



DISTRICT COUNCIL OF
CLEVE

Annual Business Plan & Annual Budget 2023-2024

Adopted at the Special Meeting of Council on 25 July 2023

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1. Introduction & District Profile

The District Council of Cleve was proclaimed on 4 May 1911, and has developed to the point where it is now considered to be the nucleus of one of the key agricultural areas of South Australia.

While the town of Cleve itself is located approximately half-way between Whyalla and Port Lincoln on the Eyre Peninsula, the District Council of Cleve encompasses the area from the coast of Spencer Gulf at Arno Bay west to the mountain ranges of Darke Peak. The area is characterised by panoramic views, cereal crops, sandy beaches and some of the best fishing in the country.

The District Council of Cleve covers an area of 501,885 hectares serving a population of approximately 1771 (2016 census) people and shares boundaries with Kimba, Franklin Harbour, Elliston and Tumby Bay Councils.

The District Council of Cleve includes the townships of Cleve, Arno Bay, Darke Peak and Rudall.

The region's prosperity has been largely attributed to the diverse farming activities of cereal grains, oilseeds and pulses, as well as livestock. The agricultural sector is a major employer within the district, with bulk grain-handling facilities situated in several towns.

The Eyre Peninsula is also currently experiencing a mining exploration boom, with opportunities available for the district in extraction of iron ore, dolomite, nickel and graphite.

Generous areas of foreshore reserve with sandy beaches and safe swimming are attractions of the coastal town of Arno Bay, along with an iconic jetty, mangrove boardwalk and superior boat launching facilities. Arno Bay provides arguably some of the best recreational fishing of target species King George Whiting and Snapper in Australia.

The total value of the Council's assets is approximately \$83 million and includes airport, roads, footpaths, effluent drainage, playgrounds and buildings such as community halls, to service the local constituents.

2. Strategic Directions

This Annual Business Plan & Annual Budget has been developed in line with the strategic objectives of the District Council of Cleve's Strategic Plan 2020-2025. The implementation of objectives within Council's Strategic Plan is reported each year in Council's Annual Report.

Our Vision

Council's vision is to be:

A thriving district of inclusive and supportive rural and coastal communities enjoying a safe, well-serviced and relaxed country lifestyle.

Our Mission

Council will support the pursuit of its Vision by:

- Providing leadership and working with our community to meet their expectations.
- Fostering a sense of community and inclusion.
- Delivering quality and community services and providing, maintaining and improving community facilities.
- Encouraging economic development and maintenance of a sustainable population.
- Engaging with community and working with stakeholders.
- Being financially responsible in its decision making.

Our Core Values

Efficient

We continuously explore ways to improve our efficiency in meeting community outcomes and be dependable in delivering quality services, infrastructure and facilities.

Consultative

We listen to our community's needs and aspirations and are consultative in our delivery.

Respectful

We demonstrate care and empathy in our processes, considerations and dealings within and beyond Council.

Integrity

We act with honesty and integrity in our dealings and are transparent in our decision making.

Innovative

We embrace innovation in pursuing quality and sustainable services, infrastructure and facilities.

Supportive

We embrace our role in supporting the community and fostering a sense of inclusion and pride.

Our Key Strategic Goals & Objectives

The following key strategic goals and objectives addresses the requirement of Section 123 (2) (a) of the Local Government Act 1999 by including a summary of the Council's long-term objectives, as set out in its strategic management plans.

2.1 A Connected, Resilient and Thriving Community

- 2.1.1 Develop a sense of community engagement and participation in district wide events and facilities.
- 2.1.2 Promote community assets or the benefit of all across the district.
- 2.1.3 Continue to support valuable community events.
- 2.1.4 Provide support to local sporting clubs, social clubs and committees.
- 2.1.5 Encourage and support healthy living and well-being through community programs and the provision of recreational facilities such as walking trails, playgrounds etc.
- 2.1.6 Partner with local mental health and wellbeing groups.
- 2.1.7 Continue council's commitment to Australia Day Awards.
- 2.1.8 Encourage and support a high level of volunteer participation.

2.2 **A Sustainable Population**

- 2.2.1 Advocate to all levels of Government and other stakeholders for retention and improvements to essential services.
- 2.2.2 Advocate for reliable power, water and telecommunications.
- 2.2.3 Advocate for improved aged care options.
- 2.2.4 Encourage the provision of in-home services under National Disability Scheme in the district.
- 2.2.5 Maintain township infrastructure, streetscapes, parks and open spaces to a high standard.
- 2.2.6 Identify measures to encourage and promote community pride.
- 2.2.7 Advocate for retained access to natural assets in manageable and sustainable manner.
- 2.2.8 Pursue meaningful ways to engaging with and supporting our youth population.
- 2.2.9 Continue to monitor community safety measures to mitigate extreme weather events and natural disasters.
- 2.2.10 Promote and support community safety initiatives including advocating for improved fire safety.
- 2.2.11 Encourage the development of public arts.
- 2.2.12 Enhance the unique identity and heritage of our townships through the development of their public spaces.
- 2.2.13 Advocate for the care, protection and recognition of environmental, heritage and cultural assets.

2.3 **Prosperous Local Economy**

- 2.3.1 Develop an economic development plan for the district.
- 2.3.2 Encourage and support economic development.
- 2.3.3 Continue to support economic initiatives provided by Regional Development Australia (RDA).
- 2.3.4 Support local businesses through networking events and the provision of demographic and economic data that Council accesses.
- 2.3.5 Explore measures to encourage retained spending within the local economy.
- 2.3.6 Investigate options for an Economic Development resource within Council.
- 2.3.7 Advocate for development of local mining to provide employment opportunities and investment in the district.
- 2.3.8 Ensuring more effective and efficient commitment of Council resources (monetary and other) in tourism initiatives and resources.
- 2.3.9 Work with local tourism operators to improve standard of tourism facilities.
- 2.3.10 Further development and enhance tourism infrastructure such as RV parks and camping facilities.

2.4 **Quality Services and Infrastructure**

- 2.4.1 Advocate to State and Federal Governments for greater financial assistance to support the maintenance and upgrading of the road network.
- 2.4.2 Advocate for local industry and educational institutions in support of funding and other opportunities.
- 2.4.3 Enhance facilities for youth such as the provision of a BMX track or trail through parks.
- 2.4.4 Further development of recreation areas and playgrounds.
- 2.4.5 Provide professional development for Council staff and Elected Members to foster continuous improvement in all aspects of Council's performance.
- 2.4.6 Continue the development, review and implementation of Council's infrastructure and asset management plans.
- 2.4.7 Advocate for retention of jetties.
- 2.4.8 Provide efficient and effective development services and wherever possible pursue development that is sympathetic to the region.
- 2.4.9 Pursue effective consultation and engagement measures when planning and implementing new services and infrastructure.
- 2.4.10 Continue to explore cost-effective means of resourcing within Council including via shared service arrangements with neighbouring Councils.
- 2.4.11 Exercise sound financial management that ensures effective planning for the short, medium and long term.
- 2.4.12 Drive continuous improvement in service delivery by collecting community and customer feedback on services.

