

**roxby**council  
young vibrant community

**2011 / 12**

**ANNUAL BUSINESS PLAN**

**&**

**BUDGET**

**August 2011**

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## 1. INTRODUCTION

### 1.1. Legislative

In accordance with Section 123 of the Local Government Act 1999, Roxby Downs Council has prepared its Annual Business Plan and budget for the 2010/11 financial year. The Roxby Downs (Indenture Ratification) Act 1982 requires these to be presented to BHP Billiton and the State Government for approval.

The Annual Business Plan and Budget sets out the Council's proposed services, programs and projects for 2010/11. It outlines Council's aims to maintain efficient services for the community and continues progress towards the longer term objectives as set out in the Strategic Management Plan adopted by the Council on 12 June 2007 and formally updated on 10 May 2011. It also highlights the main parameters associated with revenue raising that Council proposes to undertake. As a result it will impact on Council's formal budget in strategic terms but any allocations and priorities remain as always separate decisions for the Council.

Unlike most Local Government Authorities in South Australia, Council operates the utilities Roxby Power (Electricity) and Roxby Water (Water and Sewerage), as well as the Municipal Council functions. This is an important distinction from all other local governments in South Australia as the budget needs that will result following adoption of the Annual Plan will need to be viewed as three (3) separate entities as both utilities operate on a commercial basis separate from the Council's Municipal Operations.

Significantly under the Roxby Downs (Indenture Ratification) Act 1982, Roxby Power is not permitted to make a "profit," instead directing any excess income into its Asset Replacement Fund. Following distribution into funding water assets Roxby Water profits, (if any), are permitted to support the Municipality. The State Government and BHP Billiton are required to approve of Council's budget and equally meet the operating and capital deficit on Municipal Operations.

Specific actions for the year are proposed consistent with the Council's long term strategic objectives and with an aim to ensure the long-term sustainability and sound financial performance of the Council.

The extent of any Council's effort in relation to functions that are required under relevant legislation is to a large extent "open ended" and limited by and large by a Local Government Authority's financial constraints.

The situation in Roxby Downs is no different except that unlike most other Councils, the community's capacity to pay is still being established. This is also compounded by the fact that BHP Billiton and the State Government are key stakeholders with a direct interest in the size of Council's operating deficit, as they share the funding of the municipal deficit.

In preparing the 2011/12 Annual Business Plan Council has recognised the unique circumstances that apply with respect to Council's operations under the Roxby Downs (Indenture Ratification) Act 1982 in that both BHP Billiton and the State Government must approve of any budget prior to it being adopted by Council. This potentially conflicts with Local Government Act 1999 which now requires an Annual Plan to be prepared and consulted upon prior to this process commencing with Council unsure as to the extent of financial support to be provided by each party.

In order to comply with the recent amendments to the Local Government Act 1999 Council prepared a Draft Annual Plan to highlight to the community its strategic direction and to seek community input into Council's Business Plan prior to submitting the budget to BHP Billiton and that State Government process.

Council took the opportunity to foreshadow those actions that Council had already identified as well as those that elements of the community had already raised. Prudently only those were included that are strategically important and realistically achievable.

Overall, subject to the amount of deficit funding received, Council's philosophy is that the community along with the State Government and BHP Billiton needs to continue to share the overall net costs of operating the municipality to the high standards required by our community.

## 1.2. Public Submissions

As required under Section 123 of the Local Government Act 1999, Council is required to prepare a Draft Annual Business Plan and consult with the local community in the prescribed manner. This process, including a public meeting on 9 June 2011, has been completed.

The Local Government Act requires the Draft Annual Business Plan, not the draft budget to be placed on public submission. Given constraints in the Indenture this is appropriate as both BHP Billiton and the State Government must give every consideration to the needs of the community after all of the preliminary aspects such as the draft annual business plan, previous comments and submissions and Council's own reviews have been completed.

Whilst it is not unusual for local government generally to have little formal public input, at the public meeting and through the public submission process nevertheless a few individuals did take the opportunity to express their views.

Significantly the prevailing view of this is that members of the Roxby Downs Community Board interalia continues to support Council's strategic approach to addressing the issues, suggests that the Community is paying its way but fundamentally questions the State Government and BHP Billiton's approach to and level of funding of the Council.

## 1.3. Council's Role & Function

It is important that all elements of the community have a clear understanding of the role, function and constraints of the Council as required by the Local Government Act 1999, in itself a substantial change from the 1934 Act which is referenced throughout the Indenture and which created the Council.

In this regard Section 10 summarises of the roles functions and responsibilities as outlined in the 1999 and 1934 Acts. As shown the Local Government Act requires "interalia" a Council to undertake a variety of responsibilities including but not besides the traditional roads Rates and Rubbish tag.

This is often not understood by both the general public and major players but a quick glance shows a significant increase in the roles and responsibilities that are now required. These are diverse in nature and include additional matters such as improving the quality of life of the community, planning at the local and regional level, local area environmental management as well as acting as a responsible decision maker. Significant emphasis is now placed, in developing community resources and representing the interests of the wider community. Areas include everything from providing specific services to commerce, industry and tourism promotion.

In contrast the previous act focused on issues such as efficiency and effectiveness, responsible decision maker etc.

In Roxby's case, given the importance of the town to BHP Billiton's operation and the State's overall financial well being and the pending expansion the community has every right to expect the Council to attempt to fulfil its obligations as articulated through its Strategic Management and Annual Business Plans all of which have been in existence for many years and accepted as an appropriate response to the community's needs.

Council has a prescribed requirement to develop strategic management plans and ensure that all actions from year to year are measured against this strategic direction. This has been consistently done for several years and Council's actions are a direct result. Part of this strategy recognises that the community's "interdependence" with the mine's operations as per the public focus articulated by BHP Billiton:

*To turn a World Class Mining Deposit into a World Class Mining Operation requires people with the high specialist skills that choose BHP Billiton and Roxby Downs as their preferred destination over many other world-wide alternatives.*

This statement is the cornerstone of Council's strategic direction and essentially shapes the essence of what we actually strive to do on behalf of the community. The physical standard of the town's infrastructure and community functions and services provided by the Council are critical for BHP Billiton to achieve its goal.

In addition it overlays the Community's aspirations as articulated in through the 2005 Community Plan as the Roxby Downs Community it aspires to be recognised as a

*Healthy Town  
Welcoming Town  
Learning Community  
Model Environmentally Friendly Town  
Family Orientated Town  
Place of Personal Development*

Overall the Annual Business Plan Budget attempts to continue to meet these realistic community aspirations.

## 2. SIGNIFICANT FACTORS

The physical location and fiscal environment in which the Council operates is extremely challenging, is in a state of transition and has some degree of uncertainty. A number of significant factors have influenced the preparation of the Council's 2011/12 Budget submission. These include the following:

### 2.1. Municipal Deficit Funding

Historically Council does not know from one year to another the extent of municipal deficit support that it will receive from BHP Billiton and the State Government. As a general rule this has remained relatively static or with only modest increases well below the local cost of operating in Roxby Downs.

Over the past few years however this funding support has become more uncertain and varies in actual as well as in real terms. In 2007/08, Council was required to revise its budget to account for reduced municipal deficit funding from \$1.865m to \$1.45m the same as 2006/07. This was increased to \$1.6m in 2008/09 but reduced to \$1.2m for 2009/10.

All State Government Departments have been subjected to substantial cuts in their levels of recurrent funding, and are therefore examining ways to reduce proposed expenditures in all areas and to present financial cuts to the State Government's Sustainable Budget Commission. This has impacted on the Department of Minerals Resources Development which, on behalf of the State, funds the Council's Municipal Deficit in conjunction with BHP Billiton.

In 2010/11 Council was advised that the State Government proposed a \$600,000 funding cut to Council's 2010/11 operations with an overall budget deficit amount of \$600,000. A further \$600,000 cut to a zero deficit for 2011/12 was foreshadowed.

As part of the 2010/11 Budget approval this budget cut was agreed to by BHP Billiton, but no decision was made as to BHP Billiton's position relating to the 2011/12 budget. The level for 2011/12 is therefore unknown and whilst this is a matter for BHP Billiton and the State Government, Council and the community have every expectation to appropriately influence this decision.

The effects of past and current reductions in deficit support are shown in the following table. As indicated Council's own resources by way of increased rates and charges has increased with corresponding increased impacts on the community.

Year	Total Municipal Operating Expenses \$000's	Rate Revenue \$000's	Municipal Deficit \$000's	Municipal Deficit as a % of		Rate Revenue as a % of Mun Op Expenses
				Mun Op Expenses	Rate Revenue	
2007/08	6,486	2,088	1,450	22.4%	69.6%	32.2%
2008/09	7,086	2,660	1,600	22.6%	60.2%	37.5%
2009/10	7,304	2,981	1,200	16.4%	40.3%	40.8%
2010/11	7,461	3,327	600	8.0%	18.0%	44.6%
2011/12	8,214	3,635	1,200	14.6%	33.0%	44.3%

As shown the restoring the 2011/12 deficit to 2009/10 level still shows a net reduction in reliance in this part of Councils revenue stream.

## 2.2. Roxby Factors

There are a range of factors unique to Roxby Downs which need to be considered. These include the following:

- a) Impacts of increasing operating costs associated with maintaining the town's facilities in a remote location. As part of Council's current Service Level Benchmarking Review process an average cost factor increase of around 30% above Adelaide Rates is considered to apply across the spectrum of Council's activities, especially in relation to contract labour and landfills where not only are EPA requirements increasing, as evidenced by increases to the EPA waste levy but significant capital upgrades will be required in the foreseeable future.
- b) The increased requirements for improved management of Council's assets. Historically Council has not been in a position to fund the depreciation of municipal infrastructure. This is a significantly underfunded item which equates to approximately \$1.4m per annum. Funding partners BHP Billiton and the State Government have acknowledged this issue and the potential long term impact on the community. However, it should be noted that for the short term there is no major issue. Meanwhile Council has invested in additional outside resources to improve and quantify a sound asset management strategy.
- c) Compliance by all parties under the provisions of the Roxby Downs (Indenture Ratification) Act 1982, as well as the provisions of the Local Government Act 1999; a view strongly endorsed by Council's Audit Committee. This issue is a vexed one beyond Council's control but if all of the requirements of the Indenture were complied with it would potentially increase Council's financial viability.
- d) Meeting realistic community expectations consistent with Council's raison d'être. As part of Council's current Service Level Benchmarking Review process the range of services offered have been independently surveyed as being well accepted generally as fulfilling the community's expectations with generally any cuts to service levels likely to be unacceptable to the community.
- e) Addressing a range of strategic development and financial issues associated with BHP Billiton's proposed Olympic Dam Expansion.

## 2.3. Other Factors

- f) Requirements to maintain infrastructure assets to acceptable standards including roads, footpaths, lighting, stormwater drainage, street trees and plantings, open space and Council buildings and properties. Detailed external review has indicated that in the short to medium term there are no major adverse financial implications, although the current level on maintenance in some areas such as streetscaping should be increased.
- g) Meeting ever increasing expectations required of Local Government generally in relation to compliance under OH&S, Risk Management, Asset Management and Governance requirements. Additional external resources have been required to be added over the past few years which has increased on Council's overall recurrent operational costs
- h) Inclusion where possible of matters that have been brought to Council's attention either in a formal or informal manner. This includes suggestions made from time to time by staff, contractors, individuals and various groups and organisations such as BHP Billiton, local schools and the Roxby Downs Community Board, Forums and Partnerships.
- i) Commitments to continue projects and partnership initiatives such as completion of a 16.7m indoor rehabilitation and teaching pool and funding of community development projects in the areas of alcohol and substance abuse works and that have either already commenced or funding obtained
- j) Meeting increased operating costs associated with the provision of Council's waste management services both due to increased EPA costs to operate Council's Landfill and with potentially

expanded services that may result as part of a soon to be undertaken re-tender of waste management services.

- k) Need to ensure that Roxby Water's income from the provision of water supply and sewerage services can accommodate requirements to replace assets as well as return commercial dividends to the Municipal Operation.
- l) Impact on the community of increased municipal, water, sewerage and electricity rates and by variations in changes to property valuations.
- m) Increased revenue and operating expenses associated with recent residential development of the town.



### 3. SERVICES

All Councils have basic responsibilities under the Local Government Act and other relevant legislation. Roxby Downs Council also has responsibility for the provision of water, sewerage and electricity services under the Indenture. Overall distribution is as follows:

**Corporate Services** – participating in Local Government, Spencer Gulf Cities and Provincial Cities Associations, operating Services SA and Municipal Rates collection.

