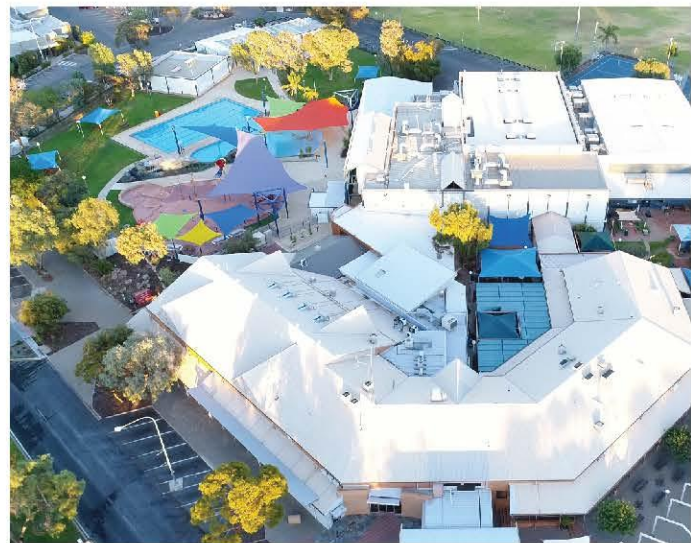
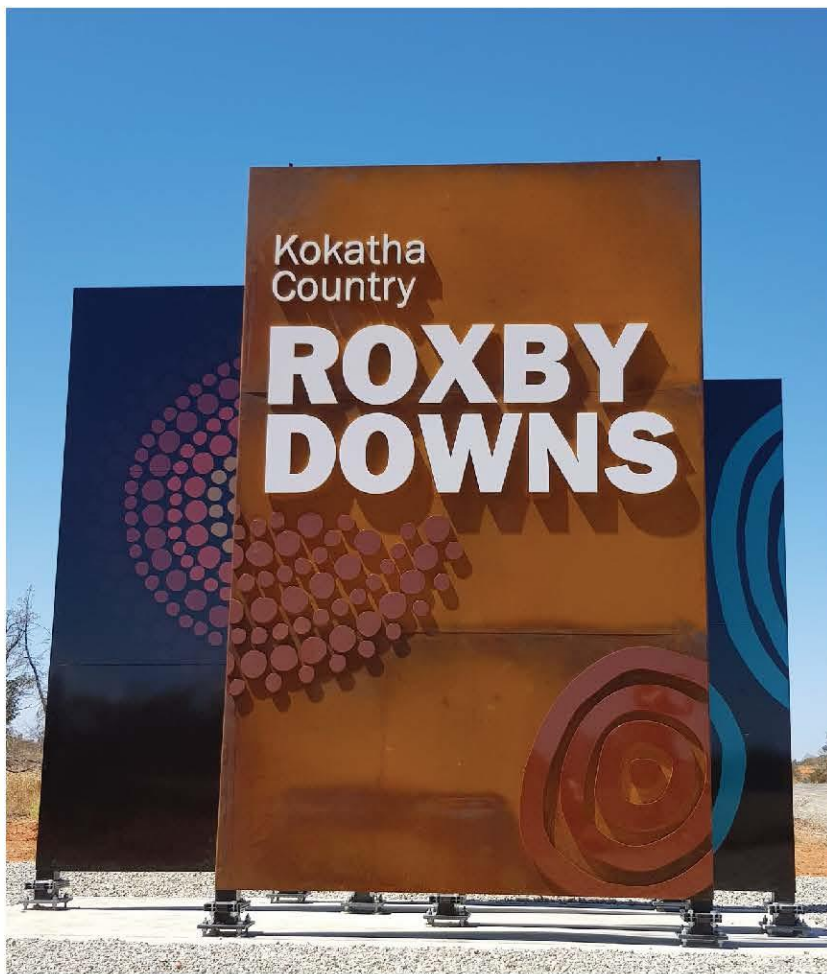


**ANNUAL BUSINESS PLAN  
& BUDGET**



## Acknowledgement to Country

The Municipal Council of Roxby Downs acknowledges the Kokatha peoples, the Traditional Owners of the land on which the township of Roxby Downs is based and pay respect to the Elders past and present, and extend that respect to other Aboriginal and Torres Strait Islander people who are present within our community.



*A representation of Roxby Downs by Kokatha artists: Shirley, Lee and Jennifer Williams. 2019*

*The Kokatha Traditional Owners welcoming people from different communities and countries that come to live in Roxby to mine, visit or passing through.*

*The Sleepy Lizard (Gulda) is the significant totem of the Kokatha country.*

*Symbols within the painting represent waterholes, the Kokatha, people coming from across the world, the mines and the sharing of culture and knowledge.*

**Municipal Council of Roxby Downs**  
6 Richardson Place  
Roxby Downs, South Australia 5725

PO Box 124  
Roxby Downs  
South Australia 5725

**ROXBY**  
WATER

**ROXBY**  
POWER

**ROXBY**  
LINK

Telephone: (08) 8671 0010  
Email: [roxby@roxbycouncil.com.au](mailto:roxby@roxbycouncil.com.au)  
Web: [www.roxydowns.sa.gov.au](http://www.roxydowns.sa.gov.au)

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## Introduction

*As we plan for financial year 2021-2022, we do so in the knowledge of the uncertainty brought about by the consequences of the COVID-19 pandemic and that the organisation needs to be adaptable and resilient to mitigate any potential risks. We are also mindful that it is imperative that the Olympic Dam operations remain unimpeded. The Council as an organisation together with BHP, SAPOL and Roxby Health Services, as well as the community in general, have all responded magnificently. Special thanks to the Roxby and Andamooka Roundtable participants for their area-wide guidance in navigating the constantly changing environment.*

*The Annual Business Plan and Budget prescribes Council's planned activities and sets the budget parameters within which those activities will be delivered. Council is cautiously optimistic that its planned activities for 2021-2022 will be largely unrestricted by COVID-19.*

*Council will continue to provide the essential services that ensures the continuation of a thriving and vibrant community: electricity, water, sewerage, waste collection, roads and footpaths, maintaining parks, street trees and open spaces and regulatory services. As well as delivering these services, Council will invest responsibly to ensure that the infrastructure that delivers these services is robust and reliable. It will continue to have an appropriate focus on asset renewal.*

*The Roxby Link facility will continue to be a focal point for the community. Roxby Link and Dunes Café are unique in that it is a multi-purpose recreation, leisure, cultural and sporting experience, this aspect includes a very busy Community Library. Roxby Link offers facilities that make sport and active recreation possible – an important factor in providing for a healthy, active community. We look forward to the full operational return of all facilities and functions in the coming months.*

*The Budget, as in recent previous years, has been designed around fiscal conservatism and responsible planning and execution of all that the Council is responsible for. One key objective for management was to present a 2021-2022 balanced Operating Budget.*

*To achieve this, Council proposes that property rates will be increased by 1.2% being the Adelaide CPI (for the 12 months to 31 March 2021). In real terms (factoring in inflation, rates will have decreased for 6 consecutive years since financial year 2016-2017.*

