



*District Council
of
Mount Remarkable*

2004/2005

ANNUAL REPORT

CHAIRMAN'S MESSAGE

The 2004/2005 financial year was another year of significant change for the District Council of Mount Remarkable, and indeed the wider community.

Council continues to direct its efforts towards providing appropriate services to the residents and ratepayers of the area.

The professionalism and dedication of Elected Members, Council Staff and the Works Team is well known. Many thanks to you all for a job well done.



During the course of the 2004/2005 financial year there occurred a major restructure within the Office Staff. Council Administration Officer, Mrs Phyllis Robinson completed her employment having served the Council since 1980 following the amalgamation of the former District Council of Port Germein and the District Council of Wilmington. Her effort and commitment to Council over this period is truly commendable and certainly noteworthy. Mr David Kurtzer also completed his term of employment with Council and he also is to be commended for his commitment to Council.

Some of Council's major achievements for the 2004/2005 financial year include:

- ▶ Completion of the sealing of the Booleroo Centre/Appila Road for the Department of Transport, Energy and Infrastructure.
- ▶ Further construction and sealing of the Appila/Laura Road with funding assistance through the Special Local Roads Program.
- ▶ Construction of 20 kms of Off Road cycle tracks in the Melrose/Wirrabara area as part of the Southern Flinders Ranges Tourism Authority Infrastructure Program.
- ▶ Introduction of kerbside waste pickup service in all townships and adjoining rural properties along the route.
- ▶ Completion of new Waste Management site near Willowie.
- ▶ Completion of the construction of the Booleroo Centre STED Scheme.
- ▶ Implementation of a new budget consultation process with the community prior to finalising the budget for the coming financial year.

These are just a few of the achievements of Council in the past twelve months. With the continued dedicated work of Elected Members, employees and the wider community, many more will occur in the future, as Council works towards achieving the vision and mission statements under its Strategic Management Plan.

Vision: *“The Mount Remarkable Council will be a vibrant, progressive community with a flourishing economy, enhanced natural environment and quality lifestyle that others will wish to share, and therefore contribute to the common good.”*

Mission: *“The District Council of Mount Remarkable will provide leadership to the community by providing cost-effective services that maintain and enhance our unique lifestyle.”*

CR T C ROOCKE
CHAIRMAN

COUNCIL PROFILE

Administration Office

3 Stuart Street
 PO Box 94, Melrose SA 5483
 Tel: (08) 8666 2014 Fax: (08) 8666 2169
 Email: postmaster@mtr.sa.gov.au
 Website: www.mtr.sa.gov.au

Works Depot

Giles Street, Melrose SA 5483
 Tel: (08) 8666 2014 Fax: (08) 8666 2297



The area of the District Council of Mount Remarkable is located in the southern Flinders Ranges of South Australia. The Council Office is situated in the township of Melrose, which is at the foot of Mount Remarkable and is 380m above sea level. The Council borders the upper reaches of the Spencer Gulf, and is predominantly agricultural including mixed farming. Much of the area north of Wilmington consists of large pastoral holdings, but to the south of the Council area it is wetter and subject to more intensive holdings including cattle and dairy industries. There are small pockets of apiarists, orchards, market gardens and additionally an intensive forestry area in the southern portion of the Council area. The Coastal townships of Port Germein and Port Flinders (Weeroona Island) are included in the Council area. The Jetty at Port Germein represents a significant item of State history and heritage.

Council has a population of approximately 2,920 people and is 3,422.6sq kilometres in area.

If you require any further information on the facilities and services within the area of the District Council of Mount Remarkable, please do not hesitate to call in at the District Council Office, Stuart Street, Melrose or contact 8666 2014 during normal office hours, or the Tourist Information Office (Melrose Caravan Park, 8.00 am - 8.00 pm), Telephone 8666 2060.

The Council is a democratically elected body comprising seven (7) Councillors, with the presiding member being the Chairman, who is elected by the Council. All decisions are in line with Council's Strategic Plan and the Vision for the future economic benefit of the community.

Council meets on the second Tuesday of every month at 9.30 am. Due to the volume and complexity of some issues, Council has several committees to assist with streamlining processes.

ROLES AND OBJECTIVES OF COUNCIL

The Local Government Act 1999 specifies the roles and objectives of Council. These include:

- ▶ Being a representative, informed and responsible decision maker in the interests of the community;
- ▶ Participating in public policy development and planning activities with the other spheres of Government;
- ▶ Providing and coordinating services and facilities that benefit its area, residents and visitors;
- ▶ Developing its community and resources in a socially just and sustainable manner;
- ▶ Providing for the welfare, well being and interests of individuals and groups within the community;
- ▶ Representing the interests of the local community to the wider community and Government;
- ▶ Planning at the local and regional level for the development and future requirements of its area;
- ▶ Managing, developing, protecting and conserving the environment; and
- ▶ Regulating local activities like building, keeping animals, parking, maintaining public health etc, some of which include a law enforcement role.

ELECTED MEMBERS

Chairman

Cr Trevor Roocke
Plains Ward
PO Box 78
Booleroo Centre SA 5482
Phone: (08) 8667 2210
Fax: (08) 8667 2368

Deputy Chairperson

Cr Gordon Leue
Coastal Ward
PMB 17
Port Pirie SA 5540
Phone: (08) 8634 7060
Fax: (08) 8634 7069

Councillors

Cr Trevor Hitch
Plains Ward
RSD Willowie
Orroroo SA 5431
Phone: (08) 8666 6052
Fax: (08) 8666 6006

Cr Paul Kretschmer
Forest Ward
PO Box 36
Wirrabara SA 5481
Phone: (08) 8668 4343
Fax: (08) 8668 4344

Cr Michael Pearce
Ranges Ward
30 Nott Street
Melrose SA 5483
Phone: (08) 8666 2235
Fax: (08) 8666 2098

Cr Marie Storey
Ranges Ward
PO Box 94
Wilmington SA 5485
Phone/Fax: (08) 8667 5146

Cr Stephen Vormister
Coastal Ward
PO Box 1131
Port Pirie SA 5540
Phone/Fax: (08) 8634 4491

Councillors are part of the incorporated body handling the responsibility for carrying out the duties and exercising the powers conferred on the Council by the Local Government Act 1999 and other relevant State legislation. The Act specifies that Council members:

- ▶ Represent the interests of ratepayers and residents;
- ▶ Provide community leadership and guidance; and
- ▶ Facilitate communication between the community and the Council.

The role of a Council member involves:

- ▶ Participating in the deliberations and civic activities of the Council;
- ▶ Keeping the Council's objectives and policies under review so as to ensure that they are appropriate and effective; and
- ▶ Keeping the Council's resource allocation, expenditure and activities, and the effectiveness and efficiency of its service delivery, under review.

COUNCIL COMMITTEE REPRESENTATIVES

COUNCIL COMMITTEES

- Baroota Groundwater Resource Advisory Committee
- Bluff Road Tourism Access Committee
- Melrose Caravan Park Management Committee
- Southern Flinders Tourism Authority Committee
- Bicycle Trail Advisory Committee
- Building Fire Safety Committee
- Development Assessment Panel
- D.C.M.R. Building, Health & Inspectorial Services Advisory Committee
- District Bushfire Prevention Committee
- Equal Employment Opportunity Committee
- Occupational Health Safety & Welfare Committee
- Hall Committees
- Booleroo Centre Swimming Pool Committee
- Booleroo & District Airstrip Management Committee

These committees meet on a needs basis to make recommendations to Council on issues in their respective policy areas.

Other committees with which Council is involved include:

- **E.B. Negotiating Committee** Cr Roocke & Cr Pearce
- **District Bushfire Prevention Committee** Cr Roocke & Cr Leue
- **Melrose CFS Group Committee** Cr Roocke
- **Local Government Association SA** Council Chairman, Deputy Chairman (Proxy)
- **Central Local Government Region Association** Council Chairman & Deputy Chairman
- **Central Local Government Region of SA (Regional Waste Strategy Steering Committee)** Council Chairman & Works Manager
- **Local Government Finance Authority of SA** Council Chairman
- **Booleroo Centre Ambulance Board** Cr Storey
- **Booleroo Centre District Hospital & Health Services Board** Cr Roocke
- **Laura Hospital Board** Cr Kretschmer
- **Flinders Mobile Library Board** Cr Storey & Cr Vormister
- **Lower Flinders Animal and Plant Control Board** Cr Roocke, Cr Leue & Cr Hitch
- **Mount Remarkable Soil Conservation Board** Mr Roger Lange
- **Southern Flinders Regional Development Board** Cr Roocke
- **District Disaster Plan Committee** Council Chariman & Chief Executive Officer
- **Divisional Disaster Plan Committee** Robert Robinson & Wayne Ellard (Proxy)
- **Northern Community Passenger Transport Committee** Cr Pearce & Cr Roocke
- **NP&WS Mount Remarkable Fire Management Committee** Cr Leue
- **Local Water Catchment Management Plan** Cr Roocke & Cr Leue
- **SAFF - Little Corella Working Party** Mr PJ Bammann, Cr Hitch (Proxy)
- **Mount Remarkable Community Road Safety Committee** Cr Hitch

COUNCIL EMPLOYEES

Employees employed by the District Council of Mount Remarkable as at 30th June 2005 were:

ADMINISTRATION

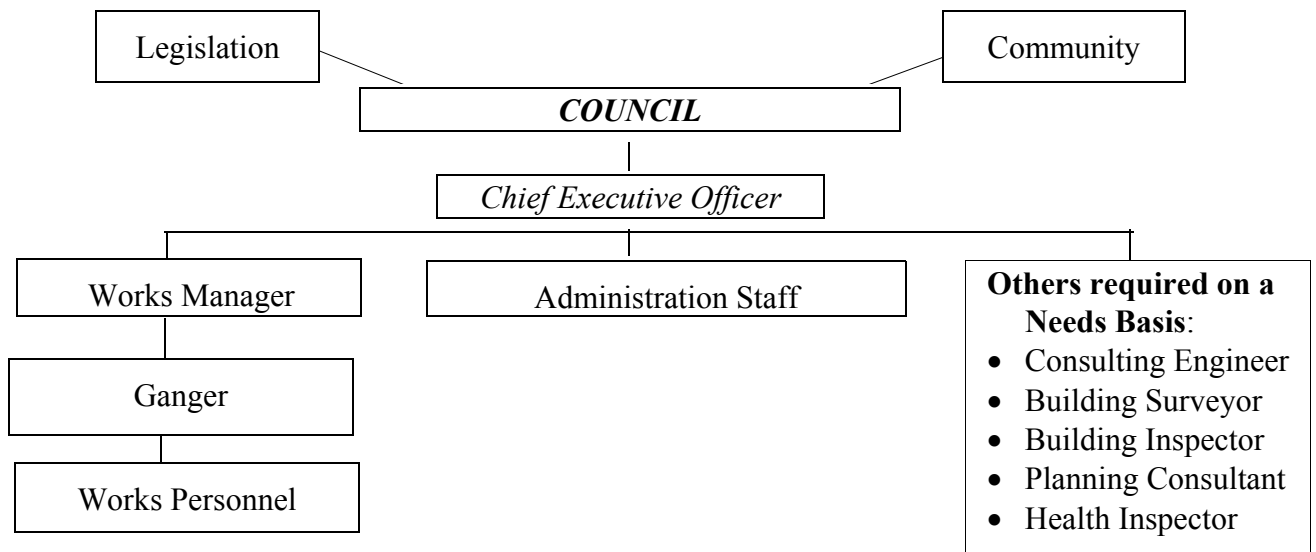
Sean CHERITON	Chief Executive Officer
Toni BASTIAN	Rates/Clerical Officer
Meridee GROVES	Rates/Clerical Office (On Maternity Leave)
Ann FRICK	Building, Planning and Administration Assistant
Colleen JACOBS	Executive Assistant
Jenny SCARCE	Finance Officer
Sarah ARTHUR	Administration Trainee
Frank ENDEMANN	Building Inspector
Geoff SLEE	Fire Prevention Officer (Casual)
Irene LAWRIE	Administration Officer (Casual)
Brenda CREASEY	Cleaner (Casual)

Keith **SIMMONDS** Contract Environmental Officer

WORKS

Glenn COWIN	Works Manager
Robert ROBINSON	Ganger
Dean KELLER	
Ian OPPERMAN	
Christopher ROWE	
Lyall ARTHUR	
Reg RAMSEY	
David PROSSER	
Ralph HOBBS	
Noel ARTHUR	
Gregory COWIN	

ORGANISATIONAL CHART & DECISION MAKING STRUCTURE



COUNCIL REPRESENTATION

The Council is a democratically elected body comprising seven (7) elected members, with the presiding member, being the Chairman, who is elected by the Council.

There are currently 2169 House of Assembly electors, with an additional 943 other persons entitled to vote on the Chief Executive Officer's Voters Roll, giving a total number of 3112.

This provides an elector representation of 445 electors per elected member.