**Economic Development** – assistance to Business Forum, Economic Development Officer employment, Northern Region Development Board, tourism support signage and marketing, Visitor Information Centre operation plus festivals support.

**Environment** –operation of Opal Road waste landfill, domestic garbage collection service, street cleaning, weed control, assistance to Environment Forum and other actions.

**Infrastructure** - operation and maintenance of footpaths, roads and streets, street lighting, streetscaping, traffic control, public conveniences, parks and gardens, playgrounds, skateboard track, bike paths and stormwater drainage and assistance to Roxby Road Safe.

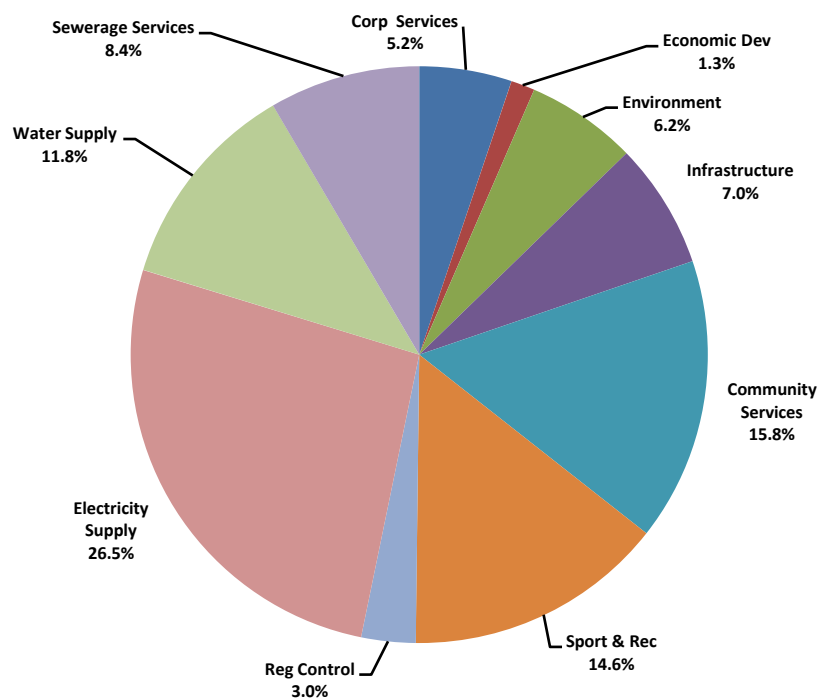
**Community Services** - operation of youth centre, community library, auditorium, cinema / theatrette and art gallery, community development support to Community Board and Forums to support the implementation of the Roxby Downs Community Plan.

**Sport & Recreation** - operation and maintenance of the Leisure Centre, tennis and netball courts, BMX track, swimming pool, community ovals and associated buildings, support to Sport & Recreation Forum plus broader recreation development assistance to local sporting organisations.

**Regulatory Control** - regulatory control services associated with administration of the Development Act, and Public and Environmental Health and Animal Control under the Dog and Cat Management Act and emergency service levy and management.

**Roxby Power** - operations for retail and distribution of electricity.

**Roxby Water** - operations for the provision of Water Supply and Sewerage Services.



**Indicative Expenditure Profile**

## 4. FINANCIAL OPERATIONS

The following fundamentals are of note:

### 4.1. Overall Emphasis

Budget has been predominately predicated in maintaining operations at a realistic level whilst meeting legitimate community expectations. 2010/11 service levels have not been generally increased except in specific areas as identified in Council's Strategic and Annual Business Plans or where it is necessary due to reasons of compliance, inflationary and or cost pressures.

### 4.2. Budget Summary

On the basis that a \$1.2m municipal budget deficit is not altered Council's total budget for 2010/11 is summarised as follows:

Program	Expense \$000's	Income \$000,s	Nett \$000's
Municipal	8,499	(7,299)	1,200
Roxby Power	4,026	(4,026)	0
Roxby Water	3,641	(3,641)	0
<b>Council</b>	<b>16,167</b>	<b>(14,967)</b>	<b>1,200</b>

Program	Operating Expenses \$000's	Capital Expenses \$000's	Operating Income \$000's	Capital Income \$000's	Reserve Transfers \$000's	Net \$000's	Unfunded Depreciation Adjustment \$000's	Adjusted Net \$000's
Municipal	8,214	1,439	(6,406)	(20)	(726)	2,501	(1,301)	1,200
Roxby Power	3,772	172	(3,904)	0	(40)	0	0	0
Roxby Water	3,382	260	(3,118)	0	(524)	0	0	0
<b>Total Council</b>	<b>15,368</b>	<b>1,870</b>	<b>(13,428)</b>	<b>(20)</b>	<b>(1,289)</b>	<b>1,839</b>	<b>(1,301)</b>	<b>1,200</b>

Note:

- Under the Roxby Downs (Indenture Ratification) Act 1982 the budget subject to the approval of BHP Billiton and the State Government with Council's municipal deficit reimbursed in equal shares by each party
- 2011/12 Budget documents disclose a municipal deficit subsidy of \$1.2 million but this is subject to the approval of BHP Billiton and the State Government.
- Unfunded depreciation adjustment represents the amount of operating expenditure that is not funded.
- Reserve Transfer from reserves fund various capital replacement works which do not affect the overall financial result

In Objectives 4.02, 5.01 and 5.02 of Councils Strategic Management Plan, Council has continued to indicate the need to assess relevant issues relating to the management and development of infrastructure and to develop long term financial plans. However, this is affected by the lack of clarity associated with long term funding under the Indenture and the uncertainty associated with the future expansion of the town.

**4.3. Program Summary**

PROGRAM		Expenses \$000's	Income \$000's	Net \$000's
<b>CORPORATE SERVICES</b>		<b>939</b>	<b>5,883</b>	<b>(4,944)</b>
Participating in Local Government, Spencer Gulf Cities and Provincial Cities Associations, Operating Services SA and Government Housing Agency Services and Municipal Rates collection.	Corporate Services	884	4,683	(3,799)
	Corporate Services (Mun Deficit)	0	1,200	(1,200)
	Governance	55	0	55
<b>ECONOMIC DEVELOPMENT</b>		<b>306</b>	<b>47</b>	<b>259</b>
Assistance to Business Forum, Northern Region Development Board, tourism support signage and marketing, Visitor Information Centre operation plus festivals support.	Business	191	2	189
	Tourism	116	45	71
<b>ENVIRONMENT</b>		<b>1,026</b>	<b>635</b>	<b>391</b>
Operations and waste levy associated with Opal Road waste landfill, domestic garbage collection service, garbage charges, street cleaning, weed control, assistance to Environment Forum and other actions	Other Environment	116	0	116
	Garbage Collection	306	305	1
	Landfill & Recycling	415	315	100
	Public Conveniences	42	15	27
	Street Cleaning	148	0	148
<b>INFRASTRUCTURE</b>		<b>1,661</b>	<b>197</b>	<b>1,464</b>
Operation and maintenance of footpaths, roads and streets, street lighting, streetscaping, traffic control, public conveniences, parks and gardens, playgrounds, bike paths, skate park, stormwater drainage and assistance to Roxby Road Safe.	Stormwater	70	25	45
	Street Lighting	143	0	143
	Parks & Gardens	204	37	167
	Footpaths	401	0	401
	Roads & Streets	292	90	202
	Streetscaping	552	45	507
<b>COMMUNITY SERVICES</b>		<b>2,243</b>	<b>649</b>	<b>1,595</b>
Operation of youth centre, community library, auditorium, cinema / theatre and art gallery, community development support to Community Board and Forums to support the implementation of the Roxby Downs Community Plan.	Communications	34	0	34
	Community Development	233	33	200
	Youth Development	244	13	232
	Cultural Services	1,330	566	765
	Library	403	38	365
<b>SPORT &amp; RECREATION</b>		<b>1,833</b>	<b>1,029</b>	<b>804</b>
Operation and maintenance of the Leisure Centre, tennis and netball courts, swimming pool, community ovals and associated buildings, support to Sport & Recreation Forum plus broader recreation development assistance to local sporting organisations.	Leisure	1,310	890	420
	Swimming	178	90	89
	Ovals	345	49	296
<b>REGULATORY CONTROL</b>		<b>491</b>	<b>60</b>	<b>431</b>
Regulatory control services associated with administration of the Development Act, and Public and Environmental Health and Animal Control under the Dog and Cat Management Act and emergency service levy and management.	Building & Planning	140	18	122
	Dogs Cats & Pests	283	35	248
	Other Regulatory Control	21	3	19
	Health	46	5	41
<b>ELECTRICITY SUPPLY</b>		<b>4,026</b>	<b>4,026</b>	<b>0</b>
<b>SEWERAGE SERVICES</b>		<b>2,177</b>	<b>2,391</b>	<b>(214)</b>
<b>WATER SUPPLY</b>		<b>1,465</b>	<b>1,250</b>	<b>214</b>
<b>TOTAL NETT</b>		<b>16,167</b>	<b>16,167</b>	<b>0</b>

#### 4.4. Reserve Funds

The 2010/11 budget provides for the following Reserve Balances at the end of the fiscal year.

Projected 30/06/2011 \$000's	Reserve	Budget 30/06/2012 \$000's
4,741	Opening Reserve Balance	5,032
(723)	Total Reserve Transfers	(1,289)
1,015	Total Depreciation Transfer (Roxby Power & Roxby Water)	1,009
5,032	Closing Reserve Balance	4,751

Council's Municipal Asset Replacement Reserve will over the next few years be placed under considerable and increasing demands given that Municipal depreciation to date has and is not being fully funded.

#### 4.5. Depreciation / Asset Management

All Council's are required to responsibly manage their business operations and at a minimum should always fully fund their total operating expenditure, inclusive of depreciation. Council fully appreciates the unique circumstances under the Indenture and that this issue and other financial constraints have been examined externally.

Council has responsibly again highlighted this important issue, but has again endeavored to foreshadow improvements. With the (substantial) exception of the core municipal operation of the Council, depreciation is proposed to be fully funded. Over the previous 22 years the cumulative amount of unfunded depreciation associated with Council's Municipal Assets would approach \$20 million

The issue of future funding of infrastructure replacement is a matter for all local governments and one that the local government industry, State Government and BHP Billiton recognises as a major issue. Overall replacement values and annual depreciation of assets is shown as follows:

Program	Replacement Value \$000's	Written Down Replacement Value \$000's	Annual Depreciation \$000's
Municipal	69,471	58,254	1,461
Roxby Power	13,773	9,725	304
Roxby Water	31,703	24,018	544
Total Council	114,947	91,997	2,309

#### 4.6. Capital Replacement Works

As per normal practice a number of asset replacement works have been outlined in the Draft Annual Plan identified throughout budget documents. In the main short term budget impacts are negligible given that funding is from Council's Asset Reserves.

Over several years a number of asset replacement works have been deferred. This includes replacements of several sections of bitumen footpath in the older section of town that have reached the end of their useful life. Continuation of this practice is not sustainable with many pedestrians being forced to use the road and as a result a 3 year funding program funded from revenue is proposed to address this aspect.

#### 4.7. New Capital Works

Other than relocation of oval lights onto Council's small oval, required as a result of BHP Billiton funding a major upgrade of oval lighting to the main oval, no new substantial capital works are proposed. It is unlikely given the funding scenario identified that despite a demonstrated need Council will not be in a position to provide for many meaningful large scale developments similar those already identified into the future without additional funding or changes to the current operating arrangements under the Indenture.

#### 4.8. Waste Management

Council is in the process of tendering out its waste management operations comprising garbage collections, street and litter bin collection and landfill management. For the first time kerbside recycling options will also be explored. The current operator has had a contract with Council since 2001 and it is expected that costs will increase as standards contained within the tender documents have risen. It is likely that kerbside recycling will be introduced, most likely in 2012/13, in which case additional service charges will be required to fund its operation. Also to be explored is potentially transporting waste south to an approved commercial waste disposal facility.

No major capital upgrade is planned for 2011/12. However this situation must be addressed over the next 12 -18 months as the life of the landfill rapidly is rapidly diminishing. Council has EPA requirements to meet and Council only has approval to fill current voids.

In the foreseeable future a resource recovery facility and weighbridge will be required. This expenditure of around \$1.5mill is proposed to be undertaken over two financial years (2012/13 & 2013/14). Additional capping is also foreshadowed. Some of this is proposed to be funded from reserves which will naturally deplete as a consequence.

A new lined landfill site (\$2.0mill to \$4.0mill) will also required, should the option of waste being transferred to an alternative waste disposal facility remote from Roxby Downs not be taken up. This item is subject to further discussions with the State Government and BHP Billiton.