2.5 **An Engaged Community**

- 2.5.1 Enhance and develop relationships within Government, Non-Governmental Organisation's and other Stakeholders in advocating for the community.
- 2.5.2 Utilise improved communication mediums appropriate to the diversity of our community and their needs to improve communication delivery and access.
- 2.5.3 Pursue broader engagement with Stakeholders in community utilising effective consultation and feedback mechanisms as well as improving access to ensure Council is attuned to the important issues and concerns.
- 2.5.4 Represent Council at schools to increase civic awareness and support the next generation of community leaders and volunteers.
- 2.5.5 Continue to pursue transparency and accountability in decision making through Council's policies, procedures and supported by the Audit Committee as an independent body.
- 2.5.6 Encourage greater diversity on Council.
- 2.5.7 Continue to support community groups through a range of means including Council's Community Grants Program.

3. Significant Influences and Priorities

The preparation of the Council's Annual Business Plan has been influenced by a number of significant factors.

3.1 Economic Development Strategy

The District Council of Cleve has traditionally taken a conservative role in economic development in the district. However, significant population loss and aging is now evident, resulting from economic structural change in the region, and in turn constraining future investment, jobs and population growth.

It was essential that the District Council of Cleve developed a long-term vision and took a strong leadership and facilitation role to enable a new and sustainable future for the community. Accordingly, an Economic Development Framework was created and adopted by Council on 14 September 2021.

The primary objectives of the Economic Development Framework include:

- Increase the population to 2,000 people, with a younger demographic profile.
- Attract and retain 100 new families into the district.
- Create 100 new export (out of district sales) orientated jobs.

Early work in 2021-22 was undertaken to build the foundations with a focus on enhancing visitor attractions and key livability aspects in the district, to support the attraction and retention of population and workforce in the region.

In 2023-24, the Council will continue to build on the foundations stage they initiated in 2022-23, with a new focus on transformational opportunities. A phase of major transformational project development that will focus on a theme of re-generation, creating long-term sustainable competitive advantage for the Cleve district.

The well-aligned 2023-24 projects will achieve:

- new export industry job creation
- major enabling infrastructure
- renewable resources
- modern housing development, and
- direct attraction of population and workforce into the district.

This transformation stage included the creation of a 'pitch prospectus' that was developed in 2022-23 for the purpose of securing future government funding and private partnerships, and ultimately sustainable investment and population and jobs growth.

Accordingly, for 2023-24, Council has included operating projects totaling \$238k and budgeted for Economic Development staff totaling \$179k.

The following table summarises the financial impact on Councils operating activities (separately from the capital projects listed in section 5 below) over the next year:

Economic Development Projects	\$
Population Housing Support	20,000
Darke Peak Masterplan	35,000
Economic Transformational Opportunities Project Scoping & Consultancy	30,000
Cleve Harvest Music Fest	25,000
Main Street Shop Front Renewal Project	25,000
Tourism Projects	25,000
Darke Peak Music Event	20,000
Rebranding Council & Cleve District - Advertising & Marketing Strategy	20,000
New Settlers Program	15,000
Mountain Bike Project Scoping & Consultancy	10,000
Adelaide Guitar Festival	5,000
Entrepreneurship in School (3 Year Program)	4,500
Tasting Arno Event	1,000
Arno Bay New Years Day Event	1,000
Arno Bay Halloween Event	1,000
	237,500
Staffing:	
Economic Development Staff - 1.8 FTE (reduced from 2.4 FTE in 2022-23)	179,266
Cost / Revenue per annum	416,766

3.2 Local Roads & Community Infrastructure Funding – Phase 4

Council will receive \$483k in the 2023-24 financial year from Phase 4 of the Local Roads & Community Infrastructure Program.

This funding has been allocated to a new road in Arno Bay (Oscar Road to the Arno Bay Marina).

3.3 Storm Disaster Recovery

Council's road network sustained significant damage because of a severe weather event that occurred in January 2022 by ex-tropical cyclone Tiffany.

A submission was made through the Local Government Disaster Recovery Assistance Fund for financial support towards the \$4M approximate capital replacement/renewal and operational/maintenance expenditure costs with 90% disaster recovery funding approved from the State Government (reported as operating income). The work is to be completed over the 2022-23 and 2023-24 financial years.

It is anticipated that 90% of this will be recovered from the State Governments disaster recovery fund. Accordingly, \$1.565M of grant revenue has been included in the 2023-24 Statement of Comprehensive Income.

3.4 Other Influences & Factors

Other influences and factors include:

- Consumer Price Index/Local Government Prices Index increases on existing goods and services of 7.9% for Adelaide for year (March 2023 quarter);
- requirements to maintain and improve infrastructure assets to acceptable standards, including roads, footpaths, storm water drainage and community wastewater management systems;
- service delivery needs for a decreasing population;
- State/Commonwealth grant funding not keeping pace with the increase in associated service delivery costs;
- facilitating the future financial sustainability of Council by ensuring the financial operations remain within policy targets adopted for such purpose;
- continuation of Council's annual works program;
- provision of sufficiently qualified experienced and trained staff to meet service delivery demands.

4. Continuing Services

Councils have basic responsibilities under the Local Government Act 1999 and other relevant legislation. These include:

- regulatory activities (e.g. Planning, Building & Development, Environmental Health Service, Fire Prevention, Cat & Dog Management);
- setting rates, preparing an annual budget and determining longer-term strategic management plans for the area;
- management of basic infrastructure including roads, footpaths, parks and gardens, public open space and community wastewater systems;
- street lighting and storm water drainage; and
- street cleaning, rubbish collection, recycling and waste management.

In response to community needs the Council also provides or funds further services and programs including:

- | | |
|-----------------------------------|-------------------------------------|
| ➤ Community Library | ➤ Food Safety Inspections |
| ➤ Economic Development | ➤ Traffic Management |
| ➤ Environmental Programs | ➤ Community Development Programs |
| ➤ Community Programs | ➤ Skate Park |
| ➤ On & Off Street Parking | ➤ Community Services |
| ➤ Airport Services | ➤ Tourism Information & Support |
| ➤ Boat Ramps & Jetties | ➤ Festivals & Events |
| ➤ Cemeteries | ➤ Local Museums & Heritage Support |
| ➤ Citizenship Ceremonies | ➤ Coast Care Programs |
| ➤ Aged Care | ➤ Walking & Cycling Tracks |
| ➤ Development Application Service | ➤ Recreational Facilities & Centres |
| ➤ Event Management | ➤ Ovals |
| ➤ Fire & Burning | ➤ Public Swimming Pools |
| ➤ Public Conveniences | ➤ Mosquito Control |

The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while generating revenue used to provide the following service:

- Community Wastewater Management System - Cleve and Arno Bay
- Arno Bay Boat Ramp (launching fee applies)

The Community Wastewater Management Systems raise separate service charges which are used to maintain the operation of the system and any future capital expenditure required to upgrade the system. All surplus funds are reserved for future capital expenditure.

