Council welcomes feedback and comments in relation to the Community Strategic Plan.

Council undertook three public meetings at Beachport Visitor Information Centre on 26 June 2017, Penola Visitor Information Centre on 27 June 2017, Millicent Civic & Arts Centre on 28 June 2017.

Comments and feedback were addressed to the Chief Executive Officer, Ben Gower and may be made via the following methods:

- Council’s website www.wattlerange.sa.gov.au
- Email council@wattlerange.sa.gov.au
- Facebook
- By mail to PO Box 27 Millicent SA 5280, or
- Delivered in person to Council’s offices at Millicent, Penola or Beachport.

Submissions closed for Council’s Strategic Plan on 14 July 2017.
On behalf of Council, I take pride in presenting the Council’s Strategic Plan 2018-2021.

The Plan strives to represent the interests of the entire Wattle Range community and will act as a blueprint for what we will aim to achieve in the ensuing 4 years.

The development process of the Plan has been inclusive and we thank the community for their input and passion in contributing to the development of the Plan.

The Vision - Wattle Range a ‘Great Place to Live and Work’, sums up what the Council and community believe is the most important aspiration for our area. We are certainly lucky to live in such a diverse area, with coastal access to the west of the Council area, the eastern area bounded by the Coonawarra wine region, and bountiful and prosperous primary producing areas throughout.

Without question our natural assets and environment provides us with the lifestyle that so many of us enjoy and protecting this into the future is key to Wattle Range achieving its vision. Likewise, these natural assets and the environment creates business, industry and job opportunities. Council has in recent times benefited from these opportunities and I am certainly buoyant about future prospects and capitalising on more of these opportunities into the future.

With this said, economic development opportunities will continue to be a strong focus for the life of the plan. This priority came as a result of the consultative process, where economic development and job creation opportunities were recognised as the highest priority by the community.

After analysing the community input into the plan the following were determined as the five (5) key themes / goals for Council:

1. Community Vibrancy & Presentation
2. Economic Prosperity
3. Environmentally Sustainable
4. Asset & Infrastructure Sustainability
5. Organisational Excellence

Supporting the themes are a list of objectives, strategies and actions that I look forward to progressing over the life of the Plan.
Wattle Range Council comprises a Mayor and 11 Councillors representative of four Wards. The Council is elected for a four year term and meets on a monthly basis.

Wattle Range has been rated as the No. 1 Net Primary Producing Area in Australia*. Strategically located between Melbourne and Adelaide and situated near to Mount Gambier.

The area is serviced by two main highways and major infrastructure traverses the Council area with the main SEGAS pipeline located in the east of the Council area and a gas spur line services the Snuggery industrial area near Tantanoola.

The Council area is carbon negative with large areas of forestry and large rainfall supplies the plentiful underground aquifers.

Bordered by the sea in the west and the Coonawarra wine district to the east with bountiful primary producing land in between. Wattle Range provides a unique lifestyle and diverse economic opportunity.

*C: Regional Australia Institute 2014
VISION

Wattle Range a great place to live and work.

VALUES

TRUST - The glue that binds us together as a community. Doing what we say we are going to do and being honest and transparent in both our intentions and actions, helps build trusted relationships.

TEAMWORK - The cornerstone of high performing organisations. Embracing the diversity of thoughts and experiences that exist within a team generates a broader range of innovative ideas and leads to better decision making. Individuals perform better when they are a valued member of a team. They are more confident, they have more fun and they are more productive. We become more resilient when we know someone is watching our back, and we are more likely to cope under stressful or difficult circumstances.

FUN - The importance of enjoying what we do and how we do it should never be underestimated. Having fun at work builds stronger teams and enhances relationships. Recognising and celebrating our successes - no matter how big or small they are - encourages the right behaviours in the workplace and ultimately enhances our performance.
The Council Strategic Plan is a core document for guiding Council’s future direction. The plan takes into consideration Council’s strategic planning framework and both the communities priorities and external considerations such as the State Strategic Plan.

