council is presenting this report ahead of receiving the draft budgeted financial statements due to Council's budget development timeline and is therefore relying on the data provided by the Executive Officer to date.

Upon receipt of the draft 2024/25 budgeted financial statements from the Authority, a report will be presented to Council for review and endorsement.

Comparative Analysis

Nil

Financial and Economic Implications

The FRACA 2024/25 draft Budget proposes an operating deficit of $642,300, an increase of $99,698 from the 2023/24 Budget.

Council contribution has decreased by a total of $22,500.

The impacts of the FRACA draft Budget are reflected in Council's draft Budget 2024/25 prior to adoption.

Risk Management

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low as all statutory requirements have been met in accordance with the *Local Government Act 1999, the Local Government (Financial Management) Regulations* and the Authority's Charter.

Conclusion

It is recommended that Council receive the Fleurieu Regional Aquatic Centre Authority draft Budget 2024/25 report, noting the initial budget position is as provided at the time of publishing this agenda.

Attachments

Nil

4.3. Fleurieu Regional Waste Authority Business Plan 2024-27, Long Term Financial Plan and Draft Budget 2024/25

Responsible Officer: Nigel Morris (Chief Executive Officer)

Report Author: Brett Sterzl (Interim Chief Financial Officer)

Mwewa Chisenga (Team Leader Strategic Financial Performance)

Recommendation

That Council approves the Fleurieu Regional Waste Authority draft Business Plan 2024-27, updated Long Term Financial Plan and draft Budget 2024/25 as per Attachment 2 to this report, less a reduction of Alexandrina Council Contribution of $177k in 2024/25 due to discussed User charge increases and cost reductions.

Prior Resolutions

Meeting Date	Agenda Item Number	Report Title	Resolution
19 February 2024	8.5	Strathalbyn Waste & Recycling Depot Opening Times	C24049

Community Strategic Plan Impact

LIVEABLE	Defined by distinctive townships, places, spaces and transport networks that support active lifestyles, vibrant cultures and productive enterprise
GREEN	Climate-ready, a place where nature is valued, and resources are managed sustainably and creatively to support a new economy

Report Objective

To present the Fleurieu Regional Waste Authority (FRWA) (Authority) reviewed 3-year Business Plan 2024-27, updated Long Term Financial Plan and draft Budget 2024/25.

Executive Summary

FRWA's Charter requires the preparation and adoption of a business plan covering a three-year period in accordance with the *Local Government Act 1999* (**the Act**), linking core business activities of the Authority to strategic, operational and organisational requirements with the supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period of the business plan.

The Authority must also each year prepare and submit a draft annual budget for the ensuing financial year in accordance with the Act and *the Local Government (Financial Management) Regulations* for approval by the Constituent Councils.

Context

FRWA was formed to deliver the Regional Waste Strategy endorsed by Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council in 2007.

FRWA is a section 43 Regional Subsidiary of Council.

The FRWA Charter provides:

7.4 Business Plans

The Authority must:

7.4.1 subject to Clause 5.2.3 prepare and adopt a Business Plan covering the period of three (3) years in accordance with the Act linking the core business activities of the Authority to strategic, operational and organisation requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period of the Business Plan

7.4.2 review the Business Plan annually; in consultation with the Constituent Councils

7.5 Annual Budget

7.5.1 The Authority must, by March 31 of each year, prepare and submit to the Constituent Councils a draft annual budget for the ensuing financial year in accordance with the Act and the Local Government (Financial Management) Regulations 2011 for approval by the Constituent Councils. The Constituent Councils must notify their approval or otherwise by 1 May each year.

7.5.2 The Authority must adopt after 31 May and before 30 June of each year an annual budget in accordance with Act and Local Government (Financial Management) Regulations 2011 for the ensuing financial year as approved the Constituent Councils pursuit to Clause 7.5.1.

General Analysis

On 2 April 2024, FRWA's Executive Officer, Simon Grenfell, provided a summary of key outcomes from the 27 March 2024 Authority Board Meeting where the Board approved the draft FRWA Business Plan 2024-27, updated Long Term Financial Plan and 2024/25 Budget for distribution to Constituent Councils.

FRWA indicates that the budget projects a net surplus of $649k and have identified the following key budget assumptions in their draft Annual Business Plan:

Revenue

- Income overall increased by 5.7%
- Council Contributions by 12.1%

Expenditure

- Expenditure increased by overall 10.9%
    - Employee costs 12.7%
    - Materials Contracts & Other 3.3%
- Growth Assumptions included in the overall expenditure increase are Waste to Landfill 1% increase, Kerbside FOGO 3% increase, Recycling increase 1.5%, Waste Streams 1%.
- Strategic Objectives and Initiatives total $491k (this is 40% of the overall cost increase of $1,230k from 2024 to 2025)

There is $254k for new or upgraded assets in the capital program.

The FRWA Board have reviewed the Business Plan activities and taken into consideration the economic environment, needs of councils and the industry trends and updated the new initiatives that will be undertaken in 2024/25. FRWA continues to monitor its financial performance in line with the Key Financial Indicators as adopted in the 3 year Business Plan. These have been significantly impacted by the ACM project with the FRWA Board continuing to review the financial indicators.

It is recognised that FRWA operates in a commercial space and therefore it is appropriate to ensure adequate fees and charges and where possible in future, in accordance with Clause 3.2.7, the FRWA Board may distribute surplus funds to the Constituent Councils.

The draft Business Plan 2024-27 which includes the draft budget FY 25 and Long-Term Financial Plan is provided in Attachment 2.

Comparative Analysis

Nil

Financial and Economic Implications

The 2024/25 FRWA budget proposes an operating surplus of $649k and the operating surplus ratio is 4.8% for 2024/25. The ratio is between 3.3% and 5.1% over the 10-year financial plan period.

For Alexandrina Council which has a share of 48% of equity in FRWA (At last preparation of financial statements 2022/23):

Council's contribution excl ACM Project is estimated at $3,779k. Council's contribution in the 2023/24 financial year was $3,051k representing a 24% increase.

Council's contribution to the ACM Project is $421k vs $413 in prior year.

Fleurieu Regional Waste Authority (FRWA)										
Draft Budget FY25										
						Budget adjusted refer Note 1				
ALEXANDRINA	Actual	Budget	Budget	Variance		Budget	Budget	Variance		
	FY23	Original	FY25	OB to		Adjusted	FY25	OB to		
	$000s	$000s	$000s	FY 25	%	$000s	$000s	FY 25	%	
INCOME: COUNCIL CONTRIBUTIONS	0		207	207		190	207	17		
Waste and Recycling Depots: Goolwa										
Waste and Recycling Depots: Strathalbyn	0	0	196	196		180	196	16		
Kerbside	2,243	2,528	2,781	253	10%	2,554	2,781	227	9%	
Administration / Corporate	537	523	595	72	14%	547	595	48	9%	
TOTAL INCOME: COUNCIL CONTRIBUTIONS	2,780	3,051	3,779	728	24%	3,471	3,779	308	9%	
NON-COUNCIL INCOME										
Waste and Recycling Depots: Goolwa	2,066	2,276	2,341	65	3%	2,276	2,341	65	3%	
Waste and Recycling Depots: Strathalbyn	463	416	450	34	8%	416	450	34	8%	
Kerbside	86	114	154	40	35%	114	154	40	35%	
TOTAL NON-COUNCIL INCOME	2,615	2,806	2,945	139	5%	2,806	2,945	139	5%	
TOTAL INCOME	5,395	5,857	6,724	867	15%	6,277	6,724	447	7%	
Council contribution (excluding ACM contributi	52%	52%	56%			52%	56%			
EXPENDITURE										
Waste and Recycling Depots: Goolwa	2,011	2,176	2,506	330	15%	2,338	2,506	168	7%	
Waste and Recycling Depots: Strathalbyn	389	414	663	249	60%	619	663	44	7%	
Kerbside	2,564	2,637	2,872	235	9%	2,679	2,872	193	7%	
Administration / Corporate	840	622	679	57	9%	633	679	46	7%	
TOTAL EXPENDITURE	5,804	5,849	6,720	871	15%	6,269	6,720	451	7%	
OPERATING SURPLUS / (DEFICIT)	-409	8	4	-4		8	4	-4		
Net gain (loss) from sale of assets	-23	0	0			0	0			
NET SURPLUS / (DEFICIT)	-432	8	4			8	4			
ACM Project Income (from rates)	324	413	421	8	2%	413	421	8	2%	
ACM Project Expenditure (from rates)	67	72	88			72	88			
TOTAL COMPREHENSIVE INCOME	-175	349	337			349	337			
Note 1: For 2024/2025 Alexandrina Council has signed leases with FRWA for the Goolwa & Strathalbyn depots which affects the 2025 Budget by $420K these were not in the Original 24 Budget										
These leases are paid back to the Council as property income in the 2025 Budget										
It is appropriate to compare the 2024/25 budget cost increase to a 2023/4 adjusted budget that includes the $420k										

The 24% increase takes into account the CPI increases and the extra collections that now occur.

The table also shows the adjusted increase is 9% if we adjust the 2023/24 Budget by the lease costs that have been signed with Alexandrina Council for $420k. These are additional income to Alexandrina in 2024/25 so they are netted to show the real cost increase from FRWA

Preliminary discussions have been had with FRWA to Increase user charges to 8.3% in line with the Council Budget Rates increase and to remove the costs from the FRWA budget for increased hours at the Strathalbyn Depot. The latter being a resolution of Council for consideration in the 2042/25 Annual Business Plan and Budget. This would reduce council contributions by $177k if agreed.

The impacts of the FRWA draft budget will be reflected in Council's draft Budget 2024/25 prior to adoption.

Risk Management

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low as all statutory requirements have been met in accordance with the *Local Government Act 1999, the Local Government (Financial Management) Regulations* and the Authority's Charter.

Conclusion

It is recommended that Council approves the FRWA reviewed Business Plan 2024-2027, updated Long Term Financial Plan and draft Budget 2024/25 as per Attachment 1. (Less discussed council contribution reductions of $177k in 2024/25)

Attachments

Attachment 1 - Fleurieu Regional Waste Authority Business Plan 2024-27 covering letter

Attachment 2 - Fleurieu Regional Waste Authority draft Business Plan 2024-27, Long Term Financial Plan and draft Budget 2024/25

FLEURIEU REGIONAL
WASTE AUTHORITY

2 April 2024

Mr Nigel Morris
Chief Executive Officer
Alexandrina Council
nigel.morris@alexandrina.sa.gov.au

Dear Nigel

FRWA Business Plan 2024-2027, LTFP and Budget 2024-2025

The Fleurieu Regional Waste Authority Charter dictates that the Authority must prepare and adopt a business plan covering a three-year period in accordance with the act, linking core business activities of the Authority to strategic, operational and organizational requirements with the supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period of the business plan.

The Authority must also each year prepare and submit to the Constituent Councils a draft annual budget for the ensuing financial year in accordance with the Local Government Act and the Local Government (Financial Management) Regulations for approval by the Constituent Councils.

The current FRWA Business Plan 2021-2024 is about due to expire. The FRWA Board endorsed a process to develop the FRWA Business Plan 2024-2027 that commenced in June 2023 and included several board reports and consultation with member councils.

The Fleurieu Regional Waste Authority Board, at its meeting on 27 March 2024 approved the draft FRWA Business Plan 2021-27 and LTFP and 2024-25 Budget for distribution to constituent councils for approval.

Subsequently I have attached these documents for your Councils consideration and approval during April and May 2024.

If you can please present this to your Council at your earliest convenience it would be appreciated. I can also be available to present this information should you require.

Regards

Simon Grenfell
Executive Officer
Fleurieu Regional Waste Authority

Attachments:

- Draft FRWA Business Plan 2024-2027
- FRWA Board Report - 8.5 draft FRWA Business Plan 2024-27 & LTFP

Fleurieu Regional Waste Authority
PO Box 2375, Goolwa SA 5214 (08) 8555 7405
1226 Port Elliot Road, Goolwa www.frwa.com.au

Attachment 2 - Fleurieu Regional Waste Authority draft Business Plan 2024-27




FLEURIEU REGIONAL
WASTE AUTHORITY


ALEXANDRINA


city of
Victor Harbor


KANGAROO
ISLAND
COUNCIL


DISTRICT COUNCIL
YANKALILLA

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Message

from the Independent Chairperson and Executive Officer

The Fleurieu Regional Waste Authority Business Plan 2024-27 details the services and initiatives the Authority will provide its constituent Councils over the next three years to meet the requirements of its Charter as well as to achieve the vision stated in the FRWA 2020-2030 Strategic Plan being to:

"Providing diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community is proud of."

The FRWA 2020-2030 Strategic Plan has four distinct goals:

1. Reduce the impact of the community on the environment through best practice waste management and diversion
2. Advocate and facilitate a local circular economy
3. Provide flexible services that meet the needs of councils, residents and visitors.
4. Provide efficient and effective Regional Subsidiary

To ensure the Authority can measure its performance in meeting these goals a range of KPIs have been adopted.

The Authority continues to achieve it's strategic objectives, diverting 62% of kerbside waste from landfill and recently providing additional services such weekly FOGO collections, free paint drop off.

The Summer Recycling Collections program provided the community with more opportunity to recycle kerbside waste and the recent change to kerbside collection schedules has increased the focus on recycling while simplifying the collection schedule.

In to the future the Authority will focus on areas such as increasing the amount of Food Organics and Garden Organics diverted from landfill, reducing carbon emissions, promoting a circular economy and opportunities to integrate artificial intelligence into our business.

FRWA will also invest in our organisation to ensure it remains resilient and robust to deal with any challenges.

The plan allows for CPI increases in Solid Waste Levy, disposal and processing costs and employee costs. While fees and charges will be based on competitive market pricing and actual costs to deliver the service to minimise the reliance on Council contributions.

The FRWA Board is committed to working with its Member Councils in providing diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community is proud of.

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FRWA Board

FRWA is governed by a skills based, seven member Board lead by an Independent Chairperson, two independent members and a board member from each constituent council. Each Board member brings a unique set of skills to the Authority that guide and focus the direction of the Authority and ensure the strategic objectives of the Authority and community are met.



FRWA Board: Alan Harvey (Alexandrina Council), Vicki Tomlinson (Independent Member), Michael Kelledy (Independent Chairperson), Mayor Michael Pengilly (Kangaroo Island Council), Alex Hammett (Independent Member), Simon Grenfell (Executive Officer) Jodie Summer (District Council of Yankalilla). Cr Carlos Quaremba (City of Victor Harbor) absent.

Our region and the services we provide

The Fleurieu Peninsula and Kangaroo Island region covers an area of 7,341km2 and has a resident population of approximately 57,000, which increases by up to 50% in coastal areas during holiday periods.

FRWA provides a range of services that ensure the Fleurieu Peninsula and Kangaroo Island communities waste is sustainably managed and processed to achieve the strategic objectives of the Constituent Councils.

These services include:

- Fortnightly collection of kerbside waste and recycling
- Additional kerbside bin collections for residents and small businesses
- Management and operation of waste and recycling depots
- Financial support for not for profit organisations to assist them managing their waste
- Waste Education activities and promotion
- Waste and recycling solutions for events
- Advocating on behalf of its member Councils on waste management issues

These services are funded through contributions made by constituent councils, grants and income received at our waste and recycling depots and for additional collection services provided to the community.

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Link to the Strategic Plan

This 3 year business plan sets out the actions that will be undertaken between 2024 and 2027 to achieve the objectives of the 2020-2030 Strategic Plan.

Mission	To provide best practice waste and resource management services that reduce the impact of our community on the environment.			
Goals	Reduce the impact of the community on the environment through best practice waste management and diversion	Advocate and facilitate a local circular economy	Provide flexible services that meet the needs of councils, residents and visitors.	Provide efficient and effective Regional Subsidiary
Strategies	**Facilitate** and support initiative's that reduce the impact of the community on the environment. **Provide** diverse and flexible kerbside waste collection and waste and recycling depot services **Develop** and implement programs to increase the efficiency and effectiveness of kerbside waste collections. **Deliver**, targeted best practice waste education.	**Develop** a research and development fund to investigate emerging technologies that add value to existing waste processes **Advocate** and support constituent Councils to use recycled products **Work** with local business and industry to facilitate a circular economy	**Continuously** improve and increase the range of waste collection services provided to the community. **Investigate** alternative waste services that meet the objectives of FRWA, its stakeholders and community. **Investigate** providing alternative services to Councils.	**Utilise** digital technology to provide easily accessible services and management tools. **Develop** ,encourage and support a high performing board. **Provide** cost effective services. **Provide** high standard corporate functions including communications, education, finance and WHS.
Performance Indicators	**Increase** kerbside diversion rates from 50% to 70% by 2030 **Reduce** the amount of organic waste in the blue bin from 44% to less than 15% by 2025 **Reduce** contamination of the recycling bin to less than 8% by 2025 **Reduce** green house gas emissions of FRWA by 30% by 2030	**Value** of recovered materials is increased by 10% by 2025 **Reduce** freight kilometres by 5% by 2025 **Constituent** councils purchase recyclable materials equivalent to 30% by weight of material collected in the yellow bin.	**Reduce** the number of bin banks in rural areas by 15% by 2025 **Increase** range of services provided to customers by 20% by 2025 **Increase** range of services provided to constituent Councils by 2025	**Reduce** the cost of kerbside collection per property by 5% by 2025. Excluding CPI and solid waste levy. **Reduce** the cost to councils of waste transfer station operations by 10% by 2025 excluding CPI and solid waste levy

Measuring our performance

FRWA measures its achievements and financial performance through the following processes:

- Regular financial reporting to the Board and Councils
- Regular reporting to the Board on Priority Actions.
- Annual review of the Long Term Financial Plan.
- Production of the Annual Report with audited financial statements.
- Budget reviews in accordance with the FRWA Charter.
- Individual staff performance plans.
- Monitoring and reporting of waste statistics

To be able to demonstrate that we are achieving our Strategic Goals, a range of Key Performance Indicators have been proposed as part of the Strategic Plan.

These include:

- Increase kerbside diversion rates from 58% to 70% by 2030
- Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025
- Reduce contamination of the recycling bin to less than 8% by 2025
- Reduce Green House gas emissions of FRWA by 30% by 2030
- Value of recovered materials is increased by 10% by 2025
- Reduce the number of bin banks in rural areas by 15% by 2025
- Increase range of services provided to customers by 20% by 2025

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Financial Indicators

Key Financial Indicators provide a robust ready assessment of financial performance and sustainability. They need to be interpreted in the context of an organisation's operating environment and can provide trend data, both historic and projected that may assist in decision making and reviewing financial performance.

The Fleurieu Regional Waste Authority uses four specific indicators to measure it's performance.

Key Financial Indicator	Target
Operating Surplus Ratio	0% to 1%
Net Financial Liabilities Ratio	30% to 50%
Asset Renewal Funding Ratio	80% to 100%
Own Source Revenue Ratio	28% to 33%

Operating Surplus Ratio

This ratio expresses the operating surplus/deficit ($) as a percentage of revenue. It illustrates whether sufficient revenue is being raised from Councils and customers relative to the services being offered.

Net Financial Liabilities Ratio

This ratio expresses total liabilities less financial assets as a percentage of total operating revenue. The ratio indicates whether the Authority can meet its financial liabilities for the year from operating revenue. A higher ratio may indicate higher levels of debt whilst a lower ratio indicates stronger capacity to meet financial obligations.

Asset Renewal Funding Ratio

This ratio is based on expenditure on capital renewal or replacement as a percentage of planned projects detailed in the Authority's Asset Management Plans. The ratio indicates whether assets are being renewed in line with Asset Management Plans, with a ratio of 100% indicating that the budget fully funds infrastructure replacement requirements for that year.

Own Source Revenue Ratio

This ration expresses, revenue raised outside of Council contributions as a percentage of total revenue. This indicates the reliance the Authority has on Councils. It is planned to increase this percentage over the next ten years.

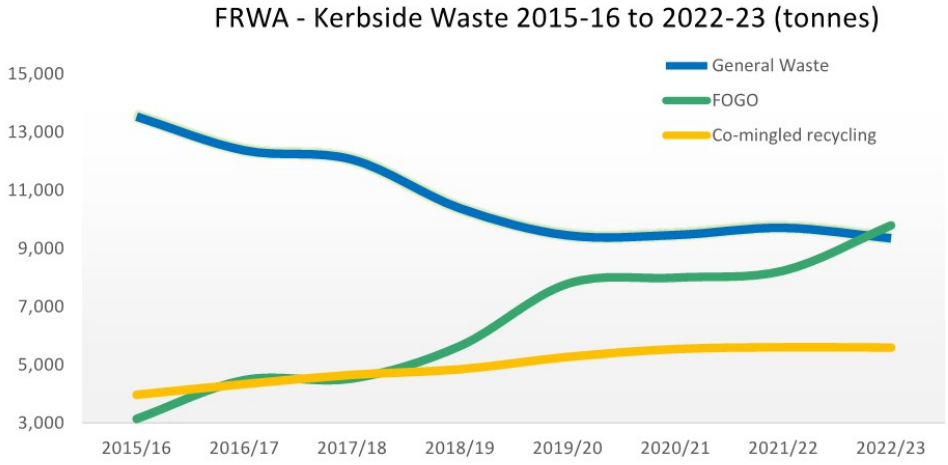
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How we are going.

FRWA measures its achievements and financial performance through the following processes:

- Regular financial and operational reporting to the Board and Councils
- Annual reports
- Reports on progress against KPIs

One of the key measures is the amount of material we divert from landfill. For kerbside waste, diverting waste from landfill has been achieved through analysis of community behaviours, amended collection schedules and waste education. Since 2015/16 the amount of waste sent to landfill has reduced by 31% with Food Organics and Garden Organics increasing by 312%. FOGO is now the predominant waste stream within the community.



FRWA REGION	WASTE	FOGO	RECYCLING	DIVERSION from landfill
Kerbside waste since 2015 (tonnes)	-4185 -31%	+312% 6651	+41% 1622	+28% 62%

The FRWA Strategic Plan contains a number of KPI's, below is a qualitative and quantitative report on how we are achieving our KPI's.

Increase the kerbside waste rate from 50% to 70% by 2030	Kerbside diversion rates were 50% at the end of 2018/19 and at the 2022/23 was 62%.
Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025	The bin audit undertaken in late 2021 found organic waste made up 32% of waste in the general waste bin.
Reduce contamination of the recycling bin to less than 8% by 2025	The bin audit undertaken in late 2021 found contaminates made up 10% of waste in the recycling bin.
Reduce green house gas emissions of FRWA by 30% by 2030	While a specific measure of FRWA greenhouse gas emissions has not been undertaken, FRWA has made changes to reduce fuel usage and reduce waste to landfill. Fuel use has reduced by 3.3% since 2019/20.
Value of recovered materials is increased by 10% by 2025	FRWA staff have increased focus on salvaged material suitable for resale at our salvage shops, with some material being sent from Goolwa to Strathalbyn. This has increased revenue by over from an average $112 per month to $625 per month resulting in an increase in revenue of $6,156 per year and less materials being sent to landfill.
Reduce freight kilometres by 5% by 2025	Work is still being done in assessing this data.
Constituent councils purchase recyclable materials equivalent to 30% by weight of material collected in the yellow bin.	This hasn't progressed Councils were made aware of the LGA Recycling program but it is yet to be taken up.
Reduce the number of bin banks in rural areas by 15% by 2025	13 bin banks have been removed since 2020 a reduction of 9%.
Increase range of services provided to customers by 20% by 2025	The new services that FRWA have implemented include: • Weekly commercial FOGO collections

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	• New upgraded website including • Painback Scheme that allows residents to dispose of paint for free • ½ price green waste disposal days
Increase range of services provided to constituent Councils by 2025	There has been no change in the services provided to constituent Councils at this stage.
Reduce the cost of kerbside collection per property by 5% by 2025. Excluding CPI and solid waste levy.	Work is still being done in assessing this data.
Reduce the cost to councils of waste transfer station operations by 10% by 2025 excluding CPI and solid waste levy.	Waste Transfer station contributions by Councils has reduced by 11% since 2019/20 including CPI and solid waste levy.

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What we will do from 2024-2027

FRWA sets out to achieve its strategic objectives through objectives and strategies. In addition to the regular operations of FRWA the following initiatives are proposed for 2024-27:

Strategy: Facilitate and support initiative's that reduce the impact of the community on the environment.					
No	Action	Description	Measure	Date	Funding
1.1.2	Plastic Free Strategy	Support and advocate for the reduction of soft plastics within society	Information provided to Councils	Ongoing	Existing funding
1.1.3	Waste Free Events	Support and advocate for waste free events.	Events are promoted	Ongoing	Existing funding
1.1.4	Kitchen Caddies in Every Kitchen	Develop programs to increase the number of kitchen caddies used by households across the region.	Program developed and presented to the Board.	Ongoing	Existing funding
1.1.8	Carbon Emissions Reduction Roadmap Implementation	Implement outcomes from the Carbon Emissions Roadmap including solar panels, electric vehicles.	Report to FRWA Board	2024/25	Funding to be determined

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Strategy: Provide diverse and flexible kerbside waste collection and waste and recycling depot services.					
No	Action	Description	Measure	Date	Funding
1.2.1	Tourism Waste on KI	Review waste collections systems on Kangaroo Island to ensure they meet the needs of the tourism industry on Kangaroo Island	Report to FRWA Board	Ongoing	Existing funding
1.2.3	Increase number of waste materials processed at WRD's.	To increase the level of service to the community FRWA will continue to increase the range of material accepted at our WRD's	Number of types of materials for sale at WRD's increased	ongoing	Existing funding
1.2.10	Develop depot improvement plan for Strathalbyn WRD	Develop improvement plans for the depot to ensure the facilities meet the objectives of the strategic plan, the needs of the community and legislative requirements.	Report to the FRWA Board	2024/25	$10,000
1.2.10	Develop depot improvement plan for Yankalilla WRD	Develop improvement plans for the depot to ensure the facilities meet the objectives of the strategic plan, the needs of the community and legislative requirements.	Report to the FRWA Board	2025/26	$50,000
1.2.10	Develop depot improvement plan for Goolwa WRD	Develop improvement plans for the depot to ensure the facilities meet the objectives of the strategic plan, the needs of the community and legislative requirements.	Report to the FRWA Board	2026/27	$20,000
1.2.10	Develop depot improvement plan for KI Resource Recovery Centre	Develop improvement plans for the depot to ensure the facilities meet the objectives of the strategic plan, the needs of the community and legislative requirements.	Report to the FRWA Board	2026/27	$20,000

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Strategy: Develop and implement programs to increase the efficiency and effectiveness of kerbside waste collections.					
No	Action	Description	Measure	Date	Funding
1.3.6	Undertake Regional Bin Audit	Bin Audits reflect what the community is placing in it's bins and provide important information as too how the community is performing in the area of waste management. The last bin audit was undertaken in Dec 2017.	Report to FRWA Board	2025/26	$30,000
1.3.7	FOGO Action Plan 1	Increase the number of businesses subscribed to the weekly FOGO collection service	Number of businesses increases by 20%	2024/25	$1,500
1.3.8	FOGO Action Plan 2	Research, cost and implement cost effective FOGO collection to several hamlet clusters to improve customer service and reduce landfill.	Provide information to Councils for budget consideration.	2024/25	Existing funding
1.3.9	FOGO Action Plan 3	To increase the number of households in selected areas effectively using the fortnightly FOGO collection service. Promote through free kitchen caddies and 1/2 price green bins.	Increase kerbside diversion rates	2024/25	$44,100
1.3.10	FOGO Action Plan 4	Increase overall FOGO bin presentation rates, reduce FOGO contamination and decrease MSW bin rates across the region.	Increase kerbside diversion rates	2024/25	$1,500

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Strategy: Deliver, targeted best practice waste education.					
No	Action	Description	Measure	Date	Funding
1.4.7	Recycling Education	Promote the "The best recycling happens at home" message throughout the community.	Provision of ongoing message. Reduction in public litter bins in public places	Ongoing	$3,000
1.4.8	Waste Education	Develop a waste education video for Sealink to display on their in-house video presentation	Provision of video within Sealink ferries.	2025/26	$15,000
1.4.9	Waste Education presentations	Develop waste education presentations that can be used by Council staff and members for presenations to community groups.	Provision of presentations	2024/25	Existing funding

Strategy: Develop a research and development fund to investigate emerging technologies that add value to existing waste processes					
No	Action	Description	Measure	Date	Funding
2.1.1	Bio Char	Investigate the opportunity to process organic waste into bio-char	Report to FRWA Board	Beyond 2027	$15,000
2.1.2	Bio digester	Investigate the opportunity to process organic waste via a bio-digester	Report to FRWA Board	Beyond 2027	$15,000
2.1.3	Increasing value of bio solids	Bio soilds processed at the site are currently used for agricultural purposes and doesn't provide a return to FRWA	Revenue for Bio-solids increased above 2020/21 levels	2024/25	$7,000
2.1.4	Study of current materials received and how can we add value.		Report to FRWA Board	Ongoing	Existing funding

Strategy: Continuously improve and increase the range of waste collection services provided to the community..					
No	Action	Description	Measure	Date	Funding
3.1.2	Review and develop improvement plan for Bin Banks	Waste collections in rural areas in some instances via bin banks there is opportunity to remove these bin banks and provide more kerbside collections	Improvement Plan Developed	Ongoing	Existing funding
3.1.3	Public Place Recycling Trials	Trial Public Place Recycling and FOGO to determine community use and acceptance	Undertake trial	2025/26	$40,000

Strategy Investigate alternative waste services for the community that meet FRWA's objectives.					
No	Action	Description	Measure	Date	Funding
3.2.1	Deliveries of recycled products (mulch, crushed rock, bins)	Establish systems and processes to be able to deliver products to the public	Report to the FRWA Board	2024/25	

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Strategy: Investigate providing alternative services to Councils.					
No	Action	Description	Measure	Date	Funding
3.3.1	Assess and review services currently purchased by Councils that could be undertaken by FRWA	Investigate undertaking other contract services for Councils	Report to FRWA Board	Ongoing	Existing funding
3.2.4	Fee for service hard waste collections	Call for tenders for a fee for service hard waste collection service.	Tender released and contractor appointed.	2024/25	$10,000
3.2.5	Investigate voucher system for free waste disposal	Councils still want to provide a free service for the community via a voucher system. Provide a report and estimate as to how a voucher system can be provided for member Councils.	Report provided to the FRWA Board	2025/26	Existing funding

Strategy: Provide easily accessible services and management tools through modern digital technology.					
No	Action	Description	Measure	Date	
4.1.2	Implement Digital Time sheets	transition to digital timesheets for FRWA staff to increase efficiencies and reduce processing costs	Digital Timesheets are implemented	2025/26	$7,000
4.1.6	Bin in/out App	Investigate a community driven mobile application that facilitates property owners to seek other interested parties to put their bin out and in. Similar to Air tasker.	Report to FRWA Board	Beyond 2027	$8,000
4.1.10	Investigate use of AI technology and how FRWA may benefit	AI is becoming a part of the way businesses operate with opportunities arising regularly. There may be opportunity for FRWA to benefit from AI.	Report to FRWA Board	2024/25	Existing funding

Strategy: Provide high standard corporate functions including communications, education, finance and WHS.					
No	Action	Description	Measure	Date	Funding
4.4.2	Review and implement new finance system	Installation and commissioning of a new finance system for FRWA	Finance System installed.	2024/25	$150,000
4.4.4	Develop an Enterprise Agreement for administration staff	Administration staff are employed via individual contracts not an Enterprise Agreement.	Enterprise Agreement endorsed by all parties.	2025/26	$15,000
4.4.5	Document Organisation Values	To strengthen the culture within FRWA a process to document our organisational values will be undertaken.	Report to the FRWA Board	2024/25	$10,000
4.4.6	Staff Satisfaction Survey	To strengthen the culture within FRWA and identify any areas for improvement FRWA will undertake a staff satisfaction survey.	Report to the FRWA Board	2024/25	$7,000
4.4.7	Review records management system	Implement outcomes from the records management review	System implemented	2024/25	$12,000

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Long Term Financial Plan

In addition to the goals and objectives of the FRWA Strategic Plan 2020-2030. Financially FRWA also sets out to:

- Reduce it's reliance on constituent Council contributions
- Maintain cost effective services that are accessible to all the community
- Increase the efficiency of our operations.
- Reduce the negative equity of the Authority by 2035.

The factors that impact the cost of providing waste management services into the future are:

- Diversion of waste from landfill
- Cost of processing waste and recyclables
- South Australian Solid Waste Levy
- Labour costs
- Fuel costs
- Growth of the population

Given the above the following assumptions have been made:

- Waste to landfill increases by 1% per annum
- Kerbside FOGO increases by 3% per annum
- Recycling increases by 1.5% per annum
- Waste streams due to growth increase by 1%
- The SA Solid Waste Levy, employee costs, fuel costs and fuel costs will increase in line with CPI.

The Plan is based on information available at the time of collation and the outcomes can be affected by external influences of which FRWA has little or no control including:

- Federal and State Government funding decisions
- Inflation, insurance, interest rates
- Legislative changes and cost shifting
- National / International economic environment.

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Council Contributions 2024-25

Council / Activity	2023/24 $000s	2024/25 $000s	Variance $ $000s	Variance %
Alexandrina Council				
Waste & Recycling Depot				
Goolwa	0	207	207	
Strathalbyn	0	196	196	
Kerbside	2528	2781	253	10.0%
Corporate	523	595	72	13.8%
ACM	413	421	8	1.9%
Total	**3464**	**4200**	**736**	**19.5%**
City of Victor Harbor				
Kerbside	1482	1531	49	3.3%
Corporate	440	455	15	3.4%
ACM	258	263	5	1.9%
Total	**2180**	**2249**	**69**	**3.2%**
DC Yankalilla				
WRD	70	133	63	90.0%
Kerbside	659	681	22	3.3%
Corporate	270	279	9	3.3%
ACM	87	89	2	2.3%
Total	**1086**	**1182**	**96**	**8.8%**
Kangaroo Island Council				
WRD	854	933	79	9.3%
Kerbside	695	673	-22	-3.2%
Corporate	285	295	10	3.5%
ACM	103	105	2	1.9%
Total	**1937**	**2006**	**69**	**3.6%**

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Plant Replacement Program

Plant and machinery costs (including depreciation) make up 21% of the FRWA annual operating budget.

To ensure this plant is operating in an efficient and effective manner it is maintained and renewed in line with the Asset Management Plan. The long term costs of replacing and maintaining this fleet has been including in the Long Term Financial Plan.

Capital Budget	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
New Assets	$254,000	$0	$0	$568,000	$0	$0	$0	$0	$0	$0
Replacement Assets	$1,325,000	$2,257,100	$2,296,000	$963,000	$914,000	$940,000	$773,000	$1,606,000	$3,323,000	$2,648,000
Total Expenses	**$1,579,000**	**$2,257,100**	**$2,296,000**	**$1,531,000**	**$914,000**	**$940,000**	**$773,000**	**$1,606,000**	**$3,323,000**	**$2,648,000**

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FRWA STATEMENT OF COMPREHENSIVE INCOME	Actual FY23 $000s	Budget FY24 OB $000s	Budget FY25 $000s	Forecast FY26 $000s	Forecast FY27 $000s	Forecast FY28 $000s	Forecast FY29 $000s	Forecast FY30 $000s	Forecast FY31 $000s	Forecast FY32 $000s	Forecast FY33 $000s	Forecast FY34 $000s
INCOME												
Council Contributions	7,170	7,808	8,758	9,029	9,476	9,722	9,975	10,235	10,501	10,774	11,054	11,341
User Charges	3,238	3,435	3,632	3,745	3,842	3,942	4,044	4,149	4,257	4,368	4,482	4,598
Grants, subsidies and contributions - Operating	(3)	0	33	34	35	36	37	38	39	40	41	42
Investment Income	1	1	1	1	1	1	1	1	1	1	1	1
Reimbursements	14	27	71	73	75	77	79	81	83	86	88	90
Other Revenues	10	22	15	15	15	16	16	17	17	17	18	18
Total Income	**10,430**	**11,293**	**12,510**	**12,897**	**13,444**	**13,794**	**14,152**	**14,521**	**14,898**	**15,286**	**15,684**	**16,090**
EXPENDITURE												
Employee costs	3,542	3,622	4,085	4,241	4,369	4,490	4,615	4,743	4,876	5,013	5,154	5,299
Materials, contracts & other expenses	6,812	6,640	6,865	6,956	7,153	7,358	7,569	7,789	8,016	8,253	8,502	8,757
Depreciation, amortisation & impairment	889	900	1,174	1,198	1,474	1,518	1,542	1,615	1,561	1,616	1,668	1,776
Finance costs	137	104	372	453	450	436	389	345	334	334	391	403
Total Expenses	**11,380**	**11,266**	**12,496**	**12,848**	**13,446**	**13,802**	**14,115**	**14,492**	**14,787**	**15,216**	**15,715**	**16,235**
Operating Surplus (Deficit)	**(950)**	**27**	**14**	**49**	**(2)**	**(8)**	**37**	**29**	**111**	**70**	**(31)**	**(145)**
Asset disposal & fair value adjustments	(8)	0	0	0	0	0	0	0	0	0	0	0
Net Surplus (Deficit)	**(958)**	**27**	**14**	**49**	**(2)**	**(8)**	**37**	**29**	**111**	**70**	**(31)**	**(145)**
ACM Project Income	675	860	877	877	877	877	877	877	877	877	877	877
ACM Finance Costs	(183)	(196)	(242)	(239)	(232)	(232)	(232)	(232)	(185)	(166)	(166)	(166)
Total Comprehensive Income	**(466)**	**691**	**649**	**687**	**643**	**637**	**682**	**674**	**803**	**781**	**680**	**566**

CAPITAL EXPENDITURE FRWA TOTAL	Actual FY23 $000s	Budget Original $000s	Budget FY25 $000s	Budget FY26 $000s	Budget FY27 $000s	Budget FY28 $000s	Budget FY29 $000s	Budget FY30 $000s	Budget FY31 $000s	Budget FY32 $000s	Budget FY33 $000s	Budget FY34 $000s
New Assets												
IT equipment / project	0	0	0	0	0	0	0	0	0	0	0	0
Finance/Payroll software	0	0	150	0	0	0	0	0	0	0	0	0
New office building and equipment	7	134	58	0	0	0	0	0	0	0	0	0
New Vehicles/Plant	432	30	46	0	0	568	0	0	0	0	0	0
Total New Assets	**439**	**164**	**254**	**0**	**0**	**568**	**0**	**0**	**0**	**0**	**0**	**0**
Replacement Assets												
IT equipment	0	0	0	0	0	0	0	100	0	0	0	0
Vehicle - sedan	0	46	165	50	0	0	51	190	104	0	0	0
Vehicle - waste collection	0	350	850	2,132	2,216	868	583	600	614	618	3,230	2,648
Vehicle/Plant - waste processing	281	278	310	75	80	95	280	50	55	988	93	-
Total Replacement Assets	**281**	**674**	**1,325**	**2,257**	**2,296**	**963**	**914**	**940**	**773**	**1,606**	**3,323**	**2,648**
TOTAL CAPITAL EXPENDITURE	**720**	**838**	**1,579**	**2,257**	**2,296**	**1,531**	**914**	**940**	**773**	**1,606**	**3,323**	**2,648**

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FRWA STATEMENT OF FINANCIAL POSITION	Actual FY23 $000s	Budget FY24 OB $000s	Budget FY25 $000s	Forecast FY26 $000s	Forecast FY27 $000s	Forecast FY28 $000s	Forecast FY29 $000s	Forecast FY30 $000s	Forecast FY31 $000s	Forecast FY32 $000s	Forecast FY33 $000s	Forecast FY34 $000s
Current Assets												
Cash and cash equivalents	1,378	450	241	239	251	262	221	260	243	266	264	261
Trade & Other Receivables	158	235	158	158	158	158	158	158	158	158	158	158
Inventories	65	70	65	65	65	65	65	65	65	65	65	65
Total Current Assets	**1,601**	**755**	**464**	**462**	**474**	**485**	**444**	**483**	**466**	**489**	**487**	**484**
Non-Current Assets												
Financial assets	0	0	3,051	2,819	2,588	2,357	2,125	1,894	1,663	1,432	1,200	969
Infrastructure, property, plant & equipment	4,267	4,203	4,980	6,271	7,324	7,569	7,172	6,728	6,171	6,392	8,279	9,382
Total Non-Current Assets	**4,267**	**4,203**	**8,031**	**9,090**	**9,912**	**9,926**	**9,297**	**8,622**	**7,834**	**7,824**	**9,479**	**10,351**
TOTAL ASSETS	**5,868**	**4,958**	**8,495**	**9,552**	**10,386**	**10,411**	**9,741**	**9,105**	**8,300**	**8,313**	**9,966**	**10,835**
Current Liabilities												
Trade & other payables	2,627	2,343	2,627	2,627	2,627	2,627	2,627	2,627	2,627	2,627	2,627	2,627
Borrowings (current)	3,123	682	402	318	306	926	667	342	1,131	368	382	396
Provisions (current)	3,495	340	1,352	368	385	402	421	442	463	487	512	538
Total Current Liabilities	**9,245**	**3,365**	**4,381**	**3,313**	**3,318**	**3,955**	**3,715**	**3,411**	**4,221**	**3,482**	**3,521**	**3,561**
Non-Current Liabilities												
Borrowings (non-current)	5,436	8,948	8,473	10,055	10,399	9,323	8,407	7,615	5,434	5,666	6,884	7,456
Provisions (non-current)	37	114	3,192	3,051	2,894	2,719	2,524	2,310	2,073	1,814	1,529	1,218
Total Non-Current Liabilities	**5,473**	**9,062**	**11,665**	**13,106**	**13,293**	**12,042**	**10,931**	**9,925**	**7,507**	**7,480**	**8,413**	**8,674**
TOTAL LIABILITIES	**14,718**	**12,427**	**16,046**	**16,419**	**16,611**	**15,997**	**14,646**	**13,336**	**11,728**	**10,962**	**11,934**	**12,235**
NET EQUITY	**(8,850)**	**(7,469)**	**(7,551)**	**(6,867)**	**(6,225)**	**(5,586)**	**(4,905)**	**(4,231)**	**(3,428)**	**(2,649)**	**(1,968)**	**(1,400)**
Equity												
Accumulated Surplus	(8,850)	(7,469)	(7,552)	(6,868)	(6,225)	(5,586)	(4,904)	(4,231)	(3,428)	(2,648)	(1,968)	(1,401)
NET EQUITY	**(8,850)**	**(7,469)**	**(7,552)**	**(6,868)**	**(6,225)**	**(5,586)**	**(4,904)**	**(4,231)**	**(3,428)**	**(2,648)**	**(1,968)**	**(1,401)**

FRWA STATEMENT OF CHANGES IN EQUITY Showing Net Surplus by Council	Actual FY23 $000s	Budget FY24 OB $000s	Budget FY25 $000s	Forecast FY26 $000s	Forecast FY27 $000s	Forecast FY28 $000s	Forecast FY29 $000s	Forecast FY30 $000s	Forecast FY31 $000s	Forecast FY32 $000s	Forecast FY33 $000s	Forecast FY34 $000s
Accumulated Surplus												
Balance at end of previous reporting period	(8,384)	(8,158)	(8,200)	(7,551)	(6,866)	(6,224)	(5,585)	(4,903)	(4,229)	(3,425)	(2,645)	(1,965)
Net Surplus (Deficit) for year Alexandrina	(432)	8	4	28	(46)	(47)	17	8	65	33	(7)	(29)
Net ACM Contribution Alexandrina	257	338	328	331	336	339	336	334	354	358	359	358
Net Surplus (Deficit) for year Yankalilla	(62)	(3)	6	3	5	2	37	2	18	0	(16)	(22)
Net ACM Contribution Yankalilla	36	53	48	48	49	49	49	49	58	61	61	61
Net Surplus (Deficit) for year Victor Harbor	(297)	(7)	16	(9)	12	(2)	4	16	26	1	(21)	(36)
Net ACM Contribution Victor Harbor	152	204	196	197	199	199	199	199	212	217	217	217
Net Surplus (Deficit) for year Kangaroo Island	(169)	27	(12)	23	25	36	(22)	0	(3)	33	12	(58)
Net ACM Contribution Kangaroo Island	49	69	63	63	64	64	64	64	73	76	76	76
Balance at the end of period	**(8,850)**	**(7,469)**	**(7,551)**	**(6,867)**	**(6,222)**	**(5,584)**	**(4,901)**	**(4,231)**	**(3,426)**	**(2,646)**	**(1,964)**	**(1,398)**

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FRWA STATEMENT OF CASH FLOWS	Actual FY23 $000s	Budget FY24 OB $000s	Budget FY25 $000s	Forecast FY26 $000s	Forecast FY27 $000s	Forecast FY28 $000s	Forecast FY29 $000s	Forecast FY30 $000s	Forecast FY31 $000s	Forecast FY32 $000s	Forecast FY33 $000s	Forecast FY34 $000s
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts												
Council Contributions to operations	7,845	8,667	9,634	9,906	10,353	10,599	10,852	11,111	11,377	11,650	11,930	12,218
User charges	2,712	3,433	3,632	3,745	3,842	3,942	4,044	4,149	4,257	4,368	4,482	4,598
Investment receipts	1	1	1	1	1	1	1	1	1	1	1	1
Subsidies	(3)	0	33	34	35	36	37	38	39	40	41	42
Reimbursements	14	27	71	73	75	77	79	81	83	86	88	90
Other Revenue	51	22	15	15	15	16	16	17	17	17	18	18
Payments												
Employee costs	(3,559)	(3,622)	(4,085)	(4,241)	(4,369)	(4,490)	(4,615)	(4,743)	(4,876)	(5,013)	(5,154)	(5,299)
Materials, contracts & other expenses	(8,119)	(8,039)	(8,162)	(8,263)	(7,467)	(7,682)	(7,901)	(8,129)	(8,366)	(8,611)	(8,869)	(9,135)
Finance payments	(307)	(300)	(425)	(510)	(507)	(501)	(464)	(430)	(384)	(377)	(448)	(475)
Net Cash provided by (or used in) Operating Ac	**(1,365)**	**189**	**714**	**760**	**1,978**	**1,998**	**2,049**	**2,095**	**2,148**	**2,161**	**2,089**	**2,058**
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Proceeds from sale of replaced assets	90	28	0	0	0	0	0	0	0	0	0	0
Proceeds from sale of surplus assets	0	0	0	0	0	0	0	0	0	0	0	0
Payments												
Expenditure on renew al/replacement of assets	(280)	(702)	(1,325)	(2,257)	(2,296)	(963)	(914)	(940)	(773)	(1,606)	(3,323)	(2,648)
Expenditure on new/upgraded of assets	(438)	(164)	(254)	0	0	(568)	0	0	0	0	0	0
Net Cash provided by (or used in) Investing Acti	**(628)**	**(838)**	**(1,579)**	**(2,257)**	**(2,296)**	**(1,531)**	**(914)**	**(940)**	**(773)**	**(1,606)**	**(3,323)**	**(2,648)**
CASH FLOWS FROM FINANCING ACTIVITIES												
Receipts												
Proceeds from borrowings	1,380	2,177	900	1,900	650	0	0	0	0	600	1,600	2,200
Payments												
Repayments of borrowings	(599)	(1,529)	(522)	(402)	(318)	(456)	(1,176)	(1,117)	(1,392)	(1,131)	(368)	(1,614)
Net Cash provided by (or used in) Financing Act	**781**	**648**	**378**	**1,498**	**332**	**(456)**	**(1,176)**	**(1,117)**	**(1,392)**	**(531)**	**1,232**	**586**
Net Increase (Decrease) in cash held	**(1,212)**	**(1)**	**(487)**	**1**	**14**	**11**	**(41)**	**38**	**(17)**	**24**	**(2)**	**(4)**
Cash & cash equivalents at beginning of period	2,590	451	728	239	238	251	262	221	259	243	265	264
Cash & cash equivalents at end of period	**1,378**	**450**	**241**	**240**	**252**	**262**	**221**	**259**	**242**	**267**	**263**	**260**