5. Capital Expenditure - Project Priorities for the Year

Capital Project	\$,000
Road Resealing Work as per Infrastructure & Asset Management Plan: <ul style="list-style-type: none"> • John Street, Darke Peak • Howard Terrace, Darke Peak • Charles Street, Darke Peak • Theakston Terrace, Darke Peak • Henry Street, Darke Peak • Darke Terrace, Darke Peak • Cowley Road, Arno Bay • Tel El Kebir Terrace, Arno Bay (shoulder reconstruction) • Balumbah Kinnard Road • Balumbah Kinnard Road (seal repairs) 	420
Road Sealing - Funded by Special Local Roads Program: <ul style="list-style-type: none"> • Balumbah Kinnard Road (shoulder renewal) – 6km 	600
Road Resheeting Work - Funded by Local Government Disaster Recovery Program: <ul style="list-style-type: none"> • Nield Road • King Hicks Road • Balumbah Kinnard Road • Wudinna-Darke Peak Road • Mangalo-Kielpa Road 	735
Road Resheeting - Funded by Roads to Recovery Program: Category 1 & 2 Roads: <ul style="list-style-type: none"> • Ross Ramsey Road – 3km • Wudinna Road – 4km • Pahls Road – 4km • Preiss Road – 2km 	572
Road Resheeting - Funded by Council: Category 3 - Property Access Roads: <ul style="list-style-type: none"> • North Spriggs Road – 2km 	44
Road Resheeting - Funded by Local Roads & Community Infrastructure Program Phase 3: Category 3 - Property Access Roads: <ul style="list-style-type: none"> • Scenic Road – 4km • Taragoro Road – 3km 	154

Capital Project	\$,000
Upgrade Plant & Machinery as per Infrastructure & Asset Management Plan: <ul style="list-style-type: none"> • John Deere Grader (Patrol) • Mitsubishi Prime Mover • Pedestrian Vibe Roller x 2 • JCB 3CX Backhoe • Water Tanker • Kerbing Machine Motor 	980
Kerbing Construction – Balumbah Kinnard Road, Darke Peak – 150m	45
Footpath Repairs in Cleve Township	15
District Entrance & Welcome Signage Upgrade	90
Council Office Photocopier Upgrade	11
Total Replacement / Renewal Expenditure	3,666
Road Construction - Marina Access Road to Oscar Road, Arno Bay	483
Arno Bay Marina Upgrade	415
Arno Bay Redbanks RV Park	200
Dog Park	30
Tree Replacement Program – Jacarandas	30
Cleve Playspace – Lighting, Water, Fencing	25
Stormwater Dam Overflow	12
Bridge Inspections	12
CWMS Pump Upgrade	10
MTA Shed	5
Boarding House Construction	1,462
Cleve RV Park/showgrounds Toilet Upgrade	145
Total New / Upgrade Expenditure	2,829
Total Capital Expenditure	6,495

6. Financial Sustainability/Financial Performance Measures

Council is committed to ensuring its long term financial sustainability. Council's financial sustainability is dependent on ensuring that, on average over time, its expenses are at least matched by its revenue. In addition, capital expenditure on existing infrastructure and other assets should be optimised in accordance with Councils long term renewal programs as referenced in Council's Infrastructure & Asset Management Plan.

Regulation 7 of the Local Government (Financial Management) Regulations 2011 states:

Pursuant to section 123(10)(b) of the Act, each budget of a council under the Act must -

... include estimates with respect to the council's operating surplus ratio, asset sustainability ratio and net financial liabilities ratio presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.

6.1 Operating Surplus Ratio

The operating surplus ratio expresses the operating surplus (deficit) expressed as a percentage of operating income. This ratio answers the question: Is Council covering its operating expenditure and depreciation charge from its operating revenue?

	Forecast 2022-23 \$,000	Budget 2023-24 \$,000	Mvmt
Operating Surplus Ratio			
<u>Operating Surplus</u>	507	642	134
Total Operating Revenue	8,172	9,215	1,042
	6.2%	7.0%	0.8%
2023-24 Fag's in advance reported in Forecast	542		
Assumption 2024-25 Fags paid in June 2024		1,789	
Operating Surplus Ratio adjusted			
<u>Operating Surplus</u>	(34)	(1,148)	(1,113)
Total Operating Revenue	7,631	7,426	(205)
	-0.4%	-15.5%	-15.0%

Council aims for operating surplus between 0% and 10% of operating income.

For the 2023-24 financial year, Council is forecasting an operating surplus of 7%, however should the timing difference be reversed by the Federal government in June 2024 then the forecast operating result would be a deficit of (15.5%).

For strategic assessment purposes the relevant result to use is 7.0% as this ratio forecasts the Fags revenue to be received in the same period as that of the expenses it funds.

6.2 Net Financial Liabilities (Assets) Ratio

Net financial liabilities are a comprehensive measure of the indebtedness of the Council as it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of the level of Council's available cash and investments. Specifically, net financial liabilities equal total liabilities minus financial assets, where financial assets for this purpose includes cash, cash equivalents, trade and other receivables, and other financial assets, but excludes equity held in Council businesses, inventories and land held for resale.

The following table sets out revised estimates as of 30 June 2024:

	Forecast 2022-23 \$,000	Budget 2023-24 \$,000	Mvmt
Net Financial Liabilities Ratio			
<u>Net Financial Liabilities</u>	(3,868)	(3,418)	450
Total Operating Revenue	8,172	9,215	1,042
	-47%	-37%	10%
2023-24 Fags in advance reported in Forecast	542		
Assumption 2024-25 Fags paid in June 2024		1,789	
Net Financial Liabilities Ratio adjusted			
<u>Net Financial Liabilities</u>	(3,326)	(1,628)	450
Total Operating Revenue	7,631	7,426	1,042
	-44%	-22%	22%

The Net Financial Assets Ratio is forecast to decrease by 10% across the 2023-24 financial year.

A negative result indicates that Council is in a Net Financial Assets position, meaning that its financial assets are greater than its total liabilities.

For strategic assessment purposes the relevant result to use is (22%) being the ratio adjusted for the situation where Fags are not prepaid.

Unlike the Operating Surplus, which is an estimate limited to a defined time frame of one year, Net Financial Liabilities are a rolling balance from year to year. Accordingly, the opening balance of Cash & Cash Equivalents is overstated by \$1.789M relating to the 2023-24 Fags revenue received in the 2022-23 financial year. At some stage in the future the Federal Government will not prepay this amount and there will be a shortfall. Hence for strategic assessment purposes the relevant NFLR would be (22%).

6.3 Asset Renewal Funding Ratio

The Asset Renewal Funding Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out.

The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to the amount identified in Councils long term renewal programs as referenced in Council's year one of the soon to be finalised 2024-33 updated asset management plan. Council is aiming to attain a result of 100% for the year ending 30 June 2024.

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	4,415	3,536	(879)
Asset Renewals per AMP	3,865	3,536	(329)
	114%	100%	-14%

6.4 Financial Sustainability Assessment

The results forecast from the key financial indicators above indicate that Council is operating in a financially sustainable manner.

Council is forecasting operating revenue to be greater than operating expense thereby producing an operating surplus.

Financial assets are greater than total liabilities hence Council is not exposed to any financial risk from interest rates increasing.

Finally, Council is replacing its assets at the same speed at which they are being consumed as it has funded the asset renewal requirements of year one of the soon to be finalised 2024-33 asset management plan.

