



Annual Business Plan

2018/19 SUMMARY

2018/19 Highlights

Roads

The budget includes the sealing of Wakelin Rd, Boston (\$589,900), Roberts Rd, Tiatukia, (\$379,800) along with the commencement of rehabilitation works for Bratten Way (1,841,800) subject to receiving Special Local Roads Grant funding on a 2:1 basis.

Resheeting priorities are assessed annually, however for 2018/19 Council have determined the following roads will be resheeted: Mena Rd, Marrie / Settlers Rd, Settlers Rd, Farm Beach Rd, Coles Point Rd, Mitshan Rd, Duck Lake Rd, Airport Ln, Marble View Rd and Douglas Well Rd. (subject to rubble availability).

\$1,132,900 has been included in the budget for road maintenance.

Waste

Waste management continues to be a high cost expense accounting for 15.75% of rate revenue (or \$990,000) for kerbside collection and disposal and the operation of waste transfer stations in Coffin Bay and Cummins.

Internal Projects

\$1.39 million for development of residential living land at Cummins and Coffin Bay, with these funds to be recouped from future land sales.

\$49,900 to implement an asset management software solution for the management of Council's assets

Council staff along with the "Friends of Cummins Cemetery" group will complete the digitisation of Council's cemetery data and records.

\$22,100 has been provided for the continuance of the "Creating Connections" program until 30 June 2019.

Business Activities

Port Lincoln Airport

- Provides Council with a return on investment of 6% per annum (budgeted to be \$115,000 in 2018/19)
- The return equates to a 2% saving on rates to every rate payer
- \$491,100 in capital works budgeted for in 2018/19
- Estimate of 170,000 passenger movement in the year
- \$288,400 in outstanding debt repaid

Coffin Bay Caravan Park

- Operating Profit of \$18,900 in 2018/19
- \$69,500 allocated for the construction of an ensuite
- Provides Council with a return on investment of 6% per annum (budgeted to be \$7,300 in 2018/19)

Cummins Homes

- \$221,800 to continue with bathroom and kitchen upgrades
- Operating loss of \$19,400
- Accumulated Cash deficit of \$184,800 at 30/06/19
- Occupancy rates anticipated at 85% average for the 2018/19 year

CWMS Schemes

- Operating profit of \$17,600 in 2018/19
- Occupied levy of \$480 per assessment aimed at ensuring long term sustainability of the schemes.
- \$906,400 budgeted for upgrades to communication systems, provisioning for power outages and refurbishment and upgrades of pumps and lagoons.

Projects

Other significant projects included in the budget are:

| | |
|--|-----------|
| New public convenience – Farm Beach | \$231,000 |
| George Dorward Memorial Reserve Public Convenience – Refurbishment | \$46,200 |
| New Footpaths – Coffin Bay | \$62,700 |
| Beach access – North Shields | \$29,200 |
| Stormwater management activities – Boston, Cummins & North Shields | \$102,400 |
| Coffin Bay Oyster Walk – Minor Resheeting Works | \$9,700 |
| Flinders Hwy Bridge upgrade* | \$196,300 |
| Coffin Bay Lookout Shelter | \$31,200 |
| Tulka Reserve Shelter | \$15,600 |
| Shade Sails, Louth Bay Playground | \$42,000 |
| Aesthetic Parkland Bin Enclosures, Coffin Bay | \$12,000 |
| Street Lighting improvements – Cummins | \$22,500 |
| New Coffin Bay Ashes Interment Garden | \$6,000 |
| Stormwater Management Plan –Coffin Bay* | \$89,100 |

* Subject to external funding partner contributions

Financial Snapshot

Rating

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

- Consumer Price Index (Adelaide) - 2.30%
- Strategic Objectives
 - 3.00% to fund asset renewals into the future
 - 0.75% for increased efforts in road maintenance activities
 - 0.50% to address impacts of legislative planning changes and for additional work in health, tourism and local economic development and assisting community groups in obtaining project grant funding via additional staffing hours.

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.

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 equating to 40.58% of general rate revenue. A further 6.42% of rate revenue is used to pay for loan repayments on recent road sealing projects bringing total road expenditure to \$2.98m or 47.00% 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, Coult, 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 and is mainly serviced by unsealed roads.

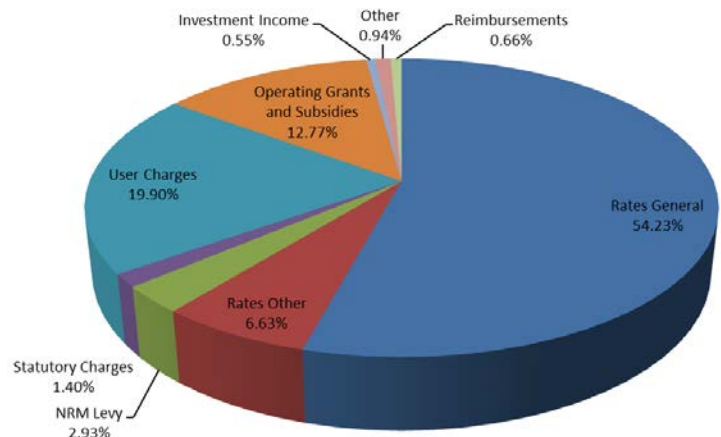
Fixed Charge

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 2019 is expected to be \$5.30 million with repayments being \$695,000 and accounting for 10.97% of general rate revenue.

2018/19 Revenue Sources*



NRM Levy

Council is required to levy all rateable properties based on a properties assigned land use category on behalf of the Natural Resources Management Board (NRM Board).

The total levy required to be raised by Council and remitted to the NRM Board is \$341,500 in the 2018/19 financial year being an increase of 1.25% on the total levy required in the 2017/18 year.

It is anticipated that the following land use categories will be levied as follows:

| | |
|------------------|-----------|
| Residential | \$ 75.31 |
| Commercial | \$ 112.95 |
| Industrial | \$ 112.95 |
| Primary Producer | \$ 150.61 |
| Other & Vacant | \$ 75.31 |

Cash Expenditure 2018-19