As detailed under Section 122 of the Local Government Act 1999, Council’s Strategic Plan covers a period of 4 years from 2018-2021.

The Wattle Range Council Strategic Plan forms an integral part of Council’s ‘planning framework’.

The Council Strategic Plan integrates the future asset management requirements for Council, whilst integrating external priorities recognised from community engagement, local township and state government plans.

Funding the Council Strategic Plan is critical to its success and the Long Term Financial Plan provides the mechanism to assess whether the Council Strategic Plan can be funded. Once in place the Council Strategic Plan in conjunction with the Long Term Financial Plan become the guiding documents for the formulation of the Annual Business Plan and Annual Budget, which is ultimately reported upon in the Annual Report.
The strategic planning process commenced in January 2016 and has had considerable direct and indirect community input. In total Council received 663 responses from a combination of the Community, Youth and Staff surveys combined with considerable involvement of the community in the development of the township plans.

The consultation was designed to reach a broad demographic and a cross section of the community, to inform the planning process.

From the consultative process the highest priorities raised were:

- Increasing job opportunities and job creation for our youth
- Securing businesses and industry and developing opportunities to attract new businesses and industry
- Improving appearance and general amenities of the towns
- Council infrastructure, developing and or maintaining our assets and sustaining them into the future

Overwhelmingly the community responded that, lifestyle, the environment and natural assets of the area coupled with the primary producing and agriculture opportunities were the Council’s greatest strength. Protection of these natural assets was seen as paramount to maintaining this advantage.

All information provided was analysed and associated strategies have been developed and incorporated within this plan, where practicable.
HOW WE HAVE STRUCTURED THE PLAN

The Wattle Range Council Strategic Plan sets out what Council aims to achieve over the next four years and gives directions and targets in the future management of our region.

The plan is structured using the following elements:

- **THEMES**
  The themes are the main areas of focus for the Council and relate directly to the achievement of Council’s vision to make Wattle Range ‘A great place to live and work’.

- **OBJECTIVES**
  These are measurable steps that are used to achieve the themes.

- **STRATEGIES**
  A number of strategies are listed for each theme. These strategies are the means in which Council aims to achieve its objective and key themes.

- **ACTIONS**
  The key actions identified are instrumental to the achievement of the strategies within the Plan.

- **SUPPORTING STRATEGIC DOCUMENTS**
  Many strategic documents and long-term plans support each of the themes. These documents provide information, direction and specific actions for the achievement of organisational strategies and goals.

- **SERVICES**
  Council dedicates significant resources to the provision of traditional services to the community and these services are essential to meet the objectives of the plan.
The Wattle Range Council Strategic Plan has five main themes that cover all aspects of Council’s business. Invariably the themes are interrelated and in collaboration the five themes will drive Council’s ability to achieve its vision.

**THEME ONE**
Community Vibrancy & Presentation

**Objective:**
Generate and support community vibrancy through advocacy and maintenance of community services and enhanced public facilities.

**THEME TWO**
Economic Prosperity

**Objective:**
A sustainable and prosperous economy that supports local businesses and industry and creates employment and prosperity for the region.

**THEME THREE**
Environmentally Sustainable

**Objective:**
Protect the natural assets and infrastructure of the region by leveraging additional environmental programs that will protect the environment for future generations.

**THEME FOUR**
Infrastructure & Asset Sustainability

**Objective:**
Provide functional, safe, fit for purpose assets that meet the changing needs of the community.

**THEME FIVE**
Organisational Excellence

**Objective:**
A great place to work where innovation and efficiency is expected and customers are our focus.
OBJECTIVE

Generate and support community vibrancy through advocacy and maintenance of community services and enhanced public facilities.

STRATEGIES

1.1 Enhance public space areas including parks, public places, car parking, street lighting and streetscapes to provide vibrant, attractive areas.

1.2 Through appropriate planning, develop vibrant, presentable townships throughout the Wattle Range area.

1.3 Provide sustainable, vibrant community facilities.

1.4 Advocate and where possible collaborate for the expansion of healthcare, education, transport, community and welfare services throughout the Wattle Range area.