FRWA UNIFORM PRESENTATION OF FINANCES	Actual FY23 $000s	Budget FY24 OB $000s	Budget FY25 $000s	Forecast FY26 $000s	Forecast FY27 $000s	Forecast FY28 $000s	Forecast FY29 $000s	Forecast FY30 $000s	Forecast FY31 $000s	Forecast FY32 $000s	Forecast FY33 $000s	Forecast FY34 $000s
Income												
User charges	11,083	12,103	13,267	13,651	14,195	14,541	14,896	15,261	15,635	16,019	16,413	16,816
Grants, subsidies and contributions - Operating	(3)	0	33	34	35	36	37	38	39	40	41	42
Investment income	1	1	1	1	1	1	1	1	1	1	1	1
Reimbursements	14	27	71	73	75	77	79	81	83	86	88	90
Other income	10	22	15	15	15	16	16	17	17	17	18	18
	11,105	**12,153**	**13,387**	**13,774**	**14,321**	**14,671**	**15,029**	**15,398**	**15,775**	**16,163**	**16,561**	**16,967**
Expenses												
Employee costs	3,542	3,622	4,085	4,241	4,369	4,490	4,615	4,743	4,876	5,013	5,154	5,299
Materials, contracts & other expenses	6,812	6,640	6,865	6,956	7,153	7,358	7,569	7,789	8,016	8,253	8,502	8,757
Depreciation, amortisation & impairment	889	900	1,174	1,198	1,474	1,518	1,542	1,615	1,561	1,616	1,668	1,776
Finance costs	320	300	614	692	682	668	621	577	519	500	557	569
	(11,563)	**(11,462)**	**(12,738)**	**(13,087)**	**(13,678)**	**(14,034)**	**(14,347)**	**(14,724)**	**(14,972)**	**(15,382)**	**(15,881)**	**(16,401)**
Operating Surplus / (Deficit)	**(458)**	**691**	**649**	**687**	**643**	**637**	**682**	**674**	**803**	**781**	**680**	**566**
Net Outlays on Existing Assets												
Capital expenditure on renewal and replacemer	(281)	(674)	(1,325)	(2,257)	(2,296)	(963)	(914)	(940)	(773)	(1,606)	(3,323)	(2,648)
Add back Depreciation, Amortisation and Impai	889	900	943	967	1,243	1,287	1,311	1,384	1,330	1,385	1,437	1,545
Proceeds from Sale of Replaced Assets	90	28	0	0	0	0	0	0	0	0	0	0
	698	**254**	**(382)**	**(1,290)**	**(1,053)**	**324**	**397**	**444**	**557**	**(221)**	**(1,886)**	**(1,103)**
Net Outlays on New and Upgraded Assets												
Capital expenditure on new and upgraded asse	(438)	(164)	(254)	0	0	(568)	0	0	0	0	0	0
Proceeds from sale of surplus asset	0	0	0	0	0	0	0	0	0	0	0	0
	(438)	**(164)**	**(254)**	**0**	**0**	**(568)**	**0**	**0**	**0**	**0**	**0**	**0**
Annual Net Impact to Financing Activities	**(198)**	**781**	**13**	**(603)**	**(410)**	**393**	**1,079**	**1,118**	**1,360**	**560**	**(1,206)**	**(537)**

FRWA FINANCIAL INDICATORS	Actual FY23	Budget Original	Forecast FY25	Forecast FY26	Forecast FY27	Forecast FY28	Forecast FY29	Forecast FY30	Forecast FY31	Forecast FY32	Forecast FY33	Budget FY34
Operating Surplus Ratio	-4.1%	5.7%	4.8%	5.0%	4.5%	4.3%	4.5%	4.4%	5.1%	4.8%	4.1%	3.3%
being operating surplus (deficit) divided by operating revenue												
TARGET: 0% to 1% *												
Operating Surplus Ratio adjusted for ACM project	**-9.1%**	**0.2%**	**0.1%**	**0.4%**	**0.0%**	**-0.1%**	**0.3%**	**0.2%**	**0.7%**	**0.5%**	**-0.2%**	**-0.9%**
** FRWA is forecasting a surplus for the life of the LTFP in order to pay off the ACM Project loan*												
Net Financial Liabilities Ratio												
- Including ACM Borrowings	119%	97%	94%	96%	95%	90%	81%	72%	61%	56%	62%	64%
- Excluding ACM Borrowings	**80%**	**61%**	**60%**	**50%**	**49%**	**47%**	**40%**	**34%**	**26%**	**20%**	**19%**	**19%**
being total liabilities less financial assets (excluding equity accounted investments in Council business), divided by total operating revenue												
TARGET: 30% to 50%												
Asset Renewal Funding Ratio	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets. The optimal level planned refers to the Council's Asset Management Plan (AMP) which forecasts the activities/projects that need to be undertaken in order to maintain the Council's assets.												
TARGET: 80% to 100%												
Own Source Revenue Ratio	*31%*	*31%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*	*30%*
being the Non-Council revenue divided by the total operating revenue												
TARGET: 23% to 28%												

FLEURIEU REGIONAL WASTE AUTHORITY (FRWA)
LONG TERM FINANCIAL PLAN BY COUNCIL

ALEXANDRINA	Actual	Budget	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	FY23	Original	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s	$000s
INCOME: COUNCIL CONTRIBUTIONS												
Waste and Recycling Depots: Goolwa	0		207	213	219	224	230	236	242	248	255	262
Waste and Recycling Depots: Strathalbyn	0	0	196	203	208	213	219	224	230	236	242	249
Kerbside	2,243	2,528	2,781	2,868	3,013	3,092	3,172	3,254	3,339	3,426	3,515	3,606
Administration / Corporate	537	523	595	614	630	646	663	680	698	716	735	754
TOTAL INCOME: COUNCIL CONTRIBUTIONS	2,780	3,051	3,779	3,898	4,070	4,175	4,284	4,394	4,509	4,626	4,747	4,871
NON-COUNCIL INCOME												
Waste and Recycling Depots: Goolwa	2,066	2,276	2,341	2,413	2,476	2,541	2,607	2,674	2,744	2,815	2,889	2,964
Waste and Recycling Depots: Strathalbyn	463	416	450	463	476	488	501	514	527	541	555	569
Kerbside	86	114	154	159	163	167	171	176	180	185	190	195
TOTAL NON-COUNCIL INCOME	2,615	2,806	2,945	3,035	3,115	3,196	3,279	3,364	3,451	3,541	3,634	3,728
TOTAL INCOME	**5,395**	**5,857**	**6,724**	**6,933**	**7,185**	**7,371**	**7,563**	**7,758**	**7,960**	**8,167**	**8,381**	**8,599**
Council contribution (excluding ACM contributi	52%	52%	56%	56%	57%	57%	57%	57%	57%	57%	57%	57%
EXPENDITURE												
Waste and Recycling Depots: Goolwa	2,011	2,176	2,506	2,577	2,636	2,681	2,732	2,806	2,862	2,929	3,009	3,083
Waste and Recycling Depots: Strathalbyn	389	414	663	620	631	640	619	662	665	674	690	701
Kerbside	2,564	2,637	2,872	3,004	3,246	3,373	3,452	3,518	3,581	3,722	3,859	4,003
Administration / Corporate	840	622	679	704	718	724	743	764	787	809	830	841
TOTAL EXPENDITURE	**5,804**	**5,849**	**6,720**	**6,905**	**7,231**	**7,418**	**7,546**	**7,750**	**7,895**	**8,134**	**8,388**	**8,628**
OPERATING SURPLUS / (DEFICIT)	**-409**	**8**	**4**	**28**	**-46**	**-47**	**17**	**8**	**65**	**33**	**-7**	**-29**
Net gain (loss) from sale of assets	-23	0	0	0	0	0	0	0	0	0	0	0
NET SURPLUS / (DEFICIT)	**-432**	**8**	**4**	**28**	**-46**	**-47**	**17**	**8**	**65**	**33**	**-7**	**-29**
ACM Project Income (from rates)	324	413	421	421	421	421	421	421	421	421	421	421
ACM Project Expenditure (from rates)	67	72	88	87	85	85	85	85	68	60	60	60
TOTAL COMPREHENSIVE INCOME	**-175**	**349**	**337**	**362**	**290**	**289**	**353**	**344**	**418**	**394**	**354**	**332**

FLEURIEU REGIONAL WASTE AUTHORITY (FRWA)
LONG TERM FINANCIAL PLAN BY COUNCIL

ALEXANDRINA	Actual FY23 $000s	Budget Original FY23 $000s	Budget FY25 $000s	Forecast FY26 $000s	Forecast FY27 $000s	Forecast FY28 $000s	Forecast FY29 $000s	Forecast FY30 $000s	Forecast FY31 $000s	Forecast FY32 $000s	Forecast FY33 $000s	Forecast FY34 $000s
NET SURPLUS (DEFICIT) BREAKDOWN												
Waste and Recycling Depots: Goolwa	55	100	42	49	59	84	105	104	124	134	135	143
Waste and Recycling Depots: Strathalbyn	74	2	-17	46	53	61	101	76	92	103	107	117
Kerbside	-235	5	63	23	-70	-114	-109	-88	-62	-111	-154	-202
Administration / Corporate	-326	-99	-84	-90	-88	-78	-80	-84	-89	-93	-95	-87
Excluding ACM contributions and expenses	**-432**	**8**	**4**	**28**	**-46**	**-47**	**17**	**8**	**65**	**33**	**-7**	**-29**
ACM Surplus (deficit)	257	341	333	334	336	336	336	336	353	361	361	361
Including ACM contributions and expenses	**-175**	**349**	**337**	**362**	**290**	**289**	**353**	**344**	**418**	**394**	**354**	**332**
EQUITY IMPACT												
Opening Equity	-4,073	-3,934	-3,947	-3,610	-3,249	-2,960	-2,671	-2,318	-1,972	-1,553	-1,159	-806
Surplus / (Deficit) for the year	-175	349	337	362	290	289	353	344	418	394	354	332
Closing Equity	**-4,248**	**-3,585**	**-3,610**	**-3,248**	**-2,959**	**-2,671**	**-2,318**	**-1,974**	**-1,554**	**-1,159**	**-805**	**-474**

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4.4. Southern and Hills Local Government Association Draft Budget 2024/25

Responsible Officer: Nigel Morris (Chief Executive Officer)

Report Author: Mwewa Chisenga (Team Leader Strategic Financial Performance)

Recommendation

That Council approves:

1. **the Southern and Hills Local Government Association draft Budget 2024/25.**
2. **a contribution of $24,115.10 for 2024/25**

Prior Resolutions

Nil

Community Strategic Plan Impact

LIVEABLE	Defined by distinctive townships, places, spaces and transport networks that support active lifestyles, vibrant cultures and productive enterprise
GREEN	Climate-ready, a place where nature is valued, and resources are managed sustainably and creatively to support a new economy
CONNECTED	Created for, with and by the community. We are safe, healthy and all enjoy accessible infrastructure and services
ENABLED	Proactive pursuit of innovative practices, ethical resource management and transparent leadership to foster community engagement, trust, and accountability, thus ensuring an inclusive and empowered Council

Report Objective

To present the draft Budget for the Southern and Hills Local Government Association (SHLGA) for the 2024/25 financial year.

Executive Summary

SHLGA has submitted its draft Budget for 2024/25, aligning with its Charter obligations. The budget remains stable, reflecting a continuation of existing programs and advocacy efforts. While mirroring the 2023/24 Budget, it incorporates a slight increase in member fees and strategic adjustments in expenditure.

Context

Southern and Hills Local Government Association (SHLGA) is a section 43 regional subsidiary established in accordance with the *Local Government Act 1999*.

General Analysis

The draft Budget forecasts a net profit of $7,110 for 2024/25, maintaining financial stability. Key highlights include:

Income

- Member fees to increase marginally by $300 per annum per member, reflecting a 1.4% rise from the previous year.

- The LGA capacity grant of $40,000 continues, with no additional grants foreseen.
- Focus remains on core activities, reallocating resources from ancillary functions.

Expenditure

- Executive Officer (EO) remuneration frozen.
- General expenses are either maintained or reduced where feasible, anticipating future hosting arrangements of the SHLGA via Regional Development Australia.

Item	Adopted 2023/24 Budget	Draft 2024/25 Budget	Change	Comment
Income	$317,740	$223,200	-$94,540	No new grants, no RH&C co-ordinator management
Expenditure	$307,429	$216,090	-$91,339	EO remuneration frozen. No grant or RH&C expenses
Net profit	$10,310	$7,110	-$3,200	

Financial/Budget Impact

The draft Budget is the key annual financial document for the organisation identifying and setting the total income and expenses for 2024/25. The member contributions form the majority of the revenue base.

Risk

The SHLGA Board has imposed a minimum cash reserve threshold of approx. $50,000. The proposed Budget does not jeopardise the minimum reserve threshold requirement.

Cashflow projection:

	Adopted 2024/25 Budget 1 July 2024	Estimated 30 June 2025
Estimated at 30 June 2024	$124,624	
Estimated at 30 June 2025		$73,734***

*** includes one off payment EO Annual leave, transfer of funds to RH&C

Comparative Analysis

SHLGA consists of the following member Councils:

- Adelaide Hills Council
- Alexandrina Council
- City of Victor Harbor
- District Council of Yankalilla
- Kangaroo Island Council
- Mount Barker District Council

SHLGA has consulted member Councils on its annual Budget.

Financial and Economic Implications

In accordance with the Alexandrina Council's Adopted Budget / Long Term Financial Plan, the financial implications of adopting this recommendation are considered low.

SHLGA contributions are allocated according to number of electors. This year, Alexandrina Council's contribution is $24,115.10, an increase of $300 on the 2023/24 contribution.

Risk Management

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low, as statutory considerations for a section 43 subsidiary budget process will be met.

Conclusion

Council is recommended to approve the Southern and Hills Local Government Association draft Budget 2024/25, with a contribution of $24,115.10. This contribution aligns with the organisation's financial objectives and requires no modification to the draft Annual Business Plan and Budget for 2024/25.

Attachments

Attachment 1 - Southern and Hills Local Government Association draft Budget and Council Member Contributions 2024/25

Attachment 1 - Southern and Hills Local Government Association draft Budget and Council Member Contributions 2024/25

Draft Budget 2024-25

Profit & Loss Southern & Hills Local Government Association For the month ended March 2024						Previous Budget	Draft Budget		
	YTD Actual	YTD Budget	Var AUD	Var %	Comment	2023-2024 Budget	2024-2025 Budget	Note	2024-2026 Budget Comment
Income									
Annual Levy	$9,680.30	$9,680.00	$0.30	0.0%		$9,680.00	$9,680.00	1	Based on 2022 elector numbers
Annual Subscriptions	$130,200.00	$130,200.00	$0.00	0.0%		$130,200.00	$132,000.00	2	Members Subscription rates up by $300 p.a per member or 1.4% (less than CPI)
Grants - Landscape Board	$27,000.00	$17,000.00	$10,000.00	58.8%	*Includes $10k RH&C co-ordinator contribution*	$17,000.00	$0.00	3	Landscape contribution RH&C new Climate Plan managed by 3rd party
Grants - LGA Capacity	$40,000.00	$40,000.00	$0.00	0.0%	*LGA Regional Capacity Grant*	$40,000.00	$40,000.00	4	Regional Capacity Grant
Grants - Other	$9,000.00	$9,000.00	$0.00	0.0%		$9,000.00	$0.00	5	No new grants to manage
Grants - LGA R&D	$0.00	$0.00	$0.00			$0.00	$0.00	6	Not anticipating any new LGA R&D applications for 2024-2025
Interest Income	$7,921.63	$6,000.00	$1,921.63	32.0%		$7,500.00	$7,500.00	7	Carryover initial Cash in Bank est $125,000 and higher interest rate regime
Misc Revenue	$6,520.43	$500.00	$6,020.43	1204.1%		$500.00	$500.00		
Project Levies (Transport)	$22,000.00	$22,000.00	$0.00	0.0%	*SLRP management fee*	$22,000.00	$23,520.00	8	Estimated management fee of 1% on anticipated 2024-25 SLRP funding $2.35m
Project Levies (Regional Public Health)	$0.00	$0.00	$0.00			$0.00	$0.00		
Project Levies (RH&C)	$63,000.00	$73,000.00	-$10,000.00	-13.7%		$73,000.00	$0.00	9	RH&C co-ordinator funding and admin to be extracted from S&HLGA
Project Levies (SACCA)	$8,860.00	$8,860.00	$0.00	0.0%	*Coastal Alliance fees*	$8,860.00	$10,000.00	10	Estimated 2024-25 fees collected on behalf of SACCA.
Project Levies (Other)	$0.00	$0.00	$0.00			$0.00	$0.00		
Total Income	**$324,182.36**	**$316,240.00**	**$7,942.36**	**2.5%**		**$317,740.00**	**$223,200.00**		
Gross Profit	**$324,182.36**	**$316,240.00**	**$7,942.36**	**2.5%**		**$317,740.00**	**$223,200.00**		
Less Operating Expenses									
Accounting	$519.05	$540.00	-$20.95	-3.9%		$720.00	$780.00		
Audit	$3,450.00	$6,000.00	-$2,550.00	-42.5%		$6,000.00	$3,500.00		reappoint Accu Harris Orhard for 2024-2025
Bank Fees	$0.00	$25.00	-$25.00	-100.0%		$25.00	$0.00		
Board & Meeting Expenses	$1,505.14	$1,876.00	-$370.86	-19.8%		$2,500.00	$2,500.00		
Computer expenses	$463.86	$1,125.00	-$661.14	-58.8%		$1,500.00	$1,500.00		
Consulting - Contract	$0.00	$0.00	$0.00			$0.00	$0.00		
General Expenses	$0.00	$567.00	-$567.00	-100.0%		$750.00	$500.00		
Insurance	$7,241.84	$5,250.00	$1,991.84	37.9%		$7,000.00	$7,000.00		LGA Mtual Liability
Legal	$0.00	$0.00	$0.00			$0.00	$0.00		
Marketing - website & promotion Expenses	$4,541.65	$4,300.00	$241.65	5.6%	*LGA squiz contract*	$4,300.00	$4,500.00	11	Annual fees for LGA squiz hosting our website
Travel Expenses	$696.28	$1,182.00	-$485.72	-41.1%		$1,600.00	$1,000.00		
Office Expenses	$0.00	$225.00	-$225.00	-100.0%		$300.00	$200.00		
Postage, Printing & Stationery	$1,842.75	$1,125.00	$717.75	63.8%		$1,500.00	$1,500.00		
Project General (SACCA)	$8,860.00	$8,860.00	$0.00	0.0%	*Coastal allaince fees passed to host LCLGA*	$8,860.00	$10,000.00		
Project 1 (Public Health)Expenses	$0.00	$1,000.00	-$1,000.00	-100.0%		$1,000.00	$500.00		
Project 2 (Transport)Expenses	$8,970.45	$7,000.00	$1,970.45	28.1%		$12,750.00	$12,750.00	12	RWP meetings & SLRP funding applications
Subscriptions	$0.00	$360.00	-$360.00	-100.0%		$1,100.00	$250.00		
Training & Development - Seminars & Conferences	$4,200.00	$500.00	$3,700.00	740.0%		$1,500.00	$500.00	13	2 x LGA conferences, ALGA, Eco Development Forum
Telephone & Internet	$1,918.64	$2,624.00	-$705.36	-26.9%		$3,500.00	$1,500.00		
Total operating expenses	**$44,209.66**	**$42,559.00**	**$1,650.66**	3.9%		**$54,905.00**	**$48,480.00**		
RH&C									
Project 3 Resilient Regions Coordinator	$50,820.00	$50,828.00	-$8.00	0.0%		$73,000.00	$0.00	14	RH&C Co-ordinator contract to be managed by separate 3rd party
RH&C Operations	$5,388.18	$8,800.00	-$3,411.82	-38.8%		$0.00	$0.00		
Projects RH&C	$10,180.00	$9,000.00	$1,180.00	13.1%		$17,000.00	$0.00	15	New RH&C website & Regional Climate Plan Managed by 3rd party
Total RH&C	**$66,388.18**	**$68,628.00**	**-$2,239.82**	-3.3%		**$90,000.00**	**$0.00**		
Employment cost									
Wages & salaries	$95,886.08	$94,401.00	$1,485.08	1.6%		$125,860.00	$131,130.00	16	Frozen at 2023-2024 rates
Vehicle allowance/expenses	$14,859.99	$14,701.00	$158.99	1.1%		$19,600.00	$19,600.00		
Superannuation	$10,547.49	$11,510.00	-$962.51	-8.4%		$15,344.12	$15,079.95	17	Statutory rate 11.5%
Workers compensation	$1,364.00	$1,290.00	$74.00	5.7%		$1,720.00	$1,800.00		
Total employment costs	**$122,657.56**	**$121,902.00**	**$755.56**	0.6%		**$162,524.12**	**$167,609.95**		
Total Expenses	**$233,255.40**	**$233,089.00**	**$166.40**	**0.1%**		**$307,429.12**	**$216,089.95**		
Net Profit	**$90,926.96**	**$83,151.00**	**$7,775.96**	**9.4%**		**$10,310.88**	**$7,110.05**		

Notes

1. 2022 official elector numbers confirmed from 2022 LGA Directory. No 2023 information available
2. Small increase in subs is less than current Australian CPI of 3.4% or LGPI of 4.6%
3. AH & F Landscape Board part 2 grant for development of a new regional Climate Plan
4. S&HLGA should receive only one grant in 2024-25 - Capacity Building Grant from the LGA.
5. No new project grants to manage
6. Not anticipating any new LGA R&D applications for 2024-2025
7. S&HLGA estimated carried forward Bank will be aprrox $125k and LGFA investment interest rate has significantly increased and likely to remain unchanged
8. S&HLGA have a 1% management fee on successful SLRP applications to build reserve fund for future Regional Transport Plan. We expect successful total funding of $2,352,000 for 2024-2025.
9. RH&C co-ordinator contract plus $5k ops expenses. Subject to member Council and Landscape Board co funding. Recommended be extracted from S&HLGA
10. Collected and distributed on behalf of SACCA
11. LGA hosting fees for S&HLGA website on new Squiz platform
12. RWP meeting costs with HDS to discuss the next round of SLRP funding and the region's applications as well as general strategy meeting
13. Estimate for annual LGA conferences, ALGA plus Eco Development forum
14. RH&C Co-ordinator contract plus expenses to be managed by 3rd party.
15. Development of the new Regional Climate Plan finalised in Nov 2024. Managed by 3rd party
16. EO salary component of remuneration frozen
17. Statutory super rate 11.5% for 2024-2025

S&HLGA Member Subs 2024-2025

council	No. Electors - 2022	$ special levy	subscription	Total S&HLGA contribution	GST	Total S&HLGA contribution Incl GST	Date Paid
Adelaide Hills	29392	$ 2,939.20	$ 22,000.00	$ 24,939.20	$ 2,493.92	$ 27,433.12	
Alexandrina Council	21151	$ 2,115.10	$ 22,000.00	$ 24,115.10	$ 2,411.51	$ 26,526.61	
Kangaroo Island	3481	$ 348.10	$ 22,000.00	$ 22,348.10	$ 2,234.81	$ 24,582.91	
Mt Barker	25783	$ 2,578.30	$ 22,000.00	$ 24,578.30	$ 2,457.83	$ 27,036.13	
Victor Harbor	12902	$ 1,290.20	$ 22,000.00	$ 23,290.20	$ 2,329.02	$ 25,619.22	
Yankalilla	4094	$ 409.40	$ 22,000.00	$ 22,409.40	$ 2,240.94	$ 24,650.34	
	96803	**$ 9,680.30**	**$ 132,000.00**	**$ 141,680.30**	**$ 14,168.03**	**$ 155,848.33**	

Xero Sales Inventory Item
Annual Membership subscription
Annual Service Charge

4.5. Minutes of Section 41 Audit and Risk Committee - 12 April 2024

Responsible Officer: Tash Hunt (Executive Manager Office of the CEO)

Report Author: Erin Howard (Executive Assistant General Manager Corporate)

Council Member Representatives: Mayor Keith Parkes, Cr Peter Oliver

Recommendation

That Council receive and note the minutes of the Audit and Risk Committee meeting held on 12 April 2024.

Community Strategic Plan Impact

ENABLED	Recognised as a trusted leader, known for our forward-thinking approach, can-do attitude, and operational excellence

Report Objective

To receive the minutes (refer Attachment 1) of the Audit and Risk Committee meeting held on 12 April 2024.

Recommendations from the Audit and Risk Committee meeting held on 12 April 2024 are presented in this meeting agenda at:

- Agenda Item 4.6 Report from Section 41 Audit and Risk Committee - Policy Review - Debt Recovery Policy
- Agenda Item 4.7 Report from Section 41 Audit and Risk Committee - Policy Review - Annual Budget and Budget Performance Policy
- Agenda Item 4.8 Report from Section 41 Audit and Risk Committee - Draft Annual Business Plan and Budget 2024/25

Summary by Independent Chairperson, Alice McCleary

The principal item for discussion was the 2024/25 Business Plan and Budget. The Audit and Risk Committee had the benefit of seeing Cr Peter Oliver's draft Notice of Motion - Financial Intervention Plan for the 15 April 2024 Council meeting and discussed Cr Oliver's ideas (and others) at length. The Committee noted that Administration has already implemented many financial savings in previous years, to cover Council's decisions not to pass on full CPI increases to ratepayers in 2 of the past 5 years. This leaves far fewer cost reduction and income generation options available which will not significantly impact service delivery to ratepayers now. The Committee nevertheless recommends unanimously that Council and the Administration look to:

- reduce operating expenses, especially as part of the current service reviews.
- accelerate asset disposals (such as vacant Council land).
- accelerate consideration of revenue raising opportunities, including a rating review.
- halt all capital expenditure for projects which have not yet commenced, whilst allowing those commenced to continue to completion.
- consider staffing costs.
- minor revisions to the Rating and Hardship Policies.

The Committee, by majority, recommends the following rate increase assumptions for the next 5 years:

Year	2024/25	2025/26	2026/27	2027/28	2028/29
Rates Increase Assumption	CPI + 3.5%	CPI + 3%	CPI + 3%	CPI + 3%	CPI + 3%

Cr Oliver voted against this motion.

Other matters considered at the meeting include:

- The Proposed 2024/25 Grants and Contributions Program Structure.
- Changing the asset revaluation cycle from 4 years to 3 years, with an increase in cost of $30,000 each 3 years (in accordance with Australian Accounting Standards)
- The draft Revenue Strategy prepared last year, noting that it needs updating and an action plan for implementation.
- Minor tweaking of the Debt Recovery Policy, and Annual Budget and Budget Performance Policy.

The Committee recommends all these documents to Council for endorsement.

Attachments

Minutes of the Audit and Risk Committee Meeting - 12 April 2024 (unconfirmed)

Minutes of the Audit and Risk Committee

Held on Friday, 12 April 2024 commencing at 9.01am

UNCONFIRMED

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Minutes of the Alexandrina Council Audit and Risk Committee

Friday, 12 April 2024

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UNCONFIRMED

1. Welcome and Acknowledgement of Country

Alexandrina Council acknowledges the Ngarrindjeri, Peramangk, and Kaurna people as the Traditional Custodians of the land on which we gather today. We pay our respects to their Elders, past and present, and extend this respect to all Aboriginal and Torres Strait Islander peoples of today.

2. Attendance and Apologies

Present

Alice McCleary (Chairperson), Andrew Haste (Independent Member), Brendan Dowd (Independent Member), Councillor Peter Oliver and Mayor Keith Parkes (Ex-Officio)

Apologies

Nil

In Attendance

Nigel Morris (Chief Executive Officer), Tash Hunt (Executive Manager Office of the CEO), Brett Sterzl (Interim Chief Financial Officer), Bev Boag (Grants Officer), Jon Smyth (Manager Assets), Linda Scholz (Manager Community Services), and Erin Howard (Executive Assistant General Manager Corporate - Audit and Risk Committee Administrator)

Gallery

Cr Sue Miller

3. Declarations of Interest

All Audit and Risk Committee Members were reminded of the requirements for disclosure by Members of direct or indirect pecuniary benefits in items listed for consideration on the Agenda. Section 74 of the Local Government Act 1999 requires that all Committee Members declare any interest and provide full and accurate details of the relevant interest to the Audit and Risk Committee prior to consideration of that item on the Agenda.

Each Member of the Audit and Risk Committee has a duty to vote at all meetings unless excepted by legislation.

The major exception being where a Member has a conflict of interest.

Declared Interests

Nil declared

4. Confirmation of Minutes

4.1. Confirmation of Minutes

ACAC405 Moved Mr Andrew Haste seconded Mr Brendan Dowd

That the Minutes of the Alexandrina Council Audit and Risk Committee Meeting held on 8 March 2024 as circulated to members be received as a true and accurate record.

CARRIED UNANIMOUSLY

5. Adjourned Business

Nil

UNCONFIRMED

6. Reports Requiring Decision

6.1. Council Funding Review

ACAC406 Moved Cr Peter Oliver seconded Mr Andrew Haste

That the Audit and Risk Committee:

1. **receive and note the Draft Funding Review Summary Report, contained at Attachment 1.**
2. **recommend the Proposed 2024/25 Grants and Contributions Program Structure, contained at Attachment 2, to Council for approval.**
3. **note that following Council's adoption of the 2024/25 funding program structure, a revised Grants Policy will be presented to the Audit and Risk Committee, if required.**

CARRIED UNANIMOUSLY

6.2. Asset Revaluation Management Plan Review

ACAC407 Moved Mr Brendan Dowd seconded Cr Peter Oliver

That the Audit and Risk Committee:

1. **receive the report.**
2. **recommend changes to the Asset Revaluation Management Plan and Appendices to change the revaluation cycle from four years to three years.**
3. **recommend that an increase of $30,000 every three years to the Asset Condition Audit and Revaluation operational budget to accommodate a condition audit and revaluation cycle every three years, in accordance with Australian Accounting Standards.**

CARRIED UNANIMOUSLY

6.3. Policy Review - Debt Recovery Policy

ACAC408 Moved Mr Andrew Haste seconded Cr Peter Oliver

That the Audit and Risk Committee:

1. **receive and note the report.**
2. **recommend the draft Debt Recovery Policy, as detailed in Attachment 1, to Council for adoption.**

CARRIED UNANIMOUSLY

6.4. Policy Review - Annual Budget and Budget Performance Policy

Mr Andrew Haste left the Large Meeting Room at 9.34am and returned to the Large Meeting Room at 9.37am.

ACAC409 Moved Mr Brendan Dowd seconded Cr Peter Oliver

That the Audit and Risk Committee:

1. **receive and note the report.**
2. **amend 4.2 of the Annual Budget and Budget Performance Policy to "Commitment to financial sustainability indicator targets".**

UNCONFIRMED

3. **recommend the draft Annual Budget and Budget Performance Policy, contained at Attachment 1, as amended, to Council for adoption.**

CARRIED UNANIMOUSLY

6.5. Draft Annual Business Plan and Budget 2024/25

ACAC410 Moved Mr Brendan Dowd seconded Mr Andrew Haste

That the Audit and Risk Committee recommend to Council that the revised draft Rating Policy at Attachment 2 and Hardship Policy at Attachment 3 be considered for adoption.

CARRIED UNANIMOUSLY

ACAC411 Moved Ms Alice McCleary seconded Mr Brendan Dowd

That the Audit and Risk Committee recommend to Council that the current Long Term Financial Plan be updated with the latest depreciation figures and the following rates assumptions for the next five years to ensure that Council returns to a surplus budget within the five-year period:

Year	2024/25	2025/26	2026/27	2027/28	2028/29
Rates Increase Assumption	CPI + 3.5%	CPI + 3%	CPI + 3%	CPI + 3%	CPI + 3%

CARRIED

A division was requested by Cr Peter Oliver.
The Presiding Member declared the vote set aside.

Voting in the AFFIRMATIVE	Voting in the NEGATIVE
Ms Alice McCleary	Cr Peter Oliver
Mr Andrew Haste	
Mr Brendan Dowd	

The Presiding Member declared the motion **CARRIED**

ACAC412 Moved Mr Brendan Dowd seconded Mr Andrew Haste

That the Audit and Risk Committee recommend Council undertake a further critical review of operating expenses prior to recommendation of the draft Annual Business Plan and Budget 2024/25 for public consultation.

CARRIED UNANIMOUSLY

ACAC413 Moved Mr Brendan Dowd seconded Mr Andrew Haste

That the Audit and Risk Committee recommend to Council, in order to lower the rates increase assumption over the next five years, revise the A2040 Strategic Plan to target, among other things:

a. **an overall reduction in operating expenses to be performed in conjunction with current service reviews.**
b. **increases in asset disposals.**
c. **increases in revenue raising opportunities, including a rating review.**
d. **capital expenditure.**
e. **staffing costs.**

CARRIED UNANIMOUSLY

UNCONFIRMED

The meeting adjourned for a short recess at 11:11am.
The meeting resumed at 11.16am.

6.6. Draft Revenue Strategy 2025-2028

ACAC414 Moved Mr Andrew Haste seconded Mr Brendan Dowd

That the Audit and Risk Committee:

1. **receive and note the draft Revenue Strategy 2025-2028 as originally presented to the Audit and Risk Committee on 19 May 2023 and subsequently Council on 10 July 2023, contained in Attachment 1.**
2. **recommend Council endorse the amended and updated Draft Revenue Strategy 2025-2028, based on date and data feedback from the Committee.**
3. **suggest Administration consider the development of an action plan based on the endorsed Revenue Strategy 2025-2028 as part of the review of the Strategic Management Plans, to be completed by November 2024.**

CARRIED UNANIMOUSLY

7. Reports Presented for Information

Nil

8. Audit and Risk Committee 2023/24 Workplan

8.1. Audit and Risk Committee 2023/24 Work Plan

ACAC415 Moved Cr Peter Oliver seconded Mr Andrew Haste

That the Audit and Risk Committee review and note the Committee Work Plan for 2023/24, as per Attachment 1.

CARRIED UNANIMOUSLY

9. Audit and Risk Committee Resolution Register

9.1. Audit and Risk Committee Outstanding Resolution Register

ACAC416 Moved Cr Peter Oliver seconded Mr Andrew Haste

That the Audit and Risk Committee receive and note the Outstanding Resolutions Register as per Attachment 1.

CARRIED UNANIMOUSLY

9.2. External Audit Report - Outstanding Actions Status Register

ACAC417 Moved Mr Andrew Haste seconded Cr Peter Oliver

That the Audit and Risk Committee receive and note the External Audit Report - Outstanding Actions / Resolutions Register as per Attachment 1.

CARRIED UNANIMOUSLY

10. Confidential Reports

Nil

UNCONFIRMED

11. Closure

The Chair declared the meeting closed at 11.43am.

MINUTES CONFIRMED ..... **DATE** .....
Alice McCleary

UNCONFIRMED

4.6. Report from Section 41 Audit and Risk Committee - Policy Review - Debt Recovery Policy

Responsible Officer: Brett Sterzl (Interim Chief Financial Officer)

Report Author: Brett Sterzl (Interim Chief Financial Officer)

Recommendation

Recommendations of the Audit and Risk Committee

That Council note the resolutions of the Audit and Risk Committee as follows:

That the Audit and Risk Committee:

1. **receive and note the report.**
2. **recommend the draft Debt Recovery Policy, as detailed in Attachment 1, to Council for adoption.**

Recommendations of Administration

That Council adopt the draft Debt Recovery Policy, as detailed in Attachment 1.

Prior Resolutions

Prior Council Resolutions

Meeting Date	Agenda Item Number	Report Title	Resolution Number
20 February 2023	8.20	Review Schedule - Public Policies and Procedures	C23068
16 March 2020	11.2 12.2	Review of Resources Policies Public Policies and Procedures - Review Schedule	ACM20521 ACM20528
18 March 2019	12.2	Audit Committee Minutes 25 February 2019 and Review of Financial Policies	ACM1965

Prior Committee Resolutions

Meeting Date	Agenda Item Number	Report Title	Resolution Number
12 April 2024	6.3	Policy Review - Debt Recovery Policy	ACAC408
10 February 2023	6.3	Review Schedule - Public Policies and Procedures	ACAC310
24 February 2020	4.2 4.4	Review Schedule - Public Policies and Procedures Review of Resources Policies	ACAC170 ACAC172
25 February 2019	6.5	Review of Financial Policies	ACAC198

Community Strategic Plan Impact

ENABLED	Proactive pursuit of innovative practices, ethical resource management and transparent leadership to foster community engagement, trust, and accountability, thus ensuring an inclusive and empowered Council

Report Objective

The purpose of this report is to receive recommendations from the Audit and Risk Committee for agenda item 6.3 Policy Review - Debt Recovery Policy from its meeting held on 12 April 2024.

The public agenda and minutes from this Committee meeting can be located on Council's website at www.alexandrina.sa.gov.au/council/committees/auditcomm, and to consider further information and recommendations from Administration.

Executive Summary

The revised Debt Recovery Policy was reviewed by the Audit and Risk Committee on 12 April 2024 with the Committee recommending the Policy be adopted by Council.

Council regularly reviews its policies, including the Debt Recovery Policy, which is currently due for periodic review. This report presents the revised draft of the Debt Recovery Policy for adoption by Council.

Context

Council's Debt Recovery Policy was last reviewed by Council in March 2020 (ACM20521) and was reviewed by the Audit and Risk Committee on 12 April 2024 with the Committee recommending the Policy be adopted by Council.

General Analysis

The draft Debt Recovery Policy presented in Attachment 1 has been reviewed by the Audit and Risk Committee, with only minor adjustments made for grammatical corrections and reformatting.

Comparative Analysis

The Local Government Association of South Australia provides model financial policies for Council to utilise.

Financial and Economic Implications

In accordance with the Alexandrina Council's Adopted Budget / Long Term Financial Plan, the financial implications of adopting this recommendation are considered low as there are no direct financial implications arising from the proposed changes to the Policy.

Risk Management

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low, as the Debt Recovery Policy ensures consistent processes, reducing the risk of non-compliance with legislative requirements.

Conclusion

This report presents a revised Debt Recovery Policy for adoption by Council.

Attachments

Attachment 1 - Revised Debt Recovery Policy

Alexandrina Council
Policy - Public

Debt Recovery Policy

First Approved	16 March 2020 (Resolution Ref: ACM20521)
Review Frequency	4 yearly or as required
Status	Council Policy
Last Reviewed	April 2024
Next Review Due	~~March 2024~~April 2028
File Number	18.63.001 / PL202051
Responsible Division	Resources
Related Documents	~~Debt Recovery Operational Guidelines~~ Hardship Policy Rating Policy Rate Rebate Policy
Applicable Legislation	*Local Government Act 1999 (s~~ection~~180)*

1. Introduction

1.1 The purpose of this policy is to reduce outstanding debts ~~minimise the amount of monies~~ owed to Council, provide support ~~assist~~ to debtors in financial stress and/or hardship, whilst complying with section 180 of the *Local Government Act 1999* **(the Act)** ~~s.180~~.

2. Definitions

Financial Hardship ~~–~~ refers to a situation where an individual or entity experiences significant financial difficulties that make it challenging or impossible to meet their financial obligations, ~~means a circumstance of experiencing a lack of financial means,~~ which may be either on going or temporary, and is supported by either a recognised welfare agency or an accredited financial advisor, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt.

Financial Stress ~~– means~~ refers to a state or condition in which an individual or entity experiences difficulty in managing their financial obligations.~~circumstance of experiencing a reduced financial means~~

3. Objective

3.1 Council depends on incomes from rates and sundry debtors to fund services and facilities for the community. This policy provides the practice for Council to recover unpaid rates and sundry debtors.

3.2 Council undertakes recovery action for overdue rates and sundry debtors to ensure the fair, equitable and consistent collection of rates and sundry debtors in an effective and timely manner. Council will attempt to recover all costs, interest and expenses incurred by Council while recognising the need to identify and consider individual cases of genuine hardship.

4. Policy Statement

4.1 Council rates become overdue when not paid in accordance with a Rate Notice that is issued pursuant to section 180 of the Act. Sundry debtors become

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overdue when not paid in accordance with the terms on the invoice issued by Council. Council's standard term for sundry debtors is 30 days.

4.2 Council may apply interest and penalty for overdue rates and an administration charge to sundry debtors that are overdue.

4.3 Council may commence its legal recovery process, through a debt collection agent, on all overdue amounts for rates or sundry debtors.

4.4 Where Council incurs legal costs, the legal costs are recoverable from the ratepayer or sundry debtor.

4.5 Payment plans and flexible payment arrangements will be made available to ratepayers and sundry debtors upon application for overdue amounts.

4.6 The Council may at its discretion, under delegated authority, remit penalties and related expenses for late payment of rates and sundry debtors, including where genuine hardship can be substantiated.

4.7 Writing off unpaid debts will only be considered when all reasonable attempts have been made to recover the outstanding amount.

4.8 Where rates on a property become more than three years in arrears, Council may commence proceeding to sell the property under section 184 of the Local Government Act 1999.

4.9 Delegated officers will exercise use their discretion in regards to the implementation implementing of this policy.

5. Availability of Policy

5.1 This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.alexandrina.sa.gov.au. Copies will also be provided to interested members of the community upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

DRAFT

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4.7. Report from Section 41 Audit and Risk Committee - Policy Review - Annual Budget and Budget Performance Policy

Responsible Officer: Brett Sterzl (Interim Chief Financial Officer)

Report Author: Brett Sterzl (Interim Chief Financial Officer)

Recommendation

Recommendations of the Audit and Risk Committee

That Council note the resolutions of the Audit and Risk Committee as follows:

That the Audit and Risk Committee:

1. **receive and note the report.**
2. **amend 4.2 of the Annual Budget and Budget Performance Policy to "Commitment to financial sustainability indicator targets".**
3. **recommend the draft Annual Budget and Budget Performance Policy, contained at Attachment 1, as amended, to Council for adoption.**

Recommendation of Administration

That Council adopt the draft Annual Budget and Budget Performance Policy, as detailed in Attachment 1.

Prior Resolutions

Prior Council Resolutions

Meeting Date	Agenda Item Number	Report Title	Resolution Number
22 May 2023	4.2	Report from Section 41 Audit and Risk Committee - Policy Review - Annual Budget and Budget Performance Policy	C23203
20 February 2023	8.20	Review Schedule - Public Policies and Procedures	C23068
16 March 2020	12.2	Public Policies and Procedures - Review Schedule	ACM20528
18 March 2019	12.2	Audit Committee Minutes 25 February 2019 and Review of Financial Policies	ACM1965

Prior Committee Resolutions

Meeting Date	Agenda Item Number	Report Title	Resolution Number
12 April 2024	6.4	Policy Review - Annual Budget and Budget Performance Policy	ACAC409
19 May 2023	6.4	Policy Review - Annual Budget and Budget Performance Policy	ACAC323

Meeting Date	Agenda Item Number	Report Title	Resolution Number
10 February 2023	6.3	Review Schedule - Public Policies and Procedures	ACAC310
25 February 2019	6.5	Review of Financial Policies	ACAC198
5 December 2016	6.7	Financial Policies	38

Community Strategic Plan Impact

ENABLED	Proactive pursuit of innovative practices, ethical resource management and transparent leadership to foster community engagement, trust, and accountability, thus ensuring an inclusive and empowered Council

Report Objective

The purpose of this report is to receive recommendations from the Audit and Risk Committee for agenda item 6.4 Policy Review - Annual Budget and Budget Performance Policy from its meeting held on 12 April 2024.

The public agenda and minutes from this Committee meeting can be located on Council's website at www.alexandrina.sa.gov.au/council/committees/auditcomm, and to consider further information and recommendations from Administration.

Executive Summary

Council routinely conducts periodic reviews of its policies, as part of which the Annual Budget and Budget Performance Policy is due for review. The *Local Government Act 1999* prescribes that councils adopt an annual business plan and budget for each financial year, alongside regular evaluations of their performance against the budget.

Following a review, this report presents the updated draft of the Annual Budget and Budget Performance Policy. The Audit and Risk Committee, in accordance with its Terms of Reference, evaluates the adequacy of the Council's financial management systems and practices, and consults on this policy before its submission to Council for approval. The revised Annual Budget and Budget Performance Policy was reviewed by the Audit and Risk Committee on 12 April 2024 with the Committee recommending the Policy be adopted by Council.

The Annual Budget and Budget Performance Policy serves as a guide for Council budgeting processes, outlining key principles for budget development and providing clear directives to management and staff regarding amendments and performance reporting against the adopted budget.

Context

Council last reviewed its Annual Budget and Budget Performance Policy in May 2023. Financial policies are typically assessed as they reach their scheduled review dates, although they may undergo review earlier if necessary.

General Analysis

Council maintains a scheduled review of policies as established on 16 March 2020 (ACM20528). Consistent with this schedule, the Annual Budget and Budget Performance Policy is due for review in 2024.

The Policy offers guidance on Council budgeting, outlining key principles for Alexandrina Council's budget development. It also provides clear directives for management and staff regarding amendments and performance reporting against Council's adopted budget.

Moreover, the policy aligns with Council's objective of ensuring that financial indicators in the updated long term financial plan remain consistent with the adopted targets when developing its annual business plan and budget.

The draft Annual Budget and Budget Performance Policy, found in Attachment 1, has undergone revision, with no substantive amendments recommended. The revised policy is presented to Council for adoption.

Comparative Analysis

The Local Government Association of South Australia provides model financial policies for Council to utilise.

Financial and Economic Implications

In accordance with the Alexandrina Council's Adopted Budget / Long Term Financial Plan, the financial implications of adopting this recommendation are considered low as there are no direct financial implications arising from the proposed changes to the Policy.

Risk Management

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low. An Annual Budget and Budget Performance Policy ensures that Council processes are undertaken in a logical, consistent manner, reducing the risk to Council of legislative requirements not being met.

Conclusion

It is recommended that Council adopt the revised Annual Budget and Budget Performance Policy.

Attachments

Attachment 1 - Revised Annual Budget and Budget Performance Policy

Alexandrina Council
Policy - Public

Annual Budget and Budget Performance Policy

First Approved	19 December 2016 (ACM16485)
Review Frequency	~~4 yearly or as required~~Annually
Status	LGA Recommended
Last Reviewed	~~18 March 2019 (Resolution Ref: ACM1965)~~ ~~22 May 2023 (Resolution Ref: C232023)~~ April 2023
Next Review Due	~~January~~ April ~~2027~~2025
File Number	18.63.001 / PL2023165
Responsible Division	~~Corporate~~ Office of the CEO
Related Documents	Strategic Management Plans: • Community Strategic Plan • Long Term Financial Plan • Infrastructure and Asset Management Plan LGA Financial Sustainability Paper 25 – Monitoring Council's Budget Performance
Applicable Legislation	*Australia Accounting Standards and Regulations* *Local Government Act 1999* *Local Government (Financial Management) Regulations 2011, r.7, 9 and 10*

1. Purpose

1.1. Alexandrina Council is committed to sound budget management practices and transparency in the development and presentation of financial information to the community. The *Local Government Act 1999* (**the Act**) prescribes that a council must adopt an annual business plan and budget for each financial year, and regularly review its performance against budget.

2. Scope

2.1. This policy provides direction on Council budgeting, including key principles underpinning budget development for Alexandrina Council as well as providing clear direction to management and staff in relation to amending and reporting performance against Council's adopted budget.

3. Definitions

Operating Surplus Ratio refers to the operating surplus as a percentage of council's total operating revenues.

Net Financial Liabilities Ratio indicates the extent to which the net financial liabilities or council's indebtedness can be met by council's total operating revenues.

Asset Renewal Funding Ratio is calculated by dividing net asset renewal expenditure by the amount of renewal recommended in Council's Infrastructure and Asset Management Plans.

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4. Policy Statement

4.1. Annual Budget

The budget will comply with requirements of the *Local Government Act 1999* and related regulations. As part of the budget process Alexandrina Council will prepare an annual business plan, which will:

- Address objectives, activities and performance measures of the Council
- Assess financial requirements
- Address rating structures and policies
- Take into account the Long Term Financial Management Plan and Infrastructure and Asset Management Plan.