In comparison, the representation in neighboring Councils is:

- 111 in Orroroo/Carrieton;
- 171 in Flinders Ranges;
- 195 in Peterborough;
- 476 in Northern Areas;
- 987 in Port Augusta; and
- 959 in Port Pirie.

REGISTERS & CODES OF CONDUCT & PRACTICE

REGISTERS

- Register of Interest – Elected Members
- Register of Interest – Senior Officers
- Register of Allowances and Benefits
- Register of Community Lands
- Register of Public Roads
- Register of Remuneration, Salaries and Benefits
- Register of Fees and Charges
- Register of Campaign Donation Returns
- Register of Development Applications

POLICIES & CODES

- Public Consultation Policy
- Contracts, Tendering and Purchasing Policy
- Elected Members Allowances and Support Policy
- Internal Review of Council Decisions
- Order Making Policy
- Code of Practice – Access to Council Meetings and Documents
- Code of Conduct – Elected Members
- Code of Conduct – Employees
- Rating Policy
- Rating (Summary) Policy
- Assessment Records
- Voters Roll
- Corporate Plan
- Building Inspection Policy
- Strategic Plan
- Community Land Management Plans
- Various Other Council Policies included in the Policy Manual
- Various Other OHS&W Policies included in the OHS&W Policy Manual

ELECTED MEMBER ALLOWANCES

Pursuant to the provisions of Section 76 of the Local Government Act 1999 and the associated regulations, Council provides an annual allowance to the elected members for performing and discharging official functions and duties.

The level of allowances (minimum and maximum amounts) are prescribed by the Local Government (*Members Allowances and Benefits*) Regulations 1999.

Council has resolved that the following allowances be paid to the respective members, which are the minimum amounts prescribed by the regulations.

Chairman	\$8,500 per annum
Deputy Chairperson	\$2,500 per annum
Councillor	\$2,000 per annum

SENIOR OFFICER REMUNERATION

Chief Executive Officer (SR Cheriton)	ASU; Contract
.....	Annual Performance Bonus
.....	LG Super Scheme 9% of salary
.....	Subsidised House Rental
.....	Subsidised Telephone Rental
.....	Private use of vehicle
Works Manager (WG Cowin)	ASU; Level 7 Year 3 + EBA
.....	LG Super Scheme 9% of salary
.....	Subsidised Telephone Rental
.....	Private use of vehicle
Building Inspector (FD Endemann)	ASU; Level 6 Year 3 + EBA
.....	LG Super Scheme 9% of salary
.....	Private use of vehicle
.....	Home Office allowance

COMPETITIVE TENDER ARRANGEMENTS

Pursuant to the provisions of Section 49 of the Local Government Act 1999, and Section 36 of the Local Government (Implementation) Act 1999, Council has prepared and adopted a Contracts, Tendering and Purchasing Policy.

SERVICE PROVISION OPTIONS

Council has identified the following options for the provision of services identifying a range of options so as to not constrain Council in the future:

- *Competitive Tendering - it will be the decision of Council where there is an alternative Service Provider whether or not to expose the provision of Council services to competition through a formal tendering process.
An 'in-house' staff tendering process may occur for specific projects, services and activities. Competitive tendering will not be undertaken without consultation with existing staff.*
- *Council also acknowledges the failure of the free market is evident in our district with the Council providing many services that are not otherwise provided.*
- *Contestability - Where possible, staff will be involved in identifying and adopting productivity improvements in service delivery.*
- *Consideration will be given to local circumstances recognising that it may not always be possible to benchmark or to have an alternative service provider.*

In identifying the circumstances in which to apply the above options Council will consider:

- *Council's Strategic Management Plan goals and objectives. Council is committed to performance improvement strategies.*
- *Council's Enterprise Agreement - Council has made a commitment to internal service provision and continuous improvement.*
- *Maintenance of control of specific services by Council - contracting out activities where*

they cannot be provided internally.

- *It is the intention of Council to continue to meet all its legal obligations and not put services at risk to the detriment of the Community and the area.*
- *Recognition is made that due to the geography of the area this may impact on the number of competitors in the market place. At the same time Council will be mindful that a monopoly situation does not arise.*
- *Consideration will be given to Council's current service delivery arrangements.*
- *Council's existing resources will be considered when determining service delivery.*

PURCHASE OF GOODS & SERVICES

(Council's) Charter - The Principles

In fulfilling Council's purchasing role, the following principles will apply:

- *consistency with and relevance to Council's Strategic Plan*
- *Purchasing procedures and practises shall be transparent and accountable to ensure the Council purchases at the best price and that all potential suppliers are given equal opportunity to provide the required goods and services.*
- *Where possible, opportunities to enhance local economic development and growth shall be taken.*
- *Compliance with statutory and other obligations.*
- *Commercial confidentiality.*

Purchasing Options

Generally, Council will purchase goods through adoption of the following approaches:

- *Direct purchases - where there is only a single supplier or the particular circumstances involve only one potential supplier.*
- *Quotation - seeking quotations from two or more suppliers.*
- *Selected tender - seeking tenders from a limited number of suppliers on the basis of location, previous performance, the result of an expression of interest process when called.*
- *Open tender - seeking tenders from the market at large through an open invitation process eg advertisement*
- *Any other process in accordance with the above principles.*

In identifying the circumstances in which to apply these options, Council will consider the following issues:

- *The number of known suppliers of the goods or services.*
- *The existence of local suppliers of the goods or services and the impact on the local economy if the goods or services were purchased from outside the Council area.*
- *The total estimated value of the purchase.*
- *Delegation limits, taking into consideration accountability, responsibility, operational efficiency and urgency of supply.*
- *Previous experience with suppliers*
- *Compliance with statutory obligations.*

Tenders/Quotations

The procedure to be followed where tenders are to be called is as follows:

- *Council shall call tenders/quotations for goods and services amounting to more than \$10,000. The limit will not apply if it is impracticable to call for tenders/quotations in the circumstances of a particular case, or, the Council resolves for some other good cause that tenders/quotations need not be called for in the circumstances of a particular case.*
- *Tenders/quotations may be called publicly or selectively where organisations are selected because of their proven experience or acceptability of a particular product.*
- *The tender quotation period will allow for the urgency of work or need for goods but allow sufficient time for tenderers to study the tender/quotation documents and prepare an offer.*
- *All invitations to tender will specify a closing date.*
- *Council may for a good cause, extend a closing date.*
- *A late tender/quotation delivered by hand shall not be admitted.*
- *A late tender/quotation submitted through official Australia Post services of paid post, facsimile or telegram will not be admitted unless it can be clearly established to the satisfaction of the Council that they were posted or transmitted before the day and time for closing of tenders/quotations and in the ordinary course of events would have reached the Council before the time and date of closing of tenders/quotations.*
- *All tenders/quotations received shall be held unopened in the care and custody of the Chief Executive Officer who will ensure that they are kept in a sealed and suitably marked receptacle until after the close of tenders/quotations.*
- *In accordance with Section 41 of the Local Government Act, the Chief Executive Officer and Works Supervisor be authorised to jointly open tenders/quotations after the closing date to enable collation of the information for circulation to Councillors, for the next meeting of Council or Committee.*
- *The tender/quotation can only be opened by these two officers or persons acting in their capacity and immediately after they are opened, the tenders/quotations must be initialled by those two officers.*
- *The Council shall not be bound to accept the lowest on any tender.*

SALE & DISPOSAL OF LAND & OTHER ASSETS

(Council's) Charter - The Principles

For the sale and disposal of land and other assets. The following principles will apply regarding decisions of Council:

- *Consistency with and relevance to Council's Strategic Plan.*
- *Transparency and accountability in sale and disposal procedures and practises to ensure that Council obtains the best price and that all potential purchasers are given equal opportunity to purchase the land or assets.*
- *Opportunities to enhance local economic development and growth.*
- *Compliance with statutory and other obligations.*
- *Commercial confidentiality.*

Sale and Disposal Options

Council will sell or dispose of land and other assets through adoption of one of the following practises and in so doing reserves the right to seek an independent value on any land or asset prior to the sale:

- *Direct sale - advertisement for sale and the nature of the advertisement, i.e. public notice, local paper etc.*
- *Selected tender - seeking tenders from a selected group of persons/companies etc*
- *Open tender - openly seeking, through advertisement, tenders or buyers for Council land and other assets.*

In identifying the circumstances in which to apply these options, Council will consider the following:

- *the number of known potential purchasers of the land or assets.*
- *the original intention for the use of the land or asset when purchased, where relevant.*
- *The current and possible preferred future use of the land or assets.*
- *the opportunity to promote local economic growth and development.*
- *delegation limits taking into consideration accountability, responsibility, operational efficiency and urgency of sale.*

COMMUNITY LAND MANAGEMENT PLANS

All land except roads held as at 1st January 2000 is classified as ‘community land’ unless Council resolves to exclude it from that classification. The intention behind the legislation is that Council, in consultation with the community, should determine which land should or should not be classified as community land.

Where the land is under the care, control and management of a Council, but is not owned by the Council, the Council cannot resolve to exclude the land from classification as community land without the approval of the relevant Minister.

Management Plans are required for land that is, or is to be, occupied under a lease of licence or land that has been, or is to be, specifically modified or adapted for the benefit or enjoyment of the community. Such plans were required to be prepared for land held as at 1st January 2000 by the 1st January 2005, and land acquired after 1st January 2000, as soon as practicable after the requirement for the plan arises.

A person must not use community land for a business purpose unless the use is approved by Council. The Council cannot approve the use of community land for a business purpose contrary to the provisions of the management plan.

ADMINISTRATION, FINANCE & GOVERNANCE

CEO'S MESSAGE

Local Government is rightly referred to as the Government that is closest to the people. The people within this district help shape the focus and priority of issues within the community.

The 2004/2005 financial year has seen increased pressures on the Council for doing more with less. Changes to the Local Government Act have put significant pressure on Office Staff in order to comply with new legislative requirements and to complete the paper trail in the event of any future claim that may present itself to Council.

Council cannot be all things to all people and this district is heavily reliant on voluntary input to run our halls, community groups etc and even assist with Council core activities eg parks and reserves, median strips etc. The work by the volunteers in this regard is very much appreciated and despite attempts in legislation to mandate improvements in community affairs, a legislative approach cannot achieve this, it must come from within the people and those who are prepared to put in for the community. Local Government Mutual Liability Scheme has a Risk Management Officer attending Council and volunteer input is one area coming under scrutiny and the Council needs to develop a detailed Volunteers Policy. The general area of Risk Management is going to occupy a significant amount of Council administrative resources over the next few years and is the next 'big one' following the Occupational Health and Safety audit.

Each year the momentum of life seems to pick up a notch, and the task ahead of us becomes one of focusing our energies where they will be most effective, without unduly depleting our valuable human and financial resources. The coming year will inevitably be in the same vein.

In conclusion, I feel it is most important that I thank my fellow employees for their untiring commitment to serving the interests of the local community within which they live. I commend them for the extra hours of work that they have put in at no cost to Council - that 'bit extra for love'. Working in Local Government is often demanding, but it is never dull. The majority of what is outlined within this document simply would not have happened without their extraordinary efforts.

The future will provide many opportunities for the communities within the District Council of Mount Remarkable. Council, Elected Members and Staff will need to proactively tackle these as they arise, to ensure that the Council remains innovative and continues to provide excellence in service delivery, whilst harnessing the benefits of the district's economic and social potential.

I look forward to working cooperatively and productively with you all over the ensuing twelve months, in a concerted effort to achieve the vast array of objectives of Council and the Community.

SR CHERITON
CHIEF EXECUTIVE OFFICER

RATES

The District Council of Mount Remarkable and Elected Members have been fully aware of the present economic situation within agriculture and take account of the level of the major commodity prices of grain and wool, when setting rates.

In 2004/2005 Council had a 4% rate increase. This is against the background of many fees and charges increasing to Council.

DEVELOPMENT

The following table illustrates the number of development applications by category.

TYPE OF DEVELOPMENT	NUMBER
New Work (House, Shed etc)	112
Alterations/Additions	23
TOTAL	135

PUBLIC & ENVIRONMENTAL HEALTH

The District Council of Mount Remarkable employs Mr Keith Simmonds for health inspections as required throughout the year. Inspections of food handling and preparation premises are undertaken, with the overall aim to ensure that all such premises are operating to satisfactory standards. Keith has recommended that each operation adopt appropriate measures and continues to work closely with all concerned to achieve the overall objective.

SPORT & RECREATION

Council's policy is to assist sporting clubs with the provision of Council reserves at minimum lease fee with an expectation that the club or community group maintain the facility as best they can.

Council does assist with sponsor costs and in-kind support in any grant application to improve sport and recreation facilities. Council has submitted an application to Transport SA for bicycle development in an attempt to make the district bike friendly.

