



Port Pirie
Regional
Council

2012-2013

Annual
Business
Plan



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FOREWORD - Mayor

It gives me great pleasure to present Port Pirie Regional Council's 2012/13 Annual Business Plan and Budget for the ensuing year. These documents seek to expand on Council's recent efforts to provide the services and infrastructure required by the community in a financially responsible manner, having regard to Council's limited resources.



Your Council has worked hard over recent years to position itself financially to continue to deliver a high level of services to the community, and to address the growing infrastructure backlog associated with funding constraints and ageing infrastructure. This has been able to occur while maintaining a relatively low level of rates.

Major Projects

The coming year represents a year of consolidation following successful aggressive attempts to attract grant funds, which were supported by loan funds and asset sales, for major projects including:

- \$4.2 million new Library (opened October 2010);
- \$1 million upgrade of Port Pirie Swimming Pool (opened November 2009);
- \$5 million Water Reuse Scheme in conjunction with Nyrstar (estimated completion June 2012);
- \$3 million Waste Facility (estimated completion September 2012);
- \$3 million Florence Street Underground Power (completed January 2012).

In addition, a number of smaller grants around the region have been secured.

Key Priorities

Council's key priorities for the coming year include:

- Maximising the opportunities available from the expected mining boom in the north and east of the State;
- Implementation of Council's Waste Management Strategy, including the provision of kerbside recycling and upgrade to the Port Pirie Waste Transfer Station;
- Review of Council's long term Financial Plan (draft tabled Council Meeting, March 2012), Asset Management Plan and 5 year Capital Works Plan;

- Implementation of Council's Business Improvement Program.

The Annual Business Plan and Budget provides for a range of service improvements, as well as for the renewal and provision of new infrastructure to enhance the appeal of the Council area totaling \$7.4 million and include:

• Cemeteries	\$ 26,000
• Crystal Brook and Napperby CWMS	\$ 120,000
• Crystal Brook Community Bus	\$ 60,000
• Crystal Brook Swimming Pool	\$ 37,000
• Footpaths Rural	\$ 20,000
• Footpaths Urban	\$ 50,000
• Kerbing and Verge Sealing	\$ 70,000
• Library Carpark and Landscaping	\$ 200,000
• Machinery Capital	\$ 290,000
• Miscellaneous	\$ 234,000
• Parks and Recreation	\$ 125,000
• Property Improvements	\$ 230,000
• Reseals	\$ 184,000
• Resheeting	\$ 600,000
• Road Reconstruction	\$ 457,000
• Roads to Recovery	\$ 320,000
• Urban Stormwater	\$ 780,000
• Waste Management	\$3,350,000

Cost Increases

Council has faced enormous cost pressures in its 2012/13 budget primarily as a result of various government imposts. For instance, waste costs would need to increase by \$2.5 million (equivalent to 23% of rate revenue) in order to meet EPA requirements; the Federal Government's carbon tax will add an estimated 1-2% to Council's cost base; CPI increase on all other goods is expected to be around 3%, leading to a total cost increase equivalent to 28% of rate revenue.

FOREWORD – Mayor (Cont'd)

Council has worked hard in preparing this budget to minimize the impact of these externally imposed cost increases on its residents. This has involved implementing a number of cost saving and efficiency gains, as well as a general restraint on expenditure.

Introduction of Charge for Waste

The budget provides for the introduction of a Waste Management service charge of \$150 and an average rate increase of 8% (or \$70) for residential ratepayers.

Whilst this increase may be slightly higher in percentage terms than some of our neighboring Councils, residents are reminded that Port Pirie Regional Council enjoys some of the lowest residential rates in the State. This situation was confirmed following an independent review of Council's rating structure in 2011. That is, due to good financial management over many years, your Council has been able to deliver a massive capital works program, while keeping user charges and rates to a minimum.

This planned and managed increase in rates, together with containment of expenditure and increases in grant revenue, are considered the keys to achieving sustainability in Council's operations and the delivery of the desired levels of capital expenditure.

Community Consultation

The major part of the Annual Business Plan and Budget process is to make the draft plan available for community comment and feedback prior to its adoption by Council.

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The draft 2012/13 Annual Business Plan and Budget were released for public consultation on 28 May 2012 for a period of 28 days.

Various methods of consultation were used including newspaper, radio and television, a special budget edition of the 'Pirieodical' newsletter and information provided at Council's offices, libraries and website. In addition, a Public Information Forum was held in the Council Chambers on 13 June 2012.

Despite a limited response, Council appreciates this opportunity for the community to contribute to the process and will endeavor to include these suggestions into current and future planning.

Mayor Brenton Vanstone



INTRODUCTION – Chief Executive Officer

Port Pirie Regional Council aims to achieve a balance of financial, environmental, social and political goals that reflect both the short term and long term needs of the wider community.

The plan contains a commitment to continue with existing services and to maintain current service levels, combined with a review of delivery options in order to identify efficiency gains.

The following aspects have been specifically considered in preparing this year’s Annual Business Plan:

- A planned and managed increase in property rates (excluding growth).
- An adequate level of capital expenditure to maintain infrastructure at required service levels.
- External funding sources are fully exploited.
- Service guidelines are met in a timely manner.
- Continued implementation of improved efficiencies.
- Activities are achieved within budget allocation.
- Achieve a positive operating result.

An internal program has been implemented to improve the efficiency and effectiveness of Council’s operation, as well as improve its financial sustainability. This *Business Improvement Program* has a number of key elements including:

1. Completion of the Long Term Financial Plan.
2. Undertake a review of current rates and rating structure.
3. Improving the management of Council’s Assets
4. Improve reporting, accountability and transparency.
5. Review and document service levels.
6. Identifying savings and efficiency gains in Council’s operations.

This Plan has not been prepared in isolation. Throughout the document, reference and linkages have been made to Council’s Strategic Plan and its various other planning documents.

Council’s Annual Business Plan is the principal document used to implement the initiatives and strategies identified in its various planning documents. That is, until these initiatives are priorities, included in the Annual Business Plan and resourced, they are not able to be implemented. The figure below indicates the relationships between these various plans and the Annual Business Plan.



Council will be presented with a number of challenges during the coming years. The table over the page highlights some of these challenges. Source: *Local Government Grants Commission data 2009/10.*

When compared to the other Provincial Cities in the State, Port Pirie Regional Council has a larger area (except for Murray Bridge); maintains significant more roads; has the lowest average residential rates and has the lowest level of borrowing, while maintaining close to the largest amount of infrastructure assets.

INTRODUCTION – Chief Executive Officer (Cont'd)

	Port Pirie RC	Whyalla	Port Augusta	Mount Gambier	Port Lincoln	Murray Bridge
Population	18,253	23,214	14,784	26,128	14,726	19,577
Area (ha)	178,281	107,177	118,856	3,420	3,207	182,434
Ave Taxable Income	\$36,583	\$44,052	\$39,086	\$38,142	\$39,259	\$31,862
Km of Roads	1,175	349	409	198	158	975
Rate Income	\$8.7m	\$12.1m	\$11.0m	\$12.7m	\$7.9m	\$13.8m
Rateable Properties	10,039	11,957	7,472	13,801	8,266	11,261
Capital values	\$1,938m	\$2,440m	\$1,624m	\$2,879m	\$2,199m	\$2,488m
Ave Residential rate	\$689	\$983	\$1,390	\$856	\$950	\$1,188
Total Operating Income	\$15.2m	\$22.5m	\$26.0m	\$18.7m	\$11.7m	\$27.9m
Employee No	96	141	199	107	47	169
Employee Costs	\$5.4m	\$8.8m	\$12.8m	\$6.6m	\$2.90m	\$9.8m
Capital Expenditure	\$9.4m	\$7.8m	\$4.8m	\$8.5m	\$3.88m	\$9.9m
Infrastructure Assets	\$108.9m	\$113.3m	\$30.8m	\$43.6m	\$51.0m	\$59.6m
Borrowings	0	\$11.1m	\$13.8m	\$5.9m	\$0.6m	\$10.6m

This will make it increasingly difficult to continue to provide new and improved assets for the community while maintaining a large ageing and deteriorating asset base.

The Council faces several major challenges in the coming years and it has actively sought to address these through better planning practices, improved level of involvement by the community through consultation, and building co-operative relationships with local and regional groups.

Ageing Infrastructure

The first challenge relates to the ageing infrastructure maintained by Council. The condition of road infrastructure, which has been identified as a major concern, is further compounded by the lack of funds to return these assets to a more acceptable service level.

Other ageing infrastructure required to be maintained by Council include footpaths, lighting, stormwater drainage, street trees and plantings, open space and Council properties.

Council has been very successful in securing a high level of grant funding in recent years. However funding is unlikely to continue at this high level as a result of State and Federal Governments tightening their finances and repaying the debts incurred in the last few years.

Funding programs have also generally become more difficult to access, more competitive in their nature, and many require a greater applicant contribution (generally 1:1), which can be restrictive when trying to access large amounts of funding.

Council's previous budgets have also been artificially high as a result of loan borrowings, asset sales, and the reduction of cash holdings being used to fund a large capital works program. This large works program is not sustainable in the long term, particularly when these once-off funding sources are spent.

Changing Needs

The final challenge relates to Council's ability to continue to respond to the changing needs of the community to meet the increasing expectations and demands for both new and improved services.

As the region grows, Council will face increasing pressures on its resources to deliver more and more services. This is in an environment where these increased expectations are required to be funded by some of the lowest level of rates and user charges in the State.

INTRODUCTION – Chief Executive Officer (Cont’d)

Level of Service

As a result, Council and the community will need to determine what level of service they are prepared to pay for, as there is currently a large gap between what the community want Council to deliver and what it currently pays.

To resolve this issue, Council intends, during the next twelve months, to review its current service levels, its 5 year Capital Works Plan and the funding of these. This will be done with significant community input as these are important decisions for the region’s future.

The year ahead holds much promise with a large Capital Works Program planned to improve the quality of life for all residents and will assist our efforts to attract more people and business to the area.

Dr Andrew Johnson B.Ec (Acc) FCPA LGMA MBA PhD
Chief Executive Officer

FINANCIAL SUMMARY

FINANCIAL PERFORMANCE

Council's operations and financial performance are measured by five (5) sustainability indicators, which are tabulated below and discussed in more detail on the following pages.

More detail is also provided in Council's draft 2012/13 Budget (Attachment 1) which contains the Budgeted Financial Statements and Financial Indicators.

KEY FINANCIAL INDICATORS	2011	2012	2012	2013
	Actual	Adopted Budget	BR4 Forecast	Budget
	\$	\$	\$	\$
Operating Surplus (Deficit)	(3,458,949)	(4,190,319)	270,408	(3,519,361)
Operating Surplus Ratio	(36%)	(40%)	15%	(29%)
Net Financial Liabilities	3,478,049	11,851,583	765,807	5,350,752
Net Financial Liabilities Ratio	21%	67%	4%	31%
Asset Sustainability Ratio	53%	57%	54%	60%

Table: Financial Sustainability Indicators

Operating Result and Indicators

The 2012/13 Budgeted Income Statement shows an Operating Deficit (before Capital Revenues and Expenditure) of \$3.52 million.

The **Operating Surplus/ (Deficit)** indicator is the measure of the difference between operating income and operating expenses for the year. An operating surplus (deficit) arises when operating revenue exceeds (is less than) operating expenses.

Council policy states that Council's target for this indicator is an Operating Surplus equal to approximately \$800,000. A more realistic short term target might be a balanced bottom line, ie operating income is equal to operating expenditure.

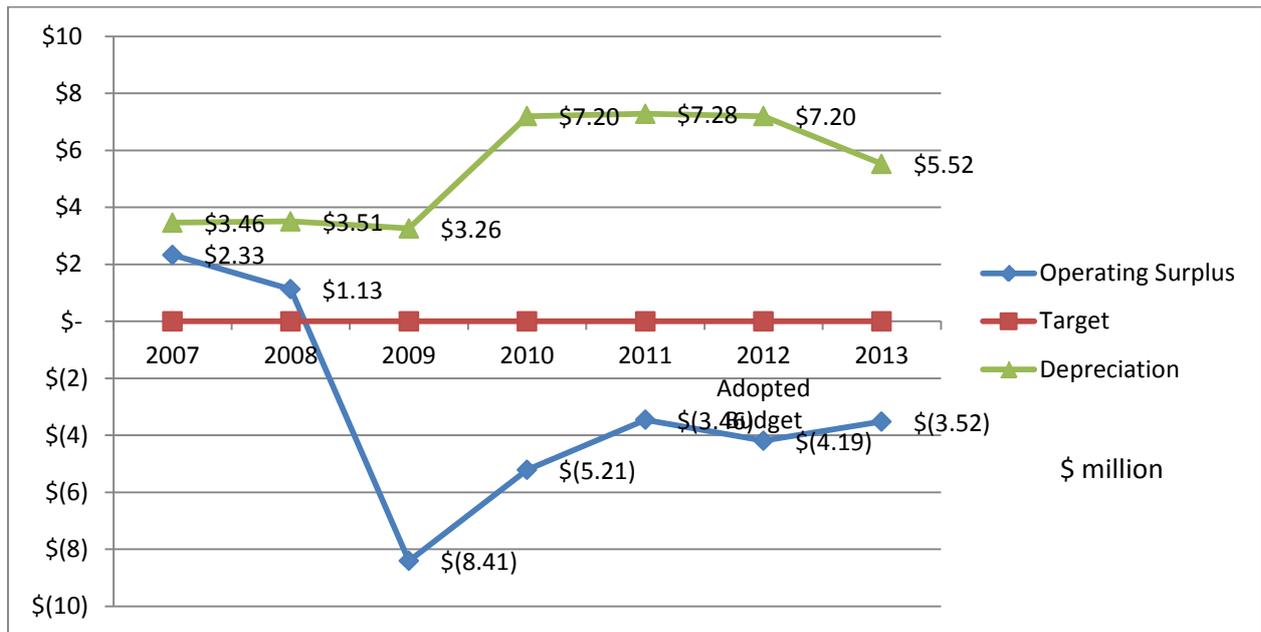
Port Pirie Regional Council does not meet its target for this indicator for the 2012/13 Budget. This is a result of the Commonwealth Government prepaying 50% of Council's 2012/13 Financial Assistance Grant in 2011/12 and only receiving the balance in 2012/13. The result of this is a \$2.35 million reduction in income in 2012/13 and a corresponding increase in 2011/12.