The following principles will underpin the budget development:

- *Honest and Accountable* – Council will be honest and accountable in all aspects of the budget process, meeting the community's expectations of transparency and openness with a reporting framework that supports and enhances this. The Annual Business Plan will be available each in Council offices and Libraries and on Council's website.
- *Strategic Approach* – Council will maintain a strategic approach to the delivery of all council services and capital works programs. The budget will respond to the Council's Community Strategic Plan.
- *Long Term Financial Planning* – A 10 year Long Term Financial Plan will reinforce the delivery and achievement of Council's long term strategic objectives in a sustainable manner. All programmes will be regularly reviewed to ensure they fit within the Council's financial framework.
- *Realistic Budgeting* – All budget figures will be realistic, based on the best available information and utilise a zero-based budgeting approach.
- *Affordable Rates* – Rates will be set at an affordable level having regard to the Council's strategic directions and its social and economic objectives balanced against the community's ability to pay. Rate increases will be set within the 10-year framework of the long term financial management plan, but this will be re-assessed on an annual basis.
- *Avoid Cost Shifting* – Council will have regard to the appropriate roles of Federal, State and Local Government when funding services.
- *New Initiatives* – All new initiatives will be evaluated in terms of meeting Council's strategic directions and incorporate a business case and cost benefit analysis which includes whole of life costing.
- *Asset Sales and Debt* – The operational budget will be structured such that there is no reliance on asset sales to fund core services. Debt will be regarded as a tool to be used in a strategic perspective to achieve the provision of services to the community. Debt will be considered:
    - in the context of the strategic objectives of Council
    - in the context of long-term financial forecasts and objectives
    - as funding for long term infrastructure asset creation
    - in the context of Council's Treasury Management Policy
    - as a tool to help Council achieve intergenerational equity.

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- *Financial Control* – Council commits to ensuring that financial and other resources under its control will be used only for approved purposes and within Council's strategic framework and that all risks to Council's finances are properly managed.
- *Financial Sustainability* – Financial sustainability ratios will be reported upon in the budget of the Council, pursuant to requirements of the *Local Government (Financial Management) Regulations 2011*.

Council will aim to keep the indicators in the updated long term financial plan consistent with the following targets when developing its annual business plan and budget:

Indicators	**Short Term Target**	**Medium Term Target**	**Long Term Target**
Operating Surplus/(Deficit) Ratio - %	(2) to 1%	0 to 2%	3 to 6%
Net Financial Liabilities Ratio - %	≤120%	≤100%	≤80%
Asset Renewal Funding Ratio - %	90-110%	90-110%	90-110%

Council maintains and manages Community Wastewater Management Schemes (CWMS) for a number of townships throughout the region. It is important for the schemes to be financially sustainable and to help achieve this goal a separate long term financial plan is prepared with its own set of financial indicator targets:

Indicators – Community Wastewater Management Schemes	**Short Term Target**	**Medium Term Target**	**Long Term Target**
Operating Surplus/(Deficit) Ratio - %	(5) to 2%	(2) to 3%	2 to 6%
Net Financial Liabilities Ratio - %	≤250%	≤250%	≤200%
Asset Renewal Funding Ratio - %	90-110%	90-110%	90-110%

As Council's CWMS schemes are expected to be financially sustainable in their own right, a long term financial plan showing Council's position without the effect of CWMS is prepared with its own set of financial indicator targets:

Indicators – Council excluding CWMS	**Short Term Target**	**Medium Term Target**	**Long Term Target**
Operating Surplus/(Deficit) Ratio - %	(2) to 1%	0 to 2%	3 to 5%
Net Financial Liabilities Ratio - %	≤100%	≤100%	≤80%
Asset Renewal Funding Ratio - %	90-110%	90-110%	90-110%

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Community consultation will occur annually on Council's Annual Business Plan and Budget in accordance with section 123 of the *Local Government Act 1999* and in accordance with Council's Public Consultation Policy.

4.2. Budget Performance

Amendments to the budget may be required as further information is received during the year. Reasons for these changes include:

- Different services expected by the Community
- Additional funding received to carry out new or extended services
- Projects or services delayed are stopped due to lack of resources
- Cost increases outside of budget estimates
- Other budget adjustments as required.

The following factors will be considered when updating/amending the budget:

- Commitment to financial sustainability ~~by ensuring that the adopted financial~~ indicator targets ~~are met~~
- Consistency with Council's strategic direction
- Accountability and transparency in the decision-making process
- Providing value for money for the services provided

A Budget Update report is to be prepared and included in the agenda of the Ordinary Meeting of Council as required by the Act or Regulations or where a subsequent agenda item for decision has a financial impact of $25,000 or greater. ~~-~~The report will highlight at summary level original and revised budget information, prior approved amendments, the latest revised forecast of expected budget results and financial indicators for the current year, in addition to the revised three future years of the Long Term Financial Plan. The report will include an explanation of any proposed budget variations that have not previously been approved.

In considering a request for a revision to its budget Council will consider the impact any approval will have on the achievement of the targets for financial indicators established by Council for the current and next three years of the long term financial plan. It will also consider the capacity to increase other revenue or reduce other expenditure (either of a corresponding operating or capital nature as appropriate) to offset the variation and the merit of so doing.

Where circumstances warrant, the Chief Executive Officer may authorise variations in activity that are within the scope of approved limits for budget items providing those variations made do not:

- Materially impact on the quality, quantity, frequency, range or level of service previously provided for or implicitly intended in the original allocation; and
- Impact on any explicit proposals Council has included in its Annual Business Plan or has otherwise publicly committed to and accommodated in its budget.

Exceptions may be made for ~~i~~items of an emergency nature, which may be treated as ~~an~~ exceptional circumstance~~s~~.

Whenever such changes are made, the following Budget Update or Budget Review must include information explaining the rationale for the decision.

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A comprehensive mid-year budget review will be prepared and included in the agenda of an Ordinary Meeting of Council in accordance with the *Local Government (Financial Management) Regulations 2011*. The mid-year budget review will show a revised full year forecast compared with estimates set out in the budget. Material variations will be explained, and revised forecasts of Council's financial indicators and three future years of the long term financial plan will be included.

Budget items not completed at the end of any budget year are surrendered unless approval to carry-over the activity and its associated budget allocation is granted by Council. Recurrent expenditure will not be carried forward to the following year and should be re budgeted where required.

The scope and funding requirements of capital projects already committed or underway but not completed will be reviewed and the projects considered for carrying forward at the next Budget Update or Budget Review, as appropriate.

A Report on Financial Results will be prepared and included in the agenda of an Ordinary Meeting of Council annually in accordance with the *Local Government (Financial Management) Regulations 2011*.

5. Availability of Policy

5.1. This Policy will be available for inspection on the Council's website www.alexandrina.sa.gov.au. Copies can also be provided upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

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4.8. Report from Section 41 Audit and Risk Committee - Draft Annual Business Plan and Budget 2024/25

Responsible Officer: Nigel Morris (Chief Executive Officer)

Report Author: Brett Sterzl (Interim Chief Financial Officer)

Tash Hunt (Executive Manager Office of the CEO)

Nigel Morris (Chief Executive Officer)

Recommendation

Recommendations of the Audit and Risk Committee

That Council notes the resolutions of the Audit and Risk Committee as follows:

That the Audit and Risk Committee recommend to Council that the revised draft Rating Policy at Attachment 2 and Hardship Policy at Attachment 3 be considered for adoption.

That the Audit and Risk Committee recommend to Council that the current Long Term Financial Plan be updated with the latest depreciation figures and the following rates assumptions for the next five years to ensure that Council returns to a surplus budget within the five-year period:

Year	2024/25	2025/26	2026/27	2027/28	2028/29
Rates Increase Assumption	CPI + 3.5%	CPI + 3%	CPI + 3%	CPI + 3%	CPI + 3%

That the Audit and Risk Committee recommend Council undertake a further critical review of operating expenses prior to recommendation of the draft Annual Business Plan and Budget 2024/25 for public consultation.

That the Audit and Risk Committee recommend to Council, in order to lower the rates increase assumption over the next five years, revise the A2040 Strategic Plan to target, among other things:

- **an overall reduction in operating expenses to be performed in conjunction with current service reviews.**
- **increases in asset disposals.**
- **increases in revenue raising opportunities, including a rating review.**
- **capital expenditure.**
- **staffing costs.**

Recommendations of Administration

Recommendation 2

That Council:

1. **adopt the revised draft Rating Policy at Attachment 2**
2. **adopt the revised draft Hardship Policy at Attachment 3.**
3. **update the Long Term Financial Plan with the latest depreciation figures and the following rates assumptions for the next five years to ensure that Council returns to a surplus budget within the five-year period:**

Year	2024/25	2025/26	2026/27	2027/28	2028/29
Rates Increase Assumption	CPI + 3.5%	CPI + 3%	CPI + 3%	CPI + 3%	CPI + 3%

4. **in order to lower the rates increase assumption over the next five years, revise the A2040 Strategic Plan to target, among other things:**
    a. **an overall reduction in operating expenses to be performed in conjunction with current service reviews.**
    b. **increases in asset disposals.**
    c. **increases in revenue raising opportunities, including a rating review.**
    d. **capital expenditure.**
    e. **staffing costs.**
5. **receives the draft Annual Business Plan and Budget 2024/25 as presented to the Audit and Risk Committee contained in attachment 1.**
6. **note Administration have undertaken a further critical review of operating expenses and recommend the following adjustments be made to the draft Annual Business Plan and Budget 2024/25 prior to public consultation:**
    a. **Operating New Initiatives - In reviewing the new initiative projects for 2024/25 it is recommended by Administration that the following non-urgent project be deferred to a future year:**

Description	Amount
Enhanced Wayfinding Signage Strategy	($50,000)
Total	**($50,000)**

    b. **Capital Program - In reviewing the current capital program it is recommended that the following adjustment be made:**

Description	Capital Amount	Operating Amount
Reduce Main Office Refurbishment from $1M to $500,000	($500,000)	($28,200)
Total	**($500,000)**	**($28,200)**

    c. **Review of Recurrent Operating - A review of the 3238 transactions lines that make up the budget has produced a further reduction of operating expenses as follows:**

Description	Amount
Reduction in budget for CEO Salary to be less than CPI	($5,000)
Reduction in CEO Miscellaneous expenses	($5,000)
Reduced Council Member costs for legal, general and travel based on actuals	($15,000)
Reduction in HR recruitment and training costs	($10,000)
Reduction in Library Subscriptions	($5,000)
Reduction in Visitor Information Centre Communication Costs	($5,000)
Reduction in Marketing for events (more use of Social Media)	($5,000)
Coastal Protection Officer reimbursement from Ratalang Trust Account	($35,000)
Reduction in Goolwa Oval expenses due to anticipated new lease	($107,000)

Description	Amount
Reduction in FRACA costs due to anticipated new structure	($50,000)
Reduction in stationery costs based on actual	($3,000)
Total	**($245,000)**

d. update the draft Annual Business Plan and Budget 2024/25 with the revised Fleurieu Regional Waste Authority (FRWA) Costs:

Description	Amount
Amount in draft 2024/25 Annual Business Plan and Budget as presented to the Audit Committee	($3,069,000)
Amount Budget 2025 now provided by FRWA	$3,779,000
Adjusted by raising the FRWA WRD Fees and charges to 8.3% to assist covering costs	($117,000)
New leases signed with FRWA (Goolwa $210k, Strathalbyn $80k)	($290,000)
Original budget estimate for new FRWA leases (already contained within presented budget)	$200,000
Reduce amount included for additional opening hours for Strathalbyn	($60,000)
FRWA ACM less provision payment not in budget presented to Audit Committee	$226,000
Net Result	**$669,000**

e. update the draft Annual Business Plan and Budget 2024/25 with the reviewed Subsidiary Equity Surpluses for Fleurieu Regional Waste Authority, Adelaide Hills Regional Waste Authority and Fleurieu Regional Aquatic Centre Authority with the variance between what was presented to the Audit and Risk Committee and what has now been presented in the Subsidiary Annual Business Plans and Budgets:

Description	Amount
Fleurieu Regional Waste Authority (FRWA)	($53,000)
Adelaide Hills Regional Waste Authority (AHRWMA)	$11,000
FRACA Fleurieu Regional Aquatic Centre Authority (FRACA)	($29,000)
Total	**($71,000)**

f. note the net effect of the above adjustments to the operating budget total:

Description	Amount
Operating new initiatives adjustment	($50,000)
Capital adjustments	($28,200)
Recurrent Operating adjustments	($245,000)
FRWA adjustments	$669,000
Subsidiary Equity Surpluses	($71,000)

Description	Amount
Total	**$274,800**

Recommendation 3

1. **That Council confirms or removes the following new initiative from the draft Annual Business Plan and Budget 2024/25 prior to consultation:**

ID	Description	Expenditure	Rate Revenue
NI#25	Agribusiness Officer - (0.6FTE) Position Proposal (ASART and Council)	$70,631	0.15%

2. **That Council confirms or defers for one year to be considered in 2025/26 the following new initiative from the draft Annual Business Plan and Budget 2024/25 prior to consultation:**

ID	Description	Expenditure	Rate Revenue
NI#9	Strathalbyn Town Plan Renewal	$70,000	0.15%

3. **That Council confirms or defers for one year to be considered in 2025/26 the following new initiative from the draft Annual Business Plan and Budget 2024/25 prior to consultation:**

ID	Description	Expenditure	Rate Revenue
NI#20	Port Elliot Local Heritage Code Amendment	$70,000	0.15%

4. **That Council confirms that the following project remains unfunded or be updated to be funded in the draft Annual Business Plan and Budget 2024/25 prior to consultation:**

ID	Description	Expenditure	Rate Revenue
NI#32	Adelaide Car Rally - Staging at Strathalbyn	$25,000	0.04%

5. **That Council confirms that the following project remains unfunded or be updated to be funded in the draft Annual Business Plan and Budget 2024/25 prior to consultation:**

ID	Description	Expenditure	Rate Revenue
NI#39	Capital: Armfield Slip - Viewing Platform - $30,000	$2,000	0.003%

6. **That Council confirms that the following project remains unfunded or be updated to be funded in the draft Annual Business Plan and Budget 2024/25 prior to consultation:**

ID	Description	Expenditure	Rate Revenue
NI#31	Road Closure Funding - Community Events (Strathalbyn Christmas Pageant, Goolwa Christmas Pageant, Goolwa NYE Fireworks, ANZAC Day Ceremonies)	$30,000	0.05%

7. **That Council confirms that the following project remains unfunded or be updated to be funded in the draft Annual Business Plan and Budget 2024/25 prior to consultation:**

ID	Description	Expenditure	Rate Revenue
NI#30	Lifeguard Services - Goolwa Beach	$28,000	0.05%

Recommendation 4

That Council:

1. **authorise Administration to the make changes as above and changes of a minor technical, editorial or formatting nature to the Draft Annual Business Plan and Budget 2024/25.**
2. **subject to the changes being made above, commence public consultation on the draft Annual Business Plan and Budget 2024/25 and the updated Long Term Financial Plan, in accordance with the Community Engagement Plan, contained in Attachment 4.**

Prior Resolutions

Prior Council Resolutions

Meeting Date	Agenda Item Number	Report Title	Resolution Number
15 April 2024	8.11	Draft Annual Business Plan and Budget 2024/25 Roadshow Dates	C24148
18 March 2024	9.10	Report from Section 41 Audit and Risk Committee - Economic Assumptions Annual Budget Process 2024/25	C24117

Prior Committee Resolutions

Meeting Date	Agenda Item Number	Report Title	Resolution Number
12 April 2024	6.5	Draft Annual Business Plan and Budget 2023/24	ACAC410 ACAC411 ACAC412 ACAC413
8 March 2024	6.6	Economic Assumptions Annual Budget Process 2024/25	ACAC401

Community Strategic Plan Impact

LIVEABLE	Defined by distinctive townships, places, spaces and transport networks that support active lifestyles, vibrant cultures and productive enterprise
GREEN	Climate-ready, a place where nature is valued, and resources are managed sustainably and creatively to support a new economy
CONNECTED	Created for, with and by the community. We are safe, healthy and all enjoy accessible infrastructure and services
ENABLED	Proactive pursuit of innovative practices, ethical resource management and transparent leadership to foster community engagement, trust, and accountability, thus ensuring an inclusive and empowered Council

Report Objective

The purpose of this report is to receive recommendations from the Audit and Risk Committee for agenda item 6.5 Draft Annual Business Plan and Budget 2024/25 from the Committee meeting held on 12 April 2024. The public agenda and minutes from this Committee meeting can be located on Council's website at www.alexandrina.sa.gov.au/council/committees/auditcomm

The report also highlights further recommendations from Administration for Council to consider on the Draft Annual Business Plan and Budget 2024/25 and seek approval to commence Public Consultation on the plan.

Executive Summary

In accordance with section 123 and 126 of the *Local Government Act 1999* (**the Act**), Council has prepared its draft Annual Business Plan and Budget 2024/25 for consultation with the community.

Context

The focus of the draft 2024/25 Annual Business Plan and Budget will be on the projected operating deficit of $4.266M and subsequent need to levy a rate rise greater than CPI to commence addressing the deficit.

This deficit comes on the back of a multi-year comprehensive review of the current valuations of Alexandrina Council's major asset classes of roads (sealed and unsealed), kerb and footpath has determined an increase of valuations of $157m from $143m to $280m with Council's total assets across all asset classes increasing in value from $496m to $665m.

Councils are required by legislation to conduct regular re-evaluations of their assets to meet Australian Accounting Standards.

The process at Alexandrina began in 2022 and involved examination of more than 20,000 sealed roads, unsealed roads, footpaths and kerbing, costings based on current prices for materials and labour, validation of data and integration in Council systems.

The full impact of the asset revaluation and the extensive process undertaken was outlined at Council's independent Audit and Risk Committee Meeting on 8 March 2024 and with the Audit and Risk Committee comments, presented to the Council Meeting held on 18 March 2024.

Council, in considering the report on Asset Management Revaluation Outcomes resolved "That Council acknowledges the significant work undertaken by the CEO and Finance Team since May 2022 to now provide accurate and up-to-date data to inform and give more confidence to current and future decision making".

"The line has been drawn in the sand we now have reliable data to manage our major assets. We have a better understanding of where we are and are now better placed to work with Council and Community to plan for the future.

"Depreciation measures the decrease in value of an asset over time and we account for it, so we set aside sufficient funding to maintain and renew our assets into the future as they wear out.

"The current economic environment of high inflation is a significant factor. Our Independent Auditor advised that councils across the country are facing an increase in costs for fuel, bitumen, and concrete in the range of 30 to 60 per cent.

Council is responsible for maintaining 793km of unsealed roads, 528kms of sealed roads, 120kms of pathways and 303kms of kerbs so the material price increases really add up.

As we prepare for the next financial year 2024/25 budget process, it was recommended by Council's external auditors to the Audit and Risk Committee and tabled at the 18 March 2024 Council meeting, that it is unwise and inappropriate to pass sharp increases in rates onto ratepayers in response to significant changes in depreciation estimates. Whilst some increase in rates will be required, appropriately responding requires caution and restraint.

Taking this into consideration, Council at the 18 March 2024 Council meeting adopted the Audit and Risk Committee's recommendation to draft the 2024/25 Annual Business Plan and Budget with an assumption of an average 8.3 per cent rate increase, so that Council can start addressing the impact of the asset revaluation while continuing to service our Community in a financially prudent manner.

Council, in consideration of the Report from Section 41 Audit and Risk Committee - Economic Assumptions Annual Budget Process 2024/25 resolved (C24117):

1. *That Council note the resolutions of the Audit and Risk Committee as follows:*

That the Audit and Risk Committee:

- *note the economic assumptions that form the basis of the Draft Annual Business Plan and Budget 2024/25 and associated Long Term Financial Plan 2022-2031.*

- *recommend to Council the Economic Assumptions, based on the Long Term Financial Plan plus 2% option contained in Table 3, for the Draft Annual Business Plan and Budget 2024/25 and associated Long Term Financial Plan 2022-2031. The Audit and Risk Committee notes that any increase lower than LTFP plus 2% will not commence the task of addressing the depreciation impact of the Asset Revaluation Project.*
- *That Council endorse the Economic Assumptions, based on the Long Term Financial Plan plus 2% option (as provided in table 3 of the report, an anticipated average rate increase of 8.3% plus growth), that form the basis of the Draft Annual Business Plan and Budget 2024/25 and associated Long Term Financial Plan 2022-2031.*

The 2023/24 Budget review 2 has shown an increase in depreciation for the year above adopted budget of $4.1M this impact flows into 2025, depreciation in the draft 2024/25 Annual Business Plan and Budget is budgeted to be $20.2M and includes allowance for CWMS and Stormwater revaluations yet to be completed.

The draft 2024/25 Annual Business Plan will be presented to the community in May 2024 for their important feedback. This will include the rates setting, services provided and project inclusions.

The draft 2024/25 Annual Business Plan and Budget is presented with the following highlights:

- A rates increase 3.5% greater than CPI (inflation)
    - The adopted Long Term Financial Plan had previously been modelled on CPI + 1.5% so this represents a 2.0% increase
    - (The 2% increase is on the back of the current year rate increase of CPI minus 2% an amount 3.5% less than the previously adopted current Long Term Financial Plan).
- A focus on completing previously adopted and commenced capital projects that have already been commenced.
- No reduction in services to the Community, noting that a review of services will be performed in the review of the A2040 Strategic Plan later in 2024.
- A Deficit operating budget of $4.266M
    - Given that the 2023/24 was adopted with a $0.271M deficit, this represents a $4.0M increase
- This deficit includes allowing for $1.1M new operating initiatives in response to Council and Community feedback. These new initiatives have focused on
    - Legislative requirements
    - Risks register items (many of these being previously tabled and discussed at the Audit and Risk Committee)
    - Recommendations from Council or Committees
    - Savings and efficiencies and Others

In producing the draft operating budget there was an extensive line by line review and by Council reducing budgets in areas that did not affect the community and by producing savings and efficiencies. To note if it was not for the massive depreciation adjustment and Council had performed a rates increase of CPI only for the current year and a CPI only for the coming year both budgets would have been in surplus based on the proposed spend.

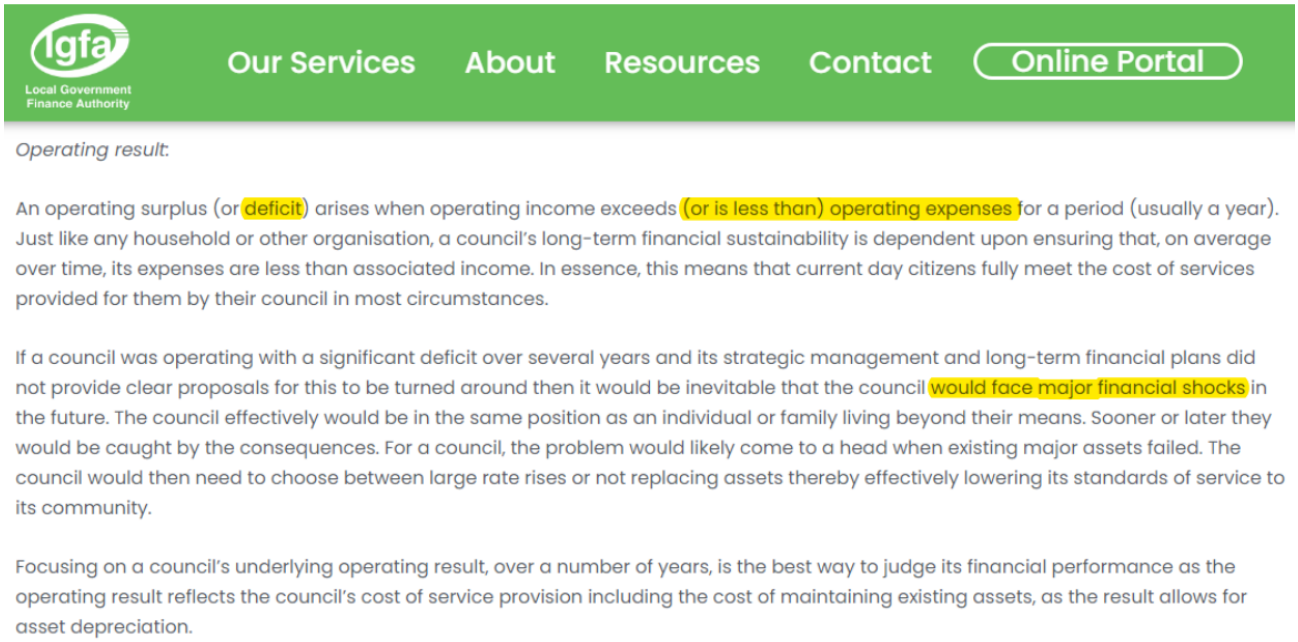
Council has been mindful that it needs to operate in a sustainable manner and has a strong focus of preparing a Budget and Long Term Financial Plan (LTFP) that operates with small surplus over the short and long term. The draft Budget 2024/25 projects an operating deficit of $4.266M and an Operating Deficit Ratio of 6.5%, which is not within Council's Key Financial Indicator Target range ((2%) to 1%.

To achieve financial sustainability and implement A2040 community strategic plan initiatives, the proposed rate increase of 8.3% (4.8% Consumer Price Index (CPI) plus 3.5%), plus 1.3% (growth) from new development and property improvements. The average annual rate increase is equivalent to approximately $189. This rate increase assumption was previously recommended by the Audit and Risk Committee and endorsed by Council at the March 2024 meeting.

Administration believes that this is a responsible draft budget which, while taking into consideration the current economic climate, provides for new infrastructure in a growing community, maintains existing assets in good condition as well as continued provision of existing services.

Council will need to ensure that budgets remain sustainable in the short term and over longer timeframes. Changes in year 1 have a flow on affect to future years.

The Chief Executive Officer had a lengthy conversation with the Chief Executive Officer of the Local Government Financial Authority (LGFA) on the operating result and the need to return to an operating surplus. This is confirmed on the website.



Without a long-term financial plan illustrating a return to surplus within a five-year period it will be difficult to obtain additional borrowings and for Council to be deemed sustainable.

To assist in a return to an operating surplus, Council can make the following adjustments:

- Reduce the operating budget through savings and efficiencies (noting that in 2023 a Savings and efficiency report was presented to Council with over $5m in savings and efficiencies and services uplift. This took a number of months to complete and will be difficult to duplicate a second time around.
- Reduce or modify the current services being delivered, this has already commenced with a tender currently released to commence this work. For any significant changes, this may necessitate consultation with the community.
- Reduce the new capital projects.
- Dispose of unused assets, including the property disposals that has already commenced a program.
- Produce more non-rates revenue.
- Raise the rates greater than CPI.

Ideally raising of rates should not be at the top of the list, but in the absence of the other adjustments being available to be immediately made, an adjustment to rates for the coming years needs to be made.

To ensure financial sustainability the LTFP has modelled rate increases of CPI plus 3% for the years 2026 to 2029 (following the CPI + 3.5% in the draft 2024/25 plan) to derive a surplus in year 5 of the plan, in reality a combination of cost control and rate increases above CPI will be needed to be utilised to achieve sustainability. By using these assumptions, the Long Term Financial Plan forecasts that within the 10-year timeframe, that Council will repay the majority of its outstanding borrowings.

It is therefore recommended:

That the current Long Term Financial Plan be updated with the latest depreciation figures and the following rates assumptions for the next five years to ensure that Council returns to a surplus budget within the five-year period:

Year	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**
Rates Increase Assumption	CPI + 3.5%	CPI + 3%	CPI + 3%	CPI + 3%	CPI + 3%

That in order to lower the rates increase assumption over the next five years that the revision of the A2040 Strategic Plan, to performed later in 2024, target:

- an overall reduction in operating expenses to be performed in conjunction with current service reviews.
- increases asset disposals.
- increases in revenue raising opportunities.

The Annual Business Plan is Council's statement of its intended programs and outcomes for the ensuing year. It links the Council's longer term planning as set out in its strategic management plans, with the allocation of resources in its budget. It also establishes the basis for review of the Council's performance over the year.

In preparing the draft Annual Business Plan and Budget 2024/25, it has highlighted the need to achieve financial sustainability for Council in the short term. Council proposes to implement strategies and initiatives to ensure it can achieve the implementation of both A2040 initiatives and financial sustainability.

Business Units have continued to review service areas in line with Council's core values of continuous improvement and service excellence contained within the A2040 Community Strategic Plan.

Key financial sustainability performance targets are proposed to ensure the long-term financial sustainability of Council, covering the maintenance and development of the community's assets as well as provision of appropriate services.

Council's adopted Key Financial Indicator Targets are:

Indicator	**Target Short Term**	**Target Medium Term**	**Target Long Term**
Operating Surplus/(Deficit) Ratio - %	(2) to 1%	0 to 2%	3 to 6%
Net Financial Liabilities Ratio - %	<=120%	<=100%	<=80%
Asset Sustainability Ratio - %	90-110%	90-110%	90-110%

*Includes an allocation for Community Wastewater Management Scheme (CWMS) borrowings

Preparation of Council's draft Annual Business Plan and Budget 2024/25 has considered the following significant factors:

- the CPI 4.8% (December 2023 Adelaide All Groups)
- the projected Consumer Price Index (CPI) for future years 2.6 to 2.5% (Access Economics December 2023)

- capital investment of $21.1 million in 2024/25 for the renewal of existing assets and construction of new infrastructure, as per the 10-year Infrastructure and Asset Management Plan
- Enterprise Bargaining Agreement which is indexed by 4.8% CPI (December 2023 Adelaide All Groups)
- the recognition that the cash flow associated with capital projects endorsed in 2023/24, will be completed in 2024/25 due to timing of delivery

The draft Annual Business Plan and Budget 2024/25 has been prepared based on previous committed service levels, the Community Strategic Plan A2040, Long Term Financial Plan and Asset Management Plan (AMP), and any interim adjustments.

The draft Budget 2024/25 takes into account the current economic impacts, workshops with Council Members and the external community expectation of no reduction in service.

The draft Annual Business Plan and Budget 2024/25 has been prepared from a zero-base with operating expenditure built on an analysis of need and consideration of supply unit cost inflationary increases. In accordance with Council Policy, operational budget is structured in such a way that there is no reliance on asset sales to fund core services. Debt is regarded as a tool to be used in a strategic perspective to provide community assets.

A rating strategy is proposed that seeks to achieve a degree of stability and predictability over time while ensuring we pay for those services and infrastructure maintenance obligations that we consume. Rates are set at an affordable level having regard to the Council's strategic direction and its social and economic objectives balanced against the community's ability to pay.

Council has been mindful that it needs to operate in a sustainable manner and has a strong focus of preparing a Budget and LTFP that operates with a small surplus over the short and long term.

The draft Budget 2024/25 projects an operating loss of $4.3M and an Operating Deficit Ratio of 6.5%. The Operating Surplus / (Deficit) Ratio is not within Council's Key Financial Indicator Target range in the short term (2025 to 2027) and not within the medium term target until 2029, however the target is achieved for the Long Term Target (3 to 5%) 2032 to 2034.

Council's net borrowings are projected to peak at $56.7 million in 2026/27 reducing to $0 by the end of the plan. The Net Financial Liabilities Ratio is projected to peak at 88% in 2024/25 and reduce to 0% by the end of the plan.

At the time of presentation to the Audit and Risk Committee Council was yet to finalise the incorporation of its section 43 subsidiaries into its draft budget.

Rating Policy

The Act provides the framework within which the Council must operate, but also leaves room for the Council to make a range of policy choices. Council's revised draft Rating Policy, refer Attachment 2, includes reference to compulsory features of the rating system, as well as the policy choices that the Council has made on how it imposes and administers the collection of rates.

Draft Rating Policy revision – This is being amended to lift the eligibility for a rate rebate where the amount of rates increase is greater than 15%, this was previously set at 12%. In addition to this the ratepayer will have to apply for the reduction in writing, previously this was automatically done for the principal place of residence.

At the time of preparing this draft Annual Business Plan, the State Valuation Office is yet to finalise their overall assessment of regional property assets, however they have advised they are actively undertaking their review and will complete the work in due course. The Valuer General's recent advice is that the movement in property valuations across the Council area has increased by 9.5%, from a valuation of $11.6 billion to $12.7 billion. To cushion the impact of a spike in property valuation, Council is proposing to continue the application of rate capping in line with Council's Rating Policy.

It should be noted that ratepayers may experience changes on their rates notice due to the following:

- an increase in property value;
- where property values have increased as a result of improvements;
- a change to land use or zoning;
- a change in ownership;
- a correction to the property value;
- a reduced amount for rates associated with receiving a cap on the amount.

In 2024/25 the draft document proposes to raise 18% of its general rate revenue by way of a fixed charge. A fixed charge ensures all rateable properties pay a base amount to the cost of administering Council activities and maintaining the services and infrastructure that supports each property. The annual fixed charge remains constant at $430. Rates based on values are then applied in addition to the fixed charge.

Council uses a differential rating system, using land use codes as the factor to apply such differential rates. In applying differential general rates, the rating system addresses the issue of consistency and comparability across all council areas, particularly as it relates to the various sections of the business and wider community.

As stated earlier the Valuer General has advised that the movement in property valuations across the Council area has increased by 9.5%, from a valuation of $11.6b to $12.7 billion. When modelling the current valuations, the proposed average annual general rate increase is equivalent to approximately $189.

Expected Rates Revenue

	Total expected revenue			No. of rateable properties		Gross average per rateable property			Cents in the $	
	2023/24	2024/25	Chang	2023/24	2024/25	2023/24	2024/25	Change	2023/24	2024/25
Land Use - General Rates - Gross (excluding rebates)									-7%	0%
Residential	$33,498,667	$36,598,296	9%	14,610	14,631	$2,293	$2,501	$209	0.3255	0.3267
Commercial - Shop	$484,856	$494,763	2%	238	237	$2,037	$2,088	$50	0.3255	0.3267
Commercial - Office	$78,770	$80,919	3%	46	46	$1,712	$1,759	$47	0.3255	0.3267
Commercial - Other	$633,596	$652,437	3%	266	263	$2,382	$2,481	$99	0.3255	0.3267
Industry - Light	$105,751	$108,004	2%	64	64	$1,652	$1,688	$35	0.3255	0.3267
Industry - Other	$177,072	$193,482	9%	66	69	$2,683	$2,804	$121	0.3255	0.3267
Primary Production	$7,424,541	$8,110,251	9%	2,942	2,937	$2,524	$2,761	$238	0.2702	0.2712
Vacant Land	$1,820,950	$2,155,683	18%	1,498	1,654	$1,216	$1,303	$88	0.3255	0.2712
Other	$302,065	$330,893	10%	131	140	$2,306	$2,364	$58	0.3255	0.2712
Total Land Use	**$44,526,268**	**$48,724,727**	**9.4%**	**19,861**	**20,041**	**2,242**	**2,431**	**$189**		

This model provides $158,000 rate relief against the spike in valuation, via the rate cap of 15%. This is a reduction from $198,000 in provision via rate cap of 12% from 2023/24

Hardship Policy

Council is committed to assisting customers who are experiencing payment difficulties due to temporary or ongoing financial challenges, by providing them with an understanding of the options available to manage their payments that are outstanding or will become overdue in the near future. The options available are set out in Council's draft revised Hardship Policy, refer Attachment 3, include payment arrangements, referral to a Financial Counsellor, remission of fines and interest, holding off debt collection, postponement of rates and remission of rates.

General Analysis

The Draft Rating Policy, Draft Hardship Policy and Draft Annual Business Plan and Budget 2024/25 and Draft Long Term Financial Plan was presented to the Audit and Risk Committee on the 12 April 2024 with the following being resolved:

6.5. Draft Annual Business Plan and Budget 2024/25

ACAC410 Moved Mr Brendan Dowd seconded Mr Andrew Haste

That the Audit and Risk Committee recommend to Council that the revised draft Rating Policy at Attachment 2 and Hardship Policy at Attachment 3 be considered for adoption.

CARRIED UNANIMOUSLY

ACAC411 Moved Ms Alice McCleary seconded Mr Brendan Dowd

That the Audit and Risk Committee recommend to Council that the current Long Term Financial Plan be updated with the latest depreciation figures and the following rates assumptions for the next five years to ensure that Council returns to a surplus budget within the five-year period:

Year	2024/25	2025/26	2026/27	2027/28	2028/29
Rates Increase Assumption	CPI + 3.5%	CPI + 3%	CPI + 3%	CPI + 3%	CPI + 3%

CARRIED

A division was requested by Cr Peter Oliver.
The Presiding Member declared the vote set aside.

Voting in the AFFIRMATIVE	Voting in the NEGATIVE
Ms Alice McCleary	Cr Peter Oliver
Mr Andrew Haste	
Mr Brendan Dowd	

The Presiding Member declared the motion **CARRIED**

ACAC412 Moved Mr Brendan Dowd seconded Mr Andrew Haste

That the Audit and Risk Committee recommend Council undertake a further critical review of operating expenses prior to recommendation of the draft Annual Business Plan and Budget 2024/25 for public consultation.

CARRIED UNANIMOUSLY

ACAC413 Moved Mr Brendan Dowd seconded Mr Andrew Haste

That the Audit and Risk Committee recommend to Council, in order to lower the rates increase assumption over the next five years, revise the A2040 Strategic Plan to target, among other things:

a. **an overall reduction in operating expenses to be performed in conjunction with current service reviews.**
b. **increases in asset disposals.**
c. **increases in revenue raising opportunities, including a rating review.**
d. **capital expenditure.**
e. **staffing costs.**

CARRIED UNANIMOUSLY

Since the Audit and Risk Committee on the 12 April 2024, Administration have undertaken a further critical review of operating expenses and recommend the following adjustments be made to the draft Annual Business Plan and Budget 2024/25 prior to public consultation:

Administration was able to identify close to $400,000 of reductions to the operating budget but at the same time were hit with required adjustments from the Fleurieu Regional Waste Authority (FRWA).

UNCONFIRMED

The Chief Executive Officer and interim Chief Financial Officer spent significant time reviewing the accounts and met with representatives from FRWA to further discuss. The large increase in FRWA costs has been the result of underbudgeting in the current 2023/24 financial year and the distribution of the Alexandrina Council newly raised leases costs for Goolwa and Strathalbyn depot sites. With Alexandrina Council the main user of the Waste Recycling Depots (WRD) the lease costs we raise are in the majority expensed back to us. The lease costs of $210,000 for the Goolwa Depot and $80,000 for Strathalbyn are treated as revenue in our operating budget as a separate line item to the FRWA costs.

Additional investigations on these costs need to occur in relation to Victor Harbor Council that shares the Goolwa WRD facility along with Council's current provision accounts.

Operating New Initiatives

In reviewing the new initiative projects for 2024/25 it is recommended by Administration that the following non-urgent project be deferred to a future year:

Description	Amount
Enhanced Wayfinding Signage Strategy	($50,000)
Total	**($50,000)**

The remaining new initiative projects will be under consideration by Council Members and voted upon at the 29 April 2024 Special Council meeting. Items identified by Council Members for discussion have been included in the Officers Recommendation. Prior to the formal Special Council meeting a workshop will be held where these and other adjustments will be discussed and additional items for consideration can be put to the vote within the structured formal Council Meeting, straight after the workshop, if required.

It is noted that the Wooden Boat Festival is not in the Officer's Recommendation for review given Council's previous commitment to accept State Government funding of $50,000 and that the project is already in the planning phase. This can be further discussed at the budget workshop.

Capital Program

In reviewing the current capital program, it is recommended that the following adjustment be made:

Description	Capital Amount	Operating Amount
Reduce Main Office Refurbishment from $1M to $500,000	($500,000)	($28,200)
Total	**($500,000)**	**($28,200)**

Review of Recurrent Operating

A review of the 3238 transactions lines that make up the budget has produced a further reduction of operating expenses as follows:

Description	Amount
Reduction in budget for CEO Salary to be less than CPI	($5,000)
Reduction in CEO Miscellaneous expenses	($5,000)
Reduced Council Member costs for legal, general and travel based on actuals	($15,000)
Reduction in HR recruitment and training costs	($10,000)
Reduction in Library Subscriptions	($5,000)

Description	Amount
Reduction in Visitor Information Centre Communication Costs	($5,000)
Reduction in Marketing for events (more use of Social Media)	($5,000)
Coastal Protection Officer reimbursement from Ratalang Trust Account	($35,000)
Reduction in Goolwa Oval expenses due to anticipated new lease	($107,000)
Reduction in FRACA costs due to anticipated new structure	($50,000)
Reduction in stationery costs based on actual	($3,000)
Total	**($245,000)**

Revised Fleurieu Regional Waste Authority (FRWA) Costs

A greater understanding of the 2024/25 FRWA costs have been determined as follows:

Description	Amount
Amount in draft 2024/25 Annual Business Plan and Budget as presented to the Audit Committee	($3,069,000)
Amount Budget 2025 now provided by FRWA	$3,779,000
Adjusted by raising the FRWA WRD Fees and charges to 8.3% to assist covering costs	($117,000)
New leases signed with FRWA (Goolwa $210k, Strathalbyn $80k)	($290,000)
Original budget estimate for new FRWA leases (already contained in presented budget)	$200,000
Reduce amount included for additional opening hours for Strathalbyn	($60,000)
FRWA ACM less provision payment not in budget presented to Audit Committee	$226,000
Net Result	**$669,000**

Review of Subsidiary Equity Surpluses

For FRWA, AHRWMA & FRACA there was a variance between presented to Audit and Risk Committee and what has now been presented:

Description	Amount
Fleurieu Regional Waste Authority (FRWA)	($53,000)
Adelaide Hills Regional Waste Authority (AHRWMA)	$11,000
Fleurieu Regional Aquatic Centre Authority (FRACA)	($29,000)
Total	**($71,000)**

The total net effect of the operating adjustments above is as follows:

Description	Amount
Operating new initiatives adjustment	($50,000)

Description	Amount
Capital adjustments	($28,200)
Recurrent Operating adjustments	($245,000)
FRWA adjustments	$669,000
Subsidiary Equity Surpluses	($71,000)
Total	**$274,800**

If Council resolve to make the above adjustments, it will result in an increase to the proposed 2024/25 budget deficit of $274,800 bringing the total deficit to ($4,540,800).

It is important to note that these changes are to consider at this point in time the draft 2024/25 Annual Business Plan and Budget to go to consultation. Following consultation and receiving feedback from the Community additional adjustments can be made prior to the adoption of the plan in June.

Council has now received a Draft Annual Business Plan and Budget from each of Council's Subsidiary's. The difference from what was budgeted and presented in Attachment A and what was received in their draft budgets is listed above. There is a separate report in this Council Agenda for each Subsidiary, providing detailed information.

As quoted by Council's Independent Auditor "It is important that Councils respond to significant changes in infrastructure revaluations in a considered manner. This should include consideration of service level implication, financial sustainability implications, asset accounting policy choices and the appropriate time frame over which residual financial impacts to ratepayers are to be passed on".

There are lots of interrelated and already underway actions and activities that provide well considered responses. The two focus areas are:

- Modest Response in 2024/25 – Rate Increase 8.3%
- “Recast” Council’s Strategic Management Plans - 2025/26 onwards (A2040, Infrastructure and Asset Management, Workforce Plan, Revenue Strategy, Long-Term Financial Plans)

Administration have commenced a series of service reviews in 2023/24 with the outcomes to inform future budgets and/or Strategic Management Plans. The service reviews currently underway include:

- Centenary Hall
- Strathalbyn Hall
- Business Alexandrina
- The Business Hub
- Visitor Information Services
- Community Wastewater Management Scheme
- Fleurieu Regional Aquatic Centre Authority

During preparation of the draft Annual Business Plan and Budget 2024/25 development the following services have been identified as high priority services for reviews to inform future budgets and/or Strategic Management Plans further:

- Vehicle Fleet
- Wooden Boats
- Field Services
- Libraries
- Customer Service

- Community Development
- Strategic Procurement

It is now time for the community to have their say on the Draft Annual Business Plan and Budget 2024/25 with Council having the opportunity to consider the feedback received before adopting the final Annual Business Plan and Budget 2024/25.

To allow sufficient time for public notice Council considered the Draft Annual Business Plan and Budget 2024/25 Roadshow Dates at the April Meeting with the following being resolved.

That Council:

1. note the Draft Annual Business Plan and Budget 2024/25 along with a Community Engagement Plan will be presented to a Special Council Meeting to be held on Monday 29 April 2024.
2. endorse Administration to give public notice to allow sufficient advertising time for the Draft Annual Business Plan and Budget 2024/25 consultation from Thursday 2 May to Monday 3 June 2024 with three Budget Roadshow Public Meetings to be held as follows:
    - South Ward – Monday 13 May 2024, 3.30 - 4.30 pm, Goolwa Council Chambers 11 Cadell Street Goolwa
    - North Ward – Tuesday 21 May 2024, 6.30 - 7.30 pm, St Andrews Church Hall, 10 Alfred Place, Strathalbyn
    - West Ward – Monday 27 May 2024, 6.30 - 7.30 pm, Mount Compass, (venue to be confirmed, subject to availability)

A detailed Community Engagement Plan is provided in attachment 4 for Council's consideration.

Comparative Analysis

Council will consult on its draft Annual Business Plan and Budget 2024/25 in accordance with section 123 of the *Local Government Act 1999* and the Community Engagement Plan.

Financial and Economic Implications

As presented to the Audit and Risk Committee:

Council has prepared the draft Annual Business Plan and Budget 2024/25 based on the Long Term Financial Plan (LTFP) and 2023/24 budget. The 2023/24 budget estimates will be updated once Council has endorsed any budget amendments for the Budget Review 3 process.

The draft Budget 2024/25 projects an operating deficit of $4.3M and an Operating Surplus Ratio in the negative at (7%), the Operating Surplus / (Deficit) Ratio is not within target range for the updated LTFP. Council's borrowings are projected to peak at $56.7 million in 2026/27 reducing to $nil by the end of the plan. The Net Financial Liabilities Ratio is projected to peak at 88% in 2025/26 and reduce to nil% by the end of the plan.

<u>Council excluding CWMS</u>

Council has recognised the need for the Community Wastewater Management Schemes (CWMS) to operate as a sustainable business unit and to ensure the costs of service delivery are borne by those connected to the schemes. To ensure this, Council has prepared a budget and LTFP without the impact of the CWMS and has proposed separate Key Financial Indicator targets for Council excluding CWMS.

Council excluding CWMS' adopted Key Financial Indicator Targets are:

Indicator	Target Short Term	Target Medium Term	Target Long Term
Operating Surplus/(Deficit) Ratio - %	(2) to 1	0 to 2	3 to 5
Net Financial Liabilities Ratio - %	=100	=100	=80
Asset Sustainability Ratio - %	90-110	90-110	90-110

An operating deficit of $4.8M and an Operating Deficit Ratio of (9)% is projected for Council excluding CWMS. The Operating Surplus / (Deficit) Ratio is not within the target range for the first four (4) years of the LTFP.

Council excluding CWMS borrowings are projected to peak at $52.6 million in 2026/27 reducing to $nil million by the end of the plan. The Net Financial Liabilities Ratio is projected to peak at 94% in 2025/26 and reduces to nil by the end of the plan.

Community Wastewater Management Schemes (CWMS)

It is important for the CWMS to be financially sustainable. To achieve this, a separate budget, LTFP and Asset Management Plan are prepared for the Schemes. In addition, Council has set separate Key Financial Indicator targets to ensure ongoing sustainability.

CWMS' adopted Key Financial Indicator Targets are:

Indicator	Target Short Term	Target Medium Term	Target Long Term
Operating Surplus/(Deficit) Ratio - %	(5) to 2	(2) to 3	2 to 6
Net Financial Liabilities Ratio - %	=250	=250	=200
Asset Sustainability Ratio - %	90-110	90-110	90-110

For 2024/25 it is estimated an increase of CPI plus growth from new property development will be required for the CWMS Service Charge to ensure the continuing financial sustainability of the Schemes. Council is proposing a service charge for the 2024/25 financial year of $725 occupied and $535 vacant, an increase of $55 and $40 respectively from 2023/24. The draft Budget 2024/25 for CWMS projects an operating surplus of $603,000 and an Operating Surplus Ratio of 7%. The Operating Surplus Ratio is above target range.

Council is reviewing the costing and pricing regimes for CWMS, in conjunction with the Local Government industry, which are subject to a regulatory regime under the auspices of the Essential Services Commission of South Australia (ESCOSA).

The review covers:

- the regulatory framework and sector guidance that determines the principles and practices to be applied to CWMS activities.
- the internal governance framework a council should operate to ensure the appropriate management of CWMS activities.
- the individual components of calculating the costs and setting the price of CWMS. This part provides guidance and pragmatic explanation of how the legislation, ESCOSA and other material are to be applied.
- how to account for CWMS to inform external and internal stakeholders of the schemes' financial sustainability.

Further Administration Recommendations:

Since the Audit and Risk Committee, Administration have undertaken a further critical review of operating expenses and recommend to Council the following adjustments be made to the draft Annual Business Plan and Budget 2024/25 prior to public consultation:

Description	Amount
Operating new initiatives adjustment	($50,000)
Capital adjustments ($500,000) (operational budget impact ($28,200))	($28,200)
Recurrent Operating adjustments	($245,000)
FRWA adjustments	$669,000
Subsidiary Equity Surpluses	($71,000)
Total	**$274,800**

If Council resolve to make the above adjustments, it will result in an increase to the proposed 2024/25 budget deficit of $274,800 bringing the total deficit to ($4,540,800).