#### 4.9. Likely Expenditures (Medium Term)

Category	Comments on Likely Expenditures (Medium Term)
Landfill & Recycling	<b>Waste Transfer Station.</b> Construction of a new facility with complimentary recycling services is required going forward. Project notionally required in 2012/13 and 2013/14
Landfill & Recycling	<b>New Landfill</b> Construction of a new facility is required going forward or major changes to disposal arrangements will need to be introduced with all waste transported to other regional waste disposal facilities located remote from Roxby Downs. Project deferred pending discussions with BHP Billiton and the State Government over capital funding.
Roads & Streets	<b>Traffic Control Measures (General)</b> New traffic control measures will be required from time to time at key locations around town. Suggested actions are often raised and discussed with Roxby Road Safe Community Roads Safety group. New Roundabout at Arcoona Street has been previously deferred for several years but is to be included due to Council receiving additional Roads to Recovery Funding but others are more problematical but nevertheless required.

**4.10. Likely Expenditures (Long Term)**

Category	Comments on Likely Expenditures (Long Term)
Public Conveniences	<p><b>Richardson Place Public Conveniences</b> To be considered in the future but most likely as part of a redeveloped town.</p>
Parks & Gardens	<p><b>Crown Land Walking Trails</b> Maintenance and upgrade BHP Billiton managed land including walking trails. This will be a significant future item. Council is not in a legal or financial position to take control of these assets in the future unless they are upgraded to a more appropriate standard matching that of the most recent subdivisions including concrete footpaths, lighting and additional plantings and protective fencing and that additional ongoing maintenance funding allocations are provided</p>
Leisure	<p><b>Large 25m Indoor Pool</b> Detailed investigation revealed strong need but project would increase ongoing operating costs and would not become revenue neutral operationally until population reaches around 7,000</p>
Library	<p><b>Library Redevelopment</b> Future redevelopment of the Library and other multi use community meeting spaces will be future priority likely to proceed when a clearer timetable for expansion and financial impacts are known. Contribution from State Government also required under the Indenture and under normal joint use arrangements.</p>
Ovals	<p><b>Oval Redevelopment</b> Major redevelopment desirable in the medium term but is dependent on a range of factors including future design and location, active partnership with users and design parameters concerning the sewerage lagoons and future use of recycled water. Meanwhile efforts will continue to ensure that the existing ovals are presented in a sound condition</p>
Various	<p><b>Future Expansion Development Works</b> Significant development works will be required into the future should BHP Billiton expand the mine and township. Works identified thus far include new ovals, additional indoor stadiums, redevelopment of the recreational precinct west of Olympic Way and many others. Extent of funding band responsibility unknown</p>

## 5. MUNICIPAL RATES

Funding of Council's Municipal operation is primarily derived from rate revenue received in accordance with the rating provisions under the Local Government Act

### 5.1. Rating Principles

Council continues to use a rating system where rates are levied by way of a combination of a fixed charge and differential rating for all rateable properties according to a designated use of land as defined in Section 10 of the Local Government (General) Regulations. For occupied residential properties a fixed service rate for the collection, treatment and disposal of refuse collected is also levied.

Local Government Rating is a complex issue which is often not well understood. There are a number of taxation principles involved and a significant degree of subjectivity. These include the equity or fairness principle, which implies that the tax will be fair to the taxpayer and that each taxpayer will be taxed relative to other taxpayers; the benefit principle, in that the person who pays benefits; the taxpayer's ability to pay; the efficiency of the tax; and the system's simplicity.

Council has prepared two (2) discussion papers on the subject with an extensive review in 2000, the catalyst for the current methodology. It is consistent with many other Local Governments.

Council's rating system comprises the following features:

#### Fixed Charge

Inclusion of a fixed charge ensures that all ratepayers make a contribution towards funding Council services and that this is undertaken in an equitable manner in that all ratepayers pay the same component of their rates.

#### Valuation Method

Like many Local Governments in South Australia, Council has adopted the Capital Value method of rating.

#### Differential Rating

Differential rating has been adopted according to a property's land use. This is in lieu of zoning as it provides for greater flexibility and equity according to the activity undertaken.

There are a number of subjective reasons why commercial and industrial rates are higher than for residential land use. The fact that these land uses involve operating a business and therefore, used to generate income partly explains the differential. Also of significance is that the road network in an area is by and far the greatest and on a long term basis the most costly asset a Council has to maintain and is the one most affected by traffic loads caused by and large by commercial vehicles.

#### Service Charge

Council also adopts as a component of rating a service rate for the collection and disposal of domestic waste. This method is ideal when the benefit of a service is identical for all that are served.

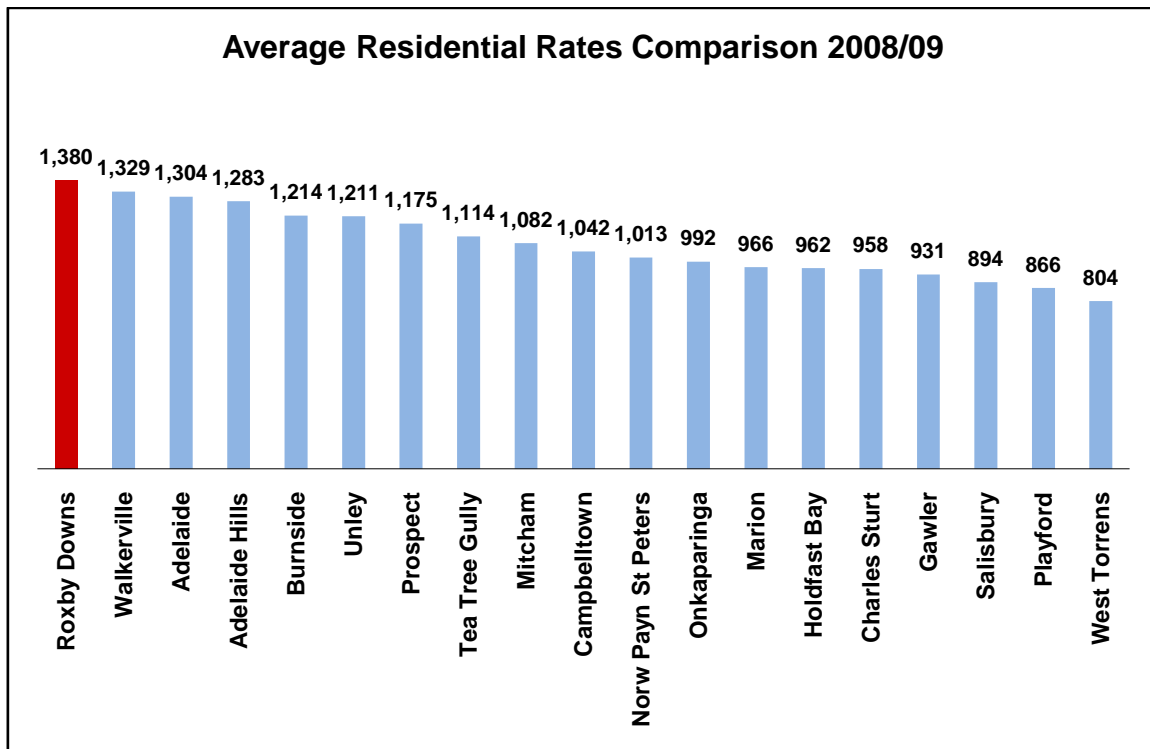
Should new kerbside recycling services be introduced following consideration of a new tender then this element would be expected to substantially increase over time

**5.2. Rate Levels**

Unlike other Councils the extent of rates levied need to take account of the obligations on BHP Billiton and the State Government to fund the annual municipal operating deficit.

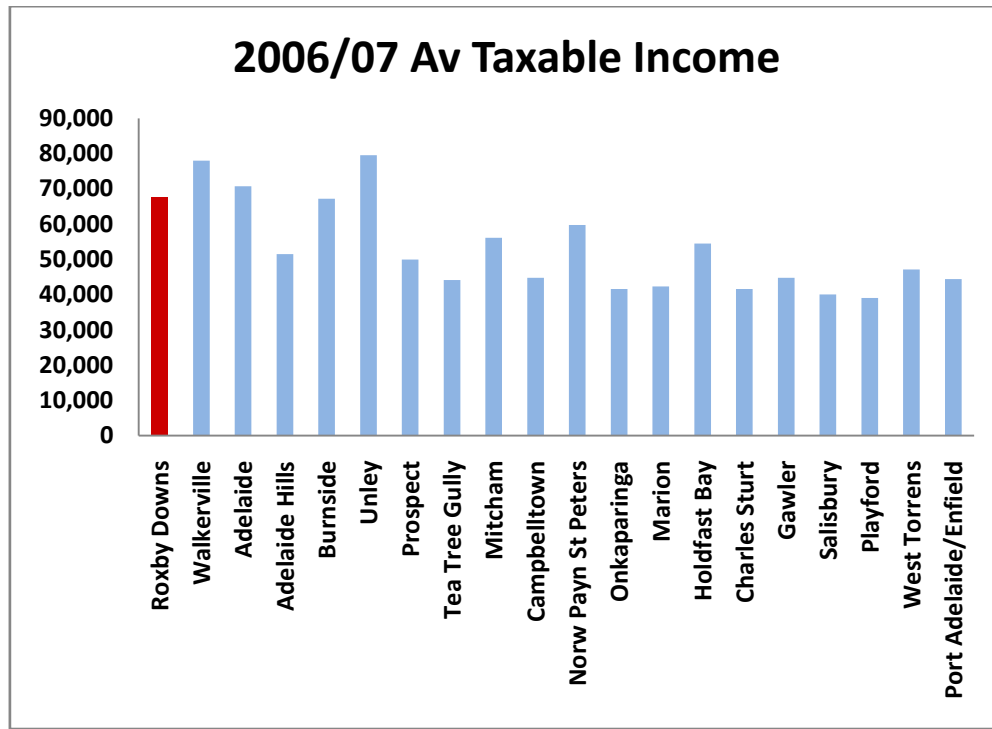
Comparison

Accordingly, as shown in the following table, Council has consistently attempted to compare the average residential rate with the average taxable income and bench mark this against metropolitan Adelaide. In doing so, notwithstanding this measure only provides a “rough guide”, it attempts to establish our community’s “capacity to pay” and thereby demonstrate to BHP Billiton and the State Government that we, as a community, are “paying our way” and not expecting a handout. It also meets State Government expectations for a strong rating effort.



Compared to the Adelaide metropolitan area Council has the highest average residential rate. When considering the community's "perceived capacity to pay" as shown by a tentative analysis of taxable incomes the ability to increase rates within Roxby is more superficially more limited than in previous years.





**Note**

Above data is a guide only. Notwithstanding that these figures need to be updated, the above continues to “suggest” that as an approximate measure of a perceived capacity to pay, rates within the municipality are still likely to be less than an approximate average in Adelaide.

**Explanation**

In 2011/12, an increase in the total revenue raised through general rates will be required with any rate increase also subject to the consent of BHP Billiton under the Indenture.

Last year Council increased the average residential rate, including garbage charge by 5%. This followed a 7.5% in 2009/10 and previous year increases 9.8% for each of the preceding six years

As foreshadowed in the Draft Annual Business Plan Council has increased the average residential rate, including garbage charge by 9.0%. i.e. \$1,708 per annum (\$32.85 per week)

Council generally tries to ensure that the total amount of fixed charge generated equates to approximately 20% to 25% of the total rate revenue collected. This principle has been retained

A domestic rubbish collection service will continue to be provided to residential properties on a part cost recovery basis.

Unlike in previous years when property valuations generally increased, in some cases substantially, in 2011 property valuations for residential land uses remained relatively static, but commercial, light industry, vacant land and other properties actually increased. To retain an equitable rating system differential rates are adjusted to suit.

Council annually internally reviews its rate structure and if significant changes are identified that may lead to some change in the rate structure then Council will prepare a report pursuant to section 151(6) of the Local Government Act.

### 5.3. Valuation Method

All land within the Council area, except for land specifically exempted (e.g. crown land, Council occupied land), is rateable.

Roxby Downs Council has decided to continue to use capital value as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers.

### 5.4. Valuation Objections

The Council has adopted the valuations made by the SA Valuer-General as provided to the Council on 31 August 2011. If ratepayers are dissatisfied with a property valuation, then an objection may be made to the Valuer-General in writing, **within 60 days** of receiving notice of the valuation, explaining the basis for the objection.

Provided you have not:

- previously received a notice of this valuation under the Local Government Act 1999, in which case the objection period is 60 days from the receipt of the first notice; or
- previously had an objection to the valuation considered by the Valuer-General.