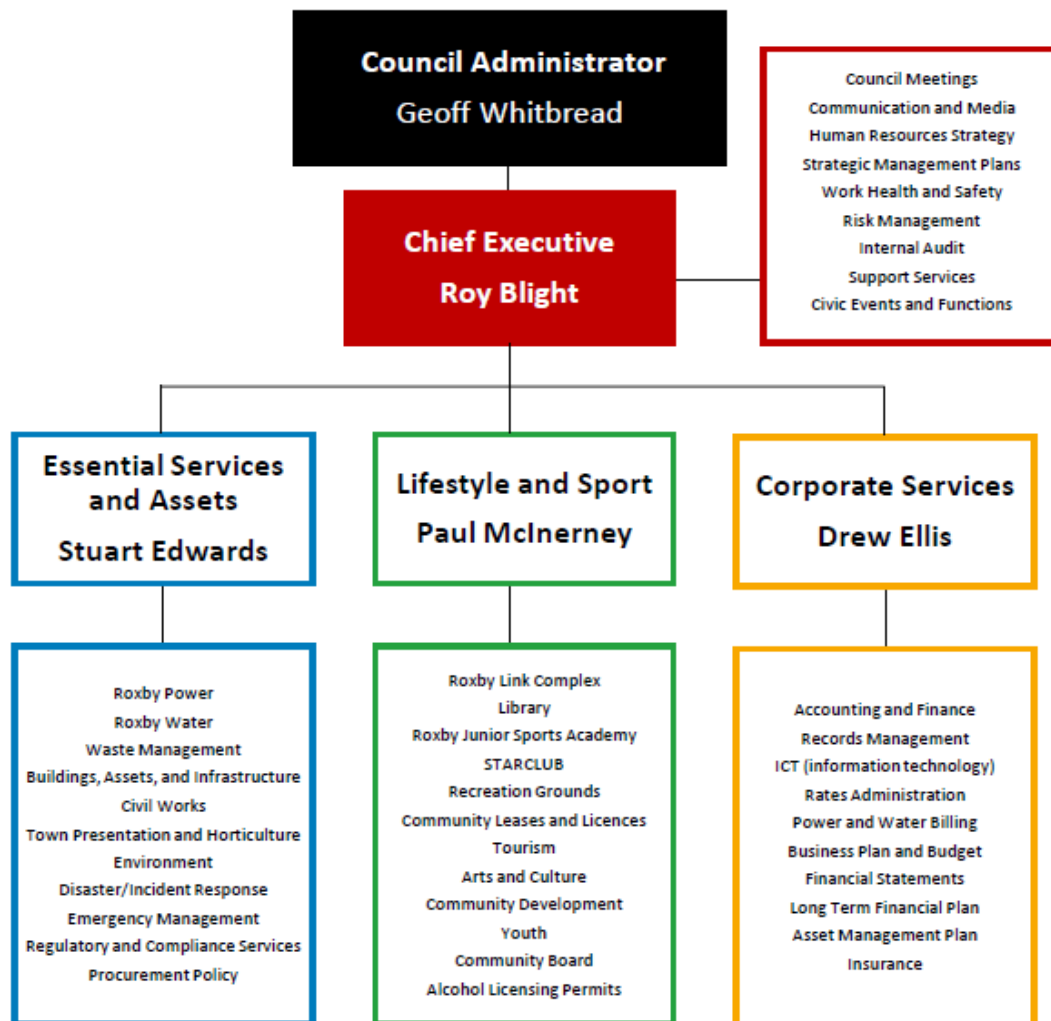
*No changes to power or water tariffs are proposed.*

*Council is expecting that 2021-2022 will be a busy year. Council & Roxby Link are looking to return to relative 'normality' as the COVID-19 vaccines are rolled out and confidence (and unrestricted operations) return, as well as all the activity related to the Olympic Dam scheduled shut-down (SCM21).*



**Geoff Whitbread**  
Administrator

**2021 Organisational Structure**



**Essential Services and Assets:**

The Essential Services & Assets group is responsible for the operation and maintenance of a wide range of infrastructure and other assets and services. These include buildings, roads and footpaths, stormwater infrastructure, water supply, sewerage, electricity, waste management, and parks, gardens, and playgrounds.

**Lifestyle and Sport:**

The Lifestyle & Sport group provides leisure, recreation, and cultural support and services to the community. Roxby Link provides important community health and wellbeing benefits whilst also generating revenue for services and projects. Staff are responsible for managing and delivering projects, events, and initiatives that support community life. Community development and community engagement goals foster an inclusive, participative, and active community. Areas covered include the library, Roxby Downs Community Board and forums, and youth development. The Lifestyle & Sport portfolio is also responsible for recreation grounds and playgrounds, community land, sporting leases and licenses, events, tourism, arts and culture and plays a significant role in supporting local sporting clubs.

**Corporate Services:**

The Corporate Services group encompasses the finance, customer service, information communication and technology, records management, and payroll teams. Each of these teams supports Council in its various functions. Corporate Services provides financial management and accounting services to the Roxby Downs Community Board.

## Community Consultation

Pursuant to the provisions of Section 123 of *the Local Government Act 1999*, each Local Government Authority is required to develop an Annual Business Plan and Budget for each financial year. Council authorised the release of the draft Annual Business Plan and Budget FY 2021/2022 for a period of **Community Consultation between 9am Monday 12 April 2021 and 6.30pm Wednesday 12 May 2021.**


This document was made available for download from Council's website [www.roxbydowns.sa.gov.au](http://www.roxbydowns.sa.gov.au). Hard copies of this document were also made available from the Council Office at 6 Richardson Place and the Community Library in the Roxby Link complex.

The Annual Business Plan and Budget outlines Council's priorities and program of works for the next 12 months. It allocates funding for key projects and services and identifies how income is expended.

Council welcomed community feedback on the Annual Business Plan and Budget FY 2021/2022 before it was considered for formal adoption at the June 30, 2021 Council Meeting.

Due to COVID-19 restrictions, Council encouraged members of the community to submit their representation via email or by post. Questions and comments were able to be submitted by the community during the Facebook Live sessions.

## Facebook Live sessions

The Roxby Council Facebook page broadcast two Facebook Live sessions led by the Chief Executive, Roy Blight. These sessions provided an overview of the proposed Annual Business Plan and Budget FY 2021/2022, as well as providing members of the public with an opportunity to make representations and ask questions. The community were given the opportunity to Like  the Roxby Council Facebook page to receive notifications & updates regarding the Facebook Live sessions.

Sessions were held on:

- **Wednesday 14 April 2021 at 7.00pm**
- **Wednesday 21 April 2021 at 7.00pm**

## Written Submissions

Written submissions were invited from the public and closed at 6.30pm on Wednesday 12 May 2021. All correspondence relating to Council's Annual Business Plan and Budget FY 2021/2022 were addressed to:

### Postal

Roxby Draft Annual Business Plan and Budget FY 2021/2022  
Municipal Council of Roxby Downs  
PO Box 124  
Roxby Downs SA 5725

Or emailed to the Council.

### Email

[consultation@roxbycouncil.com.au](mailto:consultation@roxbycouncil.com.au)

### Online form

<https://www.roxbydowns.sa.gov.au/council/have-your-say/community-consultations>

## Verbal Submissions

Members of the community were provided with an opportunity to make verbal submissions at a public meeting held in the Council Boardroom, 6 Richardson Place, Roxby Downs on **Wednesday 26 May 2021 at 5:00pm**. A minimum of one (1) hour was allocated for these submissions. Attendance was subject to COVID-19 procedures.

## Strategic Direction

Following the close of Public Consultation, the Council's Strategic Plan 2021-2025 was formally adopted by Council at the 30 June Council meeting.

Council's strategic and other long-term plans outline the longer-term objectives and priorities for the community. These plans, together with the Annual Business Plan and Budget, determine the infrastructure needs and services Council will provide, including the costs required to deliver those services. Council's strategic objectives are being updated as part of a review of its Strategic Management Plan. The strategic objectives contained in this document are also drawn from work with the State Government of South Australia and BHP on the long-term objectives for Roxby Downs.

## Providing Services to the Community

Council's operations are governed by the *Roxby Downs (Indenture Ratification) Act 1982* and the *Local Government Act 1999*. Additional statutory and regulatory responsibilities arise from a number of other Acts of the South Australian State Parliament, including the *Dog and Cat Management Act 1995*, the *Public Health Act 2011*, *Local Nuisance and Litter Control Act 2016*, *Environmental Protection Act 1993 and Planning, Development and Infrastructure Act 2016*. The provision of mandatory and discretionary programs and services is influenced by these pieces of legislation, as well as local community needs and priorities.

Services provided by Council include:

- Corporate activities including:
  - Preparation of annual budgets
  - Longer-term Strategic Management Plans for Roxby Downs
  - Maintaining property ownership database
  - Revenue collection for municipal rates
  - Municipal Services (i.e. Power, Water, and Sewerage)
  - Governance
- Management of infrastructure including:
  - Council buildings
  - Roads
  - Footpaths
  - Ovals
  - Parks
  - Playgrounds
  - Public open space
  - street lighting
  - Stormwater drainage
  - Treated wastewater for irrigation
  - Municipal Services (i.e. Power, Water, and Sewerage)
- Street cleaning, rubbish collection and recycling
- Regulatory activities including development planning and control, building and fire safety assessment, and dog and cat management
- Environmental health services including health standards inspections
- Local service centre for Service SA transactions
- Protection of natural resources

As at 1 July 2020 the value of community assets held by the Council was \$115 million.