1.5 Support community events that are sustainable and provide longer term benefit to the community & visitors.

1.6 Promote and support the establishment of strong, sustainable clubs and volunteer organisations throughout the Wattle Range area.

ACTIONS

• Finalise the Open Space Plan for the Millicent Domain and develop a hierarchy and Open Space Plan for all parks and gardens.
• Incrementally complete the Penola Town Square project.
• Procure, rehabilitate and develop the Millicent Railway Lands precinct.
• Update the Community Land Register and identify opportunities to develop Crown lands.
• Expand the existing street lighting network and retrofit existing lights with energy efficient LED.
• Review current car parking allocations and identify additional requirements.
• Develop township plans for all towns in the Council area.
• Undertake general Development Plan Amendments for Penola and Beachport.
• Develop a tree management plan to assist in the appropriate management of trees and visual amenity of townships.
• Review and continually improve the library services, ensuring it continues to provide a quality service that meets the changing community requirements and expectations.
THEME ONE: Community Vibrancy & Presentation

• Optimise the utilisation of the Millicent and Penola art galleries.
• Review, rationalise and develop a playground maintenance and renewal plan that is aligned to community needs.
• Develop a register of "shovel ready" projects that are identified by Council or the community.
• Advocate for continued funding and support for healthcare, education, transport and welfare services for the Council area.
• Encourage community responsibility for events and support where appropriate these events through the provision of Council services.
• Advocate for consolidation of sporting clubs into multi-user facilities and star club accreditation.
• Continue the expansion and implementation of the electronic volunteer matching program.

SERVICES PROVIDED

• Community Development
• Parks & Gardens
• Childcare
• Library
• Planning / Development Services
• Road Maintenance and Construction
• Volunteer Management
• Art Galleries

SUPPORTING DOCUMENTS

• Community Township Plans
• Open Space Plan
• Community Lands Register
• Wattle Range Development Plan
• Development Plan Amendments
• Strategic Directions Report
• Regional Public Health & Wellbeing Plan
THEME TWO: Economic Prosperity

OBJECTIVE
A sustainable and prosperous economy that supports local businesses and industry and creates employment and prosperity for the region.

STRATEGIES
2.1 Support and advocate for improved infrastructure that enhances and creates economic and business opportunities.

2.2 Through appropriate planning, develop opportunities to expand economic and business opportunities throughout Wattle Range.

2.3 Expand on current inward investment opportunities, maximising business and economic creation opportunities for the Council area.

2.4 Strengthen and support the professional and economic growth of local businesses and job creation opportunities for the area.

2.5 Promote Wattle Range as a tourism destination through provision of appropriate tourist facilities and advocacy.

ACTIONS
- Advocate for investment into key infrastructure such as energy alternatives and mobile telecommunication towers.
- Develop an industrial land plan and a master plan for a primary producing hub at Snuggery.
- Increase planning compliance reviews and development of planning policies such as outdoor dining and home based businesses.
- Investigate a scheme that incentivises main street business owners to upgrade shop facades.
- Develop an international inward investment plan and continue annual international and national economic/investments initiatives.
- Conduct a feasibility study into the development of a tier 3 service kill abattoir facility within the area.
THEME TWO: Economic Prosperity

- Facilitate economic development forums and a local professional development network group for upcoming professionals.
- Develop strategies to assist business through times of duress and emergencies.
- Invest in traineeships that will retain opportunities for youth in the Council area.
- Review Council’s accreditation of the South Australian Tourism Industry Council (SATIC).
- Promote tourism by developing a tourism plan for Wattle Range and explore sites to expand Council’s policy on recreational vehicle (RV) friendly campsites.

SERVICES PROVIDED
- Economic Development
- Visitor Information Centres
- Saleyards
- Planning / Development Services
- Building Surveyor
- General Inspectorate

SUPPORTING DOCUMENTS
- Economic Development Strategy
- Strategic Directions Report
- Community Township Plans
- Wattle Range Development Plan
- Development Plan Amendments
- State Strategic Plan
THEME THREE: Environmentally Sustainable

OBJECTIVE

Protect the natural assets and infrastructure of the region by leveraging additional environmental programs that will protect the environment for future generations.