COMMUNITY LIBRARY

Council supports the use of the Flinders Mobile Library which is a truck that is shared between 16 towns visiting once each fortnight. Costs are shared between Northern Areas, Port Pirie Regional and Mount Remarkable Councils.

WASTE MANAGEMENT

Council presently operates a refuse tip in each township, however pressures from the EPA require us to close these tips and introduce a Manager. Council has spent in excess of \$100,000 to date on the implementation of the Waste Management Strategy, including the construction of the new Willowie landfill site and the implementation of the kerbside domestic waste collection service.

ANIMAL & PLANT CONTROL

Council is a member of the Lower Flinders Animal and Plant Control Board. Kevin Teague is the Authorised Officer who can be contacted via the following:

Phone/Fax: (08) 8666 2061

Email: kevin@mtr.sa.gov.au

WORKS & ENGINEERING

Major roadworks undertaken for 2004/2005 are detailed in Appendix E.

RATING POLICY

Pursuant to Section 171 of the Local Government Act 1999, Council must in conjunction with the declaration of rates, prepare and adopt a rating policy. This is attached in Appendix A.

COMPETITIVE NEUTRALITY

The primary objective of the 'National Competition Policy' is to ensure that local businesses gain an opportunity to compete for the provision of local government business.

Complaints must be received in writing detailing the nature of the complaint and how they believe such activity by the Council is disadvantaging the complainant. The Chief Executive Officer will make an interim determination as to whether the complaint will be investigated internally or by appointing a person from an independent panel established by the Local Government Association.

If the matter is determined internally, the complaint is to be referred to the Chief Executive Officer who must determine a position on the matter. viz – within 5 working days from receipt of the complaint:-

- record the complaint in the complaints register
- acknowledge the complaint
- advise the complainant who will be dealing with the complaint
- provide the complainant with a copy of the policy
- provide the complainant with a copy of the complaints process
- investigate the complaint within 21 working days of receipt of the complaint
- advise the complainant of the result of the investigation and any corrective action taken
- record the outcome in the complaints register.

Where a complainant is not satisfied with the advice received, the complaint is to be referred to the panel established by the LGA. The process for handling the review is to mirror the original handling of the complaint. Where the complaint has been addressed through the local government process, the complaint is to be referred to the competition commissioner.

The revised clause 7 statement on the application of competition principles to Local Government under the Competition Principles Agreement requires Council to include in its Annual Report, specific information related to significant business activities, competitive neutrality, by-laws and complaints.

In relation to this:

- Council has a Category 2 significant business activity in the form of the Melrose Caravan Park.
- There has been no change in the application of competitive neutrality since Council's last return.
- Council presently has no by-laws in force, and none have been repealed in the preceding twelve months.
- No complaints about competitive neutrality were received during the preceding twelve months.

EEO & HUMAN RESOURCE MANAGEMENT

The Council believes it has a responsibility to all members of its community to create an employment environment which is free of discrimination and which reflects the diversity and needs of the community it serves. The Council is firmly committed to the principle of equal opportunity in employment for all employees and potential employees.

Council therefore acknowledges its legal obligations under the Local Government Act and Federal Equal Opportunity laws, in that:

- The SA Equal Opportunity Act makes discrimination unlawful on the grounds of sex, sexuality, marital status, pregnancy, race, physical or intellectual impairment and age in areas of employment, provision of goods and services, advertising, accommodation and clubs and associations. Sexual harassment and victimisation are also unlawful.
- The Local Government Act requires that Council observe general principles of personnel management and develop, implement and review an Equal Employment Opportunity Program.

As part of this program Council has:

- Incorporated the program into the Corporate Plan.
- Consulted the Council's CEO/Workplace representatives.
- Ensured that recruitment, selection, promotion, transfer and training are based solely on the merit principle. This means that selection is based on skills, knowledge, qualifications and experience (including community experience) relevant to the job or situation.
- Appointed Sean Cheriton to the position of EEO (Equal Employment Opportunity) Officer.
- Reviewed existing training programs.
- Ensured that services provided to residents will be delivered in a fair and equitable manner.
- Provided all new and existing employees with EEO awareness training and any other training relevant to their position or responsibilities.
- Ensured that all employees have received copies of the EEO policy.

The overall responsibility for monitoring the effectiveness of this policy and for implementing an ongoing EEO program is vested in the Chief Executive Officer.

REGIONAL SUBSIDIARIES

Council currently has one regional subsidiary that falls within the provisions of Section 43 of the Local Government Act 1999.

They are the Central Local Government Region of SA Inc.

This regional subsidiary produces its own individual annual report and this is available by contacting the Executive Officer, Mr Peter Emery, PO Box 648, CLARE SA 5453, Phone 8842 2558. Clause 28 of Schedule 2 of the Local Government Act 1999, provides that each constituent Council must incorporate the annual report of each regional subsidiary into its own annual report.

FINANCIAL STATEMENTS

Pursuant to the provisions of Schedule 4 of the Local Government Act 1999, Council's Audited Financial Statements for the 2004/2005 financial year form part of this annual report, and are included as Appendix D.

APPENDIX A – RATING POLICY

DISTRICT COUNCIL OF MOUNT REMARKABLE 2004/2005 RATING POLICY/STATEMENT

INTRODUCTION

This document sets out the policy of The District Council of Mount Remarkable for setting and collecting rates from its community. Its purpose is to increase the level of understanding about the legislative framework for local government rates and the principles which underpin the rating policies of the Council.

The policy covers:

- * strategic focus of the Council
- * business impact statement
- * issues of consistency and comparability across Council areas
- * method used to value land
- * adoption of valuations
- * general rates
- * fixed charge
- * differential general rates
 - ▶ inside townships
 - ▶ outside townships
 - ▶ land use objections
- * separate rate
- * service charges
 - ▶ Septic Tank Effluent Disposal Scheme
 - ▶ kerbside waste collection
- * rate concessions
 - ▶ pensioner concessions
 - ▶ self funded retirees concessions
 - ▶ other Centre Link beneficiaries
 - ▶ concessions guide
- * quarterly payment of rates
- * early payment incentives
- * methods by which rates may be paid
- * late payment of rates
- * remission and postponement of rates
- * rebate of rates
- * sale of land for non-payment of rates
- * copies of this policy

STRATEGIC FOCUS

In setting its rates for the 2004/2005 financial year the Council budget established an overall rate increase of 4.0% compared to last year and in doing so has considered the following:

- * the statutory obligation in the 1999 Local Government Act;
- * its current Strategic Plan, adopted in February 1999, which set the long term objectives and priorities of the community. The Strategic Plan was developed following an extensive series of public meetings and community consultation with local businesses, community groups and interested citizens;
- * the current economic climate in which the major factors are:
 - ~ continued poor employment prospects generally throughout the district;
 - ~ low inflation and low interest rates;
 - ~ the continuation of the succession of poor seasonal conditions over much of the Council area which is impacting on many of the primary producers in the area;
 - ~ improved rural commodity prices, however due to continuing drought and high fodder costs, stocking rates have been dramatically reduced which has not allowed primary producers to capitalise on stock prices;
 - ~ the failure of cereal crops in the 2002/03 and 2003/04 seasons in much of the Council area with the result that many primary producers did not recover their input costs and were unable to replenish reserves of stock feed (grain and hay);
 - ~ increased fuel and other operational costs;
 - ~ the continuing trend for State Government to shift responsibilities on to Local Government generally but to not provide funding to go with it;
 - ~ decrease in grant funding opportunities for community projects which has placed increased pressure to fund such projects through rate revenue;
- * recent demand for coastal view residential land which has seen dramatic valuation increases in:
 - ~ Port Germein - due to the increases generally being of a non-speculative nature, Council is unable to pass on the resultant effect in rates;
 - ~ Port Flinders - continuing increases have generally been across the board which has enabled Council to minimise the impact by decreasing the rate in the dollar, however a few selective assessments received larger than average increases;
- * the uneven valuation increases within the areas outside of township;
- * the specific issues faced by our community, which are:
 - ~ the need for a significant capital works program to replace and upgrade Council's extensive road network and road infrastructure assets;
 - ~ stormwater drainage management plans for all five (5) major towns have been engineer designed and now need funding to implement;
 - ~ the inability to raise sufficient revenue to lift the road infrastructure to the standards demanded by electors in 2004;
 - ~ implementation of Council's new waste management strategy which has exceeded all initially projected costs in regard to the new central waste landfill site and closure of all existing landfill sites;
 - ~ establishment of kerbside household garbage collection service;

- * the budget for the 2004/2005 financial year which provided for:
 - ~ operating expenditure of \$5,947,189 - an increase of 29% on the previous year's budget;
 - ~ operating income from all sources (other than rates) of \$3,834,400 - an increase of almost 72%;
 - ~ requiring rates of \$1,386,413 to be raised to balance the budget;
- * some of the specific expenditure items in the 2004/05 budget included:
 - ~ funding to formalise risk management practices across all facets of the Council activities and has impacted on the cost of all services;
 - ~ increased expenditure on environmental health to enable compliance with the new Food Act legislation;
 - ~ funding to match the Special Local Roads program (formerly Roads of Regional Significance) grant of \$333,000 on a 1/3 Council contribution basis - which in effect means Council must find \$167,000;
 - ~ continuation of a plant replacement program in order to keep Council plant to an acceptable standard so that repair and maintenance costs are minimised and future replacement costs are within Council's reach;
 - ~ increases in government and utilities levies, fees and charges:
 - e.g - water rates (10 years ago they were 2/3 less than now);
 - waste management levy (\$700 when introduced in the late 1980's - now \$6,500);
 - a percentage of all building assessment fees are now required to be paid to Planning SA;
 - ~ loan principal repayments of \$54,850 and loan interest repayments of \$76,730.

Whilst financial resource limitations make it impossible to achieve or even attempt to achieve all of the Objectives and Strategies identified in the Plan, Council has made a committed effort towards achieving as many of them as possible.

The following specific activities are incorporated in the 2004/05 budget:

• Road Construction and Maintenance	\$2,510,500
Which includes:	
* Road Construction	\$685,000
* Special Local Roads Program (Laura Appila)	\$448,000
* Transport SA Construction	\$780,000
* Patrol Grading	\$210,000
* District Roads Maintenance	\$140,000
* Unsealed Roads Maintenance	\$70,000
* Township Roads Unsealed Maintenance	\$70,000
* Township Roads Sealed Maintenance	\$5,000
* Resealing Program	\$60,000
* Footpath Maintenance	\$7,500
* Flood Damage Repairs	\$20,000
* Other Maintenance	\$15,000
• Traffic Control & Signage	\$57,500
• Wirrabara Drainage Project (\$100k Externally Funded)	\$128,650

• Machinery Operating Costs	\$382,000
• TV Black Spots Project	\$37,000
• New Assistant Works Manager Position	\$45,000
• Melrose Caravan Park Development Plan	\$8,000
• Community Assistance Grants	\$15,000
• Street Lighting	\$21,500
• Event Sponsorship & Donations	\$6,000
• Loan Principal Repayments	\$54,850
• Paradise Square, Melrose Public Toilets	\$12,000
• Photocopier	\$15,000
• Remaining Booleroo Centre STEDS Payments	\$75,000
• Reinstatement of Plant Replacement Reserve Monies	\$75,000
• Hall Maintenance Program (5 years)	\$25,000
• STEDS Maintenance and Loan Servicing (Interest)	\$113,000
• Implementation of Waste Management Strategy	\$365,000
Which includes:	
* Contribution Towards Overall Implementation Cost	\$100,000
* New MGBs and Collection Contract	\$170,000
* New Street Bins and Collection Cost	\$26,000
* Hard Waste Collections	\$20,000
* New Transfer Station & Operations	\$40,000
• Flinders Mobile Library Contribution	\$43,000
• Animal and Plant Control (Board Contribution and Other Exp.)	\$65,000

All of the above projects are in line with and working towards achieving the objectives and strategies contained within Council's Strategic Management Plan.

- * Council's inability to raise significant income from rents and lease payments, as income from these sources must be balanced by the desire to ensure that community groups and sporting bodies have sufficient resources to meet their obligations. As a result concession rent and lease arrangements apply to Council parklands and reserves.
- * the impact of rates on the community, including:
 - ~ householders, businesses and primary producers, and the need to share the rate burden between the ratepayers;
 - ~ the principal that ratepayers in each town should be paying approximately the same amount for residential occupation (except where there is clearly a different level of service available or some other circumstance which warrants variation from the principle of equity);
 - ~ the acknowledged fact that the economy of the Council area is based on the well-being of the district's principal industry - primary production;
 - ~ Council's desire to maintain a conservative low net debt management of its finances which is mindful of the ratepayers ability to pay the levied rate/tax;
 - ~ the benefit taxpayers receive from the services provided by the Council;
 - ~ the need to equitably distribute the rate burden across the community taking into account the principles of taxation;

- ~ minimising the level of general rates required by levying charges for provision of the Booleroo Centre, Wilmington and Melrose STED Schemes to a user pays basis, so that the full cost of operating and providing the service is recovered from those ratepayers who benefit from the Scheme, with provision for pensioner concessions to those who are eligible to meet the concession criteria;
- ~ minimising the level of general rates required by levying a service charge for providing a kerbside garbage collection to towns and residential properties outside of towns in certain parts of the Council area;
- ~ the expanding community expectation to maintain and improve community infrastructure and services and in particular the ten district Halls, whilst still providing financial restraint by keeping Council rates as low as possible;
- ~ increased liability risks arising from legal compliance becoming more complex and changes to community attitudes on acceptance of responsibility for ones own actions.

