



Draft Annual Business Plan and Budget 2024/25 Roadshow



**We acknowledge the traditional custodians
of the lands and waters of our district.
Alexandrina Council region intersects with
the traditional lands of the Ngarrindjeri,
Peramangk and Kurna First Nations People.**

Welcome

Tonight's Agenda

- Short presentation on – 10 to 15 minutes
 - Significant Influences
 - Budget snapshot
 - Roadmap to financial sustainability
- Over to the community to ask questions – 45 plus



Mayor



Mayor Keith Parkes

0408 818 663 (08) 85557000
keith.parkes@alexandrina.sa.gov.au



Council Members



South Ward



Margaret Gardner Deputy Mayor

0428 811 117
margaret.gardner@alexandrina.sa.gov.au



Milli Livingston

0422 273 923
milli.livingston@alexandrina.sa.gov.au



Peter Oliver

0422 169 972
peter.oliver@alexandrina.sa.gov.au

North Ward



Craig Maidment

0438 166 528
craig.maidment@alexandrina.sa.gov.au



Sue Miller

0421 089 739
sue.miller@alexandrina.sa.gov.au



Christie Thornton

0421 083 472
christie.thornton@alexandrina.sa.gov.au

West Ward



Bill Coomans

0417 326 665
bill.coomans@alexandrina.sa.gov.au



Lou Nicholson

0421 083 413
lou.nicholson@alexandrina.sa.gov.au



Michael Scott ASM OAM

0403 313 742
michael.scott@alexandrina.sa.gov.au



Budget Snapshot



Operating

General Rate Revenue	\$56.6m
Other Revenue	\$9m
Total Operating Revenue	\$65.6m
Total Operating Expenditure	\$70.3m
Net Operating Deficit	(\$4.7m)

Capital

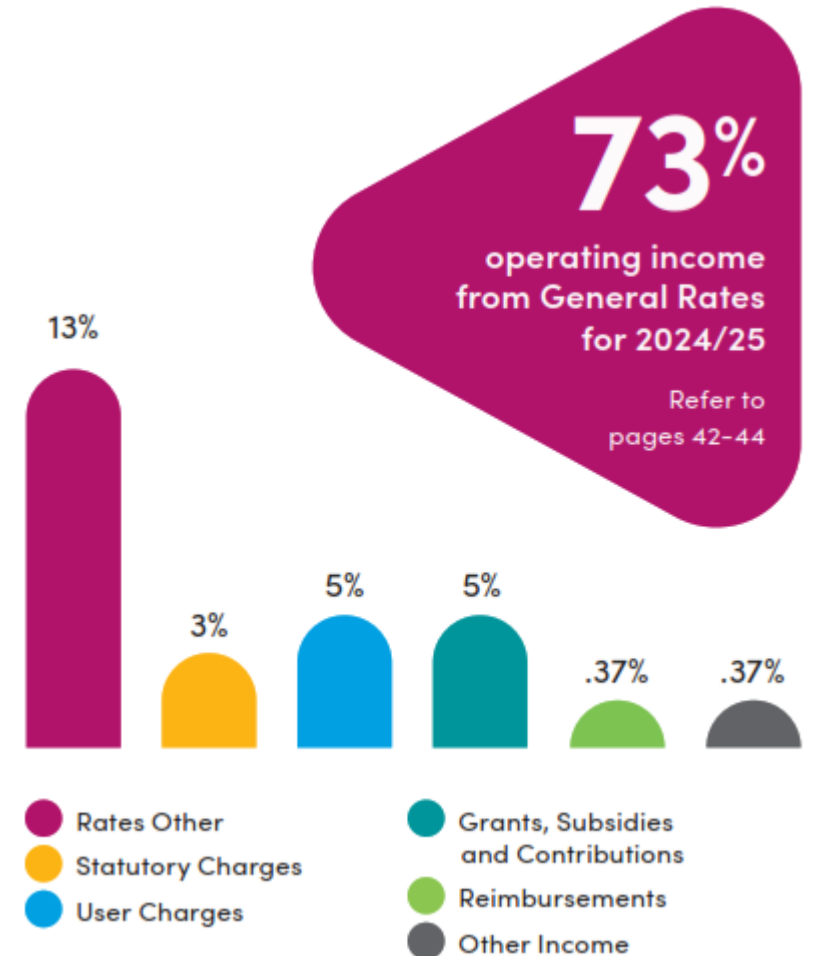
Asset Replacement Capital Projects	\$10.4m
New/Upgrade Capital Projects	\$10.3m
Total Capital Projects	\$20.7m
*Carried forward projects from 2023/24 yet to be completed	\$9.6m

