



District Council of
Mount Remarkable

2022 / 2023 ANNUAL BUSINESS PLAN & BUDGET



NUKUNU ACKNOWLEDGEMENT OF COUNTRY

We acknowledge this land as the traditional lands of the Nukunu people and that we respect their spiritual relationship with their country.

We also acknowledge the Nukunu people as the traditional custodians of the Nukunu region and that their cultural and heritage beliefs are still as important to the living Nukunu people today.

The ongoing contribution of First Nations people to the area plays a fundamental role in shaping the region into the future.

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COMMUNITY CONSULTATION

Community consultation on the Draft 2022/23 Annual Business Plan and Budget occurred between 23 June to 14 July 2022.

Feedback received was considered by Council at the Ordinary Meeting held on 19 July prior to the adoption of the 2022/23 Annual Business Plan and Budget.

A summary of amendments made to the consultation version of the Draft 2022/23 Annual Business Plan & Budget document is provided at page 37.

The District Council of Mount Remarkable would like to thank everyone who provided feedback during the consultation period.

COUNCIL MEMBERS

Council Members are elected by the community to represent the interests and needs of the community.

Council Members provide community leadership and guidance and facilitate communication between the community and the Council.

Council Members play a very important policy-making role, requiring the identification of community needs, setting objectives to meet those needs, establishing priorities between competing demands and allocating resources.

There are 7 Council Members (including the Mayor who is elected by the Council Members) on the Council of the District Council of Mount Remarkable.

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Vacant

A Remarkable Experience...

OUR DISTRICT



POPULATION 2,864

Male 51% Female 49%

*Data source:
ABS Census 2011 & 2016*



VOLUNTEERS 38.0%

Our residents over 15 years old are volunteers, more than 10.2% of the average for regional SA.

*Data source:
RDA Y&MN Economic Profile*



AGE 53

The median age of our residents.

*Data source:
RDA Y&MN Economic Profile*



WORK 38.4%

Agriculture, Forestry and Fishing is the largest employer, generating 331 local jobs in 2020/21.

*Data source:
National Economics
(NIEIR) – Modelled Series*



AGRICULTURE \$48M

The largest commodity produced was cereal crops (47.1%) total agricultural output in value terms.

*Data source:
ABS Value of Agricultural
Commodities Produce 2015-16*



ECONOMY \$124M

Mount Remarkable region's gross regional product value in 2022.

*Data source:
National Economics (NIEIR) - 2021*



ROADS 2,027 km

90% unsealed (1,828km)

Mount Remarkable looks after the 8th largest road network in South Australia – same distance as Adelaide to Noosa (Queensland).

*Data source:
Council's Transport Asset
Management Plan*

COUNCIL DISTRICT MAP



HOW THIS PLAN WAS PREPARED

BACKGROUND

Under Section 123 of the Local Government Act 1999, Council is required to have a budget for each financial year. The budget must be considered as part of the Council's Annual Business Plan.

Before a council adopts its Annual Business Plan it must prepare a draft Annual Business Plan and undertake a public consultation process. Consultation on this plan occurred between 23 June and 14 July 2022.

All feedback collected during this period was distributed and considered by the Elected Members of Council at its Ordinary meeting held on 19 July in order to finalise Council's 2022/23 Business Plan and Budget.

PURPOSE OF THIS DOCUMENT

The Annual Business Plan is the key operational and financial document for Council. It sets out the proposed operational programs and capital projects for 2022/23 and how we will allocate our budget. The Plan imparts an understanding of:

- » annual objectives for the year in the context of Council's long term objectives;
- » overview of the activities and services provided by Council;
- » key financial information relating to revenue and expenditure;
- » proposed new initiatives and projects; and
- » rating context and impacts of rates for 2022/23.

MEASURING PERFORMANCE

Council measures its achievements and financial performance through the following processes:

- » Regular financial reporting to Council
- » Quarterly corporate performance report to Council
- » Budget reviews in accordance with legislation
- » Annual review of the Draft Long Term Financial Plan
- » Review and input from Council's Audit & Risk Committee
- » Production of an Annual Report including audited financial statements
- » Community engagement

STRATEGIC DIRECTION

The content has been developed after taking into consideration the long term direction of Councils Community Plan 2021-2031, the Draft Long Term Financial Plan (10 year plan) and the Draft Asset Management Plan (10 year plan). Maintaining an adequate level of expenditure on existing assets on an annual basis ensures that the burden of costs is met equally by current and future ratepayers.

OPERATIONS BUDGET BUILD APPROACH

The Annual Business Plan 2022/23 involved budget submissions from each individual department to examine costs and justify expenditure. Operating budgets have not been increased without demonstrated need.

PROJECTS BUDGET APPROACH

Business cases were developed for capital projects and new initiatives. These were reviewed by the leadership staff to rank their priority based on the community plan alignment, value for money and risk. Some of these projects may be delivered over multiple years while others impact only 2022/23.

COUNCIL MEMBER REVIEW

Two workshops were held with Council Members in the development of the draft budget prior to its finalisation. At those workshops Members discussed priorities within the draft plan.



FINANCIAL OVERVIEW

The Annual Business Plan and Budget for 2022/23 has been prepared in accordance with the priorities of Council's Community Plan 2021-2031 with due consideration of its key financial indicators.

GENERAL RATE INCREASE

The general rate provides benefit to the whole community and ensures social, economic and environmental sustainability. The number of rateable properties in 2022/23 is 3,243.

For 2022/23 the proposed revenue to be raised from general rates is \$3,294,700 (net of rebates) which is an increase of 5.4% compared with \$3,125,886 for 2021/22.

Notes:

a) The most recent valuations available to the Council at the time that the Council adopts its budget under Section 167 of the Act will govern the assessment of rates for the financial year. This results in changes to the cents in the dollar figures provided in the document.

b) Information in the draft budget excludes potential carry forward for capital projects, noting the delivery timeframes of some 2021/22 projects have been impacted by increase in supplier lead times arising from COVID-19.

GROWTH

This includes new residents and developments, where the provision of services to new residents and developments is funded by the growth and revenue of increased rates, and annual increases in employee, material contract and other costs are met by increasing rate revenue by a similar inflationary factor.

OPERATING RESULT

Council's original estimated operating deficit in 2022/23 of \$582,200 has been revised in this updated business plan to reflect a surplus of \$121,000. For full details on this adjustment, please refer to page 37.

SERVICE PROVISION

A total of \$6,507,000 will be spent on providing ongoing services including waste management and disposal, development assessment and planning services, immunisation, community transport, community development plus maintenance of infrastructure, assets including roads, footpaths, lighting, storm water drainage, street trees, open space, cemeteries and other Council properties.

USER PAYS PRINCIPLE

Benefits that are provided to a distinct group of the community will, wherever practicable be charged directly to the recipient of that benefit.

2022 - 2023 BUDGET FINANCIAL SUMMARY

	BUDGET 2022/23 \$'000	FORECAST 2021/22 \$'000
OPERATING REVENUE		
Rates	4,539	4,246
Statutory Charges	91	63
User Charges	505	857
Grants & Subsidies	2,818	3,583
Investment Income	90	30
Reimbursements	134	115
Other Revenues	258	182
Total Revenue:	8,435	9,076
OPERATING EXPENSES		
Employee Costs	2,677	2,400
Materials, Contracts and Other Expenses	3,771	4,373
Depreciation	1,807	2,290
Finance Costs	59	40
Total Expenses:	8,314	9,103
OPERATING SURPLUS (DEFICIT)	\$121	(\$27)
BALANCE SHEET SUMMARY		
Cash & Investments (as at 30 June)	1,415	3,496
Other Current Assets	710	690
Non-Current Assets	70,240	64,412
Total Liabilities	(1,244)	(1,162)
Net Assets	71,121	67,436
TOTAL LONG-TERM BORROWINGS	\$558	\$629
Operating Surplus Ratio (Target 0-15%)	(0.3%)	1.4%
Net Financial Liabilities Ratio (Target (-40) - +60%)	(33.2%)	(11.5%)
Asset Renewal Funding Ratio (Target 100% average over 10 years)	100.0%	100.0%

PROJECT PRIORITIES

Council's proposed project priorities for 2022/23 stem from the themes in Council's Community Plan.

Council has undertaken a methodical and considered approach to determine its priorities for the upcoming financial year.

These are the steps that were taken to determine the proposed projects for consultation:

- » The Capital Works Program was guided by Council's Asset Management Plan
- » Council proposed projects that aim to assist in achieving the strategic themes in Council's Community Plan
- » Elected Members submitted projects based on identified community need
- » Projects were divided into three broad categories:

OPERATING PROJECTS (including annual initiatives)	NEW CAPITAL	CAPITAL RENEWAL PROGRAM
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- » An Elected Member workshop further prioritised, refined and finalised the proposed project list for community consultation.

