



District Council of
Mount Remarkable

DRAFT
2023 / 2024
ANNUAL
BUSINESS
PLAN &
BUDGET

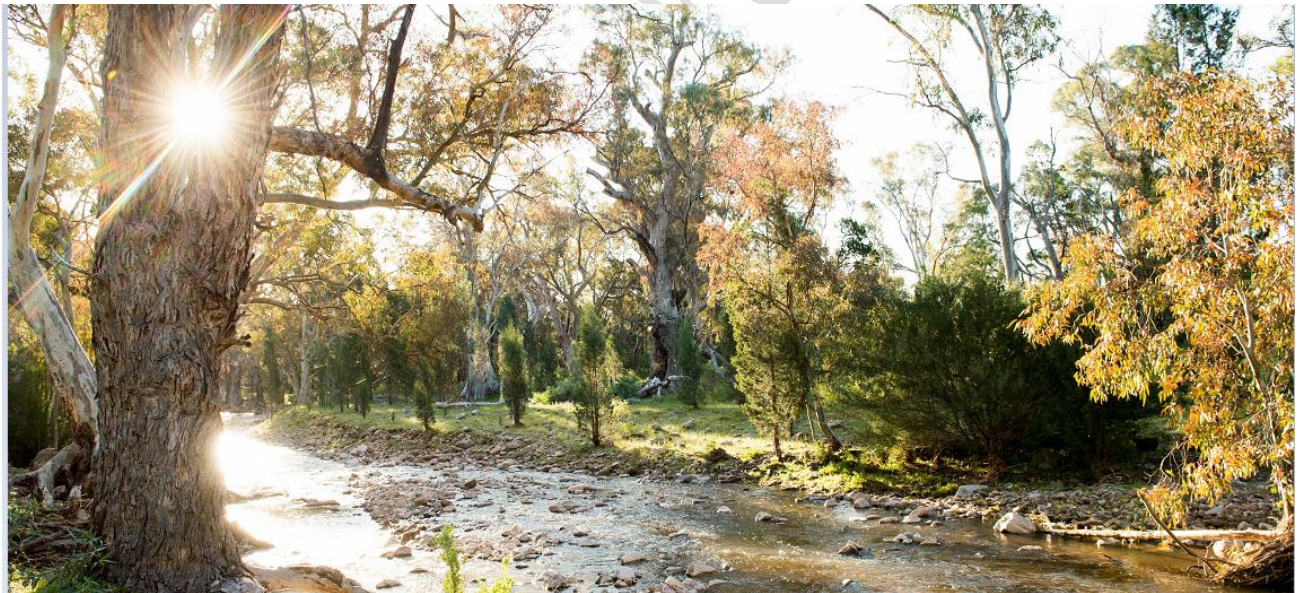
DRAFT FOR PUBLIC CONSULTATION

NUKUNU ACKNOWLEDGEMENT

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.



All images within this document are from the District Council of Mount Remarkable portfolio of photos.

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COMMUNITY CONSULTATION

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 seven (7) elected members (including the Mayor who is elected from within).

	TELOWIE WARD	WILLOCHRA WARD
COUNCILLORS	 Mayor Stephen McCarthy M: 0407 900 556 E: srmccarthy@mtr.sa.gov.au	 Cr Lesley Till (Deputy Mayor) M: 0466 066 571 E: ltill@mtr.sa.gov.au
	 Cr Phillip Heaslip M: 0436 462 148 E: pmheaslip@mtr.sa.gov.au	 Cr Danny Keller M: 0428 305 987 E: igkeller@mtr.sa.gov.au
	 Cr Sheriden Tate M: 0422 330 639 E: state@mtr.sa.gov.au	 Cr Colin Nottle M: 0427 672 180 E: cenottle@mtr.sa.gov.au
		 Cr the Hon Dan van Holst Pellekaan M: 0428 735 005 E: dcvanholstpellekaan@mtr.sa.gov.au

Timeline



Consultation Period

This consultation is open for contributions from 9am Wednesday 7 June 2023 until 9am Wednesday 28 June 2023

Review

Review and consideration of all feedback received during the public consultation phase may inform the final draft that will be presented to a Special Meeting of Council on Tuesday 4 July 2023

Adoption

Council considers the draft 2023-2024 Annual Business Plan and Budget for adoption and adopts 2023-24 Rates at its Special Meeting on Tuesday 11 July 2023.

How to Have Your Say

Community consultation commences at 9.00am Wednesday 7 June 2023 and concludes 9.00am Wednesday 28 June 2023. The draft Annual Business Plan and budget can be viewed on line via www.mtr.sa.gov.au. Printed copies are available for viewing at the Administration Centre, 3 Stuart Street, Melrose.

Written submissions are welcome and must be received not later than 9.00am Wednesday 28 June 2023, addressed as follows:

*2023-2024 Budget Consultation
District Council of Mount Remarkable
PO Box 94
Melrose SA 5483*

or send via email to: postmaster@mtr.sa.gov.au

Verbal submissions on the final draft may be made at the public special meeting of Council at 5.00pm- 6.00pm on Tuesday 4 July 2023 at the Administration Centre, 3 Stuart Street, Melrose. At this meeting, members of the public may ask questions and make submissions in relation to the Draft 2023-2024 Annual Business Plan. Each speaker will be allocated a maximum of five minutes to make their submission.

Once community consultation is completed, we will update this draft document, and present it to a meeting of Council to be held on Tuesday 11 July 2023 for adoption.

OUR DISTRICT



2,864
Male 51% Female 49%
 Data source: ABS Census 2016



38.0%
 Our residents over 15 years old are volunteers, more than 10.2% of the average for regional SA
 Data source: Regional Development Australia – Yorke & Mid North Economic Profile



53
 The median age of our residents
 Data source: Regional Development Australia – Yorke & Mid North Economic Profile



38.4%
 Agriculture, Forestry and Fishing is the largest employer, generating 331 local jobs in 2020/21.
 Data source: National Economics (NIEIR) – Modelled Series



\$48M
 The largest commodity produced was cereal crops (47.1%) total agricultural output in value terms.
 Data source: ABS Value of Agricultural Commodities Produce 2015-2016



\$124M
 Mount Remarkable region's gross regional product value in 2022
 Data source: National Economics (NIEIR) – Modelled Series



2,027 kilometres 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: District Council of Mount Remarkable Transport Asset Management Plan



District Council of
Mount Remarkable



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. This 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 will be undertaken between 9am Wednesday 7 June 2023 until 9am Wednesday 28 June 2023.