Borrowings

Net Borrowings	\$50.2m
----------------	---------

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%



Financially Sustainable

Description	Random Guy
Annual Operating Income	\$65,597
Annual Operating Expense	\$70,279
Left over end of year	-\$4,682
Currently owe to the bank	\$50,156
Operating Deficit Ratio	-7%



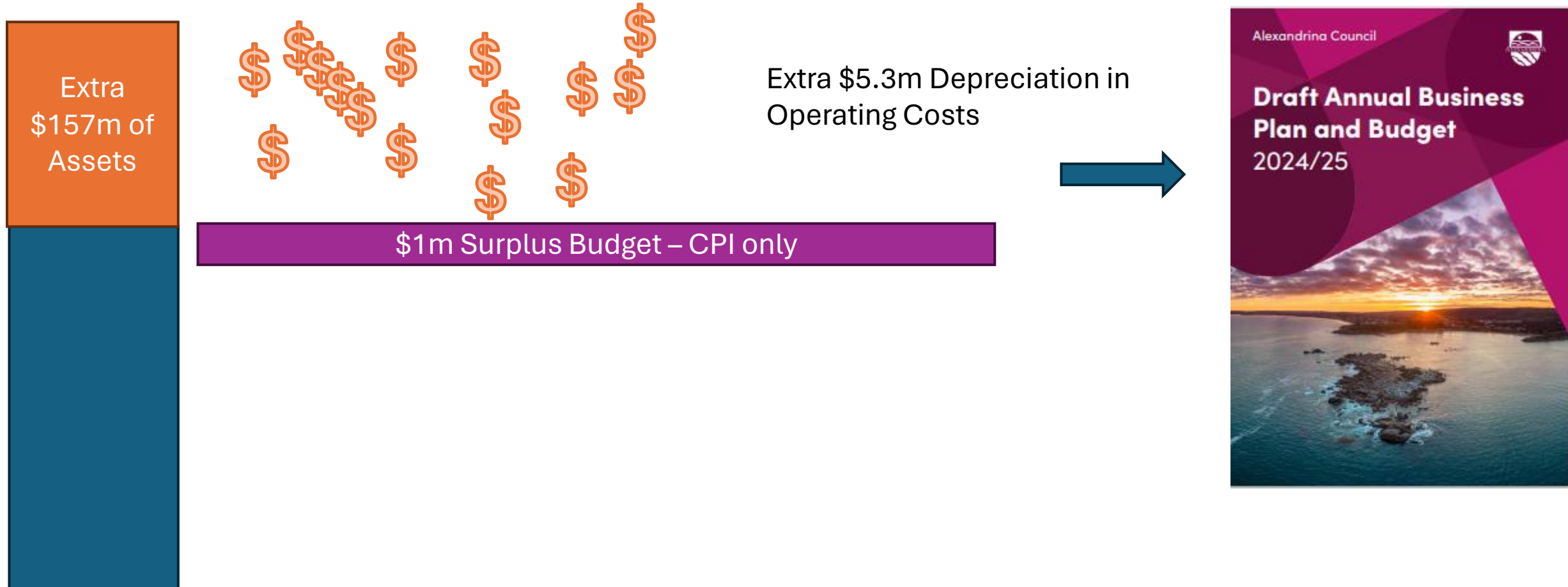
Financially Sustainable

Description	Random Guy
Annual Operating Income	\$65,597
Annual Operating Expense	\$70,279
Left over end of year	-\$4,682
Currently owe to the bank	\$50,156
Operating Deficit Ratio	-7%

Council
\$65,597,000
\$70,279,000
-\$4,682,000
\$50,156,000
-7%



Asset Revaluations – New Total \$721 Million



Setting the
Levers to
perform the
Budget
Balancing Act
for now and
into the future



Revenue
(including Rates)



Level of Projects
(new and replacement)



Level of Operating Expense
(including Projects and Services)



Level of Borrowings and
surplus v deficit



1 Year Plan



5 Year Plan

Council instruction to look for alternatives

In order to lower the rates increase assumption over the next five years, revise the A2040 Strategic Plan to target, among other things:

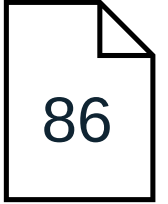
- a. an overall reduction in operating expenses to be performed in conjunction with current service reviews.**
- b. increases in asset disposals.**
- c. increases in revenue raising opportunities, including a rating review.**
- d. capital expenditure.**
- e. staffing costs.**
- f. Any recommendations resulting from the Essential Services Commission of SA (ESCOSA) report.**

CARRIED UNANIMOUSLY



Level of Projects
(new and replacement)