WHERE OUR FUNDING COMES FROM	HOW WE ALLOCATE OUR FUNDING	OUR PROPOSED EXPENDITURE
<ul style="list-style-type: none"> » General Rates » Other Rates & Levies (includes Landscape Levy) » Grants & Subsidiaries and contributions » User Fees » Statutory Fees » Other Income 	<ul style="list-style-type: none"> » Employee costs » Materials, contracts and other » Finance Costs » Operating Projects » Capital Projects (net) » Capital Renewal (net) » Repayment of borrowings (principle payments) 	<p>New Capital \$1,773,200</p> <p>Asset Renewal \$5,021,500</p>

NEW CAPITAL PROJECTS

New Capital projects are capital works to construct new or to significantly upgrade existing infrastructure and buildings. The 2022/23 Budget proposes expenditure of \$1,773,200 for new capital projects. These projects are funded from existing financial capacity including borrowings.

KEY PROJECTS

- » Rail Trail Bridges
- » Whitby Street Stormwater

CAPITAL RENEWAL PROJECTS

The Capital Renewal programs maintain an ongoing program of renewals for Council's \$68,045,600 of infrastructure, buildings and assets. They are based on Council's Draft Asset Management Plan yet to be adopted by Council.

This 2022/23 Budget proposes net expenditure of \$5,021,500 for capital renewal programs.

These projects are funded from existing financial capacity including borrowings, with the funding proposed in line with the Draft Asset Management Plan which is reviewed every four years.

KEY PROJECTS

- » Booleroo centre Airstrip upgrade
- » Appila Tarcowie Road – replace bridge with floodway
- » Concrete Floodway Replacement
- » Road re-sheeting

DRAFT ASSET MANAGEMENT PLAN

The District Council of Mount Remarkable is responsible for the management, operation and maintenance of a diverse asset portfolio that provides services and facilities for both visitors and the District's community. The Draft Asset Management Plan to be adopted by Council will identify works required for completion over a 10 year period. The Draft Asset Management Plan has been used to plan both maintenance and capital works for the 2022/23 year whilst also addressing the known backlog as identified.

The development of the Draft Asset Management Plan demonstrates Council's ongoing commitment to operate and maintain its asset portfolio efficiently to both meet strategic and legislative requirements, and to deliver the required levels of service for the community.

Asset management is driven from a service perspective.

Council has implemented an agreed level of service for property, bridge, road and footpath asset classes.

The asset system collects real time data coupled with ongoing regular condition audits, to allow more accurate predictive modelling in regard to treatments and life expectancy of each asset class. Over the next few years the management of assets will balance the target levels of service for each specific asset with the long-term costs.

The Draft Asset Management Plan provides the basis for the Capital Renewal Program included in Council's Draft Long Term Financial Plan and is refined as part of the Annual Business Plan and Budget process. In 2022/23 the Capital Renewal Program has a projected net expenditure of \$5,021,500.



FULL LIST OF PROJECTS

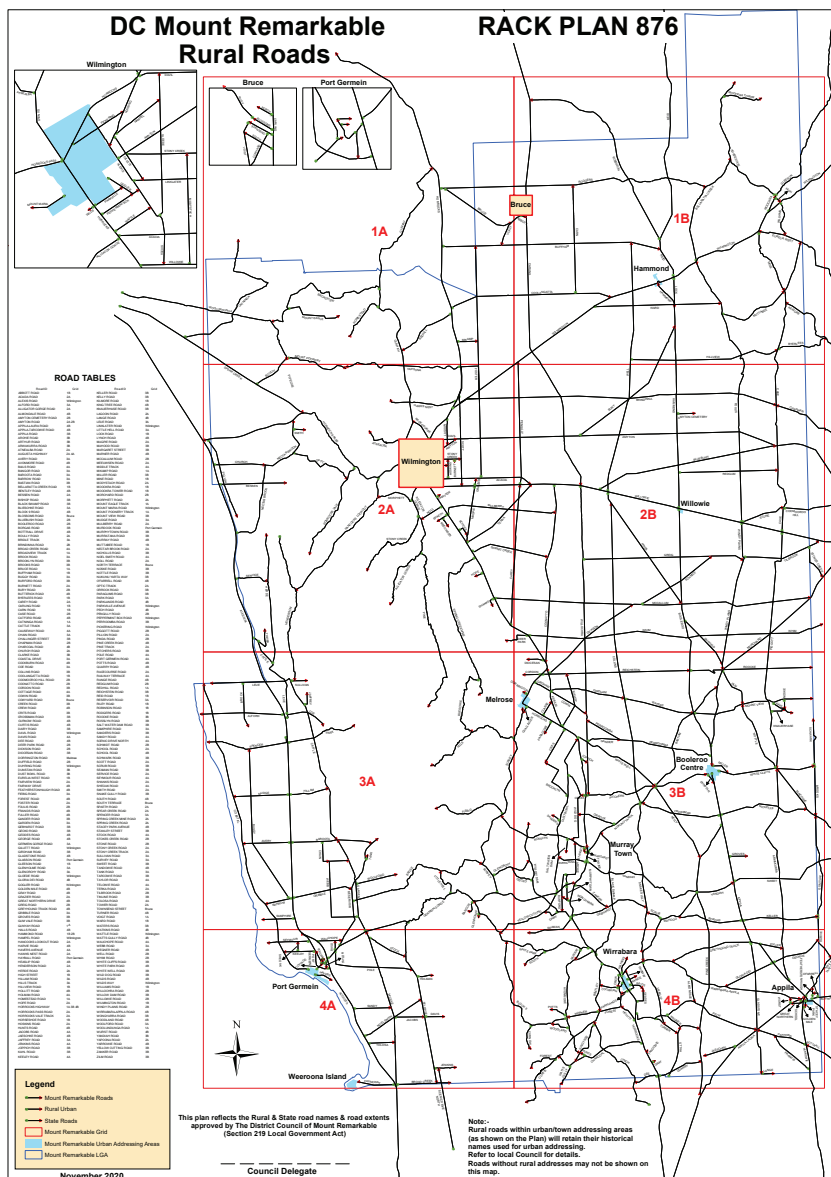
NET EXPENDITURE \$'000

CWMS Upgrades Includes upgrades at Wirrabara	43
Weeroona Island Water Supply Includes amount for detailed system assessment.	7
Cemeteries Upgrades to various Council Cemeteries.	14
Public Conveniences Includes repainting at Public Toilets at Wilmington, Melrose, Port Germein, Booleroo Centre	49
Buildings & Halls Includes works at Booleroo Centre, Wirrabara, Weeroona Island, Melrose, Port Germein and includes Disability Access	233
Walking & Cycling Trails Includes general works and new Bridges	362
Stormwater Includes Whitby Street Upgrade, cross drain Replacement (under floodways)	256
Parks & Recreation Supporting Council Parks & Playgrounds.	183
Town Signage Includes new Horse Trough sign at Booleroo Centre	28
Waste Management Building of Waste Transfer Station	156
Port Germein Bridge Refurbishment of existing Port Germein bridge	885
Booleroo Centre Swimming Pool Includes general upgrades and replacements	104*
Bridges Repairs Including rail replacement, structure repairs and replacement	408
Floodway Replacement Replacement based on the Draft Asset Management Plan	476
Appila Tarcowie Bridge Works Replacement with Floodway or similar	1248
Booleroo Centre Airstrip Lighting Replacement of current runway lights with LED lighting	312*
Port Germein Boat Access Investigation of increased boat launching capability.	52*
Weeroona Island Community Centre Assessment Fundings for support to investigate the feasibility of a proposed community centre.	32
Kerbing & Footpaths Includes general replacement, Booleroo Centre Replacement, Disability Access	120
Traffic Management Includes Signage replacement & upgrades	34
Unsealed Road Re-Sheet Includes sections of Wilmington Road, Collins Road, Forrest road, Mahood Road, Appila Wirrabara Road	806
Plant & Equipment Includes: Grader, Truck, 3 Admin vehicles including NPTN, 2 Utilities 1 RTV (side by side spray unit) , 1 Track Loader	987

*Subject to Funding

CAPITAL ROAD RE-SHEETING PROGRAM & BUDGET

ROAD NAME	DISTANCE	SECTION	COST
Wilmington Road	3.35 km	DCMR Boundary - Moochra Road	\$100,000
Collins Road	1.75 km	Pinda Road - towards Greig Road	\$50,000
Collins Road	3.10 km	Whim Road - Reichstein Road	\$87,000
Collins Road	2.00 km	White Well Road - Pitchers Road	\$56,000
Forrest Road	6.00 km	Marner Road - DEW Headquarters	\$168,000
Mahood Road	7.50 km	Pine Creek Road - Appila Wirrabara Road	\$210,000
Appila Wirrabara Road	2.20 km	Greyhound Track to Almondale Road	\$62,000
	25.90 km	TOTAL	\$733,000