STRATEGIES

3.1 Protect Council’s natural assets through proactive planning in climate adaptation and structured infrastructure replacement and enhancements.

3.2 Maintain strong and positive relationships with Federal and State Government departments, advocating for increased investment in coastal and environmental protection within the Council area.

3.3 Minimise the financial impact of Waste Management on the community and provide a service that meets the current and future needs of the community.

ACTIONS

- Develop a Council specific Climate Adaptation Plan and contribute to the Regional Limestone Coast Climate Adaptation Plan.
- Implement the Rivoli Bay Action Plan for renewal of coastal infrastructure including groynes and lobby the State Government to construct a new groyne near the Beachport Jetty.
- Undertake further planning that investigates options for improved management of coastal erosion and impacts on the Beachport Township.
- Participate in environmental projects and lobby for increased funding and resources to be allocated to environmental projects in Wattle Range.
• Lobby State Government agencies to minimise the impact of coastal erosion as a result of outflows from the Southend drain and Investigate / implement improvement strategies to the flow and health of Lake George.

• Review the waste management strategy including a review of the waste disposal voucher system, kerbside collection service boundaries, options for regional collaboration and investigate options for kerbside green waste disposal including composting.

• Design, construct and relocate the waste transfer station at Beachport.

• Lobby the State Government to limit the financial and resourcing impact of proposed waste management reforms including increases to the solid waste levy.

SERVICES PROVIDED
• Environmental Management
• Environmental Health
• Waste Management

SUPPORTING DOCUMENTS
• Limestone Coast Climate Adaptation Plan
• Rivoli Bay Study
• Community Lands Register
• Community Township Plans
• Wattle Range Development Plan
• Climate Adaptation Plan
• Lake George Study
• State Strategic Plan
• Strategic Directions Report
• Development Plan Amendments
• Regional Public Health & Wellbeing Plan
THEME FOUR: Infrastructure & Asset Sustainability

OBJECTIVE

Provide functional, safe, fit for purpose assets that meet the changing needs of the community.

STRATEGIES

4.1 Create a sustainable stock of assets, with appropriate long term asset planning and optimal use.

4.2 Plan and provide for a safe local road network that meets the future and current needs of our community.

4.3 Advocate for safe and trafficable network of State Roads.

4.4 Plan for and optimise Council’s stock of building assets whilst meeting the future and current needs of community.

4.5 Plan and provide for the expansion and replacement of Council’s stock of footpaths, walkways and trails to meet the future and current needs of our community.

ACTIONS

• Develop and review biennially asset management plans for all main asset categories.

• Develop management plans for cemeteries, swimming pools/lake and airfields.

• Biennially review and update the Airfield Emergency Management Plan.

• Review existing plant and equipment stock and investigate new technology opportunities to enhance efficiency and effectiveness.

• Review and implement operation, irrigation and monitoring plans for all Community Wastewater Management Schemes.

• Update the Regional Transport Plan to include local significant roads that have high or proposed high future traffic usage.

• Review and update the Roadside Vegetation Plan.

• Review re-sheeting techniques including the use of stabilising agents to improve unsealed road longevity.

• Prepare a quarries report that evaluates material locations and quality for use on local roads.

• Review and update the rolling program of road dust mitigation for rural residents.