All feedback collected during this period will be distributed and considered by the Elected Members of Council at a Special meeting of Council in order to adopt Council's 2023-2024 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 2023-2024 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 2023-2024.

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 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 Long Term Financial Plan (10 year plan) and the Strategic 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 2023-2024 involved budget submissions from each individual department to examine costs and justify expenditure. Operating budgets have not been increased without a 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 2023-2024.

Council Member Review

Two workshops were held with Council Members on 18 April 2023 and 16 May 2023 to develop this draft budget and discuss priorities within the draft plan.

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DRAFT FOR COMMUNITY CONSULTATION

FINANCIAL OVERVIEW

The Draft Annual Business Plan and Budget for 2023-2024 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 2023-2024 is 3259.

For 2023-2024 the proposed revenue to be raised from general rates is \$3,722,500 which is an increase of 10.0%.

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 2023/24 projects.

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. Minimal growth is expected for the 2023-2024 financial year.

Operating Surplus

Council's budgeted operating surplus for 2023-2024 is \$435,500. This includes funding of \$715,700 from the Local Roads and Community Infrastructure Program (LRCIP), which is untied and required to be treated as operating revenue. These funds will be utilized to fund capital works projects during 2023-2024. The adjusted operating position, not including LRCIP funds, is a deficit of \$280,200.

Service Provision

A total of \$6,094,800 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.

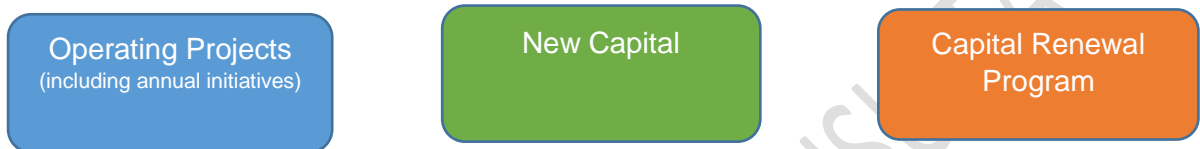
Project Priorities

Council’s proposed project priorities for 2023-2024 stem from the themes in Council’s Community Plan.

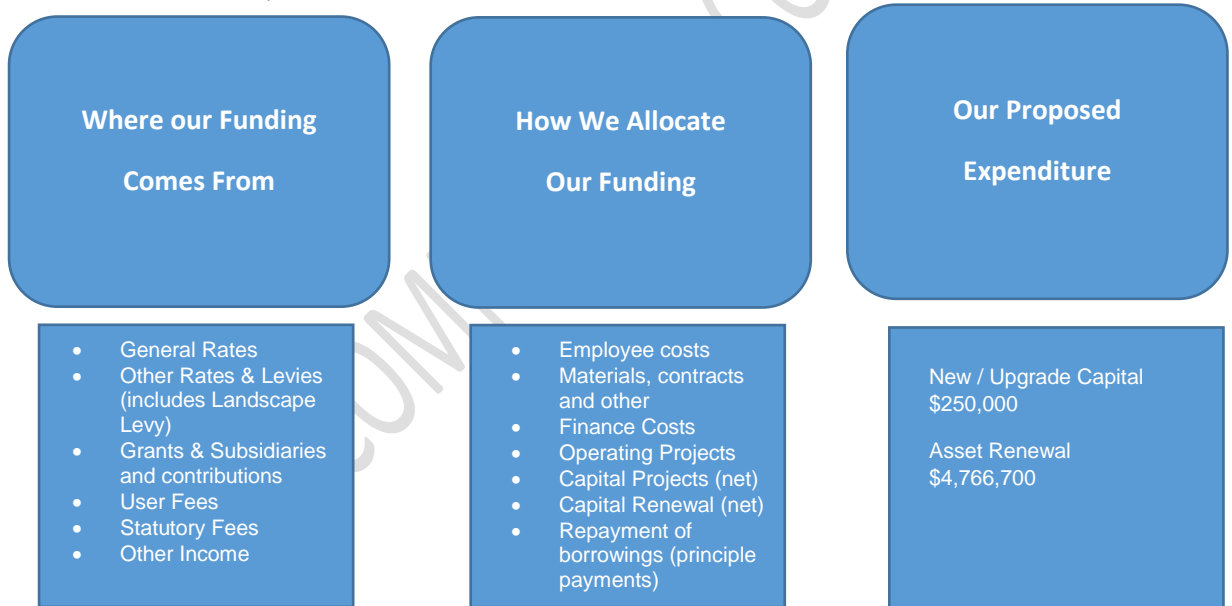
Council has undertaken a methodical and considered approach to determine its priorities for the upcoming financial year.

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 2021-2031
- Elected Members submitted projects based on identified community need
- Projects were divided into three broad categories



- An Elected Member workshop further prioritised, refined and finalised the proposed project list for community consultation.

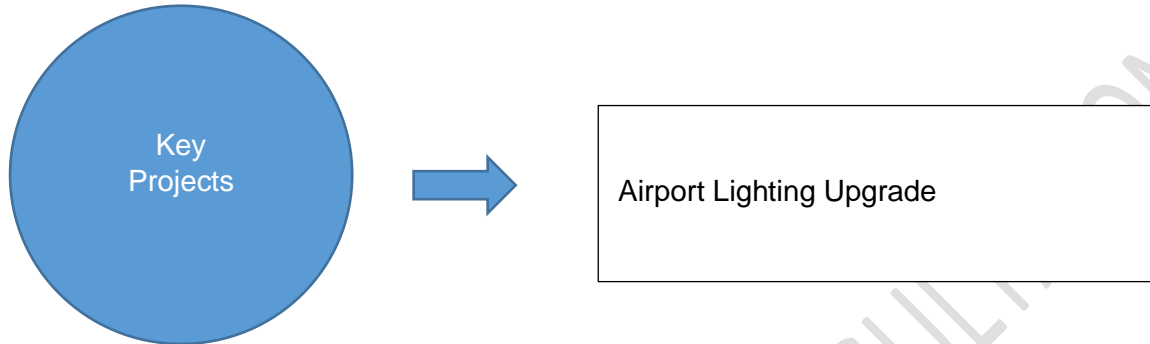


New Capital Projects

New Capital projects are capital works to construct new or to significantly upgrade existing infrastructure and buildings.