7. Non-Financial Performance Measures – 2023-24

The following proposed non-financial performance measures for the financial year are linked to the District Council of Cleve Strategic Plan 2021-2025:

7.1 A Connected, Resilient and Thriving Community

- Provide grants to local community organisations through our community grants program.
- Provide ongoing support to the community library.
- Provide support and co-ordinate community events and civic functions including:
 - Seniors Week Luncheon 2023
 - Remembrance Service 2023
 - Cleve Christmas Pageant 2023
 - Australia Day Ceremony 2024
 - ANZAC Day Service 2024
- Host an Adelaide Guitar Festival Event in conjunction with the Adelaide Festival Centre to attract visitors to the district.

7.2 A Sustainable Population

- Attract new families to the district.
- Work with industry to develop a housing support package.
- Pursue opportunities to increase childcare facilities in the district.
- Provide a Public Arts Program.
- Provide ongoing support to youth activities when funding becomes available.
- Provide a Centrelink access point and services to the community.

7.3 Prosperous Local Economy

- Continue to investigate and pursue economic transformational opportunities.
- Deliver a new branding and marketing strategy for the district.

- Continually promote our district through different media channels.
- Produce visitor and RV guides and social media.
- Provide support and co-ordinate local business development including the Business Networking Event 2023.
- Seek funding for potential mountain bike trails in the district.
- Construct boarding facilities in Cleve (funded by Building Better Regions Funding – Round 5).

7.4 Quality Services and Infrastructure

- Road Resealing including line marking and guideposts:
 - John Street, Darke Peak
 - Howard Terrace, Darke Peak
 - Charles Terrace, Darke Peak
 - Theakston Terrace, Darke Peak
 - Henry Street, Darke Peak
 - Darke Terrace, Darke Peak
 - Balumbah Kinnard Road (South) -3km
 - Cowley Road (Arno Bay) – 100m
 - Tel El Kebir Terrace, Arno Bay (Shoulder Repairs) – 200m
 - Balumbah Kinnard Road (Shoulder Repairs)
- Road Resheeting – Partially Funded by Roads to Recovery Program:
 - Ross Ramsey Road – 3km
 - Wudinna Road – 4km
 - Pahls Road – 4km
 - Preiss Road – 2km
- Road Sheeting - Funded by Local Roads & Community Infrastructure Program – Phase 3: *(incomplete works rolled over from 2023)*
 - Scenic Road – 4km
 - Taragoro Road – 2km
- Road Resheeting – Property Access
 - North Spriggs 2km
- Disaster Relief Resheeting
 - Nield Road
 - King Hicks Road
 - Balumbah-Kinnard Road
 - Wudinna/Darke Peak Road
 - Mangalo Kielpa Road
- Construct 150m of kerbing on Balumbah Kinnard Road in the Darke Peak township *(Works rolled over from 2023)*.
- Shoulder Renewal – *Funded by Special Local Roads Program*
 - Balumbah-Kinnard Road – 6km

- Upgrade plant and machinery including:
 - John Deere Grader
 - Mitsubishi Prime Mover
 - JCB Backhoe
 - Pedestrian Vibrating Roller
 - Water Tanker
 - Kerbing Machine Motor

7.5 An Engaged Community

- Continue to fund an entrepreneurship training program with students at Cleve Area School that will be run over a three-year period.
- Review all financial documentation, procedures and policies with consultant.
- Continual review and update of Council's policies and related procedures.
- Continue to update the Work Health & Safety (WHS) and Risk Management (RM) programs.
- Continue to update skills of elected members and staff through training.
- Utilise shared services with local councils when and where we can.
- Maintain regular updates on website and social media pages.
- Upgrade payroll IT program.

8. Non-Financial Performance Measures – Achievements 2022-23

The following proposed non-financial performance measures for the financial year are linked to the District Council of Cleve Strategic Plan 2020-2025:

Goal 1: A Connected, Resilient & Thriving Community	
Project	Comment
Community Grants Program	Complete
Provide ongoing support to the Community Library (Annual Council Contribution)	Complete
Seniors Week Luncheon - November 2022	Complete
Remembrance Day Service - November 2022	Complete
Cleve Christmas Pageant - December 2022	Complete
Australia Day Ceremony - January 2023	Complete
ANZAC Day Service - April 2023	Complete
SA Youth Week - <i>no funding secured</i>	Not Complete
Adelaide Guitar Festival - July 2022	Complete

Cleve Harvest Music Fest - October 2022	Complete
Host Annual 4WD Event	Deferred to 2022-23
Goal 2: A Sustainable Population	
Project	Comment
Attract new families to the district with a population housing support package	Ongoing
Main Street Renewal Program	Complete
Investigate opportunities to increase Child Care Facilities	Complete
Public Ars Program	Ongoing
Support Youth Activities	Ongoing
Centrelink access point and services to the community	Complete
Goal 3: Prosperous Local Economy	
Project	Comment
Investigate and pursue economic transformation opportunities	Ongoing
Develop and deliver a new branding and marketing strategy	Ongoing
Arno Bay 24/7 Fuel Outlet	Ongoing
Support Regional Economic Initiatives provided by EPRDA	Ongoing
Promotion of the District through different Media Channels	Ongoing
Business Networking Event 2023	Complete
Investigate potential Mountain Bike Trails	Complete
Investigate Telehealth Opportunities	Complete
Investigate a Business Development – Growth Accelerator Project	Complete
Develop a Tourism Strategy	Complete
Arno Bay Masterplan	Ongoing
Arno Bay Creek Toilet Upgrade	Complete
Half Basketball Court at Turnbull Park, Arno Bay	Complete
Cleve RV Park/Showgrounds Toilet Upgrade	Ongoing
Yeldulknie Weir Park RV Park Upgrade	Complete

Construction of Boarding House Facilities	Ongoing
Goal 4: Quality Services & Infrastructure	
Project	Comment
Road Resealing including line marking - <ul style="list-style-type: none"> ➤ West Terrace, Cleve ➤ Wake Road, Cleve ➤ Rudall (service) Road, Cleve ➤ Blombery Road, Arno Bay 	Complete
West Terrace/Birdseye Highway Turning Lane	Complete
Footpath Construction (<i>funded by Local Roads & Community Infrastructure Program – Phase 3</i>) including <ul style="list-style-type: none"> ➤ Rudall Road, Cleve (West Tce, to Fitzgerald St, Cleve) 	Complete
Roads Resheeting – (<i>funded by funds from the Roads to Recovery Program</i>) including <ul style="list-style-type: none"> ➤ Kielpa/Gum Flat Road – 6km ➤ Ross Ramsey Road – 4km 	Complete
Road Sealing (<i>funded by Local Roads & Community Infrastructure Program – Phase 3</i>) including <ul style="list-style-type: none"> ➤ Blombery Road, Arno Bay ➤ Edwards Terrace & Mitchell Street, Cleve ➤ Hauschild Road & Smith Road, Cleve 	Complete
Footpath Construction Rudall Road (West Terrace to Fitzgerald Street) (<i>funded by Local Roads & Community Infrastructure Program – Phase 3</i>)	Complete
Road Resheeting of 22km of Property Access Roads (<i>funded by Local Roads & Community Infrastructure Program – Phase 3</i>) including <ul style="list-style-type: none"> ➤ Cowley Road (Arno Bay) 1km - Complete ➤ Burton Road 3km - Complete ➤ Nield Road 3km - Complete ➤ Scenic Road 4km - Ongoing ➤ Dreckow Road 3km - Complete ➤ Davis Road 2km - Complete ➤ Taragoro Road 2km - Ongoing ➤ Pipe Road 4km - Complete 	Ongoing
New Culverts <ul style="list-style-type: none"> ➤ Old Mangalo Road ➤ Birdseye Highway 	Complete
Footpath Construction, including <ul style="list-style-type: none"> ➤ 150m Balumbah-Kinnaird within Darke Peak township 	Deferred to 2022-23