Reorganised New Initiatives



Refer to page 86 onwards in the ABP for the full list of Operating Projects

New Initiatives Legislative Requirement for 2024/25			
Ref	Description	Net	Rate Revenue
15	Community Strategic Plan (A2040 review)	\$ 40,000	0.08%
22	Essential Services Commission of SA (ESCOSA) Council Advice 2024/25	\$ 50,000	0.10%
16	Integrated Long Term Financial Planning for Strategic Management	\$ 20,000	0.04%
9	Strathalbyn Town Plan Renewal	\$ 70,000	0.15%
Total		\$ 180,000	0.37%
New Initiatives identified to address Risk Register Items			
Ref	Description	Net	Rate Revenue
26	Graduate Accountant (1 FTE)	\$ 108,156	0.23%
8	Improved Cyber Security with Microsoft Azure	\$ 20,000	0.04%
14	Integrated CCTV System Upgrade	\$ 32,000	0.07%
4	Licensing upgrade for Microsoft 365 to facilitate Modern Workplace features, communications and cyber security	\$ 67,200	0.14%
11	Specialised Structure Query Language (SQL) Database Management	\$ 39,000	0.08%
13	Transformation of the corporate Local Area Network	\$ 54,000	0.11%
Total		\$ 320,356	0.67%

New Initiative - Recommended by Council or Committee			
Ref	Description	Net	Rate Revenue
25	Agribusiness Officer - (0.60FTE) Position Proposal (ASART and Council)	\$ 70,631	0.15%
10	Community Greening Initiative Proposal (CEEC and Council)	\$ 80,000	0.17%
17	Climate Emergency Operating Budget	\$ 25,000	0.05%
Total		\$ 175,631	0.37%
New Initiatives - Saving and Efficiencies			
Ref	Description	Net	Rate Revenue
5	Automation and streamlining of invoice processing through implementation of electronic invoicing software	\$ 33,000	0.07%
6	Secure and integrated electronic (online) approval and signing software (DocuSign)	\$ 13,860	0.03%
12	Modernised SMS Text Solution for corporate communications	\$ 6,000	0.01%
23	Continuing review of delivery standards and service levels across the organisation	\$ 60,000	0.13%
21	Public Private partnership opportunities - Use of other peoples money to deliver property projects	\$ 80,000	0.17%
24	Environmental Health Officer - Wastewater (1FTE) Position Proposal	\$ 126,397	0.26%
Total		\$ 319,257	0.67%



Refer to page 86 onwards in the ABP for the full list of Operating Projects

New Initiatives - Other

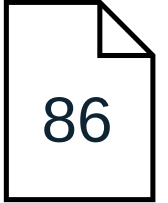
Ref	Description	Net	Rate Revenue
18	Carbon measuring software - Renewal	\$ 17,000	0.04%
7	Enhanced Wayfinding Signage Strategy	\$ 50,000	0.10%
3	Funding for Milang, Strathalbyn and Goolwa Community Centres	\$ 161,200	0.34%
20	Port Elliot Local Heritage Code Amendment	\$ 70,000	0.15%
19	Wooden Boat Festival (\$70,000 expenditure offset by \$55,000 income)	\$ 15,000	0.03%
32	Adelaide Car Rally - Staging at Strathalbyn	\$ 25,000	0.04%
39	Capital: Armfield Slip - Viewing Platform - \$30,000	\$ 2,000	0.00%
31	Road Closure Funding - Community Events (Strathalbyn Christmas Pageant, Goolwa Christmas Pageant, Goolwa NYE Fireworks, ANZAC Day Ceremonies)	\$ 30,000	0.05%
30	Lifeguard Services - Goolwa Beach	\$ 28,000	0.06%
Total		\$ 398,200	0.81%



Refer to page 86 onwards in the ABP for the full list of Operating Projects

New Initiatives	Expenditure	Net	Rate Revenue
Grand Total	\$ 1,453,444	\$1,393,444	2.89%

New Initiatives - Unfunded			
Ref	Description	Unfunded	Rate Revenue
28	Animal Management Officer (1 FTE)	\$ 140,146	0.29%
36	Ashbourne Memorial Hall and Oval - Grant or Contribution to remediate the driveway around the Hall	\$ 46,240	0.10%
37	Capital: Bahloo Glen Road Part Seal \$3,010,569 (2024/25 \$127,200)	\$ 7,000	0.01%
33	Strathalbyn & Districts Basketball Association - Financial Assistance	\$ 4,000	0.01%
34	Strathalbyn Strikers (Soccer) Club - Financial Assistance	\$ 4,000	0.01%
29	Strathalbyn Waste and Recycling Depot Opening Hours	\$ 60,540	0.13%
35	Walking and Cycling Trail - Willyaroo to Strathalbyn – Scoping Document	\$ 5,000	0.01%
35	Additional rate rise to deliver Township Greening	\$ 600,000	1.25%
Total		\$ 866,926	1.81%