The address of the Valuer-General is: Office of the Valuer-General, GPO Box 1354, Adelaide 5001, email: [objections@saugov.sa.gov.au](mailto:objections@saugov.sa.gov.au) and the telephone number is 1300 653 345. **The Council has no role in this process.**

If ratepayers believe that a particular property has been wrongly classified as to its land use, then an objection may be made to Council **within 21 days** of being notified of the land use classification.

***It is important to note that the lodgement of an objection does not change the due date for payment of rates.***

### 5.5. Rates Summary

In adopting the budget on 31 August 2011 Council decided to raise its municipal rate revenue by way of a combination of a fixed charge and differential rating for all rateable properties, plus a fixed service rate for the collection, treatment and disposal of refuse collected from occupied domestic properties as follows.

#### Fixed Charge & Differential Rates

A Fixed Charge of **\$450** for all properties plus a rate in the dollar based on a property's capital value based on the designated use of land as defined in Section 10 of the Local Government (General) Regulations. Differential Rates are shown as follows:

Land Use Category	Rate in the \$ per Capital Value
Residential Land	0.3150 cents
Commercial (Shop, Office & Other)	0.8600 cents
Industry (Light & Other), Primary Production & Other	0.7600 cents
Vacant Land	0.5950 cents

Residents should note that changes to actual property rates will depend on individual property valuations and the differential rates adopted.

As foreshadowed in Council's Draft Annual Business Plan Slight movements towards the Commercial and Industrial Sectors were as a result a recognition that new resources have been introduced that are primarily directed towards the business sector and of benefit for Commercial and Light Industrial Land Uses. Variation in changes in Valuations also contributed to this slight variation.

Land Use Category	2010/11	2011/12
Residential	72.9%	70.1%
Commercial	19.9%	20.3%
Light Industry & Other	2.2%	4.6%
Vacant Land	5.0%	5.0%

### Service Charge

A fixed garbage charge of **\$195** per annum for all residential properties

Residents should note that changes to actual property rates will depend on individual property valuations and the differential rates adopted.

### **5.6. Rate Rebates**

Council provides rate rebates according to Division 5 of the Local Government Act 1999. Mandatory (100%) rebates are provided for Roxby Downs Hospital and Catholic, Lutheran and Community Churches, mandatory (75%) and discretionary (25%) rebates are also provided to the Roxby Downs Area School and St Barbara's Parish School.

As foreshadowed in adoption of the 2008/09 Budget, the discretionary elements of these rebates was reviewed. This was carried out with Council deciding the present status quo should remain. However, rating rebate reviews will be undertaken on a regular basis.

The Local Government Act requires Councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions. In 2011/12 the amount to be rebated totalled **\$142 470**

In addition, there is a range of Crown Land properties occupied and used by BHP Billiton which under the Local Government Act 1999 would normally be subject to the payment of rates. This includes a number of highly developed properties located at the Olympic Dam Industrial Estate and other vacant land. However, under the Indenture these properties are exempt from rating. The amount forgone totals approximately **\$378,000**.

### **5.7. NRM Levy**

Pursuant to section 95 of the Natural Resources Management Act 2004 and section 154 of the Local Government Act 1999, a separate rate (fixed charge) of **\$35** is declared on all rateable land in the Council area to raise the amount of \$59,543 behalf of the SA Arid Lands Natural Resources Management Board.

### **5.8. Business Impact**

The Council has considered the impact of rates on all businesses in the Council area, the equity of the distribution of the rate burden between ratepayers and Council's strong emphasis policy on facilitating local economic development, in light of current local, state and national economic conditions.

## 5.9. Concessions

### Pensioner Concessions

If you are an eligible pensioner, you may be entitled to a remission on your rates. Application forms (including information on the concessions) are available from the Council's Administration Centre or by phoning the Council on **08 8671 0010**.

*It is important to note that seeking a remission does not change the due date for payment of rates.*

### Unemployed Persons Concessions

The Department of Human Services (DHS) may assist with the payment of Council rates for your principal place of residence (remissions are not available on vacant land or rental premises). Please contact your nearest DHS office for details.

## 5.10. Payment of Rates

The Council has decided that the payment of rates will be by four (4) instalments, due on

<b>20 October 2011</b>	<b>20 March 2012</b>
<b>20 December 2011</b>	<b>20 June 2012</b>

Rates may be paid:

- By cheque sent to the Council Office PO Box 124, Richardson Place, Roxby Downs SA 5725
- By telephone, using a credit card, ring 08 8671 0010
- In person, at the Council offices, during the hours of 9.00am to 5.00pm, Monday to Friday (EFTPOS facilities are available).
- By direct debit from ratepayers' bank account.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact the Council to discuss alternative payment arrangements. All inquiries are treated confidentially.

### Late Payment of Rates

Under the Local Government Act and as indicated on the Rates Notice, if any rates are not paid on or before the date on which they become due, they will be regarded as being in arrears, and

- a fine of 2 per cent of the amount of the payment due will be added to the arrears. and
- upon the expiration of each month from that day, interest of the "prescribed percentage" of the total amount in arrears (including the amount of any previous unpaid fine and interest) will be added to the debt. For the 2011/12 financial year this prescribed rate is **0.7708%** per month.

Council issues a final notice for payment of rates when rates are overdue i.e. unpaid by the due date. Should rates remain unpaid more than 21 days after the issue of the final notice then the Council refers the debt to a debt collection agency for collection. Any debt collection agency charges are recoverable from ratepayers.

**When the Council receives a payment in respect of overdue rates, the Council applies the money received as follows:**

- 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 account first).

### Remission and Postponement of Rates

The Local Government Act permits a Council, on the application of a ratepayer, to postpone rates or partially or wholly remit rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates, they are invited to contact the Council to discuss the matter. Such enquiries are treated confidentially by the Council.

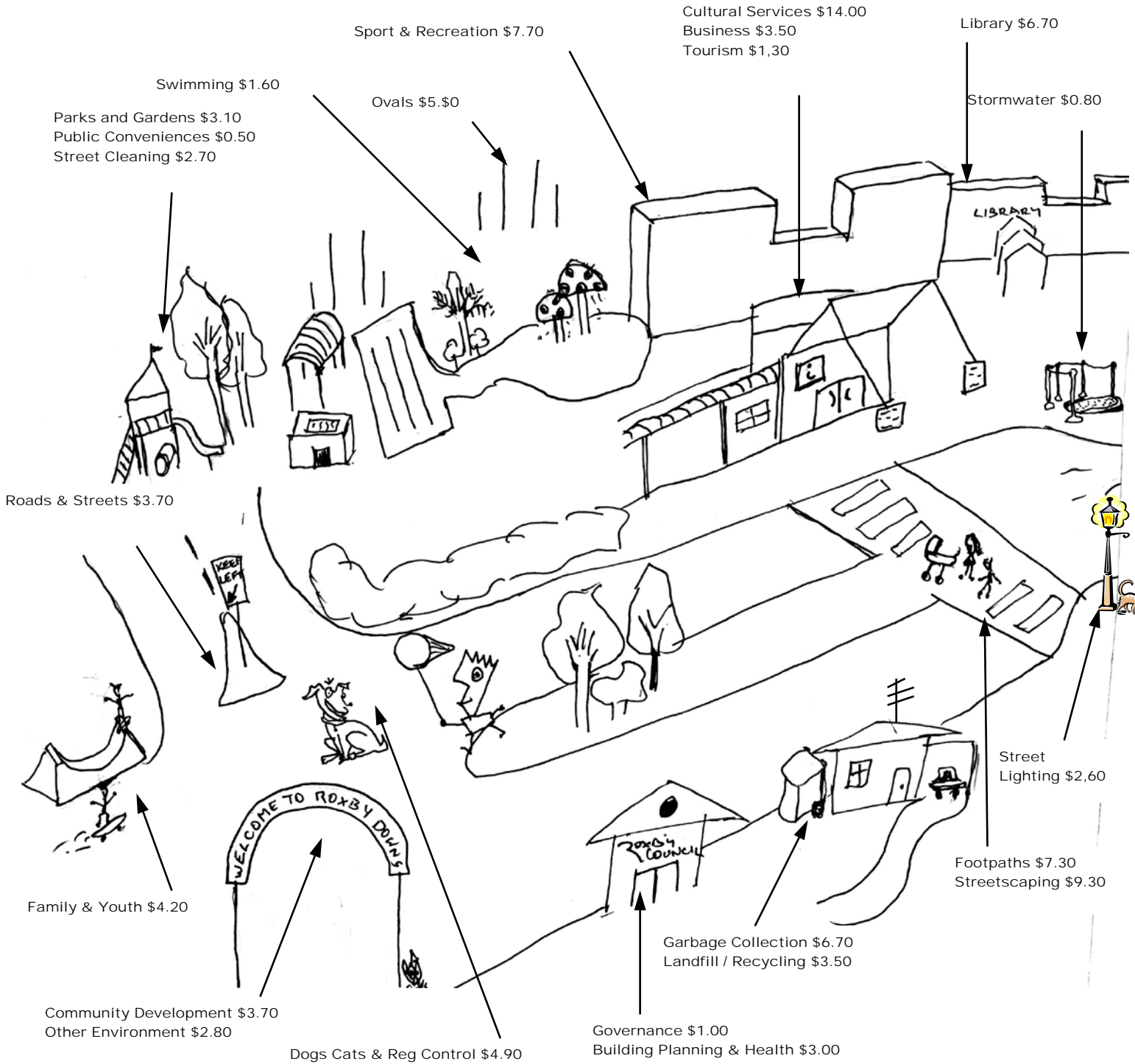
The Council has adopted a policy that where the payment of rates will cause a ratepayer demonstrable hardship, the Council is prepared to make available extended payment arrangements.

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

The Local Government Act 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 the land of its intention to sell the land if payment of the outstanding amount is not received within one month, and provide the owner with details of the outstanding amounts.

**5.11. Where Your Rates Go**

Below is an "approximate" expenditure breakdown for every \$100 paid in rates.



**Note**

1. Figures are approximate and include overheads and are intended as a guide to illustrate the complex number of services provided by Council and the areas of "Net" municipal expenditure which rates are applied. Actual expenditure can vary as a number of expenditure items are separately funded by loans, grants or from reserves and are therefore not shown in the above diagram
2. Operations for Roxby Power and Roxby Water are excluded.
3. Council's municipal rate revenue is a combination of a fixed charge and differential rating for all rateable properties, plus a fixed service rate for the collection, treatment and disposal of refuse collected from residential properties.

## 6. UTILITIES

Given the high operating costs of works in Roxby, future rises in the fees and charges for the provision of electricity, water and sewerage are anticipated in response to inflationary increases. Council normally introduces changes to electricity, water and sewerage charges in January of each year. No changes to tariff structures are planned but these units need to run with prudent operating surpluses in order to ensure that operating expenses associated with depreciation remain fully funded.

### Electricity

Under the Indenture, Council is exempt from the National Electricity Market but must set its tariffs in line with those that are available in Adelaide. In 2011, rates increased by 6% to 7%. For 2011 a similar increase is anticipated, but it is expected that rates and charges will still be less than AGL's default rates.

### Water

BHP Billiton is required to provide potable water to Council at a cost set in accordance with the provisions contained in the Indenture. Compared with the balance of the majority of South Australia water prices in Roxby Downs are high and as a result every effort is kept to limit any increase within the constraints of ensuring a reasonable commercial return to the Municipal operation

If the price at which water is purchased from BHP Billiton remains static it envisaged that depending on the financial results arising from the 2010/11 operations increases may be limited to around 6% to 7%. However any increase in the purchase price will need to be recovered from consumers with a higher increase.

### Sewerage

Sewerage charges will also need to be reviewed and within the constraints of ensuring a reasonable commercial return to the Municipal operation and depending on the financial results arising from the 2010/11 operations an increase of around 6% to 7% are expected.. For residential premises, current and likely future sewerage rate are likely to remain at levels comparable than charges that are applied by SA Water in Country South Australia.