The 2023-2024 Budget proposes expenditure of \$250,000 for new / upgrade capital projects.

These projects are funded from existing financial capacity including borrowings and funding from Remote Airport Program.

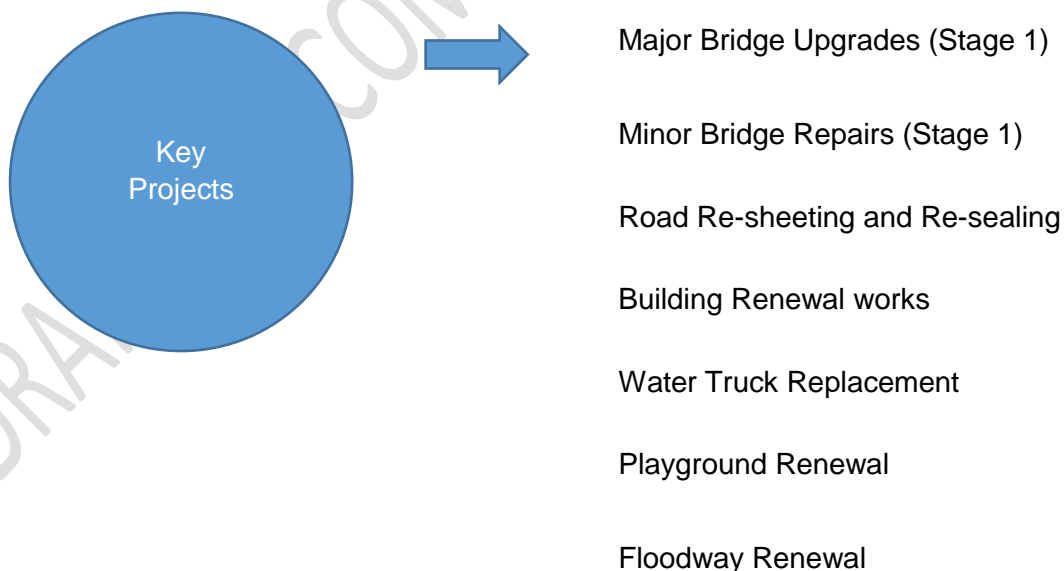


Capital Renewal Projects

The Capital Renewal programs maintain an ongoing program of renewals for Council's infrastructure, buildings and assets. They are based on Council's Asset Management Plans to be endorsed by Council.

This 2023-2024 Budget proposes net expenditure of \$4,301,000 for capital renewal programs.

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



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 2023-2024 year whilst also addressing the known backlog as identified.

The development of the Draft Asset Management Plans demonstrate 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 Plans provide the basis for the Capital Renewal Program included in Council's Long Term Financial Plan and is refined as part of the Annual Business Plan and Budget process.

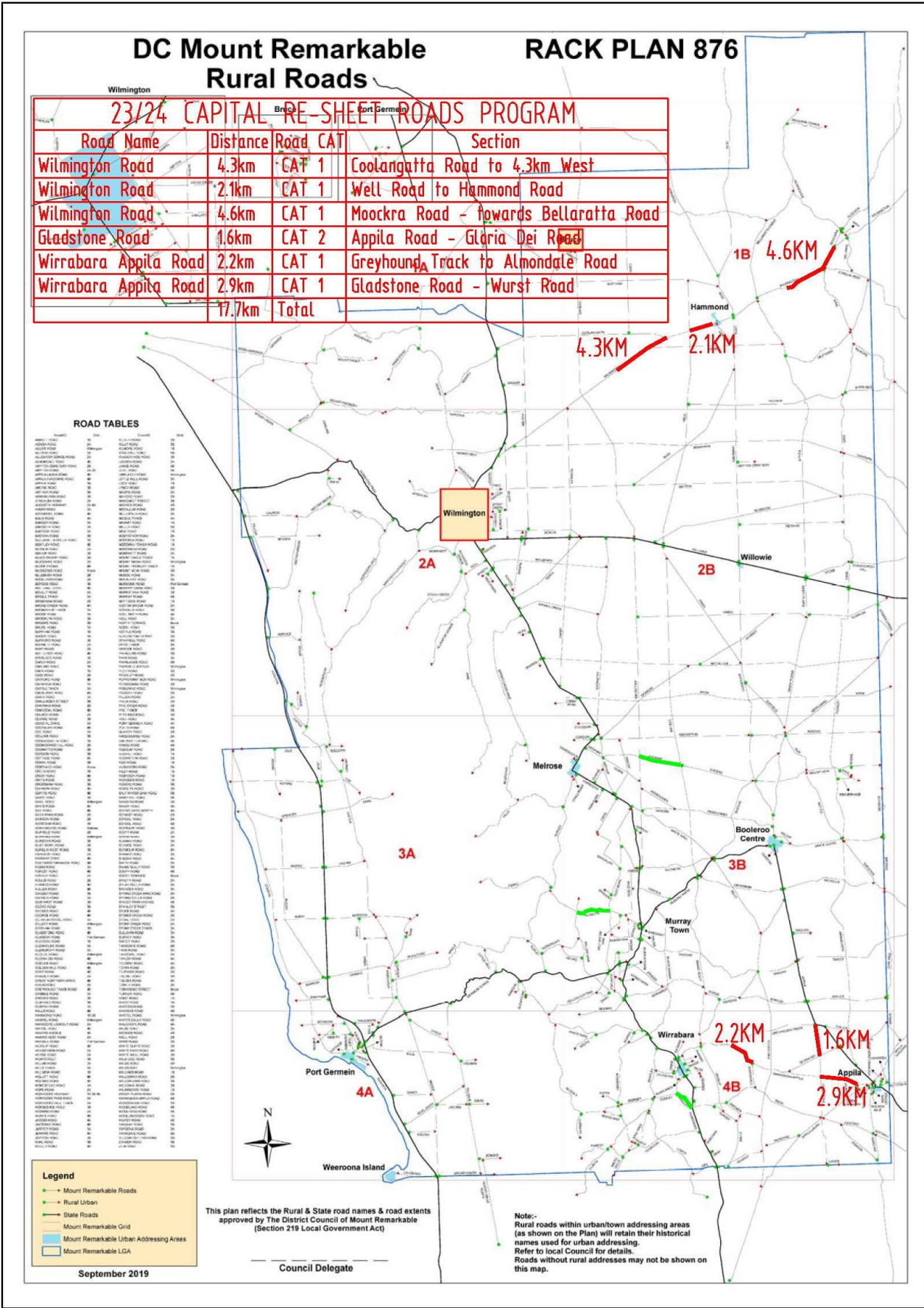
In 2023-2024 the Capital Renewal Program has a projected net expenditure of \$4,301,000.