These include:

- Buildings
- Infrastructure
- Property
- Equipment

Council also provides a variety of discretionary programs and services to the Community which enhance the health, wellbeing and prosperity of our community.

These include:

- Roxby Link
- Community development
- Visitor Information Centre
- Library
- Cinema
- Festival and event support
- Recreation development and assistance to local sporting organisations
- Youth services
- Volunteer opportunities
- Art exhibitions and cultural programs
- Healthy Community programs
- Playgrounds

Council operates the Roxby Link cultural and recreation centre which provides important community benefits. Roxby Link encompasses an Auditorium, Cinema, Library, Visitor Information Centre, Dunes Café, Art Gallery, Indoor Stadiums, Gymnasium, Squash Courts, Indoor and Outdoor Swimming Pools, Splashpad and a Community Youth Centre.

## Significant Influences and Trends

Councils' planning for FY 2021/2022, has been influenced by a number of key considerations:

### Coronavirus (COVID-19)

COVID-19 had a significant impact on Council's planning for 2020-2021. The key aspects that made COVID-19 planning challenging were the uncertainties it generated, and the risks that needed to be assessed in this context. Disruptions from COVID-19 resulted in a delay in the adoption of the Annual Business Plan and Budget 2020-2021.

Despite these forced changes, Council was able to ensure a non-disrupted supply to all Power, Water and Sewerage services through its entities, Roxby Power and Roxby Water. It also ensured a continuation of its important waste collection services to residential properties. All essential services provided by Council continued despite the impact of COVID-19.

The response to COVID-19 forced a restriction of many of our normal activities. Driven essentially by the need to ensure social distancing, many of the Roxby Link facilities were required to be closed. As well as the social cost of these measures, they also impacted on our Budget.

Now, the national program of vaccinations is underway and is providing significant change to the COVID-19 outlook. In planning for FY 2021/2022, Council is operating under the assumption that most COVID-19-related restrictions which currently impact Council facilities will abate. This assumption is apparent in the Budget, which reflects the expectation that both operating income and expenditure should return to pre-COVID-19 levels.



## Indenture Agreement

The provisions of the *Roxby Downs (Indenture Ratification) Act 1982* in part determines the financial operation of Council. As part of these considerations the Council's budget is also required to be submitted to the State Government and BHP for approval with both parties contributing to any shortfall in the funding of Council's municipal operations.

## Olympic Dam Operation

BHP operations at Olympic Dam represent the single largest driver of economic activity in Roxby Downs and is a major influencer of Council's forward planning and budgets.

Council has based many assumptions relating to FY 2021/2022 on the scheduled shut-down maintenance (SCM21) activities planned for Olympic Dam. These assumptions predict:

- Relatively strong overall demand (local economic conditions)
- Competition for contracting services
- Electricity and Water volume units sold by Roxby Power and Roxby Water
- Usage levels at Roxby Link's various facilities

## Local Cost factors

Costs associated with major works and projects in Roxby Downs are significantly higher than most other Councils in South Australia. This is due to the remoteness of the location, higher labour costs, transport expenses, intensity of works and competing for resources with the Olympic Dam operation (such as local contractors). This is reflected in the budget for any expenditure items requiring external resources.

## Consumer Price Index

The Consumer Price Index (CPI) measures changes in the price of goods and services which account for a high proportion of expenditure by metropolitan households.

Consumption responses to COVID-19 resulted in generally lower CPI pressures, with the annual Adelaide CPI for the March 2021 quarter at 1.2%.

## Industrial

Council's employees are covered by the *Municipal Council of Roxby Downs Enterprise Agreement 2020*. This document prescribes terms, conditions and pay rates pertaining to those employees and guides the assumptions relating to employee costs as reflected in the budget.

## Objectives and Activities for 2021/2022

### Proposed Council Investments in Key Projects

The following is a list of major expenditure items. It includes both capital expenditure (CAPEX) and operating expenditure (OPEX) items. It should not be read as a complete list of Council’s expenditure items. Projects are subject to a business case development and separate approval.

All amounts rounded to the nearest \$1,000.

Project	Amount FY 21/22 \$ '000	Carried Forward from FY 20/21 \$ '000
<b>Recreation and Sports Hub Projects</b>		
Council is pursuing grant funding for a variety of town improvement projects ranging from sports precinct upgrades to tourism infrastructure. These projects will only go ahead if they are successful in attaining funding. The following project has already been successful in gaining funding:		
<b>Pump Track:</b> Proposed for the land on the corner of Burgoyne and Olympic Way, adjacent to the town oval. Council is building a low maintenance community-based bicycle pump track. A pump track is a circuit of rollers, turns and features for bike riders to ‘pump’ or generate momentum by up and down body movements, instead of pedalling. Pump tracks can be ridden by cyclists of all ages and skill levels. The design was driven and chosen by the community in 2018 and it will add another attraction to the Roxby Sports precinct. \$625K will be met by external grant funding secured by State Government’s Local Infrastructure Partnership Program (LGIPP).	1,262	
<b>Playground Upgrades and Development</b>		
Subject to a town-wide assessment of open space provision, Council is developing concepts for Pine Crescent and Sub C parks. Progression of these projects will only go ahead if grant funding is successful.		
<b>Lions park toilets:</b> Upgrade of design concept to resemble Richardson Place and Hermit St facilities. Implementation of this upgrade is contingent on the outcome of the Sports and Recreation Hub grant application.	130	
<b>Public Art</b>		
The Roxby Downs community is dynamic and culturally diverse, and Council recognises that valuing creativity, collaboration and a range of community and cultural experiences is important to the cohesion, resilience and well-being of the community.  The 2020/21FY saw the completion of the design concept for the Town Entry Signage which have been installed at three entrances to the town. The signage includes key elements from the Kokatha painting commissioned by Council.  The 2021/2022 FY budget allocation (carried over) for public art includes:  <b>Kokatha Art Development Project</b> – a funding project contingent on joint funding with BHP and Council that invites Kokatha artists to submit concepts for permanent outdoor sculptures within Roxby Downs and canvas paintings depicting traditional Kokatha cultural elements. This project aims to support work opportunities for Kokatha artists and create education opportunities for members of the community through exposure to Kokatha art exhibition and artist workshops.		60

Project	Amount FY 21/22 \$ '000	Carried Forward from FY 20/21 \$ '000
<b>Aquatics</b>		
<p>Council's public aquatics facilities require ongoing maintenance and upgrades to ensure the health and safety of patrons. These facilities include indoor &amp; outdoor pools and splash pad. The 2021/2022FY budget includes allocation for:</p> <p><b>Replacement of pool blinds:</b> All nine blinds are currently not operational, and replacement of the blinds will contribute to a better insulated indoor pool, improving the experience for patrons.</p>	15	
<p><b>Assessment on shade sail conditions:</b> An independent assessment of all Council shade sails will be conducted to ensure all existing shade sails are fit for purpose and up to standard. This assessment will also identify for future projects any areas where shade will be needed within Council facilities.</p>	6	
<p><b>Thermal insulation assessment:</b> An independent investigation will assess the feasibility of installing insulation within the indoor pool to provide better comfort for swimmers during the summer and winter months. The assessment will also provide the opportunity to reduce operational costs and improve the pool's heat efficiency.</p>	5	
<b>Roxby Link - Centre-Based Sport, Recreation and Leisure</b>		
<p><b>Cricket Pitch Cover System:</b> The cover system will provide for a more durable facility during the cricket season and eliminate soil build up. It will create a level playing field across the oval which will provide a safer environment for the football season while reducing maintenance costs of the pitch.</p>	20	
<p><b>Main oval lighting upgrade to LED:</b> Current light tower globes at the oval have reached end of life. Replacement of current light bulbs with halogen bulbs will cost \$70,000 whereas upgrading the lights to LED will cost \$250,000. LED lights operate on one-third of the power of the original halogen lamps and have a greater life expectancy. This would reduce the facility's energy footprint in the long term.</p> <p>A specific provision of \$70K is included in the budget for replacing 'like-for-like' option. Council will consider the LED option business case and contingent on an external funding contribution.</p>	70	
<p><b>Replacement of the Kiosk auto door:</b> The automatic door closure system has reached end of life and is due for replacement.</p>	20	
<p><b>Refurbishment of Sports and Café toilets:</b> The toilets/change rooms in the Leisure Centre and Dunes Café require repair and refurbishment. A significant portion of the original tile work and fittings are broken or absent in places. These are high use facilities which currently do not meet acceptable standards.</p>	100	
<p><b>Replacement of wooden floorboards in Stadium 2:</b> The current floorboards have reached end of life and will need replacement to maintain the facility. This will mean that both stadiums will be operational for another 15-20 years.</p>	280	

