



Draft Annual Business Plan

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2017/18 SUMMARY

2017/18 Highlights

Roads

The draft budget also includes the sealing of Sheoak Road, Tulka (\$503,000), completion of the Proper Bay Road s-bend which is carried over from the 2016/17 year, and survey and design for the sealing of Wakelin Road, Boston Township and Roberts Road, Tiatukia which are scheduled to commence in the 2018/19 year.

Resheeting priorities are assessed annually, however for 2017/18 Wildeloo, White Flat, Farm Beach, Warrow, GreenPatch and Mena Roads are planned to be resheeted (subject to rubble availability and budgets).

\$1,100,400 has been included in the budget for the ongoing maintenance of sealed and formed roads.

Waste

Waste management continues to be a high cost expense accounting for 18% of rate revenue (or \$1.05m) for kerbside collection and disposal and the operation of waste transfer stations in Coffin Bay and Cummins.

Internal Projects

\$134,900 on design and preparation for development of residential living land at Cummins and Coffin Bay, with these funds to be recouped from future land sales.

To be completed this year are the Community Recovery Plan as part of a 'Disaster Ready Project' which will be utilised as a template for other Councils throughout the state in recovering from disasters.

The Health & Ageing in our community project aimed at identifying and assisting with the health & ageing needs of the community and will also be completed in 2017/18.

Business Activities

Port Lincoln Airport

- Provides Council with a return on investment of 6% per annum (budgeted to be a \$110,400 in 2017/18)
- The return equates to a 2% saving on rates to every rate payer
- \$135,700 budgeted for taxiway & Apron resealing
- \$1,500 operating loss in 2017/18
- \$45,000 for marketing & promotion of air access to our region

Coffin Bay Caravan Park

- Operating Profit of \$40,400 in 2017/18
- Caravan park fund expected to have cash deficit of \$175,300 at 30/06/18
- \$5,700 allocated for minor drainage work in 2017/18

Cummins Homes

- \$43,000 to continue with bathroom upgrades
- Operating loss of \$33,000
- Accumulated Cash deficit of \$204,000 at 30/06/18 however interest is being paid back to Council on this amount.

CWMS Schemes

- Occupied levy of \$465 per assessment aimed at ensuring long term sustainability of the schemes.
- \$530,100 budgeted for upgrades to communication systems, provisioning for power outages and refurbishment of pumps and lagoons.

Projects

Other significant projects included in the budget are:

New public convenience – Farm Beach	\$228,000
New Footpaths – North Shields & Poonindie	\$76,500
Beach access – North Shields	\$30,700
Stormwater management activities – Boston & North Shields	\$37,000
Coffin Bay Oyster Walk – Footbridge upgrade	\$15,800
Flinders Hwy Bridge upgrade*	\$192,400
Dodd Road / Western Approach intersection*	\$189,700
Coffin Bay Lookout Shelters	\$30,500
Tulka Reserve Shelter & playground landscaping	\$13,000
Cummins Railway Triangle Shades	\$41,100
Boston Lions Park Footbridge	\$5,900
Street Lighting improvements – Tiatukia & Poonindie	\$27,000
Cemetery Row Markers	\$7,300
Tourism signs	\$20,000
Finalisation of skate park – Cummins	\$143,500
Stormwater Management Plan –Coffin Bay*	\$92,800

* Subject to external funding partner contributions

Financial Snapshot

Rating

When determining the rates to set, Council considered the following:

- Consumer Price Index (Adelaide) - 2%
- Growth across the district - 1.3%
- Strategic Objectives – 1.0% to fund loan repayments on roadworks during the period of the plan.

Councils approach is that upgraded roads are funded through loan borrowings and subsequently paid for by users of the roads over a 10 year period.

Council considers that this level of sealing works in built up areas is valued by the community as being worthy of the additional 1% in rates payable.

The maintenance and upgrading of roads continues to be the main focus for Council with road re-sheeting, grading, resealing and other sealed roads maintenance costing 43% of general rate revenue. A further 6% of rate revenue is used to pay for loan repayments on recent road sealing projects bringing total road expenditure to \$2.8m or 49% of rate revenue.

Differential Rates

Land inside the gazetted townships of Cummins, Coffin Bay, North Shields, Louth Bay, Boston, Tiatukia and Tulka is rated at 13% more than land inside the gazetted townships of Edillilie, Yeelanna, Couлта, Mount Hope, Wanilla, Lake Wangary and Mount Dutton Bay and land outside of townships.

This is on the basis that land which does not attract the 13% differential:

- Tends to be remote from many of the services provided by Council (i.e. less access to garbage collection, Council maintained reserves, etc.);
- Does not have significant footpaths or street lighting;
- Is mainly serviced by unsealed roads.

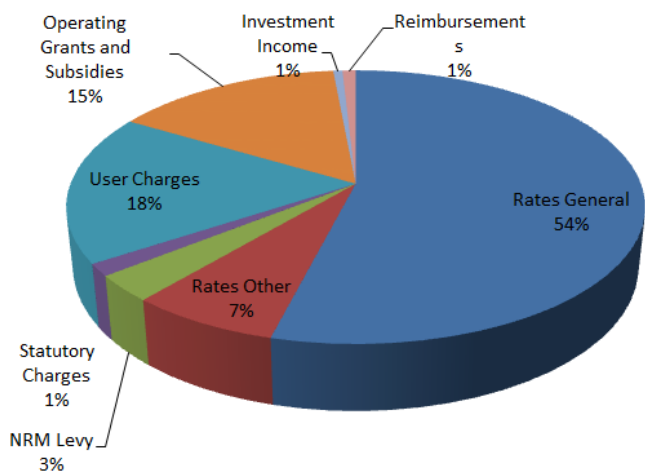
Fixed Charge

A fixed charge is applied to all properties to ensure that all landowners make a base level contribution to the cost of administering Councils activities and contributes to the creation and maintenance of infrastructure supporting each property.

Debt

Council debt (excluding self funded / business activities) at 30 June 2018 is expected to be \$5.19 million with repayments accounting for 12.75% of general rate revenue.

2017/18 Revenue Sources*



NRM Levy

The EPNRM levy in 2016/17 collected approximately \$287,000 from the District Council of Lower Eyre Peninsula land owners using a levy of \$78.60 per property.

The NRM Board has increased this amount to \$337,300 in 2017/18 being an increase of 17.5% which is primarily being paid for by an increase to Primary Production properties who will see an approximate 88% increase to their NRM levy.

Commencing 2017/18 NRM levies will be imposed and charged based on a properties land use code as follows:

Residential	\$73.75
Commercial	\$110.63
Industrial	\$110.63
Primary Producers	\$147.51
Other & Vacant Land	\$73.75

Cash Expenditure 2017-18