The Strategic Plan documents and the Council's Budget are available for inspection at the Council Office.

The Council frequently conducts public consultation on a broad range of issues relating to the future directions of the area. The consultation mechanisms are always advertised in either local papers or the Council Newsletter. Ratepayers and interested parties are welcome to attend Council Meetings to ask questions of the Council during Community Question Time. The Council also encourages feedback at any time and such comments may be sent to Mr Sean Cheriton, Chief Executive Officer, District Council of Mount Remarkable, Box 94, MELROSE SA 5483.

Council keep a careful watch on issues and opportunities for community and industry organisations and advise of these opportunities within their monthly Newsletter.

BUSINESS IMPACT STATEMENT

Council is required by Section 171(2)(c) of the Local Government Act to prepare and publish a Business Impact Statement.

The Council has considered the impact of rates on all businesses in the Council area, including Primary Production.

In considering the impact, Council assessed the following matters:

- ~ those elements of the Council's Strategic Management Plan relating to business development;
- ~ the equity of the distribution of the rate burden;
- ~ Council's policy on facilitating local economic development through its financial support to the Port Pirie Regional Development Board, who employ a small business advisor;
- ~ the specific Council project that has seen a tourism officer based in the area to assist tourism product development;
- ~ the provision of \$5,000 for a tourism marketing agreement with the State Government;
- ~ provision of a \$2,000 grant as a major sponsor of the Bike SA Annual Tour in October 2004;
- ~ provision of \$7,500 as a sponsor cost for a Bicycle Trail Strategic Plan;

- ~ changes in the valuation of primary production land from the previous financial year which have varied significantly in the higher rainfall/production Hundreds of Wongyarra, Appila and Woolundunga by approximately 20%. Other rural property value increases varied from 6% to 16%;
- ~ rebates of rates given to certain businesses where Council considered rates levied were beyond the capacity of those businesses to pay;
- ~ regular food premise inspection costs absorbed by the Council and not on-charged as legislated;
- ~ specific projects that have principally provided benefit to the primary producers included:
 - > a continuing proactive effort in promoting the Single Farm Enterprise benefit which has reduced the rate burden on primary production enterprises;
 - > Council's continued involvement in an Advisory Committee of Baroota irrigators in order to protect and assist with prescription of the declining underground water resource at Baroota;
 - > involvement of Council staff who have played a key part in development of the N&YAD Strategic Plan which saw considerable investment come into this area in Natural Resource Management funding;
 - > involvement with the Port Pirie Regional Development Board in investigations to utilise water in the Baroota Reservoir for irrigation purposes;
 - > remission of building assessment fees on primary production use sheds.
- * Continuation of the STED implementation program which will assist both residential and business land uses to dispose of waste water. These Schemes will have a largely beneficial use to high water usage businesses eg. Hotels, Caravan Parks and other accommodation facilities.
- * Grant funding for road infrastructure - eg. Booleroo/Jamestown and Orroroo/Laura Roads.
- * Establishment of Advisory Committees to plan for:
 - opening-up of the Bluff Road and provision of facilities on the Bluff to add to the tourism experience;
 - Bicycle Trails within the area to promote, in conjunction with Bike SA, bicycle visitation to the district.

ISSUES OF CONSISTENCY AND COMPARABILITY ACROSS COUNCIL AREAS

For the purpose of assessing issues relating to consistency and comparability across adjoining Council areas in the imposition of rates, Council in 2002/2003 undertook a comprehensive comparison of the 2002/2003 rates levied by the District Council of Mount Remarkable against rates levied by other local government entities in this region.

At the conclusion of the exercise, Council were able to form the opinion that the District Council of Mount Remarkable rates compared favourably with neighbouring Councils and adopted the following conclusions:

- * The exercises had been interesting and worthwhile.
- * The District Council of Mount Remarkable policy of differential rating on locality (eg. distinguishing land within or outside of a township) appears to be the general practice of our neighbouring Councils.

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- * It is common between the Councils to have a lesser rate in the \$ in rural areas and on primary production land use.
 - * The ratio of rates raised between townships and rural areas is on a par with 5 of our neighbouring Councils.
 - * The fixed charge of \$95 in this Council was the lowest of fixed charges applied by the compared Councils. However, it was noted that several Councils rating on a minimum rate basis did not apply a minimum rate to their rural primary production land use.
 - * The District Council of Mount Remarkable is on average 'mid range' for rating purposes compared to neighbouring Councils and ratepayers generally pay less.
 - * Using site valuation as a basis for rating purposes, vacant land uses pay more rates per assessment per annum than if capital value had been used.
 - * Those allotments with capital improvements would pay considerably more where capital value was used.
 - * The District Council of Mount Remarkable rating method is more equitable than some of the compared methods as fixed charges are applied across the board.

METHOD USED TO VALUE LAND

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

They are:

- * *Capital Value* - the value of the land and all of the improvements on the land.
- * *Site Value* - the value of 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* - a valuation of the rental potential of the property.

The Council has decided to continue to use site value as the basis for valuing land within the Council area. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- * the mix and range of property values due to rainfall and soil variations within the Council area make site value a more equitable basis for rating in this Council area;
- * Capital value is perceived by Council to penalise the rural property owner who improves his land and buildings;

- * primary producers are 'asset rich and cash poor'. Many are also asset rich with high debt - high assets being a necessity to earn income. This is a contradiction to the principle of taxation that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth. This is a factor in why Capital Value is not used by the Council;
- * property site value is a relatively good indicator of wealth as it closely approximates the market value of a property less the improvements and provides a good indicator of overall property value;
- * as Council rate on land use, careful attention is paid to the land use codes used for rating purposes, and are looked at on a property by property basis by Council Staff.

ADOPTION OF VALUATIONS

The Council has adopted the valuations made by the Valuer-General as provided to the Council on 14th August 2004. If landowners are dissatisfied with the valuation made by the Valuer-General then they may object to the Valuer-General in writing, within 60 days of receiving notice of the valuation on their rate notice, explaining the basis for the objection - provided they have not:

- (a) previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice;
- or
- (b) previously had an objection to the valuation considered by the Valuer-General.

The address of the Office of the Valuer-General is:

Office of the Valuer-General
GPO Box 1354
ADELAIDE SA 5001

and the telephone number is 1300 653 345.

The Council has no role in this process. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

GENERAL RATES

All land within a Council area, except for land within a specific exemption (eg. Crown land, Council occupied land and other land prescribed in the Local Government Act - refer Section 147 of the Act), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate which applies to all rateable properties.

At a Special Meeting of Council held on 26th August 2004, the Council decided to raise rate revenue of \$1,386,413 in a total revenue budget of \$5,220,813.

The judgement handed down by the Federal Court late in the year 2000 determined that the underground and overhead cables of all telecommunication carriers are rateable and that

Council have a duty to rate “all rateable land” unless the Local Government Act or other legislation provides an exemption. The telecommunication carriers Telstra and Optus appealed to the Full Court of the Federal Court against the determination of the single Judge in the Federal Court and the Appeal was successful in overturning the original determination.

As the Council had prudently provided a reserve account provision for bad debt, the loss of this budgeted revenue had a nil effect on Council finances.

FIXED CHARGE

The Council has decided to impose a fixed charge system, rather than a minimum rate which tends to distort the equity principles of taxation. This financial year the fixed charge has again been declared at \$200, and 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 that 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. 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 has a lesser proportionate impact on lower income earners than a minimum rate system;
- * the fixed charge system is more readily understandable than a minimum rate system;
- * from a ratepayers perception, anecdotal evidence appears to be in favour of a fixed charge which is uniformly paid by each ratepayer.

DIFFERENTIAL GENERAL RATES

The Local Government Act allows Councils to differentiate rates based on the use of the land, the locality of the land or, the use and locality of the land. Definitions of the use of the land are prescribed by regulation and the current definitions are:

- * Residential
- * Commercial - Shop
- * Commercial - Office
- * Commercial - Other
- * Industry - Light
- * Industry - Other
- * Primary Production
- * Vacant Land
- * Other.

The Council has decided to impose differential general rates based on:

- * whether the land is within or outside a township;
- * land uses both within and outside of townships;
- * differentiation between townships.

Simply applying the equity principle would not allow for any rate differentials. However, it is clear that the benefits received by taxpayers are not uniform - and this is particularly the case in regard to rural ratepayers in our sparsely populated Council area with a number of small townships.

Typically, the services not provided to some ratepayers include street lighting, waste management, kerbing and guttering, footpaths and sealed roads. In addition, remoteness from a township may preclude the use of the library service and other Council provided services. The application of the benefit principle suggests that those ratepayers should pay less than ratepayers able to have access to the full range of Council services. (Note that this does not mean that a ratepayer who either chooses not to use Council services or has no current need of some Council services should pay less in rates. The reality is that the use of Council services varies at different periods in the lives of all ratepayers.)

The ability-to-pay principle is another reason why differential rates are applied, particularly to rural properties and primary production. Rural incomes tend to be irregular and some reduction in the taxation burden results from this. A further point to consider is that the taxation in Australia of primary production has always been subject to exemptions on the basis that it is important to minimise the impact of taxation on the input side of primary production - an application of the efficiency principle.

The Commonwealth Government has the ability to collect taxes it foregoes on primary production when it taxes farmers and primary production companies on their income. Unfortunately, when local government foregoes property taxes it has no other mechanism to collect such taxes and redistributes the tax burden to other ratepayers.

The rate in the dollar on residential, commercial and industrial properties from both within and outside of townships has been set to obtain a reasonable contribution from every property towards the cost of providing goods and services.

INSIDE TOWNSHIPS

The mix and range of property sizes and values in each township contribute to the reason for differential general rates within the townships, which achieves uniformity and equity in rate payments of similar types of land use in each of the towns.

For example a residential property in comparable streets in each of the towns of Melrose, Booleroo Centre, Wirrabara, Wilmington and Port Germein would be paying a similar rate.

Within the towns of Port Germein, and to a lesser extent Port Flinders, rapid valuation increases on some properties, resulted in Council forming the opinion that it was appropriate to provide relief to phase in what would otherwise have amounted to a substantial change in rates payable due to the rapid change in valuation.

There was also a significant valuation increase for properties with a creek frontage in Melrose and to limit the impact of the valuation increase, Council formed the opinion that it was

appropriate to provide relief to phase in this steep increase which has now occurred for the second successive year.

The specific measures adopted by Council to counteract these variabilities in increased values was to utilise differential rates within each of the towns.

OUTSIDE OF TOWNSHIPS

It is the case that a few high valued residential land use properties outside of townships are paying more than the 'average' property, thereby paying disproportionately more, as compared to the impact of services on their property values. Council have therefore again used the discretionary rebate provisions of the Local Government Act to reduce the rate burden on those few high valued properties and capped the maximum amount payable at \$562.

LAND USE OBJECTIONS

The Council will provide, on request, a copy of Section 156 of the Local Government Act which sets out the rights and obligations of ratepayers in respect of objections to a land use. The objection must be in writing and set out the basis for the objection and details of the land use that in the objector's opinion should be attributed to that property.

The Council may then decide the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against the Council's decision to the Land and Valuation Court. Objections to the Council's decision may be lodged with Mr Sean Cheriton, Chief Executive Officer, District Council of Mount Remarkable, Box 94, Melrose SA 5483. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

SEPARATE RATE

During the 2003/2004 financial year the Council developed a proposal to impose a separate rate on a part of the Council area to raise funds to maintain the structural stability and improve the building maintenance program of district Halls within the townships of Appila, Booleroo Centre, Bruce, Hammond, Melrose, Murray Town, Port Germein, Willowie, Wilmington and Wirrabara.

The District Council of Mount Remarkable, since its formation in 1980, had not previously declared a separate rate. However the significant shortfall in revenue required to respond to community needs and to adequately maintain the community infrastructure under its care and control prompted the Council to implement this proposal. The separate rate shifts responsibility from a few within the community to the whole of the community and does so in a manner that is open and accountable.

The separate rate proposal is to raise an amount of approximately \$25,000 per year over a five (5) year period.

Differential rates based on locality, land use and valuation were declared both within and outside of townships and an amount of \$26,467 was raised. As rebates comparable to those given on general rates must also be given on other rates, this amount will be reduced.

SERVICE CHARGES

The Council has decided to raise revenue by means of a service charge 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.

When revenue is raised through a service charge, the funds raised must not be utilised for any other purpose.

