



District Council of Coober Pedy Newsletter

Welcome to the Opal Capital of the World

October 2020

Message from the Administrator

Budgets for all levels of government have been delayed this year. The Council recently adopted its budget. It provides for a further significant improvement in the Council's annual financial result. It includes no new borrowings, a significant self funded capital expenditure program, increases in rates and charges of no more than the movement in the consumer price index and significant funding to rectify deficiencies in systems and processes. The Council's cash position remains tight and there is very little provision for capital expenditure on our sealed road network which is sorely needed. This is due to higher capital expenditure needs in other areas and the fact that the Council cannot borrow due to its current financial position. See below for details.

The Council raises about 11% of its revenue from municipal rates. How this amount is apportioned to individual ratepayers has recently been under review by the community and the Council. Unfortunately, the inherited rating system provided no justification for treating ratepayers differently. Hence the need for review. The new system will treat all ratepayers the same. This will result in there being winners and losers. As a consequence, it will be phased in over a number of years. See below for details.

To improve things in Coober Pedy we need everyone to work together. This is what the CP30 process is all about. A lot of the ground the work has already been done by an energetic group of citizens. If we are to be successful it will require the three levels of government to work together. The Coober Pedy Roundtable is an integral part of this. The first one will be held on 6 November.

The Council's periodical report to the community and the Minister for Local Government was presented to the Council

meeting on 13 October. It is available on the Council website.

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2020/21 Annual Business Plan and Budget

Introduction

The 2020-21 Annual Business Plan (ABP) and Budget combines the ABP and Budget into one document. It is one of the most important planning documents that Council produces, setting out in detail the activities and initiatives that Council intends to undertake for the 2020/21 financial year, and the sources of income necessary to fund those activities. It provides a clear picture of Council's expected financial performance and position for the next 12 months.

Budget Analysis

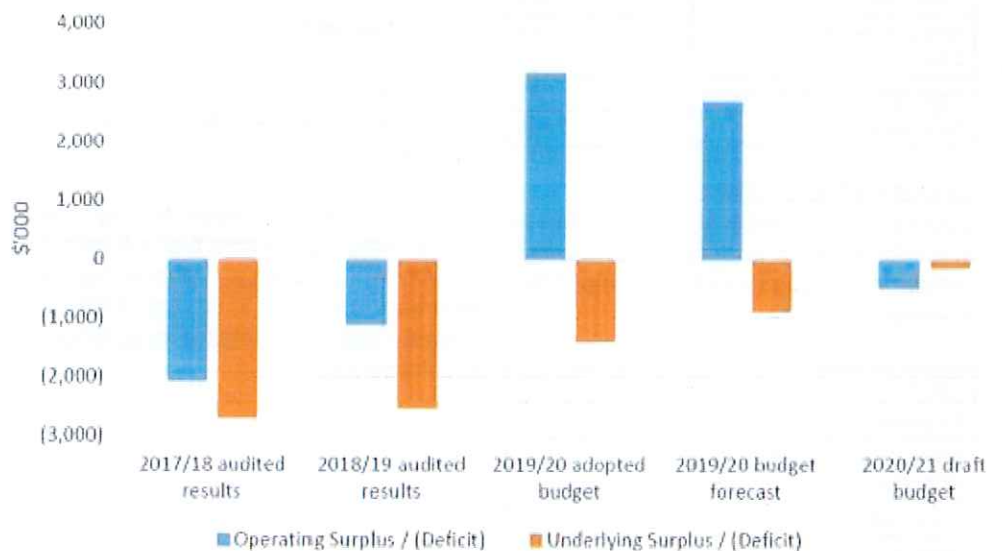
In a number of places, the ABP refers to Council's 'underlying' operating deficit. This simply means the annual surplus or deficit adjusted for one-off non-recurring items such as capital grants. Its purpose is to paint a more accurate picture of Council's true financial performance, usually by removing income that is not a normal part of Council's operations. The underlying result is not required in the published financial statements or annual budget (see graph).

Funding the Business Plan

To fund the services outlined in the ABP the Council raises revenue from several sources.

The largest source of Council's operating revenue is user charges, comprising 43% of total revenue.

Underlying Operating Surplus / (Deficit)





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Grants and subsidies will fund many of Council's functions. The largest grant received will be \$3.65m from the Remote Areas Energy Supply Scheme to cover the operating costs of running Cooper Pedy's electricity supply.