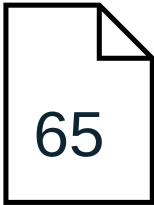
Refer to page 86 onwards in the ABP for the full list of Operating Projects

Additional Budget Allocation – Strathalbyn Pool

Trial an extension of the swimming season in 2024-2025 from 6 to 7 months (beginning October - end of April)



Capital Program



Refer to page 65 of the ABP for the full Capital Program

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	995	225	3,875	1,186	190	2,545	1,350	10,366
New or Upgraded Assets	1,535	260	2,793	4,020	725	975	0	10,308
TOTAL	2,530	485	6,668	5,206	915	3,520	1,350	20,674



Land & Buildings
\$2.53 million

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



Recreation & Open Space
\$.48 million

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



Roads, Bridges & 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.

Township Greening – Average \$30 per ratepayer – If wanting to do immediately



Revenue
(including Rates)

Vs



Level of Projects
(new and replacement)



Level of Operating Expense
(including Projects and Services)

2024/25 Annual Budget

- Service Reviews





Level of Borrowings and
surplus v deficit

Loans – Available Borrowings - \$50.2m



Total Income - \$65.6m



Local Government
Finance Authority

[Our Services](#)

[About](#)

[Resources](#)

[Contact](#)

[Online Portal](#)

Operating result:

An operating surplus (or deficit) arises when operating income exceeds (or is less than) operating expenses for a period (usually a year). Just like any household or other organisation, a council's long-term financial sustainability is dependent upon ensuring that, on average over time, its expenses are less than associated income. In essence, this means that current day citizens fully meet the cost of services provided for them by their council in most circumstances.

If a council was operating with a significant deficit over several years and its strategic management and long-term financial plans did not provide clear proposals for this to be turned around then it would be inevitable that the council would face major financial shocks in the future. The council effectively would be in the same position as an individual or family living beyond their means. Sooner or later they would be caught by the consequences. For a council, the problem would likely come to a head when existing major assets failed. The council would then need to choose between large rate rises or not replacing assets thereby effectively lowering its standards of service to its community.

Focusing on a council's underlying operating result, over a number of years, is the best way to judge its financial performance as the operating result reflects the council's cost of service provision including the cost of maintaining existing assets, as the result allows for asset depreciation.



Revenue
(including Rates)