Depreciation

The other major issue affecting the predicted result for 2012/13 is Council's high level of depreciation, relative to previous years and relative to comparable Councils. The spike in depreciation (refer graph below) resulted from the revaluation of infrastructure assets in 2010/11. Council staff will be working with its consultant valuer to review depreciation rates with a view to ensuring that they accurately reflect current rates of asset deterioration and residual values. If not for these two items (early payment of grant and depreciation), it would be expected that Council may have achieved a near break even budget for 2012/13.

The **Operating Surplus Ratio** expresses the operating surplus as a percentage of general and other rates, net of the NRM levy. Council's target for this indicator is 10% or greater. Based on the 2012/13 budget the ratio is (29%), which is below the target set by Council policy.

FINANCIAL SUMMARY (Cont'd)



The graph above highlights the movements in Council's Operating Result for the last few years.

Financial Position

The **Net Financial Liabilities indicator** is the measure of the difference between the amount owed and the amount of money held. This includes all financial assets and obligations including trade payables and provisions for employee entitlements like Long Service Leave and Annual Leave. It shows the net amount of Financial Liabilities not covered/ (covered) by Financial Assets. Council's budgeted Net Financial Liabilities for 2012/13 are \$5.3 million.

The **Net Financial Liabilities Ratio** measures the significance of the amount owed, the extent to which the net financial liabilities can be met by operating revenue. A ratio trend that is reducing indicates the capacity to meet financial obligations is improving. Council's budgeted ratio for the 2012/13 financial year is 31% compared to 4% (budgeted) for the 2011/12 financial year and 21% for the 2010/11 financial year.

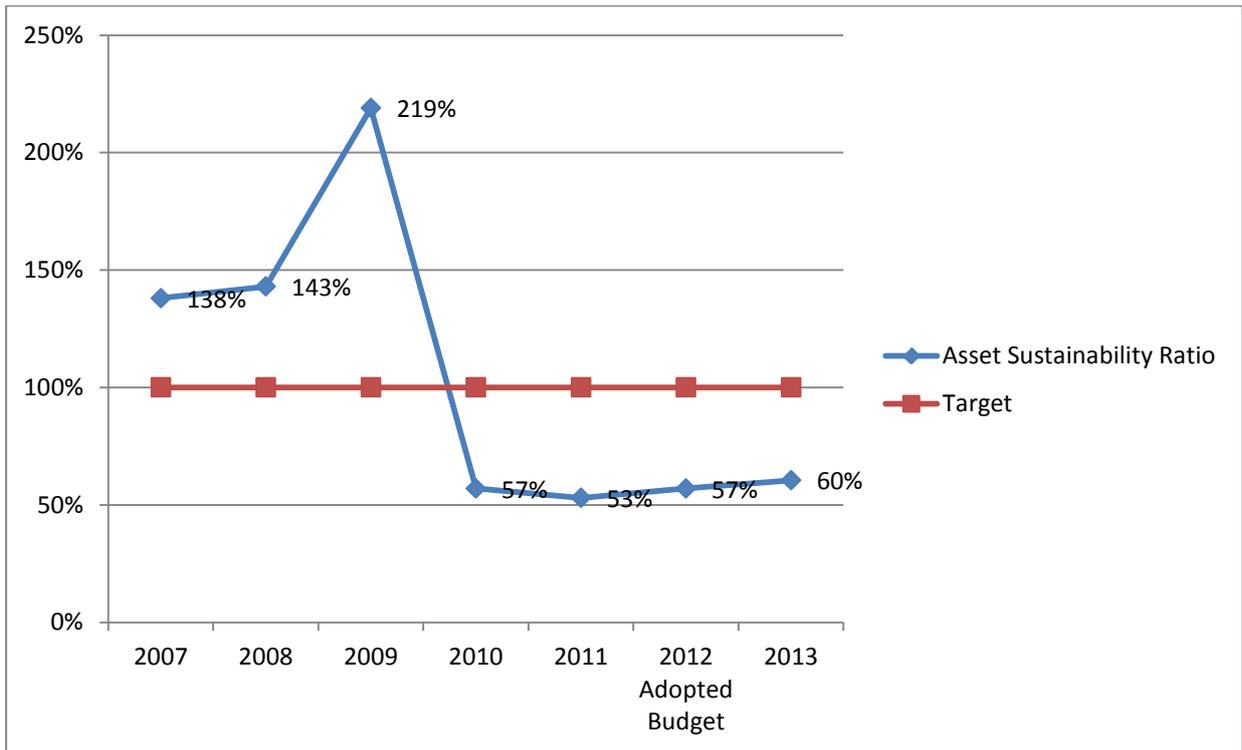
Asset Sustainability

The commitment to address the infrastructure renewal and replacement backlog is a strong focus of the Strategic Plan and is evident again in the 2012/13 Annual Business Plan and Budget.

The Key Performance Indicator that measures this is the **Asset Sustainability Ratio**, which measures whether existing non-financial assets are being renewed or replaced at the same rate that they are being consumed.

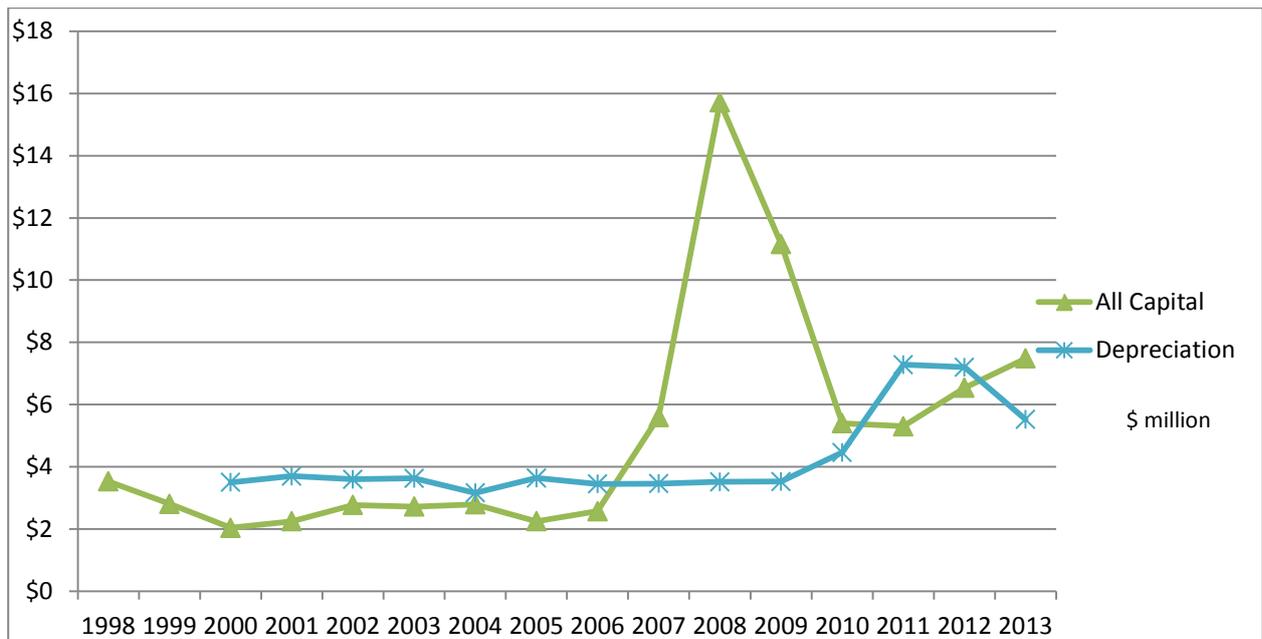
If capital expenditure on the renewal or replacement of existing assets is at least equal to depreciation on average over time, then the value of existing assets is maintained. If the measure is negative, then the financial sustainability will be undermined due to the high cost of maintaining assets that have exceeded their economic life.

FINANCIAL SUMMARY (Cont'd)



The graph above shows the movements in this indicator over the last few years.

The minimum target for this indicator is ideally 100% ie assets are being renewed or replaced at a level equal to depreciation, however a more realistic short term target could be 75%. Based on the draft 2012/13 Budget, the ratio is 60% which is below the required target. Increased operating costs in the area of waste management have used up funds that would normally be put into renewal and upgrade of existing assets.



The graph above shows the trend in capital expenditure against depreciation expenses over recent years.

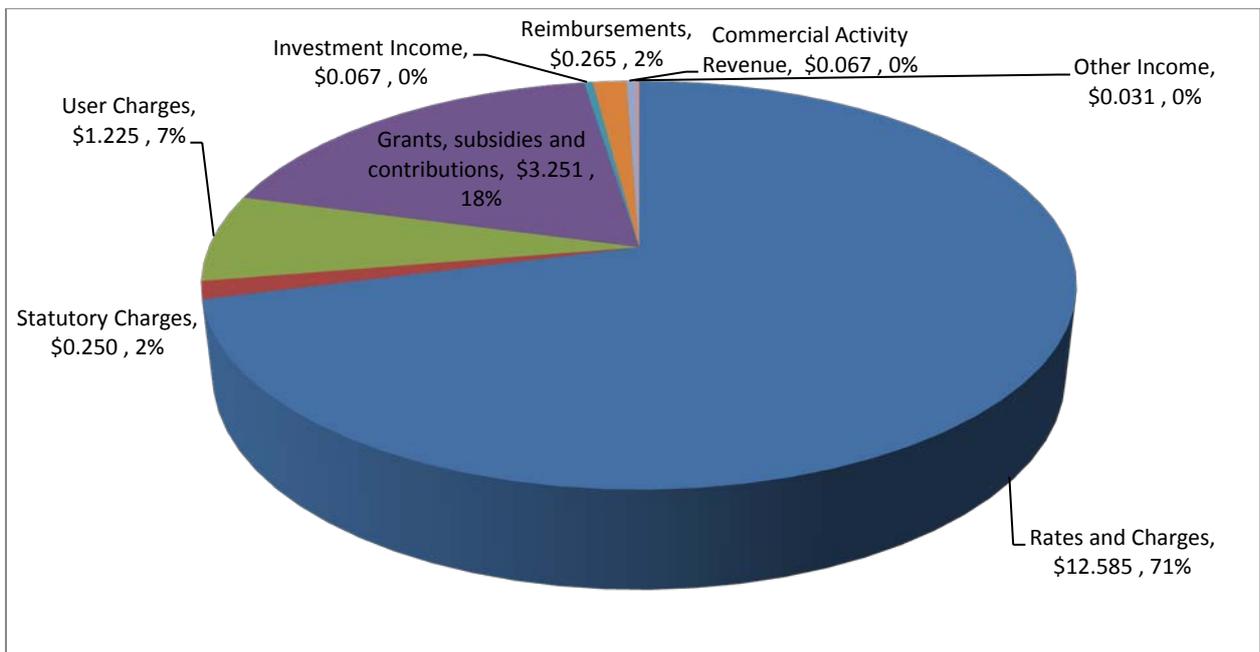
FINANCIAL SUMMARY (Cont'd)

The proposed outcomes of the Annual Business Plan are funded by way of the annual budget. All necessary and desired expenses for the year are considered within the parameters of the Strategic, Long Term Financial, Asset and Infrastructure and Capital Works Plans.

REVENUE

The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through property rates and other sources. These include fees and charges, investment income, reimbursements, contributions, donations, sale of surplus assets and commercial activity.

The graph below highlights the key areas of Council's predicted operating income for 2012/13 (\$million).