Onsite Fuel Tanker with Cement Pad at Works Depot	Complete
Replacement of Plant & Machinery, including <ul style="list-style-type: none"> ➤ John Deere Grader ➤ Mitsubishi Prime Mover 	Ongoing
Replacement of Plant & Machinery, including <ul style="list-style-type: none"> ➤ Manager Infrastructure & Civil Works Vehicle ➤ Works Supervisors Vehicle ➤ Construction Vehicle 	Complete
Review of Sealed Road Network	Complete
Reline of Pipe network for Cleve CWMS	Complete
Stormwater Dam Pump Replacement	Deferred to 2022-23
Seek Funding for Arno Boat Marina Pontoon Update	Complete
Drift fencing at Arno Bay Creek Mouth	Cancelled
RSL Hall Toilet Upgrade	Complete
Cleve District Hall Art Room Ceiling Upgrade	Complete
Civic Centre Office Furniture Upgrade	Complete
IT Infrastructure Upgrade – Teleconferencing equipment & Laptops	Complete
Installation of Solar Panels <ul style="list-style-type: none"> ➤ 6 Price Street, Cleve ➤ 12 Third Street, Cleve 	Complete
Goal 5: An Engaged Community	
Project	Comment
Fund Entrepreneurship Program with Students of Cleve Area School (3 year program)	Ongoing
Review all financial documentation, procedures and policies with consultant	Ongoing
Continual review and update of Council's policies and related procedures	Ongoing
Continue to update the Work Health & Safety (WHS) and Risk Management (RM) programs	Ongoing
Continue to update skills of elected members and staff through training	Ongoing
Utilise shared services with local councils when and where we can	Ongoing
Advertise & publish monthly Council Page in Eyre Peninsula Advocate	Complete
Maintain regular updates on website and social media pages	Ongoing

9. Grant Funding

Local Government receives four streams of recurrent grant funding being:

- General Purpose Financial Assistance Grants
- Identified Local Roads Financial Assistance Grants
- Supplementary Local Roads Grants
- Roads to Recovery Grants

Council's 2023-24 budget assumes that four quarterly instalments of Federal Government financial assistance grants (both general purpose and local roads components) will be received during 2023-24.

Grant Funding	Amount \$,000
General Purpose Financial Assistance Grant	1,272
Identified Local Roads Financial Assistance Grant	517
Supplementary Local Roads Grants	197
Special Local Roads 3 Year Program	533
Roads to Recovery	487
Storm Disaster Recovery	1,565
South Australian Tourism Grant <i>(Economic Development Projects – Cleve Harvest Music Fest & Darke Peak Music Event)</i>	15
Other Grants	5
Operating Grants	4,591
Building Better Regions Funding - Round 5 <i>(Economic Development Project – Boarding House Facilities)</i>	2,102
Local Roads & Community Infrastructure Phase 3 Funding <i>(Upgrading Road Network Project)</i>	160
Local Roads & Community Infrastructure Phase 4A Funding <i>(Marina Access Road to Oscar Road Construction)</i>	483
Local Roads & Community Infrastructure Phase 4B Funding	278
Landscape SA <i>(Economic Development Project – Redbanks RV Park, Arno Bay)</i>	100
Amounts Specifically for the Renewal or Upgrade of Assets	3,123

10. Funding the Business Plan

The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue. As covered in more detail in section 6.1 above, Council's high level of grant income due to be received from the Federal and State Government in 2023-24 will sufficiently fund the operational and capital expenses, resulting in an operating surplus of \$642k being budgeted for 2023-24.

Council's revenue in 2023-24 includes \$4.149M proposed to be raised from general and other rates.

Other sources of proposed revenue for the Council are:

- user charges and commercial revenue
- statutory charges set by State Government
- grants
- other revenue

11. Uniform Presentation of Council Finances

The Uniform Presentation of Council Finances together with the results of the Key Financial Indicators provides a summarised report that focuses on Council's finances at a strategic level.

Readers are strongly encouraged to take the time to comprehend how this report is structured and what the implications of the various lines of this report are for the Key Financial Indicator calculations. Definitions and examples of the key components of this report are included in the glossary at the end of this document.

The Uniform Presentation of Finances report highlights the operating surplus/(deficit) measure which is considered the most critical indicator of a Council's financial performance.

The last line, or rather the result of this report, is the movement in Net Financial Liabilities (Net Lending/Borrowing) for the year based on Council's planned capital and operating budgets for that year.

Achieving a zero result on the net lending/(borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new/upgraded assets).

Uniform Presentation of Finances	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
Operating Revenue	8,172	9,215
less Operating Expense	(7,665)	(8,573)
Operating Surplus / (Deficit) before Capital Amounts	507	642
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	4,480	3,666
less Depreciation, Amortisation & Impairment	(2,151)	(2,151)
less Proceeds from Sale of Replaced Assets	(65)	(130)
Net Outlays on Existing Assets	2,265	1,386
less Net Outlays on New & Upgraded Assets		
Capital Expenditure on New & Upgraded Assets	2,044	2,829
less Amounts specifically for New or Upgraded Assets	(1,057)	(3,123)
less Proceeds from Sale of Surplus Assets	0	0
Net Outlays on New & Upgraded Assets	987	(294)
Net Lending/ (Borrowing) for Financial year	(2,744)	(450)

From the above reports, Council is forecast to spend \$450k more than it receives in revenue for the 2023-24.

Across these two years Council is forecast to spend \$3.194M of its cash reserves. Based on the estimates included in this plan it is anticipated that Council's remaining cash reserves as at the 30 June 2024 will be \$3.826M.

A full explanation of the components to the above Uniform Presentation of Finances is contained in Appendix A.

12. Rating Arrangements 2023-24

Service Charges:

Community Wastewater Management Systems – Service Charge

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2024, in respect of the prescribed service of effluent waste disposal, on all land to which the Council provides or makes available the service as follows:

- CWMS – Connected Allotments \$581
- CWMS – Unconnected Allotments \$387
- CWMS Arno Bay Foreshore Properties Separate Rate \$508

This separate rate is applied to 43 properties located on the Arno Bay Foreshore and is to be applied over a 10 year period from 30 June 2021 to 30 June 2031 being a fixed charge of \$508 to recover capital contribution towards the construction of the Arno Bay Foreshore Community Wastewater Management Scheme.

Kerbside Bin Collection – Service Charge

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2024, in respect of the prescribed service of kerbside bin collection, on all land to which the Council provides or makes available the service as follows:

- Kerbside Bin Collection \$276
(Cleve, Arno Bay, Rudall & Darke Peak)

Method used to value land

The Council adopted 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 on the following basis:

- the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value; and
- the distribution of property values throughout the Council area is such that few residential ratepayers will pay significantly more than the average level of rates payable per property.