It is recommended that any decrease to the budget be used to lower the deficit and any increase to the budget be met by an increase in rate revenue.

Risk Management

In accordance with Alexandrina Council's Risk Assessment Matrix, the risk of adopting this recommendation is considered low as the requirements of the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Council's Public Consultation Policy will be complied with.

Not following the revised Long Term Financial Plan and targeting to return to surplus within a five year period is considered a high risk to Council's financial sustainability.

Financial risk increases with the sustainability factor of 1.5%, previously endorsed by Council, not applied to rates as projected income decreases and extends the projected period of deficit.

Conclusion

Council has been mindful that it needs to operate in a sustainable manner and has a strong focus of preparing a Budget and LTFP that shows sustainability over the medium to long term.

Council's borrowings are projected to peak at $56.7 million in 2026/27

A rate increase of CPI plus 3.5% (8.3%), plus 1.3% growth is:

- in line with the Long Term Financial Plan
- results in medium term surplus positions for Council
- repays the majority of Council's outstanding borrowings within the 10-year timeframe of the LTFP.

With the proposed budget in 2024/25 presenting a rates increase 2.0% greater than the Long Term Financial Plan parameters of CPI + 1.5%, the next step is for Council to review their Strategic Plan and Long Term Financial Plan to determine sustainable rates increases and monitoring of cost control.

It is now time to present to the Community to hear what they feel about the Draft Annual Business Plan and Budget 2024/25 and Draft Long Term Financial Plan in line with the Community Engagement Plan in attachment 4. This year the consultation period includes a roadshow where the budget will be presented in each ward (3 locations). The Community Engagement results will be presented to Council on the 17 June 2024. It is proposed to then present the final Annual Business Plan and Budget with the recommended adjustments for adoption to a Special Council Meeting on the 24 June 2024.

This budget is the start of a journey to ensure the short term and long-term sustainability of council. This is the foundation budget that now needs to be built upon with a focus on ensuring future affordability of rates, delivery of priority services for the community, maintaining our extensive asset base and preparing for the future.

Attachments

Attachment 1 – Draft Annual Business Plan and Budget 2024/25

Appendix A – Draft Financial Statements

Appendix B – Capital Program

Appendix C – Draft Long Term Financial Plan

Appendix D – New Operating Initiatives 2024/25

Attachment 2 – Draft revised Rating Policy

Attachment 3 – Draft revised Hardship Policy (with track changes and without)

Attachment 4 - Community Engagement Plan

Alexandrina Council

Draft Annual Business Plan and Budget 2024/25



Alexandrina Council acknowledges the Ngarrindjeri, Peramangk and Kaurna people, the traditional custodians of the lands and waters of our Council District. We pay our respects to their Elders past and present and extend that respect to other Aboriginal and Torres Strait Islander people also.

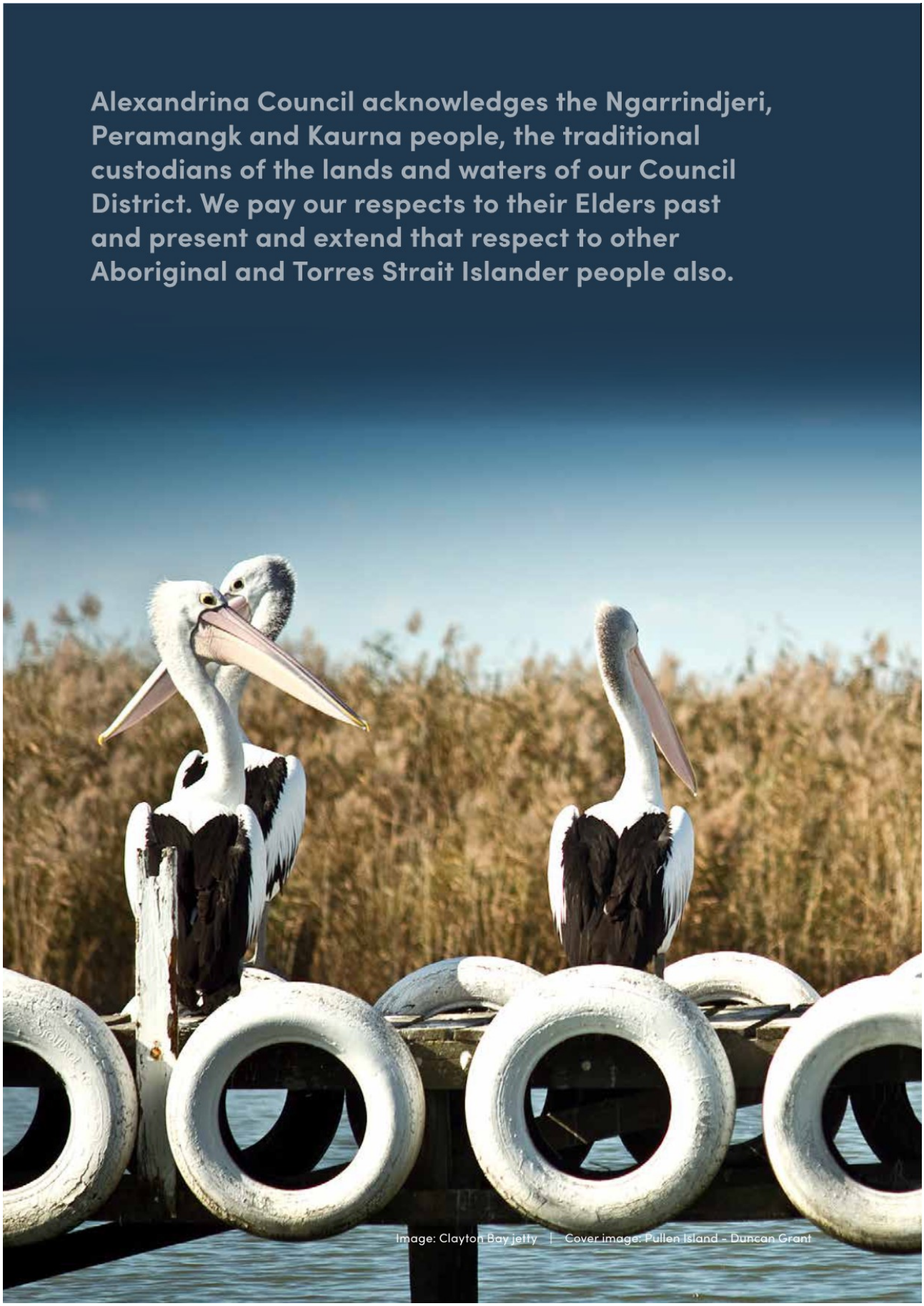


Image: Clayton Bay jetty | Cover image: Pullen Island - Duncan Grant

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Community Consultation

Council welcomes feedback from our community regarding the proposed activities and associated funding arrangements contained within the draft Annual Business Plan and Budget for 2024/25.

Community consultation will be open from Thursday 2 May, 5pm and closes 3 June 2024, 5pm. Local government law requires us to consult with our community on our Annual Business Plan and Budget. However, we want to do more than the minimum required.

We want to check that you, our ratepayers and residents, are happy that what we've got planned is still on the right track towards delivering the priorities that are important.

A full copy of Council's draft Annual Business Plan and Budget 2024/25 is available to view at the Council Offices, library depots or by visiting mysay.alexandrina.sa.gov.au

How to get involved

Join the conversation at one of our Budget Roadshow Public Meetings with one being held for each ward;

South Ward - Monday 13 May 2024, 3.30-4.30pm at the Goolwa Council Chambers 11 Cadell Street Goolwa.

North Ward - Tuesday 21 May 6.30 - 7.30pm at the St Andrews Church Hall, 10 Alfred Place, Strathalbyn.

West Ward- Monday 27 May 2024 6.30 - 7.30pm at the Mount Compass Memorial Hall, 5 Peters Terrace, Mount Compass.

Complete the online survey by visiting Council's 'My Say' website **mysay.alexandrina.sa.gov.au**

Written responses can be sent to:

Alexandrina Council
PO Box 21
GOOLWA SA 5214

or via email to
alex@alexandrina.sa.gov.au

The final date for community responses is **5pm Monday 3 June 2024**. Whichever way you want to get involved; we look forward to hearing from you.

Message from the Mayor



On behalf of our Council Members, and as Mayor, I am pleased to present our Draft Annual Business Plan & Budget for 2024/25.

Households across Alexandrina are tightening their belts and reviewing their budgets and Council is no different.

Last year we lowered the proposed rate to less than inflation because we recognised that our community was doing it tough in a high inflation environment, and we found savings to make ends meet while still delivering essential services.

No new major projects were introduced, and no new major projects are proposed this financial year.

Unfortunately, external costs for materials continue to rise and we are experiencing massive price increases across all materials. These increases will show in the 2023/24 financial year.

Councils are required by law to regularly revalue the cost of replacing its assets according to current prices. This is a lengthy process, and the validated results were presented to our independent Audit and Risk Committee in March.

The results showed that the value of our road, kerb and footpath assets has increased by $157m.

Council doesn't replace all its assets at once, but this means that our forecast deprecation figure for roads, kerbs, footpaths, and associated infrastructure has risen by $4.4m in 2023/24 and is forecast to rise by a total of $5.3m in 2024/25. We now forecast an operating deficit of $4.2m.

We cannot tackle this increase in one hit, but we do need to make inroads. We also know that we need to consider the revaluation of other assets in the future, including our open space and building assets.

We are heeding the advice of our external auditors who told us it would be 'unwise and inappropriate' to pass sharp increases in rates on to ratepayers in response to these new depreciation figures.

We are acting on this advice by proposing an average [8.3 cent rate] increase, enabling us to begin mitigating the impact of the asset revaluation while maintaining our commitment to serving the community in a financially responsible manner.

We are also looking at how we can cut our expenses. One option we will explore is selling undeveloped Council land so we can reduce debt and reduce the ongoing costs of maintenance and depreciation.

Council is also mindful of our community's clear message to green our towns. We have put $80,000 in the draft budget to develop a comprehensive Township Greening Strategy and Action Plan. We are going out to the community for your feedback on including a rate rise or alternative measures to specifically pay for a $600,000 'unfunded proposal' to deliver that Action Plan. On average for our 20,041 ratepayers this would equate to an average $30 annual rate increase..

These are all proposals in a draft budget. We encourage our community to engage in this important discussion.

Kind regards

Mayor Keith Parkes

Message from the Chief Executive Officer



When running a business or operating an organisation, getting the fundamentals right is the key to long-term sustainability.

This is my third draft Annual Business Plan and Budget as the Chief Executive Officer of Alexandrina Council, and my second where I have steered the process for the entire year.

Like steering any ship, it takes time to change direction and I have made it a priority in the past two years to undertake major financial reform within our Council.

We have conducted a full review of financial services, embarked on a program of finding savings and efficiencies in every part of Council and conducted an extensive and legally required revaluation of some 20,000 sealed road, unsealed road, footpath and kerbing assets.

Our savings and efficiency program found over $5 million worth of savings over 18 months, ranging from inhouse roadside slashing to the automation of locking public toilets. This equates to a rates revenue saving of approximately 10 per cent.

On the flipside, the revaluation of our road and footpath assets has revealed the magnitude of the increase in material costs in the current environment of high inflation with the value of those assets rising by $157 million and our annual depreciation costs – the funds we set aside every year to replace our assets – increasing by $5.3 million.

This is a bucket of cold water on what Council was hoping to share with the community regarding a $1 million operating surplus for 2023/24.

In the next six months we will be working on our A2040 Community Strategic Plan, Asset Management Plan and Long Term Financial Plan (LTFP). These are foundation documents that set the future direction for Council.

The Essential Services Commission of South Australia's (ESCOSA) will also be examining our operations this coming financial year. This is a legal requirement for all Councils with ESCOSA tasked with providing independent, risk-based advice for council's long-term financial decisions.

It is important to consider the advice when received, and the advice of our independent Audit and Risk Committee, who have suggested a measured, incremental, and long-term approach to increasing Council revenue to meet rising costs.

It is also important to follow the directions laid down in our strategic documents, especially our LTFP.

Alexandrina Council is about $4.6 million short of the revenue our LTFP forecast we should have at the end of 2023/24. The impact of past decisions to lower rates less than the predicted LTFP values and in some cases less than inflation has caught up with us and along with the depreciation increases created by the asset revaluations has caused the Audit ad Risk Committee and Council to this year base economic assumptions on a greater than inflation (CPI) for 2024/25 in the draft budget.

We are continuing to look at savings and assessing the level of services we provide to the community.

Slow and steady is the pace Council would like to set. We need to assess the long-term impact on our community before making big decisions to cut service levels.

Council has taken all this financial information into account in putting forward a proposal for an average 8.3 per cent rate increase to start addressing the impact of the asset revaluation while continuing to service our community in a financially prudent manner.



Nigel Morris
Chief Executive Officer

Annual Business Plan and Budget Balancing Act

Setting a budget is a balancing act of paying for the essentials, setting aside savings for the expenses you know about – and the unexpected – and finding money for those things that are important. Council has different levers to maintain that balance – raising revenue, increasing debt, cutting services, and doing without.

Depreciation increases up $5.3m

This year we face a significant depreciation expense that, while not unexpected given the high inflationary environment at present, has made a huge impact on our future financial plans. Depreciation costs have increased by $5.3 million from the 2023/24 adopted budget

Proposed $4.3m budget deficit

Council has put forward a draft budget deficit of $4.3 million this financial year funded by a proposed 8.3 per cent average rate rise plus growth.

The draft Annual Business Plan takes into the account the advice of Council's independent Audit and Risk Committee that any rate rises lower than our previous Long Term Financial Plan plus 2 per cent will not start the huge task of addressing the $5.3 million depreciation that comes from $4.4 million increase identified in the roads and footpath asset revaluation in 2023/24 and the forecasted $900,000 increase in depreciation in other assets revaluated in the coming year.

Savings and efficiencies $-5m

The draft budget also encompasses two years of financial reform, an extensive internal savings and efficiency program that found $5 million worth of savings and a rigorous internal process to triage essential budget initiatives.

Council's Executive Management Team presented the triaged draft budget to Council Members for consideration at two information sessions.

The Economic Assumptions for the Annual Budget Process 2024/25 were presented to the Audit and Risk Committee in March and the draft Annual Business Plan was presented to the Committee in April.

No new major capital projects

Council has not added any new Major Capital Projects but is focusing on finishing projects already underway such as Goolwa Wharf Revitalisation Project, Nangkita Road Mount Compass and the Encounter Bikeway Design.

Funded New Operating Initiatives added $1.15m

The major budget initiatives put forward are those that are required by legislation or identified risks, are resolutions voted for by Council Members, are priority projects identified through our Strategic Plan and our Village Conversations, are cost neutral, or have a business case for providing savings or efficiencies for Council operations.

- Essential Services Commission of SA (ESCOSA) Council Advice
- Integrated Long Term Financial Planning for Strategic Management
- Strathalbyn Town Plan Renewal
- Graduate Accountant
- Improved cyber security platform
- Integrated CCTV system upgrade
- Microsoft licence upgrade
- SQL Database Management
- Transformation of corporate Local Area Network
- Agribusiness Officer
- Township Greening Strategy and Action Plan
- Climate Emergency Operating Budget
- Automation of invoice processing
- Secure electronic approval software
- Modernised SMS Text Solution
- Review of delivery standards and service levels in libraries, wooden boats, customer service, field services, strategic procurement
- Public/private partnerships opportunities to maximise use of Council assets
- Environment Health Officer – wastewater
- Renewal of carbon measuring software
- Enhanced wayfinding signage strategy
- Community Centre Funding
- Port Elliot Local Heritage Code Amendment
- Wooden Boat Festival

Full list of Funded New Operating Initiatives 2024/25 in Appendix D

Refer to pages 87-94

Unfunded New Operating Initiatives $351,926

Council has also put forward a range of 'unfunded initiatives' for our community to consider. They are not in the draft budget, but we can add them in.

Some of them include traffic management funding for Christmas events, more opening hours for the recycling depot at Strathalbyn, and an animal management officer to deliver the cat by-laws.

Full list of Unfunded New Operating Initiatives 2024/25 in Appendix D

Refer to pages 95-99



Optional additional rate rise to fund delivery of the Township Greening Strategy and Action Plan 1.25%

Council has funded an $80,000 institutive to develop a comprehensive Township Greening Strategy and Action Plan.

One significant unfunded initiative Council Members would like the community to consider is $600,000 to deliver the Township Greening Strategy and Action Plan - and provide the resources to put trees into the ground.

We know through our A2040 Strategic Plan and our Village Conversations that the environment is important to our community and urban greening is a climate action. Alexandrina's overall canopy (tree cover) averages 17.6% across our 11 townships and substantially less than the average across metropolitan Adelaide.

Council has put the money in the budget to create the plan. Now we are asking the community if they would like to pay an extra on average $30 per year (1.25% extra rates) to fund the $600,000 needed for on-ground actions so our towns have more shade, cleaner air, are cooler and more beautiful places to live.

This would deliver increased greening in our streets and on town reserves, 'Adopt a tree programs', and community plantings. Council would concentrate greening efforts in townships with the lowest canopy cover, revitalising our open spaces, protecting and enhancing our existing canopy, and initiating a shade ways program to integrate new street trees with all new footpaths.

Please join us in this budget balancing process and have your say on the Township Greening Strategy and Action Plan and the many other aspects of the 2024/25 draft Annual Business Plan.



Your Council



Tour Down Under 2024 finish line | Genevieve Cooper

Council Members and Ward Boundaries

Council Members are responsible for representing their constituents and making decisions on their behalf. These decisions can range from local policies and regulations to major infrastructure projects and economic development plans.

Council Members work closely with their constituents and local stakeholders to understand their needs and concerns, and to develop policies and initiatives that address these issues.

The role of Council Members is crucial in shaping the future of a region and ensuring that the needs and interests of all its inhabitants are represented and addressed. It is a responsibility that requires careful consideration, collaboration, and a commitment to the common good.

Alexandrina West Ward

Blackfellows Creek
Bull Creek
Chiton
Dingabledinga
Goolwa Beach
Hope Forest
Kuitpo
Kuitpo Colony
Kyeema
McHarg Creek
Middleton
Montarra
Mosquito Hill
Mount Compass
Mount Jagged
Mount Magnificent
Nangkita
Pages Flat
Port Elliot
Prospect Hill
The Range
Tooperang
Willunga Hill
Yundi.

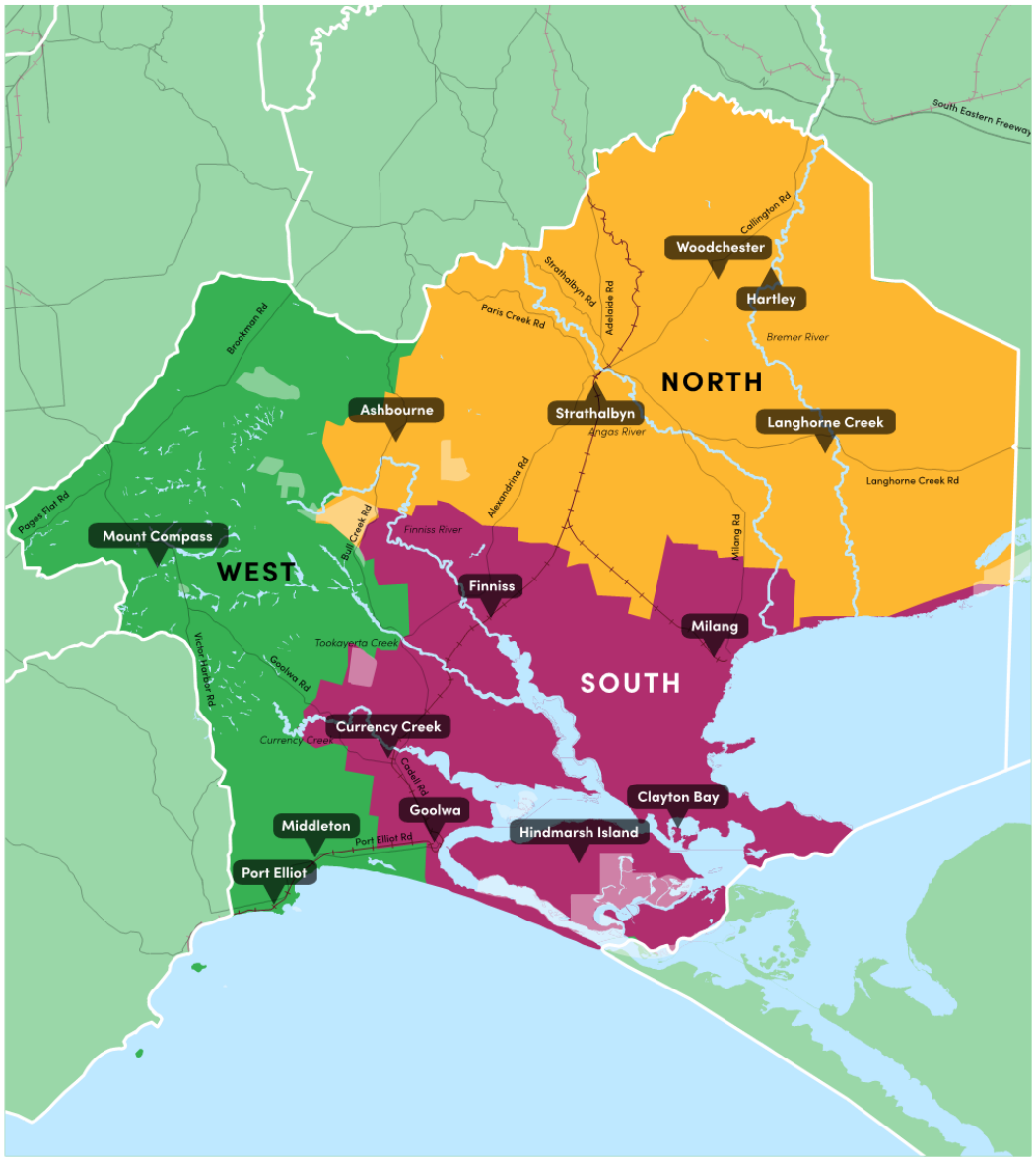
Alexandrina North Ward

Angas Plains
Ashbourne
Belvidere
Bletchley
Gemmells
Hartley
Highland Valley
Lake Plains
Langhorne Creek
Macclesfield
Nurragi
Paris Creek
Red Creek
Salem
Sandergrove
Strathalbyn
Tolderol
Willyaroo
Woodchester.

Alexandrina South Ward

Clayton Bay
Currency Creek
Finniss
Goolwa
Goolwa North
Goolwa South
Hindmarsh Island
Milang
Mount Observation
Mundoo Island
Point Sturt.

Ward Boundaries



WARD

- Alexandrina North
- Alexandrina South
- Alexandrina West

Council Members

MAYOR



Mayor Keith Parkes
keith.parkes@
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SOUTH WARD



Deputy Mayor Margaret Gardner
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Milli Livingston
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Peter Oliver
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NORTH WARD



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Sue Miller
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Christie Thornton
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WEST WARD



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Lou Nicholson
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Michael Scott ASM OAM
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Our Community

1,827 sq km
Area of Alexandrina Council District
Based on 2021 ABS data

$519m
Spent by visitors and residents in a year

29,257
Usual Population of Area

12,394
Principal dwellings

4,348
Secondary dwellings

2,169
Total number of Businesses



Roads

550 km
Sealed roads

770 km
Unsealed roads

1,320 km
Total roads

Alexandrina 2040 – Our Vision

A2040 is our long-term strategic plan developed by the community of Alexandrina to improve the area's liveability, sustainability, and connectivity over the next 20 years. The plan includes strategic initiatives and resource requirements to achieve these goals and reflects the community's vision for the future of the area. By taking a long-term approach, A2040 may help ensure that the community's needs are met in a sustainable and effective way, even as conditions change over time.

How we determine what goes into the budget?

Council has a suite of strategic documents that work together to describe Council's long-term aspirations, prioritise key areas of focus and identify specific funded actions to deliver each year.

To bring the A2040 vision to fruition, three aspirational themes have emerged from extensive consultation with our community:

- **Liveable Alexandrina** is defined by distinctive villages, places and spaces, unique natural environments and transport networks that support active lifestyles, employment, vibrant cultures and productive enterprise.
- **Green Alexandrina** is climate-ready, a place where nature is valued and resources are managed sustainably and creatively for a new economy.
- **Connected Alexandrina** is an inclusive, friendly region with strong community spirit, where all people are empowered to achieve their potential, and inspired to get involved.

The A2040 suite of plans



A full copy of the A2040 Four Year Plan for our Community Strategic Plan and A2040 narrative documents can be viewed on Council's website at **alexandrina.sa.gov.au**

Monitoring and Reporting

At the end of each financial year, Alexandrina Council produces an Annual Report which details what the Council has achieved for the community it serves.

The Annual Report is Council's primary means of reporting back to the community on progress in achieving the aspirations of the *A2040 Plan*, as it relates to the financial year in question.

Monitoring performance is an important factor in ensuring Alexandrina Council is delivering on the community's aspirations as expressed in the *A2040 Plan*.

The Council measures its performance and achievements through the following processes:

- Regular financial reporting to Council and Council's Audit and Risk Committee
- Delivering *A2040 - 6 Monthly Progress Report*
- Annual review of the *Long Term Financial Plan (LTFP)*
- Customer satisfaction surveys
- Customer requests and complaints
- Regular project reporting.



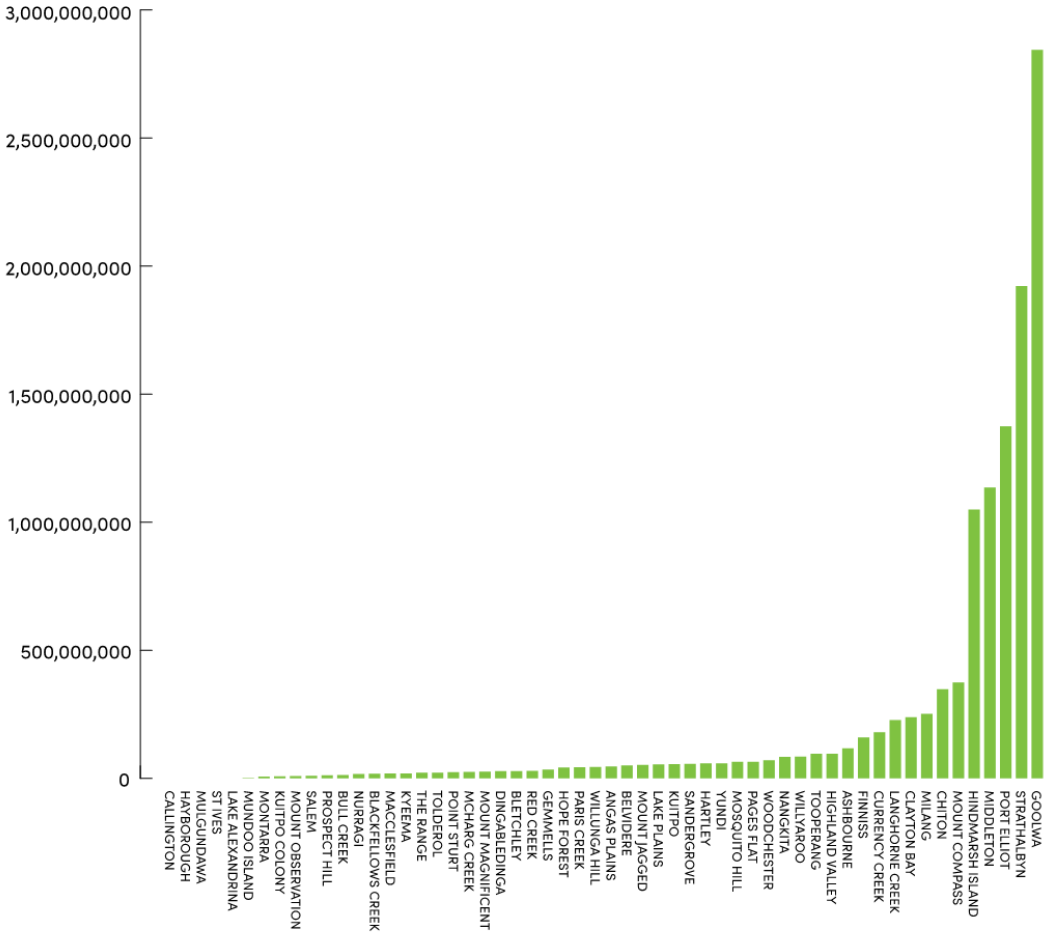
Goolwa aerial view

Valuations across Villages used to determine Rates

Rates are based on property values in South Australia. Council rates are a form of property taxation and property values.

Valuations play an important part in determining how much each ratepayer will pay. Rates are not a fee for services provided to individual ratepayers but a tax. Generally, the higher the valuation the more property taxation is required to be paid.

The following graph illustrates the total capital valuations per town to provide an indication of percentage of rates to be paid.



Planning and delivering results village-by-village

Council on a yearly basis determines a list of projects and initiatives that can be progressed within the limited budget. This is determined based on risk assessments, priority order, results of master plans, balancing the needs of the community and at times is the result of external funding received.

When reviewing the Annual Business Plans from the past ten years, the following snapshot highlights various projects and initiatives undertaken across different townships and timelines. The table also outlines proposed expenditures for 2024/25 and future projects subject to adoption.

** Note financial year may indicate commencement year or when major expenditure occurred.
***Projects listed on following pages for 2023/24 may not be commenced or completed at the time of publication.

See additional villages and projects at:
alexandrina.sa.gov.au/abp





Hindmarsh Island Bridge | Leanne Geisler

Goolwa/Hindmarsh Island/ Currency Creek

Past/completed Project

2014/15

- Bristow Smith Reserve – Precinct 3 Upgrade ($690k)
- Redevelopment of the Goolwa Waste and Transfer Station
- Upgrade of CWMS pump stations – Goolwa

2015/16

- Cadell Street and BF Laurie Lane Streetscape Project ($1.15M)

2016/17

- Refurbishment of public conveniences - Mundoo Boat Ramp, Hindmarsh Island

2017/18

- Goolwa Beach – New Surf Lifesavings Club
- Refurbishment of the Goolwa Wharf Shed and decking
- Currency Creek Cemetery expansion
- Amelia Park car parking upgrade (Playground completed 13/14)
- Beautification of the Goolwa Skate Park

2019/20

- Coorong Quays Wastewater Transition

2020/21

- Goolwa Wharf Revitalisation Project
- Goolwa Oval Sporting Complex (Total project to completion $10.4M)
- Bristow Smith Reserve upgrade Goolwa Jet Ski recreational facility upgrade
- Launched Business Alexandrina and opened the 'Hub' in Goolwa

2021/22

- Harbor Masters Reserve Irrigation
- Opened a women's safety hub "The Haven"
- 2021 Village Conversations

2022/23

- Renewal works at Goolwa Aquatic Centre Building
- Renewal and upgrade of public toilets at Bristow-Smith reserve
- Signal Point Experience Centre, Goolwa ($1M grant funded)
- Beacon 19 Goolwa Boat Ramp Refurbishment (Total multi-year project $1.9M)
- Goolwa Beach Revitalisation Project (Total multi-year project $1.9M)
- Signal Point Experience Centre commenced
- Council presented a design concept for Sugars Beach, aimed at improving tourism facilities. Valuable community feedback has led to a refined project, focusing on toilet facilities and interpretive signage while preserving the natural beauty of the area.
- Centenary Hall received an audio-visual upgrade to improve facilitates for commercial hire and expand event opportunities
- Renovated the historical Chart Room
- 2023 SA Wooden Boat Festival, which included over 160 events across 20+ locations in the SAWBF Food, Wine, and Experience Program

2023/24

- Birchall Reserve Seating
- Goolwa Oval Recreational Precinct
- Goolwa Aquatic Club Jetty Upgrade
- Signal Point Building fit out and opening of Yuntulun Ku:Li-war Exhibition
- Goolwa Old Police Station and Goolwa VIC roof replacement
- Activate buildings in Wharf Precinct
- Pathway Expansion/Upgrade - Moore Street, Cadell Street to Brooking Street
- Billabong Road in conjunction with stormwater works
- South Terrace - Southern side (Design)
- Beach Road - In conjunction with streetscape upgrade
- Thornbury Park Stormwater Upgrade
- Burt Avenue - Renew Grated Inlet Pit
- Billabong Road/Bunyip Street Stormwater - in conjunction with kerb expansion

Proposed projects for 2024/25

- CWMS - Fenchurch Emergency Storage Upgrade (Design/Cost)
- CWMS - Goolwa Irrigation Expansion (Design/Construct)
- Main Council Office Roof & Gutter Renewal
- Main Council Office refurbishment
- Public Amenities Renewal (Design)
- Cadell Street Fire Panel Replacement
- Goolwa Depot - Shed 8 Renewal
- EV Charging Stations
- Goolwa BMX Track Upgrade
- Goolwa Yacht Club Fence
- Bristow-Smith Reserve Playground - Climbing Equipment
- Brooking Street Pedestrian Crossing
- Sidmouth Street Stormwater Upgrade
- Pedestrian Level Crossing Upgrade - Foster Place
- Billabong Road Pathway
- Scott Street Kerbing

New initiatives

- Funding for Milang, Strathalbyn and Goolwa Community Centres
- Wooden Boat Festival ($70,000 expenditure offset by $55,000 income)

Future proposed projects

- Sugars Beach Toilets, Hindmarsh Island
- Initiatives resulting from Village Conversations



Knights Beach | Duncan Grant

Port Elliot/Middleton/Chiton

2014/15

- Port Elliot Caravan Park - upgrade of toilet facilities and irrigation system
- Port Elliot stormwater management to expand underground stormwater networks and improve Lakala Reserve operating efficiencies ($400k)

2015/16

- Fleurieu Regional Aquatic Centre ($10.5M)

2016/17

- Enhancement of retaining walls at Freeman's Knob, Port Elliot (grant funded)

2017/18

- Chiton Rocks – Surf Lifesaving Club upgrade
- Port Elliot – New Surf Lifesaving Club
- Master plan for Ratalang Basham Beach Conservation Reserve
- Ratalang Car Park upgrade

2018/19

- Stormwater works at the Port Elliot oval

2019/20

- Cow sculpture at Ratalang Conservation Park

2020/21

- Approximately 300 trees planted (Middleton district)
- Supported public art of the re-creation of a mural from the 1960s by artist Helen Fuller commemorating the importance of surf culture at Middleton
- Completed Middleton Tennis Courts resurfacing and refencing
- Port Elliot Oval Irrigation
- Supported public art project mural on the Southern Fleurieu Historic Museum commemorating the agricultural history of the region
- Supported Friends of Port Elliot Community Garden to develop a proposal to establish a community garden in Port Elliot (granted approval for lease early 2021)
- Coastal Adaptation Study

2021/22

- The Ratalang Basham Beach Dune Stabilisation project completed while working closely with the Ngarrindjeri Regional Authority for this important dune protection work

- Heat maps – Tree canopy study complete
- Encounter Bikeway Community Consultation
- Renewal of Port Elliot Institute / Library and the Port Elliot RSL including new air-conditioning
- Irrigation renewal works on Commodore Reserve, Port Elliot
- Strangways Reserve Irrigation, Port Elliot
- The Ratalang Basham Beach Dune Stabilisation project was completed with support, guidance and partial funding from the Coastal Protection Board. Council also worked closely with the Ngarrindjeri Regional Authority at Ratalang Basham Beach for this important dune protection work

2022/23

- Draft Middleton Master Plan produced
- New irrigation system at Abbotts Reserve Middleton
- Middleton Stormwater Event Hydrologist Report
- Footbridge Repairs from Storm Event
- Provision of free waste dumping vouchers to impacted Middleton residents/business
- Supported public art of the Southern Right Whale Mother and Calf Sculpture by sculptor Silvio Apponyi commemorating how special these marine animals are to the township of Middleton
- Draft Port Elliot Master Plan and Traffic Study
- Renewal and upgrade of public toilets at Horseshoe Bay, Port Elliot
- Horseshoe Bay Jetty and new path works
- Port Elliot Flying Fish Reserve and Playground upgrade
- Freeman Lookout in Port Elliot including drainage upgrades and the restoration of the 1936 Centenary Staircase
- Data Collection and Modelling Study: Horseshoe Bay, Port Elliot, to assess potential impacts of coastal erosion on the $18 million infrastructure located on Horseshoe Bay
- Accessibility improvements at Horseshoe Bay Reserve in Port Elliot, with new pathways to the Surf Club and viewing platforms
- Federal grant of $112,000 received to assess potential impacts of coastal erosion on the $18 million infrastructure located on Horseshoe Bay

2023/24

- Tour Down Under Stage 4 Men's finish at Port Elliot
- Shade cover over playgrounds program – Port Elliot, Middleton.
- The Cutting (Dolphin Apartments) Retaining Wall, Port Elliot
- Horseshoe Bay Jetty Remediation, Port Elliot
- Pathway Expansion/Upgrade - Mason Street (North Terrace to Arthur Street), Port Elliot
- Pathway Expansion/Upgrade - Charteris Street, Port Elliot (North Terrace to Arthur Street)
- Breaker Court Stormwater Upgrade, Middleton
- Middleton Skatepark Concept Design

Proposed Projects for 2024/25

- Port Elliot Road, Chiton – Pathway
- The Cutting Pathway
- Battunga Avenue Kerbing
- Dover Road Kerbing
- Handby Street Stormwater Upgrade
- Protuberance removal Ocean Road and Goolwa Road
- Chapman Road Public Amenity and Changeroom
- Freeman Knob Lookout - Wall Renewal
- Encounter Bikeway Decking Renewal - Tokuremoar Reserve
- Montpellier and Port Elliot Road Verge Upgrade Design
- Dover Road Stormwater and Parking Improvements
- Kessell and Boetcher Roads Stormwater Upgrade
- Dover Road Stormwater and Parking Improvements
- Channon Street Stormwater Upgrade
- Detailed design for Encounter Bikeway upgrade

New initiatives

- Port Elliot Local Heritage Code Amendment

Future proposed projects

- Initiatives resulting from Village Conversations
- Port Elliot Master plan outcomes
- Middleton Master plan outcomes
- Hill Street, Port Elliot Stormwater -(Scope and Design) in conjunction with Streetscape upgrade
- Crockery Creek, Port Elliot Flood Mitigation
- Waterport Heritage Reserve (Scope and Design)



Strathalbyn trail marker

Strathalbyn/Finniss/ Ashbourne/ Langhorne Creek/Woodchester

2013/14

- Mount Magnificent Road Upgrade, Angas Plains ($640k)
- Redevelopment of the Strathalbyn Railway Station toilets.
- Restoration of the Headmasters Cottage behind the Strathalbyn library
- Strathalbyn Skate Park ($430k)

2014/15

- Redevelopment of the Forest Reserve Playground in Strathalbyn

2015/16

- Children's Bridge Strathalbyn Structural integrity works

2016/17

- Sandergrove Road Streetscape, Strathalbyn
- Refurbishment of public conveniences at Commercial Street Strathalbyn
- Redevelopment of the Frank Potts Reserve Camping Area in Langhorne Creek
- The sealed road works include a further section of Nine Mile Road

2017/18

- Upgrade of the Strathalbyn Senior Citizens building
- Strathalbyn Town Plan traffic upgrade design
- Under-grounding of powerlines and installation of lighting for the Sandergrove Road, Strathalbyn Town Entrance.
- Upgrade work to the car park on the corner of High Street and Grey Street, Strathalbyn to creating a space for the Kenny Blake Memorial.

2018/19

- Hosted Santos Tour Down Under and Challenge Tour in Strathalbyn

2020/21

- Strathalbyn Streetscape and Strathalbyn Hall Revitalisation (Total multiple year project $9.8M)
- The Strathalbyn Swimming Pool underwent a major upgrade
- Callington Road and Sanderson Road streetscapes
- The upgrade to the Strathalbyn Senior Citizens Building funded through the Australian Government Stronger Communities Grant, the State Government Fund My Neighbourhood Program and Alexandrina Council
- The Strathalbyn Neighbourhood Centre moved into the new facilities in early September 2020
- A new entrance statement was created in Woodchester for the Langhorne Creek winery region

2021/22

- Graham Forrest Reserve Nature Play, Strathalbyn
- Dry Plains Road - Resheet and Upgrade, Strathalbyn
- Gained a grant ($9,800) to support the delivery of a second round of Food Matters workshops and Mentoring Program in Alexandrina with The Food Embassy, Strath Neighbourhood Centre and MOSHCC
- Upgrades to the Langhorne Creek Community Hall public toilets
- Strathalbyn Lions Park - Shelters and BBQ
- Langhorne Creek Wine Trail public consultation (stage 1 Bremerton to Bleasdale) included in Village Conversations discussions

2022/23

- New shade cover over playgrounds at Strathalbyn
- Stage One redevelopment Strathalbyn Town Hall
- Strathalbyn way finding signage installed
- Commencement of Lot 10, Strathalbyn
- Strathalbyn Streetscape project included new plantings, trees, and landscaping 34 locations for 2213 local indigenous plants
- New Langhorne Creek public toilets, utilising energy efficient and water saving system

2023/24

- Langhorne Creek Cemetery shelter and upgrades $75,000
- Pathway Expansion/ Upgrade - Old Bull Creek Road (West Terrace to Love Avenue), Strathalbyn
- Pathway Expansion/ Upgrade - Parker Avenue (No. 22 to Liverpool Dr), Strathalbyn
- South Terrace - Roadside Parking Upgrade, Strathalbyn
- Strathalbyn Oval (Service Road) Upgrade
- Bridges and Culverts Renewal, Strathalbyn
- Dalveen Road Bridge Renewal, Woodchester
- Strathalbyn Caravan Park ablution block renewal shared cost with committee
- Funding Contribution – Strathalbyn Neighbourhood Centre
- Contribution - Strathalbyn Events – Traffic Management
- Consult/Plan own Langhorne Creek Wine Trail
- Remediation CWMS Lagoon Swamp Road
- Adelaide Rally Staging

2024/25

- Strathalbyn Wier Wing Wall
- CWMS - Berry Smith Emergency Storage (Construct)
- CWMS - Strathalbyn Swimming Pool Redirection (Design/Cost)
- Old Bull Creek Road Pathway
- Pedestrian Level Crossing Expansion - East Terrace
- Pipers Crest Public Amenity
- Strathalbyn Soldiers Memorial Park Sound Shell
- Strathalbyn Pool - Pool Filters replacement
- Strathalbyn Pool - Replacement pool cleaner and pool covers
- South Terrace (Southern Side) Stormwater & Parking Improvements
- Finniss - Braeside Road Culvert Upgrade
- Ashbourne Stormwater Upgrade
- Chalk Hill Road Culvert
- Burnside Road, Woodchester

New initiatives

- Funding for Milang, Strathalbyn and Goolwa Community Centres
- Strathalbyn Town Plan Renewal

Future proposed projects

- Initiatives resulting from Village Conversations
- Consideration of a Dog Park, Strathalbyn
- Langhorne Creek Wine Trail construction
- Lot 10 Langhorne Creek Road - Recreation Precinct

Mount Compass

2014/15

› Completion of the Mount Compass wastewater treatment plant

2015/16

› Facilitation and completion of the Adelaide Hills Sculpture Symposium for Mount Compass

2016/17

› New shared community car parking facility at Mount Compass.

2017/18

› Mount Compass Playground

› Renewal of Lanacoona Road, Mount Compass ($478k)

› Completion of the Mount

› Compass Streetscape project

2018/19

› Mount Compass Recreation Park ($1.2M)

2019/20

› Nangkita Road renewal

2020/21

› In partnership with FRWA, distributed 400 kitchen caddies and rolls of compostable bags

2022/23

› Shared Path - Sand Mine Road

› Mount Compass Recreation Precinct new playground equipment installed

2023/24

› Mount Compass Recreation Park half-court basketball court $70,000 and playground shade sail

› Mount Compass Recreation Park Public Toilet upgrade $400,000

› Sealing of unsealed roads - Peters Terrace, Mount Compass $500,000

2024/25

› Wickham Hill Road Bridge Upgrade (Kuitpo)

› Nangkita Road upgrades

› Mount Compass BMX Track Renewal

› Nangkita Road Pavement Stabilisation

› Blackfellows Creek Road, Blackfellows Creek

› Blake Road, Paris Creek

Future proposed projects

› Initiatives resulting from Village Conversations

Milang/ Clayton Bay

2015/16

› Redevelopment of the Clayton Bay Caravan Park ablutions block

› Assistance in the purchase of the Milang Butter Factory ($325k)

2016/17

› Refurbishment of public conveniences - Old Clayton Bay

2017/18

› Milang Foreshore erosion management

› Clayton Bay foreshore and carpark upgrade

› Seal the last section of Nine Mile Road, Milang

2020/21

› Renewal of Milang foreshore public toilet

2021/22

› Expansion works on the Milang Institute

› Gained a grant ($9,800) to support the delivery of a second round of Food Matters workshops and Mentoring Program in Alexandrina with The Food Embassy, Strath Neighbourhood Centre and MUSIC

› As part of the Clayton Bay Master Plan limestone rubble was laid over a 2.5km loop footpath in Clayton Bay connecting the foreshore to Duns Lagoon

2022/23

› New shade cover over playgrounds at Milang

› Milang Master Plan

› Commenced Tarella Street, Milang Stormwater Upgrade

2023/24

› Pathway Expansion/ Upgrade - Rivers Street (Daranda Terrace to Coxe Street), Milang

› Clayton Bay Smart lighting

› Milang Chapel external wall repairs design year 1 and works year 2

› Funding Contribution - Milang Old School House Community Centre

Proposed projects for 2024/25

› Clayton Bay Boardwalk

› Clayton Bay Caravan Park renewal of amenities

› Milang Caravan Park renewal of amenities (Design)

› Clayton Bay Playground Shade Sail

› Lyon Street, Milang Upgrade (Design)

› Richmore Road, Milang unsealed road renewal

Future proposed projects

› Initiatives resulting from Village Conversations

› Milang Master Plan outcomes

To bring the A2040 vision to fruition, three aspirational themes have emerged from extensive consultation with our community:

Liveable Alexandrina is defined by distinctive villages, places and spaces, unique natural environments and transport networks that support active lifestyles, employment, vibrant cultures and productive enterprise

Green Alexandrina is climate-ready, a place where nature is valued and resources are managed sustainably and creatively for a new economy.

Connected Alexandrina is created for, with and by the community. We are safe, healthy and all enjoy accessible infrastructure and services.

The *A2040 Plan* sets out the five action areas, each has three supporting activities and measures for the community's aspirations to be more Liveable, Green and Connected. In addition, a sixth action area 'Enabled' has been added to our Annual Business Plan and Budget document to capture our operational priorities.

Some of the key actions we have planned for 2024/25 include:



Community Inclusion

Bringing generations and communities together, welcoming visitors into our region and embracing diversity will support our growing population, stimulate spending and attract investment.

1.3 Design and locate community infrastructure to ensure safe, inclusive, and convenient access for communities and individuals

- Continue to deliver Alexandrina's Disability Action and Inclusion Plan
- Support community and sporting groups to establish a base at Lot 10 Langhorne Creek Road by preparing a comprehensive Business Case that can be referenced to leverage funding opportunities
- Public and Private partnership opportunities -Use of other people's money to deliver property projects for maximum community benefit $80,000
- Funding for Milang, Strathalbyn and Goolwa Community Centres $161,200

2.3 Encourage community participation and partnership with key stakeholders for greater involvement in sustainability issues and promote the adoption of a sustainable lifestyle

- Deliver the Strategic Management Plans Reviews as required by the Local Government Act
- Procuring Local Suppliers remains a focus
- Co-delivery with Environment Hubs/Centres of a program aimed at helping individuals, households and communities contributes directly to our goals of township greening, climate change and environmental conservation

3.3 Leverage Business Alexandrina to increase opportunities to co-design innovative solutions for industry

- Utilise key levers for development, including business training and networking, experts in residence, partnerships with peak bodies, other Councils, and the commercial sector
- Implement the Wharf Precinct Activation Strategy
- Work with community business groups to grow capability
- Grow First Nations Businesses network
- Continue to be an accredited Small Business Friendly Council
- Deliver the Wooden Boat Festival $15,000

Appropriate Growth

Well managed development relies on the best available social and physical infrastructure and services. Appropriate growth supports residents, farmers, businesses, community organisations and the many visitors central to job creation and our economic destiny.