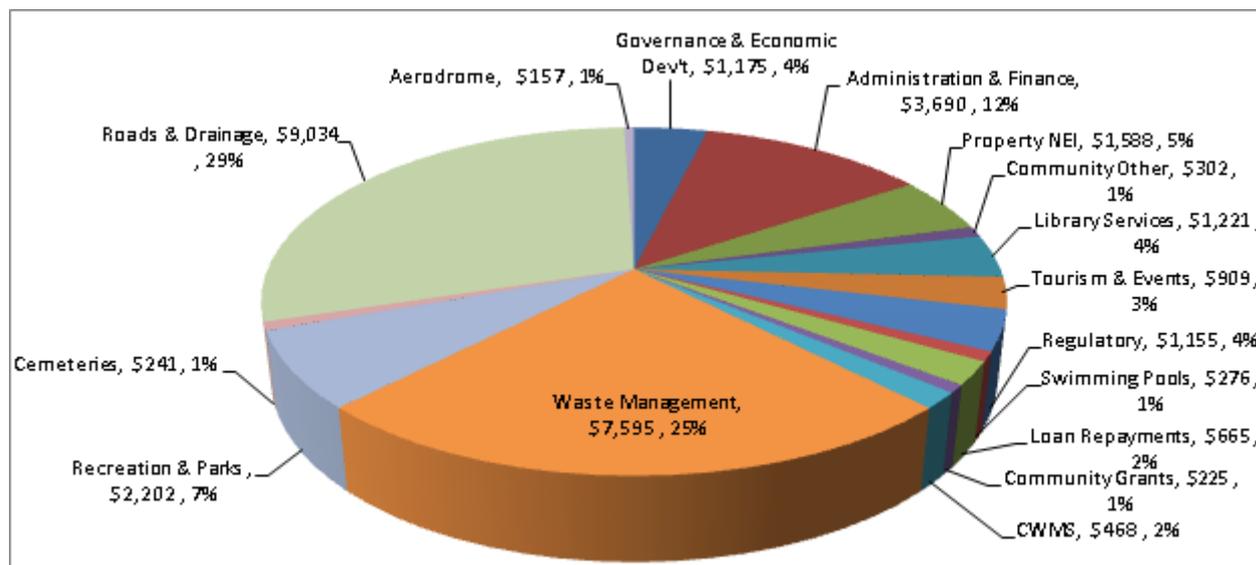


EXPENDITURE

The proposed total budget expenditure for 2012/13 is \$23.17 million (excluding depreciation) and consists of approximately \$15.74 million operational expenditure and \$7.4 million capital expenditure. Budget allocations for operating or recurrent expenditure are shown on the Income Statement whilst Capital Expenditure is shown separately on the Cash Flow Statement (Attachment 1). The graph below highlights the key areas of Council's predicted total expenditure (Operating and Capital Expenditure) for 2012/13 (\$'000).

FINANCIAL SUMMARY (Cont'd)

TOTAL EXPENDITURE (OPEX and CAPEX) \$'000



PROPOSED CAPITAL EXPENDITURE - \$7.4 M

Council's capital expenditure in 2012/13 is approximately \$7.4 million of which \$4.1 million is for new assets, with the remainder (\$3.3m) on renewal and upgrade of existing assets. Major expenditures of 3.3 million are planned on Waste Management infrastructure, and a further \$0.6m on new stormwater drainage infrastructure.

It is proposed that a loan of \$2 million will be required to fund the completion of Council's new waste transfer station. This amount includes unspent grant monies from 2011/12.

FINANCIAL SUMMARY (Cont'd)

Proposed Capital Works 2012/13

MISCELLANEOUS	\$494,000	556 - COMMUNITY AMENITIES	\$26,000
Office Furniture & Fittings	\$5,000	Warnetown Cemetery Niche Wall	\$12,000
IT Hardware	\$34,000	Port Pirie Cemetery - Rose garden memorial extn	\$8,000
Vehicle Replacements x2	\$65,000	Port Pirie Cemetery - Resealing of internal roads	\$6,000
Elected Member Vehicle	\$35,000	561 - URBAN STORMWATER	\$780,000
Library Management System Software Upgrade	\$30,000	Cunningham Street, Crystal Brook	\$600,000
CB Caravan Park	\$25,000	Land Purchase	\$80,000
Lawrie Park RV Improvements	\$5,000	Other works to be determined (inc Napperby)	\$100,000
Aerodrome Runway Improvements	\$20,000	564 - ROAD RECONSTRUCTION	\$457,000
Art Gallery - Convert Shop to Kitchen/Storage	\$10,000	Road sections to be determined	\$150,000
Tourism Visual Promotion equipment	\$5,000	Senate/Goode Roads Reconstruction	\$70,000
Library Landscaping and Carpark	\$200,000	RCSU Levee Works	\$142,000
CB Community Bus and Shed	\$60,000	Bridge Renewals	\$95,000
270 - PROPERTY IMPROVEMENTS CAPITAL	\$230,000	565 - RESEALS	\$184,000
Senior Citz Roof	\$65,000	Kingston Road reseal	\$76,000
Senior Citz Airconditioning	\$65,000	Sims Hill Road - Bridge approaches	\$8,000
Council Office Airconditioning	\$100,000	Road sections to be determined	\$100,000
465 - EFFLUENT DRAINAGE - CAPITAL	\$120,000	566 - RESHEETING	\$600,000
Crystal Brook CWMS Upgrade	\$70,000	New 5 year program to be determined	\$600,000
Napperby CWMS Improvements	\$50,000	567- KERBING AND VERGE SEALING	\$70,000
477 - SWIMMING POOLS	\$37,000	Pelham Road - The Terrace to Senate Road	\$70,000
CB - Tiles (lip of pool), Replace pipe (shed area)	\$20,000	568 - FOOTPATHS URBAN	\$50,000
CB - Control joints in pool	\$13,000	Mary Elie Street - Ellen to Florence (N side)	\$50,000
CB - Replace float valve in balance tank	\$2,000	569 - FOOTPATHS RURAL	\$20,000
CB - Replace ladders in pool	\$2,000	Sections to be determined	\$20,000
551 - WASTE MANAGEMENT	\$3,350,000	570 - ROADS TO RECOVERY	\$595,000
Transfer Station construction	\$3,200,000	Cattle Track Road - final seal	\$175,000
Transfer Station completion	\$150,000	Unspent R2R Projects from 11/12	\$100,000
552 - SPORT AND REC	\$95,000	Road reseals	\$320,000
Crystal Brook Skatepark and Surrounds	\$95,000	579 - MACHINERY CAPITAL	\$290,000
555 - GARDENS	\$30,000	Front deck mower	\$80,000
Osborne Park Playground Replacement	\$30,000	Skid steer	\$65,000
		Waste truck/Roller allowance	\$100,000
		Rural Accommodation Van	\$45,000
NON-CAPITAL ITEM (REDUCTION OF LIABILITY PROVISION)	\$660,000	TOTAL CAPITAL	\$7,428,000
Landfill Remediation Works	\$660,000		

RATING STRATEGY

Chapter 10 of the Local Government Act 1999 sets out the legislative requirements for the setting of property rates. As part of the Annual Business Plan and Budget preparation process, Council reviews its approach to the setting of property rates, details of which are provided below:

Overview

In setting rates for the 2012/13 financial year, the Council has considered the following:

- service delivery needs and related expenditure priorities in relation to the Strategic Plan, Community needs, and Federal and State grants received;
- the need over several years for a significant capital works program to renew and upgrade essential infrastructure assets, including the completion of certain projects from 2011/12;
- resources required for the delivery of Council services;
- impact of rate increases on the community, including householders, businesses and primary producers;
- the broad principle that the rate in the dollar should be the same for all properties except where there is clearly a different level of services available to ratepayers or some other circumstance which warrants variation from the broad principle;
- minimising the level of general rates required by levying fees and charges for goods and services on a user pays basis, where that is possible to recover the full cost of operating or providing the service or goods, with provision for concessions to those members of the community unable to meet the full cost;
- increase/decrease in capital values of properties.

Impact on Businesses

Council has considered the impact of rates on all businesses in the Council area, including retail, manufacturing, service industry and primary production, after revision of its strategic plan goals, general community consultation and considering local, State and National economic conditions.

Changes in valuation of business and primary production properties, and the equity of the distribution of the rate burden is also considered and reflected in Council's decision to impose a differential general rate based on land-use.

Last year, Council commissioned an independent review of its rating structure, which recommended a gradual reduction of the business differential, which will be referenced during a major rates review in early 2013.

PROPERTY RATES

Rates Calculation

The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties, or through a differential general rate, which applies to different classes of property (land-use types) and location. In addition, Council can raise a separate rate for specific areas of the Council or a service rate or charge for specific services.

Method Used to Value Land

In accordance with the Local Government Act 1999, Council may adopt one of three valuation methodologies to value the properties in its area. These are:

- Capital Value – the value of the land and all of the improvements on the land.
- Site Value – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- Annual Value – a valuation of the rental potential of the property.

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 when applying the equity test of taxation.

The Valuer-General has provided the following property valuations to be used for rating purposes (valuation updates will be applied up until the date of declaration of rates):

RATING STRATEGY (Cont'd)

Capital Valuations	Total 2012 CV	Total 2013 CV	Change	% Change
Pirie	\$ 185,250,200	\$ 193,316,200	\$ 8,066,000	4.35%
Pirie South	\$ 425,068,400	\$ 401,680,400	-\$ 23,388,000	-5.50%
Pirie West	\$ 209,994,400	\$ 210,232,400	\$ 238,000	0.11%
Risdon Park	\$ 358,285,100	\$ 350,722,600	-\$ 7,562,500	-2.11%
Risdon Park South	\$ 237,419,200	\$ 225,791,200	-\$ 11,628,000	-4.90%
Solomontown	\$ 124,136,700	\$ 121,511,200	-\$ 2,625,500	-2.12%
Subtotal	\$ 1,540,154,000	\$ 1,503,254,000	-\$36,900,000	-2.40%
Crystal Brook	\$ 195,405,500	\$ 206,041,700	\$ 10,636,200	5.44%
Other Towns	\$ 277,941,320	\$ 294,652,720	\$ 16,711,400	6.01%
Rural	\$ 155,810,980	\$ 161,756,680	\$ 5,945,700	3.82%
TOTAL	\$ 2,169,311,800	\$2,165,705,100	-\$ 3,606,700	-0.17%

A ratepayer may object to the Valuer-General in writing, within 60 days of receiving the notice of the valuation. The address of the Office of the Valuer-General is:

Office of the Valuer-General
GPO Box 1354
ADELAIDE SA 5001
Email: objections@saugov.sa.gov.au
Phone: 1300 653 345.

Target Amount

Council has elected to raise \$12.37 million [before rebates and remissions] in general rate revenue. This will provide the desired level of funding to enable Council to meet all of its projected operating expenses and to partly fund its capital works program.

This represents an overall increase of \$1.67 million from the previous year and equates to an average rate increase of about 8% for residential properties, plus the cost of provision of additional waste collection services.

While individual rate increases will vary, most ratepayers can expect to pay between \$100 and \$200 more than last year, depending on capital value movement, rate in the dollar and whether they will receive the new waste management collection service.

Waste Management Service Charge (WMSC)

Council will soon introduce a three bin waste collection service for all residential properties in the district.

The total cost for Council to collect and dispose of waste will increase from approximately \$600,000 for 8200 residential and commercial collections (\$73 per property) in 2011/12, to approximately \$1.35 million for 7700 residential collections (\$175 per service).

Council had decided that the cost to collect residential waste should be recovered from those to whom the service is made available, and that a waste management service charge of \$175 will be charged to every residential property. However, in view that delays for the completion of the Waste Transfer Station would defer the introduction of the additional services, Council has decided to reduce the amount to \$150 for 2012/13.

It should be noted that the additional cost represents a 7.4% increase to total rate revenue, and more importantly, an increase of 13.6% to total residential rate revenue.

RATING STRATEGY (Cont'd)

Fixed Charge and Differential General Rates

Property rates for individual properties are declared each year, as the total of a fixed charge plus an amount calculated by multiplying the rating factor (determined by Council) by the capital value of the property (determined by the Valuer-General).

In recognition of the variation in the level of services provided or available to occupiers of the different land-use categories and locations throughout Council's area, a differential rating factor has been applied. In setting the variable rate, Council is mindful to apply consistency across all assessments, and to ensure that the rate burden does not shift significantly from one sector to another.