• Advocate and lobby the Federal and State governments for the completion of the Penola Bypass.
SERVICES PROVIDED

- Asset Management
- Road Construction & Maintenance
- Footpath Construction & Maintenance
- Cemeteries
- Halls
- Building Maintenance
- Stormwater
- Community Wastewater Management Schemes
- Kerb & Gutter Construction & Maintenance
- Swimming Pools/Lake
- Public Toilets
- Airfields

SUPPORTING DOCUMENTS

- Asset Management Strategy
- Regional Transport Plan
- Community Township Plans
- Community Lands Register
- Asset Management Plans
- Roadside Vegetation Plan
- State Strategic Plan
- Asbestos Register

- Advocate and lobby State Government for the upgrade of the following roads and highways; Mile Hill, Kangaroo Flat, Hatherleigh, Wattle Range, Millicent/Mount Burr and Kalangadoo Roads, Princes and Southern Ports Highways.
- Conduct a comprehensive review of the ongoing maintenance requirements for the Library, Civic & Arts Centre.
- Review, improve, retrofit and rationalise Council’s halls to improve community patronage and functionality.
- Review and implement future expansion requirements for the main Council Offices.
- Conduct a review of current public toilet facilities and identify opportunities for expansion, improvement and rationalisation.
- Assess the future requirements for the Millicent Engineering Depot including options to co locate the engineering administration office. In addition review and rationalise the requirements for multiple engineering depots across the Council area.
- Continue the scheduled removal of asbestos from Council buildings and review the cleaning services contract for all facilities.
- Pursue funding opportunities with the aim of constructing a walking/cycling trail within the rail corridor between Penola and Coonawarra.
THEME FIVE: Organisational Excellence

OBJECTIVE
A great place to work where innovation and efficiency is expected and customers are our focus.

STRATEGIES
5.1 Streamline operational decision making processes through technology based improvements.

5.2 Govern in a responsible and responsive way.

5.3 Increase community input into Council decision making, through adoption of quality Community Engagement principles and practices.

5.4 Optimise Council operation of businesses and assets, to ensure value for money is returned to the community.

5.5 Ensure Council has the right people to succeed in delivering outcomes.

ACTIONS
• Pursue and implement information technology solutions such as Business Intelligence (BI) reporting, NBN and mobility solutions that enable greater analysis, operating efficiency and improve the delivery of general and financial reporting and resilience of the information technology network.

• Facilitate the implementation of electronic development applications and electronic rates notices.

• Conduct a review of Council’s enterprise software ‘Synergysoft’ and whether it can be enhanced, optimised for use or replaced.

• Transition the organisation to a fully compliant electronic records management system.

• Undertake a review of Council’s rates revenue model system.

• Strengthen Council’s risk management framework through development and review of Council’s internal controls, implementation and review of the Business Continuity Plan and deployment of a cloud based and mobile friendly risk management reporting system.

• Review Council’s governance structure by undertaking an Elector Representation Review.

• Prepare for the Local Government Elections and develop the training and induction for the newly elected Council.

• Manage and update Council’s policies, procedures and delegations of authority as per the nominated review cycles and review the function of all Section 41 Committees of Council and assess their continuing need.

• Implement the internal process changes required as a result of changes to the Development Act and the proposed regionalisation of the Development Assessment Panel.
• Implement a social media profile and continue to improve the Council’s website ensuring it remains relevant to community needs.

• Develop a customer service charter which details response times for correspondence and customer queries and appropriate standards for issue resolution.

• Review Council’s corporate branding principles and templates to ensure consistency.

• Investigate options to transfer ownership of non-essential assets to an alternative organisation (public or private) and reinvest capital into other key infrastructure projects.

• Undertake a financial sustainability review of the Millicent Saleyards including the investigation to lease portions of the saleyards to increase utilisation of the facility.

• Review current Council operations and investigate the potential for consolidation of service delivery.

• Develop a management plan for the Southern Ocean Tourist Park that concentrates on its long term financial sustainability.

• Develop a long term action plan for the Southend Caravan Park for the sustainability of the park and investigate options for private investment into an alternate site.

• Strengthen Council’s human resources framework through the implementation of an online reporting tool that delivers performance development reviews, training registers, succession planning and online induction to staff contractors and volunteers.