## 7. USER PAY CHARGES

Council annually adopts a range of user pay charges on a range of services and outlined in the Draft Annual Business Plan likely increases. These include the following:

- Roxby Leisure fees are have increased around 4% to 5% but with some rationalisation to also incorporate fees for use of the new indoor swimming and rehabilitation pool . Detailed benchmarking review may also lead to further changes.
- Opal Road Landfill gate fees that apply to Commercial Waste have been reviewed. Major expenditure on Council's landfill is expected over the next few years and appropriate provisions are made to meet increased EPA requirements. New Commercial Waste levy fees) of \$37.50/m<sup>3</sup> (\$50/tonne) have been adopted and commence on 1 October 2011 with further increases expected over the over the next few years. Current charges are less than charges that apply for other landfills.
- Statutory charges as determined by State Government. E.g. Development Act, Road Traffic Act and Cat Management Act.
- Dog & Cat Registrations are subject to the approval of the Dog & Cat Management Board. Last year dog and cat registrations were reviewed and increased following no change from the

previous two years. In 2011/12 no further change is planned but the situation likely to be reviewed and increase made as part of next year's 2012/13 budget

## **8. MEASURING PERFORMANCE**

Council will assess its performance in relation to meeting these objectives on an annual basis via Council's Annual Report using the following criteria:

- For specific actions, progress will be measured in percentage terms and / or where appropriate commentary and explanation will be provided.
- For general actions progress will be measured by providing commentary and explanation. This is considered appropriate given that many of the actions involve third parties with Council acting in a support capacity.
- Ensuring that overall expenditure and income for the budget when adopted is met and that specific capital works projects are completed in a timely and cost effective fashion.

## **9. FURTHER INFORMATION**

Further information may be obtained by contacting the Roxby Downs Council at the Council Office PO Box 98 Richardson Place Roxby Downs SA 5715 during office hours.

Phone 8671 0010, Fax 8671 0452, Email [roxby@roxbycouncil.com.au](mailto:roxby@roxbycouncil.com.au)



## 10. ROLES FUNCTIONS & OBJECTIVES OF LOCAL GOVERNMENT

(Extract of paper presented to the Australian Rural Leadership Program – Course 9 – August 2002)

Local Government therefore now has a statutory responsibility to develop its community. In the broadest sense, not only is Local Government responsible, but almost every action it undertakes could arguable be measured against community development outcomes. It is much more than just a “facilitator.”

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The formation of governments throughout the world varies according to many factors; the most dominant of which is the prevailing historical evolution. This is replicated in Australia by the way our States were settled and formed, resulting in the development of our Constitution that defines the structure of our Commonwealth and State Governments.

Significantly, Local Government only comes into being as a creature of the State, by way of individual State legislations that define the role, function and legal responsibilities that Local Government is permitted to Act. Accordingly, unlike some other countries Local Government is limited to what it actually can do according to what powers each State grants through relevant legislation. Any actions that are not prescribed literally cannot be done, for to do so would deem the action “ultra vires.” i.e.: (Beyond power).

Historically, Local Government was created as a body to provide a range of local “infrastructure” type services such as roads, drainage and later administration of statutes such as building and planning. As a means of raising revenue a system of property rates was put in place, principally because most of the early services were based around servicing individual properties. Unfortunately, this system is not necessarily ideal. However, no one has found a better system to replace it.

Over time this has changed with Local Government moving into the provision of community type services such as meals on wheels and more recently roles in the arts, tourism and business areas have developed. It is these areas that could be loosely termed “community development” type areas, although even the provision of infrastructure can be considered to be part of this as often it provides the vehicle for a number of successful community development initiatives.

Over time successive State Governments have required Local Government to provide additional services, without necessarily providing the necessary revenue. With increased community expectations pressure mounts on revenue sources. Traditional property based type rates have, in part, been required to fund new services; a situation to which it is not necessarily suited.

This arrangement raises a number of issues.

- Losing the Sense through Prescription.

By nature, each Act of Parliament needs to be prescriptive. This provides limited opportunity for flair and innovation. Those that work in the industry must by nature focus on detail and due process and posse the skills to manage rather than lead. Traditionally leadership attributes were not as valued as highly as the ability to manage budgets.

For instance, there are (25) separate clauses that prescribe what is to be included and the approach that is to be taken when a Council carries out a mandatory strategic management plan. One Council even went as far as having a computer program designed to ensure that all requirements were linked as a process, in part to ensure compliance with the legislative requirements. I call this “losing the sense through prescription.”

- A Limited Understanding

Those in elected positions often have limited understanding of these constraints and are required quickly to learn new skills without necessarily having the required experience. From my observations in the industry, it seems that new elected members invariably meet a steep learning curve that is difficult to explain to those that actually elected them. Focus is invariably on reacting to issues rather than actions that accord with long-term strategies.

- Wearing Many Hats

The multitude of “hats” that Local Government is required to wear makes it difficult to not only manage but to convey to local constituents. Whilst, Local Government is often said to be the sphere of government closest to its people, invariably the local community often misunderstands the roles. It is generally easier to focus on the state of the actual service delivered as this is real and tangible, rather than such an ‘obscure’ term like community development.

- Tax Collectors

Local Government operated a system of taxation, which is difficult to follow. Traditionally no one likes tax collectors!

**Roles & Functions**

Perhaps the best way to illustrate the changes is to compare the roles and responsibilities of the current situation compared with that which preceded it. For instance, in South Australia the primary Act is the Local Government Act 1999. As shown by comparison with the proceeding legislation a number of changes have resulted.

1999 Act	1934 Act
<p><b>6 Principal role of a council</b></p> <p>A council is, under the system of local government established by this Act, established to provide for the government and management of its area at the local level and, in particular</p> <ul style="list-style-type: none"> <li>(a) to act as a representative, informed and responsible decision-maker in the interests of its community; and</li> <li>(b) to provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner; and</li> <li>(c) to encourage and develop initiatives within its community for improving the quality of life of the community; and</li> <li>(d) to represent the interests of its community to the wider community; and</li> <li>(e) to exercise, perform and discharge the powers, functions and duties of local government under this and other Acts in relation to the area for which it is constituted.</li> </ul>	<p><b>35. General nature of council's responsibilities</b></p> <p>A council is responsible for</p> <ul style="list-style-type: none"> <li>(a) the management of the affairs of the area in relation to which it is constituted; and</li> <li>(b) the exercise, performance and discharge of the powers, functions and duties of local government conferred on the council by this or any other Act in, and in relation to, the area for which it is constituted.</li> </ul>
<p><b>7. Functions of a council</b></p> <p>The functions of a council include</p> <ul style="list-style-type: none"> <li>(a) to plan at the local and regional level for the development and future requirements of its area;</li> <li>(b) to provide services and facilities that benefit its area, its ratepayers and residents, and visitors to its area (including general public services or facilities (including electricity, gas and water services, and waste collection, control or disposal services or facilities), health, welfare or community services or facilities, and cultural or recreational services or facilities);</li> <li>(c) to provide for the welfare, well-being and interests of individuals and groups within its community;</li> <li>(d) to take measures to protect its area from natural and other hazards and to mitigate the effects of such hazards;</li> <li>(e) to manage, develop, protect, restore, enhance and conserve the environment in an ecologically sustainable manner, and to improve amenity;</li> <li>(f) to provide infrastructure for its community and for development within its area;</li> <li>(g) to promote its area and to provide an attractive climate and locations for the development of business, commerce, industry and tourism;</li> <li>(h) to establish or support organisations or programs that benefit people in its area or local government generally</li> <li>(i) to manage and, if appropriate, develop, public areas vested in, or occupied by, the council;</li> </ul>	<p><b>35a. General management functions and objectives</b></p> <ul style="list-style-type: none"> <li>(1) The functions of a council include the following: <ul style="list-style-type: none"> <li>(a) to determine policies (not inconsistent with this Act or any other applicable law) to be applied by the council in exercising its discretionary powers;</li> <li>(b) to determine the type, range and scope of projects to be undertaken by the council; and</li> <li>(c) to develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of the council.</li> </ul> </li> <li>(2) The operations and affairs of the council should be managed <ul style="list-style-type: none"> <li>(a) in a manner which emphasises the importance of service to the community;</li> <li>(b) so as to enable decisions to be made, and action taken, efficiently and effectively through clear division of administrative responsibilities, delegation of authority where appropriate, and flexible and responsive deployment of resources; and</li> <li>(c) with the goal of continued improvement in</li> </ul> </li> </ul>

1999 Act	1934 Act
<p>(j) to manage, improve and develop resources available to the council;</p> <p>(k) to undertake other functions and activities conferred by or under an Act.</p>	<p>efficiency and effectiveness.</p>
<p><b>8. Objectives of a council</b></p> <p>A council must, in the performance of its roles and functions—</p> <p>(a) provide open, responsive and accountable government;</p> <p>(b) be responsive to the needs, interests and aspirations of individuals and groups within its community;</p> <p>(c) participate with other councils, and with State and national governments, in setting public policy and achieving regional, State and national objectives;</p> <p>(d) give due weight, in all its plans, policies and activities, to regional, State and national objectives and strategies concerning the economic, social, physical and environmental development and management of the community;</p> <p>(e) seek to co-ordinate with State and national government in the planning and delivery of services in which those governments have an interest;</p> <p>(f) seek to facilitate sustainable development and the protection of the environment and to ensure a proper balance within its community between economic, social, environmental and cultural considerations;</p> <p>(g) manage its operations and affairs in a manner that emphasises the importance of service to the community;</p> <p>(h) seek to ensure that council resources are used fairly, effectively and efficiently;</p> <p>(i) seek to provide services, facilities and programs that are adequate and appropriate and seek to ensure equitable access to its services, facilities and programs.</p>	<p><b>5A. Objects of Local Government</b></p> <p>The objects of local government include</p> <p>(a) to provide a representative, informed and responsible decision-maker in the interests of developing the community and its resources in a socially just and environmentally sustainable manner; and</p> <p>(b) to ensure a responsive and effective provider and co-ordinator of public services and facilities at the local level; and</p> <p>(c) to provide an initiator and promoter of effort within a local community; and</p> <p>(d) to represent the interests of a local community to the wider community.</p>

A quick glance shows a significant increase in the roles and responsibilities that are now required. These are diverse in nature and include such additional matters as improving the quality of life of the community, planning at the local and regional level, local area environmental management as well as acting as a responsible decision maker. Significant emphasis is now placed, in developing community resources and representing the interests of the wider community. Areas include everything from providing specific services to commerce, industry and tourism promotion.

In contrast the previous act focused on things such as efficiency and effectiveness, responsible decision maker etc.

Bill Boehm  
Administrator

August 2002

### 11. ANNUAL BUSINESS PLAN PROJECT PRIORITIES AND ACTIONS FOR THE YEAR

Under its Strategic Plan Council has identified seven (7) broad goals with a number of long term objectives. To achieve these objectives (subject to funding support and final budget analysis) the following priorities and actions are proposed to be undertaken during 2011/12. Total expenditure identified of \$1,732,000 is funded from Reserves (\$986,200), Revenue (\$685,800) and Grants (\$60,000) Where specific allocations are made the amount and funding source is shown. Otherwise the area or areas of Council's operation is noted

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
Goal 1 Corporate	Council to Function In a Civic and Responsible Manner		
Objective 1.01	Undertake Council's Corporate Services and Strategic Development functions in accordance with its responsibilities under the Local Government and Roxby Downs (Indenture Ratification) Acts.		
(a)	Continue to review and implement improvements to Council's governance, policy, corporate services, and staff related functions.	Corporate Services	
(b)	Continue to review overall operational performance and staff resources and implement changes.		
(c)	Continue to review and monitor improvements for Council's assets including Office, Depot and Houses.		
	Office Building Replacements	\$15,000	Reserves
	Upgrade Air-conditioning to Council Office	\$50,000	Reserves
	Construct additional car parking	\$5,000	Revenue
	AO Map & Scanner	\$11,000	Reserves
	Computer Hardware Replacements	\$16,000	Revenue
	Extend Hermit Street residence	\$35,000	Revenue
		\$25,000	Reserves
(d)	Review and update Council's Strategic Management Plan.	Corporate Services Governance	
(e)	Investigate options and provide a detailed analysis of funding implications associated with BHP Billiton's proposed Olympic Dam Expansion.		
(f)	Work on the strategic development of the town across a broad spectrum of areas and where appropriate undertake actions to ensure that the Council and Community can be well placed to manage an expansion of the town ahead of BHP Billiton's proposed Olympic Dam Expansion.	Corporate Services Sport & Recreation	
	Continue to work with Sport & Recreation Forum and other users of sporting facilities in the strategic development of both sporting facilities and sports generally		

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING
	As outlined in Council's submission to BHP Billiton's Olympic Dam Draft EIS, work with users of the Motor Sports Precinct on a Master Plan Development of the area.	
(g)	Undertake a strategic policy review of Council's services (standards of delivery and user pays rationale) and a detailed in depth financial analysis of council's operations. (continue from 2009/10)	Corporate Services
(h)	Update Long Term Financial Plan based on current operating scenario (no mine expansion) and future scenarios (mine expansion) in light of this review.	
<b>Objective 1.02</b>	<b>Minimise operational risks and ensure that Council is operated in a safe manner</b>	
(a)	Continue to review and implement improvements to Risk Management & OH&S policies and actions.	Corporate Services
(b)	Undertake building and site improvements to Council Office and Works Depot.	
<b>Goal 2 Leadership</b>	<b>Facilitate the development of local leadership that unites the community and portrays Roxby Downs in a positive light.</b>	
<b>Objective 2.01</b>	<b>Operate and review Community Strategic Plan.</b>	
(a)	Within budget constraints, provide appropriate resources to assist Community Board, Community Forums and Partnerships on the basis of delivering projects and strategies identified in the Community Plan.	Community Development
(b)	Complete recruitment of Community Project Officers to assist in strengthening outcomes in the Business Development, Environment, Health, and Alcohol and Substance Abuse Areas.	
<b>Objective 2.02</b>	<b>Provide a strong community voice at State and Regional Level.</b>	
(a)	Continue participation and advocacy through the Administrator being delegate with the Local Government, Spencer Gulf Cities and Provincial Cities Associations, Regional Communities Consultative Council, Far North RDA and Port Augusta Regional and Hospital Board.	Community Development
(b)	Continue to advocate to the State Government and BHP Billiton regarding aspects that affect the structural operation of the township and services delivered by the State Government.	
<b>Objective 2.03</b>	<b>Enhance community's relationship and partnership with BHP Billiton.</b>	
(a)	Continue to implement strategies as part of the community plan to improve community understanding, appreciation and support for BHP Billiton's operations.	Community Development
(b)	Continue to assist BHP Billiton in relation to Olympic Dam Expansion Study.	
(c)	Continue to promote a partnership approach with BHP Billiton.	