FULL PLAN - https://www.sa.gov.au/_data/assets/pdf_file/0015/36510/Mount-Remarkable-Rack-Plan.pdf

SERVICES PROVIDED TO THE COMMUNITY

The Local Government Act 1999 (the Act) prescribes a system of local government to enable councils to govern and manage areas at a local level. All councils have basic responsibilities under the Act and other relevant legislation. These include:

- » Regulatory activities including voters' roll maintenance and Elected Members' support
- » Determining longer term strategic management plans, including a strategic plan, Draft Long Term Financial Plan, infrastructure and asset management plans and policies and procedures
- » Setting rates, preparing an Annual Business Plan and Budget
- » Management and maintenance of basic infrastructure including roads, footpaths, parks, public open space, playgrounds, street lighting and stormwater drainage
- » Street cleaning and rubbish collection
- » Development planning and control, including building safety assessment
- » Provision of various environmental health services
- » Management and maintenance of council's streets and parks
- » Management and maintenance of Council-owned building

In response to community needs, Council also provides the following services and programs, over and above those listed above:

- | | | |
|--|--|--|
| » Mobile Library Service | » Health Act administration | » Leases and licences |
| » Cemeteries | » Safe Drinking Water Act administration | » Game On (Star Club) |
| » Booleroo Centre Airstrip* | » Safe Food Handling training | » Rural Road signs |
| » Melrose licensed Postal Agency | » DrumMuster | » Urban street signs |
| » Community Wastewater Management Systems (4)* | » Desludging programs | » Street trees and gardens |
| » Community Bus* | » Environmental Health | » Swimming Pools (public)* |
| » Community Development | » Local Nuisance & Litter Control Act | » Tourist and historical sites |
| » Community Grants | » Building approvals* | » Tourism information and promotion |
| » Community Engagement and information | » Planning approvals* | » Traffic control |
| » Community Passenger Transport Network* | » Boat Launching facility | » Waste management* |
| » Community halls and public venues | » Tidy Towns | » Waste Transfer Station* |
| » Abandoned vehicles | » Immunisation | » Jetty management |
| » Council Newsletter | » Asset Management | » Waste collection* |
| » Customer service | » Animal & Plan control | » Recycling collection* |
| » Caravan Parks* | » Walking and riding trails | » Council website |
| » Dog and Cat Management* | » Parking | » Kerbing, watertable, footpaths and floodways |
| » Economic Development | » Playgrounds | » Weeroona Island Water supply* |
| » Fire Prevention | » Property Searches* | » Regional development |
| » Food Act administration | » Public toilets | » Coastal protection |
| | » Medical facility | » Citizenship ceremonies |
| | » Recreation/sporting facilities | |
| | » Road construction and maintenance | |

* fee for service basis.

INFLUENCES ON THE BUDGET

In the development of the Annual Business Plan we look at the political, economic, ecological, social and technological influences that have an impact on our District.

SIGNIFICANT INFLUENCES

PUBLIC HEALTH AND WELLBEING

COVID-19 continues to affect our community's health and wellbeing. Easing of restrictions presents opportunities for local businesses to rebound, including those within the tourism sector as international visitors return to our shores.

TOURISM INDUSTRY GROWTH

With increased tourism industry growth comes increased servicing and maintenance of existing assets.

POLITICAL LANDSCAPE

The political landscape changed due to the change in Government at the May 2022 Federal election. Council has taken a proactive approach to advocacy at both state and federal levels to leverage support for the delivery of essential infrastructure projects in the District. International conflict and other disruption may further contribute to global resource demands, which may exacerbate existing materials and labour shortages. This could impact on delivery of infrastructure projects and being able to buy plant and equipment.

LOCAL ECONOMY

General price increases that include climbing oil prices, local suppliers with stock shortages, and skilled labour shortages are just a few key issues that have been felt by Council and our community. Council purchases a range of goods and services as part of its annual capital program. Over the last 12 months the persistent disruption to supply chains and distribution network and their ongoing effects on prices has provided uncertainty. This has impacted on tendering, pricing being received and availability of contractors. Council staff are actively working to mitigate the exposure to these risks, including timing of tendering and project delivery to ensure projects maintain their value for money.

CLIMATE CHANGE

The effects of climate change are already being felt by our community. With projected temperature rises and extreme weather events there is a need to accelerate programs that address an increase in frequency of flooding and severe/extreme fire danger and a longer fire season.



OTHER INFLUENCES

There are also other annual items that we consider when setting rates and deciding on Council's program of works. These include:

- » Absorbing cost pressures where possible to minimise increases in rates and fees and charges.
- » Council is presently proposing an increase in rate revenue in line with CPI. Adelaide CPI was 5.1% for March Quarter
- » Local Government Price Index increases on relevant goods and services. In recent years this has tracked close to CPI although the forecast increase for 2022/23 is 4.0%.
- » Provision of Enterprise Bargaining Agreements which, for some staff, determine conditions of employment and provide for annual salary and wages increases above CPI.
- » Maintaining asset management (renewal) expenditure in line with Council's Draft Asset Management Plan.
- » Additional maintenance costs due to increased capital works and the construction of new assets over recent years.
- » Commitments to continuing projects and partnership initiatives over more than one year, including Flinders Mobile Library, Northern Passenger Transport Network, Regional Development Australia membership and Game On (Star Club).
- » Cost increases within the waste management stream.
- » Increased demand of service delivery needs of the community, including the increase in operating heavy vehicles for transport.
- » Provision of sufficiently qualified experienced and trained staff to meet service delivery demands.
- » Increase in Council's administrative pressures including but not limited to risk management, Work Health and Safety, increased Legislative compliance requirements, government reporting and Essential Services Commission of SA (ESCOSA) reporting requirements.
- » State Government currently undertaking the Statutes Amendment (Local Government Review) Bill 2020, which will have a significant impact on the Local Government sector.
- » State Government cost shifting to local government in many areas.
- » The Regional Landscape Levy.



Reference: Consumer Price Index, Australia, March 2022 | Australian Bureau of Statistics (abs.gov.au)

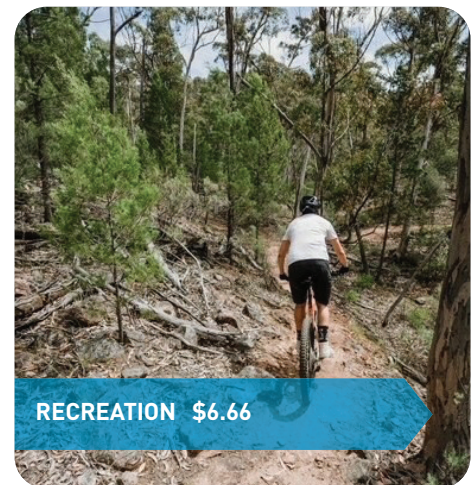
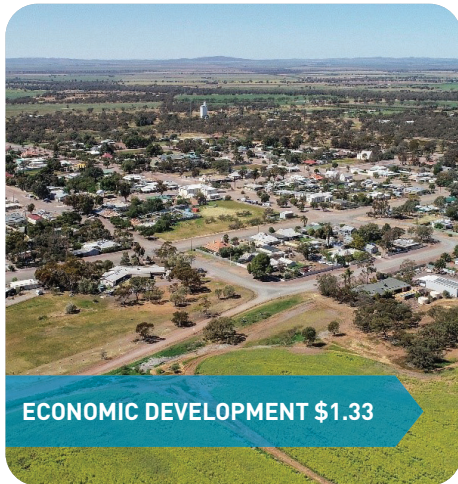
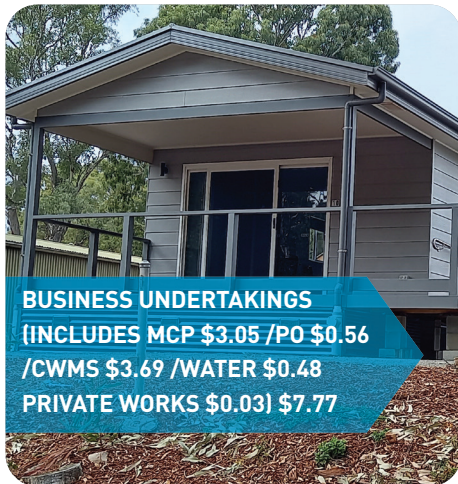
STRATEGIC CONTEXT

10 YEARS	COMMUNITY PLAN	<p>Community themes</p> <p>Long term goals and objectives</p> <p>Priority directions</p> <p>Indicators</p> <p>Delivery guidelines</p>
10 YEARS	LONG TERM FINANCIAL PLAN AND ASSET MANAGEMENT PLAN	<p>The Draft Long Term Financial Plan anticipates and plans for fiscal challenges and opportunities and aligns with the Community Plan and Draft Asset Management Plan to ensure that Council can achieve its objectives and maintain its financial sustainability in the medium to long term</p>
4 YEARS	CORPORATE WORK PLAN	<p>The Corporate Work Plan sets priorities and budgets for projects, programs and services stemming from strategies, plans and other council priorities.</p> <p>The Corporate Work Plan is updated annually and informs specific actions, project and management plans and divisional business plans.</p> <p>It is integrated with Council's Long Term Financial Plan and Draft Asset Management Plan.</p>
1 YEAR	ANNUAL BUSINESS PLAN	<p>The Annual Business Plan sets the annual work program and budget and is informed by the Corporate Work Plan.</p>

HIGHLIGHTS

With finite resources, pressures to deliver more and changes in expectations of the consumers of Council's services, there is a growing need for Council to deliver services tailored to demand. This Annual Business Plan will focus on maintaining service standards.