Project	Amount FY 21/22 \$ '000	Carried Forward from FY 20/21 \$ '000
<b>Vinyl floor replacement:</b> The original flooring from the carpark approaching the Kiosk is wearing and needs replacement to meet standard for a public facility.	80	
<b>Purchase of promotional digital screens:</b> The digital screens will be used at locations in the Roxby Link facility to promote Roxby Downs events.	60	
<b>Stadium roofing structures audit and ladder installation works:</b> This project will be carried over from the previous year due to compliance with WHS.		100
<b>Replacement of air conditioning:</b> A comprehensive review of air conditioning systems at Roxby Link has confirmed the need for a complete overhaul. Implementation of an engineering report across the Roxby Link facility will replace the aged and inefficient air conditioning systems.	1,130	
<b>Environment</b>		
<b>Emissions audit:</b> An audit of the Council's greenhouse gas emissions to gather baseline data to allow Council to make informed decisions regarding the Climate Change Plan and Policy.	30	
<b>Roads, Footpaths and Walkways</b>		
<b>Roads:</b> Selected roads in Roxby Downs will be resealed as part of the first of a three-year contract. Road reseals are scheduled on a basis of independent condition assessments.	280	
<b>Information Technology and Communications</b>		
<b>Video conference upgrade (boardroom):</b> Technology will be upgraded to improve quality of communication.	10	
<b>Video conference upgrade (interview room):</b> Technology will be upgraded to improve quality of communication.	7	
<b>Desktop replacement program:</b> Substituting Council desktops with laptops will increase efficiency by making the Council workforce more mobile and able to respond to emergency situations	22	
<b>Server infrastructure replacement project:</b> The communication network between Council and Roxby Link is approaching end of life. Infrastructure will be replaced to contemporary technologies.	160	
<b>Business software upgrades:</b> Upgrades will increase efficiency in business operations.	30	
<b>Assetic (Asset Management System) Phase 3:</b> Continuation of improved management of its assets through the implementation of a computerised asset management system.	30	
<b>Roxby Power</b>		
<b>Ongoing project to improve monitoring of power distribution network:</b> Ongoing rollout of wireless transmitters to piggy-back network meters that will enable real time, online monitoring of the Roxby Downs electrical network.	30	
<b>Roxby Water</b>		
<b>Backwater pump:</b> Replacement of backup water pump.	16	
<b>Sewage:</b> Underground inspection of sewer lines and the confirmation of GIS location data.	30	
<b>Spare pump:</b> Purchase of a spare pump for the sewage pump stations.	8	
<b>Side entry pit replacement:</b> Stormwater side entry pit replacement.	15	
<b>Headwall replacement:</b> Replacement of stormwater headwalls in town.	18	

Project	Amount FY 21/22 \$ '000	Carried Forward from FY 20/21 \$ '000
<i>Council Office</i>		
<b>Replacement of air conditioning:</b> As per recommendations from independent expert report, air conditioning across the Council office needs to be replaced.	270	
<b>Ergonomic desks:</b> To create a productive work environment.	15	
<b>Sound insulation for interview room:</b> Installation of sound insulation. This is a room used for conferencing and meetings.	3	

## Statement of Income and Expenditure

The following summarises the budgeted operating income and operating expenses by major categories. 'Operating' activities relate to what Council does on a day to day basis but does not include activities around many large projects, especially relating to the construction or renewal of assets (these are 'Capital' or 'CAPEX').

All amounts rounded to the nearest \$1,000.

	2019/2020 Audited Actuals \$'000	2020/2021 Adopted Budget \$'000	2020/2021 Third Qtr. Budget \$'000	2021/2022 Budget \$'000
<b>OPERATING INCOME</b>				
Rates	5,464	5,434	5,441	5,499
Statutory charges	279	44	56	65
User charges	11,492	11,268	11,652	11,730
Grants, subsidies and contributions	379	193	243	206
Investment income	237	78	110	70
Municipal Deficit Funding	600	600	600	600
Other income	139	84	96	84
<b>TOTAL INCOME</b>	<b>18,590</b>	<b>17,701</b>	<b>18,198</b>	<b>18,254</b>
<b>OPERATING EXPENSES</b>				
Employee costs	-4,876	-5,497	-5,268	-5,334
Materials, contracts and other services	-8,414	-9,635	-9,794	-9,741
Depreciation, amortisation and impairment	-3,203	-3,284	-3,133	-3,138
Finance costs	2	0	0	0
<b>TOTAL EXPENSES</b>	<b>16,495</b>	<b>18,416</b>	<b>18,195</b>	<b>18,213</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	<b>2,095</b>	<b>(715)</b>	<b>3</b>	<b>41</b>
Net gain (loss) on disposal or revaluation of assets	(293)	30	30	30
Physical resource received free of charge	0	0	0	0
Amounts specifically for new or upgraded assets	0	147	381	2,449
<b>NET SURPLUS / (DEFICIT)</b>	<b>1,802</b>	<b>-538</b>	<b>414</b>	<b>2,520</b>

The above figures reflect Council's best estimation of its income and expenses in a year that is anticipated to return to "new" normal operations following the current year's COVID-19 restrictions. Council has made concerted efforts to predict and factor in the expected financial impact of the virus. The 2021/2022 financial year will see Council have an ongoing focus on delivery of its core services but is also likely to see a range of special projects (subject to grant funding applications).

## Summary of Capital Expenditure

Long-term asset management is vital to ensuring that public buildings and improvements, together with community infrastructure are fit for purpose and meet safety and security standards.

There are two main types of capital expenditure. The first type is capital 'renewal'. Existing assets depreciate over time. As well as being subject to an ongoing repairs and maintenance program (the cost of which is reflected in the Operating budget, not the Capital budget), they also require appropriately scheduled 'renewal' activities. These 'renewal' activities are generally higher value and less frequent than the repairs and maintenance activities. Council's investment in capital 'renewal' is important as a strategy to help maximise the asset's value and the length of its asset-life. The management and schedule for renewal over the life of the asset is governed by the Asset Management Plan. This separate document will be put forward for adoption alongside the final version of the Annual Business Plan and Budget FY 2021/2022.

The other type of capital expenditure relates to either 'new' or 'upgraded' assets. Council generally tries to leverage its investment in new assets by only undertaking such projects when it has secured joint funding arrangements. This is generally done by securing project-specific grants that are made available from time to time.

Infrastructure related to Council's provision of essential services, specifically in relation to Power, Water and Sewage, are capital-intensive. The need to ensure reliability and robustness in these systems places ongoing demand on Council in relation to its capital budget.

	2019/2020 Audited Actuals \$'000	2020/2021 Adopted Budget \$'000	2020/2021 Third Qtr. Budget \$'000	2021/2022 Budget \$'000
<b>RECEIPTS</b>				
Amounts specifically for new or upgraded assets	0	147	411	2,449
<b>PAYMENTS</b>				
Expenditure on renewal/replacement of assets	670	2,177	2,564	6,649
Expenditure on new/upgraded assets	928	466	782	1,906
<b>NET CAPITAL EXPENDITURE</b>	<b>1,598</b>	<b>2,496</b>	<b>2,935</b>	<b>6,076</b>

Figures relating to the capital budget are current as of 12 April 2021 and subject to change.

## How Council will fund the Annual Business Plan

The Annual Business Plan produces an Operating Surplus of \$10K resulting from Total Operating Income of \$18,254K and Total Operating Expenses of \$18,213K.

### Operating Income

Council has budgeted to receive an Operating Income of \$18,254K. All amounts have been rounded to the nearest \$1,000.

### Rates and Charges

Council has budgeted to collect \$5,499K from its various rates sources. The following breakdown shows expected revenues and any change from 2020/2021 adopted budget:

Source	Budget	Change from 2020-21 adopted budget
Rates	4,745K	1.2%
Rates rebates	(202K)	0%
Landscape levy	122K	1.0%
Rates fines	8K	(41.1%)
Debt collection fees	10K	66.7%
Direct debit fees	0	(100.0%)
Domestic waste collection service charge	815K	1.2%

Greater detail on Council rates can be found in Appendix 1.