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
<b>Objective 2.04</b>	<b>Provide opportunities for leadership development in Roxby Downs.</b>		
(a)	Opportunities are afforded to community members who are involved in implementing the community plan. Assistance provided by Council staff	Community Development	
(b)	If requested, maintain sponsorship of SA Regional Community Leadership Program and target local residents as future participants.		
<b>Objective 2.05</b>	<b>Increase community understanding, involvement and partnership in Council's decision-making.</b>		
(a)	Continue to provide information to the community to highlight the role and function of Council's operations.	Community Development	
(b)	Continue to support Community Board, Forums and Partnerships to assist Council where Community Plan actions require Council to implement outcomes as part of Council's statutory role, functions and responsibilities.		
<b>Goal 3 Community</b>	<b>Stimulate and facilitate community cultural development.</b>		
<b>Objective 3.01</b>	<b>Assist, facilitate and improve the operation and co-operation of community groups.</b>		
(a)	Continue to mentor and resource Community Board and Community Forums and provide appropriate resources to assist individual sectors to work cooperatively on cross sector projects.	Community Development	
<b>Objective 3.02</b>	<b>Expand and enhance the opportunities for young people in town.</b>		
(a)	Subject to budget constraints continue to maintain resource operation of Youth Services within Roxby Leisure's operations.	Youth Development	
(b)	Continue to support and assist youth via participation with Family and Youth Forum.		
(c)	Review services and programs and support on ground strategies as periodically recommended.		
(d)	Explore external funding opportunities for youth initiatives and projects.		
(e)	Support initiatives of Council's Roxby Downs Youth Advisory Committee.		
(f)	Replace floor coverings at Youth Centre	\$12,000	Reserves
(g)	Youth Services Operation as part of Roxby Leisure Business Unit (Objective 4.5(a))	Youth Development	
Youth	Purchase identified new equipment including more gaming consoles, RV's and games	Youth Development	
	Create & present a proposal to Council for the improvement of both physical and mental perception of the skate park & Richardson Place Rotunda		

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
	Investigate the possibility of a drug and drinking volunteer group for the skate park		
	Start a youth volunteer program/register		
	Launch the Youth Leadership Program.		
	Finalise the 'Beat the Heat Youth Festival' concept.		
	Arrange potential sponsors and activities, timeline and when and where it will be held.		
	Through the YAC, further develop the youth calendar to ensure consistency for the youth.		
	Exploring the possibility of Sponsorship / Partnership for events and services provided.		
(f)	Replace floor coverings at Youth Centre	\$12,000	Reserves
<b>Objective 3.03</b>	<b>Facilitate Volunteer Program and Volunteer Resource Centre.</b>		
(a)	Explore potential funding opportunities and partnerships to develop a Volunteer Resource Centre.		Community Development
<b>Objective 3.04</b>	<b>Facilitate community co-operatives.</b>		
(a)	Unlikely that any action will result in the short term but monitor situation and assist in development of community cooperatives where possible.		Community Development
<b>Objective 3.05</b>	<b>Support Family Life.</b>		
(a)	Continue to participate in and support and assist the Family & Youth Forum and Alcohol & Substance Abuse Partnerships (incorporating the Far North Drug and Alcohol Group.)		Community Development
(b)	Explore opportunities with the State Government for greater support resources for families being delivered in Roxby Downs.		
(c)	Encourage appropriate bodies to investigate the extent and causes of mental illness and stress in Roxby Downs and support prevention strategies.		
(d)	Encourage and act as a catalyst for a holistic approach with the Alcohol and Substance Abuse Partnership and collaboration of appropriate agencies in dealing with social issues associated with alcohol and substance abuse.		
(e)	Support any confidential enquiry to ascertain the community's financial health and identify and support individuals and families in ways to improve their financial position.		
(f)	Review services and programs, support on ground strategies as periodically recommended and explore grant funding opportunities for projects and activities that benefit families and young people		
(g)	Continue to explore options for a community safe house		

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
(h)	Encourage a more holistic approach with the health providers generally.		
(i)	In conjunction with stakeholders review the extent and form of financial support to families formerly provided through employment of Council's Family and Youth Officer.		
(j)	Explore opportunities for potential partnerships to deliver an Obesity Prevention and Lifestyle (OPAL) Program for young people in view of Council's 2011 application being unsuccessful..		
(k)	Due to successful funding from BHP Billiton appoint a part-time coordinator to facilitate outcomes to maximise the collaboration of appropriate agencies in dealing with social issues associated with alcohol and substance abuse.	\$20,000	Grants
		\$20,000	Revenue
<b>Objective 3.06</b>	<b>Establish and develop Roxby's cultural identity.</b>		
(a)	Continue to include streetscape improvements into public spaces with assistance and support of Community Gardens Sub Committee of Family & Youth Forum.		Cultural Development
(b)	Assist community and cultural events including annual Christmas Pageant and Arts Festival.		
(c)	On a cost effective basis explore opportunities more new major cultural events to be delivered in town		
(d)	Review and integrate the form of Arts support through Roxby Leisure's operation.		
(e)	Encourage increase usage of the library as a venue for community activity.		
(f)	Support on an as needs basis, various public art projects that arise.		
(g)	Develop and implement a year round rotating banner program to add colour and vibrancy to Richardson Place		
<b>Objective 3.07</b>	<b>Provide relevant community information about the role, operation and services provided by Council.</b>		
(a)	Continue to purchase advertising and advertorial space for Council through The Monitor Community Newspaper.		Community Development
(b)	Continue to provide sponsorship to RoxFM Community Radio Station.		
(c)	Continue to review and improve operation of Council and Roxby Leisure portions of Roxby Downs Dot Com community web-site.		
(d)	Continue to review and improve generally Council's communication strategy		
	Continue to produce a weekly information page in the Monitor Community Newspaper and attend weekly radio spot at RoxFM		
	Develop and implement a welcome Information Pack for new residents		



DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
<b>Objective 3.08</b>	<b>Develop community media outlets.</b>		
(a)	Continue to encourage The Monitor community newspaper and RoxFM community radio to develop closer partnerships and common goals including sharing of resources.	Community Development	
(b)	Continue to support The Monitor and RoxFM Community Radio on an "as needs" basis		
(c)	Examine ways to integrate community media with other community communication avenues		
(d)	In partnership with The Monitor and RoxFM Community Radio jointly contribute to, develop and maintain to an the integrated community website roxbydowns dot com		
<b>Objective 3.09</b>	<b>Enhance the vibrancy and cohesion of the local community.</b>		
(a)	Continue to encourage members of the community to participate in community forums and take an active role in implementing the Roxby Downs Community Plan.	Community Development	
(b)	In partnership with BHP Billiton and local businesses continue to work collaboratively to assist community groups to participate with the newly established Roxby Downs Community Foundation.	\$5,000	Revenue
(c)	Implement a range of community development, engagement and marketing actions that build on the current community capacity associated with Community owned and managed entities including the Community Board and associated Forums, Community Newspaper and Community Radio Station	Community Development	
<b>Goal 4 Municipal</b>	<b>Provide a range of municipal services which efficiently and effectively meet the needs of the community.</b>		
<b>Objective 4.01</b>	<b>Ensure that Council's planning and development policies and actions promote orderly, economic and sustainable development.</b>		
(a)	Continue to promote and educate the community on Council's Development Plan, its implementation and ongoing development, assessment and compliance.	Building & Planning	
(b)	In partnership with BHP Billiton continue to support Adelaide University's Building and Landscape architecture students to undertake specific policy and design work within the planning and environmental spheres in Roxby.	Building & Planning	
(c)	Continue to develop appropriate land use policies to meet the changing environment and educate the community and where appropriate enforce Development Plan and Land Use Agreement Compliance.	Building & Planning	
(d)	Review development plan following finalisation of current State Government development plan review.		

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
<b>Objective 4.02</b>	<b>Increase Council's financial independence.</b>		
(a)	Continue to develop and implement a program of revenue raising that is consistent with Council's constraints and meets relevant criteria for commercial utilities dividends.	Corporate Services	
(b)	Continue to discuss with BHP Billiton and the State Government over possible amendments to the Roxby Downs (Indenture Ratification Act) 1982 that have a positive financial impact on Council's operations.		
(c)	Maintain prudent and realistic increases in rates and charges in light of local cost influences and the capacity of community.		
(d)	Continue to Refine Asset Maintenance Strategy by undertaking condition audits to refine Infrastructure Maintenance Program, and long term asset renewal program.		
(e)	Continue to lobby BHP Billiton and the State Government for an appropriate allocation of financial support under the Roxby Downs (Indenture Ratification) Act 1982.		
(f)	Continue to pursue grant opportunities for community projects.		
(g)	Develop long term financial strategy as part of a potentially expanded town.		
<b>Objective 4.03</b>	<b>Safeguard the community's environmental health.</b>		
(a)	Continue to provide ongoing environmental health services to the community.	Health	
<b>Objective 4.04</b>	<b>Ensure that roads, streets, footpaths and bicycle paths service the needs of the community and are maintained in a safe and attractive condition.</b>		
(a)	Continue to maintain roads, streets, footpaths and bike paths within constraints of available funding allocations.	Roads & Streets	
(b)	Continue to support the work of Roxby Road Safe including support for the Way2Go program		
(c)	Continue to refine Asset Maintenance Strategy by undertaking condition audits to more accurately reflect long term asset renewal program.		
(d)	Provide appropriate financial allocation to replace those sections of footpath that have been identified for replacement.	Footpath & Streetscaping	
	Footpath replacement program	\$30,000	Revenue
	Replace bitumen footpaths at Gregory, Alberrie, Curdimurka, Mirra, Kennebery, Bopeechee & Mulgaria Streets	\$270,000	Revenue
(e)	Continue to review parking practices within township, provide effective education and enforcement and initiate improvements.	Roads & Streets	
(f)	Continue to assist BHP Billiton in the design of municipal infrastructure associated with the potential expansion of the town.	Roads & Streets	
(g)	Streetscape replacements	\$30,000	Reserves