Federal and State
Taxes
96%

Local Government 4%

THREE LEVELS of LAW-MAKING

Law-making bodies in Australia

LOCAL
COUNCILS



STATE/TERRITORY
PARLIAMENTS



FEDERAL
PARLIAMENT



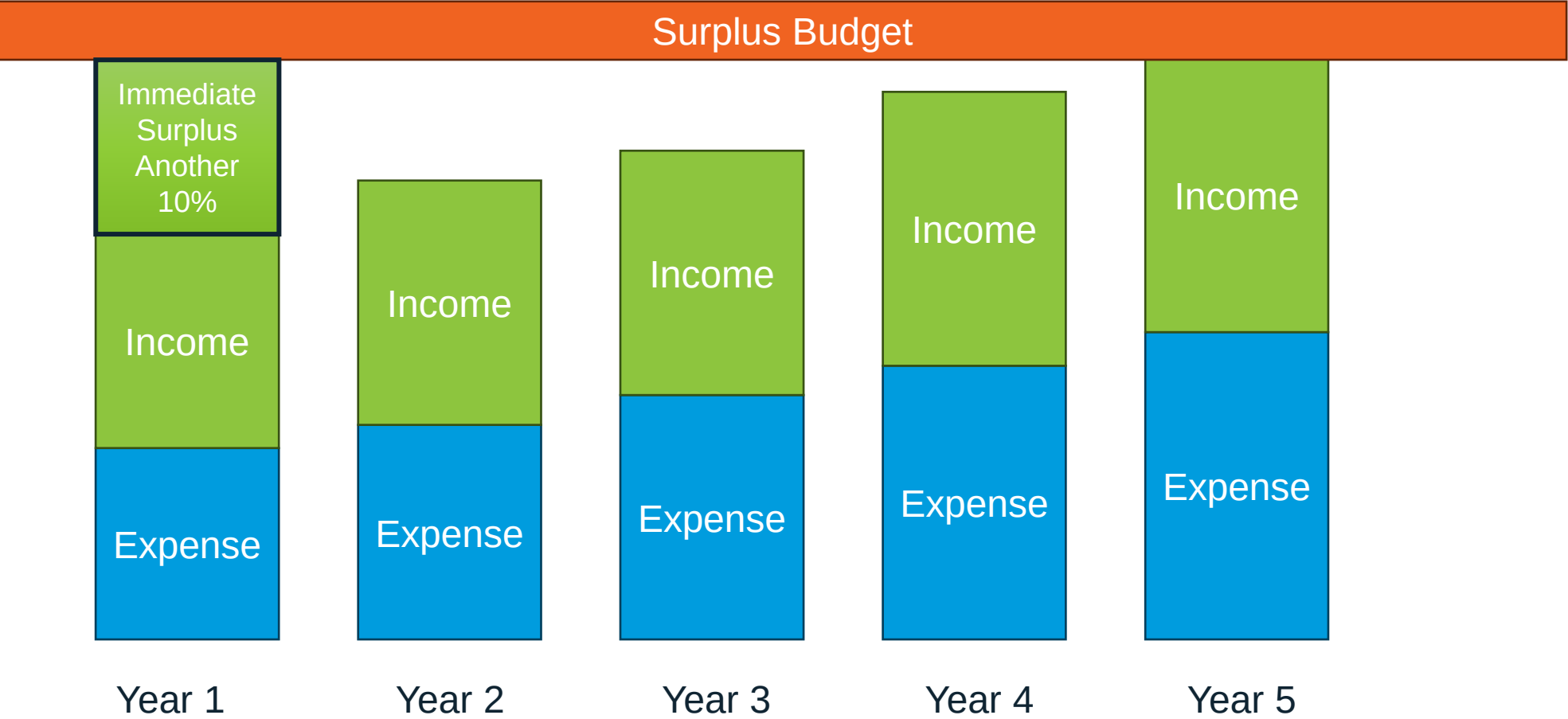
Proposed Average Rate Increase – 8.3%



**Average Increase \$189 per assessment
per year**

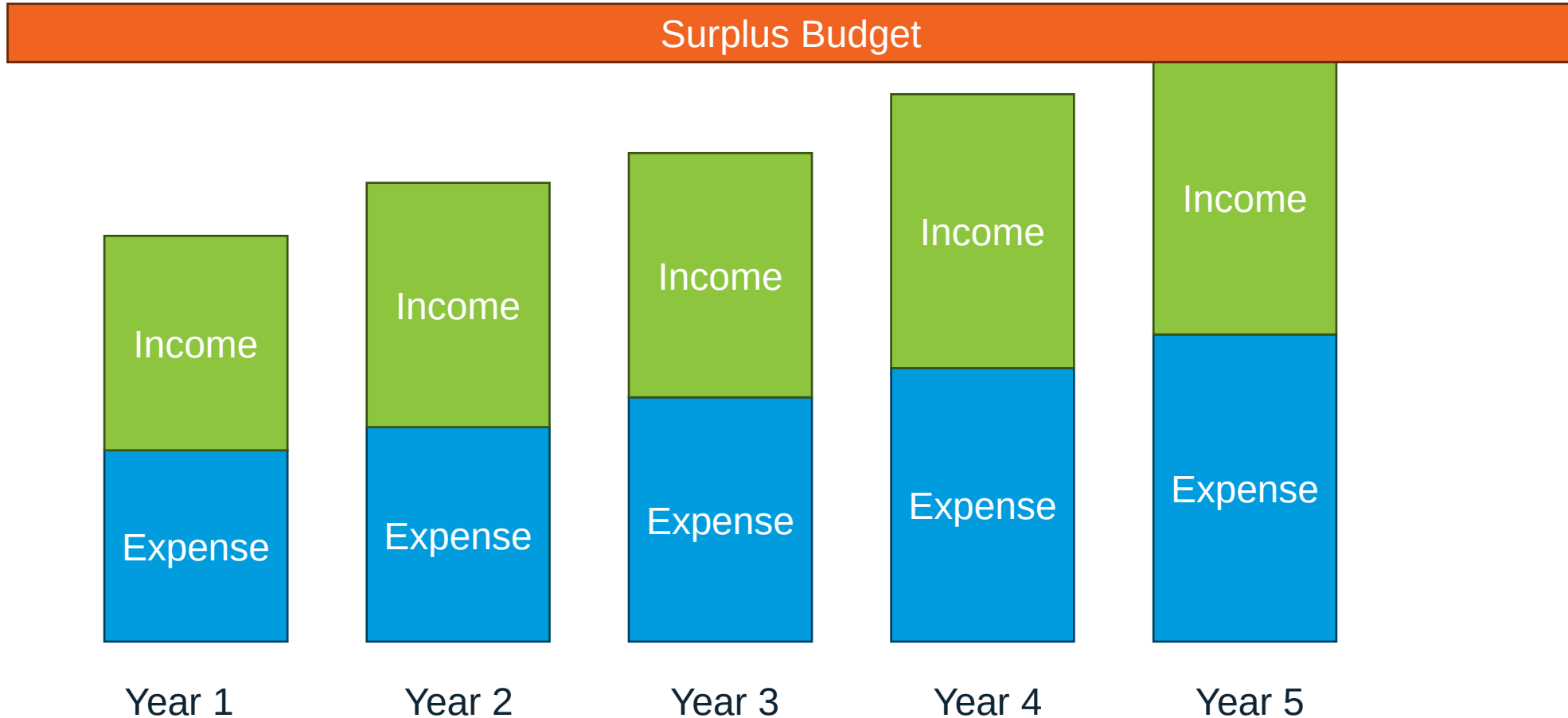