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Full List of Projects

	Net Expenditure \$'000
Major Bridge Upgrades – Stage 1 Includes Forrest Rd, Appila and Port Germein bridges	1,000
Bridge Maintenance – Stage 1 Maintenance of 13 bridges around the district	500
Footpaths Booleroo Centre	25
Road Re-sealing Includes approximately 4.3km 2 coat seal	480
Floodways Includes the replacement of 6 existing concrete floodway's	380
Unsealed Road Re-sheeting Includes approximately 18km road re-sheeting including sections of Wilmington Road, Gladstone Road and the Wirrabara Appila Road	700
Fleet Replacement 2 x Fleet Vehicles replacement 1 Prime Mover replacement 1 x Depot Utility 1 x Water Truck replacement	996
Buildings & Halls Includes painting halls and other minor building improvements	80
CWMS and Pump Stations Minor replacement to upgrade notifications of faults to mobile phones	25
Booleroo Centre Swimming Pool Includes replacement of pumps and chlorination system	45
Plant & Equipment Includes IT upgrades to Council Chambers	35
Playgrounds Includes replacement of Port Germein Foreshore Playground	500
Airport LED Lighting Upgrade	250

Capital Road Re-sheeting Program & Budget



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, 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:

<ul style="list-style-type: none"> ➤ Mobile Library Service ➤ Cemeteries ➤ Booleroo Centre Airstrip* ➤ Community Wastewater Management Systems (4)* ➤ Community Bus* ➤ Community Development ➤ Community Grants ➤ Community Engagement and information ➤ Community halls and public venues ➤ Abandoned vehicles ➤ Council Newsletter ➤ Customer service ➤ Dog and Cat Management* ➤ Economic Development ➤ Fire Prevention ➤ Food Act administration ➤ Health Act administration ➤ Safe Drinking Water Act administration ➤ Safe Food Handling training ➤ DrumMuster ➤ Desludging programs ➤ Environmental Health ➤ Local Nuisance & Litter Control Act ➤ Building approvals* ➤ Planning approvals* ➤ Boat Launching facility ➤ Tidy Towns ➤ Immunisation ➤ Asset Management ➤ Animal & Plan control 	<ul style="list-style-type: none"> ➤ Walking and riding trails ➤ Parking ➤ Playgrounds ➤ Property Searches* ➤ Public toilets ➤ Medical facility ➤ Recreation/sporting facilities ➤ Road construction and maintenance ➤ Leases and licences ➤ Rural Road signs ➤ Urban street signs ➤ Street trees and gardens ➤ Swimming Pools (public)* ➤ Tourist and historical sites ➤ Tourism information and promotion ➤ Traffic control ➤ Waste management* ➤ Waste Transfer Station* ➤ Jetty management ➤ Waste collection* ➤ Recycling collection* ➤ Council website ➤ Kerbing, watertable, footpaths and floodways ➤ Weeroona Island Water supply* ➤ Regional development ➤ Coastal protection ➤ Citizenship ceremonies <p>* fee for service basis.</p>
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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

- **Tourism Industry Growth**

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

- **Political Landscape**

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.
- Consumer Price Index of 7.9% for the March Quarter 2023.
- Local Government Price Index of 6.4% for the March Quarter 2023.
- 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 recently endorsed 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 and Regional Development Australia membership.
- 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.

STRATEGIC CONTEXT

10 years	Community Plan	Community themes Long term goals and objectives Priority directions Indicators Delivery guidelines
10 years	Long Term Finance Plan and Strategic Asset Management Plan	The Long Term Financial Plan anticipates and plans for fiscal challenges and opportunities and aligns with the Community Plan and Strategic Asset Management Plan to ensure that Council can achieve its objectives and maintain its financial sustainability in the medium to long term
4 Years	Corporate Work Plan	The Corporate Work Plan sets priorities and budgets for projects, programs and services stemming from strategies, plans and other council priorities. The Corporate Work Plan is updated annually and informs specific actions, project and management plans and divisional business plans. It is integrated with Council's Long Term Financial Plan and Strategic Asset Management Plan.
1 year	Annual Business Plan	The Annual Business Plan sets the annual work program and budget and is informed by the Corporate Work Plan.

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STRATEGIC PRIORITIES

People value the District with its enviable lifestyle, activities, environment, facilities and services. Through the strategies outlined in the Community Plan 2021-2031, Council plans the continuation of activities and projects as follows:



**Goal 1 : A
Remarkable
Community to
be part of**

- NPTN service support and engagement
- Facilitation of annual community assistance grants
- Signage strategy
- Promotion of Remarkable Experience branding
- Continuation of support for local progress groups
- Further implementation of Disability Action Inclusion Plan
- Progress and adoption of a Reconciliation Action Plan
- Increased investment of Booleroo Centre Memorial Swimming Pool and Port Germein Playground
- Completion of the Weeroona Island playground upgrade
- Continued investment in rail trail network
- Collaboration with Department of Environment & Water for delivery of Remarkable Southern Flinders Project
- 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, Regional Development Australia and Department of Environment & Water
- Continued engagement with schools
- Citizenship Ceremonies
- Recognition of volunteers at annual event
- Youth engagement
- Development of Youth Strategy



**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 to lobby SA Water for improved water quality
- Continue to 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
- Redevelopment of Weeroona Island Playground
- Increased signage in District
- 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
- Continued investment in existing public spaces

Goal 3 : A Remarkable place to work or be in

- Establishment of regular industry and stakeholder meetings
- Implementation of economic development plan
- Develop a strategy for increased housing availability
- Further understand our Council area demographics including industry trends
- Promote the ability for remote workers on a 'work from home' basis in a post Covid environment
- Promote existing services available (specialised health) and education
- Advocate to maintain existing services such as education and health
- Promote and support existing businesses to grow and be sustainable