To achieve these goals, Council proposes to marginally increase the fixed charge component of individual property rates from \$347 to \$350 and to adopt the differential rates in the dollar as follows:

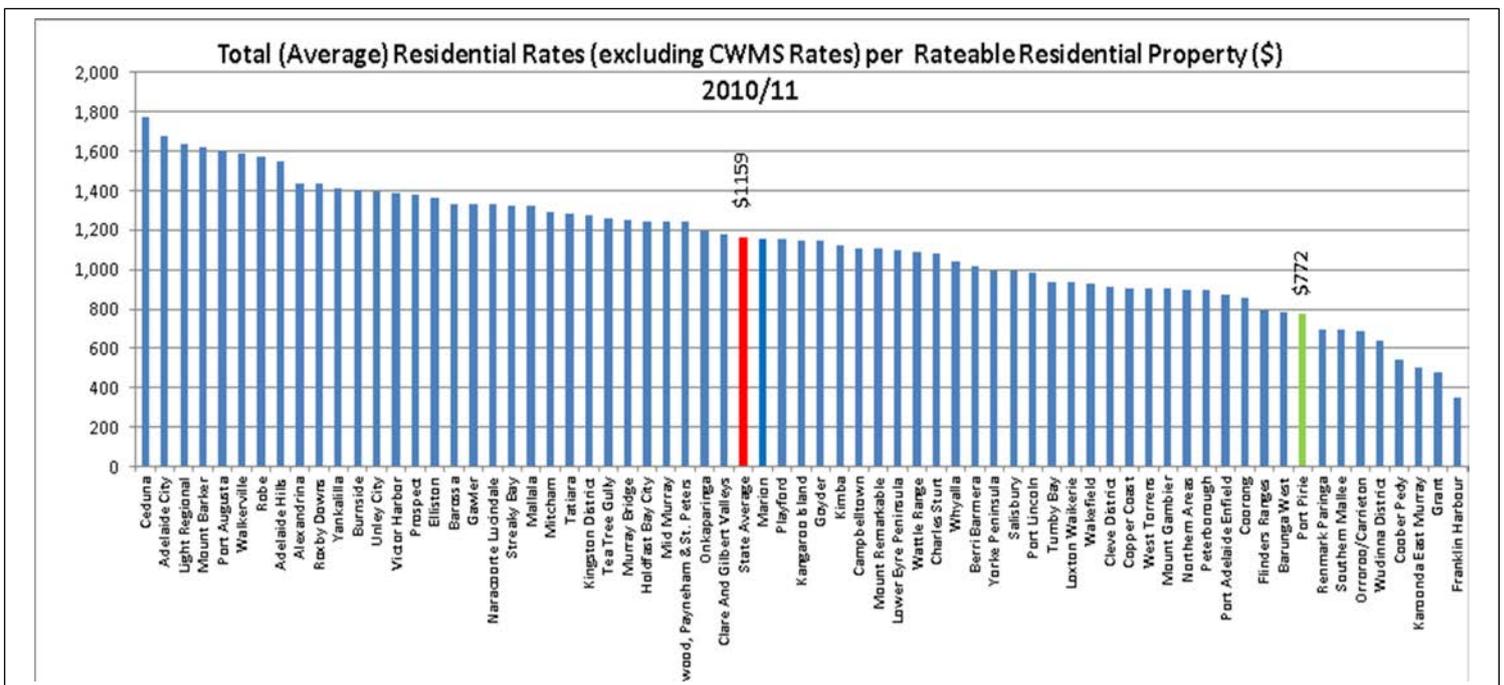
Rate Category	Differential Rate in \$	Total Rates Raised (exc WMSC)
Port Pirie Residential	0.00307	\$5.77m
Port Pirie Commerce/Industry	0.00768	\$1.76m
Port Pirie Smelters	0.03800	\$0.87m
Port Pirie Vacant	0.00614	\$0.33m
Port Pirie Other	0.00614	\$0.15m
Crystal Brook /Rural Towns	0.00307	\$0.85m
Rural Areas	0.00215	\$1.43m

The revised rating structure will generally impact on average rates payable as follows:

Residential	10%-26% increase, mostly due to WMSC (average total increase \$162)
Commercial/Industrial	5%-10% increase
Industrial (Smelters)	9.5% increase
Vacant	4%-10% increase
Rural Towns	10%-26% increase, mostly due to WMSC and increased valuations
Rural	10%-26% increase, mostly due to WMSC (residential), increased valuations and differential adjustment.

NB: High increase percentages apply to low valued properties as a result of the standard charge for the waste collection service (eg \$150 WMSC on previous rates of \$600 = 25%, whereas \$150 on \$1200 = 12.5%).

The rating structure (including the new service charge) partly addresses the recovery of a higher level of rates from residential and rural ratepayers, while holding commercial and industrial rating at slightly lower levels. Ratepayers are reminded that Council charges rates which are generally well below the State average as indicated on the chart below (most recent available data).



RATING STRATEGY (Cont'd)

Community Wastewater Management Scheme (CWMS)

The Council provides an effluent disposal system (CWMS) to residential and commercial properties in Crystal Brook and Napperby. The full cost of operating and maintaining the service is recovered through a service charge for each property unit for which the service is available. Where the service is provided to non-rateable properties, a service charge is levied against the property.

It is proposed to increase Community Wastewater Management Scheme fees by 3%. The increase is required to keep pace with increasing costs of operating, maintenance and eventually replacement of the system. Any surplus generated is put in reserve for future replacement or upgrades of the respective schemes.

The proposed fee changes for individual services are shown below:

CWMS	Crystal Brook		Napperby	
	2011/12	2012/13	2011/12	2012/13
Vacant	\$210	\$216	\$258	\$266
Occupied	\$281	\$289	\$451	\$465

Natural Resources Management Levy

The Natural Resource Management Act 2004 requires Council to raise a levy on behalf of the Northern and Yorke Natural Resources Management Board. This levy is shown separately on the rates notice.

Council does not retain this revenue, nor determine how the revenue is spent. Council is required to raise \$293,949 (after rebates) in 2012/13, being an increase of \$13,729 or 4.9%. The rate in the dollar is expected to be approximately 0.000142, compared to 0.000141 last year.

Payment of Rates

The Council has decided that the payment of rates will be by quarterly billing, due on the 14th September 2012, 14th December 2012, 15th March 2013 and 14th June 2013.

Rate Concessions

The State Government, in providing equity across SA, funds a range of concessions on Council rates. The concessions are administered by various State Agencies who determine eligibility and pay the concession directly to Council on behalf of the ratepayer. Concessions are available only on the principal place of residence.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government, as penalties apply to overdue rates. A refund will be paid to an eligible person once Council is advised that a concession applies.

Late Payment of Rates *

The Local Government Act provides for Councils to impose a penalty of a 2% fine on any payment for rates, whether due by installment or otherwise that are unpaid after the due date. A payment that continues to be in arrears is then charged penalty interest at an interest rate, set each year according to a formula in the Act, for each month it continues to be late. Penalty fines allow the Council to recover some of the administration costs that arise because rates were not received by the due date.

**This rate is set by legislation and is subject to change as at 1 July 2012.*

Remission of Rates

Section 182 of the Local Government Act permits the Council, on the application of a ratepayer, to partially or wholly remit rates or to postpone payment of rates, on the basis of hardship. The Council has a strategy that where the payment of rates will cause a ratepayer demonstrable hardship, the Council is prepared to make extended payment provisions or defer the payment of rates. Such inquiries are treated by Council as confidential.

RATING STRATEGY (Cont'd)

State Seniors Card Holders – Rates Postponement

Section 182A of the Local Government Act 1999 provides for the option for State Seniors Card Holders to postpone part of the rates on a long term basis. A deferred amount is subject to a monthly interest charge with the accrued debt being payable on the disposal or sale of the property. Applications are subject to the same conditions as deferral or postponement of rates.

Exemption from Rates

Section 147(2) of the Local Government Act 1999 specifies those types of public properties that are exempt from rates. Section 147(2)(f) of the Local Government Act 1999 specifies that land occupied or held by the Council, except land held from a Council under a lease or license, is exempt from rates. Some community owned land that is operated under lease or license may be eligible for rates exemption subject to the requirements of the Recreational Grounds Act.

Rebate of Rates

The Local Government Act requires Councils to rebate the rates payable on certain land-use types. Specific provisions are made in the Act for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions.

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

Except where extraordinary circumstances can be demonstrated, the Council will enforce the sale of land where rates remain unpaid.

SUMMARY OF SERVICES PROVIDED BY COUNCIL

CHIEF EXECUTIVE OFFICER'S DEPARTMENT

Economic Development

One of the key areas in Council's Strategic Plan is to increase the economic prosperity of the region. Council provides support to various organisations whose aim it is to improve the economic prosperity and opportunities for residents, including: Regional Development Australia Mid North-Yorke (formerly the Southern Flinders Ranges Development Board); the Upper Spencer Gulf Common Purpose Group; the Provincial Cities Association and the SA Regional Community Leadership Program (121).

Council also undertakes a range of marketing and promotional activities (342) in order to highlight the many advantages for people and businesses to relocate to the region. Council also holds preliminary discussions with businesses looking at relocating to the area and to major developers wishing to invest in the region to help them were appropriate.

This is considered a non-core Council service, however it is considered fundamental to the long term sustainability of the region and to assist with the economic prosperity of the region.

Governance

The increasing governance requirements being placed on local government in recent years has led to a significant increase in costs and resources required to meet Council's governance expectations. Council's governance includes all costs and tasks associated with maintaining Council's eleven Elected Members including training, allowances, civic receptions, donations etc (202). It also includes the cost of the 'Office of the CEO' and support staff (204 & 252), the costs associated with meeting Council's ever increasing regulatory compliance in this area, as well as marketing and promoting the Council and its activities. Council employs 2.8 FTE (including the CEO) in its Governance team.

This is considered a core Council service and is provided to support the goals and operations of the Council as well as meet its regulatory requirements.

ADMINISTRATIVE SERVICES DEPARTMENT

Administration

Council provides a number of administrative support services to ensure it is operating effectively (207), this includes policy development, delegation review, meeting various legislative requirements, production of the Annual Report, oversee Administration and Community Services of Council, administration office maintenance (425) and improvements (425). Council employs 3.6 FTE (including a trainee and the Manager Administrative Services) in its Administration team.

This is considered a core Council service and is provided to support the goals and operations of the Council as well as meet its regulatory requirements.

Human Resources

Council provides a range of Human Resource Management services (211) to support the operations of the organisation. This includes but is not limited to: recruitment and selection; training needs identification, maintaining up to date job descriptions, overseeing the payroll function, staff performance reviews, HRM policy development, staff reclassifications, organising training, undertaking secession planning, attracting and retaining staff, and negotiating enterprise agreements for staff. Council employs 0.8 FTE in its Human Resources team.

This is considered a core Council service and is provided to support the goals and operations of the Council as well as meet its regulatory requirements.

SUMMARY OF SERVICES (Cont'd)

ADMINISTRATIVE SERVICES DEPARTMENT

Occupational Health and Safety and Risk Management

Council recognises the importance of human resources in the delivery of services and the implementation of strategies and programs. In line with industrial relations and risk management principles, we are committed to the development of our employees and best practice management systems for occupational health, safety and welfare (212).

As part of the Local Government Association Worker's Compensation Scheme, Council has a responsibility to develop best practice OHSW management systems to comply with the requirements of the Code for the Conduct of Self Insured Employers under the WorkCover Scheme which includes the Performance Standards.

Council is committed to the achievement of its OHSW Plan with programs and will continue to monitor and review its OHSW management systems to allow for best practice and continual improvement.

Elected Members, Management and Staff of the Port Pirie Regional Council are committed to the identification and management of all risks incurred or associated with the provision of Council functions, services, programs and projects.

Council is committed to the provision of a Risk Management Strategy that allows for legislative compliance and the protection of all stakeholders including Council, committees, employees, the community and general public in their involvement, provision or use of Council services and assets. Consideration will also be given to the long term sustainability and the practical and wise management of Council property and resources on behalf of ratepayers.

Management undertakes to cooperate and consult with employees and external stakeholders, to identify and address all threats and opportunities and ensure they are formally identified, assessed and managed, in accordance with the principles outlined in their risk management policy and AS/NZS ISO 31000:2009: Risk Management.

Council employs 1.0 FTE in its Risk Management, Occupational Health & Safety team.

This is considered a core Council service and is provided to support the goals and operations of the Council as well as meet its regulatory requirements.

COMMUNITY SERVICES DEPARTMENT

Star Club Program

The Star Club Field Officer program commenced in December 2007 and was established to work closely with local sport and recreation service providers, community groups, schools, councils, health services and other relevant groups to increase the quality and level of participation in sport and active recreation throughout the serviced region.

The position is a joint initiative between the South Australian Office for Recreation and Sport, Port Pirie Regional Council, Northern Areas Council, Peterborough, Orroroo, Carrieton and

Mount Remarkable District Council's and the Mid North Area Health Service.

A key aspect of the position is to provide ongoing support, advice and assistance to Sport and Recreation Clubs and Associations as well as community physical activity groups or providers in regard to club management issues, training, development and accreditation opportunities, grants and funding programs and participation initiatives in an attempt to support the development of active recreation and sport throughout the Mid North region.

SUMMARY OF SERVICES (Cont'd)

COMMUNITY SERVICES DEPARTMENT

Star Club Program (Cont'd)

Council employs 1.0 FTE in this area, the Star Club Field Officer is also shared with a number of other Council's in the region.

This is considered a non-core Council service and is provided to meet community expectations.

Community Development

Council provides a number of facilities and services to the community including being responsible for the maintenance of the Port Pirie Senior Citizens building (303), contribution to the Community Assistance Scheme (306), provision of the Crystal Brook Community Bus (309), undertaking cultural events (315), Youth Programs (321), participating in the Be-Active program (340), and employing a Community Development Officer (320) whose role includes improving youth participation and involvement, promoting community pride and involvement, managing Council programs for families and the aged, and managing Council's community housing, within Council's allocated budget.

Council employs 1.0 FTE in its Community Development team.

This is considered a non-core Council service and is provided to meet community expectations

Library

Council has recently completed the construction of a new Library on the old railway platform and forms part of an area known as the Cultural Precinct.