Returning to a Surplus Budget

Increased Income over a five-year period to return to Surplus



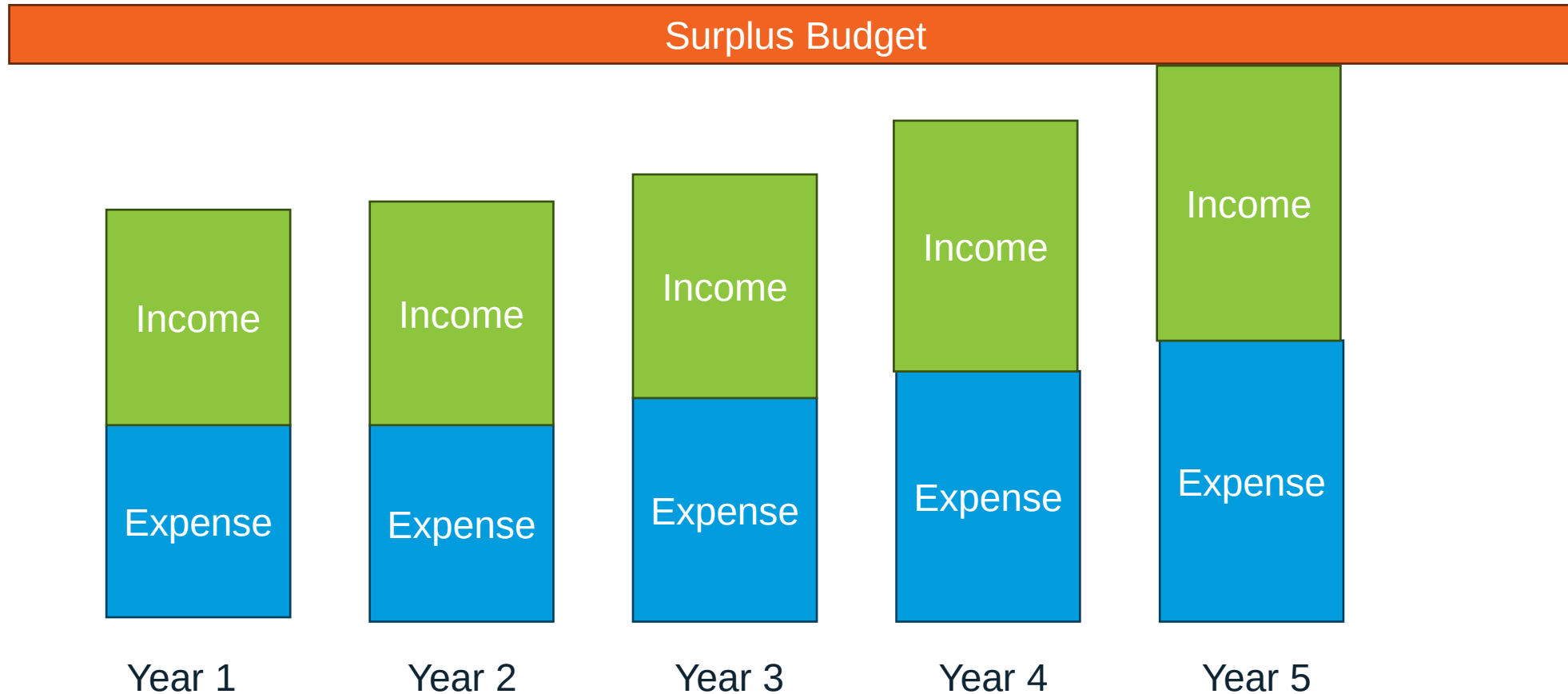
Returning to a Surplus Budget

Increased Income over a five-year period to return to Surplus



Returning to a Surplus Budget

By reducing future year expenditure – Income can be reduced to return to Surplus budget within five-year period