1.2 Attract and retain younger residents to live, work and play in Alexandrina

- Review of Council's Infrastructure Guidelines and procedures relating to land development and Development Assessment
- Complete the final stages of the Goolwa Wharf Revitalisation Project
- Deliver outcomes from the Disability Access and Inclusion Plan
- Deliver outcomes from the Community Wellbeing Plan

2.2 Work with industry partners to identify and embed nature-based tourism experiences to secure funding to protect, conserve and enjoy our natural environment

- Progress the Sugars Beach amenities and interpretive signage project with Ngarrindjeri Aboriginal Corporation
- Work with RDA to identify tourism accommodation gaps and investment attraction opportunities across the region
- Enhanced Wayfinding Signage Strategy $50,000

3.2 Partner with community led Village Innovation Plans to identify and enhance sustainable social, economic, and environmental outcomes for Alexandrina

- Deliver eight Village Innovation Plans
- Progress Port Elliot Local Heritage Code Amendment $70,000
- Progress Milang Local Heritage Code Amendment
- Progress Goolwa Master plan
- Progress Local Affordable Housing Plan for Alexandrina
- Progress scoping study for potential Langhorne Creek Code Amendment to increase accommodation options (subject to grant funding)
- Strathalbyn Town Plan Renewal $70,000

Climate Response

Climate Change is the issue of greatest concern to the people of Alexandrina. Increasingly frequent adverse events, the fragility of our ecosystems and the security of our water supplies led to our Climate Emergency declaration in 2019.

1.1 Increase township greening and tree planning for canopy cover

- Community Greening Initiative Proposal to develop a Township Greening Strategy $80,000
- Increase plantings in townships
- Continue to work with community groups to undertake tree planting
- Facilitate community workshops on where to plant and how to plant

2.1 Reduce Council greenhouse gas emissions and advocate for the uptake of renewable energy

- Ongoing carbon reporting $17,000 with the goal to become a Carbon Neutral Council
- Deliver initiatives from the Environmental Action Plan
- Deliver Initiative from the Climate Emergency Action Plan $25,000
- Continue community engagement workshops on energy efficiencies

3.1 Support prosperity and wellbeing in Alexandrina by building the resilience of our communities, the economy and the environment to a variable and changing climate

- Progress Middleton Hydrologist Report outcomes
- Deliver Community Resilience and Preparedness Programs (pending results grant funding)
- Progress Cat By-Law Implementation



Transport Connections

Our community needs a high-quality road, water, rail and trail network that is safe, well maintained and supportive of healthy lifestyles and environmental sustainability. Better transport connections within the region and with major centres and cities like Mount Barker and Adelaide requires focused advocacy, planning and investment.

1.4 Advocate for a rethink of transport planning to focus on needs identification for improving accessibility, social inclusion, and wellbeing

- Continue funding for the Hills Community Transport Scheme and Southern Communities Transport Scheme
- Langhorne Creek Discovery Trail – Progressing planning and grant funding application
- Progress Encounter Bikeway Design

2.4 Explore opportunities to integrate eco-friendly and sustainable materials into the procurement process and practices to road management

- Continue the transition to Electric Fleet Vehicles
- Continue incorporating the selection and utilisation of recycled materials into Council's procurement activities

3.4 Advocate for multiple modes of public transport that connect communities to Adelaide and across our region

- Advocate with various stakeholders and the community to investigate and implement innovative public transport solutions to provide linkages across the region
- Advocate for additional taxi/rideshare services for the region



Environmental Innovation

It is clear that we can go well beyond the management of waste, water and energy and extend to circular resource systems, regenerative farming, aquaculture, nature-based recreation and ecotourism.

1.5 Commit to purchasing recycled material in our public spaces

- Continue incorporating the selection and utilisation of recycled materials into Council's procurement activities

2.5 Contribute to the development of a long-term approach to waste management on the Fleurieu Peninsula

- Work in partnership through the Waste Authorities to develop sustainable rather than reactive solutions for waste management
- Reduce landfill by diverting green waste from landfill through increased household recycling and household food and garden organics kerbside collection
- Environmental Health Officer dedicated to wastewater management to address the increasing demand and streamline processes $126,397

3.5 Support local industry to connect, explore and pilot new initiatives

- Roll out online booking system for Council and Community facilities
- Continue Resilient Hills & Coasts partnership
- Agribusiness Officer (.60 FTE) to provide support in advocating for sustainable agribusiness, offering industry advice, and promoting Alexandrina as a strong agricultural region $70,631



Enabled

Proactive pursuit of innovative practices, ethical resource management and transparent leadership to foster community engagement, trust, and accountability, thus ensuring an inclusive and empowered Council.

6.1 Enhance organisation capability through innovative practices, regional and community partnerships

- Continue to implement Finance and Corporate Reform Projects
- Expand shared services across Councils in the areas of Building Services, Regulatory Services and Strategic Development services
- Review funding models for community centres and opportunities for other community groups
- Progress Signal Point Experience Centre Operating Model
- Address Information Technology risks and implement upgrades

6.2 Ethical and efficient management of resources

- Continue the Savings and Efficiency Program
- Implement the outcomes of the 2023/24 Service Reviews of Centenary Hall, Strathalbyn Hall, Business Alexandrina and the Business Hub, and Visitor Information Services
- Implement outcomes of the Fleurieu Regional Aquatic Centre Authority operating model
- Conduct service reviews of Customer Service, Community Development, Vehicle Fleet, Wooden Boats, Field Services and Libraries $60,000
- Undertake a Strategic Procurement Review

6.3 Enhance trust and accountability through open and transparent leadership. Engage, inform and involve the community in decision making and communication.

- Develop Alexandrina's Community Engagement Framework to ensure improved engagement with our community
- Improve website navigation and customer experience
- Roll out Internal Audit Program
- Improve Cyber Security $20,000

Council's Services

All Councils have mandated responsibilities under various South Australian legislation, namely the Local Government Act 1999; the Planning, Development and Infrastructure Act 2016; the Public Health Act 2011, Local Nuisance and Litter Control Act 2016, to name a few.

Services include:

- regulatory activities such as maintaining the voters roll, keeping property ownership data, By-Law reviews, Freedom of Information and supporting the elected Council
- setting rates, preparing an annual budget and developing long-term strategic management plans for the area
- management of infrastructure including roads, footpaths, parks, bridges, public open space, street lighting and stormwater drainage
- street cleaning, rubbish collection and recycling
- development planning and regulatory control, including building safety assessment, land divisions, building inspections and heritage & character preservation
- various environmental health programs, animal management and community safety
- protection of natural resources including coastal areas and rivers
- Visitor services such as visitor information centres, event attraction and supporting events and conferences
- Communications to the community through newsletters, website and social media.

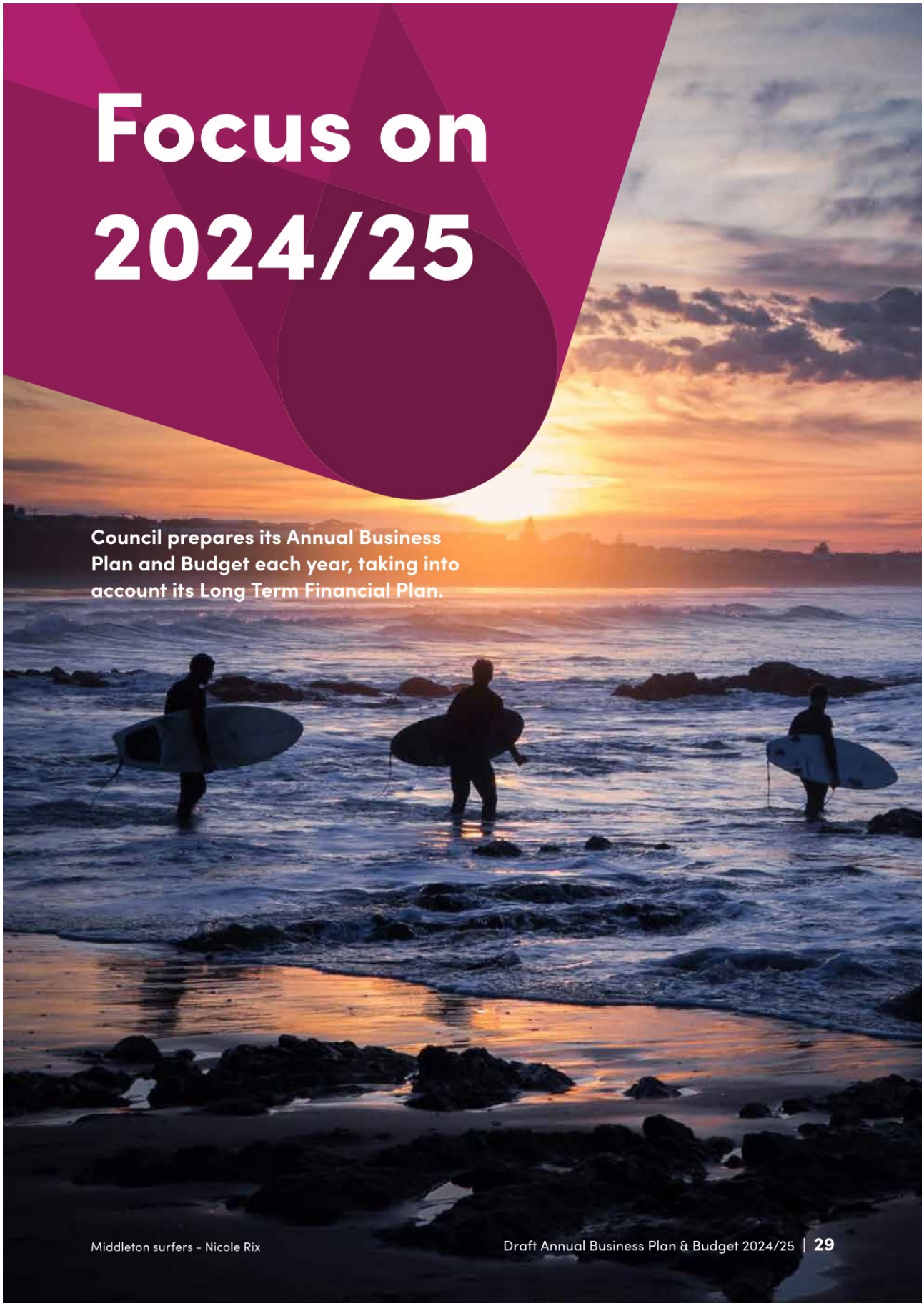
In response to community need, Council also provides the following services and programs:

- Libraries
- Economic development
- Community centre support
- Community development
- Environmental sustainability
- Community wellbeing
- Art galleries
- Cemeteries
- Community transport partnerships
- Community Halls
- Community Grants Program
- Disability Action and Inclusion Plan
- Regional Public Health Plan
- Recreation and Open Space
- Sporting facilities.

Council also operates a number of facilities on a fee for service basis. These provide important community benefits, while also generating revenue to help deliver a value for money service, and include:

- Property leasing
- Caravan parks
- Finniss Water Scheme
- Community Waste and Wastewater Management Schemes
- Strathalbyn swimming pool
- Fleurieu Regional Aquatic Centre.

Focus on 2024/25



Council prepares its Annual Business Plan and Budget each year, taking into account its Long Term Financial Plan.

Middleton surfers - Nicole Rix

Significant Influences and Priorities 2024/25

A number of significant factors have influenced the preparation of Council's Annual Business Plan and Budget for 2024/25.

- **Capital investment** – $21.1 million in the renewal of existing assets and construction of new infrastructure in accordance with Council's 10-year Infrastructure and Asset Management Plan
- **Capital projects** – the impacts on borrowings and interest from re-timing cash flow over a three-year period for 2023/24 and 2024/25 endorsed capital projects
- **Capitalisation of employee costs** - $1.13m provision for the capitalisation of project management and employee costs in accordance with Council's Asset Accounting Policy
- **Inflationary pressures** – The Consumer Price Index (CPI) for Adelaide in December 2023 was 4.8%
- **Enterprise Bargaining Agreement** – is linked to annual CPI
- **Superannuation** – Increase of 0.5%, from 11% to 11.5% for the Superannuation Guarantee (Administration) Act 1922 that requires employers to provide a minimum amount of superannuation support for their employees
- **Vacant employee positions** – this year the provision has been removed (in 2023/24 it was budgeted at $277,000) to recognise the annual average vacant positions
- **New initiatives** - $1.15m (less than the previous year of $2.17m) of new initiatives as set out in Appendix D which also includes a list of unfunded new initiatives of $351,926
- **Key New initiatives include:**
  - Strategic Management Plan reviews required by legislation
  - Strathalbyn Town Plan to replace the expiring plan and inform future Council or Private Proponent-led Code Amendments and the future Greater Adelaide Regional Plan
  - Agribusiness officer to advocate for sustainable agribusiness, advise industry and council and promote the district
  - Cyber security measures to address technology changes and emerging risks
  - A Township Greening Strategy and Action Plan to deliver a strategic priority to improve urban greening
  - Community Centre funding partnership to assist the three centres in Alexandrina
  - Review of service delivery standards to find budget savings including library services, wooden boats and customer experience
  - Port Elliot Heritage Code Amendment
- **Asset Revaluations** – Legislative requirement to revaluate assets to meet Australian Accounting Standards has resulted in a significant increase in forecast depreciation figures. Council's major asset classes of roads (sealed and unsealed), kerb and footpaths has determined an increase of valuations of $157m from $143m to $280m with Council's total assets across all asset classes increasing in value from $496m to $665m. The forecast deprecation figure for roads, kerbs, footpaths, and associated infrastructure has risen by $4.4m in 2023/24. The 2024/25 draft Annual Business Plan includes an additional amount of approximately $900,000 for an increase in depreciation in other assets. Council is in the process of conducting a revaluation of its stormwater, open space and CWMS assets.
- **Long Term Financial Plan (LTFP)** - Council's independent Auditor and Audit and Risk Committee have advised a long-term approach to addressing the impact of asset revaluations and significant depreciation increases. To ensure financial sustainability the LTFP has modelled rate increases of CPI plus 3% for the years 2026 to 2029 to derive a surplus in year 5 of the plan. In reality a combination of cost control and rate increases above CPI will be needed to be utilised to achieve sustainability.

Property valuations

Alexandrina Council sets its rates based on the capital valuation data provided by the Valuer- General. Each year the property values are reviewed by the Valuer-General based on the market movements and recent sales trends. Council includes the new valuations in its rate modelling calculations to include the required rate increases.

The valuation file received for the Valuer-General shows and average increase in market valuations across the Council area of 9.5% from a valuation of $11.6 billion to $12.7 billion.

Council's Rating Policy each year includes a rate capping provision to ensure that residential ratepayers are not affected by capital valuation increases by more than 15%, and non-residential ratepayers are not affected by capital valuation increases by more than 50% of the previous year's amount payable.

Rate capping is not automatically applied, and Residents are required to apply for a rate capping provision via application by 1 September 2024.

Council will continue to offer rate relief to ratepayers experiencing financial hardship, on application; with fines and interest remitted for payments made in line with the payment arrangement.

Council continues to acknowledge various State Government priorities and continue to work within the framework of regional Landscape Boards, particularly the Hills and Fleurieu Landscape Board.

Council will pursue synergies relevant to regional and national initiatives in its priorities for 2024/25 including:

- ensuring financial sustainability in accordance with the ten-year Long Term Financial Plan
- striving for continuous improvement within general operations in line with Council's core values.

Major Projects

In 2024/25 Council is planning to not add new Major Capital Projects but continue capital works already underway including:

As well as the major projects outlined here, Council plans to undertake a range of smaller projects across the region as outlined in Appendix B

Goolwa Wharf Revitalisation Project

Stage 1 of this destination building project is complete with upgrades to the Signal Point Experience Centre and the opening of the interpretive storytelling exhibition, Yuntulun Ku:li-war.

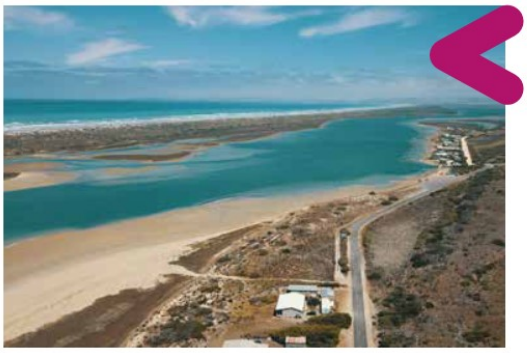
Stage 2 is scheduled to be completed later this year and involves the reconstruction of the heritage listed wharf and wharf shed, significant upgrades to car parking including the Dunbar Road and Amelia Park car parks, installation of footpaths and wayfinding signage.

This investment at the Goolwa Wharf Precinct reflects Council's strategic vision "To Thrive" and will establish a canvas for innovative and diverse activities ranging from new business opportunities, outdoor dining, 'pop ups', festivals and community events.

> **Total Project Cost: $18.11 million** (majority expended in previous financial years).

- Australian and State Government funding: $5 million
- Australian Government Funding $980,000 for the Yuntulun Ku:li-war exhibition at the Signal Point Experience Centre





Sugars Beach

Council has engaged a consultant to progress revised concept designs for toilet facilities and interpretative signage at Sugars Beach on Hindmarsh Island. Original concepts for the site have been scaled back following community consultation and a Council resolution in December 2022 to keep the area as natural as possible. Council set aside $500,000 in the 2023/24 budget for the project. Engagement with the Ngarrindjeri community will occur this year to incorporate the telling of their stories relating to this culturally important location.

Nangkita Road Mount Compass

A project to upgrade sections of Nangkita Road using special water-resistant materials in the pavement was completed in late 2023 with a temporary "scatter coat" surface installed to allow the pavement 'volatile compounds' to disperse. Stage two of the project will complete the works with all segments of Nangkita Road identified for upgrade receiving the new engineered water-resistant pavement. Final sealing will be completed in conjunction with Council's regular road resealing program to minimise mobilisation expenses.





Encounter Bikeway Design

A section of the 21.5km Encounter Bikeway between Goolwa North and Chiton is being reviewed for an upgrade. The results of public consultation on the Encounter Bikeway Final Concept Report were presented to the January 2024 Council Meeting. A $350,000 proposal to do detailed designs of the upgrade has been included in the 2024/25 draft Annual Business Plan. The designs would enable Council to be "shovel ready" for upgrades to the Bikeway if external funding becomes available.

Undertaking capital works can involve a wide range of projects, including the construction of new infrastructure, upgrading and maintaining existing infrastructure, and investing in new technologies to improve efficiency and sustainability. By doing this, the Council can ensure that the community has access to safe, reliable, and modern infrastructure that meets their needs.

Capital Program Components

Council's expenditure on Capital Works is detailed in the table below. 'Asset Renewal' expenditure is to maintain the current standard and service levels of Council's infrastructure networks.

'New or Upgraded Assets' is for expanding Council's infrastructure to meet increasing demand and capacity requirements, as well as allocations for major projects.

The Asset Renewal Funding Ratio reflects the predicted expenditure on asset renewal against the budgeted expenditure, as based on Council's Asset Management Plans. Council is maintaining a responsible and sustainable approach to asset management, balancing the need for ongoing maintenance and renewal with strategic investment in new infrastructure to support the needs of the community.

The capital works reflects Council's commitment to maintaining and improving its infrastructure networks to meet the needs of its residents, businesses, and other stakeholders. By investing in critical infrastructure and proactively addressing maintenance needs, the Council can ensure the ongoing safety, comfort, and prosperity of the local community.



Capital Expenditure 2024/25	Land & Buildings $('000)	Recreation & Open Space $('000)	Roads, Bridges & Stormwater $('000)	CWMS $('000)	Kerbs & Footpaths $('000)	Plant & Equipment $('000)	Major Projects $('000)	Total $('000)
Asset Renewal	1,495	225	3,875	1,186	190	2,545	1,350	10,866
New or Upgraded Assets	1,535	230	2,793	4,020	725	975	0	10,278
TOTAL	**3,030**	**455**	**6,668**	**5,206**	**915**	**3,520**	**1,350**	**21,144**



Land & Buildings

$3.03 million

Will be allocated to the expansion, upgrade and renewal of land and buildings assets.



Recreation & Open Space

$.45 million

Will be allocated to the expansion, upgrade and renewal of recreation and open space assets.



Roads, Bridges and Stormwater

$6.6 million

Will be spent on the road network, bridges and stormwater across the region.



Community Wastewater Management Schemes

$5.2 million

Will be spent on the expansion and renewal of Community Wastewater Management Schemes.



Kerbs & Footpaths

$.91 million

Will be spent continuing the footpath/kerb expansion program across the region, delivering enhanced and dedicated pedestrian networks within our communities, in line with the adopted Footpath Master Plan.



Plant & Equipment

$3.5 million

Will be allocated for the renewal and expansion of Council plant and equipment.

These assets are used in the delivery of services and the construction of other assets.

Budget Snapshot – The Numbers

Operating	
General Rate Revenue	**$56.6m**
Other Revenue	**$9m**
Total Operating Revenue	**$65.6m**
Total Operating Expenditure	**$69.8m**
Net Operating Deficit	**($4.3m)**
Capital	
Asset Replacement Capital Projects	**$10.9m**
New/Upgrade Capital Projects	**$10.3m**
Total Capital Projects	**$21.1m**
*Carried forward projects from 2023/24 yet to be completed	**$9.6m**
Borrowings	
Net Borrowings	**$50.1m**
Rates	
CPI All Groups Adelaide December 2023 quarter to quarter increase	**4.8%**
Average Rates Percentage increase applied to existing rate base	**8.3%**
Average Rates Dollar increase per annum	**$189**
Average Rates Dollar increase per week	**$3.63**
Average fixed charged for general and primary production per annum	**$440**
Primary Production differential rate in the dollar percentage of general rate	**83%**

Key Financial Indicators	Short Term Target	2023 Year End Actual	2024 Adopted Budget	2024 Projected Budget*	2025 Budget
Operating Surplus / (Deficit) - $'000		20	(271)	(5,177)	(4,266)
Operating Surplus/ (Deficit) - Ratio	(0)-2%	0%	0%	(9)%	(7)%
Net Financial Liabilities Ratio	≤ 110%	51%	75%	84%	91%
Asset Renewal Funding Ratio	90-110%	116%	127%	127%	135%

Heading Explanation
2023 Year end actual - Council's audited financial result as at 30 June 2023
2024 Adopted Budget - Council's budget for 2023/24, as adopted by Council on 10th July 2023
2024 Projected Budget - Council's revised budget, projecting its financial position to 30 June 2024
2025 Proposed Budget - Council's proposed budget for 2024/25
* Based on Second Quarter Budget Review (February 2023)
** Incorporates an estimate for completion of 2024 capital projects

Summary Statement

Including Financing Transactions

Summary Statement including Financing Transactions	2023 Year End Actual $('000)	2024 Adopted Budget $('000)	2024 Projected Budget* $('000)	2025 Budget $('000)
Operating Revenues	58,744	60,231	59,534	65,555
less Operating Expenses	(58,724)	(60,502)	(64,711)	(69,822)
Operating Surplus/(Deficit) before Capital Amounts	**20**	**(271)**	**(5,177)**	**(4,266)**
Less: Net Outlays on Existing Assets of Existing Assets Capital Expenditure on Renewal/Replacement	7,993	8,989	9,004	10,866
add back: Depreciation, Amortisation & Impairment	(14,141)	(14,901)	(18,966)	(20,231)
add back: Proceeds from Sale of Replaced Assets	(1,234)	(346)	(330)	(346)
	(7,382)	**(6,258)**	**(10,292)**	**(9,711)**
Net Outlays on New and Upgraded Assets Capital Expenditure on New/Upgraded Assets	20,495	27,621	29,279	15,884
add back: Amounts Specifically for New/Upgraded Assets	(7,756)	(2,500)	(4,056)	(3,750)
	12,739	**25,121**	**25,223**	**12,134**
Net Lending / (Borrowing) for Financial Year**	**(5,337)**	**(19,134)**	**(20,108)**	**(6,690)**

The below financing transactions demonstrate the source of funds required to accommodate a net borrowing result.

New Borrowings	11,230	23,549	26,764	13,602
Repayment of Principal on Borrowings	(10,049)	(4,370)	(6,870)	(4,200)
(Increase)/Decrease in Cash and Cash Equivalents	2,642	(93)	(184)	(218)
(Increase)/Decrease in Receivables' Other movements	1,514	48	398	(2,494)
Financing Transactions	**5,337**	**19,134**	**20,108**	**6,690**

Appendix A of this document outlines the Financial Statements for draft Budget 2024/25
Council is yet to finalise the incorporation of its section 43 subsidiaries into its budget.

2023 Year end actual - Council's audited financial result as at 30 June 2023
2024 Adopted Budget - Council's budget for 2023/24, as adopted by Council on 10th July 2023
2024 Projected Budget - Council's revised budget, projecting its financial position to 30 June 2024
2025 Proposed Budget - Council's proposed budget for 2024/25

* Based on Second Quarter Budget Review (February 2023)
** Incorporates an estimate for completion of 2024 capital projects

Rates at a Glance

In 2024/25, for every $100* of rates, Council will deliver the following services

Liveable



Open Space

Footpaths & Cycle Tracks, Recreation, Open Space and Reserves

$XX for every $100 spent



Regulatory Services & Public Health

Animal Management, Public Order and Community Safety, Public Health, Fire Prevention

$XX for every $100 spent



Economic Development

Visitor Services, Event Management, Tourism Promotion and Development, Business Development and Support

$XX for every $100 spent



Planning & Development

Development Assessment – Planning, Building & Engineering, Compliance, Strategic Land Use Planning, Heritage Advice

$XX for every $100 spent



Good Governance

Council & Executive Services, Corporate & Financial Services

$XX for every $100 spent



Asset Management & Field Services

Depot Operations, Field Services, Asset Management, Infrastructure Project Design

$XX for every $100 spent



Milang Historic Railway | Duncan Grant

Green

Wastewater Management

Community Wastewater Management Schemes (CWMS) (user pays)

$XX for every $100 spent

Waste Management

Kerbside Waste Collection, Recycling, Landfill, Education

$XX for every $100 spent

Environmental Activities & Stormwater Management

Biodiversity Sustainability, Stormwater Management, Water Recycling

$XX for every $100 spent

Connected

Community Facilities

Community Buildings and Public Amenities

$XX for every $100 spent

Community Wellbeing

Aged & Disabled, Children, Youth & Family, Community Transport, Community Development, Libraries, Arts & Culture

$XX for every $100 spent

Transport & Road Related Infrastructure

Roads, Bridges and Car Parks

$XX for every $100 spent

* Net operational and capital expenditure. The capital program varies from year to year, which may cause changes in Council's spending profile. The allocations in this document are consistent with the previous years.

Alexandrina Council more than Roads, Rates and Rubbish

In a study prepared for the Australian Centre of Excellence for Local Government (ACELG) it was confirmed:

Australian councils have transformed themselves beyond a narrow focus on 'roads, rates and rubbish' and are successfully delivering broader objectives to promote social, economic, environmental and cultural wellbeing of communities.

At Alexandrina we are no different, with major expenditure on roads and rubbish.

Description	Amount
Roads	$5.5m
Rubbish	$3.2m* (2023/24 figure – to be updated with Subsidiary 2024/25 costs when received.)

That are funded through the collection of rates:

Description	Amount
Rate Revenue	$56.6m

In addition to Roads, Rates and Rubbish some of the discretionary services we provide for the wellbeing of our community include:

Social

Description	Amount
Non Council Owned Halls Contribution	$11,000
Community Centre Funding	$161,200
Community Transport Schemes	$110,000
Community Development Grants and Donations	$140,000
Event Grants ($10k Christmas and $25 events)	$35,000
Centenary Hall*	$202,000
NAIDOC Week Contributions Strathalbyn and Port Elliot	$9,000
Libraries* Goolwa, Strathalbyn, Milang, Port Elliot, Mt Compass and Outreach	$1.2m

* includes staff costs

Sporting

Description	Amount
Contributions to Ovals	$36,800
Fleurieu Regional Aquatic Centre	$738,477* (2023/24 budget as 2024/25 budget not received at time of publication).
Goolwa Oval Recreational Precinct Operating	$121,000 (*expected reduction upon establishment of lease arrangement in mid-2024)
Strathalbyn Pool	$248,000

Economic

Description	Amount
Economic Development, Business Hub and Tourism*	$581,492
Regional Development Australia Membership	$75,000

Environmental

Description	Amount
Tree Canopy	$25,000 + $80,000 new initiative to develop Township Greening Strategy
Murray Darling Association – Region 6 Membership	$6,682
Climate Change Initiatives*	$195,000
Other Environment Initiatives*	$305,250

Cultural and Visitors Experience

Description	Amount
Membership of Fleurieu Peninsula Tourism	$50,000
Membership of Murray River, Lakes and Coorong Tourism	$25,000
Old Police Station Art Gallery, Signal Point Art Gallery, Signal Point Experience Centre*	$411,000
SA Wooden Boat Festival 2024	$15,000
Visitor Information Centres*	$425,838
Wooden Boats (including PS Oscar W)	$149,000

Community Wastewater Management Schemes 2024/25

Council is responsible for managing and maintaining the Community Wastewater Management Schemes (CWMS) for the townships of Goolwa, Strathalbyn, Port Elliot, Mount Compass, Hindmarsh Island, and Milang, as well as the Finniss Water Scheme.

To ensure the financial sustainability of the CWMS in the medium to long-term, the Council has set separate key financial performance targets for the maintenance and development of assets, as well as providing appropriate services. To meet these targets, Council plans to increase service rates, for an occupied unit to $725 and a vacant unit to $535 (previously $670 and $495 respectively).

To achieve the long-term financial sustainability of the CWMS, Council has prepared a separate Long Term Financial Plan and Asset Management Plan. These plans will help the Council to recover costs for operation, maintenance, improvement, and replacement of the CWMS by way of an annual service charge. Council has also set financial performance targets for the CWMS, covering the maintenance and development of assets, as well as providing appropriate services.

Council takes proactive measures to ensure the long-term financial sustainability of the CWMS, which is critical for the proper functioning of these systems and the health and wellbeing of the communities we serve.



Wastewater treatement plant, Goolwa

Key Financial Indicators (CWMS Only)

Year Ending 30 June	Short Term Target	2023 Year End Actual	2024 Adopted Budget	2024 Projected Budget*	2025 Budget
Operating Surplus / (Deficit) - $'000		479	605	844	603
Operating Surplus Ratio	(5)-2%	7%	8%	11%	7%
Net Financial Liabilities Ratio	≤ 250%	24%	51%	28%	49%
Asset Renewal Funding Ratio	90-110%	84%	166%	101%	179%

* Based on the Second Quarter Budget Review (March 2024)



Wastewater treatement plant, Strathalbyn

Council has invested a significant amount of money in capital works for the Community Wastewater Management Schemes (CWMS) over the last three years. Council intends to spend $5.2m in capital investment this year.

The CWMS is expected to generate an operating surplus before capital revenues of $603,000 for the 2024/25 financial year, with projected surplus positions over the next 7 years of the Long Term Financial Plan (LTFP). This indicates that the CWMS has the potential to reduce net financial liabilities and fund capital expenditure above depreciation expenses.

The CWMS Net Financial Liabilities Ratio is projected to peak at 51% in 2027/28 and then decrease to 16% by the end of the ten-year LTFP. Total borrowings are expected to reach $4.8 million in 2027/28 and then reduce to $1.6 million by the end of the ten-year LTFP.

For the 2024/25 financial year, the Asset Renewal Funding Ratio is projected to be 155%, which is within the target range. Furthermore, the CWMS are expected to remain financially sustainable over the term of the LTFP, with the Operating Surplus Ratio above the target range for several years of the plan.

Council's investment in capital works for the CWMS, coupled with careful financial planning, has put these systems on a path to long-term financial sustainability for our six schemes.

Capital Expenditure 2024/25*	CWMS $('000)
Asset Renewal: Community Wastewater Management Schemes	1,186
New or Upgraded Assets: Community Wastewater Management Schemes	4,020

Council excluding CWMS 2024/25

Council has recognised the need for the Community Wastewater Management Schemes (CWMS) to operate as a sustainable business unit, with the costs of service delivery borne by those connected to the CWMS. To facilitate this, Council has prepared a Budget and Long Term Financial Plan for the Council without the impact of the CWMS.

Council's Operating Surplus/Deficit Ratio for 2024/25, excluding CWMS, is projected to be (9)%, which is outside the target range for the medium term. However, the Operating Ratio is expected to become increasingly positive over the life of the plan, reaching 5% in year 10. This suggests that the Council, excluding CWMS, has the potential to reduce its net financial liabilities and fund capital expenditure above depreciation expenses.

The Council's Net Financial Liabilities Ratio, excluding CWMS, is projected to peak at 94% in 2025/26 and then decrease to nil by the end of the plan. Net borrowings are projected to be $45.9 million in 2024/25, decreasing to nil by 2033/34. These reduced loan borrowings and net financial liabilities ratios reflect the borrowings undertaken by the Council exclusive of the CWMS.

Council remains within its target range for the Net Financial Liabilities Ratio over the life of the Long Term Financial Plan. The Asset Renewal Funding Ratio for the Council, excluding CWMS, is also within the target range as reflected in the Long Term Financial Plan.

Key Financial Indicators (Excluding CWMS)

Year Ending 30 June	Short Term Target	2023 Year End Actual	2024 Adopted Budget	2024 Projected Budget*	2025 Budget
Operating Surplus / (Deficit) - $'000		(459)	(876)	(6,021)	(4,869)
Operating Surplus Ratio	(2)-1%	(1)%	(2)%	(12)%	(9)%
Net Financial Liabilities Ratio	≤ 100%	55%	79%	93%	92%
Asset Renewal Funding Ratio	90-110%	112%	117%	129%	131%

* Based on the Second Quarter Budget Review (March 2024)

The table below shows Council excluding CWMS expected spend on Capital Works during 2024/25

Capital Expenditure 2024/25	Land & Buildings $('000)	Recreation & Open Space $('000)	Roads, Bridges & Stormwater $('000)	Kerbs & Footpaths $('000)	Plant & Equipment $('000)	Major Projects $('000)	Total
Asset Renewal	1,495	225	3,875	190	2,545	1,350	9,680
New or Upgraded Assets	1,535	230	2,793	725	975	0	6,258
TOTAL	**3,030**	**455**	**6,668**	**915**	**3,520**	**1,350**	**15,938**



Sources of Income

Operating Income

Rates Other

Other rate revenue includes the State Government Regional Landscape Levy on behalf of the Regional Landscape Board, which is a type of rate revenue. Additionally, the Community Wastewater Management Schemes for the mentioned townships and the Finniss Water Scheme are also classified as rate revenues under the category of Rates Other.

It is expected that the Rates Other category will contribute 13% of the total operating income for the 2024/25 financial year. This suggests that the revenue generated from the mentioned rate revenues will be a significant source of income for the Council during the mentioned period.

Statutory Charges

Statutory charges are a type of fee that is associated with regulatory services, such as the granting of a permit or license, or the regulation of an activity. Examples of statutory charges include planning and development fees and parking fines.

It is expected that statutory charges will contribute 3% of the total operating income for the 2024/25 financial year.

User Charges

User charges are a type of fee that is charged to users of the Council's services to recover the costs of service delivery. Waste management fees, hire of community facilities, and connection fees for Community Waste Management Schemes are some examples of user charges.

It is expected that user charges will contribute 5% of the total operating income for the 2024/25 financial year.

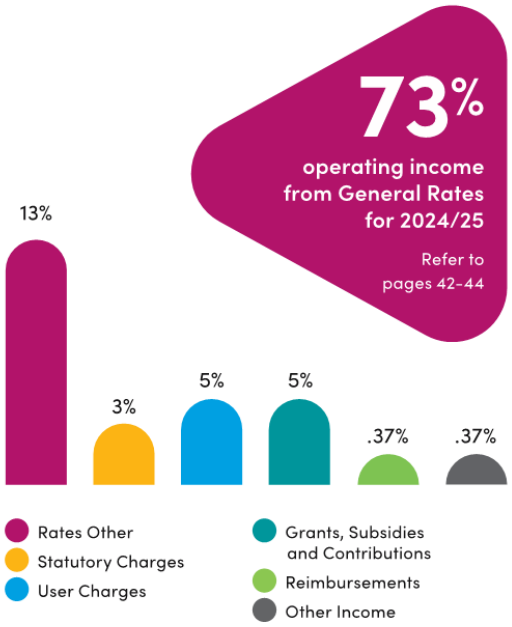
Grants, Subsidies and Contributions

Operating grants, subsidies, and contributions are a type of income that is expected to contribute 5% to the total operating income for the 2024/25 financial year. These grants are provided by external sources such as the State or Federal Governments to support Council's operations.

The General Purpose Grant, Local and Special Road Grants, and Roads to Recovery Grant are generally provided to local councils to support the delivery of essential services and infrastructure in their communities.

Reimbursements and Other Income

In summary, reimbursements and other income are each expected to contribute .37% to the total operating income for the 2024/25 financial year, with reimbursements being payments received for work done by Council acting as an agent for others, and other income being revenue from various sources such as investments, rent, or sale of assets.



Operating Expenses Categories

Materials, contracts and other expenses

Materials, contracts, and other expenses are expected to account for ~31% of the total operating expenditure for the 2024/25 financial year, with materials covering payments for physical goods, contract services involving payments for external service providers, and other expenses covering various other expenses necessary for Council's operations.

Employee Costs

Employee costs are expected to account for 36% of the total operating expenditure for the 2024/25 financial year and include all labour-related expenses such as wages and salaries, as well as on-costs such as allowances, leave entitlements, and employer superannuation.

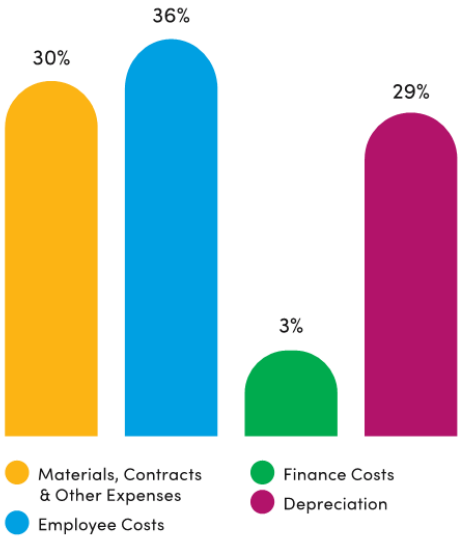
Finance Costs

Finance costs are an important expense for Council, as borrowing money can be an effective way to fund capital projects or bridge funding gaps. However, borrowing also incurs costs in the form of interest, which can increase Council's overall expenses.

Finance costs are expected to account for 3% of the total operating expenditure for the 2024/25 financial year and cover the costs of financing Council's activities through borrowings, with the interest expense based on cash flows.

Depreciation

Depreciation expenses is expected to account for 29% of the total operating expenditure for the 2024/25 financial year, and it is an accounting measure that reflects the consumption of Council's infrastructure, property, plant and equipment. The depreciation expense is based on Council's Asset Management Plan, which helps to identify the useful life of assets and ensure that the Council is adequately budgeting for ongoing maintenance and replacement costs.



Rates Income for 2024/25

Rates income is a critical source of funding for local government councils and is used to provide a range of essential services to the community. The services funded by rates income include road rehabilitation, footpath repairs and maintenance, stormwater drainage, collection of rubbish and recyclable materials, ongoing maintenance of parks, gardens, and buildings, street lighting, street cleaning, libraries, animal control, and planning and enforcement of local laws.

Rate capping refers to the practice of limiting the increase in rates that Council can levy each year, in order to prevent significant increases in rates bills for ratepayers due to sudden increases in property valuations. This is a measure to ensure that the cost of services provided by the Council is spread fairly across the community. The application of rate capping is a decision made by each State Government and may vary from state to state.

In accordance with the change to the Local Government (Financial Management) Regulations 2011 regulation 6(2) the inclusion of a statement on expected rate revenue is included as part of the Financial Statements in Appendix A.

Council is taking a comprehensive approach to setting rates for the 2024/25 financial year. By considering the A2040 Community Strategic Plan, the Alexandrina Council updated LTFP 2024/25 to 2033/34, and the Alexandrina Council Asset Management Plan, Council can ensure that rate revenue is being used effectively to support the community's needs and aspirations.

Council is mindful of keeping rate increases to a minimum, while still being able to deliver the services required by the community. The use of "user pays" cost recovery systems can also help to ensure that those who benefit from particular services are the ones who contribute towards their costs.

Local government is responsible for **less than 4%** of the total tax collected nationally.



How we raise the rates

Method Used to Value Land

Capital Value is a commonly used method for valuing land for rate purposes, and it takes into account the total value of the land and improvements on it. It is seen as a fairer way of distributing the rate burden as it takes into account the full value of the property.

Other methods for valuing land include Site Value, which only takes into account the value of the land itself and not any improvements, and Annual Value, which is based on the annual rental value of the property. However, Council has decided to continue to use Capital Value as the basis for valuing land within the Council area.

Business Impact Statement

Council has taken into account the impact of rates on businesses in the Council area, including those in primary production and viticulture.

The matters being assessed by Council are also relevant in ensuring that the rates are fair and reasonable for businesses.

It is important for Council to continue to support and encourage a diverse and healthy business sector, which is essential for the economic development of the community.

Council will continue to apply a differential rate for primary production. The primary production 'rate in the dollar' is currently 83% of the general 'rate in the dollar'.

Differential General Rates

Alexandrina Council has two differential rates being, Primary Production and General Rate.

The table below shows the general rate (Gross) for each differential for the 2024/25 financial year.

Council recognises that the rural sector not only contributes greatly to our economy but also has significant responsibilities in environmental conservation.

This sector does not attract government financial support except in exceptional circumstances; however, local government, which has historically provided a reduction to the General Rate, has recognised its contributions.

Differential Rate	Rateable Properties	Rateable Properties %	Capital Value $	Rates Raised 2024/25 $	General Rates (Gross) %
General	17,104	85%	10,170,423,330	40,614,476	83%
Primary Production	2,937	15%	2,575,499,489	8,110,251	17%
	20,041		**12,745,922,819**	**48,724,727**	

Fixed Charge

Council believes that all rateable properties should contribute to the costs of administering and maintaining the infrastructure that supports each property. Approximately 18% of the general rate revenue is generated through a fixed charge of $440 for the 2024/25 financial year. This fixed charge is likely to be applied to all rateable properties within the Council area.

Rate Capping

Council proposes to continue rate capping for the principal place of residence in the 2024/25 financial year at 15%. Additionally, a rate capping of 50% upon application was made available for all other rate categories. It is proposed that rate capping is not automatically applied and that applications are to be made in writing by 1 September 2024.

Rate Rebate

The Local Government Act 1999 allows Councils to provide rate rebates to eligible ratepayers. Councils can set their own criteria for eligibility, subject to certain requirements in the Act.

A full version of Council's Rating Policy and Rate Rebate Policy can be viewed at **alexandrina.sa.gov.au/rates**



Mount Compass Village Conversation participants



Regional Landscape Levy (formerly NRM Levy)

Council will continue to collect the Regional Landscape Levy (formerly known as the NRM levy) on behalf of the Hills and Fleurieu Landscape Board. The levy is prescribed by the Board as listed in the table below:

Regional Landscape Levy	2023/24 $	2024/25 $
Hills & Fleurieu Landscape Board	$1,223,000	$1,269,000

CWMS Income Estimates

Council manages and charges for Community Wastewater Management Schemes (CWMS) for six townships. The maximum occupied charge for this year will be $725 and $535 for vacant land, rounded to the nearest $5.

CWMS Service Charges	Number of Connections	2024/25 Service Charge $ (rounded to the nearest $5)	2024/25 Total Income $
Occupied	9,476	725	6,870,100
Vacant	927	535	495,945
Total	10,403		7,366,045

CWMS Connection Fees	2024/25 Connection Fees $ (rounded to the nearest $100)
Goolwa, Milang, Strathalbyn, Port Elliot, Mount Compass, Coorong Quays	6,500
Goolwa North	9,400
Hindmarsh Island	10,200
Projected 2024/25 Total Income $	$1,000,000

Focus on 2023/24



Middleton Town and Foreshore Association members winners of the Santos Best Dressed Town in SA.

Summary of Achievements for 2023/24

To be inserted here



To be inserted here



Ngarrindjeri and Narangga artist Cedric Varcoe, left, and exhibition working group community representatives Roly Bartlett and Frank Tuckwell at the newly opened Yuntulun Ku:li-war exhibition at the Signal Point Experience Centre.

Summary of Budget Movements in 2023/24

Council has decreased its financial position, projecting a deficit of $5.2M in its budgeted operating position for 2023/24 at the Second Quarter Budget Review (March 2024) from the adopted deficit of $0.271m, predominantly attributed to the increase in depreciation due to the revaluation of assets.

Net borrowings for 2023/24 are projected to increase by $2 million due mainly to the post budget additional capital projects and re-timing of capital projects.



Appendix A
Financial Statements

Financial Statements
Budget 2024/25

STATEMENT OF COMPREHENSIVE INCOME

	2023 Year End Actual $('000)	2024 Adopted Budget $('000)	2024 Projected Budget $('000)	2025 Budget $('000)
INCOME				
Rates	47,774	51,484	51,753	56,727
Statutory Charges	1,437	1,441	1,543	1,674
User Charges	2,978	2,192	2,747	2,907
Grants, subsidies, contributions	5,273	3,961	2,412	3,343
Investment Income	97	47	47	68
Reimbursements	548	215	253	240
Net Gain - Joint Ventures	36	317	317	317
Other Revenues	601	573	461	279
Total Revenues	**58,744**	**60,231**	**59,534**	**65,555**
EXPENSES				
Employee costs	19,613	22,601	22,592	25,282
Materials, contracts and other expenses	23,561	21,050	21,203	21,529
Depreciation	14,141	14,901	18,966	20,231
Finance Costs	918	1,600	1,600	2,429
Net Loss - Joint Ventures	492	350	350	350
Other Expenses	0	0	0	0
Total Expenses	**58,724**	**60,502**	**64,711**	**69,822**
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	**20**	**(271)**	**(5,177)**	**(4,266)**
Net gain/(loss) on disposal or revaluations	(204)	(320)	(320)	(320)
Amounts specifically for new assets	6,502	2,500	4,057	3,750
Physical resources free of charge	0	2,000	2,000	2,040
NET SURPLUS/(DEFICIT)	**6,318**	**3,909**	**560**	**1,204**
Changes in revaluation surplus - IPP&E	156,678	12,015	12,015	16,297
Share of Other Comprehensive Income - Equity Accounted Council Businesses	6,121	0	0	
Total Other Comprehensive Income	**162,799**	**12,015**	**12,015**	**16,297**
TOTAL COMPREHENSIVE INCOME	**169,117**	**15,924**	**12,575**	**17,501**

2023 Year end actual - Council's audited financial result as at 30 June 2023.

2024 Adopted Budget - Council's budget for 2023/24, as adopted by Council on 10 July 2023.

2024 Projected Budget - Council's revised budget, projecting its financial position to 30 June 2024. 2025 Budget - Council's budget for 2024/25.