Council currently provides an extensive library service in Port Pirie, a branch library at Crystal Brook and contributes to the Flinders Mobile Library (<http://www.flindersmobile.sa.gov.au/>) which services Napperby, Redhill and Koolunga (317 & 367). The Port Pirie Regional Library Service aims to provide high quality library and information services to all sectors in the local community. It consists of 2 branches; the Port Pirie Public Library and the Crystal Brook Public Library.

The Port Pirie branch is open Monday to Friday 9am to 5pm and Sunday 1pm to 5pm.

The Crystal Brook branch is open on Monday to Friday 10am to 5pm.

The library collection includes books, magazines, music CD's, DVD's, CD-Rom's, jigsaws, books-on-tape, language kits, graphic novels and sports equipment for both young and old. Council's library services are the gateway to a world of information and offer books, comics, compact discs, DVD's, videos, sports equipment and hear-a-books as well as a collection of popular magazines. The library also has computers for free public use offering access to word-processing, desktop publishing, online databases and the Internet as well as free wireless internet access.

The library offers an inter-library loan service FREE of charge within the South Australian Library Network. In addition to the inter-library loan service, items can be ordered from the State Library of South Australia or the National Library of Australia. Some fees may apply for prints or photocopies from the State Library.

Council also produces 'Libline', a quarterly newsletter with news about the local library, upcoming events and highlights new additions to the collection. The newsletter is accessible on the Council website in pdf format or in print at the Library.

Library staff and volunteers deliver library items to those who cannot visit the Library due to health issues. The deliveries are carried out on a regular basis and a medical certificate is required.

Activities are held during school holidays at the Port Pirie Library for children between the ages of 4-10. These activities range from games, to art and craft and entertainers. Bookings are essential.

SUMMARY OF SERVICES (Cont'd)

COMMUNITY SERVICES DEPARTMENT

Library (Cont'd)

Held annually in August, Book Week is the longest running children's festival in Australia. Each year the library invites schools and kindergartens to visit the Library to participate in story-telling and a craft activity based on the year's theme.

As part of the State Government's 'be active' campaign, the library has a range of sports equipment, including various balls, bats, racquets, exercise DVDs and yoga mats available.

Audio Navigators allow visually impaired customers to access electronic audio-books via a special handset that reads the story. These units are strictly for the visually impaired.

A disk repair service is available that can remove scratches from CD, DVD and game console disks. The cost is \$5 per disk paid in advance and disks are processed on a weekly basis.

Every Wednesday and Friday from 1pm to 3pm a local Justice of the Peace is available to the public at the Port Pirie library.

Council employs 6.55 FTE in its Library team.

This is considered a non-core Council service and is provided to meet community expectations.

Special Events

Council holds various annual events including Australia Day and New Years Eve, and contributes to other events including the Port Pirie Christmas Pageant, Pro Tennis Tournament, and the SA Country Football Championships. Council staff also assist other organisations with the planning of their events and with event management advice. Council employs 1.0 FTE in its Special Events team.

The Masters Games is one of Council's signature events and is held bi-annually (348). Council is required to submit a bid in a competitive process to continue to hold this event.

Port Pirie's State Masters Games continue to grow in professionalism and respect amongst the sponsors, competitors and volunteers and Port Pirie continues to provide quality sporting facilities and professional administrators who ensure the high standard already set is upheld.

Port Pirie has been inducted into the SA Great Hall of Fame for its achievements in presenting the Masters Games.

This is considered a non-core Council service and is provided to assist with the economic opportunity via event tourism in the region.

Tourism and Arts

Council provides a range of services in the tourism and arts field including:

- Contribution to the Port Pirie Regional Art Gallery and annual Port Pirie Art Prize (325).
- Maintenance of Tourism and Arts Centre 326 & 377).
- Operation of Visitor Information Centre (327)
- Visitor Information Centre Retail shop (328)
- Miniature Train (329)
- Model railway (330)
- Shark Exhibition (331)
- Smelters Tours (332)
- Special Tours (333)
- Tourism Projects (342 & 334)
- Marketing & Promotions

Council employs 2.25 FTE, as well as a number of volunteers in its Tourism Team.

This is considered a non-core Council service and is provided to assist with the economic opportunities of the region.

SUMMARY OF SERVICES (Cont'd)

ENVIRONMENTAL SERVICES DEPARTMENT

Community Health Services

Council provides a number of Environmental Health Services including the provision of health inspections (408), insect control (410), DrumMuster (412), complaint investigation and other related health services (409). Council also provides a number of environmental programs across the region to assist in moving towards environmental sustainability. Council employs 1.0 FTE in its Environmental Health team.

This is considered a core Council service and is provided to meet Council's regulatory requirements.

Development Building

Council employs a part time consultant Building Officer to assess building applications received against legislative requirements and the Australian Standards (405).

This is considered a core Council service and is provided to meet Council's regulatory requirements

Development Planning

Council employs two Planning Officer's (2.0 FTE) to assess development applications received against Council's Development Plan and provide planning advice to residents (402, 430, 452). Council also funds and supports the operations of the independent Development Assessment Panel (403). In 2011, the Environmental Services Department received 332 development applications, which represents in excess of \$28 million in development.

This is considered a core Council service and is provided to meet Council's regulatory requirements

Dog and Cat Control

Council is responsible, under the Dog and Cat Management Act, to ensure all dogs are registered, investigate barking and problem dogs, impound and locate owners for stray dogs and generally enforce the requirements contained in the Dog and Cat Management Act and responsible pet ownership (420).

This can amount to providing a twenty four hour/seven day a week service.

Council currently employs a 0.6 FTE staff member in this area, shared with regulatory control matters. This resource is supplemented with a contractor for when the officer is not available.

Under the provisions of the Dog and Cat Management Act 1995, Council is responsible for dog and cat management throughout the Port Pirie Regional Council region. Council's responsibilities under the Act include the following:

- encourage responsible dog and cat ownership;
- reduce public and environmental nuisance caused by dogs and cats;
- promote the effective management of dogs and cats (including the encouragement of the desexing of dogs and cats).

To carry out the responsibilities placed upon Council under the Act, Council provides for the registration of all dogs over the age of 3 months and employs part time dog management officers for enforcement of legislation.

The Act also provides that Council must formulate an Animal Management Plan and provide appropriate resources, equipment and facilities to enable appropriate animal management practices by Council and residents. Included in such requirements is the need to provide appropriate areas for the safe off-lead exercising of dogs and an area for the safe, secure and comfortable impoundment of stray dogs.

To date, Council has registered 3501 dogs for the 2011/12 period. Council receives approximately \$100,000 per annum in dog registration fees.

All funds raised through the registration of dogs must be utilized for dog control/management issues, any funds not expended within the financial year must be allocated to a reserve account to be used for future dog management expenses.

SUMMARY OF SERVICES (Cont'd)

ENVIRONMENTAL SERVICES DEPARTMENT

Dog and Cat Control (Cont'd)

The objectives of the Act are to encourage responsible ownership, promote effective management and reduce public and environmental impact from dogs and cats.

Council is responsible under the Act to receive registrations of dogs, provide a suitable pound for detained dogs and enforcement of the Act. During the report year, Council received 587 complaints in relation to dogs barking, wandering at large, and attacking or harassing persons or other animals during 2010/11. A total of 389 dogs were impounded for wandering at large. 172 were reunited with their owners and 129 were desexed, immunised, microchipped and rehomed during this period.

This is considered a core Council service and is provided to meet Council's regulatory requirements

Regulatory Control

Council undertakes a number of regulatory enforcement functions including monitoring street parking restrictions (421), by-law enforcement (422) as well as investigating and taking appropriate action in relation to litter control, unsightly premises, and abandoned vehicles.

Council currently employs a 0.4 FTE staff member in this area, shared with dog and cat management matters.

This is considered a core Council service and is provided to meet Council's regulatory requirements and community expectations.

Swimming Pools

Council currently provides a swimming pool at Port Pirie and Crystal Brook (427). The Port Pirie pool season generally extends from October to March with the pool being open every day during this period. The Crystal Brook pool season generally extends from November to March with the pool being open every day during this period.

This is considered a non-core Council service and is provided to meet community expectations.

FINANCIAL SERVICES DEPARTMENT

Community Assistance

Council provides direct financial assistance to community organisations by way of:

- Community Assistance Grant: \$55,000pa (120).
- Low or no interest loans to Sporting Clubs (107).
- Direct assistance for infrastructure upgrades (120 and 141).
- Discretionary rate rebates (113).
- Mandatory rate rebates (113).
- Assistance to the annual Port Pirie Christmas Pageant: \$10,000pa (120).
- Assistance to the Port Pirie Softball Association, Crystal Brook Oval Committee and Redhill Oval Committee (120) for watering costs.

This is considered a non-core Council service and is provided as a voluntary means to assist community organisation's in the region.

Crystal Brook Caravan Park

Council owns the Crystal Brook Caravan Park and 'leases' it to the Crystal Brook Community Development Association to manage and run on a day to day basis (117, 120 and 167). Council has committed to providing the Association \$150,000 over 5 years, plus the income derived from the Park to be used for capital improvements to the Park.

This is considered a non-core Council service and is provided to assist with enhancing the economic opportunities in Crystal Brook.

SUMMARY OF SERVICES (Cont'd)

FINANCIAL SERVICES DEPARTMENT

Financial Services

Council provides a number of internal finance and customer support services including the payment of creditors and employees, generation of investment returns (108), production of annual business plan, budget, financial statements, financial reports, budget reviews, audit committee, customer service (109 and 146), Financial Assistance Grant (103), as well as maintenance and management of insurances.

Council currently employs 5.2 FTE in its finance and customer services teams.

This is considered a core Council service and is undertaken to meet its statutory responsibilities.

Information Technology

Provision of IT services to the organisation (112 and 162), including system maintenance and development, hardware provision and replacement, and user support. Council employs 2.0 FTE in its Information Technology team.

This is considered a core Council service and is provided to support the goals and operations of the Council.

Property Rates

The service involves maintaining accurate and up to date property information, determining the most effective method for charging general rates to ensure equity in the community, ensure the correct levying of rates and timely collection of debt.

A number of auxiliary activities associated with this service include preparing reports, maintaining the property data base and producing certificates for land sales etc (202, 113 and 115). Council employs 1.0 FTE in its Property Rates team.

This is considered a core Council service and is provided to meet Council's statutory responsibility and to raise funds to enable Council to provide services and facilities to the community.

Records Management

Council maintains a paper and electronic records management system in accordance with operational and legislative requirements (205). Most documents are contained within an electronic document management system. Older (paper) records are archived and stored at the Crystal Brook Rural Office. Council employs 1.0 FTE in its Records Management team.

This is considered a core Council service and is provided to support the goals and operations of the Council as well as meet its regulatory requirements.

TECHNICAL SERVICES DEPARTMENT

Aerodrome

Council currently provides a 1043m x 30m (central 18m sealed) sealed airstrip, 'communal' hanger suitable for storing up to 8 planes, passenger terminal, caretaker accommodation, and a contract caretaker at the Port Pirie Aerodrome. (517 and 577) In addition, the Port Pirie Aero-Club provides 24 hour refuelling facilities which accepts credit cards. This is considered a non-core Council service and is provided to meet community expectations.

Asset Management

Council manages over \$107 million of community owned infrastructure assets. Asset management and maintenance also represents a large portion of Council's operating budget.

Council has set up an Asset Management team within the Technical Services Department. This team is currently serviced by two staff, and is overseen by the Project Manager (Rural).

SUMMARY OF SERVICES (Cont'd)

TECHNICAL SERVICES DEPARTMENT

Asset Management (Cont'd)

The aim of the team is to ensure that Council is managing its assets in the most effective and efficient manner, to determine the replace/renewal profile of all assets, to prepare long term asset replacement plans, and to determine the appropriateness of the current asset stock.

Council's goal in managing infrastructure assets is to meet the required level of service in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- taking a life cycle approach,
- developing cost-effective management strategies for the long term,
- providing a defined level of service and monitoring performance,
- understanding and meeting the demands of growth through demand management and infrastructure investment,
- managing risks associated with asset failures,
- ensuring sustainable use of physical resources,
- Implementing continuous improvement in asset management practices.

This is considered a core Council service and is provided to meet Council's regulatory requirements and its responsibilities to ensure the most effective use of the Community's asset base, as well as achieving financial sustainability.

Council maintains a number of community facilities which are either leased out to community organisations or to the community at large. More specifically, Council maintains leases and licenses for various Council properties (220); as well as managing the Fisherman's Jetty, Road Safety Centre, community stables, Council owned halls (Tennyson Hall, Crystal Brook Institute, Koolunga Hall, Redhill Hall, Mundoora Hall, Crystal Brook History Group Building) and contributes to a number of community owned halls (Butlers Bridge Hall, Napperby Hall, Wandearah Hall), and maintains an Asbestos Register (221, 270 and 429). Council employs 2.0 FTE (overseen by Project Manager Rural) in its Asset Management team.

This is considered a core Council service and is provided to meet Council's financial sustainability objective, best industry practice, maximise the useful life of its asset stock, and to minimise ongoing costs to the community.