Adoption of valuations

The Council adopted the most recent valuations made by the Valuer-General that are made available to the Council at the time that the Council adopts the budget, being valuations as at the 26 June 2023.

If a ratepayer is dissatisfied with the valuation made by the Valuer-General, you may object to the valuation referred to on the notice within 60 days after the date of service of receiving the notice of valuation.

- Note: (a) if you have previously received a notice under the Local Government Act 1999 referring to the valuation and informing you of a 60 day objection period, the objection period is 60 days after service of the first notice;
- (b) you may not object to the valuation if the Valuer-General has already considered an objection by you to that valuation.

The Valuer-General may extend the 60 day objection period where it be shown there is reasonable cause to do so by a person entitled to make an objection to a valuation.

A written objection to a valuation must set out the full and detailed grounds for objection. Objections can also be submitted via an online form at <http://www.sa.gov.au/landservices> and enter "Objecting to a Valuation" in the search field. Differential Rates (and or charges) imposed by rates (and or charges) are still due and payable by the due date even if an objection has been lodged.

Objections are to be forwarded to:

State Valuation Office
GPO Box 1354, ADELAIDE SA 5001
101 Grenfell Street, ADELAIDE SA 5000

E-mail: LSGObjections@sa.gov.au

Phone: 1300 653 346

Fax: 08 8226 1428

Business Impact Statement

The Council has considered the impact of rates on all businesses in the Council area, including primary production. In considering the impact, Council assessed the following matters:

- Council via elected members direct consultations with ratepayers;
- the equity of the distribution of the rate burden between classes of ratepayers receive broadly comparable services and are generally similarly impacted upon by prevailing economic conditions;
- Council's policy on facilitating local economic development preference for local suppliers where price, quality and service provision are comparable to suppliers outside the Council area; and
- current local, state and national economic conditions and expected changes during the next financial year. The general economic climate is stable and appears likely to continue to be stable over the next 12 months.

Council's Revenue Raising Powers

All land within a Council area, except for land specifically exempt (eg, crown land, Council occupied land and other land prescribed in the Local Government Act 1999 – refer to Section 147 of the Act), is rateable.

The Local Government Act 1999 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 differential general rates, based on either land use and/or locality of properties.

In addition, Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services. The Council also raises revenue through fees and charges, which are set considering the cost of the service provided and any equity issues.

Differential General Rates (rate in the dollar will be calculated when the final valuations have been received from the Valuer General's office)

The Council adopted to impose differential general rates varying according to the locality of the land and its use.

All land use within the Commercial Bulk Handling Zone (CBHZ) as described in Council's Development Plan as consolidated 1 December 2011, is set at 1.139245 rate in the dollar.

Land outside the Commercial Bulk Handling Zone with the following land uses are set at:

- Residential 0.244750 rate in the dollar
- Commercial 0.244750 rate in the dollar
- Industry 0.244750 rate in the dollar
- Primary Production 0.222615 rate in the dollar
- Vacant Land 0.244750 rate in the dollar
- Other 0.244750 rate in the dollar

	ABP & AB 2022-23 \$,000	ABP & AB 2023-24 \$,000	% Change
Total expected revenue from general rates	3,116	3,421	9.8%
Total expected revenue from general rates (excluding rebates and remissions on rates that are not discretionary rebates or remissions)	3,790	4,162	9.8%

Council's budget contains general rate revenue of \$3,421M, net of rebates. This represents a 9.8% pa increase on total general rates raised (net of rebates) compared to 2022-23.

The average residential rates payable is budgeted to be \$952

Average change in expected rates for the 2023-24 for each land use category

Land Use Category/ Zone	ABP & AB 2022-23 Rates Raised \$,000	ABP & AB 2023-24 Expected Rates Raised \$,000	Average Change %
Residential	656	720	9.8%
Commercial	61	67	9.8%
Industry (inc CBHZ)	177	194	9.8%
Primary Production	2,152	2,363	9.8%
Vacant Land	63	69	9.8%
Other	7	8	9.8%
	3,116	3,421	9.8%

Fixed Charge

The Council adopted a fixed charge of \$570. The fixed charge is levied against the whole of an allotment (including land under a separate lease or license). Only one fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier. The reason for imposing a fixed charge is the Council considers it appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property.

Pensioner Concessions, State Senior Card Ratepayer (Self-Funded Retiree) and Other Concessions

From 1 July 2015, the State Government elected to replace the concession on Council rates with the “cost of living payment” provided directly to those entitled. This payment may be used for any purpose, including offsetting Council rates. To check eligibility, contact the Department for Communities and Social Inclusion Concessions Hotline 1800 307 758 or at www.sa.gov.au.

From 1 July 2017, the State Government provided an alternative method of delivering the CWMS pensioner concession. This concession is also no longer processed through the Council rates.

Postponement of Rates - Seniors

Ratepayers who hold a State Seniors Card (or who are eligible to hold a State Seniors Card and have applied for one) are able to apply to Council to postpone payment of rates on their principal place of residence. Postponed rates remain as a charge on the land and are not required to be repaid until the property is sold or disposed of. Interest (at the rate prescribed in the Local Government Act 1999) will be charged and compounded monthly on the total amount postponed, until the debt is paid.

Landscape Levy

The Landscape Levy is a State Government initiative under the Landscape South Australia Act 2019.

The Levy provides additional funding to help take care of natural resources such as water, soil, animal and plant control sustainably developing and protecting natural resources for the benefit of communities and future generations living in the Cleve district.

Council levies an amount against each rateable property to collect the amount determined by the State Government.

The total levy to be collected for 2023-24 is approximately \$116,583. The levy is collected from all rateable land in Council's area within the board.

Rebate of Rates

The Local Government Act 1999 requires Councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries and educational institutions. Discretionary rebates may be applied by the Council under Section 166 of the Act.

Sale of Land for Non-payment of Rates

The Local Government Act 1999 (Section 184) provides that Council may sell any property where the rates have been in arrears for three years or more. The Council is required to provide the principal ratepayer and the owner (if not the same person) 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.

Payment of Rates

Council rates are billed quarterly in accordance with the *Local Government Act 1999*.

Rates may be paid as follows:

- BPay by Internet Banking. Please pay each assessment in a separate transaction to ensure the amount is allocated correctly;
- Australia Post Billpay by paying in person at any Post Office, phone 131816 or go online to postbillpay.com.au;
- phone the District Council of Cleve on 08 8628 2004 during business hours to pay with Bankcard, Mastercard or Visa. Please quote your Assessment Number;
- post your bank cheque (marked payable to the District Council of Cleve) with your remittance to the District Council of Cleve, PO Box 36, Cleve SA 5640; or
- in person at the District Council of Cleve Office at 10 Main Street, Cleve SA 5640.

That pursuant to Section 181(1) of the Local Government Act 1999, all rates are payable in four equal or approximately equal instalments on or before the following dates:

- 15 September 2023
- 15 December 2023
- 15 March 2024
- 14 June 2024

and further that, pursuant to Section 181(11) of the Local Government Act 1999, Council determines that:

- ratepayers may apply to pay their rates and service charges in full by 15 December 2023;
- such applications must be lodged with Council by 15 September 2023;
- if rates in these circumstances are paid in full by 15 December 2023, fines and interest will not be applied for the September to December period.