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

SEPTIC TANK EFFLUENT DISPOSAL SCHEMES

The Council provides a Septic Tank Effluent Disposal Scheme (STEDS) to all residential, commercial and vacant properties in Wilmington, Melrose and Booleroo Centre. The full cost of servicing the construction loans, operating and maintaining these services for this financial year is budgeted to be \$227,257. The Council will recover this cost through the imposition of service charges of:

Wilmington:

- * \$171 for each occupied property unit.
- * \$166 for each vacant allotment.

Melrose:

- * \$190 for each occupied property unit.
- * \$180 for each vacant allotment.

Booleroo Centre:

- * \$270 for each occupied property unit.
- * \$241 for each vacant allotment.

Details on what constitutes a service charge for each Property Unit, and other information about the Scheme, are available from the Council Office.

A Statement of Income and Expenditure in relation to the cost to Council of establishing, operating, maintaining, improving and replacing the STED Schemes to these three (3) towns in the 2003/2004 financial year are itemised in the table hereunder:

	Wilmington	Melrose	Booloroo Centre	Total
Balance b/f	16,830	5,743	0	22,573
Income				
Service Charge - General	37,755	28,270		66,025
Service Charge - De-sludging				0
Total Income	37,755	28,270	0	66,025
Expenditure				
Loans - Principal	17,971	11,909	5,146	35,026
Loans - Interest	10,096	15,026	24,845	49,968
Maintenance	5,667	9,304	342	15,313
De-Sludging	9,315			9,315
Depreciation (Not Funded)	29,239	38,351		67,590
Total Expenditure	72,288	74,590	30,333	177,212
Net Income (Current Year)	(34,533)	(46,320)	(30,333)	(111,187)
Net Income (Excl. Depreciation)	(5,294)	(7,969)	(30,333)	(43,597)
Balance to c/f	11,536	(2,226)	(30,333)	(21,024)

KERBSIDE WASTE COLLECTION

In the current financial year the Council intend to provide a kerbside waste collection service to the majority of the towns in the Council area and to the rural residential properties abutting the collection route.

Council recognised that this new service will incur greater costs for ratepayers, however for environmental reasons the Council must proceed with the restructure and upgrade of waste management practices and operations.

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

Council will therefore recover the cost of this service through the imposition of a service charge of \$84 in the current financial year for collection and disposal of the waste and \$50 for provision of a 240 litre mobile garbage bin.

The service charge will apply to all occupied properties who 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 Local Government Act permits Council to apply the charge pro rata against the remaining period of the financial year.

A map of the proposed collection route is attached - refer annexure 2.

It is recognised that the route may need to be changed from time to time. However before any new service charge or rate is imposed on any ratepayer, a consultation process must be undertaken.

Council acknowledge that operation of the waste collection service for a full year will incur a higher service charge than imposed in this financial year.

RATE CONCESSIONS

The State Government, in providing equity across SA, funds a range of concessions on Council rates. The concessions are administered by various State Agencies and SA Water Corporation who determine eligibility and pay the concession directly to Council on behalf of the ratepayer. Concessions are available only on the principal place of residence.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates. A refund will be paid to an eligible person if Council is advised that a concession applies and the rates have already been paid.

PENSIONER CONCESSIONS

An eligible pensioner must hold a Pension Card, State Concession Card or a Repatriation Health Card marked TPI Gold, EDA Gold or War Widow and may be entitled to a concession on Council rates (and water and effluent charges where applicable). Application forms, which include information on the concessions, are available from the Council, SA Water Corporation and its District Offices or the Department of Human Services. This concession is administered by SA Water on behalf of Department of Human Services and further information can be obtained by telephoning SA Water.

SELF FUNDED RETIREES CONCESSIONS

This is a concession available since 1 July 2001 and is administered by Revenue SA. If a self-funded retiree, currently holding a State Seniors Card they may be eligible for a concession on their Council Rates. In the case of couples, both must qualify, or if only one holds a State Senior's Card, the other must not be in paid employment for more than 20 hours a week. If a concession on a rate notice has not been received or if further information is required, please contact the Revenue SA Call Centre on 1300 366 150.

OTHER CENTRELINK BENEFICIARIES

The Department of Family and Youth Services administer other Council rate concessions that are available to a range of eligible persons receiving State and Commonwealth allowances. This includes, but is not limited to, ratepayers who are in receipt of: Austudy, Newstart, Parenting Payment, Partner Allowance, Sickness Allowance, Special Benefit, Widow Allowance, Youth Allowance, Abstudy, Commonwealth Development Employment Project (CDEP) or a New Enterprise Initiative Scheme.

It may also apply to ratepayers in receipt of a pension as a war widow under legislation of the United Kingdom or New Zealand and the holders of a State Concession Card issued by Family and Youth Services. All enquiries should be directed to your nearest branch office of Family and Youth Services (refer to page 47 of the 2004 White Pages Upper North telephone directory for location and telephone details).

The Department of Family and Youth Services may assist with the payment of Council rates for a landowner's principal place of residence (remissions are not available on vacant land or rental premises). Please contact your nearest Department of Family and Youth Services Office for details.

CONCESSION GUIDE

Revenue SA provide a guide that provides an overview of the major concessions available to pensioners, Centre Link allowees, Seniors and other groups in SA. Copies of this guide can be obtained from the Council Office.

QUARTERLY PAYMENT OF RATES

The Local Government Act 1999 provides that all Councils must now provide ratepayers with the opportunity to pay rates in 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 instalments due dates are:






- * 30th September 2004;
- * 6th December 2004;
- * 7th March 2005;
- * 6th June 2005.

EARLY PAYMENT INCENTIVE

It is not mandatory for ratepayers to pay by quarterly instalments, they may pay the full amount of rates for the year. This year Council has offered a 2% discount on general rates to those ratepayers who pay their full year's rates prior to 30th September 2004. [This discount is not offered when payment is made by credit card.]

METHODS BY WHICH RATES MAY BE PAID

Payment methods include:

<p>Internet - www.mtr.sa.gov.au</p> <ul style="list-style-type: none"> • online services • pay your rates online 		<p>Info-Pay - Dial 1300 303 201</p> <ul style="list-style-type: none"> • No 4327 • eCouncil No. = Assessment No. on your rates notice 	
<p>BPay at any Bank - Biller Code 2253</p>		<p>Post: PO Box 94 Melrose SA 5483</p>	
 <p>In person at the office of the Council in Stuart Street Melrose between the hours of 9:00 am and 4:30 pm Monday to Friday</p>			

- * Centrepay -
Centrelink has developed a free bill paying service for customers receiving Centrelink payment, whereby fortnightly payments are directed into the Council's bank account out of the Centrelink pension or benefit. Ratepayers can telephone or visit their nearest Centrelink Office to request a deduction (SA 325) form.
- * Council now has EFTPOS facilities available. This is not a cash out facility. Please note - due to the merchant fee applied by credit providers, discount for early payment is not offered when payment is made by credit card.

The Council has adopted a policy that where the payment of rates will cause a ratepayer demonstrable hardship, the Council is prepared to make extended payment provisions or payments by deferred arrangement.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Mrs Phyllis Robinson at the Council Office to discuss alternative payment arrangements. All such inquiries are treated confidentially.

Mrs Robinson has a delegation to make alternative arrangements and it is not necessary that they be reported to Council.

LATE PAYMENT OF RATES

The Local Government Act provides that Councils impose an initial penalty of 2% on any payment for rates that is received late. A payment that continues to be late is then charged a prescribed interest rate on the expiration of each month that it continues to be late. For the 2004/2005 financial year this rate is 0.77% per month.

The Council issues a final notice for payment of rates when rates are overdue ie. unpaid by the due date. Should rates remain unpaid more than 30 days after the issue of the final notice then unless alternative payment arrangements have been agreed with the Council, then the debt may be referred to a debt collection agency for collection. The debt collection agency charges collection fees to the ratepayer.

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

- * first - to satisfy any costs awarded in connection with court proceedings;
- * second - to satisfy any interest costs;
- * third - in payment of any fines imposed;
- * fourth - in payment of rates, in chronological order, starting with the oldest account first.

REMISSION AND POSTPONEMENT OF RATES

Section 182 of the Local Government Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact Mrs Phyllis Robinson, at the Council Office on 8666 2014 to discuss the matter. Such inquiries are treated confidentially.

REBATE OF RATES

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 discretionary granted by the Council.

MANDATORY REBATES

- * The Local Government Act requires Councils to rebate the rates payable for certain land uses. These include rebates of 100% for land -
 - being predominantly used for service delivery or administration by a hospital or health centre;
 - containing a church or other building used for public worship;
 - used for a cemetery.

Rates rebated under these mandatory provisions amounted to \$20,576.

- * The Recreational Grounds Rates and Taxes Exemption Act 1981 also provides for rebates on land. Rebates under this Act total \$27,324.

- * Various other legislation makes provision for rate rebates -
eg: National Trust Act;
Native Vegetation Act.

Rates foregone under these provisions exceed \$4,000.

DISCRETIONARY REBATES

Pursuant to Section 166 of the Local Government Act, the Council may in its absolute discretion grant a rebate of rates or service charges in any of the following cases:

- (i) where it is desirable for the purpose of securing the proper development of the area (or a part of the area);
- (ii) where it is desirable for the purpose of assisting or supporting a business in its area;
- (iii) where it will be conducive to the preservation of buildings or places of historic significance;
- (iv) where the land is being used for educational purposes;
- (v) where the land is being used for agricultural, horticultural or floricultural exhibitions;
- (vi) where the land is being used for a hospital or health centre;
- (vii) where the land is being used to provide facilities or services for children or young persons;
- (viii) where the land is being used to provide accommodation for the aged or disabled;
- (ix) where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1987 (Commonwealth) or a day therapy centre;

- (x) where the land is being used by an organisation which, in the opinion of the Council, provides a benefit or service to the local community;
- (xi) where the rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment; and
- (xii) where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations.

In exercising this general power Council is able to pursue policy objectives and provide assistance to:

* local community groups such as:

• CWA - Booleroo Centre and Wilmington	\$ 899.80
• Wilmington Rodeo Club	\$ 2,993.00
• Booleroo Centre & District Ambulance	\$ 1,435.00
• Booleroo Centre & District Hospital	\$ 2,820.00
• Port Germein Village Project Association	\$ 915.40
• Booleroo Centre Lions Club	\$ 326.00
• Port Germein Progress Association	\$ 3,587.80
• Mount View Homes	\$ 1,261.50
• RSL Port Germein Branch	\$ <u>915.40</u>
	\$15,153.90

* local businesses and residential use landowners experiencing above normal increases in rates that result from property valuation ‘spikes’.

The impact of the property boom has seen valuations of coastal and creek frontage properties experience particularly large increases.

When certain ‘pockets’ of our community experience high valuation increases it can cause a redistribution of the Council rates burden. Experience from the last few years has seen some property owners levied much more than the average increase in rates.

The Council has therefore chosen to apply specific rebate measures in an attempt to counteract this variability in increased values.

In this way Council has done all it could to mitigate the effect of the increases on those who had less capacity to pay.

An example of such a rebate is the criteria implemented this financial year for allotments with Esplanade frontage in Port Germein required -

‘a rebate of rates payable in excess of \$676 to the owner of those single allotment assessments on which a dwelling is occupied on a permanent basis by the owner’.

The rebates given on this basis were \$5,412.

Total cost of discretionary rebates given for these various purposes in the 2004/2005 financial year amounted to \$20,566.

It is also a requirement of the Local Government Act that a comparable rebate also be given to any other rate - therefore an initial amount of \$428.54 was also rebated on the separate rate.

SALE OF LAND FOR NON-PAYMENT OF RATES

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to notify the owner of the land of:

- a) its intention to sell the land,
- b) details of the outstanding amounts,
- c) Councils intention to sell the land if payment of the outstanding amount is not received within one month.

Except in extraordinary circumstances, the Council enforces the sale of land for arrears of rates.

COPIES OF THIS POLICY

A copy of the Council's policy is available from Mrs Phyllis Robinson, Administration Manager - telephone: (08) 8666 2014 or by writing to her at The District Council of Mount Remarkable, Box 94, Melrose SA 5483 or email pfr@mtr.sa.gov.au.

DISCLAIMER

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.

Where a ratepayer believes that the Council has failed to properly apply this policy it should raise the matter with the Council. In the first instance contact Mrs Phyllis Robinson, Administration Officer on 8666 2014 to discuss the matter. If, after this initial contact, a ratepayer is still dissatisfied they should write to the Council.

APPENDIX B – FOI INFORMATION SUMMARY

The District Council of Mount Remarkable publishes this Information Summary in accordance with the requirements of the Freedom of Information Act 1991, as amended.