Increases



2023/24

LTFP

2023/24

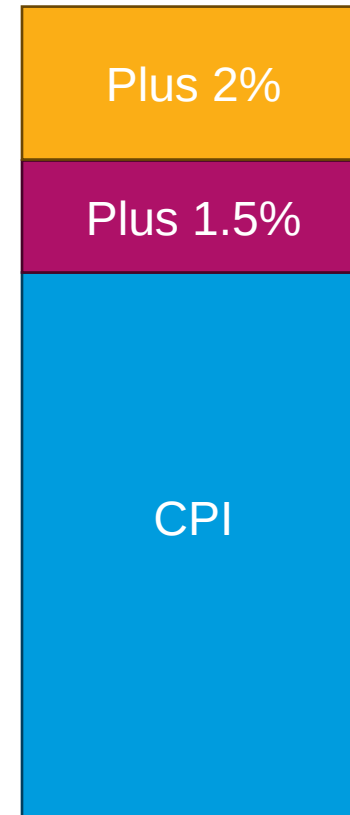
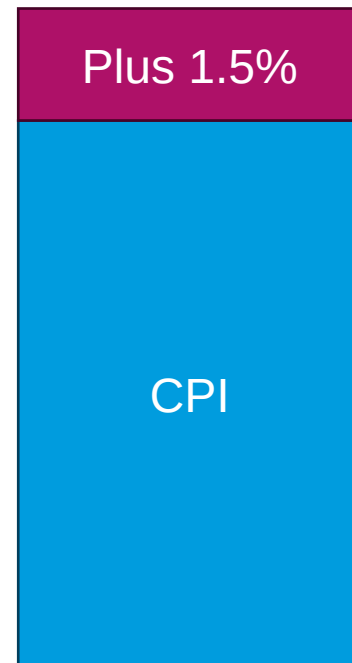
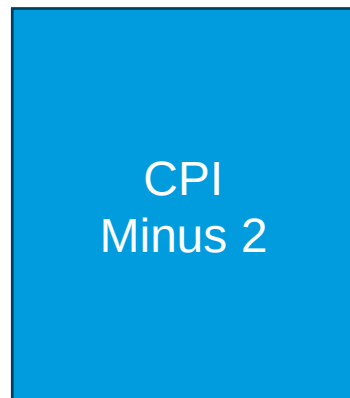
Adopted

2024/25

LTFP

2024/25

Draft



Increases

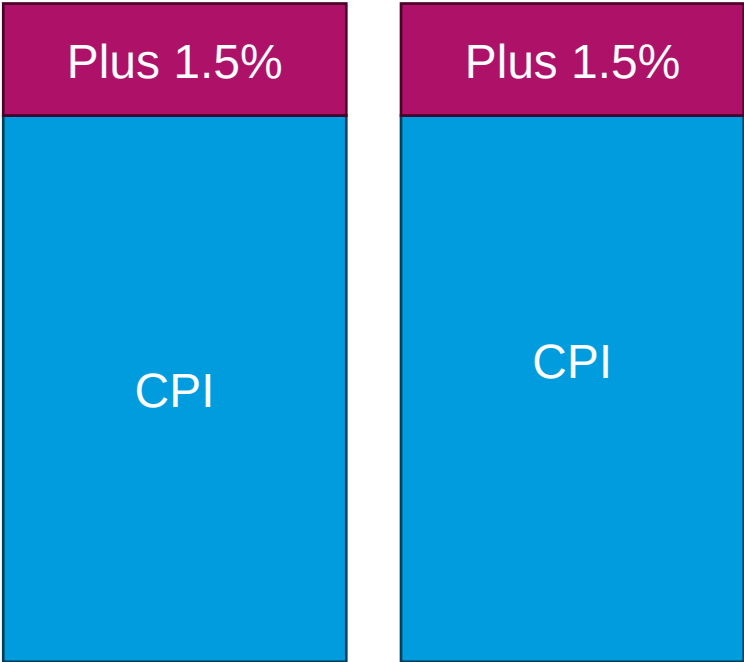
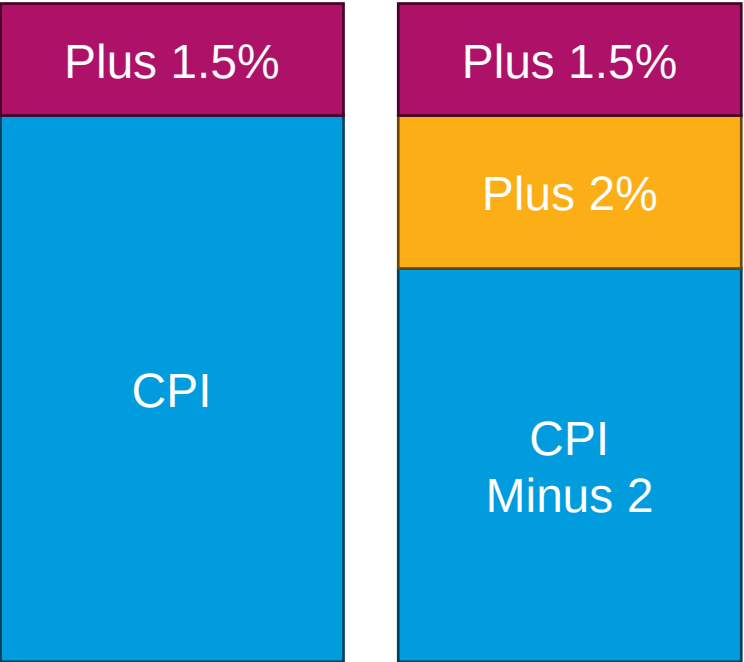