Boat Ramps

Council provides boat launching facilities at Solomontown and Port Davis (503).

This is considered a non-core Council service and is provided to meet community expectations

Cemeteries

Council is currently responsible for the cemeteries located at Crystal Brook, Redhill, Koolunga, Warnertown, Wandearah, Keilli, Napperby and Port Pirie (506). Council contracts out the maintenance of these facilities.

This is considered a core Council service and is provided to meet Council's regulatory requirements and community expectations.

Community Amenities NEI

Council provides a variety of miscellaneous community services including public toilets, community amenities (508), street lighting (510); community safety (513); rapid response (522).

These services are considered core services as the endeavour to ensure public safety in the region.

Crystal Brook Effluent Drainage System

Council provides a Community Wastewater Management Scheme to the residents of Crystal Brook (pt 415 and 465).

The Crystal Brook CWMS Scheme was commissioned in 1977. The scheme is owned, operated and managed by Council and currently serves approximately 600 properties within the township of Crystal Brook.

The Scheme comprises a network of gravity drains connected to the outlets of individual property septic tanks.

SUMMARY OF SERVICES (Cont'd)

TECHNICAL SERVICES DEPARTMENT

Crystal Brook Effluent Drainage System (Cont'd)

The effluent is collected by predominantly earthenware (VC) gravity mains which conveys the effluent to a pumping station located on the road reserve adjacent to Gadd Avenue. There is one pumping station for this scheme and an associated rising main disposing effluent to a lagoon system located to the south of the township. The treatment process consists of a primary and secondary lagoon system. Approximately 62ML of effluent is treated in the lagoons per year. There is currently a reuse system where treated water irrigates a woodlot on land adjacent to the lagoon site.

Drainage and Tidal Levee

The Council area has a history of being subject to flooding from tidal inundations in the City of Port Pirie and from major stormwater events in Port Pirie, Napperby and Crystal Brook. Council provides a levee bank around Port Pirie to protect the City from tidal flooding (512) and has an extensive network of stormwater drainage infrastructure around the region.

This is considered a core Council service and is provided to meet Council's regulatory requirements, the safety of residents and community expectations.

Fire Protection

Provision of fire protection service to the rural community (514). Council employs a part time Fire Prevention Officer (0.2) whose role is to monitor fire prevention activities in the rural areas, while Council's General Inspector performs a similar role in Port Pirie.

This is considered a core Council service and is provided to meet Council's regulatory requirements.

Napperby Effluent Drainage System

Council provides a Community Waste Water Management Scheme to the residents of Napperby (pt 415 and 465).

The Napperby CWMS Scheme was commissioned in 1997. The scheme is owned, operated and managed by the Port Pirie Regional Council and currently serves approximately 100 properties within the township of Napperby. The system is designed to accommodate approximately 450 people and is operating at just over 50 per cent capacity.

The Scheme comprises a network of gravity drains connected to the outlets of individual property septic tanks. The effluent is collected by poly vinyl chloride (uPVC) gravity mains which conveys the effluent to the Treatment Plant. There are no pumping stations or rising mains associated with this scheme. The treatment process consists of an intermittent decant operation. Approximately 11ML of effluent is treated in the plant per year. There is currently a reuse system where treated water irrigates to a parkland adjacent to the treatment plant.

Parks, Gardens, Sports Fields and Foreshore

The Port Pirie Regional Council and its employees are committed to ensuring that the parks, gardens and reserves within the Council area are maintained for the use of the community. The areas include sporting grounds, foreshore areas, recreation areas, parks and playgrounds, open space areas and reserves, which retain native vegetation.

With the expansive nature of these areas across the Council, a categorisation has been undertaken to ascertain the specific level of maintenance that each area will be provided.

Council's program for maintenance of developed and undeveloped reserves in the Council area are classified into categories and are listed below.

SUMMARY OF SERVICES (Cont'd)

TECHNICAL SERVICES DEPARTMENT

Parks, Gardens, Sports Fields (Cont'd)

- **Category 1** Regional Parks - Major Community Asset, have a high presentation factor and a visual objective of green appearance all year and include the following parks:
 - City Park and CBD Area
 - Memorial Park
 - Napperby Playground – Napperby
 - Pasmenco/Woodward Park
 - Solomontown Beach
 - Memorial Oval
 - Globe Oval
 - Swimming Pool (Maintained by lessee)
 - CDB Bowman Street – Crystal Brook (Garden beds to be neat and weed free)
 - Adelaide Square – Crystal Brook (Hedge to also receive regular watering)
 - Mortimer Park – Redhill (Maintained by Redhill Community Development Board)
- **Category 2** Developed irrigated reserves, have a medium to high presentation factor and a visual objective of green in winter and spring and light green in summer and include the following parks:
 - Acacia Park
 - Arthur Crescent
 - Frank Green Park
 - Harrison Street
 - Risdon Heights
 - Jubilee Estate
 - Osborne Park
 - Pioneer Park
 - Plenty Park
 - Stanhope Park
 - Threadgold Park
 - Bowman Park
 - Senate Road
 - Leonard Park
 - Princess Park
 - Solomontown Boat Ramp
 - Port Pirie Cemetery
 - Hockey Field – Crystal Brook (Irrigated area only)
 - Pioneer Park – Crystal Brook
 - Bowman Park (Oval area only) – CRYSTAL BROOK Maps
 - Pioneer Park Lawn area – Napperby (Watered by STEDS 30 kl/day)
 - Memorial Gardens – Koolunga
- **Category 3** Developed reserves are non irrigated, have a medium presentation factor and a visual objective of green in winter, light green in spring and green/brown in summer and include the following parks:
 - Grey Terrace in front of Kmart
 - Fletcher Court
 - Tennyson Park
 - Spencer Estate
 - Simpson Reserve
 - Agett Place
 - Catherine Commons
 - Batty Street Cricket Pitch (other areas Cat. 4)
 - Airman's Memorial
 - Bill Jones Estate
 - Moresby Park
 - Flinders Street Playground
 - Bowman Park (Oval Surrounds) – Crystal Brook
 - Cemetery – Crystal Brook
 - Crystal Court – Crystal Brook (Owned by SAHT however Council undertake maintenance)
 - Perfumed Garden – Crystal Brook
 - Mercowie Park – Crystal Brook
 - Jubilee Park – Crystal Brook
 - Redhill Cemetery – Redhill
 - Redhill Oval – Redhill (Maintained by Redhill Community Development Board, including water costs)
 - River Terrace tree belt – Redhill
 - Pioneer Park other areas – Napperby
 - Lawrie Park – Nelshaby
 - Nelshaby Reserve – Nelshaby
 - Bunyip Park – Koolunga
 - Whitecliffs – Koolunga
 - Nadjuri Park – Koolunga
 - Cemetery – Koolunga
 - Parklands at northern end of Koolunga

SUMMARY OF SERVICES (Cont'd)

TECHNICAL SERVICES DEPARTMENT

Parks, Gardens, Sports Fields (Cont'd)

- **Category 4** Undeveloped reserves have a low presentation factor and a visual objective of green in winter, light green in spring and brown in summer and include the following parks:
 - Springwood Reserve
 - Madigan Park
 - Nelshaby Reserve
 - Lawrie Park
 - Warren Park
 - Road Safety Centre
 - Haslem Park
 - Reserves cnr Batty & Dawson Streets
 - Gertrude Street
 - Davis Park
 - North Parklands
 - San Remo Park – Napperby
 - Warnertown Cemetery – Warnertown
 - Cnr Kingston and Wandearah Roads
 - Smelters Picnic Grounds – Crystal Brook (behind Caravan Park)
 - Railway Terrace from Younghusband Rd to Claridge Rd – Crystal Brook
 - Eyre Road and Bowman Street medians – Crystal Brook (to be kept neatly trimmed)
 - Eyre Rd and Bowman St Kindergarten – Crystal Brook (to be leased)
 - Pony Club – Crystal Brook (leased)
 - Hockey Field surrounds – Crystal Brook
 - Warnertown Park – Warnertown
 - Warnertown Information Bay – Warnertown (weekly refuse pickup)
 - Ferme Street Drain
 - Wandearah Cemetery – Wandearah
 - Crystal Brook STEDS – Crystal Brook

Council has spent a considerable amount of money and effort upgrading the appearance and the facilities provided along the Port Pirie Foreshore. Council is responsible for the foreshore from Berth 3 (but excluding berth 2) to the Solomontown Beach Caravan Park (504).

Council also operates and is responsible for the facilities at Bowman Park Crystal Brook (322).

Council employs 13.0 FTE in its Parks and Gardens team.

This is considered a non-core Council service and is provided to meet community expectations

Plant and Equipment

Council operates a fleet of plant and various large items of equipment that are used to assist Council in providing various services to the community (519 & 579).

Council has currently a sufficiently large machinery fleet albeit an ageing one, which needs to have in place a reasonable and timely replacement program.

To be able to undertake a major continued commitment to capital works, a modern and reliable machinery fleet is required. With use of this fleet, a reasonable replacement program is required to be undertaken at regular intervals.

Large items of equipment are intended to be retained for a period of approximately 8 years, medium sized units 5 - 7 years and vehicles under 5 years. This replacement is considered to alleviate the need for major repairs to items in most cases and to obtain reasonable trade in values to be attained.

Council employs 3.0 FTE in its Fleet Management team.

This is considered a core Council service and is provided to meet Council's operational requirements

Private Works

Council undertakes a limited amount of works for private individuals or organisations on a fee for service basis (526).

SUMMARY OF SERVICES (Cont'd)

TECHNICAL SERVICES DEPARTMENT

This is considered a non-core Council service and is provided to meet community expectations and services not able to be provided by the private sector.

Public Conveniences

Council provides public conveniences in the following locations :

Port Pirie: City Park, Memorial Oval, Memorial Park, Flinders View Park, Solomontown Beach, Globe Oval, Woodward Park.

Napperby: Playground, Lawrie Park

Crystal Brook: Adelaide Square, Jubilee Park, Bowman Park

Redhill: Mortimer Park

This is considered a non-core Council service and is provided to meet community expectations.

Road Maintenance

Urban and rural road maintenance includes footpaths, kerbing, street furniture, bridges, roundabouts, street trees and weed spraying (515, 565, 570)

As a road authority, Council has a duty of care to road users and the community to maintain all public roads for which it is responsible in a safe condition and to specified maintenance standards that meet community expectations, having regard to relevant government transport and other policies and available funds.

Port Pirie Regional Council is custodian of an extensive range of community assets that it provides to facilitate delivery of its services to the community. Specifically it has responsibility for 278 kilometres of sealed roads, 948 kilometres of sheeted/earth roads, varying from major roads to minor access tracks and 5 bridges and major culverts. Added to this are significant lengths of footpaths and kerbing and water tabling.

Council operates a Road Hierarchy System which is based on a 5-tier system of Link, Collector, Access-Major, Access-Minor and Not Maintained roads. Link Roads being the highest and more important category because of varying traffic volumes and types of usage between rural and urban areas.

The criteria for determining the road classifications for each of these zones are slightly different.

All Link Roads and Collector Roads in the Council are either currently sealed or sheeted, but not all sections of these roads meet target design standards. When reconstruction is planned, Council aims to upgrade these roads to target design standards, having regard to available resources.

Some Access-Major Roads are sealed with most having a sheeted surface. Some Access-Minor Roads are sheeted and some are formed earth only. The majority of unformed tracks are earth only and may not be maintained by Council, unless they are identified as being required for fire access purposes, specific seasonal haulage access, or other emergency access.

Note: Bridges, culverts, traffic facilities and kerb and water tables have their hierarchies determined by the relevant road hierarchy.

Council is also responsible for the opening and closing of quarry pits for use in road construction and gravelling (516).

This is considered a core Council service and is provided to meet Council's regulatory requirements as well as providing additional services to meet community expectations.

Waste Management

Waste Management included the collection of waste and recyclables from the kerbside, provision of a transfer station, and a regional MRF (501 and 551). Council employs 4.0 FTE in its waste management team.

This is considered a core Council service and is provided to meet Council's regulatory requirements and to meet community expectations.

Works Depot

Council maintains Works Depots in Port Pirie and Crystal Brook(518). Council employs 1.0 in its Works Depot/Store Team

This is considered a core Council service and is provided to meet Council's operational requirement.