SERVICES PROVIDED
• Advocacy and Council Leadership
• Community Engagement
• Human Resourcing
• Governance
• Customer Service
• Financial Management
• Risk & Work, Health & Safety
• Emergency Management
• Administration

SUPPORTING DOCUMENTS
• Council Strategic Plan
• Asset Management Plans
• Annual Business Plan
• Policies & Procedures
• Community Engagement Guidelines
• Strategic Directions Report
• State Strategic Plan
• Local Government Act
• Long Term Financial Plan
• Risk Management Plan
• Business Continuity Plan
• Internal Controls
• Customer Service Charter
• Community Lands Register
• Community Township Plans
• Development Act
FUNDING AND RESOURCING THE PLAN

The following is a list of key financial performance indicators that have been adopted to ensure that Council’s Strategic Plan is long term financially sustainable and target ranges have been set to provide financial parameters to each of the indicators.

OPERATING SURPLUS

KPI Explanation
An operating surplus (or deficit) arises when operating income exceeds (or is less than) operating expenses for a period (usually a year). A Council’s long-term financial sustainability is dependent upon ensuring that, on average over time, its expenses are less than associated income.

Strategic Plan 2018-2021 Forecasted Results - Operating Surplus (Deficit)

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Surplus ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>1,561</td>
</tr>
<tr>
<td>2016-17</td>
<td>412</td>
</tr>
<tr>
<td>2017-18</td>
<td>451</td>
</tr>
<tr>
<td>2018-19</td>
<td>198</td>
</tr>
<tr>
<td>2019-20</td>
<td>639</td>
</tr>
<tr>
<td>2020-21</td>
<td>732</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Income ($000)</th>
<th>Expenditure ($000)</th>
<th>Surplus (Deficit) ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>22,512</td>
<td>20,951</td>
<td>1,561</td>
</tr>
<tr>
<td>2016-17</td>
<td>24,355</td>
<td>23,943</td>
<td>412</td>
</tr>
<tr>
<td>2017-18</td>
<td>24,545</td>
<td>24,094</td>
<td>451</td>
</tr>
<tr>
<td>2018-19</td>
<td>24,899</td>
<td>24,701</td>
<td>198</td>
</tr>
<tr>
<td>2019-20</td>
<td>25,384</td>
<td>24,745</td>
<td>639</td>
</tr>
<tr>
<td>2020-21</td>
<td>25,951</td>
<td>25,219</td>
<td>732</td>
</tr>
</tbody>
</table>

Councils Target
To achieve an operational surplus.
FUNDING AND RESOURCING THE PLAN

OPERATING SURPLUS RATIO

KPI Explanation
The operating surplus ratio is the operating surplus (deficit) expressed as a percentage of operating income. A positive ratio indicates the percentage of operating income available to help fund proposed capital expenditure.

Councils Target
To achieve on average over time an operating surplus ratio of between 0% - 10%.

Strategic Plan 2018-2021 Forecasted Results - Operating Surplus Ratio

<table>
<thead>
<tr>
<th>Operating Surplus Ratio</th>
<th>Actual 2015-16</th>
<th>3rd Budget Update 2016-17</th>
<th>1st Year 2017-18</th>
<th>2nd Year 2018-19</th>
<th>3rd Year 2019-20</th>
<th>4th Year 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus (Deficit)</td>
<td>1,561 $,000</td>
<td>412 $,000</td>
<td>451 $,000</td>
<td>198 $,000</td>
<td>639 $,000</td>
<td>732 $,000</td>
</tr>
<tr>
<td>Income</td>
<td>22,512 $,000</td>
<td>24,355 $,000</td>
<td>24,545 $,000</td>
<td>24,899 $,000</td>
<td>25,384 $,000</td>
<td>25,951 $,000</td>
</tr>
<tr>
<td>Surplus (Deficit) Ratio</td>
<td>6.9%</td>
<td>1.7%</td>
<td>1.8%</td>
<td>0.8%</td>
<td>2.5%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

Above Target: Green
Below Target: Red

Operating Surplus Ratio

- Operating Surplus (Deficit) Ratio
- Lower Target: Yellow
- Upper Target: Brown
### FUNDING AND RESOURCING THE PLAN

#### NET FINANCIAL LIABILITIES RATIO

**KPI Explanation**
Net financial liabilities equals total liabilities less financial assets (excluding equity accounted investments in Council businesses). The net financial liabilities ratio is calculated by expressing net financial liabilities at the end of a financial year as a percentage of operating income for the year. If the ratio falls, over time, this indicates that the Council’s capacity to meet its financial obligations from operating income is strengthening.