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
(h)	Finalise Richardson Place median redevelopment adjacent to bus stop	\$15,000	Revenue
(i)	Subject to Roads to Recovery Funding initiate traffic improvements by way of roundabouts and traffic control devices at Arcoona Street and Pioneer Drive intersection and Gregory Street over the next 3 years.	\$100,000	Revenue
<b>Objective 4.05</b>	<b>Ensure the ongoing viable operation and enhancement of the Roxby Downs Cultural &amp; Leisure Precinct.</b>		
(a)	Maintain operations of Roxby Leisure as a discrete marketing and management unit of Council and ensure that all services delivered from the Roxby Downs Culture and Leisure Precinct adapt to meet the ever changing expectations and needs of the community.		Various
Sport & Recreation	Address the operation of the basketball backboards to enable easier raising and lowering for staff.		Sport & Recreation
	Additional outdoor seating around netball and tennis courts		
	New indoor hockey goals		
	Replace skirting boards in stadium 1		
	Improve & create recreational programs & activities by transforming 'Come-Try Soccer' to a Junior competition.		
	Assess the feasibility of an indoor rock climbing wall in stadium 2.		
	Create an event that other towns can be invited to – for example, work with Junior Basketball to hold a yearly 'Roxby Basketball Carnival'.		
	Provide Opportunities for student leadership and development of specific job training experiences.		
	Hold sports clinics from umpiring through to individual clinics.		
	Purchase Netball padding to improve safety standards.		
	Continue to work with volunteers to assist in running and managing their sports		
	Continue to work with associations that currently use the facilities to increase participation numbers and sports events/competitions.		
	Create a sporting event that other area associations could participate in.		
	Apply for Government grants that could improve sports equipment and services available.		
Examine potential of sponsorship for sporting events.			
Continue to work with Sport & Recreation Forum and other users of sporting facilities in the strategic development of both sporting facilities and sports generally			

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING
Nippy Gym Kids Club Crèche	Explore usage by different age groups including varying session times & undertaking weekly lessons.	Community Development
	Hire out Nippy Gym equipment (Children's Birthday celebrations, BHPB Family Day and other community celebrations etc.).	
	Ensure the durability and longevity and a new equipment asset review and replacement program.	
	Potential move/re-arrange storage areas.	
	Continue to work with other organisations such as Health Workers, and Physios etc.	
	Continue Partnership with Allied Health Services to young families.	
Recreational Swimming	Increase usage by expanding current membership options, providing a consistent service and purchase of additional water play equipment	Swimming
	Increase the number of outdoor movie screenings	Cultural Services
Swim School	Look at increasing session numbers to cater for more participants.	Swimming
	Investigate possibility of disability classes.	
	Provide classes for those that are currently not catered for for specific groups. This includes exploring opportunities doe adult and disability classes	
	Promote water safety for children in the local community before summer.	
	The lack of qualified instructors impacts on the amount of sessions that can be run on each day, as well as the opportunities we can provide to the community. Address this by encouraging staff to take additional qualification and hiring more qualified staff	
Pulse Fitness	Offer personal training services as an additional cost to members.	Sport & Recreation
	Continue to run a boot camp program for groups of 10 people who train together.	
	Expand current classes on offer including classes for mothers in community so that they can not only get a stronger bond with their babies but learn how to correctly lift, carry, hold etc.	
	Develop other innovative programs such as the biggest loser program to assist in maintaining a healthy lifestyle	
	Undertake an expanded marketing program to atteact new users to the gym.	
	Offer to existing membership.	
	Explore and develop a "Roxby Games" concept to	
Visitor Information Arts	Develop and create a new updated Roxby Downs Brochure.	Tourism
	Display brochure in VIC and neighbouring town VIC's.	
	Find and Sell Souvenirs that have 'Roxby Downs' on it	

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
	Investigate ways to improve the acoustics of the Visitor Information Centre		
	Install a Public Access Computer in VIC		
	Continue to stimulate general interest and awareness of the Art Gallery by appropriate exhibitions, showcasing local and regional artists and running local arts competitions		Cultural Services
Kiosk Customer Service	Re-model kiosk foyer and entrance way to be more appealing.		Sport & Recreation
	Provide a Larger Range of Food & Drink		
	Working with Links (Recreation Industry Management Software) to expand current equipment.		
Dunes Cafe	Change the menu to include more 'fresh options' and use the knowledge of the Pulse Fitness staff to create healthy options and advertise them to customers		Arts & Culture Community Development Tourism
	Ensure Coffee Standards are consistently high		
	Review and continuously improve Customer Service		
	Ensuring the Dunes Cafe is a suitable meeting space for all members of the Roxby Down's Community		
	Continue to gather feedback and ideas on ways to cater for parents and their children (in terms of nippy gym equipment throughout the week, toys and entertainment for children etc.).		
	Continue to working with mums and children specifically to actively providing suitable meeting spaces, times, and seating for those who have children, whilst providing high quality customer service and a pleasant environment for other customers at the same time.		
	Increase awareness to both sporting and community groups by show casing their organisation.		Sport & Recreation
Youth	Refer Objective 3.02 (g)		Youth Development
(b)	Continue to finalise and implement Council's Facilities Maintenance Program, and prepare a long term asset renewal program with supporting financial strategy		Cultural Services Sport & Recreation
(c)	Continue to develop strategies to integrate the Precinct's operation with the adjacent Library and Education facilities, Richardson Place and Roxby Central Retail Shopping Centre.		Library Economic Development
(d)	Asset replacement works for Cultural Centre, Leisure Centre & Swimming Pool include the following: replacement of kitchen equipment (continued on from 2010/11), and café furniture to Cultural Centre, Kiosk Kitchen floor coverings, hot water services and A/C system to Leisure Centre, Shade and rubber soft fall for crèche playground and install shade screens pool auto vacuum system to Swimming Pool		Community Development Cultural Services Sport & Recreation Swimming
	Replacement of Cafe furniture	\$8,000	Reserves
	Renovate Kitchen (continued on from 2010/11)	\$125,000	Reserves
	Leisure Centre Foyer Renovation	\$8,000	Reserves

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
	Replace Shade & Blinds at Leisure Centre	\$12,000	Reserves
	Repaint Northern facade to Leisure Centre	\$50,000	Reserves
	Replace floor coverings at Kiosk	\$9,000	Reserves
	Replace Air-conditioning at Gym, Reception & Squash Courts	\$150,000	Reserves
	Replace section of solar heating to swimming pool	\$14,000	Reserves
	Replace shade and rubber soft fall for crèche playground	\$15,000	Reserves
(e)	Complete Indoor Teaching and Rehabilitation Swimming Pool (continued on from 2010/11)	\$30,000	Reserves
(f)	Install inflatable relocatable indoor play area to Auditorium	\$30,000	Revenue
(g)	Install Electronic Community Notice Board	\$9,000	Revenue
<b>Objective 4.06</b>	<b>Maintain and enhance sporting recreation facilities.</b>		
(a)	Continue to maintain sporting & recreation facilities.		Sport & Recreation
(b)	Explore opportunities for expansion of sporting services.		
(c)	Continue to finalise and implement Council's Facilities Maintenance Program, and prepare long term asset renewal program with supporting financial strategy.		
(d)	Continue to support and work as an integral member of the Sport & Recreation Forum.		
(e)	Assist BHP Billiton in integrating improved recreational facilities into Township Master Plan		
(f)	Finalise long term strategy for the development and management of all recreation facilities in Roxby Downs with continued strong partnership with users and sporting clubs.		
(g)	Continue to develop long term recreational facility maintenance and improvement programs		
(h)	Continue to explore possibilities of inclusion of a half court basketball court adjacent to skateboard track	\$25,000	Revenue
(i)	Finalise modest 2009/10 improvements to small oval to formalise a secondary playing pitch to cater for soccer, hockey and rugby.	\$25,000	Reserves
(j)	Reposition exist oval lights to main oval onto small oval to not only improve sport participation in Roxby Downs but also reduce the wear and tear on the main oval. Construction dependent on whether BHP Billiton finance upgrade of main town oval lights and upon funding allocation	\$50,000	Revenue
(k)	Subject to funding construct sail shade over skate park.	\$0	Revenue
(l)	Construct new cricket practice area to a repositioned location on the Main Oval	\$20,000	Reserves

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
<b>Objective 4.07</b>	<b>Maintain and enhance playgrounds public open spaces</b>		
(a)	Continue to maintain open space areas.	Parks & Gardens	
(b)	Continue to support and work as an integral member with Family & Youth Forum and associated playgrounds and Community Garden committees.		
(c)	Continue to develop long term open space and parks and gardens maintenance and improvement programs.		
(d)	Subject to community input and fundraising replace fence and construct paving at Curdimuka St Playground.	\$15,000	Reserves
(e)	Continue to explore possibilities of inclusion of a half court basketball court adjacent to skateboard track	\$15,000	Revenue
(f)	Stage 1 Lions Park Upgrade	\$15,000	Reserves
<b>Objective 4.08</b>	<b>Maintain and enhance the operations of the Roxby Downs Community Library</b>		
(a)	Maintain / increase the number of children's holiday programs and toddler story time.	Library	
(b)	Continued promotion of library services in-house and through local media.		
(c)	Upgrade computers furniture and equipment		
<b>Goal 5 Commercial</b>	<b>Operate Council's commercial businesses in a way that provides excellent service and returns commercial dividends.</b>		
<b>Objective 5.01</b>	<b>Operate Roxby Water as an independent business unit, which provides high quality water and sewerage services and yields commercial dividends.</b>		
(a)	Maintain Roxby Water's Infrastructure Maintenance Program, and prepare long term asset renewal program with supporting financial strategy.	Water & Sewerage	
(b)	Implement major asset replacements.		
Water Supply	Water Meter Replacement Program. Replace water meters from older part of town in vicinity of Stuart Rd	\$100,000	Reserves
	Water Plant & Equipment. Construct small tank for rerouting sample water to landscape areas	\$10,400	Reserves
	Water Meters New	\$10,400	Revenue
	Water Recycling. Construct small pump, tank and filter for cleaning water to dosing booster pump	\$10,400	Revenue
Sewerage Services	Sewer Pump Station Asset Replacements	\$63,700	Reserves
	Sewer Lagoons Capital Replacement Expenses	\$15,100	Reserves

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
(c)	Continue to assist BHP Billiton in the design of water and sewerage infrastructure associated with potential expansion of the town.	Water & Sewerage	
(d)	Continue with marketing campaign to encourage direct debit and credit card payment options for consumers.		
(e)	Explore other methods for retail payments for consumers.		
<b>Objective 5.02</b>	<b>Operate Roxby Power as an independent business unit, which provides high quality electricity services and yields commercial dividends.</b>		
(a)	Maintain Roxby Power's Infrastructure Maintenance Program, and prepare long term asset renewal program with supporting financial strategy.	Electricity Supply	
(b)	Complete major asset replacements.		
Electricity Supply	Meter Purchases	\$38,000	Reserves
	Meter Purchase New	\$10,000	Reserves
	High Voltage Plant. Replacement of transformer SR1 and RM03	\$80,000	Reserves
(c)	Continue to assist BHP Billiton in design of electricity infrastructure associated with potential expansion of the town.	Electricity Supply	
(d)	Continue with marketing campaign to encourage direct debit and credit card payment options for consumers.		
(e)	Explore other methods for retail payments for consumers.		
<b>Objective 5.03</b>	<b>Explore opportunities for additional revenue.</b>		
(a)	Continue to monitor and investigate suitable business opportunities including those from non-traditional areas.	Corporate Services	
(b)	Continue to assist BHP Billiton in relation to Olympic Dam Expansion Study.		
<b>Goal 6 Economic</b>	<b>Stimulate and facilitate economic development.</b>		
<b>Objective 6.01</b>	<b>Support and development of Tourism opportunities in Roxby Downs.</b>		
(a)	Continue to operate Visitor Information Centre notwithstanding withdrawal of financial support from Tourism SA	Tourism	
(b)	Continue to support Tourism		



DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING
<b>Objective 6.02</b>	<b>Enhance economic and business operations in Roxby Downs.</b>	
(a)	Provide support to retailers, commercial operators and contractors to reinvigorate and unite as a cohesive and vibrant business sector as envisaged in the 2005 Community Plan	Business
(b)	Support actions as they arise from an established peak business body.	
(c)	Support actions to investigate and advocate on behalf of business to address factors such as housing and accommodation that adversely affect local business.	
(d)	Develop and implement strategies to aid in the cohesive future development of the business sector.	
(e)	Maintain Council as a resource partner with the Far North RDA and explore potential opportunities for business services to be continued to be delivered from within Roxby Downs.	
(f)	Engage a Business Marketing Consultant to work with the business community to facilitate business and other community economic development actions.	
<b>Goal 7 Environment</b>	<b>Manage the urban and natural environment in a sustainable manner.</b>	
<b>Objective 7.01</b>	<b>Provide environmentally sound, convenient and timely waste management services.</b>	
(a)	Operate domestic garbage collection and street bin collection service.	Garbage Collection
(b)	Undertake regular street cleaning and litter collection.	Street Cleaning
(c)	Develop a range of litter control strategies to minimise discarded litter.	
(d)	Support where appropriate environmental actions of the Environment Forum.	Environment
(e)	Review operation of and scope of the Commercial Waste Levy.	Landfill & Recycling
(f)	In conjunction with BHPB and the State Government explore funding opportunities for a significant upgrade to the Opal Road landfill site in accordance with EPA requirements that incorporates expanded recycling facilities.	
(g)	In conjunction with BHP Billiton, review short and long term structural costs for integrated waste management including possibilities of introducing kerbside recycling. In the meantime continue to encourage local recycling efforts.	Garbage Collection Landfill & Recycling
(h)	Explore increase and varied waste collection, recycling and disposal options through a new tender process.	