Highlights for the year ahead include the following:



STRATEGIC PRIORITIES

With finite resources, pressures to deliver more and changes in expectations of the consumers of Council's services, there is a growing need for Council to deliver services tailored to demand. This Annual Business Plan will focus on maintaining service standards.

Highlights for the year ahead include the following:

GOAL 1 A REMARKABLE COMMUNITY TO BE PART OF

- » NPTN volunteer engagement
- » Facilitation of annual community assistance grants
- » Signage strategy
- » Promotion of Remarkable Experience branding
- » Continuation of combined progress group meetings
- » Further development of DAIC plan
- » Progress and adopt Reconciliation Action Plan
- » Development social inclusion strategy inclusive of youth and ageing
- » Proposed redevelopment of Booleroo Centre Memorial Swimming Pool and Port Germein Playground
- » Continued investment in rail trail network
- » Collaboration with Department of Environment & Water for delivery of Remarkable Southern Flinders Project
- » Continuation of combined progress group meetings
- » Support industry bodies through subsidised access to council owned community bus
- » Further investment into Council owned halls and assets
- » Review and update Council's Cemetery Management Plan
- » Development of proposal for Weeroona Island community facility
- » Collaboration with Landscape Board, RDA and Department of Environment & Water
- » Continued engagement with schools
- » 2022 Local Government Elections
- » Citizenship Ceremonies
- » Recognition of volunteers at annual event
- » Youth engagement

GOAL 2 A REMARKABLE PLACE TO LIVE

- » Proposed investment Booleroo Centre airstrip for Royal Flying Doctor Service
- » Continued advocacy for advanced NBN and connectivity
- » Continue lobby SA Water through LEGATUS Group for improved water quality
- » Continue partner with CFS to provide support and access
- » Continue promotion of A Remarkable Experience
- » Advocacy for child care facilities
- » Review Council's annual contribution and development of maintenance agreements
- » Redevelopment of Port Germein Playground
- » Increased signage in District
- » Proposed design work for Port Germein and Wirrabara main street
- » Refurbishment (repaint) of public amenity facilities
- » Continue implementation of health plan
- » Continue health inspection program
- » Further enhance fire prevention strategy and educational process
- » Undertake bi-annual desludging program
- » Prepare and submit required health plans and reports
- » Continuation of planning and development services

GOAL 3
A REMARKABLE
PLACE TO WORK
OR BE IN

- » Establishment of regular industry and stakeholder meetings
- » Implementation of RDA district economic development plan

GOAL 4
A REMARKABLE
PLACE TO VISIT

- » Engagement of Tourism Officer
- » Development of Tourism Plan for implementation
- » Collaboration with local history groups
- » Investment in coastal protection and maintenance.
- » Coastal Council Alliance
- » Engagement with PIRSA re fishing bans
- » Collaboration with DEW
- » Collaboration with Landscape Board
- » Continuation of annual weed spraying program

GOAL 5
WHAT WE DO,
WE DO STRIVE TO
DO REMARKABLY
WELL

- » Investigate opportunities through Special Local Road Funding Program
- » Implementation and investment of 10 year Draft Asset Management Plan
- » Deployment of Local Roads Community Infrastructure Grant
- » Increased investment in bridges and floodways
- » Enhance road construction methodology
- » Enhanced customer service request process
- » Utilisation of shared services for a technical officer to enhance asset management plan and process
- » Investment in GIS mapping system for real time data and reporting
- » Investment in wastewater treatment for water reuse purposes on Council parks and reserves
- » Increased maintenance for Council CWMS systems
- » Increased investment in road maintenance
- » Roll out of a new waste transfer station in line with the State Waste Strategy creating a circular economy

GOAL 6
A 'CAN DO'
COUNCIL

- » Enhanced customer service request process
- » Utilisation of shared services for a technical officer to enhance asset management plan and process
- » Investment in GIS mapping system for real time data and reporting
- » Investment in wastewater treatment for water reuse purposes on Council parks and reserves
- » Increased maintenance for Council CWMS systems
- » Increased investment in road maintenance
- » Roll out of a new waste transfer station in line with the State Waste Strategy creating a circular economy
- » Support elected member engagement at community events and volunteer participation
- » Media and marketing platforms to promote the work of Council
- » Continued representation of senior Council representatives at events
- » Development of new accounting systems
- » Enhanced procurement process
- » Continuation of grant application processes for council projects
- » Continue investment in IT strategy
- » Continue to investment in training and skills development for our people

FUNDING THE BUSINESS PLAN

RATES CONTEXT

In setting rates for 2022/23 Council proposes to continue with its current method of rating, which involves one Differential rates with the application of a fixed charge, applied against the capital improvement of properties. Council considers this to be a fair and equitable method of rating for the District Council of Mount Remarkable.

Rates income is used to deliver services. Rates are a form of property taxation, and property values determine how much each property contributes. This system of taxation means that the rates paid may not directly relate to the services used by each ratepayers.

BUSINESS IMPACT

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:

- » those elements of the Council's Community Plan 2021 – 2031 relating to business development;
- » the equity of the distribution of the rate burden by rating using one rate in the dollar against capital value;
- » Council's position on facilitating local economic development through its financial support to the Regional Development Australia Board, who employ an Economic Development Officer;
- » assisting tourism product development;
- » a continuing proactive effort in promoting the Single Farm Enterprise benefit which has reduced the rate burden on primary production enterprises;
- » Increased Regulatory Requirements and Legislative compliance.

METHODS USED TO VALUE LAND

Council may adopt one of three valuation methodologies to value the properties in its area:

CAPITAL VALUE

This method values the land and all improvements on the land. It is the most widely used method across South Australian councils. Council considers this valuation method the most equitable method to spread the rates burden across the measure of wealth within the District. It equates to the taxation principle that people should contribute to community, social and physical infrastructure in accordance with their capacity to pay as measured by property wealth.

SITE VALUE

This method values the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.

ANNUAL VALUE

This method values the land based on the rental potential of the property.

Council conducted a review of its basis of rating to ensure that the rating methodology it applies generates equitable outcomes for all classes of ratepayers. The review focussed on what share of total rate revenue will be collected from different types of properties (for example commercial, industrial, primary production and residential) and of different relative values (high or low).

Council proposes to adopt:

- » Capital value based rating;
- » Using land use Council-wide as the basis of general rating;
- » Maintaining a fixed charge when implementing changes to the basis of rating; and
- » Using a common rate for all properties Council-wide.

ADOPTION OF VALUATIONS

The Council can choose to employ its own valuers, or accept the valuations made by the Valuer-General; i.e. the State Valuation Office. The Council adopts the valuations made by the State Valuation Office as provided to the Council each year.

Certain properties may be eligible for a “notional value” under the Valuation of Land Act 1971. For example, this may apply if the property is the ratepayer’s principle place of residence, and its value is enhanced by unrealised subdivision potential or a different potential land use. A notional value is generally less than the capital value and therefore would result in reduced rates. An application for a notional value must be made to the State Valuation Office. A notional value will stay with the property until any of the conditions are no longer relevant to the property. For example, the owner sells the property to an investor who then rents the property out; therefore the property is then not being used as a primary place of residence so it’s no longer applicable for a notional value.

OBJECTION TO VALUATION AND/OR LAND USE

Objections to valuations may be made to the State Valuation Office. The Council has no role in this process. An objection must be made within sixty (60) calendar days after the date of service of the first rates notice containing the valuation to which the objection relates. Please note that if you have previously received a notice or notices under the Act referring to the valuation and informing you of a 60-day objection period, the objection period is 60 days after service of the first such notice. You may not object to the valuation if the Valuer-General has already considered an objection by you for that valuation. Further information and contact details for the Valuer-General will be included on the rates notice received from Council. The lodgement of an objection does not change the due date for payment of rates. If an objection is granted and a new capital value issued by the State Valuation Office, rates will be adjusted accordingly for the current financial year. Retrospective adjustments will not be made for prior financial years.