### User Charges – Utilities

#### Roxby Power

- Electricity tariffs - No change
- Solar buy-back rate – No change
- Total expected revenue for Roxby Power is \$5,045k

#### Roxby Water

- Water tariffs (usage) - No change
- Water supply - No change
- Sewerage supply - No change

Total expected revenue for Roxby Water is \$5,056K.

The income generated from the sale of power and water is difficult to predict accurately in the context of seasonal variability and volume demand fluctuations. Council attempts to predict and budget based on broad assumptions and the analysis of actual usage patterns; however, key drivers of future demand such as population and temperature are subject to uncertainty. For 2021/2022 budgeting purposes, Council has assumed a similar consumption pattern (in unit terms) to 2017/2018 when the last SCM was held.



## Operating Income (continued)

### User Charges – Roxby Link

Roxby Link reviews its fees and charges annually. In determining an appropriate pricing structure, Roxby Link has to balance the following two underlying philosophies:

- Operating the entities on a commercial basis, and
- Delivering community services of a social value which cannot be measured in financial terms.

The balancing of these two philosophies remains a continuous challenge for Council.

Total budgeted income from Roxby Link (all sources) is \$1,655K. This figure includes income from user charges relating to the various Roxby Link facilities, as well as any grants or subsidies that have been secured. Income is expected to be materially higher as Roxby Link emerges from recent COVID-19 restrictions.

### Statutory Charges

Council's statutory charges are derived principally from dog and cat registration fees (which are handed on to the State's Dog & Cat Management Board), development and building fees, regulatory fees and expiations. Council is budgeting for the collection of \$65K in Statutory Charges throughout FY 2021/2022.

### Grants

Council attempts to leverage its investment in major projects by taking advantage of grant funding that may be available. Whenever it can achieve this, it reduces the financial burden on its ratepayers.

There are different types of grants – 'tied' (grants that are for a specific purpose), and 'untied' (which are general and therefore provide Council relatively more flexibility around how to allocate funds).

As with all local government authorities nationally, Council receives untied Federal Government funds from the Grants Commission which can be spent according to local priorities. A component of this must also be utilised in the upkeep of local roads.

Council also receives a small annual grant from the South Australian Public Library Services which is used towards partially offsetting the cost of providing library services to the community.

In addition, Council seeks to secure various grant funding on an ongoing basis. New grants are announced by Government from time to time, and Council applies for these grants whenever appropriate to leverage the funding of various new projects.

Council has budgeted to receive Total Income from Grants (for Operating purposes) of \$206K. Council also has several outstanding applications for capital purposes (although these will not be reflected in the budget until secured).

### Other Income

Other income is expected to come from the following sources:

- Service SA agency fees \$60K
- Other sources (various) \$24K

## Operating Income (continued)

### Loan Borrowings

Council is currently debt free and does not expect to take out any new loans in FY 2021/2022.

A recent change in the Australian Accounting Standards may result in Council's Balance Sheet showing a small amount of borrowings. However, this reflects the necessary accounting treatment for office equipment leases and should not be seen as Council having taken out loans.

### Municipal Deficit Support

The *Roxby Downs (Indenture Ratification) Act 1982* requires that both the State Government and BHP make contributions to any 'Municipal' operating shortfall.

The total amount budgeted from this source is \$600K, with State Government and BHP contributing \$300K each.

## Operating Expenditure

In FY 2021/2022 Council has budgeted for a total operating expenditure of \$18,213K.

### Employee Costs

Aside from salaries and wages costs, Council's 'employee costs' include various operating costs associated with the employment of its workforce. Such costs include leave-related expenses (e.g. annual, long service and public holiday leaves), as well as worker's compensation and income protection insurance, allowances, staff training and work health and safety.

The total employee costs are budgeted to be \$5,334K in FY 2021/2022.

### Materials, Contractors and Other Expenses

This category of expenses is the largest incurred by Council and is budgeting a total of \$9,741K in this category of expense, or 53.5% of total operating expenditure. The specific provisions relate to:

- The delivery of Council contracts (Horticulture, waste management)
- Asset maintenance (Buildings, facilities, vehicles)
- Delivery of community services
- Purchases of electricity and water from BHP

### Depreciation

As Council's various assets age and useful life diminishes, their value depreciates. Council recognises the depreciation expense every year in accordance with required accounting and Local Government reporting standards. Council has budgeted for a total depreciation expense across all classes of assets of \$3,138K in FY 2021/2022.

### Finance Costs

Council does not expect to incur any finance costs in FY 2021/2022.

## Considerations in the setting of Rates and Charges

. When determining the rates for 2021/2022 financial year, the Council has considered the following factors:

- Current levels of expenditure
- Future asset renewal & replacement
- Current economic climate
- Community expectations
- Statutory responsibilities

### Method Used to Value Land

Council uses the capital valuation for each land holding within the Council area. Valuations are determined by the State Government Valuer-General Council does not have a role in the determination of property valuations.

The capital value method of valuing land is applied for the following reasons:

- Property value is a reliable indicator of the market value of a property
- Corresponds with the national taxation principle that property owners contribute to community, social, and infrastructure in accordance with their capacity to pay, as measured by the property held.

When Council prepares its rates modelling, which is based on valuations provided by the Valuer General, it considers applicable temporary rules (e.g. rules introduced in 2020 as a response to COVID-19) and will apply them to the extent that they are relevant to Roxby Downs.

If a property owner is dissatisfied with their property valuation, an objection in writing may be lodged directly with the Valuer-General explaining the basis of their objection. This needs to be done within 60 days of receiving a notice of the valuation.

### Rate Rebates

Council provides rates rebates in accordance with Section 10(1)(5) of the *Local Government Act 1999*.

Council regularly reviews discretionary rate rebates. No changes are anticipated to the application of rebates for the 2021/2022 financial year.

Details concerning Council Rate Concessions, Rebates, Capping Rebates and provisions for rate payers facing hardship can be found in Appendix 1.

A rebate of differential general rates for the 2021/22 financial year will be granted to the Principal Ratepayer of any assessment under Section 166(1)(l) of the Local Government Act 1999, on the conditions set out in this resolution below.

In general terms, the amount of the rebate will be the positive difference (if any) between:

- a) the amount of differential general rates imposed for the 2021/22 financial year in respect of that assessment, and
- b) the amount of differential general rates imposed for the 2020/21 financial year in respect of that assessment, plus 10%.

This rebate will be offered by Council on an application-basis only. The amount of the rebate will be calculated by Council and will be applied and noted as a 'Rebate/Concessions' amount on each eligible 2nd Quarter Rates Notice.

The rebate will be applied only to properties with the a 'Residential' land-use category. The only bases for exemption from eligibility will be where the property has been subject to a change in land-use category in the last year or where there has been an increase in the capital value of the land due to improvements to the land made in the last year.

## Considerations in the setting of Rates and Charges (continued)

### Differential General Rates

Much of the community amenities that are provided by Council are funded through the collection of rates. The *Local Government Act 1999* allows Councils to differentiate rates based on the property use. As in previous years Council has opted to differentiate on this basis. The composition of Council's rates charged by the various use categories is indicated by the following:

- Residential – 71.9% of total
- Commercial – 21.4% of total
- Light Industrial & Other – 3.3% of total
- Vacant Land – 3.4% of total

Based on 2020/2021 actuals – these proportions are not expected to materially change for FY 2021/2022.

### Fixed Charge

Council considers it appropriate that all rateable properties make a base level contribution to the cost of administering Council's activities and to the cost of creating and maintaining the physical infrastructure that supports each property. Approximately a quarter of Council's general rate revenue is calculated via the fixed charge portion.

### Service Charges

This charge is applied directly to the cost of waste management. There are two principal components to the cost of waste management: rubbish bin collections and waste management/transportation. Recovery is via a service charge of \$471.60 to every residential address.

### Landscape Levy (formerly Natural Resources Management Levy)

The Landscape Levy is a State Government tax legislated under the *Natural Resources Management Act 2004*. Council collects the levy on behalf of the Natural Resources SA Arid Lands Management Board. The levy is a fixed charge and is shown as a separate charge on the rates notice. Council is operating as a revenue collector only and does not keep this revenue or determine how it is spent.