**Councils Target**
To achieve a Net Financial Liabilities Ratio between 0% - 100% of operating income.

#### Strategic Plan 2018-2021 Forecasted Results - Net Financial Liabilities Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Actual $,000</th>
<th>3rd Budget Update $,000</th>
<th>1st Year $,000</th>
<th>2nd Year $,000</th>
<th>3rd Year $,000</th>
<th>4th Year $,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-16</td>
<td>6,352</td>
<td>4,041</td>
<td>4,580</td>
<td>5,727</td>
<td>5,330</td>
<td>4,152</td>
</tr>
<tr>
<td>2016-17</td>
<td>22,512</td>
<td>24,355</td>
<td>24,545</td>
<td>24,899</td>
<td>25,384</td>
<td>25,951</td>
</tr>
<tr>
<td><strong>NFL Ratio</strong></td>
<td><strong>28 %</strong></td>
<td><strong>17%</strong></td>
<td><strong>19%</strong></td>
<td><strong>23%</strong></td>
<td><strong>21%</strong></td>
<td><strong>16%</strong></td>
</tr>
</tbody>
</table>

- **Above Target**: Green
- **Below Target**: Red

#### Net Financial Liabilities Ratio

![Graph showing Net Financial Liabilities Ratio from 2015-16 to 2020-21](image-url)
FUNDING AND RESOURCING THE PLAN

ASSET SUSTAINABILITY RATIO

KPI Explanation
This ratio indicates the extent to which existing non-financial assets are being renewed and replaced, compared with the asset renewal and replacement expenditure identified as warranted in a Council’s infrastructure and asset management plan (I&AMP). It is calculated by measuring capital expenditure on renewal or replacement of assets for a period, divided by the optimal level of such expenditure proposed in a Council’s I&AMP.

Councils Target
To achieve an Asset Sustainability Ratio between 85% - 105% of the asset renewal & replacement expenditure optimised in the “I&AMP’s”.

Strategic Plan 2018-2021 Forecasted Results - Asset Sustainability Ratio

<table>
<thead>
<tr>
<th></th>
<th>Actual 2015-16 $,000</th>
<th>3rd Budget Update 2016-17 $,000</th>
<th>1st Year 2017-18 $,000</th>
<th>2nd Year 2018-19 $,000</th>
<th>3rd Year 2019-20 $,000</th>
<th>4th Year 2020-21 $,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Renewal Expenditure</td>
<td>3,647</td>
<td>3,797</td>
<td>4,128</td>
<td>4,753</td>
<td>4,818</td>
<td>4,885</td>
</tr>
<tr>
<td>I&amp;AMP</td>
<td>3,881</td>
<td>4,127</td>
<td>4,463</td>
<td>5,280</td>
<td>5,343</td>
<td>5,409</td>
</tr>
<tr>
<td><strong>ASR Ratio</strong></td>
<td><strong>94%</strong></td>
<td><strong>92%</strong></td>
<td><strong>92%</strong></td>
<td><strong>90%</strong></td>
<td><strong>90%</strong></td>
<td><strong>90%</strong></td>
</tr>
</tbody>
</table>

Above Target  Below Target

Asset Sustainability Ratio

- 120%
- 100%
- 80%
- 60%
- 40%
- 20%
- 0%


Asset Sustainability Ratio  Target  Upper Target
The Uniform Presentation of Finances is a high level summary of both operating and capital investment activities for Council. The statement is a useful comparative document for benchmarking purposes with other Councils as well as an informative document that assists Council in determining the net movement in its net financial liabilities annually. A Net lending result reduces a Council’s accumulated level of net financial liabilities whereas if a Net borrowing (bracketed) result occurs it adds to the level of net financial liabilities.