* Based on the Second Quarter Budget Review (March 2024)

STATEMENT OF FINANCIAL POSITION

	2023 Year End Actual $('000)	2024 Adopted Budget $('000)	2024 Projected Budget $('000)	2025 Budget $('000)
ASSETS				
Current Assets				
Cash and Equivalent Assets	316	189	500	719
Investments (Deposits at call)	888	0	888	888
Trade and Other Receivables	6,392	5,015	6,647	6,532
Inventories	38	25	27	27
TOTAL CURRENT ASSETS	7,634	5,229	8,062	8,166
Non-Current Assets				
Financial Assets	83	88	83	83
Equity Accounted Investments in Council Businesses	11,072	5,171	11,039	11,006
Infrastructure, Property, Plant and Equipment	665,450	546,343	698,137	722,327
Other Non-Current Assets	2,415	1,288	2,415	2,415
TOTAL NON-CURRENT ASSETS	679,020	552,890	711,675	735,831
Total Assets	**686,654**	**558,119**	**719,737**	**743,997**
LIABILITIES				
Current Liabilities				
Trade and Other Payables	9,924	5,700	10,325	7,683
Borrowings	8,650	2,999	12,000	5,241
Provisions	4,239	3,870	4,409	4,409
Other Current Liabilities	0	0	0	
TOTAL CURRENT LIABILITIES	**22,813**	**12,569**	**26,734**	**17,333**
Non-Current Liabilities				
Borrowings	13,785	37,035	30,328	46,488
Provisions	1,107	1,070	1,151	1,151
Other Non-Current Liabilities	0	0	0	
TOTAL NON-CURRENT LIABILITIES	14,892	38,105	31,479	47,639
Total Liabilities	**37,705**	**50,674**	**58,213**	**64,973**
NET ASSETS	**648,949**	**507,445**	**661,524**	**679,025**
EQUITY				
Accumulated Surplus	187,949	191,277	188,509	189,713
Asset Revaluation Reserve	460,029	315,366	472,044	488,341
Other Reserves	971	802	971	971
TOTAL EQUITY	**648,949**	**507,445**	**661,524**	**679,025**

Financial Statements
Budget 2024/25

STATEMENT OF CHANGES IN EQUITY

	2023 Year End Actual $('000)	2024 Adopted Budget $('000)	2024 Projected Budget $('000)	2025 Budget $('000)
ACCUMULATED SURPLUS				
Balance at end of previous reporting period	175,679	187,368	187,949	188,509
Net Result for Year	6,318	3,909	560	1,204
Other Comprehensive Income	6,121	0		
Transfers to Other Reserves	(169)	0		
Transfers from Other Reserves		0		
Balance at end of period	**187,949**	**191,277**	**188,509**	**189,713**
ASSET REVALUATION RESERVE				
Balance at end of previous reporting period	303,351	303,351	460,029	472,044
Gain (Loss) on Revaluation of I, P P&E	156,678	12,015	12,015	16,297
Balance at end of period	**460,029**	**315,366**	**472,044**	**488,341**
OTHER RESERVES				
Balance at end of previous reporting period	802	802	971	971
Transfers from Accumulated Surplus		0		
Transfers to Accumulated Surplus	169	0		
Balance at end of period	**971**	**802**	**971**	**971**
TOTAL EQUITY AT END OF REPORTING PERIOD	**648,949**	**507,445**	**661,524**	**679,025**

STATEMENT OF CASH FLOWS

	2023 Year End Actual $('000)	2024 Adopted Budget $('000)	2024 Projected Budget $('000)	2025 Budget $('000)
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates	52,187	51,484	51,497	56,841
Statutory Charges	1,437	1,441	1,543	1,674
User Charges	2,978	2,192	2,747	2,907
Grants, subsidies, contributions	4,409	3,961	2,412	3,343
Investment Income	97	47	47	68
Reimbursements	548	216	253	240
Other Revenues	601	573	461	279
Payments				
Employee costs	(19,159)	(22,601)	(22,377)	(25,282)
Materials, contracts and other expenses	(25,310)	(21,050)	(20,796)	(24,170)
Finance Costs	(884)	(1,600)	(1,600)	(2,429)
Net Cash provided by (or used in) Operating Activities	**16,904**	**14,663**	**14,187**	**13,471**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Amounts Specifically for New/Upgraded Assets	7,756	2,500	4,056	3,750
Sale of Renewed/Replaced Assets	1,234	346	330	346
Repayments of Loans by Community Groups	34	12	0	
Payments				
Expenditure on Renewal/Replacement of Assets	(7,993)	(8,989)	(9,004)	(10,866)
Expenditure on New/Upgraded Assets	(20,495)	(27,621)	(29,279)	(15,884)
Expenditure on Intangible Assets	(1,263)			
Net Cash Provided by (or used in) Investing Activities	**(20,727)**	**(33,752)**	**(33,897)**	**(22,655)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Proceeds from Borrowings	11,230	23,549	26,764	13,602
Payments				
Repayments of Borrowings	(10,049)	(4,370)	(6,870)	(4,200)
Net Cash provided by (or used in) Financing Activities	**1,181**	**19,179**	**19,894**	**9,402**
Net Increase/(Decrease) in cash held	**(2,642)**	**90**	**184**	**218**
Opening cash, cash equivalents or (bank overdraft)	2,958	99	316	500
Closing cash, cash equivalents or (bank overdraft)	**316**	**189**	**500**	**719**

Financial Statements
Budget 2024/25

SUMMARY STATEMENT - CWMS ONLY

	2023 Year End Actual $('000)	2024 Adopted Budget $('000)	2024 Projected Budget $('000)	2025 Budget $('000)
Operating Revenues	6,688	7,464	7,985	8,606
less Operating Expenses	6,209	6,859	7,141	8,003
Operating Surplus/(Deficit) before Capital Amounts	**479**	**605**	**844**	**603**
Less: Net Outlays on Existing Assets				
Capital Expenditure on Renewal/Replacement of Existing Assets	654	696	696	1,186
less Depreciation, Amortisation and Impairment	(1,491)	(1,607)	(1,573)	(2,595)
less Proceeds from Sale of Replaced Assets		0		
	(837)	**(911)**	**(877)**	**(1,409)**
Less: Net Outlays on New and Upgraded Assets				
Capital Expenditure on New/Upgraded Assets	341	2,625	2,353	4,020
less Amounts Specifically for New/Upgraded Assets		0		
less Proceeds from Sale of Surplus Assets		0		
	341	**2,625**	**2,353**	**4,020**
Net Lending / (Borrowing) for Financial Year	**975**	**(1,109)**	**(632)**	**(2,008)**

SUMMARY STATEMENT - COUNCIL EXCLUDING CWMS

	2023 Year End Actual $('000)	2024 Adopted Budget $('000)	2024 Projected Budget $('000)	2025 Budget $('000)
Operating Revenues	52,056	52,767	51,549	56,949
less Operating Expenses	52,515	53,643	57,570	61,819
Operating Surplus/(Deficit) before Capital Amounts	**(459)**	**(876)**	**(6,021)**	**(4,870)**
Less: Net Outlays on Existing Assets				
Capital Expenditure on Renewal/Replacement of Existing Assets	7,339	8,293	8,308	9,680
less Depreciation, Amortisation and Impairment	(12,650)	(13,294)	(17,393)	(17,636)
less Proceeds from Sale of Replaced Assets	(1,234)	(346)	(330)	(346)
	(6,545)	**(5,347)**	**(9,415)**	**(8,302)**
Less: Net Outlays on New and Upgraded Assets				
Capital Expenditure on New/Upgraded Assets	20,154	24,996	26,926	11,864
less Amounts Specifically for New/Upgraded Assets	(7,756)	(2,500)	(4,056)	(3,750)
less Proceeds from Sale of Surplus Assets				
	12,398	**22,496**	**22,870**	**8,114**
Net Lending / (Borrowing) for Financial Year	**(6,312)**	**(18,025)**	**(19,476)**	**(4,682)**

Statement on Expected Rate Revenue

Note: These figures represent a considered estimate of expected rate revenue based on the most current information available at the time of adoption of the Annual Business Plan and Budget (ABP&B).

	2023/24 (as adopted)	2024/25 Draft Budget		Change	Comments
General Rates Revenue					
General Rates (existing properties)	$43,754,268	$48,091,305	(a)		
General Rates (new development)	$772,000	$633,421	(b)	1.3%	For 2024/25, an increase of total General Rates revenue of around 8.3 per cent plus 1.3 per cent from new development that has been created over the year as advised by Valuer Generals Total Growth Capital Value.
General Rates (GROSS)	**$44,526,268**	**$48,724,727**	(c)		
Less: Mandatory Rebates	($507,910)	($544,177)	(d)		
General Rates (NET)	**$44,018,358**	**$48,180,550**	(e)	**9.5%**	
	(e)=(c)+(d)				
Less: Discretionary Rebates	($288,793)	($253,910)	(l)		Includes 15% rate cap to address spike in property valuations and provision for 50% rate cap
General Rates less Discretionary Rebates	$43,729,565	$47,926,640			
Total Rate Rebates	($796,702)	($798,087)			
Other Rates (inc. service charges)					
Regional Landscape Levy	$1,223,000	$1,269,000	(f)		The Regional Landscape Levy is a State tax, it is not retained by council.
Water supply	$6,200	$6,500	(h)		2024/25 $295 per connection
CWMS	$6,575,900	$7,366,425	(i)		2024/25 $535 for each vacant land property unit and $725 for each occupied property unit.
Total Other Rates	$7,805,100	$8,641,925			
Expected Total Rates Revenue	**$50,311,665**	**$55,299,565**	(m)	**9.9%**	Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.
	(m)=(e)+(g)+(h)+(i)+(j)+(k)+(l)				
Estimated growth in number of rateable properties					
Number of rateable properties	**19,861**	**20,041**	(n)	**0.9%**	
	Actual	*Estimate*			In accordance with the most recent Valuer General report, additional properties total 180.
'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.					
Estimated average General Rates (Gross) per rateable property (excluding rebated properties)					
Average per rateable property	$2,242	$2,431	(o)	8.45%	
	(o)=(c)/(n)				
Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area).					The estimated 'average' is based on the total of all rateable properties excluding all rebates and is therefore not necessarily indicative of either the rate or change in rates that individual ratepayers will experience.
The total General Rates paid by all rateable properties will equal the amount adopted in the budget.					

Notes

(d) Councils are **required** under the *Local Government Act 1999* to provide a rebate to qualifying properties under a number of categories:
Health Services - 100 per cent
Community Services - 75 percent
The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (i.e. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).

(e) Presented as required by the *Local Government (Financial Management) Regulations 2011* reg 6(1)(ea)
Please note: The percentage figure in (e) relates to the change in the total amount of General Rates revenue to be collected from all rateable properties, not from individual rateable properties (i.e. individual rates will not necessarily change by this figure).

(f) Councils are required under the *Landscape South Australia Act 2019* to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's natural resources.

(i) Community Wastewater Management Systems

(l) A Council **may** grant a rebate of rates or service changes in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (i.e. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate.

(m) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.

(n) Growth as defined in the *Local Government (Financial Management) Regulations 2011* reg 6(2)

Note: These figures represent a considered estimate of expected rate revenue based on the most current information available at the time of adoption of the Annual Business Plan and Budget (ABP&B).

Expected Rates Revenue

	Total expected revenue			No. of rateable properties		Gross average per rateable property			Cents in the $	
	2023/24	**2024/25**	**Change**	2023/24	**2024/25**	2023/24	**2024/25**	**Change**	2023/24	**2024/25**
Land Use - General Rates - Gross (excluding rebates)									-7%	0%
Residential	$33,498,667	$36,598,296	**9%**	14,610	14,631	$2,293	$2,501	**$209**	**0.3255**	**0.3267**
Commercial - Shop	$484,856	$494,763	**2%**	238	237	$2,037	$2,088	**$50**	**0.3255**	**0.3267**
Commercial - Office	$78,770	$80,919	**3%**	46	46	$1,712	$1,759	**$47**	**0.3255**	**0.3267**
Commercial - Other	$633,596	$652,437	**3%**	266	263	$2,382	$2,481	**$99**	**0.3255**	**0.3267**
Industry - Light	$105,751	$108,004	**2%**	64	64	$1,652	$1,688	**$35**	**0.3255**	**0.3267**
Industry - Other	$177,072	$193,482	**9%**	66	69	$2,683	$2,804	**$121**	**0.3255**	**0.3267**
Primary Production	$7,424,541	$8,110,251	**9%**	2,942	2,937	$2,524	$2,761	**$238**	**0.2702**	**0.2712**
Vacant Land	$1,820,950	$2,155,683	**18%**	1,498	1,654	$1,216	$1,303	**$88**	**0.3255**	**0.2712**
Other	$302,065	$330,893	**10%**	131	140	$2,306	$2,364	**$58**	**0.3255**	**0.2712**
Total Land Use	**$44,526,268**	**$48,724,727**	**9.4%**	**19,861**	**20,041**	**2,242**	**2,431**	**$189**		

Council uses a differential rating system, using Land Use Codes as the factor to apply such differential rates.
In applying differential general rates, council has considered and is satisfied that the rating system addresses the issue of consistency and comparability across all council areas, particularly as it relates to the various sectors of the business and wider community.

Fixed Charge	**Total Expected Revenue**				**Charge**		
	2023/24	**2024/25**	**Change**		**2023/24**	**2024/25**	**Change**
	$8,684,720	**$8,763,920**	**0.9%**		**$440**	**$440**	**$440**

Fixed Charge

A Fixed Charge ensures all rateable properties pay a base amount to the cost of administering council activities and maintaining the services and infrastructure that supports each property. Rates based on values are then applied in addition to the fixed charge. Council is limited to the amount that can be raised by the fixed charge in that it cannot raise more than 50% of its general rate revenue from the fixed charge component. In 2024/25 council proposes to raise 18% of its general rate revenue by way of the fixed charge.

Adopted valuation method

Capital Value/Site Value/Annual Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

Capital Value – the value of the land and all improvements on the land;

Site Value – the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or

Annual Value – a valuation of the rental potential of the property.

Council continues to use Capital Value as the basis for valuing land within the Council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- The equity principle of taxation requires that taxpayers of greater wealth pay more tax than those of lesser wealth.

- Property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

Notes

(p) Average per rateable property calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, divided by number of rateable properties within that category in the relevant financial year.

(q) A fixed charge can be levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge can be levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. Also if two or more pieces of rateable land within the area of the council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land.

(r) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

Appendix B
Capital Program

Capital Program
2024/25

Project Description	Suburb	Ward	Length	Budget
Bridges/Major Culvert				
Bridges/Major Culvert New or Upgrade				
Whickham Hill Road Bridge Upgrade	Kuitpo	West		
SUBTOTAL Bridges/Major Culvert New or Upgrade				$176,537
Bridges/Major Culvert Renewal				
Chalk Hill Road Culvert	Woodchester	North		
Strathalbyn Wier Wing Wall	Strathalbyn	North		
SUBTOTAL Bridges/Major Culvert Renewal				$115,000
CWMS				
CWMS New or Upgrade				
Berry Smith Emergency Storage (Construct)	Strathalbyn	North		
Electrical & Automation Upgrades - UPS	Various	Various		
Fenchurch Energency Storage Upgrade (Design/Cost)	Goolwa North	South		
Goolwa Irrigation Expansion (Design/Construct)	Goolwa	South		
Land Purchases	Various	Various		
Milang Recycle Pump Station & Irrigation Expansion (Design)	Milang	South		
Milang Storage Lagoon (Construct)	Milang	South		
Mount Compass Irrigation (Construct)	Mount Compass	West		
Strathalbyn Swimming Pool Redirection (Design/Cost)	Strathalbyn	North		
SUBTOTAL CWMS New or Upgrade				$4,020,000
CWMS Renewal				
CQ Pipe Renewal - Removal of Bridge Lift (Design/Construct)	Hindmarsh Island	South		
Electrical - Power & Process Control Review	Various	Various		
Manhole & Chambers (Design/Construct)	Various	Various		
Mechanical Assets Renewal	Various	Various		
SUBTOTAL CWMS Renewal				$1,186,000
Fleet				
Fleet Renewal				
Fleet Renewal	Not Applicable	Not Applicable		
SUBTOTAL Fleet Renewal				$942,500
Footpaths				
Footpaths New or Upgrade				
Excelsior Parade Pathway	Hindmarsh Island	South	570m	
Billabong Road Pathway	Goolwa South	South	200m	
Old Bull Creek Road Pathway	Strathalbyn	North	130m	
Port Elliot Road, Chiton - Pathway	Port Elliot	West	250m	
Pedestrian Level Crossing Expansion - East Terrace	Strathalbyn	North	N/A	
Pedestrian Level Crossing Upgrade - Foster Place	Goolwa	South	N/A	
SUBTOTAL Footpaths New or Upgrade				$425,000
Footpaths Renewal			Length	
Clayton Bay Boardwalk	Clayton Bay	South	155m	
The Cutting Pathway	Port Elliot	West	120m	
SUBTOTAL Footpaths Renewal				$190,000
IT Equipment				
IT Equipment New or Upgrade				
Corporate Systems Implementation	Goolwa	South		
IT Expansion/Upgrade	Goolwa	South		
SUBTOTAL IT Equipment New or Upgrade				$975,000
IT Equipment Renewal				
ICT Renewal	Goolwa	South		
SUBTOTAL IT Equipment Renewal				$394,940
Kerbs				
Kerbs New or Upgrade			Length	
Battunga Avenue Kerbing	Port Elliot	West	150m	
Castle Avenue Kerbing	Goolwa Beach	West	100m	

Project Description	Suburb	Ward	Length	Budget
Dover Road Kerbing	Middleton	West	100m	
Handby Street Stormwater Upgrade	Port Elliot	West	75m	
Neighbour Avenue Kerbing	Goolwa Beach	West	200m	
Protuberance removal Ocean Road & Goolwa Road	Middleton	West	N/A	
Scott Street Kerbing	Goolwa Beach	South	95m	
SUBTOTAL Kerbs New or Upgrade				$300,000

Land & Buildings

Land & Buildings New or Upgrade				
Chapman Road Public Amenity & Changeroom	Middleton	West		
Pipers Crest Public Amenity	Strathalbyn	North		
Clayton Riverside Holiday Park Electrical Outlet Upgrade	Clayton Bay	South		
Strathalbyn Soldiers Memorial Park Sound Shell	Strathalbyn	North		
SUBTOTAL Land & Buildings New or Upgrade				$1,535,000

Land & Buildings Renewal				
Main Council Office Roof & Gutter Renewal	Goolwa	South		
Main Council Office refurbishment	Goolwa	South		
Clayton Bay Riverside Holiday Park - Renewal of Amenities Block	Clayton Bay	South		
Goolwa Recreation Centre - Wet Area Renewal (Design)	Goolwa	South		
Public Amenities Renewal (Design)	Various	Various		
Cadell Street Fire Panel Replacement	Goolwa	South		
Goolwa Depot - Shed 8 Renewal	Goolwa	South		
Strathalbyn Pool - Pool Filters replacement	Strathalbyn	North		
Strathalbyn Pool - Replacement pool cleaner	Strathalbyn	North		
Strathalbyn Pool - Replacement pool covers	Strathalbyn	North		
Milang Caravan Park - Renewal of Amenities Block (Design)	Milang	South		
SUBTOTAL Land & Buildings Renewal				$1,495,000

Major Projects

Major Projects Renewal				
Encounter Bikeway Design	Various	Various		
Nangkita Road	Mount Compass	West		
SUBTOTAL Major Projects Renewal				$1,350,000

Plant

Plant Renewal				
Major Plant Renewal	Not Applicable	Not Applicable		
Minor Plant Renewal	Not Applicable	Not Applicable		
SUBTOTAL Plant Renewal				$1,206,930

Recreation & Open Space

Recreation & Open Space New or Upgrade				
Clayton Bay BMX Track	Middleton	West		
EV Charging Stations	Goolwa	South		
Goolwa BMX Track Upgrade	Port Elliot	West		
Shower Facilities - Lorraine Avenue Car Park	Middleton	West		
Clayton Bay Playground Shade Sail	Clayton Bay	South		
Goolwa Yacht Club Fence	Goolwa South	South		
SUBTOTAL Recreation & Open Space New or Upgrade				$230,000

Recreation & Open Space Renewal				
Mount Compass BMX Track Renewal	Mount Compass	West		
Bristow-Smith Reserve Playground - Climbing Equipment	Goolwa	South		
Freeman Knob Lookout - Wall Renewal	Port Elliot	West		
Encounter Bikeway Decking Renewal - Tokuremoar Reserve	Middleton	West		
SUBTOTAL Recreation & Open Space Renewal				$225,000

Sealed Road

Sealed Road New or Upgrade				
Montpelier & Port Elliot Road Verge Upgrade Design	Port Elliot	West	N/A	
Dover Road Stormwater & Parking Improvements	Middleton	West	40m Car Park	
Nangkita Road Pavement Stabilisation	Mount Compass	West	2.9km	
South Terrace (Southern Side) Stormwater & Parking Improvements	Strathalbyn	North	35m Car Park	
Brooking Street Pedestrian Crossing	Goolwa	South	N/A	
Randel Road Upgrade (Design)	Hindmarsh Island	South	N/A	
Lyon Street Upgrade (Design)	Milang	South	N/A	
SUBTOTAL Sealed Road New or Upgrade				$1,641,000

Project Description	Suburb	Ward	Length	Budget
Sealed Road Renewal				
Airport Road	Middleton	West	190m + Intersection	
Alexandrina Drive	Clayton Bay	South	Intersection	
Ashbourne Road	Ashbourne	North	Intersection	
Banfield Road	Goolwa North	South	Intersection	
Billabong Road	Goolwa South	South	Intersection	
Bristow Smith Avenue	Goolwa South	South	Intersection	
Bunyip Court	Goolwa South	South	Intersection	
Byrnes Road	Goolwa	South	Intersection	
Carfax Street	Port Elliot	West	Intersection	
Chapman Road	Middleton	West	Intersection	
Dance Street	Goolwa	South	Intersection	
Daranda Terrace	Milang	South	Intersection	
Fenchurch Street	Goolwa North	South	Intersection	
Finniss-Milang Road	Finniss	South	759m + Intersection	
Gardiner Street	Goolwa	South	Intersection	
Golfview Road	Goolwa Beach	West	Intersection	
Goolwa Oval Sporting Precinct (Service Road)	Goolwa	South	Intersection	
Governor Street	Goolwa	South	91m	
Kessell Road	Goolwa	South	Intersection	
Langhorne Street	Langhorne Creek	North	Intersection	
Liverpool Road	Goolwa	South	Intersection	
Mcleod Road	Middleton	West	113m + Intersection	
Nangkita Road	Mount Compass	West	500m	
Noble Avenue	Goolwa North	South	Intersection	
South Bremer Road	Langhorne Creek	North	Intersection	
Stephenson Street	Milang	South	Intersection	
Surfers Parade	Middleton	West	379m + Intersection	
Tolderol Road	Lake Plains	North	Intersection	
Winery Road	Currency Creek	South	1531m	
Woodrow Drive	Milang	South	66m + Intersection	
Yundi Road	Mount Compass	West	115m	
SUBTOTAL Sealed Road Renewal				$2,152,292

Stormwater

Stormwater New or Upgrade				
Braeside Road Culvert Upgrade	Finniss	South		
Handby Street Stormwater Upgrade	Port Elliot	West		
Kessell & Boetcher Roads Stormwater Upgrade	Middleton	West		
Dover Road Stormwater & Parking Improvements	Middleton	West		
South Terrace (Southern Side) Stormwater & Parking Improvements	Strathalbyn	North		
Sidmouth Street Stormwater Upgrade	Goolwa	South		
Ashbourne Stormwater Upgrade	Kuitpo	West		
Channon Street Stormwater Upgrade	Port Elliot	West		
SUBTOTAL Stormwater New or Upgrade				$975,000
Stormwater Renewal				
Channon Street Stormwater Renewal	Port Elliot	West		
SUBTOTAL Stormwater Renewal				$100,000

Unsealed Road

Unsealed Road Renewal			
Ballandown Road	Angas Plains	North	505m
Blackfellows Creek Road	Blackfellows Creek	West	1505m
Blake Road	Paris Creek	North	1015m
Bletchley Road	Bletchley	North	985m
Brookman Connor Road	Kuitpo	West	406m
Burnside Road	Woodchester	North	1000m
Chappel Road	Hindmarsh Island	South	500m
Cosgrove Road	Macclesfield	North	312m
Dodd Road	Pages Flat	West	269m
Hamburg Road	Strathalbyn	North	832m
Kokoda Road	Mosquito Hill	West	1032m
Lee Road	Langhorne Creek	North	500m
McInnes Road	Milang	South	500m
Michelmore Road	Strathalbyn	North	2074m
Mosquito Hill Road	Mosquito Hill	West	1791m
Old Bull Creek Road	Strathalbyn	North	1229m
Petersen Road	Middleton	West	747m

Project Description	Suburb	Ward	Length	Budget
Proctor Road	Yundi	West	366m	
Quarry Road	Tooperang	West	500m	
Randell Road	Hindmarsh Island	South	295m	
Range Road West	Willunga Hill	West	500m	
Rankin Road	Strathalbyn	North	429m	
Richmore Road	Milang	South	1711m	
South Bremer Road	Bletchley	North	478m	
Swamp Road	Strathalbyn	North	500m	
SUBTOTAL Unsealed Road Renewal				$1,508,308
SUBTOTAL Renewal Capital				**$10,865,970**
SUBTOTAL New/Upgrade Capital				**$10,277,537**
GRAND TOTAL			**$**	**21,143,507**



Enjoying Little Rock 'n' Read at the library in Strathalbyn are Sam and Arthur Willis from Langhorne Creek.

Appendix C
Long Term Financial Plan

Financial Statements - Consolidated

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Income Statement													
Income													
Rates	44,733	47,774	51,753	56,727	60,388	64,172	68,204	72,502	75,180	77,957	80,839	83,828	86,930
Statutory Charges	1,683	1,437	1,543	1,674	1,718	1,760	1,804	1,850	1,896	1,943	1,992	2,042	2,093
User Charges	3,382	2,978	2,747	2,907	2,993	3,078	3,165	3,256	3,348	3,444	3,542	3,644	3,748
Grants, Subsidies and Contributions	4,409	5,273	2,413	3,343	4,034	4,120	4,208	4,298	4,390	4,485	4,582	4,681	4,783
Investment Income	43	97	47	68	68	68	68	68	68	68	68	68	68
Reimbursements	218	548	253	240	246	252	259	265	272	279	286	293	300
Other Income	718	601	461	279	286	293	301	308	316	324	332	340	349
Net gain - Equity Accounted Council Businesses	316	36	317	317	330	345	366	388	411	437	471	498	498
Total Income	**55,502**	**58,744**	**59,534**	**65,555**	**70,063**	**74,089**	**78,375**	**82,934**	**85,880**	**88,936**	**92,111**	**95,394**	**98,768**
Expenses													
Employee Costs	18,143	19,613	22,592	25,282	26,441	27,492	28,695	29,951	31,262	32,629	34,056	35,545	37,098
Materials, Contracts & Other Expenses	19,476	22,353	21,203	21,529	22,484	23,236	24,015	24,821	25,655	26,517	27,410	28,334	29,289
Prescribed Expenses	-	1,208	-	-	-	-	-	-	-	-	-	-	-
Depreciation, Amortisation & Impairment	13,185	14,140	18,966	20,231	21,709	22,467	23,259	23,997	24,658	25,321	25,950	26,705	27,475
Finance Costs	735	918	1,600	2,429	2,864	3,314	3,234	2,949	2,754	2,242	1,620	903	332
Net loss - Equity Accounted Council Businesses	335	492	350	350	359	368	377	387	396	406	416	427	438
Total Expenses	**51,874**	**58,724**	**64,711**	**69,821**	**73,857**	**76,877**	**79,581**	**82,105**	**84,725**	**87,117**	**89,452**	**91,913**	**94,631**
Operating Surplus / (Deficit)	**3,628**	**20**	**(5,177)**	**(4,266)**	**(3,794)**	**(2,788)**	**(1,205)**	**829**	**1,155**	**1,820**	**2,659**	**3,480**	**4,137**
Physical Resources Received Free of Charge	414	-	2,000	2,040	2,100	2,160	2,210	2,270	2,310	2,380	2,380	2,440	2,500
Asset Disposal & Fair Value Adjustments	(1,289)	(204)	(320)	(320)	(414)	(670)	(445)	(406)	(176)	(716)	27	(243)	(510)
Amounts Received Specifically for New or Upgraded Asset	1,929	6,502	4,057	3,750	-	162	166	170	170	-	-	-	-
Net Surplus / (Deficit)	**4,682**	**6,318**	**560**	**1,204**	**(2,108)**	**(1,136)**	**726**	**2,863**	**3,459**	**3,484**	**5,066**	**5,677**	**6,127**
Other Comprehensive Income													
Changes in Revaluation Surplus - I,PP&E	31,760	156,678	12,015	16,297	18,847	18,836	18,662	19,032	19,348	19,798	20,179	20,510	20,813
Other Equity Adjustments	(1,166)	6,121	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	**30,594**	**162,799**	**12,015**	**16,297**	**18,847**	**18,836**	**18,662**	**19,032**	**19,348**	**19,798**	**20,179**	**20,510**	**20,813**
Total Comprehensive Income	**35,276**	**169,117**	**12,575**	**17,501**	**16,739**	**17,699**	**19,388**	**21,896**	**22,808**	**23,281**	**25,245**	**26,188**	**26,940**

Financial Statements - Consolidated

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Balance Sheet													
Current Assets													
Cash and Cash Equivalents	3,846	1,204	1,388	1,607	1,987	1,499	700	700	700	700	700	1,027	5,021
Trade and Other Receivables	4,699	6,392	6,647	6,532	6,972	7,428	7,893	8,434	8,753	9,084	9,401	9,784	10,154
Inventories	46	38	27	27	27	27	27	27	27	27	27	27	27
Total Current Assets	**8,591**	**7,634**	**8,062**	**8,166**	**8,986**	**8,954**	**8,620**	**9,161**	**9,480**	**9,810**	**10,128**	**10,838**	**15,202**
Non-Current Assets													
Equity Accounted Investments in Council Businesses	5,409	11,072	11,039	11,006	10,977	10,954	10,943	10,944	10,958	10,989	11,044	11,115	11,175
Infrastructure, Property, Plant & Equipment	495,726	665,450	698,137	722,327	743,761	761,954	778,548	793,957	808,235	822,582	835,207	850,489	865,989
Other Non-Current Assets	1,403	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498
Total Non-Current Assets	**502,538**	**679,020**	**711,675**	**735,832**	**757,236**	**775,406**	**791,989**	**807,399**	**821,692**	**836,069**	**848,749**	**864,103**	**879,663**
Total Assets	**511,129**	**686,654**	**719,737**	**743,997**	**766,223**	**784,360**	**800,609**	**816,561**	**831,172**	**845,880**	**858,877**	**874,940**	**894,865**
Current Liabilities													
Trade & Other Payables	5,131	9,924	10,325	7,683	7,562	7,156	7,054	7,243	7,147	7,473	7,280	7,938	8,213
Borrowings	10,000	8,650	12,000	5,241	10,628	10,777	11,298	10,554	12,985	12,987	11,008	7,542	-
Provisions	4,067	4,239	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	**19,198**	**22,813**	**26,734**	**17,333**	**22,599**	**22,342**	**22,761**	**22,206**	**24,541**	**24,868**	**22,696**	**19,889**	**12,622**
Non-Current Liabilities													
Borrowings	11,205	13,785	30,328	46,488	46,710	47,404	43,847	38,457	27,926	19,025	8,950	1,632	1,884
Provisions	894	1,107	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151
Liability - Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	**12,099**	**14,892**	**31,479**	**47,639**	**47,861**	**48,555**	**44,998**	**39,608**	**29,077**	**20,176**	**10,101**	**2,783**	**3,035**
Total Liabilities	**31,297**	**37,705**	**58,213**	**64,973**	**70,460**	**70,898**	**67,759**	**61,815**	**53,618**	**45,045**	**32,797**	**22,673**	**15,658**
Net Assets	**479,832**	**648,949**	**661,524**	**679,024**	**695,763**	**713,462**	**732,850**	**754,746**	**777,554**	**800,835**	**826,080**	**852,268**	**879,207**
Equity													
Accumulated Surplus	175,679	187,949	188,509	189,713	187,604	186,468	187,194	190,057	193,516	197,000	202,066	207,743	213,870
Asset Revaluation Reserves	303,351	460,029	472,044	488,341	507,188	526,024	544,686	563,718	583,066	602,864	623,043	643,554	664,367
Other Reserves	802	971	971	971	971	971	971	971	971	971	971	971	971
Total Equity	**479,832**	**648,949**	**661,524**	**679,025**	**695,763**	**713,463**	**732,851**	**754,746**	**777,554**	**800,835**	**826,080**	**852,268**	**879,208**
Net Borrowings	17,359	21,231	40,940	50,123	55,351	56,683	54,445	48,311	40,211	31,312	19,258	8,147	(3,137)

Financial Statements - Consolidated

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Cash Flow Statement													
Cash Flow from Operating Activities													
Receipts													
Operating Receipts	54,407	62,160	58,913	65,285	69,224	73,220	77,476	81,938	85,083	88,100	91,254	94,445	97,832
Investment Receipts	43	97	47	68	68	68	68	68	68	68	68	68	68
Payments													
Operating Payments for Suppliers and Employees	(39,225)	(44,469)	(43,173)	(49,453)	(49,045)	(51,134)	(52,813)	(54,583)	(57,013)	(58,821)	(61,659)	(63,220)	(66,112)
Finance Payments	(737)	(884)	(1,600)	(2,429)	(2,864)	(3,314)	(3,234)	(2,949)	(2,754)	(2,242)	(1,620)	(903)	(332)
Net Cash Provided By (or Used In) Operating Activities	**14,488**	**16,904**	**14,187**	**13,471**	**17,383**	**18,840**	**21,498**	**24,474**	**25,384**	**27,105**	**28,044**	**30,390**	**31,457**
Cash Flow from Investing Activities													
Receipts													
Amounts Received Specifically for New / Updgraded Ass	2,297	7,756	4,056	3,750	-	162	166	170	170	-	-	-	-
Sale of Replaced Assets	795	1,234	330	346	563	451	839	668	839	401	1,210	936	629
Repayments of Loans by Community Groups	12	34	-	-	-	-	-	-	-	-	-	-	-
Payments													
Expenditure on Renewal / Replacement of Assets	(6,729)	(7,993)	(9,004)	(10,866)	(7,605)	(8,924)	(10,781)	(10,425)	(9,912)	(10,786)	(9,378)	(11,834)	(11,834)
Expenditure on New / Upgraded Assets	(7,720)	(21,758)	(29,279)	(15,884)	(15,568)	(11,861)	(9,484)	(8,753)	(8,381)	(7,821)	(7,821)	(8,382)	(8,967)
Net Cash Provided By (or Used In) Investing Activities	**(11,345)**	**(20,727)**	**(33,897)**	**(22,655)**	**(22,610)**	**(20,172)**	**(19,260)**	**(18,340)**	**(17,284)**	**(18,206)**	**(15,989)**	**(19,280)**	**(20,172)**
Cash Flow from Financing Activities													
Receipts													
Proceeds from Borrowings	5,775	11,230	26,764	13,602	10,592	11,472	7,741	4,534	2,148	3,126	228	-	-
Payments													
Repayment of Borrowings	(6,181)	(10,049)	(6,870)	(4,200)	(4,984)	(10,628)	(10,777)	(10,667)	(10,248)	(12,026)	(12,283)	(10,783)	(7,290)
Net Cash Provided By (or Used In) Financing Activities	**(406)**	**1,181**	**19,894**	**9,402**	**5,608**	**844**	**(3,037)**	**(6,134)**	**(8,100)**	**(8,900)**	**(12,055)**	**(10,783)**	**(7,290)**
Net Increase (Decrease) in Cash Held	**2,737**	**(2,642)**	**184**	**219**	**380**	**(488)**	**(799)**	**1**	**(0)**	**(0)**	**(0)**	**327**	**3,994**
Cash & Cash Equivalents at the Beginning of Period	1,109	3,846	1,204	1,388	1,607	1,987	1,499	700	700	700	700	700	1,027
Cash & Cash Equivalents at the End of Period	**3,846**	**1,204**	**1,388**	**1,607**	**1,987**	**1,499**	**700**	**700**	**700**	**700**	**700**	**1,027**	**5,021**
Net Cash Flow before Financing Activities and Interest Paym	3,880	(2,939)	(18,110)	(6,755)	(2,363)	1,981	5,471	9,083	10,853	11,142	13,674	12,013	11,616

Financial Statements - Consolidated

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Statement of Changes in Equity													
Accumulated Surplus													
Balance at the end of previous reporting period	172,455	175,679	187,949	188,509	189,713	187,605	186,468	187,194	190,057	193,517	197,000	202,066	207,744
Net result for the year	4,682	6,318	560	1,204	(2,108)	(1,136)	726	2,863	3,459	3,484	5,066	5,677	6,127
Transfers from other reserves	(1,458)	5,952	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period	**175,679**	**187,949**	**188,509**	**189,713**	**187,605**	**186,468**	**187,194**	**190,057**	**193,517**	**197,000**	**202,066**	**207,744**	**213,870**
Asset Revaluation Reserve													
Balance at the end of previous reporting period	271,591	303,351	460,029	472,044	488,341	507,188	526,024	544,686	563,718	583,066	602,864	623,043	643,554
Gain (Loss) on Revaluation of I, PP&E	31,760	156,678	12,015	16,297	18,847	18,836	18,662	19,032	19,348	19,798	20,179	20,510	20,813
Balance at the end of period	**303,351**	**460,029**	**472,044**	**488,341**	**507,188**	**526,024**	**544,686**	**563,718**	**583,066**	**602,864**	**623,043**	**643,554**	**664,367**
Other Reserves													
Balance at the end of previous reporting period	510	802	971	971	971	971	971	971	971	971	971	971	971
Transfers from Accumulated Surplus	292	169	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of period	**802**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**
Total Equity at end of reporting period	**479,832**	**648,949**	**661,524**	**679,025**	**695,764**	**713,463**	**732,851**	**754,746**	**777,554**	**800,836**	**826,081**	**852,268**	**879,208**

Financial Statements - Consolidated

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Uniform Presentation of Finances													
Income	55,502	58,744	59,534	65,555	70,063	74,089	78,375	82,934	85,880	88,936	92,111	95,394	98,768
less Expenses	(51,874)	(58,724)	(64,711)	(69,821)	(73,857)	(76,877)	(79,581)	(82,105)	(84,725)	(87,117)	(89,452)	(91,913)	(94,631)
Operating Surplus / (Deficit)	**3,628**	**20**	**(5,177)**	**(4,266)**	**(3,794)**	**(2,788)**	**(1,205)**	**829**	**1,155**	**1,820**	**2,659**	**3,480**	**4,137**
Net Outlays on Existing Assets													
Capital Expenditure on renewal and replacement of Existir	(5,799)	(7,993)	(9,004)	(10,866)	(7,605)	(8,924)	(10,781)	(10,425)	(9,912)	(10,786)	(9,378)	(11,834)	(11,834)
add back Depreciation, Amortisation and Impairment	13,185	14,140	18,966	20,231	21,709	22,467	23,259	23,997	24,658	25,321	25,950	26,705	27,475
add back Proceeds from Sale of Replaced Assets	795	1,234	330	346	563	451	839	668	839	401	1,210	936	629
	8,181	**7,381**	**10,292**	**9,711**	**14,667**	**13,994**	**13,317**	**14,240**	**15,585**	**14,936**	**17,782**	**15,807**	**16,270**
Net Outlays on New and Upgraded Assets													
Capital Expenditure on New and Upgraded Assets	(11,251)	(21,758)	(29,279)	(15,884)	(15,568)	(11,861)	(9,484)	(8,753)	(8,381)	(7,821)	(7,821)	(8,382)	(8,967)
add back Amounts Received Specifically for New and Upgr	2,297	7,756	4,056	3,750	-	162	166	170	170	-	-	-	-
	(8,954)	**(14,002)**	**(25,223)**	**(12,134)**	**(15,568)**	**(11,699)**	**(9,318)**	**(8,583)**	**(8,211)**	**(7,821)**	**(7,821)**	**(8,382)**	**(8,967)**
Net Lending / (Borrowing) for Financial Year	**2,855**	**(6,601)**	**(20,108)**	**(6,689)**	**(4,695)**	**(493)**	**2,794**	**6,487**	**8,530**	**8,935**	**12,620**	**10,905**	**11,440**

Financial Indicators - Consolidated

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Operating Surplus Ratio													
Total Income	55,502	58,744	59,534	65,555	70,063	74,089	78,375	82,934	85,880	88,936	92,111	95,394	98,768
Operating Surplus / (Deficit)	3,628	20	(5,177)	(4,266)	(3,794)	(2,788)	(1,205)	829	1,155	1,820	2,659	3,480	4,137
Operating Surplus Ratio	**7%**	**0%**	**(9%)**	**(7%)**	**(5%)**	**(4%)**	**(2%)**	**1%**	**1%**	**2%**	**3%**	**4%**	**4%**
Net Financial Liabilities Ratio													
Add: Total Liabilities	31,297	37,705	58,213	64,973	70,460	70,898	67,759	61,815	53,618	45,045	32,797	22,673	15,658
Less: Cash and Cash Equivalents	(3,846)	(1,204)	(1,388)	(1,607)	(1,987)	(1,499)	(700)	(700)	(700)	(700)	(700)	(1,027)	(5,021)
Less: Trade and Other Receivables	(4,699)	(6,392)	(6,647)	(6,532)	(6,972)	(7,428)	(7,893)	(8,434)	(8,753)	(9,084)	(9,401)	(9,784)	(10,154)
Net Financial Liabilities	**22,752**	**30,109**	**50,178**	**56,834**	**61,500**	**61,971**	**59,166**	**52,680**	**44,165**	**35,261**	**22,696**	**11,862**	**482**
Total Income	55,502	58,744	59,534	65,555	70,063	74,089	78,375	82,934	85,880	88,936	92,111	95,394	98,768
Net Financial Liabilities Ratio	**41%**	**51%**	**84%**	**87%**	**88%**	**84%**	**75%**	**64%**	**51%**	**40%**	**25%**	**12%**	**0%**
Asset Renewal Funding Ratio													
Expenditure on Renewal / Replacement of Assets	6,729	7,993	9,004	10,866	7,605	8,924	10,781	10,425	9,912	10,786	9,378	11,834	11,834
Asset Management Plan	-	-	-	9,233	8,743	10,142	12,115	11,713	10,893	10,896	11,872	11,604	11,604
Asset Renewal Funding Ratio	**0%**	**0%**	**0%**	**118%**	**87%**	**88%**	**89%**	**89%**	**91%**	**99%**	**79%**	**102%**	**102%**
Loan Borrowings	**21,205**	**22,435**	**42,328**	**51,730**	**57,337**	**58,182**	**55,145**	**49,011**	**40,912**	**32,012**	**19,957**	**9,174**	**1,884**
Targets													
Operating Surplus Ratio				(2) to 1	(2) to 1	(2) to 1	0 to 2	0 to 2	0 to 2	3 to 5	3 to 5	3 to 5	3 to 5
Net Financial Liabilities Ratio				<= 120	<= 120	<= 120	<= 110	<= 110	<= 80	<= 80	<= 80	<= 80	<= 80
Asset Renewal Funding Ratio				90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110

Financial Statements - Excluding CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Income Statement													
Income													
Rates	39,220	42,020	45,178	49,361	52,831	56,425	60,264	64,364	66,837	69,406	72,074	74,845	77,722
Statutory Charges	1,683	1,437	1,543	1,674	1,718	1,760	1,804	1,850	1,896	1,943	1,992	2,042	2,093
User Charges	1,590	2,171	1,477	1,807	1,864	1,921	1,980	2,040	2,103	2,167	2,233	2,302	2,373
Grants, Subsidies and Contributions	4,409	5,273	2,413	3,343	4,034	4,120	4,208	4,298	4,390	4,485	4,582	4,681	4,783
Investment Income	43	97	47	68	68	68	68	68	68	68	68	68	68
Reimbursements	218	545	253	240	246	252	259	265	272	279	286	293	300
Other Income	531	477	321	139	143	146	150	154	157	161	165	170	174
Net gain - Equity Accounted Council Businesses	316	36	317	317	330	345	366	388	411	437	471	498	498
Total Income	**48,010**	**52,056**	**51,549**	**56,949**	**61,233**	**65,038**	**69,098**	**73,426**	**76,134**	**78,946**	**81,871**	**84,898**	**88,010**
Expenses													
Employee Costs	16,638	17,973	20,776	23,136	24,196	25,153	26,256	27,407	28,608	29,861	31,169	32,533	33,957
Materials, Contracts & Other Expenses	17,084	19,359	17,811	18,517	19,384	20,050	20,740	21,453	22,192	22,958	23,750	24,571	25,420
Prescribed Expenses	-	1,208	-	-	-	-	-	-	-	-	-	-	-
Depreciation, Amortisation & Impairment	11,820	12,649	17,393	17,636	18,964	19,539	20,113	20,693	21,223	21,791	22,297	22,903	23,523
Finance Costs	655	834	1,240	2,179	2,761	3,211	3,131	2,846	2,651	2,140	1,517	801	229
Net loss - Equity Accounted Council Businesses	335	492	350	350	359	368	377	387	396	406	416	427	438
Total Expenses	**46,532**	**52,515**	**57,570**	**61,818**	**65,664**	**68,321**	**70,617**	**72,786**	**75,070**	**77,156**	**79,149**	**81,234**	**83,567**
Operating Surplus / (Deficit)	**1,478**	**(459)**	**(6,021)**	**(4,869)**	**(4,431)**	**(3,283)**	**(1,518)**	**640**	**1,064**	**1,791**	**2,722**	**3,664**	**4,443**
Physical Resources Received Free of Charge	414	-	2,000	2,040	2,100	2,160	2,210	2,270	2,310	2,380	2,380	2,440	2,500
Asset Disposal & Fair Value Adjustments	(1,289)	(204)	(320)	(320)	(414)	(670)	(445)	(406)	(176)	(716)	27	(243)	(510)
Amounts Received Specifically for New or Upgraded Assets	1,929	6,502	4,057	3,750	-	162	166	170	170	-	-	-	-
Net Surplus / (Deficit)	**2,532**	**5,839**	**(284)**	**601**	**(2,745)**	**(1,631)**	**413**	**2,674**	**3,368**	**3,455**	**5,129**	**5,861**	**6,433**
Other Comprehensive Income													
Changes in Revaluation Surplus - I,PP&E	31,760	156,678	12,015	16,297	18,847	18,836	18,662	19,032	19,348	19,798	20,179	20,510	20,813
Other Equity Adjustments	(1,166)	6,121	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income	**30,594**	**162,799**	**12,015**	**16,297**	**18,847**	**18,836**	**18,662**	**19,032**	**19,348**	**19,798**	**20,179**	**20,510**	**20,813**
Total Comprehensive Income	**33,126**	**168,638**	**11,731**	**16,897**	**16,102**	**17,205**	**19,075**	**21,706**	**22,716**	**23,252**	**25,308**	**26,371**	**27,246**

Financial Statements - Excluding CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Balance Sheet													
Current Assets													
Cash and Cash Equivalents	3,846	1,004	1,188	1,406	1,787	1,299	500	500	500	500	500	827	4,821
Trade and Other Receivables	4,699	6,392	6,647	6,532	6,972	7,428	7,893	8,434	8,753	9,084	9,401	9,784	10,154
Inventories	46	38	27	27	27	27	27	27	27	27	27	27	27
Total Current Assets	**8,591**	**7,434**	**7,862**	**7,965**	**8,786**	**8,755**	**8,420**	**8,961**	**9,280**	**9,611**	**9,928**	**10,638**	**15,002**
Non-Current Assets													
Equity Accounted Investments in Council Businesses	5,409	11,072	11,039	11,006	10,977	10,954	10,943	10,944	10,958	10,989	11,044	11,115	11,175
Infrastructure, Property, Plant & Equipment	492,060	662,280	693,491	715,070	736,124	753,724	769,341	785,191	799,684	814,961	828,353	844,043	860,101
Other Non-Current Assets	1,403	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498	2,498
Total Non-Current Assets	**498,872**	**675,850**	**707,029**	**728,575**	**749,599**	**767,176**	**782,782**	**798,633**	**813,141**	**828,448**	**841,895**	**857,657**	**873,775**
Total Assets	**507,463**	**683,284**	**714,891**	**736,540**	**758,386**	**775,931**	**791,202**	**807,595**	**822,421**	**838,059**	**851,823**	**868,295**	**888,777**
Current Liabilities													
Trade & Other Payables	5,131	9,924	10,325	7,683	7,562	7,156	7,054	7,243	7,147	7,473	7,280	7,938	8,213
Borrowings	10,000	8,650	12,000	4,984	10,628	10,777	10,667	10,248	12,026	12,283	10,783	7,290	-
Provisions	4,067	4,239	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409	4,409
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	**19,198**	**22,813**	**26,734**	**17,076**	**22,599**	**22,342**	**22,130**	**21,900**	**23,581**	**24,164**	**22,472**	**19,638**	**12,622**
Non-Current Liabilities													
Borrowings	8,615	11,970	27,881	42,290	42,512	43,108	39,516	34,434	24,862	16,665	6,814	(252)	-
Provisions	894	1,107	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151
Liability - Equity Accounted Council Businesses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	**9,509**	**13,077**	**29,032**	**43,441**	**43,663**	**44,259**	**40,667**	**35,585**	**26,013**	**17,816**	**7,965**	**899**	**1,151**
Total Liabilities	**28,707**	**35,890**	**55,766**	**60,518**	**66,262**	**66,602**	**62,798**	**57,484**	**49,594**	**41,980**	**30,436**	**20,537**	**13,773**
Net Assets	**478,756**	**647,394**	**659,125**	**676,022**	**692,124**	**709,329**	**728,404**	**750,110**	**772,826**	**796,079**	**821,387**	**847,758**	**875,004**
Equity													
Accumulated Surplus	174,603	186,394	186,110	186,711	183,965	182,335	182,748	185,421	188,789	192,244	197,372	203,233	209,667
Asset Revaluation Reserves	303,351	460,029	472,044	488,341	507,188	526,024	544,686	563,718	583,066	602,864	623,043	643,554	664,367
Other Reserves	802	971	971	971	971	971	971	971	971	971	971	971	971
Total Equity	**478,756**	**647,394**	**659,125**	**676,022**	**692,124**	**709,329**	**728,405**	**750,111**	**772,826**	**796,079**	**821,387**	**847,758**	**875,004**
Net Borrowings	14,769	19,616	38,693	45,869	51,353	52,586	49,684	44,181	36,387	28,448	17,097	6,212	(4,821)