LAND USE

If a ratepayer believes that a property has been wrongly classified as to its land use, then an objection may be made within 60 days of being notified of the land use classification. Council may exercise its discretion to extend the allowable objection period where it can be shown there is reasonable cause.

Land use objections must be submitted to Council in writing outlining the grounds upon which your objection is based. The land use objection will be considered by Council in conjunction with the Office of the Valuer General, and applied accordingly. Rates are still due and payable by the due date even if an objection has been lodged.

DIFFERENTIAL GENERAL RATES

In accordance with Section 156(1)(a) of the Act Council imposes one general rate across all land uses. The State Valuation Office determines the land use of each assessment based on the predominant use of the land. If a ratepayer is dissatisfied with the land use provided, an objection may be lodged with Council. This objection must be in writing outlining the grounds upon which your objection is based. Objections must be submitted to Council within sixty (60) calendar days after the date of service of the first quarter rates notice containing the land use to which the objection relates. Rates are still due and payable by the due date even if an objection has been lodged.

FIXED CHARGE

Council has the discretion to apply either:

- » A fixed charge (applying equally to all rateable properties); or
- » A minimum rate (to lower-value properties) or
- » Neither, but cannot use both of these mechanisms.

Council imposes a fixed charge rather than a minimum rate. The reasons for imposing a fixed charge are:

- » the Council considers it appropriate that all rateable properties make a reasonable base contribution to the cost of administering the Council's activities;
- » 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;
- » the fixed charge system is likely to have a lesser proportionate impact on lower income earners than a minimum rate system (depending on the amount of the fixed charge or alternative minimum rate);
- » the fixed charge system is more readily understandable than a minimum rate system;
- » the fixed charge is levied uniformly on all non-contiguous assessments, unless the principal ratepayer has applied for and been granted the benefit of a Single Farm Enterprise. In this instance, only one fixed charge is applied to the Farm Enterprise. The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and 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.

SERVICE CHARGES

The Council raises revenue by means of service charges because of:

- » the concept of user pays;
- » the nature of the service;
- » the cost to operate and maintain the service;
- » the capital cost to establish the service;
- » the cost to improve or replace the service;
- » recognition that the value of a property is likely to be enhanced by the availability of the service, whether or not the service is actually being used.

Properties rebated from payment of general rates in part or in full, are not provided with a rebate on these service charges

COMMUNITY WASTEWATER MANAGEMENT SCHEMES

The Council provides a Community Wastewater Management Scheme (CWMS) to all residential, commercial and vacant properties in Wilmington, Melrose, Booleroo Centre and Wirrabara. The Council will recover the cost of capital associated with these schemes, and operating and maintaining these services through the imposition of a service charge for each occupied property unit and for each vacant allotment of \$550 in the 2022/23 financial year. This figure remains unchanged from the 2021/22 financial year. The charges were increased to the current levels over a period of time to comply with a sustainable pricing regime being promoted by the State Government and the Local Government Association

For some properties (including business and commercial premises) the number of units is based on information received from the property/business owner and will be rounded to the nearest whole unit. CWMS service charges will be levied in accordance with the Act and the 'Code for Establishing and Applying Property Units as a Factor for the Imposition of Annual Service Charges for Community Wastewater Management Systems' as prescribed in Regulation 12 of the Local Government (General) Regulations 2013. Retrospective adjustments to prior financial years will not be made when incorrect or no information is provided.

DESLUDGING

Septic tanks connected to the CWMS in the towns of Wilmington, Melrose and Booleroo Centre require desludging every two or four years depending on the size of the tank, to ensure the septic tanks are in good working order. Septic tanks smaller than 3,000L are required to be desludged every two years and tanks larger than 3,000L require desludging every four years.

In the financial year that the desludging falls due, the Council tenders out the project and charges all the properties that require desludging the cost of this service.

The CWMS in Wirrabara does not require a septic tank to connect to the Scheme and so therefore, desludging is not required.



WASTE MANAGEMENT

The Council provide a weekly kerbside waste collection and fortnightly recycling collection service to townships in the Council area and to the rural residential properties abutting the collection route.

The cost to operate this service is beyond the Council's ability to absorb in general revenue and it would not be equitable to all ratepayers for them to do so. The Council will therefore continue to recover the cost of these services through the imposition of a service charge of \$380.00 per service for the collection and disposal of domestic waste, green waste and recycling. The service charge remains unchanged from the 2021/22 financial year and will apply to all occupied properties that have access to the service, regardless of whether or not the service is utilised. The exception is vacant land.

Where the service is available to non-rateable land, the charge is levied against that land. Where the service is made available after the declaration of rates, Section 188 of the Act permits the Council to apply the charge pro rata against the remaining period of the financial year.

The Council also makes this service available to properties not on the route, those that opt to utilise the service are charged at the same rate as those on the route. For further information please refer to the Council's Waste Management Policy.

WEEROONA ISLAND WATER SUPPLY

The cost to operate the Weeroona Island Water Supply is beyond the Council's ability to absorb in general revenue and it would not be equitable to all ratepayers for it to do so.

Pursuant to Section 155 of the Act the Council will recover the cost of operating and maintaining this service through the imposition of an annual service charge and a supply charge each financial year. The annual service charge of \$290.00 and a supply charge of \$2.90 per kilolitre of water will be levied on each assessment of rateable and non-rateable land within the township of Weerona Island to which the Council makes available the Weeroona Island Water Supply.

PERMIT FOR GRAZING AND CROPPING/ROAD RENTAL

Subject to certain conditions roads and road reserves can be rented through a Permit for Grazing and Cropping pursuant to Sections 222 through 225 of the Act.

The Council can only issue a permit for a maximum of five (5) years. There are several types of permits that can be applied for and Council can change, add or approve different conditions as/when necessary.

- » Restricted Access Permits allow the public to access the road or road reserve and the permit holder can have a gate, however, it cannot be locked or fully fenced preventing public access, public consultation and public liability insurance is not required.
- » Exclusive use permits allow the land to be fenced or gates to be locked as the permit holder is granted 'exclusive use' of the land eg no public access. Public consultation is required before this option can be approved, this includes an advertisement in a newspaper the cost of this is borne by the applicant, public consultation allows members of the public to object to the permit. This type of permit requires a minimum of \$10,000,000 (ten million dollars) public liability insurance. For further information on public consultation please refer to the Council's Public Consultation Policy.



Persons wishing to rent a road pursuant to Section 222 of the Act, will be imposed a rate 0.01 cents in the dollar of the road estimated value for the 2022/2023 financial year.

The Council calculate the value of the land being rented, based on the area of the land and the value of the land adjoining it, as roads and road reserves do not have a value provided by the State Valuation Office. The Council impose a rate in the dollar each financial year and use the road value to determine the amount of the road rental that is charged on an annual basis to the permit holder. The Council further impose a minimum rental which is declared each financial year, if a rental is less this amount is charged.

Please note that the Council must use the Capital Value to calculate the road value as this is the value that is adopted and the Council do not have the means to independently value land.

REGIONAL LANDSCAPE LEVY - LANDSCAPE SOUTH AUSTRALIA ACT 2019 (STATE GOVERNMENT LEVY)

The Levy, previously the Natural Resources Management Levy, requires all Councils within South Australia, as directed by the State Government, to collect an amount specified each financial year. The Levy funds projects determined by the Board, and the Council is simply an income collector for the Board in this regard. The Council does not retain this income nor determine how the income is spent.

Any queries relating to the Levy should be directed to the Board and their contact details can be found on your rates notice.

SINGLE FARM ENTERPRISE

Primary producers are able to apply to be considered as a “Single Farm Enterprise” (SFE) for the purposes of the Landscape Levy and application of the fixed charge in accordance with Section 152 and 158 of the Act. In the absence of tenancy apportionment, the Council will consider all application based on the predominant use of the land and each on its merits.

An application form can be obtained from the Council office or Council’s website, and the Council will inform the community of this provision on an annual basis. Applications must be received by 30 April to be applicable for the following financial year. This does not prevent the Council from considering applications at any other time on its merits.

The Council use the Land Use codes supplied by Land Services SA to determine if the assessment qualifies for an SFE, if the land is not farm land or the principal place of residence for one of the applicants that is contiguous with one of the other pieces that may form the application it will not be granted an SFE benefit and a fixed charge will apply. The Council assess farm land using the Office of the Valuer-General Land Use Code (LG LUC) of “7” and a 4-digit Valuer General land use code of between 9100 to 9999 (with exceptions, it must have a LG LUC of 7 to qualify).

The Council choose one assessment to be the Master File, if the application has a property with a house this is the Master File. The Master File is the assessment that is charged the fixed charge and Regional Landscape Levy. If no assessments provided on the application have a house then the assessment with the highest Capital Value will be chosen for the Master File. This will ensure that a consistent, fair and equitable approach is achieved as properties with a house have a higher Capital Value ensuring the Regional Landscape Levy is a reasonable contribution in line with other ratepayers. Please note that the SFE benefit ensures that only one fixed charge and one regional landscape levy is charged.