Income	Amount \$'000
Rates	2,298
Statutory Charges	17
User Charges	6,484
Grants, Subsidies and contributions	5,859
Investment Income	20
Reimbursements	1
Other income	370
Total Income	15,049

Rate Revenue

Approximately 15% of Council's income will be raised through rate revenue which includes municipal rates. The total amount to be raised from rates will be \$2.3m comprised as follows:

Income	Amount \$'000
Municipal Rates	1,612
Water Access Charge	379
Waste Water Service Charge	195
Regional Landscape Charge	112
Total Income	2,298

Operating Expenditure

Council will expend just over \$15.5m in operational items to deliver the services outlined in this plan which includes \$3.9m in employee costs.

Expenses	Amount \$'000
Employee costs	3,872
Materials, contracts & other expenses	10,389
Depreciation	1,001
Finance costs	280
Total Expenses	15,542

In addition to operating water and electricity operations, Council provides a range of municipal services which can be found in Section 3 of the ABP. They include road construction and maintenance, parks and gardens, sport and recreation, refuse collection and rubbish dump, stormwater maintenance, street cleaning, cemetery, aerodrome, tourism support, dog control, childcare, child and parent support, community library, planning and development and environmental health inspections.

Key Strategic Activity

The new reporting format for the ABP and Budget has been designed to harmonise with the *CP30 Town Plan* framework and what is planned to be the framework for the new Council Strategic Management Plan. The *CP30 Town Plan* comprises three over-arching pillars, namely:

- Environment;
- Economic; and
- Social.

The draft budget has five Key Strategic Activities, namely:

- Environment;
- Economic;
- Social;
- Governance & Corporate and;
- Kanku Breakaways.

Within each key strategic activity, there are 36 budget programs that will form the backbone of budget monitoring and reporting. Section 3 of the ABP and Budget contains a detailed description of each program.

Expense by Key Strategic Activity and Program

Environmental Expenses	Amount \$'000
Local Roads & Paths	624,100
Drainage Maintenance	52,900
Environmental Management	100,400
Waste Management	218,200
Regulatory Services	249,200
Community Amenities	80,100
Depot Maintenance	161,700
Total Expenses	1,486,600

Economic Expenses	Amount \$'000
Economic Development	88,600
Tourism	282,400
Private Works	86,300
Airport	124,000
Water Production	781,800
Water Distribution	643,300
Water Retail	159,800
Wastewater	255,900
Power Distribution	1,320,700
Power Retail	6,756,100
Total Expenses	10,498,900

Social Expenses	Amount \$'000
Community Development	110,500
Cultural	24,300
Recreation	139,950
Children & Youth	85,900
Child Care	714,700
Total Expenses	1,075,350

Capital Projects and Priorities

A capital expenditure budget of \$625k has been approved.

The costliest item in the capital expenditure budget is \$270k for the replacement of Council IT infrastructure. Council has received independent advice from two different IT consulting groups that Council's IT infrastructure urgently requires replacing.





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The proposed project would see the replacement of all server, firewall, switching infrastructure, plus associated licencing and professional services.

Additional expenditure is required in future years to complete the upgrade of the IT systems.

Other projects planned for 2020/21 include \$100k each for road reseals and replacements of RO membranes.

The major items which have been excluded from the draft budget are:

Sewerage Treatment Plan - HV Replacement	\$116,000
LED replacement	\$50,000
Replace Water Truck	\$120,000
Refurbish EWP	\$35,000
Utilities 2 per year	\$80,000
Vacuum Truck	\$100,000
Transportation asset renewal (\$100,000 included in draft budget)	\$566,000

Continuing to defer capital renewal of assets is not a good strategy in the long term as it will lead to higher renewal costs in the future and an increased risk of asset failure. Staff assess the water truck as having the greatest risk of failure in the coming 12 months.

Legacy Issues

Legacy issues are activities that a properly functioning Council should be undertaking in the normal course of business, but are either not being undertaken or are being undertaken and need significant improvement. These legacy issues are complex, ingrained, and traverse all aspects of Council's operations. It will take a number of years to resolve all of these legacy issues to return Coober Pedy District Council to a fully functioning council that meets all of its statutory obligations and becomes

truly financially sustainable. In total, 80 legacy issues have been identified. Of those, 47 are funded across 19 of the 36 program areas, and 33 are unfunded.

Strategic Focus

Council will shortly commence working on a Strategic Plan which will inform future ABPs and Budgets.