### Business Impact Statement

Council is considering the impact of rates on all businesses in the Council area. In considering the impact, Council will assess the following matters:

- Those elements of the Council's Strategic Management Plan relating to business development
- The financial impact on local businesses of COVID-19
- The current and forecast economic climate
- Council's recent development approval trends
- The operating and capital projects and new programs for the coming year that will principally benefit industry and business development
- Valuation changes
- Council's ability to provide appropriate local stimulus to businesses through its annual rates model

Council recognises the importance of supporting and encouraging a diverse and healthy business sector and acknowledges the impact that COVID-19 has had on the local economy and some individual businesses.

## Measuring Performance

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

- Monthly review of account management reports by the Council presented to the Chief Executive
- Budget reviews to the Council to measure performance at least quarterly
- Regular reporting to the external Audit Committee
- Internal Audit Program
- Production of the Annual Report with audited financial statements
- Customer request and complaint systems
- Presentation of a six monthly (1/2 yearly) report card to the community on the performance achieved in implementing the Annual Business Plan and Budget

### Financial Indicators

Council uses three main measurement ratios to assess the success of its budget against specific strategic objectives. The three ratios have been developed by the local government sector as a simple way of indicating the extent of the financial sustainability of the Council. The three ratios are:

#### ***Operating Surplus/Deficit Ratio***

The desired level is between 0% and 10% on average over the long term. The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of income. A positive ratio indicates the percentage of operating income available to help fund proposed capital expenditure. A negative ratio indicates the percentage increase in operating income or the appropriate decrease in operating expenses required to achieve a breakeven operating result.

#### ***Net Financial Liabilities Ratio***

The desired level is greater than 0% but not more than 100% on average over the long term. Council's short-term target is between 0% and 50%. This ratio indicates the extent to which the net financial liabilities of the Council or its total indebtedness can be met by Council's total operating revenue. It is a broader measure than net debt as it includes all of a council's obligations, including provisions for employee entitlements and creditors.

The ratio is calculated by expressing net financial liabilities at the end of a financial year as a percentage of operating income for the year. When the ratio is increasing, it indicates that a greater amount of a council's operating revenues is required to service its financial obligations.

As Council continues to be debt free and have sufficient reserves to meet many of the future commitments on maintenance and capital expenditure projects, the Net Financial Liabilities Ratio is somewhat distorted and reflects as a negative figure.

For Roxby Downs this reflects good financial health. Most Councils carry debt in their budget.

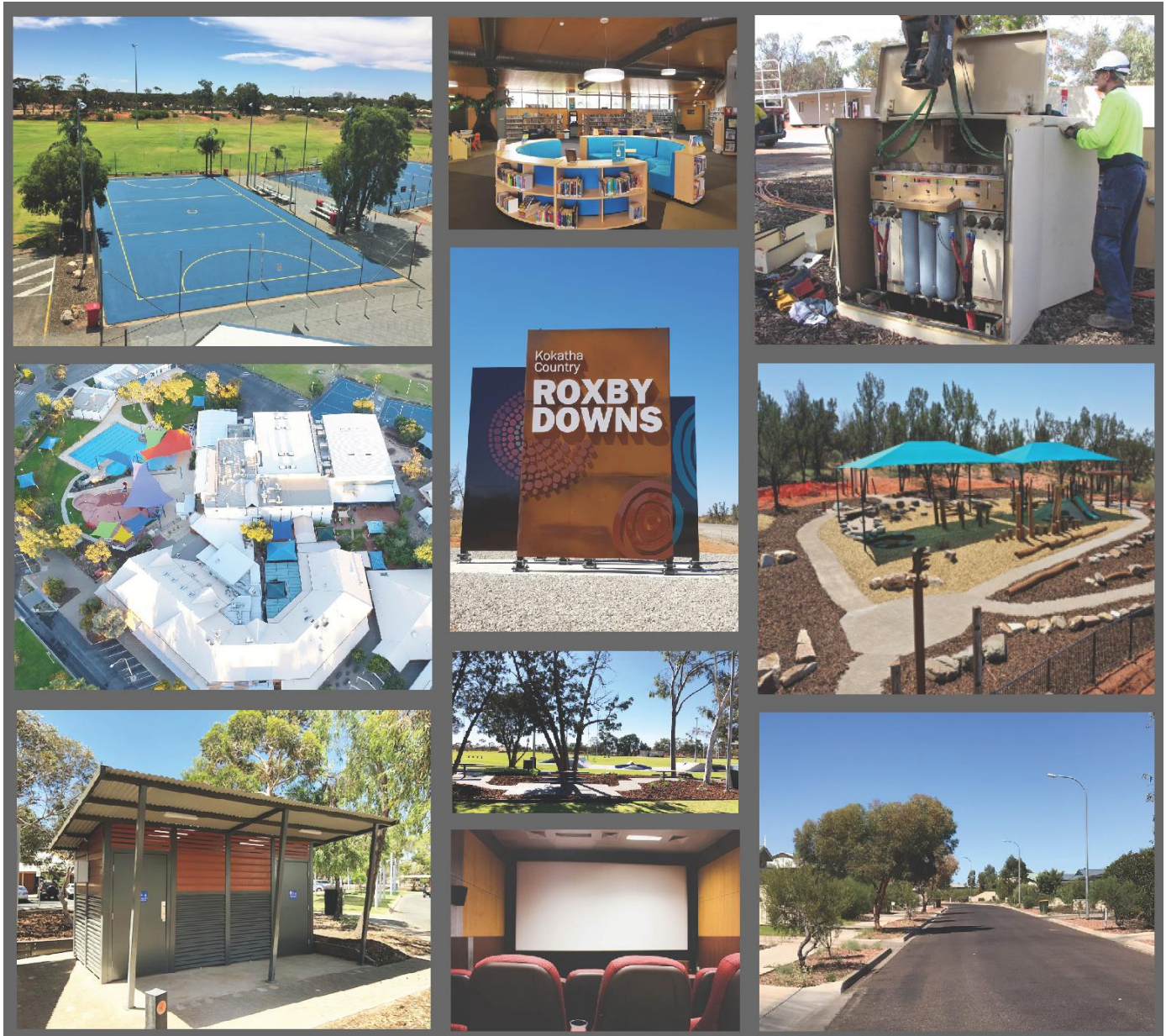
#### ***Asset Sustainability Ratio***

The desired level is greater than 90% but less than 110% on average over the long term. This ratio measures whether Council is renewing or replacing existing physical assets (e.g. roads, footpaths, stormwater drainage, buildings, plant and equipment, furniture and fittings, etc.) at the same rate as these assets are wearing out. The ratio is calculated by measuring actual capital expenditure on renewal or replacement of assets, relative to the expenditure on renewal or replacement of assets as per Council's Infrastructure and Asset Management Plans.

## Long Term Financial Plan

Council has an indicative Long-Term Financial Plan - a tool which it has used to assist with long-term planning. The purpose of a council's Long-Term Financial Plan is to express, in financial terms, the activities that it proposes to undertake over the medium to longer term to achieve its stated objectives.

Council intends to adopt a Long-Term Financial Plan alongside its Annual Business Plan and Budget FY 2021/2022.



## APPENDIX 1: Commentary regarding Council's Rating Policy

Due to restrictions around land use, there has been no proposed construction of new buildings or houses in Roxby Downs. This has implications for Council as natural growth in the number of rateable properties, which commonly occurs in other local government areas, cannot be factored into planning for natural revenue growth.

Council has not passed on any Rates increase in dollar terms since 2016/2017, (0% increase refers to total rates across all categories and as a total. Rates on individual properties are likely to have varied depending on their individual property valuations). In real terms (i.e. when allowing for inflation), rates have dropped considerably since the 2016/2017 financial year.

Council proposes a 1.2% increase in rates for FY 2021/2022. This is an important decision, and one that reflects Council's commitment to its long-term financial sustainability. It intends, at this stage, to apply the increase equitably across all land use categories.

### Payment of Rates

Annual rates can be paid in full at the first instalment in September or in four equal instalments due in September, December, March and June. The outstanding balance can be paid in full at any time. Council will send out instalment notices to ratepayers advising them of their next instalment due date at least 30 days prior to the due date. Council is also now sending out reminders in the form of SMS texts for all accounts that are overdue.