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING	
(i)	Subject to funding assistance, in partnership with BHP Billiton employ an Environment Officer to assist in implementing appropriate strategies	Landfill & Recycling Water Supply Electricity Supply Streetscaping	
	Environment Officer Employment per annum for 3 years	\$40,000	Revenue
		\$40,000	Grants
<b>Objective 7.02</b>	<b>Provide effective dog and cat management to suit out locality</b>		
(a)	Subject to allocation of appropriate resources, work on actions as identified in Council's Animal Management Plan	Dogs & Cats	
(b)	Upgrade dog pound. (continued from 2008/09)	\$30,000	Reserves
<b>Objective 7.03</b>	<b>Preserve and enhance native vegetation and significant trees.</b>		
(a)	Continue to lobby BHP Billiton to upgrade Crown Land Township Reserve areas to an acceptable standard.	Parks & Gardens	
(b)	Develop and promote Council's "adopt a verge" redevelopment program whereby Council supports in partnership with residents and owners joint development of the roadside verge.	Streetscaping	
(c)	Explore additional funding opportunities for an accelerated tree planting program in public areas and streetscape verge areas		
<b>Objective 7.04</b>	<b>Reduce energy consumption and encourage the use of renewable energy.</b>		
(a)	Continue to encourage the installation of household photovoltaic arrays through current power buyback tariffs rate and provide information on concerning Government rebates on solar hot water systems.	Environment	
(b)	Continue to assist customers in energy conservation including implementing energy audits.		
(c)	Subject to funding assistance, in partnership with BHP Billiton employ a Project Officer (Environment Initiatives) to assist in implementing appropriate strategies		
<b>Objective 7.05</b>	<b>Reduce water consumption and promote storm water and effluent reuse.</b>		
(a)	Develop and implement appropriate water conservation policies including improvements to development plans and guidelines and land management agreements.	Building & Planning	
(b)	Participate in suitable programs to highlight to the community existing and future water conservation initiatives to educate the community to conserve water.	Environment	
(c)	Improve integration of stormwater into effluent lagoons for reuse.	Environment	
(d)	Subject to funding assistance, in partnership with BHP Billiton employ a Project Officer (Environment Initiatives) to assist in implementing appropriate strategies	Water Supply Environment	

DESCRIPTION 2011/12 ANNUAL BUSINESS PLAN ACTIONS		FUNCTION ALLOCATION & FUNDING
<b>Objective 7.06</b>	<b>Undertake suitable control of pest plants.</b>	
(a)	Provide support and participate in representative bodies concerned with land resource management.	Environment
(b)	Support regional weed strategy	
(c)	Implement a local community education campaign concerning control and management of pest plants	Environment
<b>Objective 7.07</b>	<b>Monitor and address noise related issues.</b>	
(a)	Undertake appropriate education and where appropriate, enforcement of provisions in relation to noise.	Environment
(b)	Explore opportunities for implementation of appropriate noise control by-laws.	
<b>Objective 7.08</b>	<b>Raise community awareness of Environmental issues</b>	
(a)	Assist and work with Environmental Forum in relation to Environmental issues.	Environment
(b)	Subject to funding assistance, in partnership with BHP Billiton employ an Environment Officer to assist in implementing appropriate strategies	

## **12. BUDGET STATEMENTS**

The following Budget Statements are attached

Comprehensive Income Statement

Balance Sheet

Statements of Changes in Equity

Statements of Cash Flows

Financial Indicators

Uniform Presentation of Finances

**STATEMENT OF COMPREHENSIVE INCOME**

(All figures \$000's)	Projected 2010/11	Budget 2011/12
<b>Income</b>		
Rates	3,037	3,350
Statutory Charges	85	60
User Charges	8,460	9,438
Grants subsidies and contributions	269	223
Municipal Deficit Funding	600	1,200
Investment Income	135	120
Reimbursements	123	115
Other Revenues	1,910	2,284
Share of loss - joint ventures & associates	0	0
<b>Total Revenue</b>	<b>14,618</b>	<b>16,790</b>
<b>Expenses</b>		
Employee Costs	1,678	2,055
Materials contracts & other expenses	11,260	13,124
Finance Costs	20	22
Depreciation amortisation & impairment	2,309	2,309
Share of profit - joint ventures & associates	0	0
<b>Total Expenses</b>	<b>15,267</b>	<b>17,510</b>
<b>Total Operating Surplus / (Deficit) before Capital Amounts</b>	<b>(650)</b>	<b>(720)</b>
Municipal Distribution	0	0
<b>TOTAL OPERATING SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS AFTER MUNICIPAL DISTRIBUTION</b>	<b>(650)</b>	<b>(720)</b>
Net gain (loss) on disposal or revaluation of assets	0	0
Amounts specifically for new or upgraded assets	70	0
Physical Resources Received Free of Charge	0	0
<b>Total Comprehensive Income</b>	<b>(580)</b>	<b>(720)</b>

**SECTION 5B(b) OPERATING INCOME EXPENDITURE STATEMENT**

The projected operating income is **NOT** sufficient to meet projected operating expenses for the 2011/12 Financial Year. This is highlighted by the above amounts of operating surplus / (deficit) before Capital Amounts.

**BALANCE SHEET**

(All figures \$000's)

	Projected 2010/11	Budget 2011/12
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash & Cash Equivalents	4,515	4,234
Trade & Other Receivables	3,632	3,632
Other Financial Assets	0	0
Inventories	12	12
	<u>8,159</u>	<u>7,878</u>
Non-Current Assets held for sale	0	0
<b>Total Current Assets</b>	<u>8,159</u>	<u>7,878</u>
<b>Non-Current Assets</b>		
Financial Assets	20	20
Equity Accounted investments in Council businesses	0	0
Investment Property	0	0
Infrastructure, property, plant & equipment	96,793	96,354
<b>Total Non-Current Assets</b>	<u>96,813</u>	<u>96,374</u>
<b>Total Assets</b>	<u>104,971</u>	<u>104,251</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trades & other payables	1,729	1,729
Borrowings	0	0
Short Term Provisions	93	93
Other Current Liabilities	0	0
	<u>1,822</u>	<u>1,822</u>
Liabilities relating to Non Current Assets held for sale	0	0
<b>Total Current Liabilities</b>	<u>1,822</u>	<u>1,822</u>
<b>Non-Current Liabilities</b>		
Trade & Other Payables	0	0
Long Term Borrowings	0	0
Long Term Provisions	28	28
Other Non Current Liabilities	0	0
<b>Total Non-Current Liabilities</b>	<u>28</u>	<u>28</u>
<b>Total Liabilities</b>	<u>1,850</u>	<u>1,850</u>
<b>NET ASSETS</b>	<u>103,121</u>	<u>102,401</u>
<b>EQUITY</b>		
Accumulated Surplus	26,002	25,563
Asset Revaluation Reserve	72,088	72,088
Other Reserves	5,032	4,751
<b>TOTAL EQUITY</b>	<u>103,122</u>	<u>102,402</u>

**STATEMENT OF CHANGES IN EQUITY**

(All figures \$000's)

	Projected 2010/11	Budget 2011/12
<b>ACCUMULATED SURPLUS</b>		
Balance at end of previous reporting period	26,873	26,002
Net result for Year	(580)	(720)
Transfer to Reserves	(1,400)	(1,238)
Transfer from Reserves	1,108	1,519
Balance at end of period	26,002	25,563
<b>ASSET REVALUATION RESERVE</b>		
Balance at end of previous reporting period	72,088	72,088
Gain on revaluation of infrastructure, property plant & equipment	0	
Transfer to accumulated surplus on sale of infrastructure, property, plant & equipment	0	0
Balance at end of period	72,088	72,088
<b>OTHER RESERVES</b>		
Balance at end of previous reporting period	4,741	5,032
Transfers from Accumulated Surplus	1,400	1,238
Transfers to Accumulated Surplus	(1,108)	(1,519)
Balance at end of period	5,032	4,751
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>103,122</b>	<b>102,402</b>
Total of all revenues recognised directly in equity	0	0
Total of all expenses recognised directly in equity	0	0
<b>NET CHANGE IN EQUITY</b>	<b>0</b>	<b>0</b>

**CASH FLOW STATEMENT**

(All figures \$000's)

	Projected 2010/11	Budget 2011/12
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<u>Receipts</u>		
Operating receipts	14,483	16,670
Investment receipts	135	120
<u>Payments</u>		
Operating payments to suppliers & employees	(12,939)	(15,179)
Finance payments	(20)	(22)
Net Cash provided by (or used in) Operating Activities	1,660	1,589
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Grants specifically for new or upgraded assets	70	0
Sale of replaced assets	0	0
Sale of surplus assets	0	0
Sale of investment property	0	0
Net disposal of investment securities	0	0
Sale of real estate developments	0	0
Repayments of loans by community groups	0	0
Distributions received from associated entities	0	0
<u>Payments</u>		
Expenditure on renewal/replacement of assets	(1,214)	(1,697)
Expenditure on new/upgraded assets	(224)	(173)
Purchase of investment property	0	0
Net purchase on investment securities	0	0
Development of real estate for sale	0	0
Loans made to community groups	0	0
Capital contributed to associated entities	0	0
Net Cash provided (or used in) Investing Activities	(1,368)	(1,870)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<u>Receipts</u>		
Proceeds from Borrowings	0	0
Proceeds from Aged Care Facilities	0	0
<u>Payments</u>		
Repayments of Borrowings	0	0
Repayment of Finance Lease Liabilities	0	0
Repayment of Aged Care Facility deposits	0	0
Net Cash provided by (or used in) Financing Activities	0	0
Net Increase / (Decrease) in cash held	292	(281)
Cash & equivalents at beginning of period	4,223	4,515
Cash & equivalents at end of period	4,515	4,234



**FINANCIAL INDICATORS**

	Projected 2010/11	Budget 2011/12
<b>Operating Surplus</b> <i>Being the operating surplus (deficit) before capital amounts</i>	(650)	(720)
<b>Operating Surplus Ratio</b> <i>Being the operating surplus (deficit) as a percentage of general &amp; garbage rates</i>	-21.4%	-21.5%
<b>Net Financial Liabilities</b> <i>Being the total liabilities less financial assets (excluding equity accounted investments in Council businesses)</i>	(10,009)	(9,728)
<b>Net Financial Liabilities Ratio</b>	68.5%	57.9%
<b>Interest Cover Ratio</b> <i>Finance Costs less investment income divided by total operating revenue</i>	-0.8%	-0.6%
<b>Asset Sustainability Ratio</b> <i>Capital expenses on renewal/ replacement assets less sale of replaced assets divided by depreciation</i>	52.6%	73.5%
<b>Asset Consumption Ratio</b> <i>Carrying value of depreciable assets divided by total value of depreciable assets</i>	80.0%	80.0%
<b>Roxby Power &amp; Water Commercial Distribution</b> <i>Return on assets as a % of the written downs value of electricity and water &amp; sewerage assets</i>		
<b>Roxby Power</b>	0.0%	0.0%
<b>Roxby Water</b>	2.9%	3.1%
Water	2.8%	3.5%
Sewerage	3.0%	2.9%
<b>Municipal Deficit</b> <i>Municipal deficit as a percentage of rate revenue</i>	19.8%	35.8%
<i>Municipal deficit as a percentage of operating expenses</i>	3.9%	6.9%

**UNIFORM PRESENTATION OF FINANCES**

(All figures \$000's)	Projected 2010/11	Budget 2011/12
Operating Revenues	14,618	16,790
less Operating Expenses	15,267	17,510
Operating Surplus / (Deficit) before Capital Amounts	(650)	(720)
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal & replacement of existing assets	1,214	1,697
less Depreciation	2,309	2,309
less Proceeds from sale of replaced assets	0	0
	(1,095)	(612)
 <i>less Net outlays on new and upgraded assets</i>		
Capital Expenditure on new or upgraded assets	224	173
less Amounts received specifically for new & upgraded assets	70	0
less Proceeds from sale of surplus assets	0	0
	154	173
 <b>Net Lending / (Borrowing) for Financial Year</b>	 292	 (281)

*This is a consolidated summary of Council's operations. Separate funding arrangements and restrictions under the Indenture for the operations of the Council's Municipal Operation, Roxby Power and Roxby Water need to be recognised.*