Policy and Administrative Documents

The District Council of Mount Remarkable's policy and administrative documents are as follows:

- Ordinary Council Meeting Agendas
- Ordinary Council Meeting Minutes
- The Policy Manual
- The Budget Statements
- Annual Financial Accounts
- Council By-Laws
- The Annual Report
- Assessment Records
- Development Plan

These documents are available for public inspection at the Council Office between 8.30 am and 5.30 pm Monday to Friday. Members of the public may also purchase copies of these documents from the Freedom of Information Officer.

Information Statement

The District Council of Mount Remarkable publishes an Information Statement on its requirements under the Freedom of Information Act and a copy is available from the Council Office.

Certificates Issued Under Section 65ZY

No Certificates relating to Freedom of Information were issued under Section 65ZY of the Local Government Act in the 12 months to 30 June 2005.

SR CHERITON
CHIEF EXECUTIVE OFFICER

APPENDIX C – FOI INFORMATION STATEMENT

The District Council of Mount Remarkable publishes this Information Statement in accordance with the requirements of Section 65r of the Local Government Act 1934, Section 131 of the Local Government Act 1999, and Section 9 of the Freedom of Information Act 1991.

Council is pleased to comply with the legislation and welcomes inquiries. An updated information Statement will be published at least once every 12 months.

1.0 STRUCTURE & FUNCTIONS OF THE COUNCIL

1.1 Full Council

Full Council, consisting of seven (7) Ward Councillors including the Chairman, is the decision making body on all policy matters. Ordinary meetings of the full Council are held on the second Tuesday of every month, commencing at 9.30 am. Members of the public are welcome to attend.

1.2 Committees & Advisory Groups

Committees and Advisory Groups have been established by Council to discuss/administer Council and Community business. These groups meet as required, and members of the public are welcome to attend. These Committees and Advisory Groups are:

- Baroota Groundwater Resource Advisory Committee
- Bluff Road Tourism Access Committee
- Melrose Caravan Park Management Committee
- Southern Flinders Tourism Authority Committee
- D.C.M.R. Bicycle Trail Advisory Committee
- Building Fire Safety Committee
- Development Assessment Panel
- D.C.M.R. Building, Health & Inspectorial Services Advisory Committee
- District Bushfire Prevention Committee
- Equal Employment Opportunity Committee
- Occupational Health Safety & Welfare Committee
- Hall Committees
- Booleroo Centre Swimming Pool Committee
- Booleroo & District Airstrip Management Committee

1.3 Agendas and Minutes

Agendas of all full Council meetings are placed on display no less than three days prior to those meetings. Minutes of the meetings are placed on display within five days of the meeting.

1.4 Delegations

The Chief Executive Officer and other Officers have delegated authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are listed in the Policy Manual and are reviewed annually by Council, in keeping with the legislative requirements:

- To determine policies to be applied by Council in exercising its discretionary powers;
- To determine the type, range and scope of projects to be undertaken by the Council; and
- To develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of the Council.

The Council makes the decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

2.0 SERVICES FOR THE COMMUNITY

Full Council makes decisions on policy issues relating to services that are provided by Council for members of the public.

Summary of Services

Council provides and maintains:

- Roads, Footpaths, Kerbing
- Traffic Control, Walking Tracks
- Streetlighting
- Street Sweeping, Litter Bins
- Garbage Collection, Public Toilets
- Ovals, Reserves and Libraries

Council Conducts:

- Citizenship Ceremonies

Council Inspects and Licenses:

- Food Premises, Sanitary Condition of Buildings
- Outdoor Signage

Council Administers:

- Parking, Litter and Signs
- Planning and Building
- Dog Control

3.0 PUBLIC PARTICIPATION

3.1 Council Meetings

Members of the public have a number of opportunities to put forward their views on particular issues before Council. These are:

- (1) Deputations - with the permission of the Chairman, a member of the public can address the Council, a Committee or an Advisory Group personally or on behalf of a group of residents.
- (2) Presentations to Council - with prior notification and arrangement with the Chairman, a member of the public can address the Council on any issue relevant to Council.
- (3) Petitions - written petitions can be addressed to the Council on any issues within the Council's jurisdiction.
- (4) Written Requests - a member of the public can write to the Council on any Council policy, activity or service.
- (5) Elected Members - members of the public can contact their Elected Members of Council to discuss any issue relevant to Council.

3.2 Community Consultation

The District Council of Mount Remarkable regularly consults with local residents and ratepayers on particular issues that affect their neighbourhood. Examples of such situations include:

- (1) Meetings of Electors - all residents and electors are eligible to attend meetings.
- (2) Residents are notified of some Development Applications requiring the approval of Council. When an application is publicly notified, residents have the opportunity to both write to Council expressing their view of the application, and to subsequently personally address the Council before a decision is made.

4.0 ACCESS TO COUNCIL DOCUMENTS

4.1 Documents Available for Inspection

The following documents are available for public inspection at the Council Offices free of charge. Members of the public may purchase copies of these documents (at the charges indicated):

Photocopies - 1 copy	\$0.20 per A4 sheet
Minutes	\$6.00
Voters Roll	\$0.10 cents per page
Copy of Assessment Book entry	\$2.00 per entry
Copy of 20 or more consecutive Assessment Book entries	\$1.00 per entry

4.2 Other Information Requests

Requests for other information not included in Clause 4.1 above will be considered in accordance with the Freedom of Information provisions of the Local Government Act.

Under this legislation, an application fee and a search fee must be forwarded with the completed request form as provided for in Regulation No. 257 of 1991, unless the applicant is granted an exemption.

Should the applicant require copies of any documents inspected pursuant to a Freedom of Information request, the charges set in Clause 4.1 will apply.

Freedom of Information Request Forms should be addressed to:

Freedom of Information Officer
District Council of Mount Remarkable
PO Box 94
MELROSE SA 5483

Forms are available at the Council office. Applications will be responded to as soon as possible within the statutory forty-five (45) days of Council receiving the properly completed Freedom of Information Request Form, together with the application and search fees.

5.0 AMENDMENT OF COUNCIL RECORDS

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to these Council records, a member of the public must complete a Freedom of Information Request Form as indicated above, outlining the records that he/she wishes to inspect.

APPENDIX D - FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2005**

	NOTES	2005	2004
		\$	\$
OPERATING REVENUE			
Rates - General		1,349,657	1,449,672
Rates - Other		304,302	65,845
Statutory Charges		57,572	44,108
User Charges	6	246,084	182,800
Operating Grants and Subsidies		1,233,897	1,135,709
Investment Income		53,905	54,086
Reimbursements		1,060,116	562,381
Gain on Disposal			36,302
Other		97,833	65,895
TOTAL OPERATING REVENUE		4,403,366	3,596,798
OPERATING EXPENSES			
Employee Costs	3	745,448	743,658
Contractual Services		1,267,410	1,216,136
Materials		715,610	693,375
Finance Charges		88,439	66,932
Depreciation	4	1,220,733	980,620
Loss on Disposal of Non-Current Assets		9,222	
Other	5	247,309	278,209
TOTAL OPERATING EXPENSES		4,294,171	3,978,930
Operating Surplus (Deficit) Before Capital Revenues		109,195	(382,132)
CAPITAL REVENUES	6	375,545	919,473
Operating Surplus (Deficit) After Capital Revenues		484,740	537,341

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2005

	NOTES	2005	2004
		\$	\$
CURRENT ASSETS			
Cash	8	199,807	103,392
Receivables	9	108,496	758,509
Inventory	10	9,422	8,992
Investments	11	837,893	56,869
Loans Receivable	12	134,918	103,616
TOTAL CURRENT ASSETS		1,290,536	1,031,378
CURRENT LIABILITIES			
Creditors	13	230,753	508,980
Provisions	14	176,151	208,357
Loans	15	78,262	111,852
TOTAL CURRENT LIABILITIES		485,166	829,190
NET CURRENT ASSETS		805,370	202,188
NON-CURRENT ASSETS			
Land	16	910,524	910,524
Buildings	16	1,914,983	1,880,537
Infrastructure	16	59,370,234	59,393,843
Equipment	16	1,161,306	1,290,340
Furniture & Fittings	16	36,757	30,458
Minor Plant	16	31,136	34,670
Other	16	114,578	116,726
TOTAL NON-CURRENT ASSETS		63,539,518	63,657,098
NON-CURRENT LIABILITIES			
Creditors	13		17,435
Provisions	14	5,930	17,435
Loans	15	1,075,445	1,063,078
TOTAL NON-CURRENT LIABILITIES		1,081,375	1,080,512
NET NON-CURRENT ASSETS		62,458,143	62,576,586
NET ASSETS		63,263,513	62,778,774
EQUITY			
Accumulated Surplus		23,168,488	22,943,853
Asset Revaluation Reserve		39,739,029	39,739,029
Reserves	17	355,996	95,892
TOTAL EQUITY		63,263,513	62,778,774

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2005**

	NOTES	2005 \$	2004 \$
ACCUMULATED SURPLUS			
Balance at Beginning of Period		22,943,853	22,340,143
Net Surplus (Deficit) from Operations		484,740	537,341
Transfers from Reserves			86,480
Transfers to Reserves		(260,105)	(20,111)
BALANCE AT END OF PERIOD		23,168,488	22,943,853
ASSET REVALUATION RESERVE			
Balance at Beginning of Period		39,739,029	39,320,371
Revaluation Increment			418,658
Revaluation Decrement			
BALANCE AT END OF PERIOD		39,739,029	39,739,029
PIT REINSTATEMENT RESERVE			
Balance at Beginning of Period		4,000	4,000
Appropriations			
Recoupments			
BALANCE AT END OF PERIOD		4,000	4,000
PLANT REPLACEMENT RESERVE			
Balance at Beginning of Period		24,600	100,000
Appropriations		120,400	
Recoupments			(75,400)
BALANCE AT END OF PERIOD		145,000	24,600
DISASTER RESERVE			
Balance at Beginning of Period		15,000	15,000
Appropriations			
Recoupments			
BALANCE AT END OF PERIOD		15,000	15,000
LAWNMOWER RESERVE			
Balance at Beginning of Period		7,181	9,181
Appropriations		2,000	
Recoupments			(2,000)
BALANCE AT END OF PERIOD		9,181	7,181
BAD DEBTS RESERVE			
Balance at Beginning of Period		-	419,296
Appropriations			
Recoupments			(419,296)
BALANCE AT END OF PERIOD		-	-
BUILDING COMMITTEE & DOGS RESERVE			
Balance at Beginning of Period		10,000	19,080
Appropriations		11,505	
Recoupments			(9,080)
BALANCE AT END OF PERIOD		21,505	10,000
STEDS MAINTENANCE RESERVE			
Balance at Beginning of Period		35,111	15,000
Appropriations			20,111
Recoupments			
BALANCE AT END OF PERIOD		35,111	35,111

This Statement should be read in conjunction with the accompanying notes.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2005**

	NOTES	2005	2004
		\$	\$
CARAVAN PARK RESERVE			
Balance at Beginning of Period		-	-
Appropriations		18,250	
Recoupments			
<i>BALANCE AT END OF PERIOD</i>		18,250	-
JETTY RESERVE			
Balance at Beginning of Period		-	-
Appropriations		7,500	
Recoupments			
<i>BALANCE AT END OF PERIOD</i>		7,500	-
END OF FINANCIAL YEAR RESERVES			
Balance at Beginning of Period		-	-
Appropriations		100,450	
Recoupments			
<i>BALANCE AT END OF PERIOD</i>		100,450	-
TOTAL EQUITY		63,263,513	62,778,774

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2005**

	NOTES	2005 \$	INFLOWS (OUTFLOWS)	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts		4,837,611		3,021,612
GST Collected		137,187		173,087
GST Refund from the ATO		391,523		382,618
Payments		(3,147,284)		(2,597,079)
GST Payments on Purchases		(342,301)		(476,460)
GST Remitted to the ATO		(167,396)		(84,743)
NET CASH PROVIDED BY OPERATING ACTIVITIES		1,709,339		419,035
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Loans Received		85,000		871,000
Loan Repayments Received		53,698		3,384
From Investments (Net)				772,454
Payments				
Principal Repayments		(106,223)		(41,107)
To Investments (Net)		(781,024)		
Loans Granted		(85,000)		(107,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES		(833,549)		1,498,731
CASH FLOWS FROM INVESTMENT ACTIVITIES				
Receipts				
Capital Grants, Subsidies/Contributions		333,000		478,044
Sale of Land, Buildings & Equipment		202,268		649,341
Payments				
Purchase of Buildings		(34,575)		(31,832)
Purchase of Infrastructure		(1,059,430)		(2,073,384)
Purchase of Equipment				(663,630)
Purchase of Furniture & Fittings		(12,376)		(57,664)
Purchase of Other Assets		(208,262)		(84,819)
NET CASH USED IN INVESTMENT ACTIVITIES		(779,375)		(1,783,944)
NET INCREASE/DECREASE IN CASH HELD		96,415		133,822
CASH AT BEGINNING OF REPORTING PERIOD		103,392		(30,429)
CASH AT END OF REPORTING PERIOD	8	199,807		103,392

This Statement should be read in conjunction with the accompanying notes.