Council provides a range of payment options – BPAY through participating banks, credit card or cash/cheque.

### Late Payment of Rates

The *Local Government Act 1999* requires that Council's impose a penalty of 2% on any payment for rates, whether instalment or otherwise, that is received late. The purpose of this penalty is to:

- Act as a deterrent to ratepayers who might otherwise fail to pay their rates on time,
- Allow Councils to recover the administrative cost of following up unpaid rates, and
- Cover any interest cost the Council may incur because it has not received the rates on time.

Rates remaining unpaid will be charged interest each month, set each year in accordance with Section 181(8)(c) of the Act. Council may at its discretion remit penalties for late payment of rates where ratepayers can demonstrate hardship (*refer to Roxby Power Hardship Policy*).

Council issues an overdue notice for payment of rates unpaid by the due date. Should rates remain unpaid more than 21 days after the issue of the overdue notice, the Council may refer the debt to a debt collection agency. The debt collection agency charges collection fees that are recoverable from the ratepayer.

When the Council receives a payment in respect of overdue rates, the Council applies the money received in accordance with the sequence prescribed in Section 183 of the Act. The prescribed sequence is:

- First: to satisfy any costs awarded in connection with court proceedings
- Second: to satisfy any interest costs
- Third: in payment of any fines imposed
- Fourth: in payment of rates, in chronological order (starting with the oldest amount owing)

### Penalties

Penalties do apply to outstanding rates. Any rate payer who may experience difficulty with meeting the standard payment requirements or is planning an extended absence at the time rates are due, is encouraged to contact our Rates Officer on 8671 0010 to discuss alternative payment arrangements.

### Hardships

Ratepayers experiencing hardship may seek assistance from Council. If you are concerned about the payment of your Council rates, please contact Council on 8671 0010 to discuss your personal circumstances and organise alternative payment arrangements before the payment is due.

### Postponement of Rates – Hardship

Under Section 182 of the *Local Government Act 1999*, you can apply to postpone your rates if payment would cause you hardship. You need to meet the following criteria:

- That hardship can be proven (such as by providing a statement of income and expenses),
- You agree to pay interest on the amount at the cash advance debenture rate, calculated monthly and published by the Local Government Finance Authority for 1 July each year,
- The property is your principal residence and is the only property you own,
- You have owned the property and used it as your principal residence for a minimum of 1 year, or
- You can produce your Pensioner Concession Card from Centrelink or Veterans Affairs, or you can demonstrate that you are a self-funded retiree with a household income of less than \$25,000 a year.

Council strongly encourages any ratepayer who anticipates that they will have difficulty paying rates instalments when they fall due to contact Council.

### Postponement of Rates – Seniors Card

Pursuant to Section 182A of the *Local Government Act 1999*, if you hold a State Government Seniors Card, you can apply to postpone part of your council rates for the current or a future financial year. The deferred amount will still incur a monthly interest charge, and the accrued debt will become payable when your property is sold or disposed of. As a South Australian Seniors Card holder, you can only apply for postponement if:

- The property is your principal place of residence, or
- No other person other than your spouse or domestic partner has an interest as owner of the property.

### Rebates – Non-discretionary

The *Local Government Act 1999* provides that the Council must grant a rebate of Council rates in specified circumstances. The rebates relate to:

- Land used by a not-for-profit community service organisation for specified services (pursuant to Section 161),
- Land containing a church or other building used for public worship and land used solely for religious purposes (pursuant to Section 162), and
- Land used for specified educational purposes (pursuant to Section 165).

### Rebates – Discretionary

Section 166 of the *Local Government Act 1999* sets out the circumstances in which Council can grant discretionary rebates of up to 100%. Rebates are reviewed and approved by Council on an annual basis.

Council may offer a capping rebate on differential general rates granted to the Principal Ratepayer on assessments under Section 166(1)(L) of the Act. The capping rebate amount is calculated from the difference between the amount of differential general rates raised during the current financial year, and the amount of differential general rates for the previous financial year, plus a specified percentage increase (e.g. 10.0%). For the capping rebate to be granted, the following criteria must apply:



- The land use of the property is residential
- There have been no improvements on the land over \$20,000 since the start of the previous financial year
- The zoning of the land has not changed since the start of the previous financial year
- The Land Use has not changed since the start of the previous financial year
- The capping rebate amount exceeds \$10
- Council receives the “Rate Capping Rebate Application Form” from the Principal Ratepayer prior to the due date of the first instalment

Enquiries can be made by contacting Roxby Council’s Rates Officer on 8671 0010.

### **Sale of Land for Non-Payment of Rates**

Section 184 of the *Local Government Act 1999* provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to notify the owner of its intention to sell the land if payment of the outstanding amount is not received within one month and must provide the owner with details of the outstanding amounts. Except in extraordinary circumstances, the Council enforces the sale of land for arrears of rates.

## APPENDIX 2: Proposed Changes That May Affect You

Each year Council must decide how it will fund its ongoing operating activities. When it proposes any change to an existing fee or charge, it does so in a transparent way, firstly by making public what it proposes, and then by consulting with the community.

Council proposes two such changes for the 2021/2022 financial year:

### Municipal Rates

Council is proposing to increase its Municipal Rates by 1.2% in dollar terms.

The last time Council increased the overall Rates was for the 2016/2017 financial year. Since then, there has been no increase in the dollar rates charged (i.e. in dollar (or nominal) terms, and there has been a material decrease in real terms (which accounts for the effect of inflation)).

For the 2021/2022 Rates, Council is proposing a 1.2% increase in total Rates. This proposal is consistent with Council's commitment to:

- Ensuring long-term financial sustainability, and
- To be fiscally responsible in the short-term (as reflected by Council's commitment to deliver a balanced budget).

Importantly, this is consistent with advice from Council's principal oversight body, the Roxby Downs Audit Committee.

Council is proposing that the increase be applied equitably across all property types (e.g. Residential, Commercial, Industrial) so that no ratepayer carries a larger burden than any other. Council is also of the view that an increase of 1.2% is thought to be reasonable in the context of the current interest rate environment and local economic conditions.

This proposed increase compares favourably against rates increases that are expected to be passed on by other South Australian Councils, most of which increase their rates annually.

### Domestic Waste Collection Service Charge

Council provides a rubbish bin collection service to all Residential properties. Council recovers the cost of this service by way of a fixed Domestic Waste Collection Service Charge that is charged to all Residential ratepayers via their annual Rates Notice.

For 2020/2021, the cost of this charge was \$466.00 for each Residential property. For FY 2021/2022, Council proposes to increase this to \$471.60.

The reason for this proposed increase is due to increased costs associated with recycling tonnages collected at kerbside and gate fee increases for disposal and processing of waste and recycling.

All the above changes are proposed in the context of Council's commitment to be fiscally responsible and as equitable as possible. Council would appreciate your feedback on any of these proposed changes, or more broadly, any aspect of the Annual Business Plan and Budget FY 2021/2022.

**APPENDIX 3: Consolidated Financial Statements**

**COUNCIL - CONSOLIDATED**

	2019/2020 Audited Actual \$'000	2020/2021 Adopted Budget \$'000	2020/2021 Review 3 Budget \$'000	2021/2022 DRAFT Budget \$'000
<b>Statement of Comprehensive Income</b>				
<b>Income</b>				
Rates	5,464	5,434	5,441	5,499
Statutory charges	279	44	56	65
User charges	11,492	11,268	11,652	11,730
Grants subsidies and contributions	379	193	243	206
Municipal deficit funding	600	600	600	600
Investment income	237	78	110	70
Reimbursements	56	0	0	0
Other income	83	84	96	84
<b>Total Income</b>	<b>18,590</b>	<b>17,701</b>	<b>18,198</b>	<b>18,254</b>
<b>Expenses</b>				
Employee costs	-4,876	-5,497	-5,268	-5,334
Materials contracts & other expenses	-8,414	-9,635	-9,794	-9,741
Finance Costs	-2	0	0	0
Depreciation amortisation & impairment	-3,203	-3,284	-3,133	-3,138
<b>Total Expenses</b>	<b>-16,495</b>	<b>-18,416</b>	<b>-18,195</b>	<b>-18,213</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>	2,095	-715	3	41
Municipal Distribution	0	0	0	0
<b>Adjusted Net Surplus / (Deficit)</b>	2,095	-715	3	41
Asset disposal and fair value adjustments	-293	30	30	30
Physical Resources Received Free of Charge	0	0	0	0
Amounts specifically for new or upgraded assets	0	147	381	2,449
<b>NET SURPLUS / (DEFICIT)</b>	<b>1,802</b>	<b>-538</b>	<b>414</b>	<b>2,520</b>
transferred to Equity Statement	-884			
<b>Other Comprehensive Income</b>				
Transfer Between Reserves	0	0	0	0
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>918</b>	<b>-538</b>	<b>414</b>	<b>2,520</b>