If there has been no change in owner or occupier of the properties receiving an SFE benefit Council do not require a yearly application. However, the Council may impose a penalty for failure to disclose any change in circumstances as per the Act they may affect their entitlement to the SFE benefit. The Council will advise the applicant in writing, if the SFE benefit will be granted or not.

PAYMENT OF RATES

In accordance with Section 181 of the Act, rates will fall due in four (4) approximately equal instalments payable in each of the following months September, December, March, June. Rate Notices will be issued quarterly (at least 30 days and no more than 60 days) before payment is due. The total outstanding balance of rates may be paid at any time. It is the responsibility of the ratepayer to ensure their address is up to date, ratepayers can opt to receive their rate notice by email, via Ezybill. Ratepayers can request a copy of their rate notice to be emailed. If quarterly payments are not suitable ratepayers may negotiate alternative payment arrangements by contacting the Council's Rates Officer.

The Act provides that rates are payable in four quarterly instalments. The quarterly instalments must be approximately equal in value and a rate notice in relation to each instalment must be sent at least 30 days and no more than 60 days before payment is due. The due dates for instalments for 2022/2023 are proposed to be:

1st Quarter	28 September 2022
2nd Quarter	7 December 2022
3rd Quarter	8 March 2023
4th Quarter	7 June 2023

PAYMENT METHODS

Council offers the following payment options:

- » Paying in person at the Council office;
- » Mailing the payment by post;
- » Credit card payment over the phone;
- » BPAY; and
- » Bank deposit (electronic funds transfer).

COLLECTION OF RATES IN ARREARS

For information relating to late fees, payment arrangements, debt recovery, sale of land for non-payment of rates, please refer to the Council's Debt Recovery Policy.

POSTPONEMENT OF RATES – SENIORS

Section 182A(a) of the Act sets out the criteria that applies for a senior ratepayer to be eligible for a postponement of rates. Under Section 182A(12), a prescribed ratepayer is a person who holds a State Seniors card issued by the State Government, or who has the qualifications to hold such a card and has applied for the card but has yet to be issued with the card.

Postponement of rates is only available on the principal place of residence and it must be proven that no other person, other than a spouse, has an interest as an owner of the property. Ratepayers can apply on the Council's Application for postponement of rates – Seniors form. This form is available from the Council or on the Council's website.

All application for postponement of rates will be assessed on a case-by-case basis. All enquiries and submission will be treated confidentially.



POSTPONEMENT OF RATES – HARDSHIP

Section 182 of the Act states that a postponement of rates may be granted if the Council is satisfied that the payment of these rates would cause hardship, for further information please refer to the Council's Rates Remissions and Hardship Policy.

RATE CONCESSIONS

The State Government introduced a "cost of living concession" that is paid directly to pensioners and concession card holders, this replaced the previous pensioner concession amount which was deducted from rates. The payment is administered by State agencies who determine the eligibility of applicants. Ratepayers awaiting the outcome of an application for one of these concession should not delay in paying their rates, as penalties apply for late payment.

RATE REBATES

Rebates and remissions are a concession granted by the Council and the granting of such rebates redistribute the rate burden to other ratepayers, irrespective of whether the rebates are mandated by legislation or granted on a discretionary basis by the Council. There are two different types of rebates; Mandatory and Discretionary

MANDATORY REBATES

Rebates of rates will be granted when the applicant satisfies the requirements for a mandatory rebate in accordance with Section 159-165 of the Act being:

- » Heath Services
- » Community Services
- » Religious Purposes
- » Public Cemeteries
- » Royal Zoological Society of SA
- » Educational Purposes

DISCRETIONARY REBATES

Ratepayers are able to apply to be considered for a discretionary rebate in accordance with Section 166 of the Act. Mandatory and Discretionary rate rebate applications will be considered by the Council in accordance with the Council's Rate Rebate Policy.

RATE REFUNDS

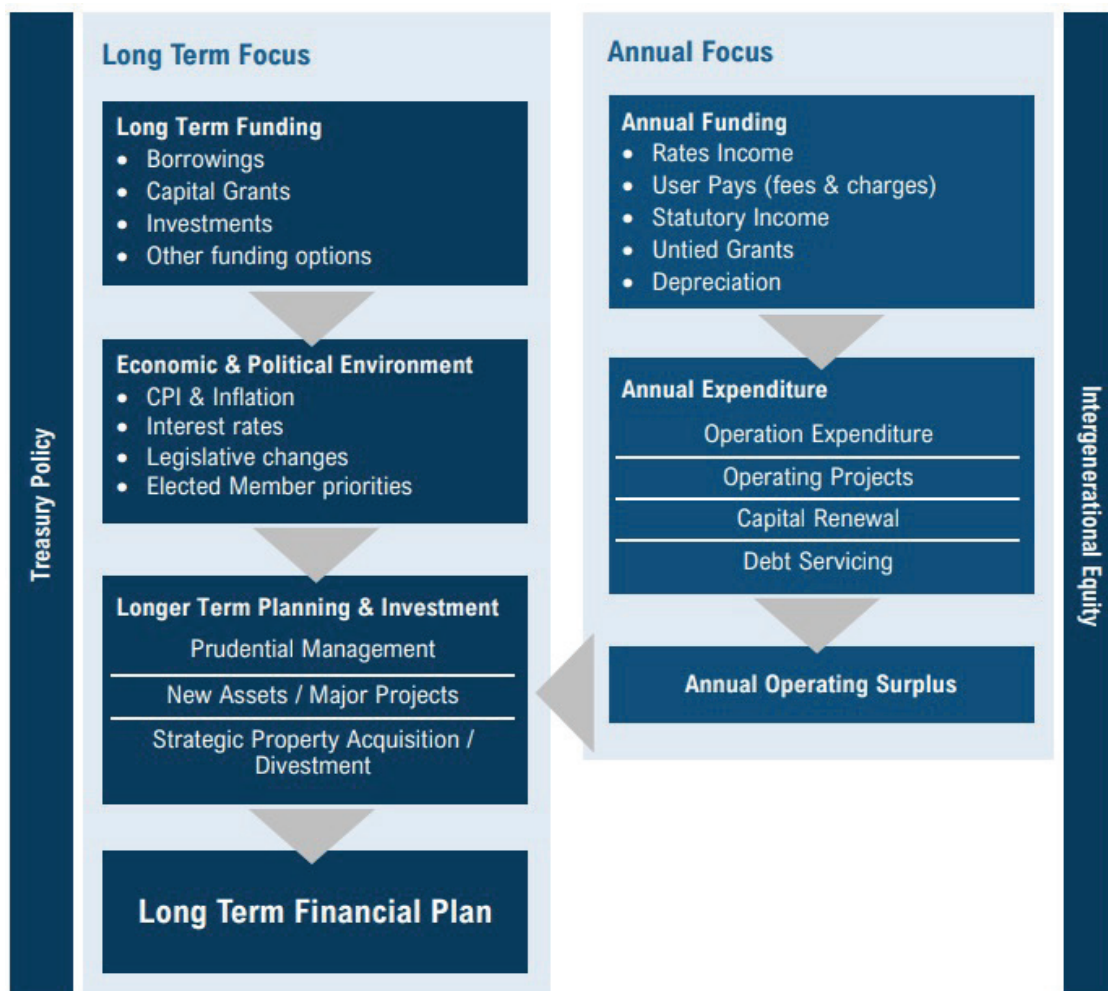
The Council will where possible, refund rates in credit direct to the ratepayer's account by Electronic Funds Transfer (EFT). A ratepayer is required to write to the Council to request a refund and provide their bank account details.

ASSESSMENT RECORD

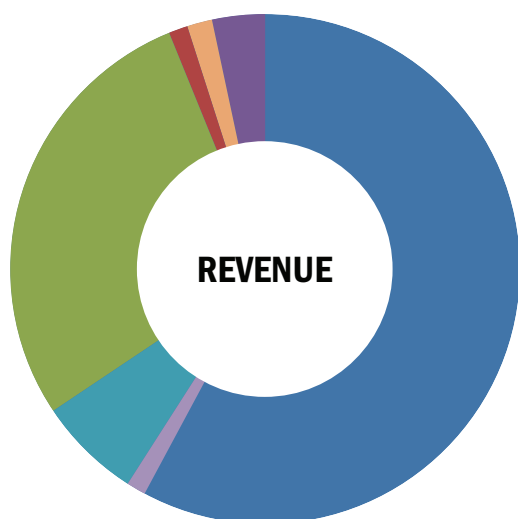
Section 172 to 174 of the Act sets out the purpose and use of the Assessment Record. The Assessment Record is available for inspection at the Council Office during office hours. A copy of the Assessment Record can be provided on payment of the fee, fixed by Council; see the current fees and charges listing on Council's website. All information on the Assessment Record is available for public viewing, provided that the details are not suppressed.