Financial Statements - Excluding CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Cash Flow Statement													
Cash Flow from Operating Activities													
Receipts													
Operating Receipts	46,915	55,472	50,928	56,679	60,394	64,169	68,200	72,429	75,336	78,110	81,014	83,949	87,074
Investment Receipts	43	97	47	68	68	68	68	68	68	68	68	68	68
Payments													
Operating Payments for Suppliers and Employees	(35,248)	(39,751)	(37,605)	(44,295)	(43,701)	(45,609)	(47,098)	(48,671)	(50,897)	(52,493)	(55,112)	(56,445)	(59,102)
Finance Payments	(737)	(884)	(1,600)	(2,179)	(2,761)	(3,211)	(3,131)	(2,846)	(2,651)	(2,140)	(1,517)	(801)	(229)
Net Cash Provided By (or Used In) Operating Activities	**10,973**	**14,934**	**11,770**	**10,273**	**14,000**	**15,417**	**18,039**	**20,980**	**21,856**	**23,546**	**24,454**	**26,771**	**27,811**
Cash Flow from Investing Activities													
Receipts													
Amounts Received Specifically for New / Updgraded Assets	2,297	7,756	4,056	3,750	-	162	166	170	170	-	-	-	-
Sale of Replaced Assets	795	1,234	330	346	563	451	839	668	839	401	1,210	936	629
Repayments of Loans by Community Groups	12	34	-	-	-	-	-	-	-	-	-	-	-
Payments													
Expenditure on Renewal / Replacement of Assets	(5,799)	(7,339)	(8,579)	(9,680)	(6,743)	(8,138)	(9,920)	(9,938)	(8,662)	(9,612)	(8,320)	(10,688)	(10,688)
Expenditure on New / Upgraded Assets	(3,610)	(21,417)	(26,926)	(11,864)	(13,304)	(9,126)	(6,222)	(6,377)	(6,410)	(6,395)	(5,993)	(6,134)	(6,719)
Net Cash Provided By (or Used In) Investing Activities	**(6,305)**	**(19,732)**	**(31,119)**	**(17,449)**	**(19,484)**	**(16,651)**	**(15,137)**	**(15,477)**	**(14,063)**	**(15,606)**	**(13,103)**	**(15,886)**	**(16,778)**
Cash Flow from Financing Activities													
Receipts													
Proceeds from Borrowings	4,250	12,005	26,403	11,382	10,592	11,374	7,076	4,534	2,148	3,126	228	-	-
Payments													
Repayment of Borrowings	(6,181)	(10,049)	(6,870)	(3,988)	(4,727)	(10,628)	(10,777)	(10,037)	(9,941)	(11,066)	(11,579)	(10,558)	(7,039)
Net Cash Provided By (or Used In) Financing Activities	**(1,931)**	**1,956**	**19,533**	**7,394**	**5,865**	**746**	**(3,702)**	**(5,503)**	**(7,793)**	**(7,940)**	**(11,351)**	**(10,558)**	**(7,039)**
Net Increase (Decrease) in Cash Held	**2,737**	**(2,842)**	**184**	**218**	**380**	**(488)**	**(799)**	**1**	**(0)**	**(0)**	**(0)**	**327**	**3,994**
Cash & Cash Equivalents at the Beginning of Period	1,109	3,846	1,004	1,188	1,406	1,787	1,299	500	500	500	500	500	827
Cash & Cash Equivalents at the End of Period	**3,846**	**1,004**	**1,188**	**1,406**	**1,787**	**1,299**	**500**	**500**	**500**	**500**	**500**	**827**	**4,821**
Net Cash Flow before Financing Activities and Interest Payments	5,405	(3,914)	(17,749)	(4,997)	(2,723)	1,977	6,033	8,349	10,444	10,080	12,868	11,686	11,262

Financial Statements - Excluding CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Statement of Changes in Equity													
Accumulated Surplus													
Balance at the end of previous reporting period	173,529	174,603	186,394	186,110	186,711	183,966	182,335	182,748	185,422	188,789	192,244	197,373	203,233
Net result for the year	2,532	5,839	(284)	601	(2,745)	(1,631)	413	2,674	3,368	3,455	5,129	5,861	6,433
Transfers from other reserves	(1,458)	5,952	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period	**174,603**	**186,394**	**186,110**	**186,711**	**183,966**	**182,335**	**182,748**	**185,422**	**188,789**	**192,244**	**197,373**	**203,233**	**209,667**
Asset Revaluation Reserve													
Balance at the end of previous reporting period	271,591	303,351	460,029	472,044	488,341	507,188	526,024	544,686	563,718	583,066	602,864	623,043	643,554
Gain (Loss) on Revaluation of I, PP&E	31,760	156,678	12,015	16,297	18,847	18,836	18,662	19,032	19,348	19,798	20,179	20,510	20,813
Balance at the end of period	**303,351**	**460,029**	**472,044**	**488,341**	**507,188**	**526,024**	**544,686**	**563,718**	**583,066**	**602,864**	**623,043**	**643,554**	**664,367**
Other Reserves													
Balance at the end of previous reporting period	510	802	971	971	971	971	971	971	971	971	971	971	971
Transfers from Accumulated Surplus	292	169	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of period	**802**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**	**971**
Total Equity at end of reporting period	**478,756**	**647,394**	**659,125**	**676,023**	**692,124**	**709,330**	**728,405**	**750,111**	**772,827**	**796,079**	**821,387**	**847,758**	**875,004**

Financial Statements - Excluding CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Uniform Presentation of Finances													
Income	48,010	52,056	51,549	56,949	61,233	65,038	69,098	73,426	76,134	78,946	81,871	84,898	88,010
less Expenses	(46,532)	(52,515)	(57,570)	(61,818)	(65,664)	(68,321)	(70,617)	(72,786)	(75,070)	(77,156)	(79,149)	(81,234)	(83,567)
Operating Surplus / (Deficit)	**1,478**	**(459)**	**(6,021)**	**(4,869)**	**(4,431)**	**(3,283)**	**(1,518)**	**640**	**1,064**	**1,791**	**2,722**	**3,664**	**4,443**
Net Outlays on Existing Assets													
Capital Expenditure on renewal and replacement of Existing Assets	(5,799)	(7,339)	(8,579)	(9,680)	(6,743)	(8,138)	(9,920)	(9,938)	(8,662)	(9,612)	(8,320)	(10,688)	(10,688)
add back Depreciation, Amortisation and Impairment	11,820	12,649	17,393	17,636	18,964	19,539	20,113	20,693	21,223	21,791	22,297	22,903	23,523
add back Proceeds from Sale of Replaced Assets	795	1,234	330	346	563	451	839	668	839	401	1,210	936	629
	6,816	**6,544**	**9,144**	**8,302**	**12,784**	**11,852**	**11,032**	**11,423**	**13,400**	**12,580**	**15,187**	**13,151**	**13,464**
Net Outlays on New and Upgraded Assets													
Capital Expenditure on New and Upgraded Assets	(11,251)	(21,417)	(26,926)	(11,864)	(13,304)	(9,126)	(6,222)	(6,377)	(6,410)	(6,395)	(5,993)	(6,134)	(6,719)
add back Amounts Received Specifically for New and Updgraded Ass	2,297	7,756	4,056	3,750	-	162	166	170	170	-	-	-	-
	(8,954)	**(13,661)**	**(22,870)**	**(8,114)**	**(13,304)**	**(8,964)**	**(6,056)**	**(6,207)**	**(6,240)**	**(6,395)**	**(5,993)**	**(6,134)**	**(6,719)**
Net Lending / (Borrowing) for Financial Year	**(660)**	**(7,576)**	**(19,747)**	**(4,682)**	**(4,952)**	**(395)**	**3,458**	**5,856**	**8,223**	**7,975**	**11,916**	**10,680**	**11,188**

Financial Indicators - ex CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Operating Surplus Ratio													
Total Income	48,010	52,056	51,549	56,949	61,233	65,038	69,098	73,426	76,134	78,946	81,871	84,898	88,010
Operating Surplus / (Deficit)	1,478	(459)	(6,021)	(4,869)	(4,431)	(3,283)	(1,518)	640	1,064	1,791	2,722	3,664	4,443
Operating Surplus Ratio	**3%**	**(1%)**	**(12%)**	**(9%)**	**(7%)**	**(5%)**	**(2%)**	**1%**	**1%**	**2%**	**3%**	**4%**	**5%**
Net Financial Liabilities Ratio													
Add: Total Liabilities	28,707	35,890	55,766	60,518	66,262	66,602	62,798	57,484	49,594	41,980	30,436	20,537	13,773
Less: Cash and Cash Equivalents	(3,846)	(1,004)	(1,188)	(1,406)	(1,787)	(1,299)	(500)	(500)	(500)	(500)	(500)	(827)	(4,821)
Less: Trade and Other Receivables	(4,699)	(6,392)	(6,647)	(6,532)	(6,972)	(7,428)	(7,893)	(8,434)	(8,753)	(9,084)	(9,401)	(9,784)	(10,154)
Net Financial Liabilities	**20,162**	**28,494**	**47,931**	**52,580**	**57,502**	**57,874**	**54,405**	**48,550**	**40,341**	**32,397**	**20,535**	**9,926**	**(1,202)**
Total Income	48,010	52,056	51,549	56,949	61,233	65,038	69,098	73,426	76,134	78,946	81,871	84,898	88,010
Net Financial Liabilities Ratio	**42%**	**55%**	**93%**	**92%**	**94%**	**89%**	**79%**	**66%**	**53%**	**41%**	**25%**	**12%**	**(1%)**
Asset Renewal Funding Ratio													
Expenditure on Renewal / Replacement of Assets	5,799	7,339	8,579	9,680	6,743	8,138	9,920	9,938	8,662	9,612	8,320	10,688	10,688
Asset Management Plan	-	-	-	8,470	8,018	9,364	11,680	10,902	9,946	10,201	11,176	10,909	10,909
Asset Renewal Funding Ratio	**0%**	**0%**	**0%**	**114%**	**84%**	**87%**	**85%**	**91%**	**87%**	**94%**	**74%**	**98%**	**98%**
Targets													
Operating Surplus Ratio				(2) to 1	(2) to 1	(2) to 1	0 to 2	0 to 2	0 to 2	3 to 5	3 to 5	3 to 5	3 to 5
Net Financial Liabilities Ratio				<= 120	<= 120	<= 120	<= 110	<= 110	<= 80	<= 80	<= 80	<= 80	<= 80
Asset Renewal Funding Ratio				90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110

Financial Statements - CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Uniform Presentation of Finances													
Income	7,492	6,688	7,985	8,606	8,830	9,050	9,277	9,509	9,746	9,990	10,240	10,496	10,758
less Expenses	(5,342)	(6,209)	(7,141)	(8,003)	(8,193)	(8,556)	(8,964)	(9,319)	(9,655)	(9,961)	(10,302)	(10,679)	(11,065)
Operating Surplus / (Deficit)	**2,150**	**479**	**844**	**603**	**637**	**494**	**313**	**190**	**92**	**29**	**(63)**	**(184)**	**(307)**
Less Net Outlays on Existing Assets													
Capital Expenditure on renewal and replacement of Exist	-	(654)	(425)	(1,186)	(862)	(786)	(861)	(487)	(1,250)	(1,174)	(1,058)	(1,146)	(1,146)
add back Depreciation, Amortisation and Impairment	1,365	1,491	1,573	2,595	2,746	2,928	3,146	3,304	3,436	3,531	3,652	3,802	3,952
add back Proceeds from Sale of Replaced Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
	1,365	**837**	**1,148**	**1,409**	**1,884**	**2,142**	**2,285**	**2,817**	**2,186**	**2,357**	**2,594**	**2,656**	**2,806**
Less Net Outlays on New and Upgraded Assets													
Capital Expenditure on New and Upgraded Assets	-	(341)	(2,353)	(4,020)	(2,264)	(2,735)	(3,262)	(2,376)	(1,971)	(1,426)	(1,828)	(2,248)	(2,248)
add back Amounts Received Specifically for New and Upc	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	**(341)**	**(2,353)**	**(4,020)**	**(2,264)**	**(2,735)**	**(3,262)**	**(2,376)**	**(1,971)**	**(1,426)**	**(1,828)**	**(2,248)**	**(2,248)**
Net Lending / (Borrowing) for Financial Year	**3,515**	**975**	**(361)**	**(2,008)**	**257**	**(99)**	**(665)**	**631**	**306**	**960**	**704**	**225**	**252**

Financial Indicators - CWMS

Alexandrina Council LTFP

$'000	Jun-22 Act	Jun-23 Act	Jun-24 Fcst	Jun-25 Bud	Jun-26 Fcst	Jun-27 Fcst	Jun-28 Fcst	Jun-29 Fcst	Jun-30 Fcst	Jun-31 Fcst	Jun-32 Fcst	Jun-33 Fcst	Jun-34 Fcst
Operating Surplus Ratio													
Total Income	7,492	6,688	7,985	8,606	8,830	9,050	9,277	9,509	9,746	9,990	10,240	10,496	10,758
Operating Surplus / (Deficit)	2,150	479	844	603	637	494	313	190	92	29	(63)	(184)	(307)
Operating Surplus Ratio	**29%**	**7%**	**11%**	**7%**	**7%**	**5%**	**3%**	**2%**	**1%**	**0%**	**(1%)**	**(2%)**	**(3%)**
Net Financial Liabilities Ratio													
Add: Total Liabilities	2,590	1,815	2,447	4,455	4,198	4,296	4,961	4,330	4,024	3,064	2,361	2,136	1,884
Less: Cash and Cash Equivalents	-	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Less: Trade and Other Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Financial Liabilities	**2,590**	**1,615**	**2,247**	**4,255**	**3,998**	**4,096**	**4,761**	**4,130**	**3,824**	**2,864**	**2,161**	**1,936**	**1,684**
Total Income	7,492	6,688	7,985	8,606	8,830	9,050	9,277	9,509	9,746	9,990	10,240	10,496	10,758
Net Financial Liabilities Ratio	**35%**	**24%**	**28%**	**49%**	**45%**	**45%**	**51%**	**43%**	**39%**	**29%**	**21%**	**18%**	**16%**
Asset Renewal Funding Ratio													
Expenditure on Renewal / Replacement of Assets	930	654	425	1,186	862	786	861	487	1,250	1,174	1,058	1,146	1,146
Asset Management Plan	-	-	-	763	724	778	435	812	947	695	696	695	695
Asset Renewal Funding Ratio	**0%**	**0%**	**0%**	**155%**	**119%**	**101%**	**198%**	**60%**	**132%**	**169%**	**152%**	**165%**	**165%**

Targets													
Operating Surplus Ratio				(5) to 2	(5) to 2	(5) to 2	(2) to 3	(2) to 3	(2) to 3	2 to 6	2 to 6	2 to 6	2 to 6
Net Financial Liabilities Ratio				<= 250	<= 250	<= 250	<= 250	<= 250	<= 250	<= 200	<= 200	<= 200	<= 200
Asset Renewal Funding Ratio				90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110	90-110

Appendix D - New Operating Initiatives

New Initiatives Legislative Requirement for 2024/25

:	Description	Expenditure	Net	Rate Revenue
NI#15	**Community Strategic Plan (A2040 review)**	**$40,000**	**$40,000**	**0.08%**
Description:	In 2021, A2040 - Our Plan to Thrive community strategic plans were endorsed after extensive, region-wide consultation 2019-2020. Council to conduct a review of the plan's content, activities and measures. Review and proposed changes to be in accordance with the Local Government Act 1999.	$40,000		
Risk of Delay:	Review is a legislative requirement under the Local Government Act 1999. Council must undertake a comprehensive review within 2 years after each general election of the council. The reviewed plan to be endorsed by November 2024.			
NI#22	**Essential Services Commission of SA (ESCOSA) Council Advice 2024/25**	**$50,000**	**$50,000**	**0.10%**
Description:	Legislative Requirement for a review of Council to be performed by ESCOSA			
Risk of Delay:	Council is unable to delay this mandatory requirement			
NI#16	**Integrated Long Term Financial Planning for Strategic Management**	**$20,000**	**$20,000**	**0.04%**
Description:	Develop an integrated Long-Term Financial Plan (LTFP) as part of the Strategic Management Plans (SMPs) framework, aligning council objectives with community needs, financial sustainability goals, and performance indicators. The LTFP will provide a comprehensive overview of council's objectives, activities, financial projections, and performance assessment measures, ensuring accountability and effective decision-making in line with regulatory requirements and community expectations.			
Risk of Delay:	Review is a legislative requirement under the Local Government Act 1999. Council must undertake a comprehensive review within 2 years after each general election of the council. The reviewed plan to be endorsed by November 2024.			
NI#9	**Strathalbyn Town Plan Renewal**	**$70,000**	**$70,000**	**0.15%**
Description:	Develop a new Town Plan for Strathalbyn in compliance with the Local Government Act, aimed at guiding future Council and private-led developments and informing regional planning initiatives. The strategic plan will address the evolving needs of the township, facilitate proactive code amendments, and align with the objectives outlined in the Productive Economy Paper. Legislative considerations: Consistent with requirements of the LGA 1999 (s122 (2) & (3) & to inform Code Amendment Processes & the GARP under the PDI Act 2016.	$70,000		
Risk of Delay:	Delaying this project until the 2025/26 financial year would assist the Strategic Development team to concentrate on existing priorities, including finalising the Town Plans for Port Elliot, Middleton, Milang and Goolwa.	$70,000		
Total			**$ 180,000**	**0.37%**

New Initiatives identified to address Risk Register Items

:	Description	Expenditure	Net	Rate Revenue
NI#26	**Graduate Accountant (1 FTE)**	**$108,156**	**$108,156**	**0.23%**
Description:	Enables the Financial Accounting Team Leader to move out of day to day transaction data and to have a more strategic focus, including recommendations from Audit & improved reporting	$108,156		
Risk of Delay:	0	$108,156		
NI#8	**Improved Cyber Security with Microsoft Azure**	**$20,000**	**$20,000**	**0.04%**
Description:	Strengthen security measures and streamline operations with Microsoft Azure's robust cloud foundation. Benefit from built-in security controls and advanced threat intelligence to detect and mitigate evolving cyber threats efficiently.			
Risk of Delay:	Delaying the implementation of MS Azure for cyber security could leave the organisation more vulnerable to sophisticated cyber threats, potentially resulting in data breaches or financial losses. Postponing the adoption of Azure's security features may also prolong the organisation's reliance on disparate security solutions, leading to increased complexity and operational costs in managing cyber risks.			
NI#14	**Integrated CCTV System Upgrade**	**$32,000**	**$32,000**	**0.07%**
Description:	Upgrade CCTV systems to align with the new ICT Strategy, addressing compatibility issues and enhancing security measures. The update will resolve issues related to storage, retrieval, and records compliance, ensuring operational efficiency within the new ICT environment. Implementation of a SaaS-based system will provide ongoing service and subscription for seamless operation.			
Risk of Delay:	Delay will result in ongoing deficiencies in records management compliance, data integrity and security of data.			

:	Description	Expenditure	Net	Rate Revenue
NI#4	**Licensing upgrade for Microsoft 365 to facilitate Modern Workplace features, communications and cyber security.**	**$67,200**	**$67,200**	**0.14%**
Description:	Licensing upgrade to enable enhanced features of the Microsoft suite of tools and applications to enable workplace efficiencies, improved productivity and communications and cyber security.			
Risk of Delay:	Delaying the license upgrade will hinder our digital transformation, personal productivity improvements, communication enhancements and leave the organisation more vulnerable to cyber threats, potentially impeding productivity and jeopardising data security.			
NI#11	**Specialised Structure Query Language (SQL) Database Management**	**$39,000**	**$39,000**	**0.08%**
Description:	Outsource management for SQL Servers and databases to specialised service providers ensuring regular updates, maintenance, and support to enhance database performance and mitigate internal skill and process risks.			
Risk of Delay:	Delays in implementing specialised support services impact the reliability, quality and efficiencies of our database systems and has a resulting impact on the systems performance and efficiencies.			
NI#13	**Transformation of the corporate Local Area Network**	**$54,000**	**$54,000**	**0.11%**
Description:	Undertake a thorough review, redesign, and managed service implementation for the organisations Local Area Network (internal network) including re-architecture of network components, modernisation of network configuration and design and documentation of the network configuration.	$54,000		
Risk of Delay:	Delay in implementing this transformation will impact the reliability, security and efficiency of the corporate network with resulting impacts to overall performance and useability.	$54,000		
Total			**$320,356**	**0.67%**

New Initiative - Recommended by Council or Committee

:	Description	Expenditure	Net	Rate Revenue
NI#25	**Agribusiness Officer - (0.60FTE) Position Proposal (ASART and Council)**	**$70,631**	**$70,631**	**0.15%**
Description:	7			
Risk of Delay:	Perception of lack of adequate support for the Agricultural sector, which is one of Alexandrina's key employment sectors.			
NI#10	**Community Greening Initiative Proposal (CEEC and Council)**	**$80,000**	**$80,000**	**0.17%**
Description:	The "Township Greening Strategy" aims to implement key strategic directions outlined in Council's Climate Emergency Declaration & Environmental Action Plan. With a focus on increasing vegetation canopy coverage & biodiversity in townships, the proposal seeks to create cooler, greener spaces, enhance habitat value, & promote community well-being. The recommendation from the s41 Climate Emergency & Environment Committee will advocate for ongoing budget allocation to support this initiative, reflecting Council's commitment to environmental stewardship and community engagement. Legislative considerations: - Addressing key state legislative requirements for Climate change, such as Climate Change & Greenhouse Emissions Reduction Act 2007; LG Act 1999. - Compliant to the South Australia Work Health Safety Act 2012 to provide for the health, safety & welfare of persons at work; & for other purposes. - Fire & Emergency Services Act 2005 to provide for the prevention, control & suppression of fires and for the handling of certain emergency situations; & for other purposes.			
Risk of Delay:	Some reputational impact may occur in relation to delivering one of our key objectives. The proposed funding of a Strategy in 2024/25 is an important first step as it will identify where, when and what to plant.			
NI#17	**Climate Emergency Operating Budget**	**$25,000**	**$25,000**	**0.05%**
Description:	Operational budget to enable the delivery of actions contained within Council's Climate Emergency Action Plan.			
Risk of Delay:	Reputational risk in not delivering on the endorsed Climate Emergency Action Plan.			
Total			**$ 175,631**	**0.37%**

New Initiatives - Saving and Efficiencies

:	Description	Expenditure	Net	Rate Revenue
NI#5	**Automation and streamlining of invoice processing through implementation of electronic invoicing software.**	**$33,000**	**$33,000**	**0.07%**
Description:	Implementation of specialised software to automate invoice capture and processing across various channels directly into corporate ERP (CiA) System, ensuring faster, more accurate transaction processing, approvals and reducing ongoing administration.			
Risk of Delay:	Postponing the implementation of e-invoicing integration could prolong manual processing, potentially leading to inefficiencies and errors in financial management. Additionally, delaying integration may necessitate additional resources and assessment efforts, impacting project timelines and potentially hindering cost-saving benefits.			
NI#6	**Secure and integrated electronic (online) approval and signing software (DocuSign)**	**$13,860**	**$13,860**	**0.03%**
Description:	Implementation and integration of DocuSign, (electronic approval and signing application software) to seamlessly facilitate onboarding, contractual and approval/ authorisation processes, facilitating streamlined workflows and integration with existing cloud-based systems including corporate ERP solution.			
Risk of Delay:	Delaying the implementation of DocuSign integration could prolong manual administrative tasks related to onboarding and contractual communications, potentially resulting in inefficiencies and delays in personnel and contract management. Additionally, postponing integration may hinder the realisation of streamlined processes and automation benefits, impacting overall operational efficiency.			
NI#12	**Modernised SMS Text Solution for corporate communications**	**$6,000**	**$6,000**	**0.01%**
Description:	Implement a contemporary, reliable, and robust SMS solution to replace the existing services, leveraging Software as a Service (SaaS) and consumption-based models to deliver a more effective and efficient communication service for both operations and customer communications.			
Risk of Delay:	Delay in implementing this solution will require continued use of existing services/ systems with the inherent inefficiencies.			

:	Description	Expenditure	Net	Rate Revenue
NI#23	**Continuing review of delivery standards and service levels across the organisation**	**$60,000**	**$60,000**	**0.13%**
Description:	Carry out reviews of services including Customer Service, Community Development, Vehicle Fleet, Wooden Boats, Field Services and Libraries			
Risk of Delay:	Potentially will not realise savings, efficiencies and or establishment of service need and delivery standards.			
NI#21	**Public Private partnership opportunities - Use of other peoples money to deliver property projects**	**$80,000**	**$80,000**	**0.17%**
Description:	Budget to engage consultants to facilitate public/private partnerships to enable Council's assets to be leveraged for maximum public community benefit using private funds.			
Risk of Delay:	Could result in missed opportunities to provide revenue and or investment into Council assets for the benefit of the Community.			
NI#24	**Environmental Health Officer - Wastewater (1FTE) Position Proposal**	**$126,397**	**-$23,603**	**0.26%**
Description:	Propose the creation of a full-time Environmental Health Officer (EHO) position dedicated to wastewater management to address the increasing demand and streamline processes. This position aims to improve customer service, enhance communication and coordination between teams, and ensure efficient management of wastewater applications, inspections, and compliance. By dedicating resources to wastewater-specific tasks, the position will alleviate pressure on existing teams and allow them to focus on their core responsibilities, ultimately improving service delivery and customer satisfaction.			
Risk of Delay:	Reduced customer service and preparation for growth. Quality impacts on gifted infrastructure. Impacts from trade waste going unmanaged. Reduced capital project output due to coverage by internal resources.			
Total			**$169,257**	**0.67%**

New Initiatives - Other

:	Description	Expenditure	Net	Rate Revenue
NI#18	**Carbon measuring software - Renewal**	**$17,000**	**$17,000**	**0.04%**
Description:	Provision of a technology platform (Trellis Tech) that can report on carbon usage and savings.			
Risk of Delay:	Moderate - not providing this report for 12 months would result in a gap in our ongoing data and reporting.			
NI#7	**Enhanced Wayfinding Signage Strategy**	**$50,000**	**$50,000**	**0.10%**
Description:	Develop a systematic approach to enhance wayfinding signage across townships, improving visitor guidance to key destinations and reinforcing township character. The strategy includes public consultation, brand development, signage design, and removal of obsolete signage to create connected and walkable townships. It aims to promote physical activity, highlight significant sites, and support all traffic movements within the council area. Legislative considerations: Development approvals and land owner (DIT) for State roads may be required.			
Risk of Delay:	Delaying the implementation of the wayfinding signage strategy could lead to continued confusion for visitors and residents alike, as outdated or inconsistent signage persists. This delay may hinder efforts to improve pedestrian and cyclist navigation, potentially impacting community well-being and local economy through decreased foot traffic to key destinations. Additionally, postponing the project could prolong the need for manual validation and categorisation of signage data, potentially increasing consultancy costs in the future.			
NI#3	**Funding for Milang, Strathalbyn and Goolwa Community Centres**	**$161,200**	**$161,200**	**0.34%**
Description:	Strengthening the Goolwa, Strath, and Milang Community Centres; Implementing a strategic partnership approach with independent Centres; Tailoring funding allocations based on centre development and Community needs; Upholding the distributed model for responsive Community support; Recognising specific needs and growth opportunities for each centre			
Risk of Delay:	Significant - not providing this funding would reduce the services that are able to be provided by the Community Centres.			

:	Description	Expenditure	Net	Rate Revenue
NI#20	**Port Elliot Local Heritage Code Amendment**	**$70,000**	**$70,000**	**0.15%**
Description:	Review of Local Heritage listed places and the boundaries of Historic Overlays within Port Elliot. This work has commenced with initial surveys completed.			
Risk of Delay:	Would not be well received by the Port Elliot community, particularly in light of the recent removal of a 'historic' tree and the removal of a dwelling of historic value.			
NI#19	**Wooden Boat Festival ($70,000 expenditure offset by $55,000 income)**	**$75,000**	**$15,000**	**0.03%**
Description:	Delivery of the Wooden Boat Festival in April 2025. Budget required to supplement Administration's time and to enable road closures and project management.			
Risk of Delay:	Delaying this project would result in reputational risk, given the Community's expectation that the Festival occur every two years.			
Total			**$313,200**	**0.66%**
Grand Total			**$1,158,444**	**2.74%**

New Initiatives - Unfunded

:	Description	Unfunded	Net	Rate Revenue
NI#32	**Adelaide Car Rally - Staging at Strathalbyn**	**$25,000**	**$25,000**	**0.04%**
Description:	Council has in the past two years contributed to the staging of the Adelaide Rally in Strathalbyn - this event is held in November and has attracted over 3,000 spectators. It is proposed that this event is held concurrently with the Strathalbyn Duck Race. The organisers (Massive Events Corp P/L) have requested $25,000 as a contribution to the costs in delivering the event in 2024.			
Risk of Delay:	Not meeting the expectations of the Community.			
NI#28	**Animal Management Officer (1 FTE)**	**$140,146**	**$140,146**	**0.29%**
Description:	To enable the administration of the new Cats By-Law that was approved by Council. Includes the provision of a purpose fitout utility vehicle for transportation of cats and other animals. Note: Council at the 18 December 2023 Council Meeting resolved (C23521) in part: › Undertakes a budget review to allocate $22,800 to fully implement the Cats By-Law in the current financial year, 2023/24 (and $82,300 in subsequent years adjusted for CPI) to ensure adequate funds are available to ensure the effective management of cats and the enforcement of the Cats By-Law			
Risk of Delay:	Would require the Community Safety team to make alternate arrangements for the management of cats in accordance with the Cats By-Law (i.e. retrofitting existing vehicle and dispersing the relevant actions to existing staff)			

:	Description	Unfunded	Net	Rate Revenue
NI#36	**Ashbourne Memorial Hall and Oval - Grant or Contribution to remediate the driveway around the Hall**	**$46,240**	**$46,240**	**0.10%**
Description:	At the Council Meeting, 17 July 2023 it was resolved (C23257): That, given there is no reference to past, current or future years to projects undertaken in Ashbourne in the Annual Business Plan 2023/24, and the Ashbourne Hall and Cricket Oval: › is the heart of social and cultural activities for locals and visitors to Ashbourne › is used regularly for a diverse range of community events from weddings, school performances and sports carnivals, yoga classes, cricket club functions, table tennis competitions, community group meetings and markets, car club visits, and › is home to the local Australia Post outlet with 116 post boxes and 15 large parcel boxes, visited many times a day by car and on foot; and › noting the written submission during consultation on the draft 2023/24 Annual Business Plan in which the Hall committee provided a quotation to support seeking financial assistance to remediate the driveway around the hall to make it safe and accessible, and protect the timber floor of the Hall being degraded by gravel and dust from the driveway That any savings identified in 2023/24 quarterly budget reviews be considered for a financial contribution to the Ashbourne Memorial Hall and Oval Committee towards the $46,240 project to remediate the driveway around the Hall.			
Risk of Delay:	Driveway will not be done.			

NI#39	**Capital: Armfield Slip - Viewing Platform - $30,000**	**$2,000**	**$2,000**	**0.00%**
Description:	As provided by Armfield Slip and Boatshed: The construction of a viewing platform and associated interpretive signage already forms part of Armfield planning and will provide visitors a safe and informative experience at all times, irrespective of Armfield Slip open times. It will be located adjacent to the entry to the jetty, providing a view of boats moored in the jetty bays as well as the outside work areas. The elevated viewing area has been designed and costed at $30 000. Bringing this part of the concept to fruition will make Armfield a unique new tourism attraction in Goolwa for historical and cultural tours, immersion in traditional boat building skills and self-guided waterfront cycling and walking trail.			
Risk of Delay:	Viewing Platform not provided.			

:	Description	Unfunded	Net	Rate Revenue
NI#38	**Capital: Goolwa Yacht Club Fence Replacement $30,000**	**$2,000**	**$2,000**	**0.00%**
Description:	For a number of years a request for a fence replacement has been made by the Goolwa Yacht Club.			
Risk of Delay:	There is an existing fence in place			
NI#37	**Capital: Bahloo Glen Road Part Seal $3,010,569 (2024/25 $127,200)**	**$7,000**	**$7,000**	**0.01%**
Description:	At the Council Meeting, 19 February 2024 it was resolved (C24042): That the bitumen sealing of a 1.1 km section of Bahloo Glen Road, Mount Compass from the currently sealed section at the Victor Harbor Road end of that road to the junction with Proctor Road be considered as part of the 2024/25 Council budget.			
Risk of Delay:	This road is not currently scheduled for sealing and will therefore be addressed in priority order			
NI#31	**Road Closure Funding - Community Events (Strathalbyn Christmas Pageant, Goolwa Christmas Pageant, Goolwa NYE Fireworks, ANZAC Day Ceremonies)**	**$30,000**	**$30,000**	**0.05%**
Description:	Council has historically contributed to the Traffic Management Plans for Strathalbyn Christmas Pageant ($10k), Goolwa Christmas Pageant ($10k) and the Goolwa NYE Fireworks ($5k). At this current time, it is anticipated that all of these community events will proceed in 202 Noting in December 2023 due to Goolwa not proceeding with a pageant, this funding was used to fund the SteamRanger to operate a service to the Strathalbyn Christmas pageant. Council also funds the road closures for the ANZAC day services across the region.			
Risk of Delay:	Not meeting the expectations of the Community.			
NI#30	**Lifeguard Services - Goolwa Beach**	**$28,000**	**$28,000**	**0.06%**
Description:	Surf Life Saving South Australia (SLSSA) proposes to provide Alexandrina Council with professional lifeguard services (weekdays only) at Goolwa beach to ensure the safety of beach visitors, particularly during peak tourist seasons. With options for daily lifeguard coverage between specified dates, SLSSA aims to mitigate risks associated with hazardous beach conditions and unfamiliarity among visitors, contributing to a safer beach environment. The proposal includes cost-effective options for lifeguard services tailored to the council's needs and budget considerations.			
Risk of Delay:	Not meeting the expectations of the Community.			

:	Description	Unfunded	Net	Rate Revenue
NI#33	**Strathalbyn & Districts Basketball Association - Financial Assistance**	**$4,000**	**$4,000**	**0.01%**
Description:	At the Council Meeting, 17 July 2023 it was resolved (C23258) in part: That the following initiatives be considered for support from any surplus identified in 2023/24 quarterly budget reviews: Financial Assistance for Strathalbyn & Districts Basketball Association $4,000 to support Strathalbyn & Districts Basketball Association (S&DBA) maintain the 50+ year old, single court shared-use gymnasium, the only under-cover sporting facility that caters for Strathalbyn and surrounds, located at Eastern Fleurieu School R-6 campus, East Terrace, Strathalbyn, and used by approximately 1000 community members each week, being $2,500 for floor resealing and a $1,500 for court cleaning.			
Risk of Delay:	Club will be at a financial disadvantage			

NI#34	**Strathalbyn Strikers (Soccer) Club - Financial Assistance**	**$4,000**	**$4,000**	**0.01%**
Description:	At the Council Meeting, 17 July 2023 it was resolved (C23258) in part: That the following initiatives be considered for support from any surplus identified in 2023/24 quarterly budget reviews: Financial Assistance to the Strathalbyn Strikers (Soccer) Club $4,000 to support Strathalbyn Strikers (Soccer) Club – a community-based soccer club located in Strathalbyn who lease a portion of the privately-owned Strathalbyn Polo & Recreation Grounds on Callington Road, Strathalbyn, and made a deputation to Council 20 February 2023 – being for $1,500 for essential port-a-loo pump out costs, and $2,500 towards ground leasing costs which are over $15,000 per annum and borne by Club members.			
Risk of Delay:	Club will be at a financial disadvantage			

:	Description	Unfunded	Net	Rate Revenue
NI#29	**Strathalbyn Waste and Recycling Depot Opening Hours**	**$60,540**	**$60,540**	**0.13%**
Description:	At the Council Meeting, 19 February 2024 it was resolved (C24049): That the draft 2024/25 Annual Business Plan and Budget for consultation include a new initiative project to extend the current opening hours of the Strathalbyn Waste and Recycling Depot from three days (Tuesday, Thursday and Sunday) to four days with an introduction of Saturday opening at a cost of $60,540 per year.			
Risk of Delay:	Not meeting the expectations of the Community.			
NI#35	**Walking and Cycling Trail - Willyaroo to Strathalbyn – Scoping Document**	**$5,000**	**$5,000**	**0.01%**
Description:	At the Council Meeting, 17 July 2023 it was resolved (C23258) in part: That the following initiatives be considered for support from any surplus identified in 2023/24 quarterly budget reviews: Walking and Cycling Trail - Willyaroo to Strathalbyn – Scoping Document $5,000 to scope what would be required to establish a basic walking and cycling trail between Strathalbyn township and Willyaroo to reduce the risk to the school children and community members who walk or cycle on the roadside to Strathalbyn township, and so that Council would then have a scoped document to submit to future State or Federal grant funding programmes or advocacy opportunities as they arise.			
Risk of Delay:	Trail will not be scoped.			
Total			**$353,926**	**0.71%**

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Alexandrina Council
Policy - Public

Rating Policy

First Approved	13 July 2020 (ACM20645)
Review Frequency	Annually
Status	Statutory
Last Reviewed	~~4 July 2022 (Resolution Ref: ACM201584)~~ ~~10 July 2023 (Resolution Ref: C23250)~~ April 2024
Next Review Due	~~May 2024~~April 2025
File Number	18.63.001 / PL2023173
Responsible Division	Corporate – Finance Services
Related Documents	Debt Recovery Policy Hardship Policy
Applicable Legislation	*Local Government Act 1999* *Valuation of Land Act 1971* *Landscape South Australia Act 2019*

1. Purpose

1.1 Council's powers to raise rates are found in Chapter 10 of the *Local Government Act 1999* (**the Act**). The Act provides the framework within which the Council must operate, but also leaves room for the Council to make a range of policy choices. This document includes reference to compulsory features of the rating system, as well as the policy choices that the Council has made on how it imposes and administers the collection of rates.

1.2 All land within a council area, except for land specifically exempt (e.g., crown land, council occupied land and other land prescribed in the Act) is rateable.

2. Policy Principles

2.1 Rates are not fees for services, but rather, they constitute a system of taxation for Local Government purposes.

Council's major source of revenue is Rates, derived as a tax on land within the Council area. All ratepayers receive benefits from paying rates, but those benefits are consumed in different quantities and manner by individual ratepayers.

In addition to rates, Council also raises revenue through a compulsory "service charge" for Community Wastewater Management Schemes and Finniss Water Scheme. If this charge is applicable, it will be collected along with rates, and will be itemised separately on rates notice.

Alexandrina Council's rating policy is underpinned by:

- accountability and professional ethics
- community consultation
- transparency and simplicity
- efficiency
- equitable distribution of the rate burden
- consistency with the strategic directions of Council
- compliance with relevant legislation.

The electronic version of this policy is the controlled version of this document. Printed copies are considered uncontrolled. Before using a printed copy, verify that it is the controlled version.

3. Policy Objectives

3.1 The objectives of this policy are to:

a. ensure Council provides equitable treatment to all members of the community
b. ensure Council is maintaining legislative compliance
c. provide the community with assistance and options to pay their rates in a timely and acceptable manner.

3.2 Prior to determining the level of rates required each year, Council considers:

- the infrastructure needs, service delivery needs and related expenditure priorities in relation to the Corporate Plan and community needs
- equity issues and the relationship between the various land uses and the previous rating structure
- extremities in valuation and how their effect can be minimised in setting rating levels
- use of "user pays" cost recovery systems

3.3 There will continue to be economic pressures applied to the Council in a number of ways, which will have an impact on the Council's budget and as a result will put pressure on rates.

4. Method Used to Value Land

4.1 Alexandrina Council uses Capital Value (the value of the land and all of the improvements on the land) as the basis for rating land within the council area. The Council considers that this method of valuing land provides the fairest method of distributing rates across all ratepayers on the following basis:

- The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth.
- Property value is a relatively good indicator of wealth, and Capital Value (which closely approximates the market value of a property) provides the best indicator of overall property value.
- The distribution of property values throughout the Council area is such that few residential ratepayers will pay significantly more than the average rate per property.

5. Adoption of Valuations

5.1 Council adopts the most recent valuations made by the State Valuation Office as at 1 July.

5.2 If a ratepayer is dissatisfied with the valuation made by the State Valuation Office, the rates notice will include information about how to object to the valuation. The lodgement of an objection does not change the due date for the payment of rates.

5.3 If an objection is upheld and a new capital value issued by the State Valuation Office, rates will be adjusted accordingly for the current financial year and an amended rate notice will be issued. Retrospective adjustments will not be made for prior financial years.

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5.4 Certain properties may be eligible for a notional value under the *Valuation of Land Act 1971*. This can relate to certain primary production land or where there is State heritage recognition. A notional value is generally less than the capital value and therefore generally results in reduced rates.

5.5 Application by the ratepayer for a notional value must be made to the State Valuation Office.

Components of Rates

6. A Rate in the Dollar

6.1 The largest component of rates is the component that is calculated by reference to the capital value of the land. Every year, the Council officially "declares" what percentage of the value of the land will be payable in rates. The Act allows councils to impose rates that differ (i.e., higher or lower) based on the location of land, or the use to which the land is put (residential, commercial, primary production, industrial, vacant, etc.). Property values reflect, among other things, the relative availability of and access to Council services. This applies to all types of land use, and to land in all locations.

6.2 Council recognises that the rural sector not only contributes greatly to our economy but also has significant responsibilities in environmental conservation, while at the same time not enjoying the level of council provided services as other sectors. Council therefore considers a reduced differential rate for Primary Production.

7. Fixed Charge

7.1 Council has a Fixed Charge, the reason for imposing a fixed charge is that Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities and make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property.

7.2 To the extent that many (though not all) Council services are provided and available relatively uniformly to all ratepayers, and that property values vary because of a range of factors the Council considers it is equitable, from the perspective of the benefit principle, to recover the costs of such services by way of a uniform fixed charge, set at an appropriate level. However, applying the benefit principle exclusively would not take account of the capacity to pay principle.

7.3 Council has discretion to collect up to 50% of its general rate revenue from a fixed charge.

7.4 Accordingly, to appropriately balance both the benefit principle and the capacity to pay principle, the Council's policy is to raise approximately 20% of general rate revenue from the fixed charge. The amount of the fixed charge is clearly indicated on rates notices.

7.5 Where two or more adjoining properties have the same owner and occupier (or if it is a single farm enterprise, not necessarily adjoining properties) only one fixed charge is payable by the ratepayer.

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8. Single Farm Entity

8.1 Single Farm Enterprise (SFE) is defined in section 152 of the Act. The definition imposes an absolute requirement that all the occupiers be the same for all the assessments comprising the single farm enterprise (regardless of who may own the land).

8.2 The assessment of a SFE is based on occupancy – all of the farmland must be occupied by the same person/persons who, in turn, is/are part of the SFE; and the SFE does not need to be (and may not be) the ratepayer.

8.3 Business of primary production is identified in the *Valuation of Land Act 1971*.

Service Charge

9. Community Wastewater Management Schemes

9.1 Alexandrina Council maintains and manages wastewater schemes and charges for all properties serviced by these schemes. The costs of operating these services include depreciation of plant, maintenance of equipment, an administration allocation and infrastructure replacement provision. Council recovers the cost of the service through the imposition of a Community Waste Management Scheme (CWMS) service charge per property unit and is shown as a separate charge on the rates notice.

9.2 For some properties (including business and commercial premises) the number of units is based on information received from the property/business owner and will be rounded to the nearest whole unit. Retrospective adjustments to prior financial years will not be made when incorrect or no information is provided.

10. Finniss Water Scheme

10.1 Alexandrina Council maintains and manages the Finniss Water Scheme. Council recovers the cost of this service through a service charge and is shown as a separate charge on the rates notice.

11. Regional Landscape Levy

11.1 Council is required under the *Landscape South Australia Act 2019* to make specified contributions to the Hills and Fleurieu Landscape Board. It does so by imposing a separate rate against all rateable properties. The levy is based on the Capital Value of land and is shown as a separate charge on the rate notice.

11.2 The separate rate is a State tax that Councils are required to collect and return to a State Government agency, the Regional Landscape Board. Even though it appears on the Council's rate notices, enquiries about this component should be directed to the Regional Landscape Board. Contact details are available on the reverse of the rate notices.

Help with Rates

12. Concessions

12.1 **Community Wastewater Management Schemes**

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Queries and applications for concessions on Community Wastewater Management Schemes (CWMS) for pensioners and low-income earners can be made through the Department of Human Services (DHS) ConcessionsSA Hotline 1800 307 758 or at www.sa.gov.au/concessions using the online form.

If successful, the applicant will receive the concession as a payment directly from DHS.

12.2 Residential Rate Capping

The Council's policy is to limit the size of any rate increase in one year for eligible ratepayers. Council has historically imposed a cap on the maximum increase in the general rate to be charged on rateable land within its area that constitutes the principal place of residence of the principal ratepayer. The percentage set is generally dependent on the overall movement in property valuations.

A rebate of general rates will be granted to the Principal Ratepayer where the amount of any increase in rates is greater than 15%.

Rate Capping Eligibility Conditions

A rebate of general rates will only be granted upon application by the ratepayer and where the conditions as set out in this Policy are met. Rate capping rebates must be $10 and over to be applicable. The rebate will not apply where:

- Any such increase is due in whole or part to an increase in valuation of the land in the assessment because of improvements made to it worth more than $20,000 since 1 July 2021
- Any such increase is in whole or part because the zoning of the land has been changed since 1 July 2021
- Any such increase is due in full or part to the use of the land being different for rating purposes on the date Council declared its general rates for the 2024/2025 financial year, than on the date the Council declared its general rates for the 2023/2024 year
- The ownership of the rateable property has changed since 1 July 2021
- The land use classification is Commercial, Industrial, Vacant Land or Other.
- If the ratepayer has postponed their rates.

Where a ratepayer believes that they may be eligible for a rate capping rebate, they must lodge an application in writing to the Revenue Department before the 1st September 2024

12.3 Remission of Rates

The Council has a discretion to remit partially or wholly (i.e., waive) rates on the basis of hardship.

If a ratepayer believes they are suffering financial hardship, as described in the Council's Hardship Policy, they may contact the Council's Rates and Debtor Services team to discuss the matter. Such inquiries are treated confidentially, and any application will be considered on case-by-case basis in accordance with Council's Hardship Policy and Debt Recovery Policy.

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13. Postponement of Rates for Seniors

13.1 If a ratepayer holds a State Seniors Card (unless holding a mortgage entered into before 2007 that is greater than 50% of the home's value), they are eligible to postpone, on a long-term basis, a large component of the rates on the principal place of residence. The postponed amount is subject to a monthly interest charge, with the accrued debt falling due for payment only when the property is sold or transferred to someone else. However, some or all of the debt may be paid at any earlier time, at the ratepayer's discretion.

13.2 At least $500 of the annual Council rates bill must be paid as it falls due, but any amount in excess of $500 per year may be postponed. The minimum amount of $500 may be reduced further, if the ratepayer is eligible for any Council rate remissions.

14. Postponement of Rates due to Hardship

14.1 Persons other than the holders of a Seniors Card may also apply for postponement of rates. A postponement of rates may be considered if Council is satisfied that the payment of these rates would cause hardship. Council may, on application and subject to the ratepayer substantiating hardship, consider granting a postponement of payment of rates in accordance with Council's Hardship Policy.