**FUNDING STATEMENT (SUMMARY FINANCIAL REPORT PREPARED ON A UNIFORM BASIS)
FOR THE YEAR ENDED 30 JUNE 2005**

	NOTES	2005	2004
		\$	\$
OPERATING REVENUE			
Rates		1,653,959	1,515,517
Statutory Charges		57,572	44,108
User Charges		246,084	182,800
Operating Grants and Subsidies		1,233,897	1,135,709
Investment Income		53,905	54,086
Reimbursements		1,060,116	562,381
Gain on Disposal		-	36,302
Other		97,833	65,895
TOTAL OPERATING REVENUE		4,403,366	3,596,798
OPERATING EXPENSES			
Employee Costs		745,448	743,658
Contractual Services		1,267,410	1,216,136
Materials		715,610	693,375
Finance Charges		88,439	66,932
Depreciation		1,220,733	980,620
Loss on Disposal of Non-Current Assets		9,222	-
Other		247,309	278,209
TOTAL OPERATING EXPENSES		4,294,171	3,978,930
Operating Surplus (Deficit)		109,195	(382,132)
Add: Capital Revenues		375,545	919,473
Net Surplus (Deficit) Resulting From Operations		484,740	537,341
Add: Depreciation of Non-Current Assets		1,220,733	980,620
Add: Proceeds from Sale of Non-Current Assets		202,268	649,341
Internal Sources of Funding Available for Capital Investment Expenditure		1,907,740	2,167,301
Less: Capital Investment Expenditure on Non-Current Assets		1,314,643	2,911,329
Net Lending (Borrowing)	24	593,097	(744,028)
FUNDING TRANSACTIONS ASSOCIATED WITH ACCOMMODATING THE ABOVE NET OVERALL BORROWING RESULT, OR APPLYING THE NET OVERALL LENDING RESULT, ARE AS FOLLOW:			
New Borrowings		85,000	871,000
Less: Repayment of Principal on Borrowings		106,223	41,107
Less: Increase / (Decrease) in level of loans to communities		31,302	103,616
Less: Increase / (Decrease) in level of cash and investments		877,439	(638,632)
Less: Other - (Including the Sum of Increases in Receivables and Decreases in Creditors and Provisions)		(336,867)	620,881
Funding Transactions	24	(593,097)	744,028

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

1. Significant Accounting Policies

(a) *The Local Government Reporting Entity*

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. All entities controlled by the Council have been consolidated.

In the process of reporting on the Council as a single unit, all transactions and balances between those funds have been eliminated (for example, loans and transfers between funds)

Amounts received and paid by the Council, where the Council has merely acted as a collection agent, have been eliminated.

The Council has received donation monies for the Port Germein Jetty Trust Fund and these are identified separately by a note to the Accounts and funds are held in a separate bank account with the Local Government Finance Authority.

Amounts received as tender deposits and retention monies controlled by Council are included in the amount disclosed as "other creditors" within current liabilities until they are refunded or forfeited.

(b) *Basis of Accounting*

This financial report has been prepared to comply with Statements of Accounting Concepts and applicable Australian Accounting Standards. It has been prepared on an accrual basis under the convention of historical cost accounting, with the exception that non-current assets which are included at Current cost valuation. The accounting policies adopted are consistent with those of the previous year.

(c) *Recognition of Assets*

All items of property, plant and equipment with a value greater than \$1,000 are recognised as assets.

Assets acquired are initially recorded at cost. Cost includes all costs incidental to the acquisition and incurred in getting the asset ready for use. Where assets are constructed by Council, cost includes an appropriate share of variable and fixed overheads.

Non-monetary assets received in the form of grants or donations are recognised as assets and revenues at their fair value at the date of receipt.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction.

(d) *Revaluation of Non-Current Assets*

All non-current assets, other than receivables, land held for re-sale and investments, are revalued to their current cost less accumulated depreciation at the date of each general revaluation of property within the Council.

Where the carrying amount of an individual non-current asset is greater than its recoverable amount, the asset is revalued to its recoverable amount, and the revaluation decrement is recognised as an expense in the operating statement, except that, to the extent that the decrement reverses a revaluation increment previously credited to, and still included in the balance of, the asset revaluation reserve in respect of the class of assets to which that asset belongs, the revaluation decrement is debited directly to the asset revaluation reserve.

(e) *Depreciation of Non-Current Assets*

Non-current assets having limited useful lives are systematically depreciated over their useful lives in a manner which reflects consumption of the service potential embodied in those assets. Land is not a depreciable asset.

Depreciation is recognised on a reducing balance basis, using rates which are reviewed each reporting period.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

- (f) *Non-Current Assets Constructed by Council*
The cost of non-current assets constructed by Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. Costing now includes Full Cost Attribution which provides for a basket of activities including human resource costs, IT costs and occupancy, being allocated to all cost centres. This reflects the true cost of service provision.
- (g) *Maintenance and Repairs*
Maintenance, repair costs and minor renewals are charged as expenses as incurred, and specifically regarding roads:-
(i) Resheeting of less than 500 metres is considered to be maintenance.
(ii) Selective patching is considered to be maintenance.
(iii) Any resheeting of over 500 metres is to be considered construction.
- (h) *Expenses*
Expenses are disclosed in the accounts after deducting any amounts capitalised and included in the costs of assets constructed by the Council.
- (i) *Land Held for Sale*
Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred of financing of that land during its development. Interest and other holding charges incurred after development is complete are recognised immediately as expenses. Revenue arising from the sale of property is recognised in the operating statement as at the time of signing of a binding contract of sale.
- (j) *Employee Entitlements*
Wages and Salaries - a liability for wages and salaries is recognised and is measured as the amount unpaid at balance date at current pay rates in respect of employees' services up to that date.
Annual and Long Service Leave - a liability is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to balance date.
Sick Leave - a liability for sick leave is only recognised when the employee is entitled to have it paid in cash.
Superannuation - the superannuation expense for the reporting period is the amount of the statutory contribution Council makes to the Local Government Superannuation Scheme.
- (k) *Investments*
Investments are valued at cost. Interest revenues are recognised as they accrue.
- (l) *Rates, Grants, Donations and Other Contributions*
Rates, grants, donations and contributions are recognised as revenues when the Council obtains control over the assets comprising these contributions.
Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon their receipt, or upon prior notification that a grant has been secured.
Unreceived contributions over which Council has control are recognised as receivables. In respect of uncollected rates provision is made for amounts considered uncollectible.
- (m) *Allocation Between Current and Non-Current*
In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be realised or paid.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

- (n) *Cash*
For the purposes of the Statement of Cash Flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdraft.
- (o) *Joint Ventures*
The Council's interests in unincorporated joint ventures are brought to account by including in their respective classification categories the amounts of:-
(i) the Council's share in each of the individual assets employed in the joint ventures.
(ii) liabilities incurred in relation to the joint ventures including the Council's share of liabilities for which it is jointly and/or severally liable; and
(iii) the Council's share of expenses in relation to the joint ventures.
- (p) *Goods and Services Tax*
In accordance with the requirements of UIG Abstract 31 "Accounting for the Goods and Services Tax (GST)", revenues, expenses and assets are recognised net of the amount of GST except that:
* The amount of GST incurred by the Council as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of an asset or part of an item of expenses, and receivables and payables are stated with the amount of GST included.
The net GST receivable from the Australian Taxation Office has been recognised as a receivable in the Statement of Financial Position.
Finance Lease liabilities are stated inclusive of the amount of GST on the finance lease liability. Council has also recognised receivables, which represent the entitlement to recover input tax credits from the Australian Taxation Office for the GST payable on the finance lease liability.
Cash flows are reported on a gross basis in the Statement of Cash Flow. The GST component of the cash flows arising from investing or financing activities, which are recoverable from or payable to the Australian Taxation Office have however been classified as operating cash flows.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

2. Functions/Activities of Council

- (a) The activities of the Council are categorised into the following broad functions:-

Administration:

Operations and maintenance of Council chamber and plant and equipment. Operation of resources for the efficient administration of Council's functions.

Public Order and Safety:

Supervision of various areas including fire prevention, dog control, crime prevention and emergency services.

Health:

Food control and provision of immunisation services via Booleroo Centre Medical Centre.

Social Security and Welfare:

Provision of the Home Assistance Scheme and contributions to Community Care Services.

Housing and Community Amenities:

Maintenance of housing rented to tenants, rubbish collection services, operation of dump, administration of town planning, stormwater drainage, protection of environment, cemetery, public conveniences, common effluent drainage and other community development amenities.

Recreation and Culture:

Maintenance of various parks and gardens, ovals, playgrounds, contribution to the community library, television retransmission and administration of arts and cultural services.

Agricultural Services:

Contribution to Animal and Plant Control activities.

Mining, Manufacturing and Construction:

Administration of Building Act and the Development Act.

Transport and Communication:

Construction and maintenance of roads, drainage works, footpaths, parking facilities, signs and cleaning of streets. Management of the aerodrome.

Economic Affairs:

Tourism, private works and pest control services.

Other:

Maintenance and operating costs of plant and machinery, depot and public debt.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

(b) Operating Statement Over Functions/Activities

	Admin	Reg Svcs	Health	Welfare	Housing & Community	Envir. Protection	Rec & Culture	Agric. Svcs	Transport & Comm.	Economic Affairs	Other NEC	Inter Function	Total
OPERATING REVENUE	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Rates - General	1,349,657												1,349,657
Rates - Other	304,302												304,302
Statutory Charges	5,084	52,488											57,572
User Charges			2,364		53,614		(40)			172,868	17,278		246,084
Operating Grants and Subsidies	884,787				309	3,000	28,506		285,325	31,911	60		1,233,897
Investment Income											53,905		53,905
Reimbursements	14,240	69,571	6,220				20,415		820,184		129,487		1,060,116
Gain on Disposal													0
Other		360	1,869		318		57,198			20,500	17,588		97,833
TOTAL OPERATING REVENUE	2,558,070	122,419	10,452	0	54,242	3,000	106,079	0	1,105,509	225,278	218,318	0	4,403,367
OPERATING EXPENSES													
Employee Costs	136,217	81,091	703	181	101,004	1,206	20,335	14,022	437,649	4,779	14,656	(66,394)	745,448
Contractual Services	29,566	14,804	11,999	1,300	479,229		44,948	10,452	518,439	87,571	67,708	1,394	1,267,410
Materials	91,202	19,082	1,588	820	103,384	635	47,509	5,517	161,421	81,355	25,534	177,562	715,610
Finance Charges	5,032		2,833		74,300				5,666		608		88,439
Depreciation	2,807	1,542			112,354				970,685	184	1,237	131,926	1,220,733
Loss On Revaluations													0
Loss on Disposal of Non-Current Assets											9,222		9,222
Other	120,866	15,172	8,100	9,309	122,092	255	90,491	39,897	90,608	43,534	6,108	(299,121)	247,309
TOTAL OPERATING EXPENSES	385,689	131,690	25,223	11,609	992,363	2,096	203,283	69,888	2,184,469	217,422	125,073	(54,634)	4,294,171
Operating Surplus (Deficit) Before Capital Revenues	2,172,381	(9,271)	(14,771)	(11,609)	(938,121)	904	(97,205)	(69,888)	(1,078,960)	7,856	93,245	54,634	109,195
CAPITAL REVENUES					42,544				333,000				375,544
Operating Surplus (Deficit) After Capital Revenues	2,172,381	(9,271)	(14,771)	(11,609)	(895,577)	904	(97,205)	(69,888)	(745,960)	7,856	93,245	54,634	484,740
Extraordinary Items													
Surplus (Deficit) Resulting From Operations	2,172,381	(9,271)	(14,771)	(11,609)	(895,577)	904	(97,205)	(69,888)	(745,960)	7,856	93,245	54,634	484,740

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
3. Employee Costs		
Wages & Salaries	673,208	678,658
Superannuation Expense	65,458	64,378
Leave Entitlements	87,808	94,110
	<u>826,474</u>	<u>837,146</u>
Less: Non-Current Assets Constructed by Council	81,026	93,488
	<u>745,448</u>	<u>743,658</u>
4. Depreciation & Amortisation Expense		
Plant & Machinery	132,569	114,115
Office Equipment, Furniture & Fittings	2,815	4,119
Buildings	129	-
Infrastructure	1,083,038	859,645
Other Assets	2,182	2,742
	<u>1,220,733</u>	<u>980,620</u>
5. Other Expenses		
Bad and Doubtful Debts		205,768
Councillors' Emoluments	37,134	47,924
Street Lighting	19,683	19,881
Annual Subscriptions & EPA Levy	29,446	22,050
Animal and Plant Control Board Levy	39,666	37,454
Telecommunications & Insurances	97,991	87,744
Rural Counsellor Contribution	1,600	1,500
Community Assistance Grants	14,835	14,271
Identified Freight & ESL	5,085	4,770
Other NEC (includes Roads Capital Credit)	1,869	(163,153)
	<u>247,309</u>	<u>278,209</u>
6. Grant Revenues		
Grants from Commonwealth Government		
FAGs - General Purpose	884,787	847,317
FAGs - Identified Local Roads	285,325	243,332
Television Blackspots Program	31,911	
Dept of Veterans Affairs	3,565	
Dept of Transport and Reg Services - Infrastructure Grant		167,044
Grants from State Government		
PIRSA - Right on Target		3,860
Heritage SA Grants	15,000	2,200
Community Benefit	10,000	
Coast Protection Works	3,000	
STED Schemes	42,853	441,429
Special Local Roads Program	333,000	311,000
Office of Local Government - Records Management		24,000
Local Government Association - Increased Bandwidth		15,000
	<u>1,609,441</u>	<u>2,055,182</u>

7. Section 41 Committees

Section 41 Committees exist for the Booleroo Centre Swimming Pool and District Halls of Appila, Bruce, Melrose, Booleroo Centre, Wilmington, Murray Town, Wirrabara, Port Germein, Hammond and Willowie.