FINANCIAL SUSTAINABILITY

Council's financial sustainability is managed through the Financial Planning Framework and Draft Long Term Financial Plan.

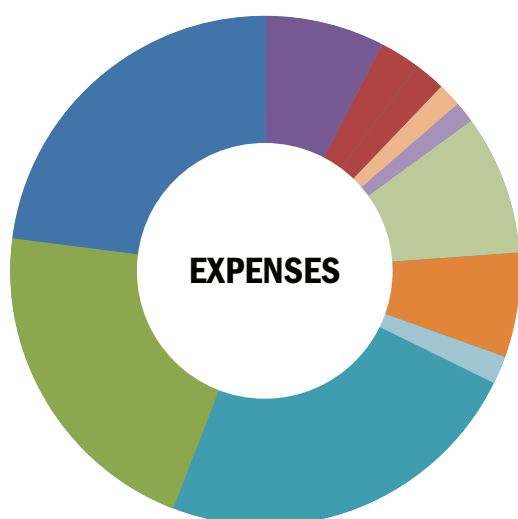


OPERATING REVENUE - BUDGET 2022-2023



RATES	53.8%
STATUTORY CHARGES	1.1%
USER CHARGES	6.0%
GRANTS, SUBSIDIES & CONTRIBUTIONS	33.4%
INVESTMENT INCOME	1.1%
REIMBURSEMENTS	1.6%
OTHER REVENUES	3.1%

OPERATING EXPENSES - BUDGET 2022-2023



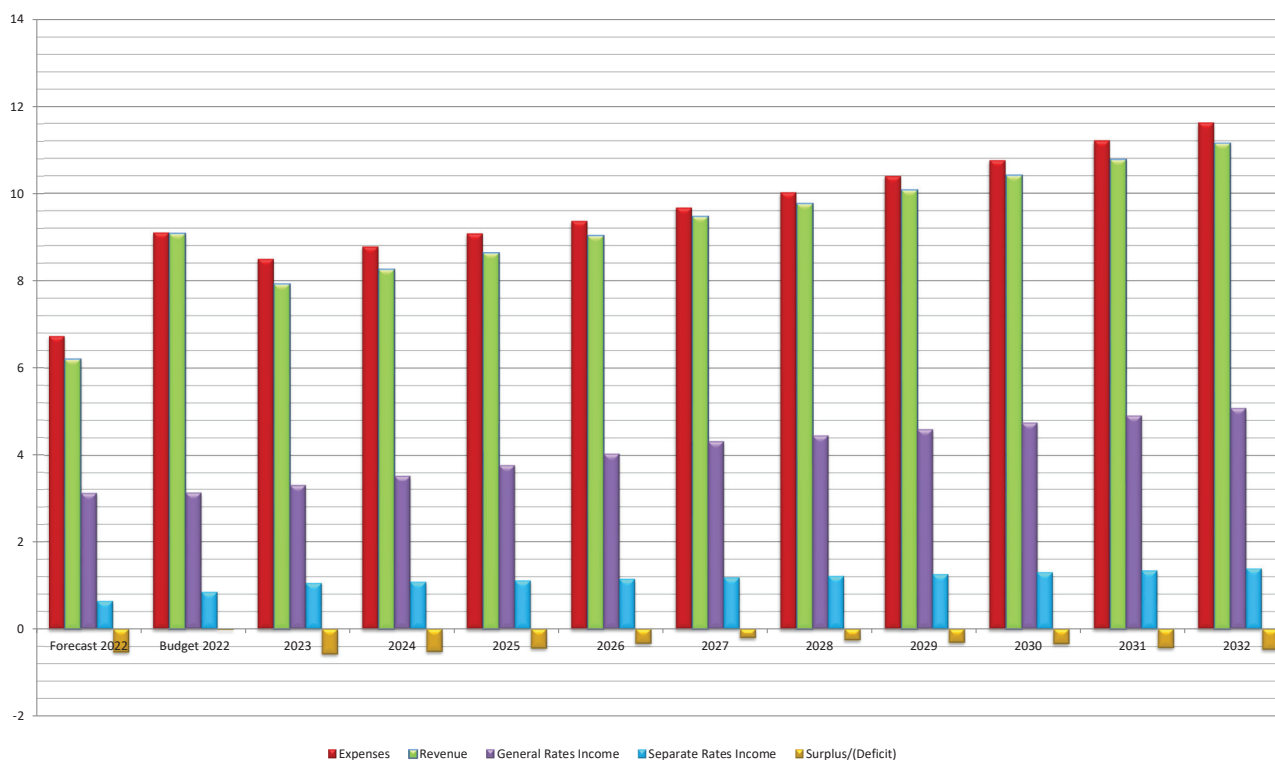
ADMINISTRATION	23.6%
BUSINESS UNDERTAKINGS	7.8%
COMMUNITY SERVICES	4.7%
CULTURE	1.5%
ECONOMIC DEVELOPMENT	1.3%
ENVIRONMENT	9.1%
RECREATION	6.7%
REGULATORY SERVICES	1.7%
TRANSPORT	22.8%
PLANT & DEPOT	20.8%

LONG TERM FINANCIAL PLAN

Council uses a Long Term Financial Plan (LTFP) to guide its financial decisions to ensure it is prudent in its financial management and considers a longer-term view. The LTFP was finalised noting that the Draft Asset Management Plan remains to be finalised in September 2022.

The key components of the plan are:

- » assessment of Council's current financial position and achieving longer -term financial sustainability
- » ensuring the Financial Targets are met
- » consideration of Council's appropriate role and responsibilities
- » ensuring alignment with the Community Plan and maintenance of high priority strategies
- » ensuring all proposed strategies are costed before adoption
- » ensuring alignment with agreed service provision and delivery standards
- » ensuring alignment with Draft Asset Management Plans and Maintenance Standards
- » ensuring alignment with internal support strategies
- » ensuring alignment with funding and treasury principles (rating stability, Treasury Policy, fees and charges, external funding and investments) as well as intergenerational equity



FINANCIAL RATIOS

Under the requirements of Regulation 5(c) of the Local Government (Financial Management) Regulations 2011, Council's LTFP, Budget and Annual Financial Statements must include an Operating Surplus ratio, a Net Financial Liabilities ratio and an Asset Renewal Funding ratio.

These ratios are to be presented in a manner consistent with the Financial Indicators required in the Model Financial Statements. Council has adopted the following key financial targets relating to these ratios to guide the direction of the LTFP and Annual Business Plan and Budget.

These targets have been reviewed by the Audit & Risk Committee as a part of the review of the draft 2022-2032 Draft Long Term Financial Plan.

FINANCIAL INDICATOR	<p>OPERATING SURPLUS RATIO</p> <p>Operating surplus as a percentage of operating income. The operating surplus ratio reflects Council's capacity to fund capital works (New Assets) and repay its borrowings. Council is forecasting an operating surplus ratio of 1.4% for the 2022/23 Budget.</p> <p>The lower target is primarily due to the requirement to fund the Local Government Elections in 2022, increase in interest and CPI and post COVID shock.</p>	TARGET	0 to 10% of total operating revenue
	<p>NET FINANCIAL LIABILITIES RATIO</p> <p>Net financial liabilities as a percentage of operating surplus. The net financial liabilities ratio measures Council's net debt relative to its operating income. Council is forecasting a net financial liabilities ratio of -11.5% for the 2022/23 Budget due to increased capital expenditure using cash reserves</p>	ADOPTED	0 to 100% of total operating revenue
	<p>ASSET SUSTAINABILITY RATIO</p> <p>Capital renewal expenditure as a percentage of depreciation. The Asset Sustainability Ratio (also known as the Asset Renewal Funding Ratio) represents the level of capital expenditure on the renewal of assets relative to depreciation expense. Council is forecasting an Asset Sustainability Ratio of 100.0%. This is due to remedial action against asset maintenance backlog.</p>		100%

2022 - 2023 BUDGETED FINANCIAL STATEMENTS

Amendments made to the Consultation version of the 2022-23 Consultation Draft Annual Business Plan & Budget

The consultation draft of the 2022-23 Annual Budget was externally reviewed together with the draft asset management plans and the draft long term financial plan. The intention was to develop an appropriate financial strategy to ensure Council would operate in a financially sustainable manner.

Several changes have been made to the 2022-23 Annual Business Plan & Budget as a result of this review that have greatly improved Councils budgeted operating result, accordingly this section of the Annual Business Plan satisfies the requirements of the following section of the Local Government Act that addresses situations such as this.