Late Payment of Rates

The *Local Government Act 1999* provides that councils impose a penalty of 2% on any payment for rates, whether installment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow councils to recover the administrative cost of following up unpaid rates and to cover any interest cost the council may meet because it has not received the rates on time.

The Council imposes late payment penalties strictly in accordance with the Local Government Act 1999.

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

- First – to satisfy any costs awarded in connection with court proceedings;
- Second – to satisfy any interest costs;
- Third – in payment of any fines imposed; and
- Fourth – in payment of rates, in date order of their imposition (starting with the oldest account first).

13. PUBLIC CONSULTATION & RESULTANT AMENDMENTS

The draft 2023-24 Annual Business Plan & Annual Budget was made available on Council's website, via a link on their Facebook page and upon request at the Council Office for public submissions. A public consultation meeting was advertised in the Eyre Peninsula Advocate and was held at the Cleve Community Sporting Club on the 8 June 2023

Copies of the final 2023-24 Annual Business Plan & Annual Budget are available on Council's website and at the Council Office at 10 Main Street, Cleve.

Amendments Made to the Public Consultation Draft:

Significant amendments have been made to the financial data throughout this document resulting from a decision by the Federal Government to pay the entire Financial Assistance Grants (Fags) for the 2023-24 financial year to Council on the 29 June 2023. This was at odds with material not included in the Federal Budget handed down in May 2023 as well as other advice provided on several occasions.

As this is untied funding the accounting standards require this income to be recorded in the financial year it is received. In prior years Councils have been informed well in advance and accordingly have been able to cater for this in the third budget review as well as public consultation draft budgets, this has not been the case for the 2023-24 Annual Business Plan & Budget.

The 2022-23 forecast has been significantly updated because of this action which has had flow on ramifications for the 2023-24 Budget which has also been updated.

Further to this, additional the following amendments have been made to the plan based on practicalities as well as feedback from the community:

- Arno Bay Master Plan deferred until a later date
- Arno Bay Fuel Depot deferred to the 2024-25 financial year as it is it now believed delays in obtaining the relevant approvals will mean that construction of the depot is highly unlikely to occur in the 2023-24 year
- The identification and removal of several one off items included in the 2022-23 financials that will not recur in the 2023-24 year

14 COUNCIL CONTACT DETAILS

In Person: 10 Main Street, Cleve SA 5640
Mail: PO Box 36, Cleve SA 5640
Email: council@cleve.sa.gov.au
Phone: 08 8628 2004
Website: www.cleve.sa.gov.au

Appendix A – Explanation of Uniform Presentation of Finances

(example only for explanation purposes – left blank intentionally)

UNIFORM PRESENTATION OF FINANCES	2020-2021 Forecast \$'000	2021-2022 Budget \$'000
Income		
less Expenses		
Operating Surplus/(Deficit)	-	-
Less: Net Outlays on Existing Assets		
Capital Expenditure on Renewal/Replacement of Existing Assets		
less Depreciation, Amortisation and Impairment Expenses		
less Proceeds from Sale of Replaced Assets		
Net Outlays on Existing Assets	-	-
Less: Net Outlays on New and Upgraded Assets		
Capital Expenditure on New/Upgraded Assets		
less Amounts received specifically for New/Upgraded Assets		
less Proceeds from Sale of Surplus Assets		
Net Outlays on New and Upgraded Assets	-	-
Net Lending/(Borrowing) for Financial Year	-	-

Explanation/Examples of Components of Uniform Presentation of Finances

Operating Revenue and Expenditure: Represent the totals from the relevant lines of the Statement of Comprehensive Income (operating statement) for the year being reported on.

Capital Expenditure on renewal and replacement of Existing Assets: e.g. Roads reseals, replacement tractor, building renovations, replacement computer hardware.

Proceeds from sale of replaced assets: e.g. trade in value of a tractor or motor vehicle being replaced.

Capital Expenditure on New and Upgraded Assets: e.g. constructing a new building, constructing a new catchment pond, purchasing a piece of machinery that was not previously on hand.

Amounts specifically for new or upgraded Assets: e.g. Capital grants to partly fund a new CWMS, funds received to build new footpaths that did not previously exist.

Proceeds from Sale of Surplus Assets: Proceeds from the sale of a council building that was no longer required, sale of surplus land.

Appendix A – Explanation of Uniform Presentation of Finances (continued)

New/Upgraded vs Renewal/Replacement of Assets

The following definitions have been obtained from the South Australian Local Government Model Financial Statements (see <http://www.lga.sa.gov.au/site/page.cfm?u=769#e4291>).

A *new asset* is additional to Council's previous asset complement (e.g. roads constructed as part of a Council-owned subdivision are new assets. Similarly laying footpaths in areas where they did not previously exist are also new assets).

An *upgraded asset* replaces a previously existing asset with enhanced capability or functionality.

Renewal or replacement of an asset occurs where a previously existing asset is replaced without enhancement of the service capability except where this is incidental and unavoidable.

It is possible for capital expenditure to be a *combination of renewal as well as upgrade*. This is particularly prevalent in this Council region due to the increased volume of Restricted Access Vehicles (RAV) traffic experienced in recent times. This has required existing roads to be rebuilt to higher standards (e.g. the replacement of a road that was initially was a 6 metre wide sheeted surface with an 8 metre width sheeted surface can be considered part replacement and part upgrade).

The important point to understand is that if Council is not able to replace its existing assets in a timely manner then new assets should not be built unless essential. By building new assets Council is effectively building new liabilities as the assets usually don't generate revenue (e.g. roads), cannot be sold, and will need to be maintained and eventually replaced.

Appendix B - Statutory Statements

STATEMENT OF COMPREHENSIVE INCOME	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
INCOME		
Rates	3,115	3,421
Rates Other	675	728
Statutory Charges	26	28
User Charges	100	108
Grants & Subsidies	3,942	4,591
Investment Income	23	25
Reimbursements	267	288
Other Revenues	23	25
Total Operating Income	8,172	9,215
EXPENDITURE		
Employee Costs	1,967	2,083
Materials, Contracts & Other Expenses	3,529	4,321
Depreciation	2,151	2,151
Finance Charges	18	18
Total Operating Expenditure	7,665	8,573
OPERATING SURPLUS/(DEFICIT)	507	642
Amounts Received Specifically for New Assets	1,057	3,123
NET SURPLUS / (DEFICIT) transferred to Equity Statement	1,564	3,765

STATEMENT OF FINANCIAL POSITION	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
ASSETS		
CURRENT ASSETS		
Cash & Cash Equivalents	4,175	3,826
Trade & Other Receivables	1,647	832
Inventories	18	18
Total Current Assets	5,841	4,677
NON-CURRENT ASSETS		
Financial Assets	203	203
Infrastructure, Property, Plant & Equipment	55,606	59,821
Other	754	754
Total Non-Current Assets	56,563	60,778
TOTAL ASSETS	62,404	65,454
LIABILITIES		
CURRENT LIABILITIES		
Trade & Other Payables	1,284	600
Borrowings	30	30
Short Term Provisions	276	276
Total Current Liabilities	1,590	906
NON-CURRENT LIABILITIES		
Long Term Borrowings	538	508
Long Term Provisions	30	30
Total Non-Current Liabilities	567	537
TOTAL LIABILITIES	2,157	1,443
NET ASSETS	60,246	64,011
EQUITY		
Accumulated Surplus	30,125	33,890
Asset Revaluation Reserve	29,480	29,480
Other Reserves	641	641
TOTAL EQUITY	60,246	64,011