**PORT PIRIE REGIONAL COUNCIL
BUDGET FOR 2012/13**

INCOME STATEMENT

	2011	2012	2012	2013	2013
	Actual	Adopted Budget	BR4 Forecast	Budget	Budget Variance
	\$	\$	\$	\$	%
INCOME					
Rates - general	9,786,376	10,691,400	10,958,493	12,584,880	15%
Statutory Charges	265,822	548,020	270,028	250,200	-7%
User Charges	925,875	1,345,807	1,069,624	1,224,840	15%
Grants, subsidies and contributions	5,317,093	4,931,921	6,820,696	3,250,773	-52%
Investment Income	59,430	50,900	114,653	66,700	-42%
Reimbursements	398,103	232,220	584,503	265,200	-55%
Commercial Activity Revenue		58,400	61,600	67,200	9%
Other Income	177,447	116,300	98,533	31,300	-68%
TOTAL INCOME	16,930,146	17,974,968	19,978,130	17,741,093	-11%
EXPENSES					
Employee Costs	5,880,155	6,815,205	6,168,118	6,745,878	9%
Materials, contracts & other expenses	7,191,595	8,001,817	6,402,293	8,849,781	38%
Finance Charges	36,024	150,000	142,000	144,050	1%
Depreciation, amortisation & impairment	7,281,321	7,198,265	5,715,311	5,520,745	-3%
TOTAL EXPENSES	20,389,095	22,165,287	18,427,722	21,260,454	15%
Operating Surplus/(Deficit) before Capital Revenue	(3,458,949)	(4,190,319)	1,550,408	(3,519,361)	-327%
CAPITAL REVENUE					
Asset disposal & fair value adjustments	(2,057,442)	-	-	-	
Amounts received specifically for new or upgraded assets	149,000	633,500	4,218,134	55,000	-99%
NET SURPLUS/(DEFICIT)	(5,367,391)	(3,556,819)	5,768,542	(3,464,361)	-160%
transferred to Equity Statement					
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment	92,601	-	-	-	-
Total Other Comprehensive Income	92,601	-	-	-	-
TOTAL COMPREHENSIVE INCOME	(5,274,790)	(3,556,819)	5,768,542	(3,464,361)	-160%

**PORT PIRIE REGIONAL COUNCIL
BUDGET FOR 2012/13**

BALANCE SHEET

	2011 Actual \$	2012 Adopted Budget \$	2012 BR4 \$	2013 Budget \$
ASSETS				
Current Assets				
Cash & cash equivalents	3,387,564	(743,027)	6,001,435	1,476,019
Trade & other receivables	793,251	1,127,933	793,251	793,251
Other	1,404	48,620	1,404	1,404
	4,182,219	433,526	6,796,090	2,270,674
Non-current Assets held for Sale	3,571,656	3,571,656	3,571,656	3,571,656
Total Current Assets	7,753,875	4,005,182	10,367,746	5,842,330
Non-current Assets				
Financial Assets	416,761	204,952	139,132	86,132
Infrastructure, Property, Plant & Equipment	161,049,106	174,199,095	164,105,406	166,029,461
Total Non-Current Assets	161,465,867	174,404,047	164,244,538	166,115,593
TOTAL ASSETS	169,219,742	178,409,229	174,612,284	171,957,923
LIABILITIES				
Current Liabilities				
Trade & other payables	2,203,405	2,255,450	2,203,405	1,543,405
Loan Borrowings	405,108	404,160	408,000	530,000
Provisions	1,273,509	789,807	1,273,509	1,273,509
Total Current Liabilities	3,882,022	3,449,417	3,884,914	3,346,914
Non-current Liabilities				
Provisions	2,178,711	2,826,184	2,178,711	2,178,711
L-T Borrowings (Loans)	2,014,892	6,165,840	1,636,000	2,984,000
Total Non-Current Liabilities	4,193,603	8,992,024	3,814,711	5,162,711
Total Liabilities	8,075,625	12,441,441	7,699,625	8,509,625
NET ASSETS	161,144,117	165,967,788	166,912,659	163,448,298
EQUITY				
Accumulated Surplus	52,232,687	57,032,913	58,357,461	57,594,912
Asset Revaluation Reserve	104,313,081	104,220,480	104,313,081	104,313,081
Other Reserves	4,598,349	4,714,395	4,242,117	1,540,305
TOTAL EQUITY	161,144,117	165,967,788	166,912,659	163,448,298

**PORT PIRIE REGIONAL COUNCIL
BUDGET FOR 2012/13**

CASH FLOW STATEMENT

	2011 Actual	2012 Adopted Budget	2012 BR4	2013 Budget
	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
<u>Receipts</u>				
Operating Receipts	19,370,467	17,924,068	19,863,477	17,674,393
Investment Receipts	54,036	50,900	114,653	66,700
<u>Payments</u>				
Operating Payments to suppliers & employees	(15,322,412)	(14,817,022)	(12,570,411)	(15,595,659)
Finance Payments	(110,176)	(150,000)	(142,000)	(144,050)
Net Cash provided by (or used in) Operating Activities	3,991,915	3,007,946	7,265,719	2,001,384
CASH FLOWS FROM INVESTING ACTIVITIES				
<u>Receipts</u>				
Amounts specifically for new or upgraded assets	149,000	633,500	4,218,134	55,000
Sale of Replaced Assets	124,434	-	-	33,000
Repayments of loans by community groups	52,398	48,620	277,429	53,000
<u>Payments</u>				
Expenditure on renewal/replacement of assets	(3,973,957)	(3,138,852)	(3,109,584)	(3,371,800)
Expenditure on new/upgraded assets	(1,336,442)	(3,400,000)	(5,662,027)	(4,106,000)
Expenditure on landfill provision	-	-	-	(660,000)
Loans made to community groups	(250,000)	-	-	-
Net Cash provided by (or used in) Investing Activities	(5,234,567)	(5,856,732)	(4,276,048)	(7,996,800)
CASH FLOWS FROM FINANCING ACTIVITIES				
<u>Receipts</u>				
Proceeds from Borrowings	2,420,000	3,400,000	32,000	2,000,000
<u>Payments</u>				
Repayment of Borrowings		(404,160)	(408,000)	(530,000)
Net Cash provided by (or used in) Financing Activities	2,420,000	2,995,840	(376,000)	1,470,000
Net Increase (Decrease) in cash held	1,177,348	147,054	2,613,671	(4,525,416)
Cash & cash equivalents at beginning of period	2,210,216	(890,081)	3,387,764	6,001,435
Cash & cash equivalents at end of period	3,387,564	(743,027)	6,001,435	1,476,019

**PORT PIRIE REGIONAL COUNCIL
BUDGET FOR 2012/13**

STATEMENT OF CHANGES IN EQUITY

	2011 Actual \$	2012 Adopted Budget \$	2012 BR4 \$	2013 Budget \$
Accumulated Surplus				
Balance at end of previous reporting period	57,494,044	60,736,523	52,232,687	58,357,461
Net Surplus / (Deficit) for Year	(5,367,391)	(3,556,819)	5,768,542	(3,464,361)
Transfers between reserves	106,034	(146,791)	356,232	2,701,812
Balance at end of period	52,232,687	57,032,913	58,357,461	57,594,912
Asset Revaluation Reserve				
Balance at end of previous reporting period	104,220,480	104,220,480	104,313,081	104,313,081
Revaluation Adjustments During Year	92,601			
Transfers between reserves				
Balance at end of period	104,313,081	104,220,480	104,313,081	104,313,081
Other Reserves				
Balance at end of previous reporting period	4,704,383	4,567,604	4,598,349	4,242,117
Transfer to Reserves		246,791	3,035,508	195,461
Transfer from Reserve	(106,034)	(100,000)	(3,391,740)	(2,897,273)
Balance at end of period	4,598,349	4,714,395	4,242,117	1,540,305
TOTAL EQUITY				
Balance at end of previous reporting period	166,418,907	161,144,117	161,144,117	166,912,659
Net Surplus / (Deficit) for Year	(5,367,391)	(3,556,819)	5,768,542	(3,464,361)
Revaluation Adjustments During Year	92,601	-	-	-
Transfers between reserves	-	-	-	-
Balance at end of period	161,144,117	157,587,298	166,912,659	163,448,298

**PORT PIRIE REGIONAL COUNCIL
BUDGET FOR 2012/13**

UNIFORM PRESENTATION OF FINANCES

	2011	2012	2012	2013
	Actual	Adopted Budget	BR4	Budget
	\$	\$	\$	\$
Income	16,930,146	17,974,968	19,978,130	17,741,093
<i>less</i> Expenses	20,389,095	22,165,287	18,427,722	21,260,454
	(3,458,949)	(4,190,319)	1,550,408	(3,519,361)
<i>less</i> Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets	3,973,957	3,138,852	3,109,584	3,371,800
<i>less</i> Depreciation, Amortisation and Impairment	7,281,321	7,198,265	5,715,311	5,520,745
<i>less</i> Proceeds from Sale of Replaced Assets	124,434	-	-	33,000
	(3,431,798)	(4,059,413)	(2,605,727)	(2,181,945)
<i>less</i> Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	1,336,442	3,400,000	5,662,027	4,106,000
<i>less</i> Amounts received specifically for New and Upgraded Assets	149,000	633,500	4,218,134	55,000
<i>less</i> Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	-	-	-
	1,187,442	2,766,500	1,443,893	4,051,000
Net Lending / (Borrowing) for Financial Year	(1,214,593)	(2,897,406)	2,712,242	(5,388,416)

**PORT PIRIE REGIONAL COUNCIL
BUDGET FOR 2012/13**

UNIFORM PRESENTATION OF FINANCES

	2011	2012	2012	2013
	Actual	Adopted Budget	BR4 Forecast	Budget
	\$	\$	\$	\$
Operating Surplus	(3,458,949)	(4,190,319)	1,550,408	(3,519,361)
<i>Being the operating surplus (deficit) before capital amounts.</i>				
Operating Surplus Ratio				
<u>Operating Surplus</u>	(36%)	(40%)	15%	(29%)
Rates - general & other less NRM levy				
Net Financial Liabilities	3,478,049	11,851,583	765,807	6,154,223
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).</i>				
Net Financial Liabilities Ratio				
<u>Net Financial Liabilities</u>	21%	67%	4%	35%
Total Operating Revenue less NRM levy				
Asset Sustainability Ratio				
<u>Net Asset Renewals</u>	53%	57%	54%	60%
Depreciation Expense				
<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>				

**PORT PIRIE REGIONAL COUNCIL
BUDGET 2012/13**

DEPARTMENT BUDGETS

	2012 Adopted Budget \$	2012 BR4 Forecast \$	2013 Budget \$
Grand Total	(66,440)	(3,004,552)	1,232,698
1. Office Of The CEO	847,353	849,969	507,896
2. Operating Expenditure	847,353	1,307,242	1,140,169
202. ELECTED MEMBERS	241,259	256,084	257,053
204. GOVERNANCE	433,094	437,657	447,116
206. ECONOMIC DEVELOPMENT	153,000	593,501	416,000
208. STRATEGIC PLANNING	20,000	20,000	20,000
3. Operating Income	-	(457,273)	(627,273)
206. ECONOMIC DEVELOPMENT	-	(427,273)	(627,273)
208. STRATEGIC PLANNING	-	(30,000)	-
4. Capital Expenditure	-	-	35,000
252. ELECTED MEMBERS - CAPITAL	-	-	35,000
5. Capital Income	-	-	(40,000)
252. ELECTED MEMBERS - CAPITAL	-	-	(40,000)
2. Administrative Services	705,776	440,714	853,256
2. Operating Expenditure	1,127,241	1,125,496	1,167,631
205. RECORDS MANAGEMENT	92,849	92,849	83,527
207. ADMINISTRATION	563,610	602,472	624,547
211. HUMAN RESOURCES	123,483	98,983	117,670
212. OCCUP HEALTH & SAFETY	111,894	111,894	114,678
220. PROPERTY	36,049	32,169	35,049
425. CNCL BUILDING MTCE.	199,356	187,129	192,160
3. Operating Income	(426,465)	(681,930)	(419,375)
205. RECORDS MANAGEMENT	(89,827)	(89,827)	(89,827)
207. ADMINISTRATION	(24,445)	(278,745)	(16,945)
211. HUMAN RESOURCES	(82,419)	(82,419)	(82,419)
212. OCCUP HEALTH & SAFETY	(104,813)	(104,813)	(104,813)
220. PROPERTY	(53,645)	(54,810)	(54,055)
425. CNCL BUILDING MTCE.	(71,316)	(71,316)	(71,316)
4. Capital Expenditure	5,000	19,200	105,000
251. ADMINISTRATION - CAPITAL	5,000	10,000	5,000
255. RECORDS MGMNT - CAPT	-	6,600	-
475. CNCL BUILINGS - CAPT.	-	2,600	100,000
5. Capital Income	-	(22,052)	-
251. ADMINISTRATION - CAPITAL	-	(10,452)	-
255. RECORDS MGMNT - CAPT	-	(6,600)	-
475. CNCL BUILINGS - CAPT.	-	(5,000)	-