**COUNCIL - CONSOLIDATED**

2019/2020 Audited Actual \$'000	2020/2021 Adopted Budget \$'000	2020/2021 Review 3 Budget \$'000	2021/2022 DRAFT Budget \$'000
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**Statement of Financial Position****ASSETS****Current Assets**

Cash & cash equivalents	15,683	15,130	15,959	19,582
Trade & other receivables	3,327	3,327	3,327	3,327
Inventories	26	26	26	26
<b>Total Current Assets</b>	<b>19,036</b>	<b>18,483</b>	<b>19,312</b>	<b>22,935</b>

**Non-Current Assets**

Infrastructure, property, plant & equipment	115,291	115,291	115,291	115,291
<b>Total Non-Current Assets</b>	<b>115,291</b>	<b>115,291</b>	<b>115,291</b>	<b>115,291</b>

<b>Total Assets</b>	<b>134,327</b>	<b>133,774</b>	<b>134,603</b>	<b>138,226</b>
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**LIABILITIES****Current Liabilities**

Trades & other payables	-1,638	-1,865	-1,638	-1,638
Borrowings	-17	0	-17	-17
Provisions	-587	-380	-587	-587
Other current liabilities	0	0	0	0
<b>Total Current Liabilities</b>	<b>-2,242</b>	<b>-2,245</b>	<b>-2,242</b>	<b>-2,242</b>

**Non-Current Liabilities**

Borrowings	-53	0	-53	-53
Non-current provisions		0	0	0
Other non-current liabilities	-1,188	-1,240	-1,188	-1,188
<b>Total Non-Current Liabilities</b>	<b>-1,241</b>	<b>-1,240</b>	<b>-1,241</b>	<b>-1,241</b>

<b>Total Liabilities</b>	<b>-3,483</b>	<b>-3,485</b>	<b>-3,483</b>	<b>-3,483</b>
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<b>NET ASSETS</b>	<b>130,844</b>	<b>130,289</b>	<b>131,120</b>	<b>134,743</b>
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**EQUITY**

Accumulated Surplus	30,443	29,767	30,719	33,239
Asset Revaluation Reserve	100,401	100,522	100,401	101,530
<b>TOTAL EQUITY</b>	<b>130,844</b>	<b>130,289</b>	<b>131,120</b>	<b>134,743</b>

0

**COUNCIL - CONSOLIDATED**

2019/2020	2020/2021	2020/2021	2021/2022
Audited	Adopted	Review 3	DRAFT
Actual \$'000	Budget \$'000	Budget \$'000	Budget \$'000

**Statement of Changes in Equity****ACCUMULATED SURPLUS**

Balance at end of previous reporting period - AS	28,641	30,305	30,305	30,719
Net result for year	1,802	-538	414	2,520
<b>Balance at end of period</b>	<b>30,443</b>	<b>29,767</b>	<b>30,719</b>	<b>33,239</b>

**ASSET REVALUATION RESERVE**

Balance at end of previous reporting period - ARR	100,401	100,522	100,401	101,530
<b>Balance at end of period</b>	<b>100,401</b>	<b>100,522</b>	<b>100,401</b>	<b>101,530</b>

<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>130,844</b>	<b>130,289</b>	<b>131,120</b>	<b>134,743</b>
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**Statement of Cash Flows**
**CASH FLOWS FROM OPERATING ACTIVITIES**
Receipts

Rates - general and other	5,543	5,434	5,441	5,499
Fees and other charges	279	44	56	65
User charges receipts	12,081	11,268	11,652	11,730
Grants utilised for operating purposes	379	193	243	206
Municipal deficit funding receipts	600	600	600	600
Investment receipts	237	78	110	70
Reimbursement receipts	57	0	0	0
Other revenues receipts	316	84	96	84
Changes in Net Assets	-17	-657	4,260	2,520

Payments

Employee costs payments	-4,781	-5,497	-5,268	-5,334
Materials, contracts & other payments	-8,906	-9,635	-9,794	-9,741
Finance payments	-2	0	0	0
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>5,786</b>	<b>1,912</b>	<b>7,396</b>	<b>5,699</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**
Receipts

Amounts specifically for new or upgraded assets	0	147	381	2,449
Asset disposal and fair value adjustments	0	30	30	30

Payments

Expenditure on renewal/replacement of assets	-670	-2,257	-2,564	-6,649
Expenditure on new/upgraded assets	-928	-386	-782	-1,906
<b>Net Cash provided (or used in) Investing Activities</b>	<b>-1,598</b>	<b>-2,466</b>	<b>-2,935</b>	<b>-6,076</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**
Receipts

Proceeds from borrowings		0	0	0
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Payments

Repayment of lease liabilities	-16	0	0	0
Repayment of Bonds & Deposits	-4	0	0	0
<b>Net Cash provided by (or used in ) Financing Activities</b>	<b>-20</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Net Increase / (Decrease) in cash**

	<b>4,168</b>	<b>-554</b>	<b>4,461</b>	<b>-377</b>
Cash & equivalents at beginning of period	11,498	15,684	11,498	19,959
<b>Cash &amp; equivalents at end of period</b>	<b>15,666</b>	<b>15,130</b>	<b>15,959</b>	<b>19,582</b>

<b>COUNCIL - CONSOLIDATED</b>	2019/2020 Audited Actual \$'000	2020/2021 Adopted Budget \$'000	2020/2021 Review 3 Budget \$'000	2021/2022 DRAFT Budget \$'000
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### Uniform Presentation of Finances

Income	18,590	17,701	18,198	18,254
<i>less Expenses</i>	<b>-16,495</b>	<b>-18,416</b>	<b>-18,195</b>	<b>-18,213</b>
Operating Surplus / (Deficit)	<b>2,095</b>	<b>-715</b>	<b>3</b>	<b>41</b>

#### ***less Net Outlays on Existing Assets***

Capital Expenditure on renewal & replacement of existing assets	670	2,257	2,564	6,649
less Depreciation amortisation & impairment	<b>-3,203</b>	<b>-3,284</b>	<b>-3,133</b>	<b>-3,138</b>
less Proceeds from sale of replaced assets	0	0	0	0
	<b>-2,533</b>	<b>-1,027</b>	<b>-569</b>	<b>3,511</b>

#### ***less Net outlays on New and Upgraded Assets***

Capital Expenditure on new or upgraded assets	928	386	782	1,906
less Amounts received specifically for new & upgraded	0	<b>-147</b>	<b>-381</b>	<b>-2,449</b>
less Proceeds from sale of surplus assets	0	0	0	0
	<b>928</b>	<b>239</b>	<b>401</b>	<b>-543</b>

<b>Net Lending / (Borrowing) for Financial Year</b>	<b>3,700</b>	<b>73</b>	<b>171</b>	<b>-2,927</b>
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### Statutory Financial Indicators

<b>Operating Surplus Ratio</b> <i>Being the operating surplus (deficit) as a percentage of revenue</i>	11.3%	-4.0%	0.0%	0.2%
<b>Net Financial Liabilities Ratio</b> <i>Being the net financial liabilities / total operating revenue</i>	-84%	-85%	-87%	-106%
<b>Asset Renewal Funding Ratio</b> <i>Capital expenses on renewal/ replacement assets less sale of replaced assets divided by Infrastructure Asset Management Plan required expenditure</i>	48%	163%	185%	480%



**Municipal Council of Roxby Downs**  
**6 Richardson Place**  
**Roxby Downs, South Australia 5725**

PO Box 124  
Roxby Downs,  
South Australia 5725

**Telephone:** (08) 8671 0010  
**Email:** [roxby@roxbycouncil.com.au](mailto:roxby@roxbycouncil.com.au)  
**Web:** [www.roxbydowns.sa.gov.au](http://www.roxbydowns.sa.gov.au)