Goal 4 : A Remarkable place to visit

- Increased focus on tourism growth
- Implementation of Strategic Tourism Plan
- Collaboration with local history groups
- Investment in coastal protection and maintenance
- Coastal Council Alliance
- Increased collaboration with the South Australian Tourism Commission
- Advance a regional strategy through the Flinders Alliance
- Collaboration with State Government
- Collaboration with Landscape Board
- Continuation of annual weed spraying program
- Advocate for renewal in State owned marine assets (Port Germein Jetty)
- Advocate and support businesses seeking to support our growing tourism needs

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 asset management plan (infrastructure)
- Development of remaining asset management plans to cover all asset classes (airport, fleet, office contents including IT, and buildings/structures)
- Deployment of Local Roads Community Infrastructure Grant (Phase 4)
- Increased investment in bridges and floodway's
- Continue with enhanced road construction methodology (crushed material)
- Continue to improve our customer service request process
- Utilisation of shared services for service delivery improvement
- 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
- Support of new waste transfer facility creating a minimal landfill waste position for Council

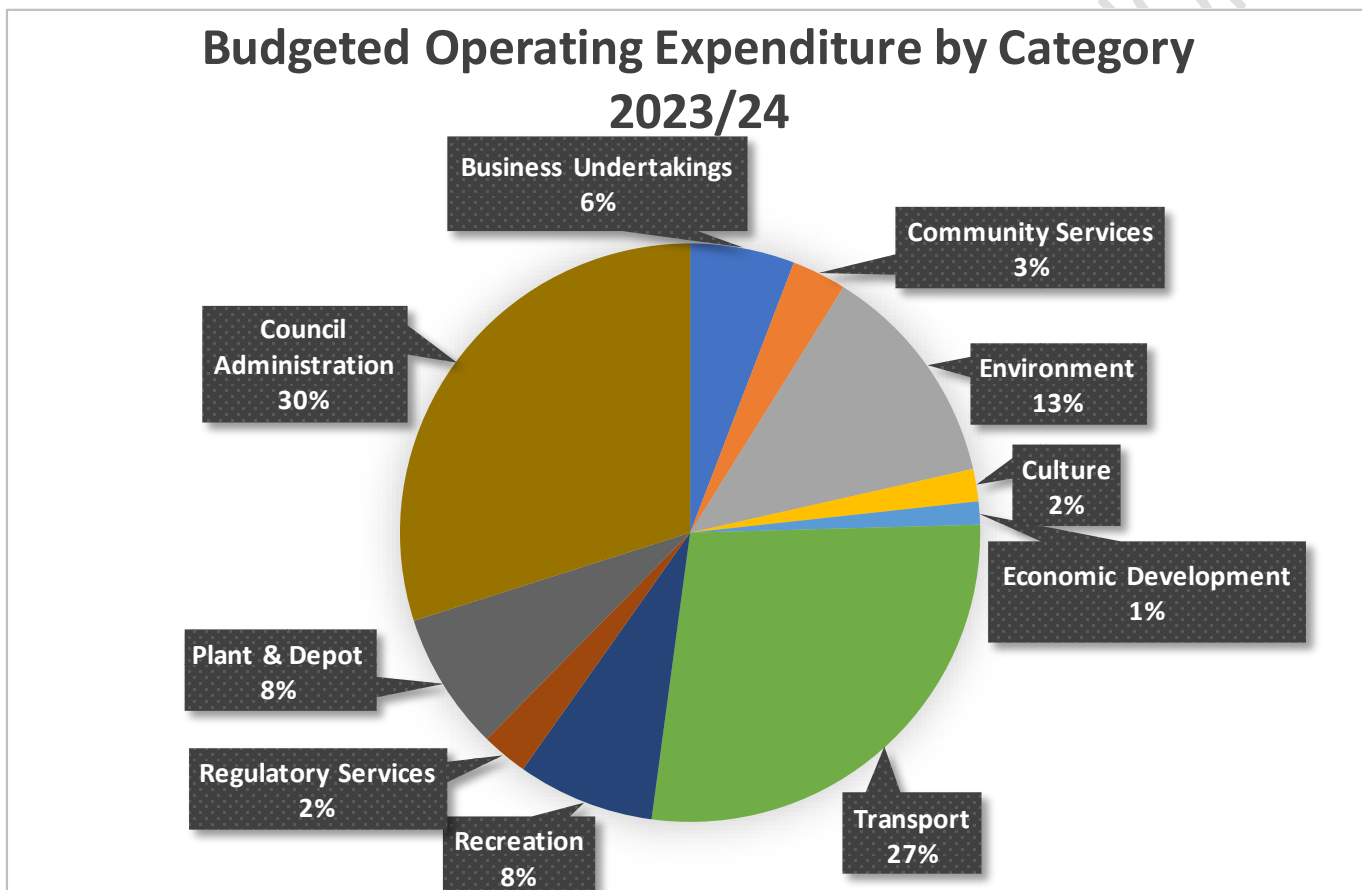
Goal 6: A 'can do' Council

- Enhanced customer service request process
- Utilisation of shared services for increased service delivery and efficiency
- 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

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.