STATEMENT OF CASH FLOW	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Operating Receipts	7,333	8,506
Investment Receipts	23	25
Payments		
Operating Payments to Suppliers & Employees	5,496	5,589
Finance Payments	18	18
Net Cash provided by (or used in) Operating Activities	1,842	2,923
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Grants Specifically for new or upgraded assets	1,057	3,123
Sale of replaced Assets	65	130
Sale of surplus Assets	0	0
Payments		
Expenditure on renewal/replaced assets	4,480	3,666
Expenditure on new/upgraded assets	2,044	2,829
Net cash provided by (used in) Investing Activities	(5,402)	(3,242)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings	0	0
Payments		
Repayment of Borrowings	18	30
Net Cash Provided by (Used in) Financing Activities	(18)	(30)
Net Increase / Decrease in Cash	(3,578)	(349)
Cash and Cash Equivalents at start of reporting period	7,753	4,175
CASH & CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	4,175	3,826

STATEMENT OF EQUITY	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
ACCUMULATED SURPLUS		
Balance at end of previous reporting period	28,561	30,125
Net Result for Year	1,564	3,765
Transfer from Reserves	0	0
Transfer to Other Reserves	0	0
Balance at end of period	30,125	33,890
ASSET REVALUATION RESERVE		
Balance at end of previous reporting period	29,480	29,480
Gain on Revaluation of Property Plant & Equipment	0	0
Balance at end of period	29,480	29,480
OTHER RESERVES		
Balance at end of previous reporting period	641	641
Transfers from Accumulated Surplus	0	0
Transfers to Accumulated Surplus	0	0
Balance at end of period	641	641
TOTAL EQUITY AT END OF REPORTING PERIOD	60,246	64,011

Appendix C - Services provided to the community by Council - Where your rates are spent

Following is a detailed explanation of the services provided by the Council to the community. The cash flows generated by the provision of these services are summarised in the budget for the financial year ending 30 June 2024. The services are broken up into the 5 organisational units of the council, being corporate services, community services, infrastructure services, environmental services and executive services.

CORPORATE SERVICES

There are 2 categories of governance, being organisational and elected member. Expenses incurred in this service include executive salaries, elected members expenses and allowance, member training, memberships, travel, conferences, public liability, insurance, administration and officer support to Council.

Administration

Administration services cover the following activities:

- Financial Services – provision of accounting services, record keeping, bill paying, payroll, insurance, financial reporting and management.
- Human Resources – compliance with occupational Work Health and Safety (WHS) policies and legislation, recruitment, rehabilitation and performance management.
- Information Technology – operation of the council's information technology systems, purchase of computer hardware.
- Communication – telephone and internet services.
- Rates Administration – administration and collection of rates and associated record keeping.
- Records Management – maintenance of records management system.
- Customer Service – customer support at the council office plus a range of community administration services.

Financing & Investing

Covers cash inflows and outflows associated with the Council's financing and investing activities.

COMMUNITY SERVICES

Aged Services

This service covers the following activity:

- Support of community health service
- Aged care feasibility study completed
- Seniors Week Luncheon
- Centrelink Agency

Youth Services

This service covers activities including a Youth Week Event held (if funding available) and maintaining the Cleve Skate Park.

Cultural & Arts

This service covers a range of activities including event support, civic functions and support community arts initiatives.

Library Services

Council will work with DECS to ensure the library service will continue to meet the needs of the population. The services provided by libraries include books and magazines, free internet.

INFRASTRUCTURE SERVICES

Community Wastewater Management System (CWMS)

This service covers maintenance and construction of the effluent scheme at Cleve and Arno Bay. Activities include repairing and replacing lines as required. Ongoing inspections of system connections are also conducted to ensure all connections have been installed and operating correctly.

The Cleve CWMS is currently undergoing a relining project of all the old earthenware pipes. This project is estimated to be completed in 2024/25. The Arno Bay CWMS expansion project was completed in 2019/20 and includes the remainder of the shacks, caravan park and parklands in Arno Bay.

Waste Management

This service includes collection of waste, operation of a waste transfer station at Cleve and Arno Bay, general litter collection and drum musters.

Kerbside Rubbish & Recycling Collection

This service includes providing kerbside rubbish and recycling collection to Cleve, Arno Bay, Darke Peak and Rudall using the Council owned waste truck.

Roads & Footpaths

This service covers the following activities:

- Road and footpaths construction – annual works program and developer contributed works
- Road maintenance – fixing pot holes, reinstating trenches across roads, small patches of resealing and repairing and straightening rough edges (kerbing, water tables and traffic signage are also charged to this area)
- Ongoing upgrade and replacement of plant and equipment.
- Road maintenance of rural unsealed roads – grading, tree trimming and spraying of weeds
- Footpath maintenance and repairs
- Street sweeping in each of the townships
- Cleve Aerodrome – inspections and maintenance to runway lights, windsock and also maintaining the grass
- Street cleaning
- Car parking
- Works depots
- Walking and cycling tracks

Foreshore Protection

This service covers the management of coastal environment and provision of facilities to enable sustainable use of coastal areas including the provision of boat ramps and marina area at Arno Bay. Revegetation will be undertaken where required to ensure protection of the foreshores.

Stormwater Drainage

This service covers the storm water management and recycling including management and collection of street runoff and the development of capital schemes to enable the reuse of storm water.

Private Works

This service covers the infrastructure works performed by Council on behalf of individuals or the government. This work is charged out at commercial rates.

ENVIRONMENTAL SERVICES

Legislative Compliance

This service covers dog and cat management, traffic control, fire control, health control, noise, litter and emergency services as required under various pieces of legislation.

Parks and Gardens

This service covers the provision and maintenance of parks and recreational facilities including parks and reserves as well as playgrounds.

Cemeteries

Council operates cemeteries in each of the townships for the local and regional community. Expenditure includes the costs involved in locating, digging and backfilling of graves and general maintenance of the area.

Public Conveniences

The maintenance and cleaning of public conveniences is undertaken by Council on a regular basis. Council will continue to undertake maintenance and upgrades of these facilities as and when required. Public conveniences are inspected with basic plumbing, repairs and maintenance carried out as required.

Landscape Levy

Council collects a levy on behalf of the State Government and the Landscape Board. Decisions relating to the protection of the state's landscapes, and their sustainable and integrated management are made by this Board independently from the Council.

EXECUTIVE SERVICES

Economic Development

Economic development activities include strategic land divisions, Regional Development Australia membership, encouraging industrial development as well as representing the Cleve district's interests at other levels of government.

Tourism

Tourism activities include increasing visitation by tourists through the district. This includes tourism signage, marketing and promotion through various forms of media, special events, development of tourism assets including walking and cycling trails, the RV friendly sites and camping grounds.