Rating Review

Council has adopted a new rating policy following extensive rates modelling and consultation with the community. The current rating system, which comprises different rating levels for different types of property, and a fixed charge of \$427.50, will be phased out over a number of years. The new rating policy is for the same 'rate-in-the-dollar' to be applied to all rateable properties, and no fixed charge. Transitional arrangements will apply in 2020/21 so that no one's rates increase by more than 10% (a small number of exceptions apply). The fixed charge will drop to \$300 in the first year. The rating review will result in no extra revenue for Council. The new system simply redistributes the total rates income more fairly and simply. Rate notices will be posted next week. The first instalment is due on 4th December.

Council thanks everyone who took the time to make a verbal or written submission on the rating review.

Plan of Works

Council staff have programmed to undertake the following activities during the next quarter:

- Undertake an audit of the electrical system at the airport;
- Upgrade a transformer at the hospital;
- Complete the three phase power connection to the sewerage treatment plant;
- Complete the Opal Inn transformer upgrade;

- Upgrade single wire return property connections over dugouts;
- Recommence the reseal of a portion of Flinders Road and the northern end of Hutchison Street;
- Complete the next stage fencing of the sanitary landfill;
- Replace 49 damaged or stolen street signs;
- Complete the upgrade of the reverse osmosis plant; and
- Repair the sewerage aerator.

Mini Gems

On 16 September 2020 Julian Craig visited Mini Gems Children's Centre to talk to the children, parents and educators about snake safety. Julian demonstrated how we should react to a snake being near us and how the children should stand still like a tree not moving their feet. The children all stood up and copied what Julian was doing. Julian brought in his spotted python for the children, parents and educators to hold. For most of them it was the first time they had held a snake. The children asked lots of questions about snakes and were very excited to show Julian the snakes they had made the day before.



The Council's CEO will convene a meeting with parents in the near future to discuss a range of matters relating to Mini Gems.





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NAIDOC Week

This year NAIDOC Week celebrations will be held from 8-15 November 2020. In Cooper Pedy, these will include a variety of events so keep a look out for posters around town with the details.

Australia Day

Citizen of the Year Awards

Just a reminder that nominations are now open for the Australia Day Citizen of the Year Awards. There are 4 major categories:

Australia Day Citizen of the Year Award: the most outstanding Citizen for the local government authority.

Australia Day Young Citizen Award: the most outstanding Young Citizen for the local government authority.

The Community Event of the Year Award: the person or group who has staged the most outstanding community event during the year.

Award for Active Citizenship: a person or group delivering outstanding work or for an event or cause, staged in the community during the past year.

Nominations will run until 5 pm on **20 November 2020**. To nominate someone, visit: <https://www.citizenoftheyear.com.au/nominate/> or come into the Council offices and pick up a nomination form.

Community Grants

The EDL Community grants for 2019/2020 were presented to Council on 22 September, Council resolved to approve all grant applicants. Congratulations to all those that applied. A list of applicants of the Community Grant program for 2019/2020 will be on the Council's webpage. All applicants will be notified of the next steps in processing their application.

***** COMMUNITY NEWS *****

Second Chance Animals

Dawn Jones is a Cooper Pedy treasure, running Second Chance Animals for rehoming dogs and cats and general pet care.

This month has been especially busy with many puppies and kittens sent south for new homes. There are several dogs booked in for desexing operations on the vet's next visit, with funding coming from Paws n Claws and Council.

You can find Dawn most Thursday's at IGA, on a Super Raffle table where everyone wins a prize. Money raised helps pay for the feeding program across town.

"Cooper Pedy pets at risk are fed daily and receive tick and flea treatment and medication as needed," she says.

Dawn would like to thank the many locals that support her each week.

Dawn also gives emergency advice to pet owners, before they make the decision to head south to the vet in Port Augusta.

You can phone Dawn on 0498562191.



Photo: Justin Freytag buying a raffle ticket from Dawn Jones at IGA

Far North Health Advisory Council

CALL FOR NOMINATIONS and notice of ANNUAL GENERAL MEETING

Nominations are hereby called to fill three Resident Member positions on the Far North Health Advisory Council at the Annual General Meeting.

Nominations must be in writing, signed by two residents of the community and the nominee, who must also be a resident of the community.

Nomination forms and a fact sheet on the Health Advisory Council are available by ringing the hospital on 08 8672 5009 and must be received by 5.00 pm on Wednesday, 11 November 2020.

Nomination Forms to be sent to:
EO/DON
PO Box 143
COOPER PEDY SA 5723

The term "Resident member" refers to people who live in the District Council of Cooper Pedy area or who live outside the Council area but use, or may use, services provided by, or associated with the Cooper Pedy Hospital and Health Services.

The Annual General Meeting will be held on Wednesday 11 November, 6.30pm at the Community Health Boardroom. All are welcome.

Voting will take place if more than the required number of nominations have been received.