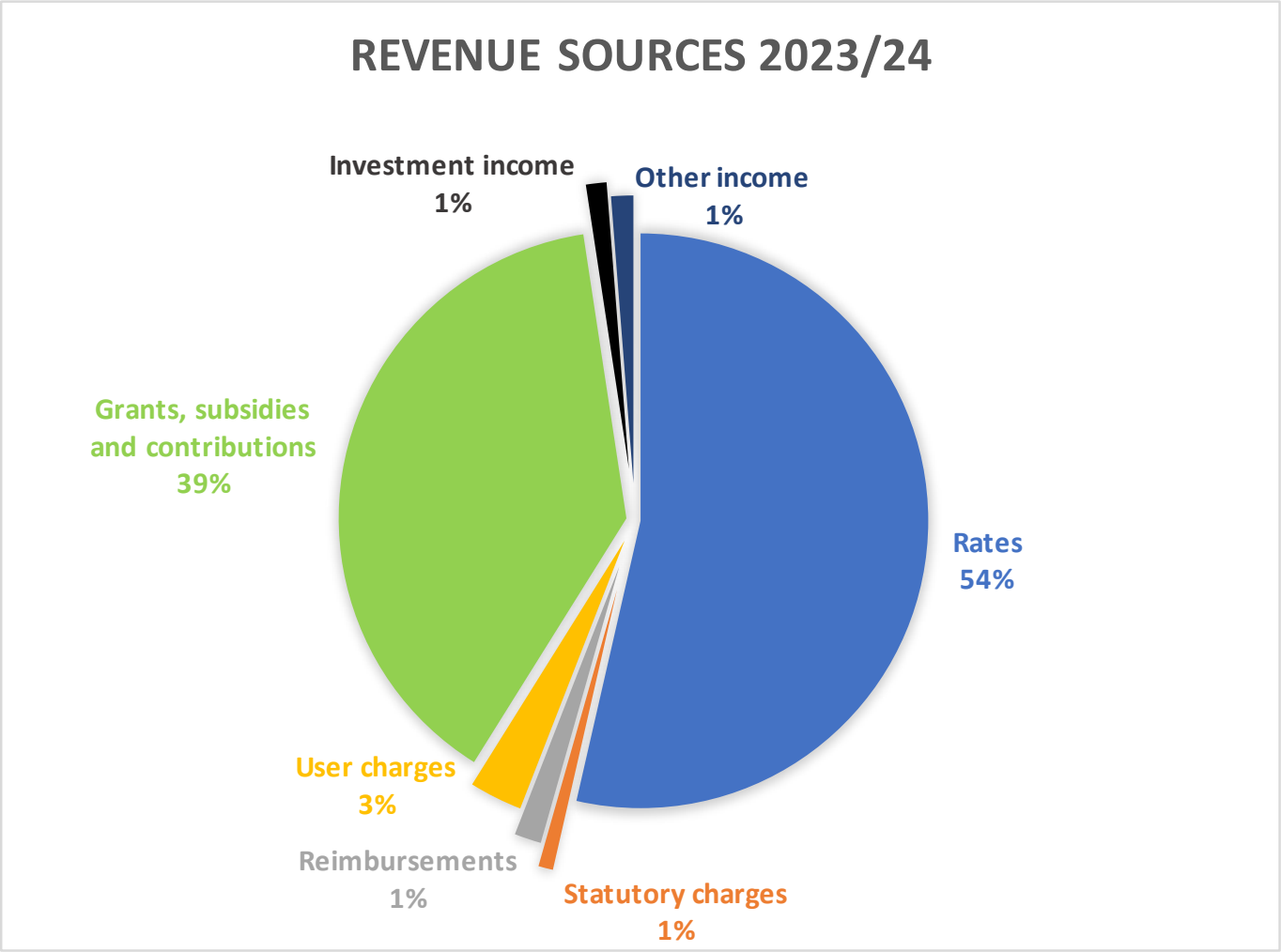
This Annual Business Plan will focus on maintaining service standards.



FUNDING THE BUSINESS PLAN

The District Council of Mount Remarkable sources funds from a variety of sources including rates and service charges, user charges (including entry fees and cemetery fees), statutory charges (including building applications and animal registrations), interest on investments and grants.

For 2023-2024 grant revenue includes Roads to Recovery, Financial Assistance Grants and funding from the Local Roads and Community Infrastructure Program (LRCIP).



Rates Context

In setting rates for 2023-2024 Council proposes to continue with its current method of rating, which involves one differential rate with the application of a fixed charge, applied against the capital value 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 ratepayer.

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 to be 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 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, ie 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 remain 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 a ratepayer has previously received a notice or notices under the Act referring to the valuation informing the ratepayer of a 60-day objection period, the period expires 60 days after service of the first such notice. A ratepayer may not object to the valuation if the Valuer-General has already considered an objection by the ratepayer for that valuation. Further information and contact details for the Valuer-General will be included on the rates notice. 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 is issued by the State Valuation Office, rates will be adjusted accordingly by the Council 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 the ratepayer’s 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 disagrees with the land use classification, an objection may be lodged with Council. This objection must be in writing outlining the grounds upon which the ratepayer’s 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 As explained above, the Council has adopted a fixed charge as a part of its rating policy. The fixed charge for the 2023-24 will be \$500.

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. Pursuant to Section 177 of the Act, 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 \$570.00 in the 2023-2024 financial year. The charges are increasing to comply with a sustainable pricing regime promoted by the State Government and the Local Government Association of South Australia.

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 subsequently charges all properties that require desludging for the cost of the service as a proportion of the cost to the Council following the user pays concept

The CWMS in Wirrabara does not require a septic tank to connect to the Scheme and 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 \$395.00 per service for the collection and disposal of domestic waste, green waste and recycling. The service charge 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 Council has determined to apply a 3.5% increase in the supply charge and water tariff. The annual supply charge of \$300 per property will be levied on each assessment of rateable and non-rateable land within the township of Weeroona Island to which the Council makes available the Weeroona Island Water Supply. A general tariff of \$3.00 per kilolitre of water will be applied.

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 2023/2024 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 Regional Landscape Levy (previously known as the NRM levy) is paid by all ratepayers across South Australia - recognising that all landowners are responsible for sustaining and managing our state's landscapes for the benefit of all community members. It's not a new levy, but it has been improved to help fund the State's regional landscape boards (previously known as NRM boards). Regional landscape levies are raised by the Northern and Yorke Landscape Board to fund projects and programs to enable landholders, industry and the community to be directly responsible for sustainably managing their region's landscapes with an emphasis on land and water management, biodiversity and pest animal and plant control.

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.

The proposed Regional Landscape levy for 2023-2024 0.0199 cents in the dollar applied to the Capital Value of an eligible property.

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 2023-2024 are proposed to be:

1 st Quarter	6 September 2023
2 nd Quarter	6 December 2023
3 rd Quarter	6 March 2024
4 th Quarter	5 June 2024

Payment Methods

Council offers the following payment options:

- Paying in person at the Administration Centre, 3 Stuart Street, Melrose
- Mailing the payment by post
- 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 form "*Application for Postponement of Rates – Seniors*". 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. The fee is set by the Council and is stated within the fees and charges schedule which can be found on the 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 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 has been reviewed and updated to reflect the most current information available.

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 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

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DRAFT BUDGETED FINANCIAL STATEMENTS



A

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.



B

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.



C

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.



D

Statement of Equity

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



E

Financial Indicators

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.