<table>
<thead>
<tr>
<th>Uniform Presentation of Finances</th>
<th>Actual</th>
<th>3rd Budget Update</th>
<th>1st Year</th>
<th>2nd Year</th>
<th>3rd Year</th>
<th>4th Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015-16 $,000</td>
<td>2016-17 $,000</td>
<td>2017-18 $,000</td>
<td>2018-19 $,000</td>
<td>2019-20 $,000</td>
<td>2020-21 $,000</td>
</tr>
</tbody>
</table>

**Net Outlays from Operations**

<table>
<thead>
<tr>
<th>Operating Income</th>
<th>22,512</th>
<th>24,355</th>
<th>24,545</th>
<th>24,899</th>
<th>25,384</th>
<th>25,951</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Operating Expenses</td>
<td>20,951</td>
<td>23,943</td>
<td>24,094</td>
<td>24,701</td>
<td>24,745</td>
<td>25,219</td>
</tr>
<tr>
<td>Operating Surplus / (Deficit)</td>
<td>1,561</td>
<td>412</td>
<td>451</td>
<td>198</td>
<td>639</td>
<td>732</td>
</tr>
</tbody>
</table>

**Less Net Outlays on Existing Assets**

<table>
<thead>
<tr>
<th>Capital Expenditure on Renewal and Replacements of Existing Assets</th>
<th>3,647</th>
<th>3,797</th>
<th>4,128</th>
<th>4,735</th>
<th>4,818</th>
<th>4,885</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Depreciation, Amortisation and Impairment</td>
<td>4,626</td>
<td>4,842</td>
<td>4,852</td>
<td>4,841</td>
<td>4,885</td>
<td>4,907</td>
</tr>
<tr>
<td>Less Sale of Replaced Assets</td>
<td>156</td>
<td>212</td>
<td>223</td>
<td>164</td>
<td>169</td>
<td>216</td>
</tr>
<tr>
<td>Total Net Outlays on Existing Assets</td>
<td>(1,135)</td>
<td>(1,257)</td>
<td>(947)</td>
<td>(251)</td>
<td>(236)</td>
<td>(238)</td>
</tr>
</tbody>
</table>

**Less Net Outlays on New and Upgraded Assets**

<table>
<thead>
<tr>
<th>Capital Expenditure on New and Upgraded Assets</th>
<th>1,387</th>
<th>1,715</th>
<th>2,407</th>
<th>1,864</th>
<th>1,197</th>
<th>660</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Amounts specifically received for New and Upgraded Assets</td>
<td>741</td>
<td>664</td>
<td>430</td>
<td>350</td>
<td>350</td>
<td>350</td>
</tr>
<tr>
<td>Less Proceeds from Sale of Surplus Assets</td>
<td>189</td>
<td>109</td>
<td>-</td>
<td>-</td>
<td>400</td>
<td>400</td>
</tr>
<tr>
<td>Total Net Outlays on New &amp; Upgraded Assets</td>
<td>457</td>
<td>942</td>
<td>1,977</td>
<td>1,514</td>
<td>447</td>
<td>(90)</td>
</tr>
</tbody>
</table>

**Net Lending / (Borrowings)**

| 2,239 | 727 | (578) | (1,065) | 429 | 1,060 |
Upon assessment of the key financial indicators, the strategies and activities included within this Plan are able to be funded over the life of the Plan.

When evaluating the impact to Council’s key financial indicators it is clear that Council will continue to meet its targets for Operating Surplus, Operating Surplus Ratio, Net Financial Liabilities and Asset Sustainability Ratio.

Whilst Councils debt levels are expected to peak at 23% Net Financial Liabilities in 2019, Council has capacity to increase debt and fund this over the Plan’s period of operation.

It is envisaged that major investment on key projects such as the Millicent Railway Lands and the development of the Coonawarra Rail Trail will help generate additional investment into the area that will generate returns for the Council for years to come.