**PORT PIRIE REGIONAL COUNCIL
BUDGET 2012/13**

	2012 Adopted Budget \$	2012 BR4 Forecast \$	2013 Budget \$
3. Community Services	1,762,683	1,837,923	2,132,995
2. Operating Expenditure	2,304,525	2,426,981	2,199,413
303. SENIOR CITIZENS	16,338	16,338	16,338
307. COMMUNITY HOUSING	158,621	77,897	55,645
309. COMMUNITY BUS	19,335	19,336	19,738
315. COMMUNITY OTHER	357	-	-
317. LIBRARY SERVICES	742,333	851,000	851,807
320. COMMUNITY DEVELOPMENT	89,470	89,470	91,988
321. YOUTH PROGRAMS	3,900	10,000	10,000
322. BOWMAN PARK	15,000	16,500	15,000
323. INTERNET CENTRE	137,146	136,147	139,449
325. ART GALLERY	80,000	80,000	82,250
326. VIC FACILITY MTCE	211,664	237,094	222,935
327. VISITOR INFORMATION CENTRE OPERATIONS	275,945	266,645	280,051
328. TOUR RETAIL SHOP	18,200	18,500	21,200
329. TOUR MINATURE TRAIN	9,751	9,951	10,100
330. TOUR MODEL RAIL	400	700	400
331. TOUR SHARK DISPLAY	600	600	600
332. TOUR SMELTERS TOURS	25,000	45,405	31,138
340. COMMUNITY PROJECTS	101,040	150,801	105,136
342. TOUR PROJECTS	110,000	95,000	65,000
345. SPECIAL EVENTS	135,392	126,127	136,384
348. MASTERS GAMES	154,033	179,470	44,254
3. Operating Income	(541,842)	(558,258)	(371,218)
307. COMMUNITY HOUSING	(143,542)	(56,205)	(55,645)
317. LIBRARY SERVICES	(72,900)	(79,623)	(79,423)
320. COMMUNITY DEVELOPMENT	-		
321. YOUTH PROGRAMS	(2,900)	(4,500)	(3,000)
322. BOWMAN PARK	(3,000)	(6,000)	(4,500)
323. INTERNET CENTRE	(16,000)	(12,000)	(12,000)
326. VIC FACILITY MTCE	(25,100)	(25,100)	(23,700)
327. VISITOR INFORMATION CENTRE OPERATIONS	(1,800)	(2,600)	(3,800)
328. TOUR RETAIL SHOP	(24,800)	(30,000)	(37,000)
329. TOUR MINATURE TRAIN	(5,100)	(5,000)	(5,450)
330. TOUR MODEL RAIL	(200)	(200)	(200)
331. TOUR SHARK DISPLAY	(9,000)	(9,000)	(9,000)
332. TOUR SMELTERS TOURS	(25,000)	(45,405)	(45,000)
334. TOUR MISC	(500)	(732)	(500)
340. COMMUNITY PROJECTS	(70,000)	(119,760)	(75,000)
342. TOUR PROJECTS	(35,000)	(32,500)	(5,000)
345. SPECIAL EVENTS	(12,000)	(10,000)	(12,000)
348. MASTERS GAMES	(95,000)	(119,633)	-
4. Capital Expenditure	-	16,388	304,800
360. COMMUNITY BUS CAPITAL	-	-	60,000
367. LIBRARY CAPITAL	-	0	230,000
377. TOURISM CAPITAL	-	16,388	14,800
5. Capital Income	-	(47,188)	-
360. TRANSPORT BUS CAPITAL	-	(16,000)	-
377. TOURISM CAPITAL	-	(31,188)	-

**PORT PIRIE REGIONAL COUNCIL
BUDGET 2012/13**

	2012 Adopted Budget \$	2012 BR4 Forecast \$	2013 Budget \$
4. Environmental Services	1,194,869	1,178,759	1,167,027
2. Operating Expenditure	1,739,145	1,814,134	1,758,553
401. DEVELOPMENT SERVICES ADMIN	370,396	366,282	377,131
402. DEVELOPMENT ACT - PLANNING	456,121	530,889	463,628
403. DEVELOPMENT ASSESSMENT PANEL	18,990	23,590	18,490
405. BUILD INSPECTION - CNTRL	350,810	261,594	281,800
408. HEALTH INSPECTION	132,473	137,063	143,336
409. OTHER HEALTH SERVICES	14,972	14,972	14,972
410. NOXIOUS INSECT CONTROL	3,727	1,227	3,727
412. DRUMMUSTER	7,500	7,500	-
420. DOG CONTROL	133,486	126,436	131,081
421. PARKING CONTROL	25,731	25,431	26,574
422. BYLAWS	18,698	27,454	18,801
427. SWIMMING POOLS	202,556	284,511	276,328
429. COMMUNITY STABLES	1,685	5,185	2,685
430. PROJECTS - DS	2,000	2,000	-
3. Operating Income	(574,276)	(635,375)	(578,526)
401. DEVELOPMENT SERVICES ADMIN	(324,476)	(324,476)	(324,476)
402. DEVELOPMENT ACT - PLANNING	(81,300)	(113,465)	(76,700)
405. BUILD INSPECTION - CNTRL	(53,500)	(59,100)	(47,500)
408. HEALTH INSPECTION	(8,000)	(11,100)	(9,600)
409. OTHER HEALTH SERVICES	(5,500)	(734)	(750)
412. DRUMMUSTER	(7,500)	(7,500)	-
420. DOG CONTROL	(90,000)	(111,500)	(115,000)
421. PARKING CONTROL	(3,500)	(6,200)	(4,500)
422. BYLAWS	-	(800)	-
427. SWIMMING POOLS	(500)	(500)	-
4. Capital Expenditure	30,000	-	-
455. BUILD INSP - CAPITAL	30,000	-	-
5. Capital Income	-	-	(13,000)
458. HEALTH INSPECT - CAPITAL	-	-	(13,000)

**PORT PIRIE REGIONAL COUNCIL
BUDGET 2012/13**

	2012 Adopted Budget \$	2012 BR4 Forecast \$	2013 Budget \$
5. Financial Services	(23,932,498)	(19,641,426)	(22,685,241)
0. Liabilities	404,160	408,000	530,000
105. COMMUNITY DEBT	404,160	408,000	530,000
2. Operating Expenditure	2,511,531	4,935,291	2,641,052
105. COMMUNITY DEBT	150,000	140,000	135,000
109. FINANCIAL SERVICES	604,042	2,918,013	562,466
112. INFORMATION TECHNOLOGY	377,664	461,511	434,177
113. RATES	492,773	528,031	545,440
114. CUSTOMER SERVICE	147,822	147,405	154,709
115. NATURAL RESOURCES MANAGEMENT LEVY	280,220	280,220	294,000
117. CARAVAN PARK CRYSTAL BROOK	5,765	13,080	13,080
120. CONTRIBUTIONS TO COMMUNITY GROUPS	176,246	178,746	225,246
146. INSURANCE	276,999	268,285	276,934
3. Operating Income	(23,449,569)	(25,027,097)	(23,892,293)
101. RATES GENERAL INCOME	(10,691,400)	(10,702,220)	(11,150,000)
103. GRANTS COMMISSION INCOME	(4,439,771)	(5,917,000)	(2,350,000)
107. LOANS OUTSIDE PARTIES	(24,620)	(24,620)	(24,000)
108. INTEREST / INVESTMENT REVENUE	(16,000)	(76,953)	(38,000)
109. FINANCIAL SERVICES	(7,349,099)	(7,139,599)	(8,150,834)
112. INFORMATION TECHNOLOGY	(371,629)	(473,629)	(371,629)
113. RATES	(77,597)	(105,641)	(1,303,597)
114. CUSTOMER SERVICE	(122,733)	(122,733)	(122,733)
115. NATURAL RESOURCES MANAGEMENT LEVY	(286,720)	(287,845)	(298,500)
120. CONTRIBUTIONS TO COMMUNITY GROUPS	-	(75,000)	-
146. INSURANCE	(70,000)	(101,857)	(83,000)
4. Capital Expenditure	50,000	146,000	124,000
159. FINANCIAL SERVICES CAPITAL	-	0	65,000
162. INFORMATION SYSTEMS CAPITAL	25,000	98,000	34,000
167. CARAVAN PK CBK - CAPT	25,000	48,000	25,000
5. Capital Income	(3,448,620)	(103,620)	(2,088,000)
157. LOAN INCOME - CAPITAL	(3,448,620)	(80,620)	(2,053,000)
159. FINANCIAL SERVICES CAPITAL	-	-	(35,000)
167. CARAVAN PK CBK - CAPT	-	(23,000)	-

**PORT PIRIE REGIONAL COUNCIL
BUDGET 2012/13**

	2012 Adopted Budget \$	2012 BR4 Forecast \$	2013 Budget \$
6. Technical Services	19,355,377	12,329,509	19,256,765
2. Operating Expenditure	17,716,230	14,516,669	17,141,843
221. PROPERTY - HALLS	112,940	139,014	142,336
415. EFFLUENT DRAINAGE	330,972	357,139	347,972
501. WASTE MANAGEMENT	2,861,044	1,547,004	3,792,128
502. SPORT & RECREATION - OVALS	827,078	957,409	935,215
503. RECREATION - OTHER	19,841	68,530	24,750
504. FORESHORE & JETTIES	11,350	10,737	10,100
505. GARDENS	1,308,653	1,157,592	1,154,629
506. CEMETERY	243,352	239,539	241,391
508. COMMUNITY AMENITIES	395,472	384,776	425,150
509. PUBLIC AMENITIES	122,132	158,595	140,155
510. STREET CLEANING	302,001	180,455	359,021
511. URBAN STORMWATER DRAINAGE	538,313	526,550	917,051
512. PROTECTION OF ENVIRONMENT NEC	8,218	6,720	10,000
513. COMMUNITY & SAFETY	3,028	2,998	2,500
514. FIRE PROTECTION	125,743	112,156	120,327
515. ROAD MAINTENANCE	6,874,075	5,121,233	4,921,217
516. QUARRIES	8,218	8,032	10,000
517. AERODROME	132,857	167,273	137,279
518. WORKS DEPOT	1,487,571	1,425,667	1,442,285
519. MACHINERY OPERATIONS	1,204,284	1,109,624	1,080,108
520. ASSET MANAGEMENT	157,073	195,751	263,250
521. TECHNICAL SERVICES ADMIN	642,015	624,875	649,979
526. PRIVATE WORKS	-	15,000	15,000
3. Operating Income	(5,039,832)	(4,593,854)	(5,334,078)
221. PROPERTY - HALLS	(750)	(1,500)	(750)
415. EFFLUENT DRAINAGE	(255,180)	(265,702)	(255,180)
501. WASTE MANAGEMENT	(653,100)	(562,000)	(1,066,300)
502. SPORT & RECREATION - OVALS	(11,890)	(11,890)	(11,890)
503. RECREATION - OTHER	(300)	(300)	(300)
506. CEMETERY	(126,000)	(126,000)	(126,000)
511. URBAN STORMWATER DRAINAGE	-	-	(427,000)
514. FIRE PROTECTION	-	(220)	-
515. ROAD MAINTENANCE	(330,000)	(330,000)	(330,000)
517. AERODROME	(40,000)	(55,522)	(50,000)
518. WORKS DEPOT	(2,418,428)	(2,144,758)	(1,966,550)
519. MACHINERY OPERATIONS	(1,204,184)	(1,070,962)	(1,080,108)
526. PRIVATE WORKS	-	(25,000)	(20,000)

**PORT PIRIE REGIONAL COUNCIL
BUDGET 2012/13**

	2012 Adopted Budget \$	2012 BR4 Forecast \$	2013 Budget \$
4. Capital Expenditure	7,412,479	8,630,023	7,569,000
270. PROPERTY IMPROVEMENTS - CAPITAL	100,000	115,134	167,000
465. EFFLUENT DRAINAGE CAPITAL.	1,050,000	4,892,338	120,000
551. WASTE MANAGEMENT - CAPITAL	3,573,526	1,299,603	4,060,000
552. SPORT RECREATION - CAPITAL	90,000	55,700	95,000
555. PARKS & GARDENS - CAPITAL	53,551	58,559	35,000
556. COMMUNITY AMENITIES - CAPITAL	13,976	129,954	26,000
561. URBAN STORMWATER DRAIN. - CAPT	772,244	543,938	780,000
564. ROAD CONSTRUCTION - URBAN AND RURAL	220,088	5,000	387,000
565. ROAD RESEALS - URBAN AND RURAL	243,431	13,424	254,000
566. ROAD SHEETING/RESHEETING - RURAL	609,651	611,227	600,000
567. ROAD KERBING & VERGE SEALING	-	-	70,000
568. FOOTPATHS - URBAN	189,482	248,735	50,000
569. FOOTPATHS - RURAL	42,171	0	20,000
570. FEDERAL ROADS TO RECOVERY	370,711	547,711	595,000
577. AERODROME - CAPITAL	-	-	20,000
578. DEPOT - CAPITAL	18,648	45,000	-
579. MACHINERY - CAPITAL	65,000	63,700	290,000
5. Capital Income	(733,500)	(6,223,329)	(120,000)
270. PROPERTY IMPROVEMENTS - CAPITAL	-	(10,182)	-
465. EFFLUENT DRAINAGE CAPITAL.	(550,000)	(4,461,638)	(120,000)
551. WASTE MANAGEMENT - CAPITAL	(123,500)	(519,309)	-
552. SPORT RECREATION - CAPITAL	(60,000)	(193,400)	-
556. COMMUNITY AMENITIES - CAPITAL	-	(97,000)	-
561. URBAN STORMWATER DRAIN. - CAPT	-	(372,500)	-
564. ROAD CONSTRUCTION - URBAN AND RURAL	-	(365,000)	-
565. ROAD RESEALS - URBAN AND RURAL	-	(21,000)	-
568. FOOTPATHS - URBAN	-	(36,300)	-
578. DEPOT - CAPITAL	-	(55,000)	-
579. MACHINERY - CAPITAL	-	(92,000)	-