	2022/23 Adopted Budget	2022/23 Forecast BR3	2023/24 Draft Budget
STATEMENT OF COMPREHENSIVE INCOME			
INCOME			
Rates	4,539,000	4,452,000	4,893,500
Statutory charges	91,000	82,000	75,100
User charges	504,000	708,000	272,000
Grants, subsidies and contributions	2,819,000	2,033,700	3,536,200
Investment income	90,000	121,000	105,500
Reimbursements	134,000	102,000	137,600
Other income	258,000	251,000	113,300
TOTAL INCOME	8,435,000	7,749,700	9,133,200
EXPENSES			
Employee costs (inc oncosts)	2,667,000	2,320,000	2,126,800
Materials, contracts & other expenses	3,781,000	4,412,000	4,132,300
Depreciation	1,807,000	2,467,000	2,398,000
Finance costs	59,000	36,000	40,600
TOTAL EXPENSES	8,314,000	9,235,000	8,697,700
OPERATING SURPLUS / (DEFICIT)	121,000	(1,485,300)	435,500
Asset disposal and fair value adjustments		531,000	
Amounts received specifically for new or upgraded assets	2,435,000	1,090,000	
NET SURPLUS / (DEFICIT)	2,556,000	135,700	435,500
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	1,129,000	-	
TOTAL COMPREHENSIVE INCOME	3,685,000	135,700	435,500



	2022/23 Adopted Budget	2022/23 Forecast BR3	2023/24 Draft Budget
STATEMENT OF FINANCIAL POSITION			
ASSETS			
Current Assets			
Cash & cash equivalents	1,415,000	4,261,700	2,235,300
Trade & other receivables	670,000	670,000	670,000
Inventories	40,000	40,000	40,000
Total Current Assets	2,125,000	4,971,700	2,945,300
Non-current Assets			
Financial Assets	137,000	69,000	44,300
Infrastructure, Property, Plant & Equipment	70,103,000	64,322,500	66,726,900
Total Non-current Assets	70,240,000	64,391,500	66,771,200
TOTAL ASSETS	72,365,000	69,363,200	69,716,500
LIABILITIES			
Current Liabilities			
Trade & Other Payables	154,000	154,000	154,000
Borrowings	79,000	83,000	86,200
Short Term Provisions	367,000	237,000	237,000
Total Current Liabilities	600,000	474,000	477,200
Non-current Liabilities			
Long Term Borrowings	558,000	554,000	468,600
Long Term Provisions	86,000	145,000	145,000
Total Non-current Liabilities	644,000	699,000	613,600
TOTAL LIABILITIES	1,244,000	1,173,000	1,090,800
NET ASSETS	71,121,000	68,190,200	68,625,700
EQUITY			
Accumulated Surplus (Deficit)	40,628,000	38,825,900	39,261,400
Asset Revaluation Reserve	28,986,000	27,857,300	27,857,300
Other Reserves	1,507,000	1,507,000	1,507,000
TOTAL EQUITY	71,121,000	68,190,200	68,625,700

STATEMENT OF CASH FLOWS	2022/23 Adopted Budget	2022/23 Forecast BR3	2023/24 Draft Budget
CASHFLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating Receipts	8,326,000	7,833,800	9,027,700
Investment Receipts	90,000	121,000	105,500
Payments			
Operating Payments to Suppliers & Employees	6,407,000	7,163,200	6,259,100
Finance Payments	59,000	36,000	40,600
Net Cash provided by (or used in) Operating Activities	1,950,000	755,600	2,833,500
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets	2,435,000	1,090,000	-
Sale of replaced assets	395,000	1,462,400	216,000
Sale of surplus assets	-	-	-
Payments			
Expenditure on renewal/replacement of assets	5,022,000	2,908,800	4,301,000
Expenditure on new/upgraded assets	1,773,000	902,000	715,700
Loans made to community groups	-	-	-
Net Cash provided by (or used in) Investing Activities	(3,965,000)	(1,258,400)	(4,800,700)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings	-	13,000	-
Repayments of loans by community groups	13,000	12,700	23,700
Payments			
Repayments of Borrowings	79,000	91,900	82,500
Repayment of Finance Lease Liabilities	-	-	-
Net Cash provided by (or used in) Financing Activities	(66,000)	(66,200)	(58,800)
Net Increase / (Decrease) in cash held	(2,081,000)	(569,000)	(2,026,000)
Cash & cash equivalents at beginning of period	3,496,000	4,830,300	4,261,300
Cash & cash equivalents at the end of the reporting period	1,415,000	4,261,300	2,235,300

	2022/23 Adopted Budget	2022/23 Forecast BR3	2023/24 Draft Budget
STATEMENT OF CHANGES IN EQUITY			
ACCUMULATED SURPLUS			
Balance at end of previous reporting period	38,072,000	38,690,200	38,825,900
Net Surplus / (Deficit) for Year	2,556,000	135,700	435,500
Balance at end of period	40,628,000	38,825,900	39,261,400
ASSET REVALUATION RESERVE			
Balance at end of previous reporting period	27,857,000	27,857,300	27,857,300
Gain / (loss) on revaluation of infrastructure, property, plant & equipment	1,129,000		
Balance at end of period	28,986,000	27,857,300	27,857,300
OTHER RESERVES			
Balance at end of previous reporting period	1,507,000	1,507,000	1,507,000
Balance at end of period	1,507,000	1,507,000	1,507,000
TOTAL EQUITY AT END OF REPORTING PERIOD	71,121,000	68,190,200	68,625,700