2023/24
LTFP

2023/24
Adopted

2024/25
LTFP

2024/25
Draft



Increases

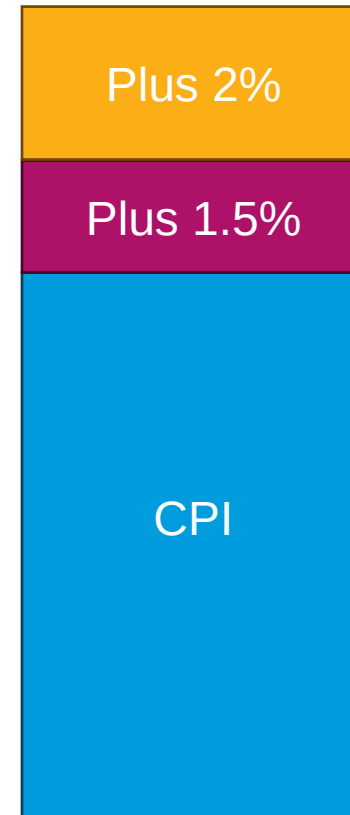
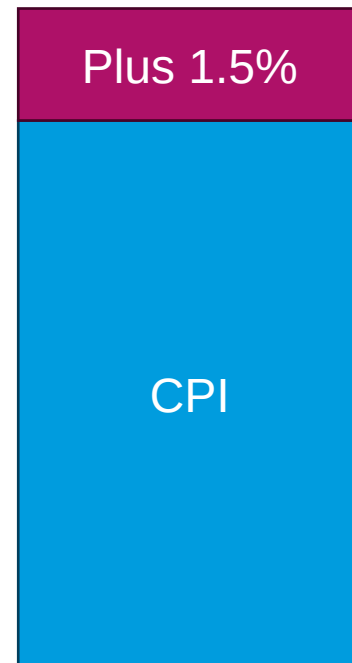
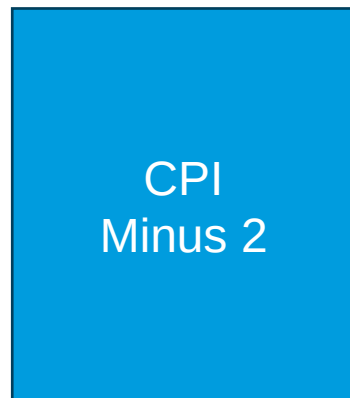
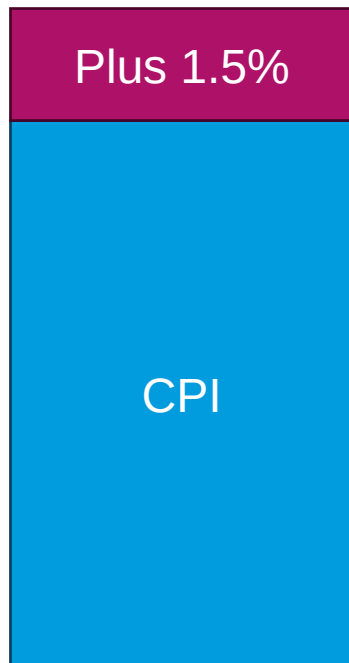


2023/24
LTFP

2023/24
Adopted

2024/25
LTFP

2024/25
Draft



Setting the
Levers to
perform the
Budget
Balancing Act
for now and
into the future



Revenue
(including Rates)



Level of Projects
(new and replacement)



Level of Operating Expense
(including Projects and Services)



Level of Borrowings and
surplus v deficit



1 Year Plan



5 Year Plan

Experiencing Hardship? Talk to us.

Council's Hardship Policy sets out:

- processes to identify customers experiencing payment difficulties due to hardship
- Outlines a range of processes or programs that we will use to assist our customers

How do I give feedback?

Hard copy survey available tonight



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.