14.2 The ratepayer must agree to pay interest on the amount affected by the postponement at the cash advance debenture rate and providing the ratepayer satisfies the following criteria:

- The property is the principal place of residence of the ratepayer, and
- The property has been owned by the ratepayer and has been their principal place of residence for a minimum of 1 year, and
- The rateable value of the property exceeds $150,000, or
- Can demonstrate to Council they are a self-funded retiree, earning less than $25,000 per year, or
- Any other financial hardship reason as approved by Council that is in accordance with Council's Hardship Policy.

The amount postponed will not exceed:

- 40% of the rates payable for the assessment and shall accrue interest at the cash advance debenture rate published by the Local Government Finance Authority of SA (LGFA) for 1 July each year.
- 50% of the land value of the principal place of residence

This will be conditional:

- The owner must advise the current or potential mortgagee of such debt
- Any change in financial circumstance must be immediately advised
- A new application must be completed for each New Year postponed

The amount of the postponement may be extended and is conditional on Council approval.

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15. Mandatory Rebates

15.1 Councils are required to rebate (discount) the rates payable on some land. A 100% rebate must be applied to land used for:

- health services;
- religious purposes;
- public cemeteries;
- the Royal Zoological Society.

15.2 A compulsory rebate of at least 75% (or more, at the Council's discretion) must be applied to land used by:

- community service organisations; and
- schools and universities.

16. Discretionary Rebates

16.1 In addition, the Council is allowed a wide discretion to rebate any percentage of rates for a number of other purposes, such as:

- securing proper development of an area;
- assisting or supporting a business;
- preservation of historically significant places;
- facilities or services for children or young persons; or
- accommodation for the aged or persons with disability; or
- other purposes.

16.2 Other than community-based halls and incorporated sporting clubs with a demonstrated limited income stream, all other applicants will be subject to a maximum discretionary rebate of 75%. This assures the majority of ratepayers contribute an amount towards the cost of administering Council's activities and maintaining Council's assets.

Each rebate that is granted either reduces the Council's revenue and hence its capacity to provide services, or else it effectively increases the amount that must be collected from other ratepayers. Therefore, decisions on these applications must be carefully considered.

Upon receipt of an application, the Council will take into account:

- why there is a perceived need for financial assistance through a rebate;
- the level of rebate being sought;
- the extent of financial assistance, if any, being provided to the ratepayer and/or in respect of the land by Commonwealth or State agencies;
- whether, and if so to what extent, they are or will be providing a service within the Council area;
- whether the ratepayer is a public sector body, a private not for profit body or a private or profit body;
- the nature and extent of Council services provided in respect of the land, in comparison to services provided elsewhere in the Council's area;
- the community need, if any, that is being met by activities conducted on the land;

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- the extent to which activities at the land provide assistance or relief to disadvantaged persons;
- the desirability of granting a rebate for more than one year;
- consideration of the full financial consequences of the rebate for the Council;
- the total income the applicant received for the prior financial year;
- the time the application is received;
- whether the ratepayer may be eligible for a Council community grant;
- any other matters and policies of the Council, which the Council considers relevant.

16.3 After considering these matters, the Council may refuse to grant any rebate, or may grant a rebate of rates subject to specific conditions and taking into account the Discretionary Rate Rebate Operational Guidelines. Retrospective rebates of rates will not be considered for prior financial years.

16.4 All persons who or bodies which wish to apply to the Council for a rebate of rates must do so on or before 1 September of the current rate year. The Council reserves the right to refuse to consider applications received after that date. To apply contact Council's Revenue Team or application forms are available on Council's website.

To be eligible for a discretionary rebate, there should be no arrears of rates for that property. Any arrears must be paid in full prior to application being made.

16.5 Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

17. Discretionary Rebates - relief against substantial change in valuation or rates payable

17.1 The Council may determine for a financial year that all other rateable land (excluding the principal place of residence) within its area shall be limited to a maximum rate increase of 50%, and any amount over 50% will be rebated upon application;

Provided, however, that the maximum increase shall not apply where:

- The property has been acquired by the ratepayer or has become their principal place of residence after 1 July 2021 (residential qualification period).
- The increase in General rate payable is due in whole or in part to an increase in valuation of the land in the assessment because of improvements (including maturing vines) made to it valued in excess of $20,000.

18. Rebates on Service Charges

18.1 Rebates will not apply to service charges.

19. Payment of Rates

19.1 Rates are declared annually, and may be paid, at the ratepayer's discretion, either in one lump sum, or in four quarterly payments that fall due on the 1st of September, December, March and June. Various options for paying rates are clearly indicated on rates notices.

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19.2 If a ratepayer chooses to pay in one single payment for the years rates, this payment must be received prior to the First Quarter due date, as penalties apply to outstanding rates. Council will send out instalment notices to ratepayers advising them of their next instalment due date at least thirty days prior.

19.3 Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment requirements, or is planning an extended absence at the time rates are due is invited to contact our Rates Staff to discuss alternative payment arrangements, including regular direct debit payments. The Council treats such enquiries confidentially. Council's Hardship Policy is also available for rate debtors that may identify themselves in a position of hardship.

20. Late Payment

20.1 The Council will impose a penalty of a 2% fine on any late payment for rates. This fine may be remitted (waived) in whole, or in part, at the Council's discretion and only where the fault for the late payment has not been attributed to by the ratepayer or the ratepayer has a regular direct debit payment plan that completes the full payment of rates by the end of that financial year.

20.2 A payment that continues to be late is then charged an interest rate (which is adjusted by Legislation each year) for each month it continues to be in arrears, including the amount of any previous unpaid fine and including interest from any previous month. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Council to recover the administrative cost of following up unpaid rates and to cover any interest cost Council may meet because it has not received the rates on time.

Where rates are overdue, Council provides ratepayers with a grace period of (3) working days after the due date for payment. This allows time for payments to be received if paid on the due date via Bpay, telephone or through Council's website. Thereafter fines for late payment are imposed and an Overdue/reminder notice is sent.

20.3 Council issues a Notice of Overdue Rates for payment of rates when rates are overdue i.e. unpaid by the due date. Should rates remain unpaid, debt collection will be commenced. This attracts additional fees that are recoverable from the ratepayer.

20.4 When Council receives a partial payment of overdue rates, the Council must apply the money as follows:

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

21. Sale of Land for Non-Payment of Rates

21.1 Where rates have been in arrears for 3 years or more and Council has unsuccessfully pursued all reasonable attempts to secure payment, Council will

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invoke section 184 of the Act to pursue recovery of outstanding rates through the sale of land.

21.2 Council will notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amounts, and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

21.3 All other avenues (including but not limited to payment arrangements and financial hardship assistance) will be exhausted in the collection of the outstanding rates on land that constitutes a person's principal place of residence prior to the Sale of Land being initiated.

21.4 Should reasonable attempts to sell the land fail, section 185 of the Act will be applied, which may result in the land being transferred to the Crown or to Council.

21.5 Sale of Land for Non-Payment of Rates will not be applied to rates arrears that have resulted due to an arrangement for postponement of rates unless the postponement ceases to have effect.

22. Contact Details

Where a ratepayer believes that the Council has failed to properly apply this policy it should raise the matter with the Council. In the first instance contact Council's Rates Services team on 08 8555 7000 to discuss the matter. If after this initial contact, a ratepayer is still dissatisfied they should write to:

Chief Executive Officer
Alexandrina Council
PO Box 21
GOOLWA SA 5214

23. Contact Details for Further Information:

Ph: 08 8555 7000
Email: alex@alexandrina.sa.gov.au
Web: www.alexandrina.sa.gov.au

24. Policy Requirements

To achieve our principles Council will maintain the Hardship Policy and Debt Recovery Policy to ensure consistent treatment of this policy.

25. Delegations

Council acknowledges that the Chief Executive Officer may sub-delegate matters related to this Policy to staff or other persons employed or engaged by Council.

26. Availability of Policy

This Policy will be available for inspection on the Council's website www.alexandrina.sa.gov.au. Copies can also be provided upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

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Hardship Policy

First Approved	20 May 2013
Review Frequency	4 yearly or as required
Status	Mandatory Policy
Last Reviewed	~~16 March 2020 (Resolution Ref: ACM202052)~~April 2024
Next Review Due	March 2028~~3~~4
File Number	18.63.001 / PL202052
Responsible Division	~~Resources~~~~Corporate~~Office of the CEO
Related Documents	*Complaints Policy* *Complaints Handling Procedure* *Rating Policy* *Rate Rebate Policy* *Debt Recovery Policy* *Debt Recovery Operational Guidelines*
Applicable Legislation	*Local Government Act 1999 s.182* *Water Industry Act 2012 s.37* *Ombudsman Act 1972*

1. Introduction

1.1 Alexandrina Council is committed to assisting customers who are experiencing financial hardship, to manage their payments in a manner that best suits the customer, and ensuring they are serviced. This policy is based on:

- the customer hardship policy for minor and intermediate retailers, made by the Minister for Communities and Social Inclusion, pursuant to s~~.~~ection 37 of the *Water Industry Act 2012*, under a delegation by the Minister for Water and the River Murray, with modification. The modifications contained in this policy have been approved by the Essential Services Commission of South Australia.
- Sections~~.~~ 182 of the *Local Government Act 1999* permits a Council to partially or wholly remit rates or to postpone rates on the basis of hardship.

2. Definition of an Asset

accredited financial counsellor - means a person who holds a Diploma of Community Services (Financial Counselling), and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association.

connection - means an agreed point of supply at which a customer receives a service from ~~a~~ Alexandrina Council.

consumer - means a person supplied with services as a consumer or user of those services (as defined in the *Water Industry Act 2012*) (Note: you may be a consumer by virtue of being a council ratepayer).

customer - means a person or entity who owns land in relation to which a service is provided and includes:

- where the context requires, a person seeking the provision of a service

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- in prescribed circumstances, a person supplied with services as a consumer or user of those services (without limiting the application of this definition to owners of land)
- a person of a class declared by the regulations to be customers (as defined in the *Water Industry Act 2012*) (Note: you may be a customer by virtue of being a council ratepayer).

financial hardship - means a circumstance of experiencing a lack of financial means, that may be either on-going or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt

hardship customer - means a customer who has been identified under, accepted into, or is eligible for assistance under our hardship program which is an agreement between Council and a hardship customer for payment of outstanding sums due for services.

regulations - means regulations under the *Water Industry Act 2012* and *Local Government Act 1999*

service - means a service constituted by:

- the sale and supply of water to a person for use (and not for resale other than in prescribed circumstances (if any) where the water is to be conveyed by a reticulated system
- the sale and supply of sewerage services for the removal of sewage (including but not limited to community wastewater management systems)
- supply of a service provided by Alexandrina Council (even if the service is not actually used) but does not include any service, or any service of a class, excluded from the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*).

retailer - means the holder of a licence issued by the Essential Services Commission of South Australia under the *Water Industry Act 2012*.

sewage - includes any form of waste that may be appropriately removed or dealt with through the use of a sewerage service (as defined in the *Water Industry Act 2012*).

sewerage service - means:

- a service constituted by the collection, storage, treatment or conveyance of sewage through the use of a reticulated system
- any other service, or any service of a class, brought within the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*). Note: sewerage service includes but not limited to community wastewater management systems.

water - includes rainwater, stormwater, desalinated water, recycled water and water that may include any material or ~~impurities, but~~impurities but does not include sewage (as defined in the *Water Industry Act 2012*).

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water service - means:

- a service constituted by the collection, storage, production, treatment, conveyance, reticulation or supply of water
- any other service, or any service of a class, brought within the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*).~~3. Recognition of an Asset~~

3. Policy Objectives

3.1 The purpose of this Policy is to identify customers who are experiencing payment difficulties due to ~~hardship, and~~hardship and assist those customers to better manage their bills on an ongoing basis.

3.2 This policy sets out:

- processes to identify customers experiencing payment difficulties due to hardship, including identification by Council, self-identification by a customer, identification by an accredited financial counsellor, or welfare agency
- an outline of a range of processes or programs that we will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

4. Roles and Responsibilities

Council - To provide a policy to assess hardship.

~~***Manager Finance***~~***Chief Financial Officer*** - Will ensure policy is reviewed as legislation is amended.

Rates Officers - Will liaise with the customer experiencing hardship.

5. Identifying Residential Customers Experiencing Financial Hardship

5.1 A customer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or by a welfare agency as having the intention, but not the financial capacity, to make required payments in accordance with our payment terms.

5.2 There are two types of financial hardship: ongoing and temporary. Depending on the type of hardship being experienced, hardship customers will have different needs and will require different solutions.

5.3 Customers who are identified as experiencing ongoing hardship are generally those on low or fixed incomes. These customers may require ongoing assistance.

5.4 Customers who may be identified as experiencing temporary hardship are those who have experienced a short-term change in circumstances, such as serious illness, disability or death in the family, loss or change in income, separation, divorce or other family crisis, a loss arising from an accident, or some other temporary financial difficulty. These customers generally require flexibility and temporary assistance, such as an extension of time to pay or an alternative payment arrangement.

5.5 The extent of hardship will be determined by either Council's assessment process or by an external body, such as an accredited financial counsellor.

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5.6 Where Council assesses a customer's eligibility for hardship assistance, Council will consider indicators including (but not limited to) whether:

- the customer is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
- the customer is eligible for a South Australian Government concession
- the customer has been referred by an accredited financial counsellor or welfare agency
- the customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
- the customer's payment history indicates that they have had difficulty meeting their rates and services bills in the past
- the customer, through self-assessment, has identified their position regarding their ability to pay.

6. Assisting Customers who are Experiencing Financial Hardship

6.1 Council will inform a customer of this customer hardship policy where:

- it appears that non-payment of a bill for rates and services is due to the customer experiencing payment difficulties due to hardship
- Council is proposing to install a flow restriction device due to non-payment of a recycled water bill.

6.2 Where a customer has been identified as experiencing financial hardship, Council will offer the customer, as soon as is reasonably practicable, flexible and frequent payment options that have regard to the hardship customer's usage, capacity to pay and current financial situation. These options will include the following:

- an interest and fee free payment plan that complies with the Payment Plans section (below)
- Centrelink's Centrepay service (only where available)
- other arrangement, under which the customer is given more time to pay a bill or to pay in arrears (including any disconnection or restriction charges), recognising that some customers have a short-term financial hardship issue that may be resolved in the near to medium-term, where others may require a different type of assistance for ongoing financial issues.

6.3 Council will not charge a customer a reconnection charge where that customer is experiencing financial hardship and should have been identified as eligible for this customer hardship policy, so long as the customer agrees to participate in our hardship program, upon reconnection.

6.4 Council will engage in discussion with the hardship customer to determine a realistic payment option in line with the customer's capacity to pay.

6.5 Council will work with a hardship customer's financial counsellor to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.

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6.6 Where a hardship customer's circumstances change, Council will work with the customer, and their financial counsellor, to re-negotiate their payment arrangement.

6.7 Council will not require a hardship customer to provide a security deposit.

6.8 Council will not restrict a hardship customer's services if:

- the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement
- Council has failed to comply with the requirements of this customer hardship policy
- the customer's service is a community wastewater management system or other sewerage service.

6.9 Council will also offer the hardship customer:

- where appropriate, information about the right to have a bill redirected to a third person, as long as that third person consents in writing to that redirection
- information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs
- information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is experiencing ongoing financial hardship.

6.10 Where a hardship customer requests information or a redirection of their bills, Council will provide that information or redirection free of charge.

6.11 Council will provide information to the hardship customer on how to reduce usage and improve water efficiency, which may include referral to relevant government water efficiency programs. This will be provided at no charge to the customer.

6.12 Council will explain to the hardship customer how and when the customer will be returned to regular billing cycles (and collection), after they have successfully completed the hardship program.

6.13 Council will also explain to the hardship customer that they will be removed from our hardship program, and be returned to our standard collection cycles, including debt recovery, should they cease to make payments according to the agreed payment arrangement or fail to contact Council for a period of greater than 90 days.

6.14 Council will not take any action to remove a customer from our hardship program until we have sent the customer a written notice, allowing them 10 working days from the date of the notice to contact Council to re-negotiate their re-entry into the program.

7. Payment Plans

7.1 Council's payment plan for a hardship customer will be established having regard to:

- the customer's capacity to pay and current financial situation
- any arrears owing by the customer
- the customer's expected usage needs over the following 12 month period.

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7.2 The payment plan will also include an offer for the hardship customer to pay for their services in advance or in arrears by instalment payments at a frequency agreed with the customer (~~ege.g.~~ weekly, fortnightly, monthly or as otherwise agreed with the customer).

7.3 Where a payment plan is offered to a hardship customer, we will inform the customer in writing, within 10 business days of an agreement being reached, of:

- the duration of the plan
- the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid
- if the customer is in arrears – the number of instalments to pay the arrears
- if the customer is to pay in advance – the basis on which instalments are calculated.

7.4 Council will waive any fees for late payment of a bill for a hardship customer provided the terms of the payment agreement are being met.

7.5 Where a hardship customer is seeking assistance in accordance with this ~~policy, but~~policy but has failed to fulfil their obligations under an existing hardship arrangement, Council will require them to sign up for regular scheduled payments or Centrepay (where available).

8. Debt Recovery

8.1 Council will suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship customer.

8.2 Council will not engage in legal action or commence proceedings for the recovery of a debt relating to a retail service for a hardship customer if:

- the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement
- Council has failed to comply with the requirements of this customer hardship policy.

9. Rights of Customers Experiencing Financial Hardship

9.1 Every customer experiencing financial hardship has the right to:

- Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
- Receive information about alternative payment arrangements, this customer hardship policy, and government concessions, rebates, grants and assistance programs.
- Negotiate an amount they can afford to pay on a payment plan or other payment arrangement.
- Consider various payment ~~methods, and~~methods and receive written confirmation of the agreed payment arrangement within 10 business days.
- Renegotiate their payment arrangement if there is a change in their circumstances.

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- Receive information about free and independent, accredited financial counselling services.
- Receive a language interpreter service at no cost to the customer.
- Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.
- Not have services restricted or disconnected as long as they have agreed to a payment arrangement and continue to make payments according to an agreed plan.

10. General Provisions

10.1 Council will ensure customers have equitable access to this Hardship Policy, and that this policy is applied consistently.

10.2 Council will ensure appropriate training of staff dealing with customers in hardship to enable them to treat customers with respect and without making value judgements. Training will also assist staff in the early identification of hardship customers, with establishing payment plans based on a hardship customer's capacity to ~~pay, and~~pay and include processes for referral to an accredited financial counsellor or welfare agency for assistance.

10.3 This policy does not limit or prevent Council from waiving any fee, charge or amount of arrears for the provision of services to customers who are experiencing financial hardship.

11. Delegation

11.1 The Council has delegated to its Chief Executive the necessary powers to make all decisions under or for the purposes of this Policy. The Chief Executive may further sub-delegate this power.

12. Confidentiality

12.1 Any information disclosed by a customer is confidential and will not be used for any purpose other than the assessment of an application for assistance.

13. Complaints Handling

13.1 A customer experiencing hardship has a right to have any complaint heard and addressed by Council.

13.2 Details of Council's customer complaints and dispute resolution policies and procedures are available at Council's website: www.alexandrina.sa.gov.au.

13.3 In the event that their complaint cannot be resolved by Council, customers have the right to escalate their complaint to the relevant Ombudsman. Further details can be found at www.ombudsman.sa.gov.au and www.ewosa.com.au.

14. Exclusions

14.1 Where there is a commercial contract for the supply of service, the conditions within the contract will take precedence over this policy.

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15. Further Information

For further information on this Policy, please contact:

~~Finance Manager~~Chief Financial Officer
PO Box 21
Goolwa SA 5251
Phone: (08) 8555 7000
Email: alex@alexandrina.sa.gov.au

16. Availability of Policy

This Policy will be available ~~for inspection at Council's principal office during ordinary business hours and~~ on the Council's website www.alexandrina.sa.gov.au. Copies will also be provided to interested members of the community upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

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Hardship Policy

First Approved	20 May 2013
Review Frequency	4 yearly or as required
Status	Mandatory Policy
Last Reviewed	April 2024
Next Review Due	March 2028
File Number	18.63.001 / PL202052
Responsible Division	Office of the CEO
Related Documents	*Complaints Policy* *Complaints Handling Procedure* *Rating Policy* *Rate Rebate Policy* *Debt Recovery Policy* *Debt Recovery Operational Guidelines*
Applicable Legislation	*Local Government Act 1999 s.182* *Water Industry Act 2012 s.37* *Ombudsman Act 1972*

1. Introduction

1.1 Alexandrina Council is committed to assisting customers who are experiencing financial hardship, to manage their payments in a manner that best suits the customer, and ensuring they are serviced. This policy is based on:

- the customer hardship policy for minor and intermediate retailers, made by the Minister for Communities and Social Inclusion, pursuant to section 37 of the *Water Industry Act 2012*, under a delegation by the Minister for Water and the River Murray, with modification. The modifications contained in this policy have been approved by the Essential Services Commission of South Australia.
- Section182 of the *Local Government Act 1999* permits a Council to partially or wholly remit rates or to postpone rates on the basis of hardship.

2. Definition of an Asset

accredited financial counsellor - means a person who holds a Diploma of Community Services (Financial Counselling), and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association.

connection - means an agreed point of supply at which a customer receives a service from Alexandrina Council.

consumer - means a person supplied with services as a consumer or user of those services (as defined in the *Water Industry Act 2012*) (Note: you may be a consumer by virtue of being a council ratepayer).

customer - means a person or entity who owns land in relation to which a service is provided and includes:

- where the context requires, a person seeking the provision of a service

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- in prescribed circumstances, a person supplied with services as a consumer or user of those services (without limiting the application of this definition to owners of land)
- a person of a class declared by the regulations to be customers (as defined in the *Water Industry Act 2012*) (Note: you may be a customer by virtue of being a council ratepayer).

financial hardship - means a circumstance of experiencing a lack of financial means, that may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt

hardship customer - means a customer who has been identified under, accepted into, or is eligible for assistance under our hardship program which is an agreement between Council and a hardship customer for payment of outstanding sums due for services.

regulations - means regulations under the *Water Industry Act 2012* and *Local Government Act 1999*

service - means a service constituted by:

- the sale and supply of water to a person for use (and not for resale other than in prescribed circumstances (if any) where the water is to be conveyed by a reticulated system
- the sale and supply of sewerage services for the removal of sewage (including but not limited to community wastewater management systems)
- supply of a service provided by Alexandrina Council (even if the service is not actually used) but does not include any service, or any service of a class, excluded from the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*).

retailer - means the holder of a licence issued by the Essential Services Commission of South Australia under the *Water Industry Act 2012*.

sewage - includes any form of waste that may be appropriately removed or dealt with through the use of a sewerage service (as defined in the *Water Industry Act 2012*).

sewerage service - means:

- a service constituted by the collection, storage, treatment or conveyance of sewage through the use of a reticulated system
- any other service, or any service of a class, brought within the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*). Note: sewerage service includes but not limited to community wastewater management systems.

water - includes rainwater, stormwater, desalinated water, recycled water and water that may include any material or impurities but does not include sewage (as defined in the *Water Industry Act 2012*).

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water service - means:

- a service constituted by the collection, storage, production, treatment, conveyance, reticulation or supply of water
- any other service, or any service of a class, brought within the ambit of this definition by the regulations (as defined in the *Water Industry Act 2012*).

3. Policy Objectives

3.1 The purpose of this Policy is to identify customers who are experiencing payment difficulties due to hardship and assist those customers to better manage their bills on an ongoing basis.

3.2 This policy sets out:

- processes to identify customers experiencing payment difficulties due to hardship, including identification by Council, self-identification by a customer, identification by an accredited financial counsellor, or welfare agency
- an outline of a range of processes or programs that we will use, or apply, to assist our customers who have been identified as experiencing payment difficulties.

4. Roles and Responsibilities

Council - To provide a policy to assess hardship.

Chief Financial Officer - Will ensure policy is reviewed as legislation is amended.

Rates Officers - Will liaise with the customer experiencing hardship.

5. Identifying Residential Customers Experiencing Financial Hardship

5.1 A customer experiencing financial hardship is someone who is identified by themselves, by Council, by an accredited financial counsellor, or by a welfare agency as having the intention, but not the financial capacity, to make required payments in accordance with our payment terms.

5.2 There are two types of financial hardship: ongoing and temporary. Depending on the type of hardship being experienced, hardship customers will have different needs and will require different solutions.

5.3 Customers who are identified as experiencing ongoing hardship are generally those on low or fixed incomes. These customers may require ongoing assistance.

5.4 Customers who may be identified as experiencing temporary hardship are those who have experienced a short-term change in circumstances, such as serious illness, disability or death in the family, loss or change in income, separation, divorce or other family crisis, a loss arising from an accident, or some other temporary financial difficulty. These customers generally require flexibility and temporary assistance, such as an extension of time to pay or an alternative payment arrangement.

5.5 The extent of hardship will be determined by either Council's assessment process or by an external body, such as an accredited financial counsellor.

5.6 Where Council assesses a customer's eligibility for hardship assistance, Council will consider indicators including (but not limited to) whether:

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- the customer is on a Centrelink income and holds a Pensioner Concession Card or holds a Centrelink Low Income Health Care Card
- the customer is eligible for a South Australian Government concession
- the customer has been referred by an accredited financial counsellor or welfare agency
- the customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
- the customer's payment history indicates that they have had difficulty meeting their rates and services bills in the past
- the customer, through self-assessment, has identified their position regarding their ability to pay.

6. Assisting Customers who are Experiencing Financial Hardship

6.1 Council will inform a customer of this customer hardship policy where:

- it appears that non-payment of a bill for rates and services is due to the customer experiencing payment difficulties due to hardship
- Council is proposing to install a flow restriction device due to non-payment of a recycled water bill.

6.2 Where a customer has been identified as experiencing financial hardship, Council will offer the customer, as soon as is reasonably practicable, flexible and frequent payment options that have regard to the hardship customer's usage, capacity to pay and current financial situation. These options will include the following:

- an interest and fee free payment plan that complies with the Payment Plans section (below)
- Centrelink's Centrepay service (only where available)
- other arrangement, under which the customer is given more time to pay a bill or to pay in arrears (including any disconnection or restriction charges), recognising that some customers have a short-term financial hardship issue that may be resolved in the near to medium-term, where others may require a different type of assistance for ongoing financial issues.

6.3 Council will not charge a customer a reconnection charge where that customer is experiencing financial hardship and should have been identified as eligible for this customer hardship policy, so long as the customer agrees to participate in our hardship program, upon reconnection.

6.4 Council will engage in discussion with the hardship customer to determine a realistic payment option in line with the customer's capacity to pay.

6.5 Council will work with a hardship customer's financial counsellor to determine the payment arrangement and instalment amount that best suits the customer and their individual circumstances.

6.6 Where a hardship customer's circumstances change, Council will work with the customer, and their financial counsellor, to re-negotiate their payment arrangement.

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6.7 Council will not require a hardship customer to provide a security deposit.

6.8 Council will not restrict a hardship customer's services if:

- the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement
- Council has failed to comply with the requirements of this customer hardship policy
- the customer's service is a community wastewater management system or other sewerage service.

6.9 Council will also offer the hardship customer:

- where appropriate, information about the right to have a bill redirected to a third person, as long as that third person consents in writing to that redirection
- information about, and referral to, Commonwealth and South Australian Government concessions, rebates, grants and assistance programs
- information about, and referral to, accredited financial and other relevant counselling and support services, particularly where a customer is experiencing ongoing financial hardship.

6.10 Where a hardship customer requests information or a redirection of their bills, Council will provide that information or redirection free of charge.

6.11 Council will provide information to the hardship customer on how to reduce usage and improve water efficiency, which may include referral to relevant government water efficiency programs. This will be provided at no charge to the customer.

6.12 Council will explain to the hardship customer how and when the customer will be returned to regular billing cycles (and collection), after they have successfully completed the hardship program.

6.13 Council will also explain to the hardship customer that they will be removed from our hardship program, and be returned to our standard collection cycles, including debt recovery, should they cease to make payments according to the agreed payment arrangement or fail to contact Council for a period of greater than 90 days.

6.14 Council will not take any action to remove a customer from our hardship program until we have sent the customer a written notice, allowing them 10 working days from the date of the notice to contact Council to re-negotiate their re-entry into the program.

7. Payment Plans

7.1 Council's payment plan for a hardship customer will be established having regard to:

- the customer's capacity to pay and current financial situation
- any arrears owing by the customer
- the customer's expected usage needs over the following 12 month period.

7.2 The payment plan will also include an offer for the hardship customer to pay for their services in advance or in arrears by instalment payments at a frequency agreed with the customer (e.g. weekly, fortnightly, monthly or as otherwise agreed with the customer).

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7.3 Where a payment plan is offered to a hardship customer, we will inform the customer in writing, within 10 business days of an agreement being reached, of:

- the duration of the plan
- the amount of each instalment payable under the plan, the frequency of instalments and the date by which each instalment must be paid
- if the customer is in arrears – the number of instalments to pay the arrears
- if the customer is to pay in advance – the basis on which instalments are calculated.

7.4 Council will waive any fees for late payment of a bill for a hardship customer provided the terms of the payment agreement are being met.

7.5 Where a hardship customer is seeking assistance in accordance with this policy but has failed to fulfil their obligations under an existing hardship arrangement, Council will require them to sign up for regular scheduled payments or Centrepay (where available).

8. Debt Recovery

8.1 Council will suspend debt recovery processes while negotiating a suitable payment arrangement with a hardship customer.

8.2 Council will not engage in legal action or commence proceedings for the recovery of a debt relating to a retail service for a hardship customer if:

- the customer has agreed to a payment arrangement and continues to adhere to the terms of that arrangement
- Council has failed to comply with the requirements of this customer hardship policy.

9. Rights of Customers Experiencing Financial Hardship

9.1 Every customer experiencing financial hardship has the right to:

- Be treated respectfully on a case-by-case basis, and have their circumstances kept confidential.
- Receive information about alternative payment arrangements, this customer hardship policy, and government concessions, rebates, grants and assistance programs.
- Negotiate an amount they can afford to pay on a payment plan or other payment arrangement.
- Consider various payment methods and receive written confirmation of the agreed payment arrangement within 10 business days.
- Renegotiate their payment arrangement if there is a change in their circumstances.
- Receive information about free and independent, accredited financial counselling services.
- Receive a language interpreter service at no cost to the customer.

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- Be shielded from legal action and additional debt recovery costs, whilst they continue to make payments according to an agreed payment arrangement.
- Not have services restricted or disconnected as long as they have agreed to a payment arrangement and continue to make payments according to an agreed plan.

10. General Provisions

10.1 Council will ensure customers have equitable access to this Hardship Policy, and that this policy is applied consistently.

10.2 Council will ensure appropriate training of staff dealing with customers in hardship to enable them to treat customers with respect and without making value judgements. Training will also assist staff in the early identification of hardship customers, with establishing payment plans based on a hardship customer's capacity to pay and include processes for referral to an accredited financial counsellor or welfare agency for assistance.

10.3 This policy does not limit or prevent Council from waiving any fee, charge or amount of arrears for the provision of services to customers who are experiencing financial hardship.

11. Delegation

11.1 The Council has delegated to its Chief Executive the necessary powers to make all decisions under or for the purposes of this Policy. The Chief Executive may further sub-delegate this power.

12. Confidentiality

12.1 Any information disclosed by a customer is confidential and will not be used for any purpose other than the assessment of an application for assistance.

13. Complaints Handling

13.1 A customer experiencing hardship has a right to have any complaint heard and addressed by Council.

13.2 Details of Council's customer complaints and dispute resolution policies and procedures are available at Council's website: www.alexandrina.sa.gov.au.

13.3 In the event that their complaint cannot be resolved by Council, customers have the right to escalate their complaint to the relevant Ombudsman. Further details can be found at www.ombudsman.sa.gov.au and www.ewosa.com.au.

14. Exclusions

14.1 Where there is a commercial contract for the supply of service, the conditions within the contract will take precedence over this policy.

15. Further Information

For further information on this Policy, please contact:

Chief Financial Officer
PO Box 21

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Goolwa SA 5251
Phone: (08) 8555 7000
Email: alex@alexandrina.sa.gov.au

16. Availability of Policy

This Policy will be available on the Council's website www.alexandrina.sa.gov.au. Copies will also be provided to interested members of the community upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

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Community Engagement Plan

Draft Annual Business Plan & Budget 2024/25
and Draft Long Term Financial Plan



Do we need to connect with the Community? And if so, why? (Internal Staff Survey)

Name of Project: DRAFT Annual Business Plan & Budget 2024/2025

The following checklist will help establish if you need to engage the community:

Is the community engagement/consultation required by legislations in your project? If "yes", we are required to plan and implement the community engagement activities for this project If "no", then please continue.	X	**YES**
		NO
Is there already an expectation, within Council or the community, that the project will involve community engagement?	X	**YES**
		NO
Can the community influence the outcome of your project?	X	**YES**
		NO
Is there staff time and budget already allocated or available to support the engagement activities?	X	**YES**
		NO
Is there a risk to not undertaking Community engagement?	X	**YES**
		NO

If "yes" to two or more of the above questions, it is recommended that you plan and implement community engagement activities for this project.

If "no" to two or more of the above questions, then careful consideration is given to whether it is appropriate to engage with the community on this project. There will be times when a well-executed communications plan is more appropriate tool for our project and a more efficient use of Council's resources.

A communication plan determines key messages and the strategies to ensure the messages reach the intended audience.

Calculator: Determining how we are going to connect with the community on each decision we make

Questions (tick appropriate box)	Really Low	Low	Moderate	High	Super High
What is the level of difficulty for staff/council in making the decision or addressing the problem?		X			
What is the potential for controversy in relation to the project?				X	
How important are the potential impacts of the project to the public?				X	
How much do the key stakeholders care about the decision to be made?					X
How much engagement does the community appear to want?				X	
Sub-Total					
Multiply number by the weight	**x1**	**x2**	**x3**	**x4**	**x5**
Total column score	**0**	**2**	**0**	**12**	**5**
Add all five column scores	**19**				
Divide total score by the number of questions	÷ **5** =				
Average score	**4** (3.8)				

1-2 Very Low
Informing the community about the decision may be sufficient, unless there are legislative requirements, in which case, consult.

2-3 Low to Moderate
You should at least consult with the community

3-4 Moderate to High
You should at least consult but may consider opportunities for the community to actively participate

4-5 High to Very High
You should provide opportunities for the community to active participate

Engagement Plan

1 What?

Council will be seeking community feedback on the proposed Draft Annual Business Plan and Budget 2024/25 and Draft Long Term Financial Plan.

Local government law requires us to consult with the community on our Annual Business Plan & Budget each year and sets out the minimum requirements around how we do it.

Council is hosting three Budget Roadshow Public Meetings across the region, in line with the Local Government Act 1999 Section 123 (4) (a) (i) (A) giving the opportunity for community members to learn about the budget and ask questions in person.

Consultation will also be combined with online engagement through Alexandrina Council's My Say platform, hard copy and email submissions. Project staff at Council will be available to take enquiries and have in depth discussions throughout the engagement period.

For those that are unable to the in-person Budget Roadshow events, a video presentation will be available from 22 May 2024.

Submissions will be accepted by Council from 5 pm Thursday 2 May 2024 until 5 pm, Monday 3 June 2024. Council will consider the community feedback received at the 17 June 2024 Council Meeting and then the amended draft Plan will be considered at the Special Council Meeting on 24 June 2024 for adoption.

2 When?

Milestones	Dates
Council Member Information Session	11 March 2024
Decision to proceed to community engagement	Special Council Meeting – 29 April 2024
Community engagement dates	2 May 2024, 5 pm – 3 June 2024, 5 pm
Budget Roadshow events	**South Ward** - Monday 13 May 2024, 3.30-4.30pm at the Goolwa Council Chambers, 11 Cadell Street Goolwa. **North Ward** – Tuesday 21 May 2024, 6.30-7.30pm at the St Andrews Church Hall, 10 Alfred Place, Strathalbyn. **West Ward** - Monday 27 May 2024 6.30 - 7.30pm, Mount Compass Memorial Hall, 5 Peters Terrace, Mount Compass.
Consultation analysis	4 June 2024 – 7 June 2024
Consultation Feedback report	17 June 2024
Special Council to adopt Draft Budget	24 June 2024

3 Who?

Residents & Ratepayers (tick those that apply)
☒ General Residents & Ratepayers
☐ Adjoining Property Owners / Business Owners
☒ Other: Any interested party via MySay or written submission
Community groups, networks & organisations (tick those that apply)
☐ Department for Environment and Water
☐ Ngarrindjeri Regional Authority
☐ Ngarrindjeri Aboriginal Corporation
☐ Other: _____
Business / other (tick those that apply)
☒ Audit Committee (12 April 2024)
Progress, Resident & Ratepayer Associations
☒ Port Elliot Town and Foreshore Association
☐ Ratalang Basham Beach and Horseshoe Bay Advisory Committee

☒ Middleton Town and Foreshore Association
☒ Clayton Bay Community Association
☒ Mount Compass Community Association
☒ Milang and District Community Association Incorporated
☐ Other: _____
☐ N/A

4 How?

4.1 Listening Tools

Listening Tools	Description	Examples of what we'll be asking
My Say Alexandrina	The My Say Alexandrina website will form the central 'hub' for the process. The main features of the hub will be – • Key dates • Survey tool • Copy of Draft Annual Business Plan and Budget and Draft Long Term Financial Plan	We will utilise the survey tool to seek feedback. See below for further information on what will be asked and the content will be provided on the My Say page.
Written submissions	To provide opportunity for people who prefer a more traditional method of communicating with Council, we will welcome written submissions.	Written Submissions can be submitted by post, email or handed in to the Council Office. Hard copy surveys will be available at the Goolwa and Strathalbyn Office.
Information Sessions	Budget Roadshow Public Meetings will be conducted at three locations across the district. These sessions provide the opportunity for community members to learn about the budget process.	South Ward - Monday 13 May 2024, 3.30-4.30pm at the Goolwa Council Chambers, 11 Cadell Street Goolwa. North Ward - Tuesday 21 May 6.30-7.30pm at the St Andrews Church Hall, 10 Alfred Place, Strathalbyn. West Ward - Monday 27 May 2024 6.30-7.30pm, Mount Compass War Memorial Hall.

4.1 Communication Tools

Audience	Method	Responsibility	Action	Timeframe
Residents & Ratepayers	Website	Community Engagement Officer	Dedicated MySay website page, survey and key documents. Latest news article on home page of corporate website	18 April Public Notice Corporate Website 2 June 2024 MySay Website launched
	Social media (Facebook, Instagram)	Community Engagement Officer	Advising start of consultation and Budget Roadshow reminders. Facebook banner	2-3 May 2024 informing consultation is open 6 May 2024 Roadshow reminder (1 week before first event) Event reminders where suitable
	Local Displays – Council Office, library, community noticeboards	Community Engagement Officer	Notice to be placed on Council display boards	26 April – Budget Roadshow event dates on display 2 May – 3 June 2024 Mayor's message, how to get involved and key dates
	Fleurieu Sun and The Southern Argus	Community Engagement Officer	Public Notice in Fleurieu Sun and the Southern Argus	11 April 2024
	My Say Subscribers	Community Engagement Officer	Email via My Say Newsletter with information and a link to submission page	2 May 2024 informing consultation is open

			My Say Banner	
	Council e-signatures	Communications Team	Information in all outgoing Council emails	2 May – 30 May (TBC)
Progress, Resident & Ratepayer Associations, Community groups, networks & organisations.	Email advising of consultation and public meeting dates.	Community Engagement Officer	Send email with attached information	3 May 2024
Internal Staff	Connect Intranet Announcement	Community Engagement Officer	Provide information to relevant staff with key information on consultation	Week of 2 May 2024
Council Members	Briefings and Special Council Meeting	Executive Manager	Provide briefing to CMs/ Forums	29 April 2024
Audit Committee	May Audit Committee Meeting	Executive Manager	Audit Committee Report	12 April 2024

5 My Say Page

The My Say Alexandrina website will form the central 'hub' for the process.

The main features of the hub will be –

- Key dates
- Survey tool
- Useful documents
- RSVP For Budget Roadshow Public Meetings
- Contact details
- Video presentation available from 22 May 2024

Draft Project text:

Households across Alexandrina are tightening their belts and reviewing their budgets and Council is no different.

We invite you to review the Draft Annual Business Plan and Budget and the Long Term Financial Plan (refer Appendix C) and provide your feedback.

Quick snapshot

- Funded New Operating Initiatives added **$1.15m** (page 87-94)
- Unfunded New Operating Initiatives **$351,926** (page 94-99)
- Depreciation increases **up $5.3m**
- Savings and efficiencies **-$5m**
- No new major projects
- Proposed average rate rise **8.3%**
- Proposed budget deficit **$4.3m**
- Optional additional rate rise to fund delivery of the Township Greening Strategy and Action Plan **1.25%** (page 7)

Factors contributing the proposed rates increase:

Over the past two years, Council steered a full review of financial services, undertook financial reform and embarked on a savings and efficiencies program which produced over $5 million worth of savings. This equates to a rate revenue saving of approximately 10 per cent.

On the flipside the revaluation of our road and footpath assets revealed the magnitude of the increase in costs and high inflation with the value of those assets rising by $157 million which means our annual depreciation costs increase by $5.3 million, which Council needs to set aside to replace assets.

The high inflation environment, coupled with the rise of external costs for materials and recent re-evaluation of Council assets, all contribute to an average [8.3 cent rate] increase.

Following last year's community consultation feedback on the Draft Annual Business Plan and Budget 2023/24, the Council lowered the proposed rate to less than inflation. We found savings to make ends meet while still delivering essential services and not introducing new major projects.

Council is very aware of the increased cost of living pressures on the community. However, Alexandrina Council is about 4.6 million short of the revenue out of our Long

Term Financial Plan (LTFP) forecast we should have at the end of 2023/24 due to the impact of past decisions to lower rates less than the predicted LTFP values.

Read more about the significant influences and priorities for 2024/25 on page 30.

Long Term Financial Plan

To ensure financial sustainability the Long Term Financial Plan has been updated with the latest depreciation figures and updated modelled rate increases of CPI plus 3% for the years 2026 to 2029 to derive a surplus in year 5 of the plan, in reality a combination of cost control and rate increases above CPI will be needed to be utilised to achieve sustainability. By using these assumption the Long Term Financial Plan forecasts that within the 10-year timeframe, that Council will repay the majority of its outstanding borrowings.

In order to lower the rates increase assumption over the next five years that the revision of the A2040 Strategic Plan, Asset Management Plan and Long Term Financial Plan performed later in 2024, target:

- an overall reduction in operating expenses to be performed in conjunction with current service reviews.
- increases asset disposals.
- increases in revenue raising opportunities.

Working towards long-term sustainability

Council is committed towards financial reform. Here are the next steps:

- Revision of the A2040 Community Strategic Plan, Asset Management Plan and Long Term Financial Plan
- The Essential Services Commission of South Australia (ESCOSA) will be examining our operations.
- Our independent Audit and Risk committee suggested measured, incremental and a long-term approach to increasing Council revenue to meet rising costs
- Continue to look at savings and assessing the level of services we provide to the community
- Assess long-term impact on our community before making big decisions to cut service levels
- Continue to look at efficiencies and which expenses can be cut e.g., do we explore selling undeveloped Council land?

Council will always need to find the balance between what residents expect Council to deliver and what is appropriate and affordable for Council to provide with the revenue available.

It is now time for the community to have their say on the Draft Annual Business Plan and Budget 2024/25 and the Draft Long Term Financial Plan.

How to share your feedback:

- Review the draft Annual Business Plan 2024/25 and Draft Long Term Financial Plan
- Provide feedback by using the online feedback form
- Send us an email submission
- Post a submission to PO Box 21 Goolwa SA 5214
- Attend one of the Budget Roadshow events:
    - South Ward - Monday 13 May, 3.30 pm - 4.30 pm at the Goolwa Council Chambers, 11 Cadell Street, Goolwa
    - North Ward – Tuesday 21 May, 6.30 pm - 7.30 pm at the St Andrews Church Hall, 10 Alfred Place, Strathalbyn
    - West Ward - Monday 27 May, 6.30 pm – 7.30 pm at the Mount Compass Memorial Hall, 5 Peters Terrace, Mount Compass

A full copy of Council's draft Annual Business Plan and Budget 2024/25 including the Draft Long Term Financial Plan is available to view here (link) or at the Council Offices.

Consultation is open until 5pm Monday 3 June 2023.

Council will consider all valid submissions before the adoption of the final Annual Business Plan and Budget 2024/25, and determine whether the direction and focus of this plan is appropriate, and to what extent the proposed initiatives and standards of service will be funded.

If you need assistance to participate in this consultation, please call the Communications Team on (08) 8555 7000.

My Say Survey questions:

Question 1
Have you reviewed the Draft Annual Business Plan and Budget (ABP) Information? (link document)

- Yes, I've reviewed the ABP.
- Yes, I've reviewed the ABP and I attended a Budget Roadshow.
- No, I've not reviewed the ABP

Question 2
How satisfied are you with the contents of the Annual Business Plan and Budget?
Very dissatisfied | Dissatisfied | Neither satisfied or dissatisfied | Satisfied | Very satisfied

Question 3
Please tick your preferred viewpoint:

- I support the 8.3 per cent rate increase (an additional $15.75 a month on average compared to 2023/24), which will maintain current services with a small number of proposed new operating projects $1.1m and $21.1m of capital projects.
- I support a rate increase of greater than 8.3 per cent which could provide an opportunity for an increase in the number/level of services, projects, and infrastructure or for repayment of debt.
- I support a rate increase of less than 8.3 per cent which would potentially decrease the number/level of services, projects and infrastructure or lead to higher debt.
- Other

Question 4

Optional additional rate rise to fund delivery of the Township Greening Strategy and Action Plan 1.25%.

Council has funded an $80,000 initiative to develop a comprehensive Township Greening Strategy and Action Plan.

One significant unfunded initiative Council Members would like the community to consider is $600,000 to deliver the Township Greening Strategy and Action Plan – and provide the resources to put trees into the ground.

We know through our A2040 Strategic Plan and our Village Conversations that the environment is important to our community and urban greening is a climate action. Alexandrina's overall canopy (tree cover) averages 17.6% across our 11 townships and substantially less than the average across metropolitan Adelaide.

Council has put the money in the budget to create the plan. Now we are asking the community if they would like to pay an extra on average $30 per year (1.25% extra rates) to fund the $600,000 needed for on-ground actions so our towns have more shade, cleaner air, are cooler and more beautiful places to live.

This would deliver increased greening in our streets and on town reserves, 'Adopt a tree programs', and community plantings. Council would concentrate greening efforts in townships with the lowest canopy cover, revitalising our open spaces, protecting and enhancing our existing canopy, and initiating a shade ways program to integrate new street trees with all new footpaths.

Do you support an additional 1.25% rate rise (on average this equates to $30 per year) to specifically deliver the Township Greening Strategy and Action Plan?

- Yes I support/
- No I don't support
- Further comments

Question 5:
Do you have any feedback on the Draft Annual Business Plan and Budget 2024/25?

Question 6:
Would you like to upload a submission?

Question 7:
How satisfied are you with the draft Long Term Financial Plan (Appendix C)?
Very dissatisfied | Dissatisfied | Neither satisfied or dissatisfied | Satisfied | Very satisfied
Please explain your answer:

Question 8:
Standard My Say participant questions (name, email, township, ratepayer/resident/business owner/visitor/other)

Useful Documents attached:

- Draft Annual Business Plan and Budget 2024/25 including the Draft Long Term Financial Plan.

6 Reporting

The My Say Alexandrina software provides a Report on close of the consultation, with all submissions received through the MySay site. In addition, written submissions are recorded and allocated to the Office of the CEO team, to collate and include within the submissions attachment to the Council Report following consultation.

Key themes that emerge from the submissions received (all methods of engagement) are identified and included in the Council Report.

The Reports to Council will be public documents, available on Council's website after release.

7 Risk Mitigation

What could go wrong?	How can we reduce the likelihood of this happening?
Reputation /community expectation	• Clear communications of ways to be involved and provide feedback.
Nobody gets involved	• Offer a variety of ways to join the conversation – quick responses versus opportunity for deeper conversation; offline and online. • Communications plan will be followed.
The process gets hijacked by a single-issue campaign	• Make a concerted effort to reach a broad representation of people who live, work and play in the district.
Covid -19	• In the case of a major outbreak or key staff get Covid Information Sessions may be cancelled.
Audit Committee	• Inclusion of a review by the Audit and Risk Committee for independent review
Legal Compliance	• Review of Local Government Act requirements and Public Consultation requirements to be completed.

5. Confidential Items

Nil

6. Closure