FINANCIAL INDICATORS	2022/23 Adopted Budget	2022/23 Forecast BR3	2023/24 Draft Budget
OPERATING SURPLUS RATIO			
<i>being operating surplus (deficit) divided by operating revenue</i>			
<u>Operating Surplus / Deficit</u>	121,000	(1,485,300)	435,500
Total Operating Revenue	8,435,000	7,749,700	9,133,200
	1%	-19%	5%
ADJUSTED OPERATING SURPLUS RATIO			
<i>the adjusted Ratio removes the LRCIP funding amount from operating revenue to provide an underlying ratio result</i>			
<u>Adjusted Operating Surplus / Deficit</u>	121,000	(1,644,300)	(280,200)
Total Adjusted Operating Revenue	8,435,000	7,590,700	8,417,500
	1%	-22%	-3%
NET FINANCIAL LIABILITIES RATIO			
<i>being total liabilities less financial assets (excluding equity accounted investments in Council business), divided by total operating revenue</i>			
<u>Net Financial Liabilities</u>	(978,000)	(3,827,700)	(1,858,800)
Total Operating Revenue	8,435,000	7,749,700	9,133,200
	-12%	-49%	-20%
ADJUSTED NET FINANCIAL LIABILITIES RATIO			
<i>the adjusted Ratio removes the LRCIP funding amount from operating revenue to provide an underlying ratio result</i>			
<u>Net Financial Liabilities</u>	(978,000)	(3,827,700)	(1,858,800)
Total Adjusted Operating Revenue	8,435,000	7,590,700	8,417,500
	-12%	-50%	-22%
ASSET RENEWAL FUNDING RATIO			
<i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets. The optimal level planned refers to the Council's Asset Management Plan (AMP) which forecasts the activities/projects that need to be undertaken in order to maintain the Council's assets.</i>			
<i>The ideal ratio is 100%, where Council is spending the amount required each year to renew and replace existing assets so they continue to operate optimally to meet the organisations objectives.</i>			
<u>Net Asset Renewals</u>	4,627,000	2,908,800	4,301,000
Asset Renewals per AMP	4,627,000	4,627,000	4,301,000
	100%	63%	100%

Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

Expected Rates Revenue				
	2022/23 (as adopted)	2023/24 (estimated)	Change	Comments
General Rates Revenue				
General Rates	\$3,384,100	\$3,722,500 (b)		District Council of Mount Remarkable are proposing a general rate revenue increase of 10%
General Rates (GROSS)	\$3,384,100	\$3,722,500 (c)		
Less: Mandatory Rebates	(\$32,200)	(\$35,400) (d)		
General Rates (NET)	\$3,351,900	\$3,687,100 (e)	10.0%	
	(e)=(c)+(d)			
Other Rates (inc. service charges)				
Regional Landscape Levy	\$134,400	\$143,400 (f)		The Regional Landscape Levy is a State tax, it is not retained by council.
Waste collection	\$523,400	\$541,700 (g)		A Waste Service Charge of \$395 is proposed for 2023/24
Water supply	\$52,200	\$54,000 (h)		A Weerona Island Water Supply Service Charge of \$300 is proposed for 2023/24
CWMS	\$433,000	\$448,200 (i)		A CWMS Service Charge of \$570 is proposed for 2023/24
	\$4,494,900	\$4,874,400		
Less: Discretionary Rebates	(\$57,200)	(\$62,900) (l)		
Expected Total Rates Revenue	\$4,303,300	\$4,668,100 (m)	8.5%	Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.
	(m)=(e)+(g)+(h)+(i)+(j)+(k)+(l)			

Estimated growth in number of rateable properties

Number of rateable properties:	3,243	3,259 (n)	0.5%	District Council of Mount Remarkable are expecting minimal growth for 2023/24
	<i>Actual</i>	<i>Estimate</i>		
<p>'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and</p>				

Estimated average General Rates per rateable property

Average per rateable property:	\$1,044	\$1,142 (o)	9.5%	Capital Values from the Valuer General are proposed as the method of valuation for 2023/24
	(o)=(c)/(n)			
<p>Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area).</p> <p>The total General Rates paid by all rateable properties will equal the amount adopted in the budget.</p>				

Notes

<p>(d) Councils are required under the Local Government Act to provide a rebate to qualifying properties under a number of categories:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Health Services - 100 per cent</td> <td style="width: 33%;">Religious purposes - 100 per cent</td> <td style="width: 33%;">Royal Zoological Society of SA - 100 per cent</td> </tr> <tr> <td>Community Services - 75 per cent</td> <td>Public Cemeteries - 100 per cent</td> <td>Educational purposes - 75 per cent</td> </tr> </table> <p>The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).</p>	Health Services - 100 per cent	Religious purposes - 100 per cent	Royal Zoological Society of SA - 100 per cent	Community Services - 75 per cent	Public Cemeteries - 100 per cent	Educational purposes - 75 per cent
Health Services - 100 per cent	Religious purposes - 100 per cent	Royal Zoological Society of SA - 100 per cent				
Community Services - 75 per cent	Public Cemeteries - 100 per cent	Educational purposes - 75 per cent				
<p>(e) Presented as required by the <i>Local Government (Financial Management) Regulations 2011</i> reg 6(1)(ea)</p> <p>Please Note: The percentage figure in (e) relates to the change in the total amount of General Rates revenue to be collected from <u>all</u> rateable properties, not from <u>individual</u> rateable properties (ie. individual rates will not necessarily change by this figure).</p>						
<p>(f) Councils are required under the <i>Landscape South Australia Act 2019</i> to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's</p>						
<p>(i) Community Wastewater Management Systems</p>						
<p>(l) A council may grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who</p>						
<p>(m) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.</p>						
<p>(n) 'Growth' as defined in the <i>Local Government (Financial Management) Regulations 2011</i> reg 6(2)</p>						

Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

Expected Rates Revenue

	Total expected revenue			No. of rateable properties		Average per rateable property			Cents in the \$	
	2022/23	2023/24	Change	2022/23	2023/24	2022/23	2023/24	Change	2023/24	
Land Use (General Rates - GROSS)										
All Land Uses	\$3,294,700	\$3,624,200	10%	3243	3259	\$1,016	\$1,112	(p)	\$96	0.1993
Total Land Use	\$3,294,700	\$3,624,200	10.0%	3,243	3,259	\$1,016	\$1,112	(p)	\$96	

Fixed Charge

	Total expected revenue			Charge		
	2022/23	2023/24	Change	2022/23	2023/24	Change
Fixed Charge	\$808,840	\$1,114,000	38%	\$365	\$500	(q) \$135

Adopted valuation method

Capital Value/Site Value/Annual Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

Capital Value – the value of the land and all improvements on the land;

Site Value – the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or

Annual Value – a valuation of the rental potential of the property.

The District Council of Mount Remarkable are proposing Capital Values as supplied by the Valuer General as the method of valuation for 2023/24.

Notes

(p) Average per rateable property calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, *divided* by number of rateable properties within that category in the relevant financial year.

(q) A fixed charge can be levied against the whole of an allotment (including land under a separate lease or licence) and only one fixed charge can be 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. Also if two or more pieces of rateable land within the area of the council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land.

(r) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

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