Local Government Act 1999

Part 2—Annual business plans and budgets

123—Annual business plans and budgets

(6a) However, if a council proposes to adopt an annual business plan with amendments, the council must include in the adopted business plan a statement—

- (a) setting out any significant amendments from the draft annual business plan; and*
- (b) providing reasons for those amendments.*

The following adjustments were made to the consultation draft 2022-23 Annual Budget:

- » Roads to recovery grant funding of \$518k was included in the Statement of Comprehensive Income under the 'Amounts received specifically for the construction of new assets.' This treatment is inconsistent with the Model Financial Statements which clearly identify this type of grant as operating income. Accordingly operating grant revenue has been increased by \$518k.
- » The transportation asset management plan identified a number of maintenance projects that were recommended for completion in the 2022-23 financial year. \$650k was spent on transportation asset maintenance in the 2021-22 financial year however the asset management plan identified that \$1.2M would be required to fund the recommended program included in that plan an increase of \$550k. An in depth review of the maintenance program identified \$185k worth of projects that could be deferred to a later year without impacting on Councils asset service levels.
- » The impact of these two changes was to improve the operating result by \$703k from a deficit of (\$582k) to a surplus of \$121k.
- » The forecast 2021-22 Statement of Financial Position was updated to reflect actual cash and debt levels on hand as of 30 June 2022. This had a flow on effect to the cash balances budgeted for the 2022-23 year.
- » The 2022-23 budget for trade & other receivables was investigated to identify the reasons for the significant increase from prior years. It was determined that this amount was most likely overstated and hence reduced from \$1.3M to \$650k.
- » Various changes have been made to the commentary throughout the Annual Business Plan where this commentary refers to sections of the budget that have been amended.
- » An additional table has been added to the rating section of the plan to satisfy the requirements of recent amendments to section 6(1) (ea), (eb), (ec).

2022 - 2023 BUDGETED FINANCIAL STATEMENTS

A

UNIFORM PRESENTATION OF FINANCES

The Uniform Presentation of Finances table highlights the operating surplus / (deficit) measure which is considered the most critical indicator of a Council's financial performance. The table also includes a measure known as "net lending / (borrowing)" as the bottom line. Net lending / (borrowing) is a 'flow' measure that takes account of both operating and capital activities for the financial year.

B

KEY FINANCIAL INDICATORS

Financial Indicators are metrics organisations use to track, measure, and analyse the financial health of the Council. The financial indicators current prescribed by legislation include profitability (Operating Surplus Ratio), liquidity (Net Financing Liabilities Ratio), sustainability (Asset Sustainability Ratio).

C

STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income (similar purpose to Income Statement or Profit & Loss you see in other organisations) informs the reader about the ability of the Council to generate a surplus to support ongoing operations. In addition, it reveals the income from rates, and the nature of the various types of expenses. When reviewed over multiple time periods, the income statement can also be used to analyse trends in the results of Council operations.

D

STATEMENT OF FINANCIAL POSITION

The purpose of the Statement of Financial Position (similar purpose to Balance Sheet you see in other organisations) is to inform the reader about the current status of the Council as of the date listed on the balance sheet. This information is used to estimate the liquidity, funding, and debt position of Council, and is the basis for a number of Financial Indicators.

E

STATEMENT OF CHANGES IN EQUITY

The purpose of the Statement of Equity is to show retained funds from previous years and reserves for specific purposes.

F

STATEMENT OF CASH FLOW

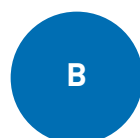
The purpose of the Statement of Cash Flow is to show the nature of cash receipts and cash disbursements, by a variety of categories. This information is of considerable use, since cash flows do not always match the income and expenses shown in the income statement. It includes both Capital income and expenses.

2022-2023 BUDGETED FINANCIAL STATEMENTS



Uniform Presentation of Finances

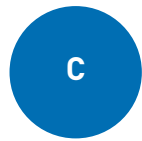
	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
Operating Revenue	9,076	8,435
less Operating Expense	(9,103)	(8,314)
Operating Surplus / (Deficit) before Capital Amounts	(27)	121
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement	2,695	5,022
less Depreciation, Amortisation & Impairment	(2,290)	(1,807)
less Proceeds from Sale of Replaced Assets	(260)	(395)
	145	2,820
less Net Outlays on New & Upgraded Assets		
Capital Expenditure on New & Upgraded Assets	1,268	1,773
less Amounts Specifically for New or Upgraded Assets	(329)	(2,435)
less Proceeds from Sale of Surplus Assets	0	0
	939	(662)
Net Lending/ (Borrowing) for Financial Year	(1,111)	(2,037)



Key Financial Indicators

	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
Operating Surplus Ratio		
<u>Operating Surplus</u>	(27)	121
Total Operating Revenue	9,076	8,435
	0%	1%
Net Financial Liabilities Ratio		
<u>Net Financial Liabilities</u>	(3,014)	(978)
Total Operating Revenue	9,076	8,435
	(33%)	(12%)
Asset Renewal Funding Ratio		
<u>Net Asset Renewals</u>	2,435	4,627
Asset Renewals per AMP	2,435	4,627
	100%	100%

2022-2023 BUDGETED FINANCIAL STATEMENTS



Statement of Comprehensive Income

	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
INCOME		
Rates	4,246	4,539
Statutory Charges	63	91
User Charges	857	505
Grants & Subsidies	3,583	2,819
Investment Income	30	90
Reimbursements	115	134
Other Revenues	182	258
Total Operating Income	9,076	8,435
EXPENDITURE		
Employee Costs	2,400	2,667
Materials, Contracts & Other Expenses	4,373	3,771
Depreciation	2,290	1,807
Finance Charges	40	59
Total Operating Expenditure	9,103	8,314
OPERATING SURPLUS/(DEFICIT)	(27)	121
Amounts Received Specifically for New Assets	329	2,435
NET SURPLUS / (DEFICIT)	302	2,556
Gain on Revaluation of IPP&E	0	1,129
TOTAL COMPREHENSIVE INCOME	302	3,685

2022-2023 BUDGETED FINANCIAL STATEMENTS

D

Statement of Financial Position

	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
ASSETS		
CURRENT ASSETS		
Cash & Cash Equivalents	3,496	1,415
Trade & Other Receivables	650	670
Inventories	40	40
Total Current Assets	4,186	2,125
NON-CURRENT ASSETS		
Financial Assets	30	137
Infrastructure, Property, Plant & Equipment	64,382	70,103
Total Non-Current Assets	64,412	70,240
TOTAL ASSETS	68,598	72,365
LIABILITIES		
CURRENT LIABILITIES		
Trade & Other Payables	253	154
Borrowings	87	79
Short Term Provisions	107	367
Total Current Liabilities	447	600
NON-CURRENT LIABILITIES		
Long Term Borrowings	629	558
Long Term Provisions	86	86
Total Non-Current Liabilities	715	644
TOTAL LIABILITIES	1,162	1,244
NET ASSETS	67,436	71,121
EQUITY		
Accumulated Surplus	38,072	40,628
Asset Revaluation Reserve	27,857	28,986
Other Reserves	1,507	1,507
TOTAL EQUITY	67,436	71,121

2022-2023 BUDGETED FINANCIAL STATEMENTS

E

Statement of Changes in Equity

	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
ACCUMULATED SURPLUS		
Balance at end of previous reporting period	37,770	38,072
Net Result for Year	302	2,556
Balance at end of period	38,072	40,628
ASSET REVALUATION RESERVE		
Balance at end of previous reporting period	27,857	27,857
Gain on Revaluation of Property Plant & Equipment	0	1,129
Balance at end of period	27,857	28,986
OTHER RESERVES		
Balance at end of previous reporting period	1,507	1,507
Balance at end of period	1,507	1,507
TOTAL EQUITY AT END OF REPORTING PERIOD	67,436	71,121

2022-2023 BUDGETED FINANCIAL STATEMENTS



Statement of Cash Flows

	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Operating Receipts	9,046	8,326
Investment Receipts	30	90
Payments		
Operating Payments to Suppliers & Employees	6,773	6,407
Finance Payments	40	59
Net Cash provided by (or used in) Operating Activities	2,263	1,950
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Grants Specifically for new or upgraded assets	329	2,435
Sale of replaced Assets	260	395
Payments		
Expenditure on renewal/replaced assets	2,695	5,022
Expenditure on new/upgraded assets	1,268	1,773
Net cash provided by (used in) Investing Activities	(3,374)	(3,965)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Repayment of Loans by Community Groups	0	13
Payments		
Repayment of Borrowings	76	79
Net Cash Provided by (Used in) Financing Activities	(76)	(66)
Net Increase / Decrease in Cash	(1,187)	(2,081)
Cash and Cash Equivalents at start of reporting period	4,683	3,496
CASH & CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	3,496	1,415

A Remarkable Experience...



District Council of
Mount Remarkable

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