Whilst these Committees are Section 41 Committees, they experience no practical control from the Council. The non-current assets of the Committees are included in the Council's non-current asset register. The current assets, including bank balances, are not included in the current assets of Council. The bank balances do not move materially each year.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
8. Cash		
Cash At Bank & On Hand	199,807	103,392
	<u>199,807</u>	<u>103,392</u>
Bank Overdraft		
Balance as per Statement of Cash Flows	<u>199,807</u>	<u>103,392</u>
The cash figure above is inclusive of unexpended specific purpose grants which are restricted in their use to a specific purpose by regulation or other external requirements.		
Monies Received in Advance (Also shown in Note 13)		
Booleroo STED Scheme		42,544
Wirrabara Hall Grant		10,000
Transport SA Works		136,677
	<u>-</u>	<u>189,221</u>
9. Receivables		
Current		
Rates Receivable	64,272	52,999
Other Debtors	44,224	705,510
	<u>108,496</u>	<u>758,509</u>
10. Inventories		
Current		
Stores - Fuels, etc	9,422	8,992
	<u>9,422</u>	<u>8,992</u>
11. Investments		
LGFA - General - 24 Hour	837,893	56,869
	<u>837,893</u>	<u>56,869</u>
<u>Effectively Covering Investments Equating to:-</u>		
Reserve Account Balances	355,997	95,892
Long Service Leave Reserve	112,760	145,903
	<u>468,757</u>	<u>241,795</u>
Unrestricted Balance (Shortfall)	369,136	(184,926)
12. Loans Receivable		
During the 2003/2004 financial year, Council made several loans to Community based organisations and sporting clubs. These have been financed by a combination of fixed term loans and a cash advance debenture with the Local Government Finance Authority. The current amount of loans receivable from these groups are:-		
Booleroo and Districts Hospital - Medical Officer's House	44,288	46,616
Port Germein Progress Association - Additional Caravan Park Land	22,829	25,000
Melrose Tennis Club - Court Resurfacing	10,000	10,000
Booleroo Centre Bowling Club - Synthetic Green	57,801	22,000
	<u>134,918</u>	<u>103,616</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
13. Creditors		
<i>Current</i>		
Creditors	88,804	281,518
Accruals	141,949	38,241
Amounts Received in Advance		189,221
	230,753	508,980
14. Provisions		
<i>Current</i>		
Annual Leave	69,321	79,890
Long Service Leave	106,830	128,467
	176,151	208,357
<i>Non-Current</i>		
Long Service Leave	5,930	17,435
	5,930	17,435
15. Borrowings		
<i>Current</i>		
Loans - Secured - LGFA	46,625	35,134
Loans - Secured - Banks	21,636	19,718
CAD - Community Groups	10,000	57,000
	78,262	111,852
<i>Non-Current</i>		
Loans - Secured - LGFA	1,025,656	991,652
Loans - Secured - Banks	49,790	71,426
	1,075,445	1,063,078
<i>Guaranteed Loans</i>		
The Council has guaranteed a loan for the Port Germein Progress Association for a period of ten (10) years until 31 st July 2008. The Port Germein Progress Association will be servicing the loan for the Caravan Park cabins and in default the Council has a policy of recovering remaining servicing costs from Rates within that Ward. This policy also applies to the loans receivable referred to in Note 12.		
16. Property, Plant & Equipment		
<i>Land</i>		
Balance b/f	910,524	919,024
Deductions Current Year		(8,500)
	910,524	910,524
<i>Buildings</i>		
Balance b/f	1,880,537	1,430,047
Additions Current Year	34,575	31,832
Revaluations		418,658
	1,915,112	1,880,537
Less Depreciation Current Year	129	
	1,914,983	1,880,537
<i>Plant & Equipment</i>		
Balance b/f	1,290,340	1,210,369
Additions Current Year		621,419
Deductions Current Year		(431,223)
	1,290,340	1,400,565
Less Depreciation Current Year	129,034	110,225
	1,161,306	1,290,340

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

	2005	2004
	\$	\$
<i>Office Equipment, Furniture & Fittings</i>		
Balance b/f	30,458	57,339
Additions Current Year	12,376	57,664
Deductions Current Year	(3,262)	(51,356)
Revaluations		(29,070)
	<u>39,572</u>	<u>34,578</u>
Less Depreciation Current Year	2,815	4,119
	<u>36,757</u>	<u>30,458</u>
<i>Minor Plant</i>		
Balance b/f	34,670	71,803
Additions Current Year		42,211
Deductions Current Year		(37,629)
Revaluations		(37,825)
	<u>34,670</u>	<u>38,560</u>
Less Depreciation Current Year	3,535	3,890
	<u>31,136</u>	<u>34,670</u>
<i>Other Assets</i>		
Balance b/f	116,726	52,084
Additions Current Year	208,262	84,819
Deductions Current Year	(208,228)	(84,331)
Revaluations		66,895
	<u>116,760</u>	<u>119,466</u>
Less Depreciation Current Year	2,182	2,740
	<u>114,578</u>	<u>116,726</u>
<i>Roads, Bridges & Footpaths</i>		
Balance b/f	57,146,773	56,919,792
Additions Current Year	999,369	998,661
	<u>58,146,142</u>	<u>57,918,453</u>
Less Depreciation Current Year	970,685	771,680
	<u>57,175,457</u>	<u>57,146,773</u>
<i>STEDS</i>		
Balance b/f	2,247,070	1,260,312
Additions Current Year	60,061	1,074,723
	<u>2,307,131</u>	<u>2,335,035</u>
Less Depreciation Current Year	112,354	87,965
	<u>2,194,777</u>	<u>2,247,070</u>
17. Reserves		
Balance at the beginning of the Financial Year	95,892	581,557
Add: Appropriations from Accumulated Surplus	260,104	20,111
Less: Recoupments to Accumulated Surplus		(505,776)
Balance at the end of the Financial Year	<u>355,996</u>	<u>95,892</u>

The recoupments from reserves figure of \$505,776 in 2003/2004 includes an amount of \$419,296 transferred from the provision for doubtful debts reserve in relation to a telecommunications rates write off.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

18. Additional Financial Instruments Disclosure

(a) Interest Rate Risk Exposure

The Council's exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and financial liabilities is set out below. Exposures arise predominantly from assets and liabilities at variable interest rates as Council intends to hold fixed rate assets and liabilities to maturity.

	Weighted Ave Interest Rate	Floating Interest Rate	Fixed Interest Rate			Non Interest Bearing	Total
			One Year or Less	One to Five Years	More Than Five Years		
2005							
Financial Assets							
Cash on Hand						1,200	1,200
Cash at Bank	0.50 %	198,607					198,607
Deposits	5.25 %	837,893					837,893
Receivables						108,496	108,496
		1,036,500	-	-	-	109,696	1,146,196
Financial Liabilities							
Overdraft	9.65 %	-					-
Borrowings	6.88 %		78,262	266,182	809,263		1,153,707
Creditors & Accruals						230,753	230,753
		-	78,262	266,182	809,263	230,753	1,384,459
2004							
Financial Assets							
Cash on Hand						1,835	1,835
Cash at Bank	0.50 %	101,558					101,558
Deposits	5.00 %	56,869					56,869
Receivables						758,509	758,509
		158,427	-	-	-	760,343	918,770
Financial Liabilities							
Overdraft	9.40 %	-					-
Borrowings	6.96 %		111,852	236,946	826,131		1,174,930
Creditors & Accruals						508,980	508,980
		-	111,852	236,946	826,131	508,980	1,683,910

(b) Credit Risk Exposure

Credit risk represents the loss that would be recognised if other parties failed to perform as contracted.

The credit risk on financial assets, excluding investments, of the Council which have been recognised in the Statement of Financial Position, is the carrying amount, net of any provision for doubtful debts.

The Council does not have significant exposure to any concentration of credit risk.

The net fair value of other monetary financial assets and financial liabilities is based on market prices where a market exists or by discounting expected future cash flows by the current interest rates for assets and liabilities with similar risk properties.

Cash flows are discounted using standard valuation techniques and the applicable market yield having regard to the timing of cash flows. The carrying amount of bank term deposits, accounts receivable, accounts payable and bank loans approximate net fair value

(c) Net Fair Value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets and financial liabilities approximates their carrying value. Due to the nature of the financial instruments held by Council, the costs associated with their settlement would not be material and therefore have not been considered.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

19. Key Financial Performance Indicators

	2005	2004
GENERAL RATE REVENUE		
General Rate Revenue (\$)	1,349,657	1,449,672
* Percentage Change (%)	(6.9)	6.9
* Percentage of Total Operating Revenue (%)	30.7	40.3

This reflects moderate increases in general rate revenue over the last two years, and overall, a reduction in the reliance on revenue from general rates.

GENERAL PURPOSE AND LOCAL ROAD GRANTS

General Purpose Grants (\$)	884,787	847,317
Identified Local Road Grant (\$)	285,325	243,332
	1,170,112	1,090,649
* Percentage Change (%)	7.3	6.0
* Percentage of Total Operating Revenue (%)	26.6	30.3

This reflects a significant increase in South Australian Local Government Grants Commission payments associated with a change in the Commission's methodology.

NET DEBT

Outstanding Borrowings (\$)	1,153,707	1,174,930
Less: Cash & Investments (\$)	1,037,700	160,261
Net Debt (\$)	116,007	1,014,668
* Percentage of Total Operating Revenue (%)	2.6	28.2
* Per Capita (\$)	39.32	343.96

Net Debt represents the outstanding level of Borrowings less Cash and Investments. Up until the 2003/2004 year the level of Borrowings at 30 June had been lower than the level of Cash and Investments. This has changed due to increased infrastructure borrowings and a reduction in cash reserves, with an improvement noted in the current year.

NET INTEREST COSTS

Interest Paid (\$)	88,439	66,932
Less: Interest Received (\$)	53,905	54,086
Net Interest Costs (\$)	34,534	12,847
* Percentage of Total Operating Revenue (%)	0.8	0.4

Net Interest Costs represents finance charges less investment income. These costs are not material, and the change is reflective of the increased infrastructure borrowings and reduction in cash reserves.

CAPITAL PAYMENTS

Purchase of Buildings (\$)	34,575	31,832
Purchase of Infrastructure (\$)	1,059,430	2,073,384
Purchase of Equipment (\$)	-	663,630
Purchase of Furniture & Fittings (\$)	12,376	57,664
Purchase of Land/Land Development (\$)	-	-
Purchase of Other Assets (\$)	208,262	84,819
Total Capital Payments (\$)	1,314,643	2,911,329
* Percentage Change (%)	(54.8)	50.5
* Percentage of Total Payments (%)	22.1	46.8

Capital Payments indicates the level of Council expenditure on asset replacement and renewal. Comparing this with the level of depreciation expense shown in the accounts, shows that the overall fixed asset base of the Council is not being depleted. The figures for 2003/2004 are higher than normal due to the construction of the Booleroo Centre STED Scheme.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

19. Key Financial Performance Indicators (Continued)

FINANCIAL RATIOS

Current Ratio	2.66	1.24
Debt Ratio	0.02	0.03
Debt Service Ratio	0.02	0.01
Rate Coverage Ratio	0.38	0.42
Outstanding Rates Ratio	0.04	0.03

Current Ratio = *Current Assets / Current Liabilities*

[A measure of short term liquidity. It indicates the ability of Council to meet its short term debts from its current assets.]

Debt Ratio = *Total Liabilities / Total Assets*

[Measures the percentage of assets provided by creditors and the extent of using gearing]

Debt Service Ratio = *Debt Servicing Cost (Principal & Interest) / Total Operating Revenue*

[Measures the proportion of available operating revenues required to finance the debt position of the Council]

Rate Coverage Ratio = *Total Rate Revenue / Total Operating Revenue*

[Measures Council's reliance on Rate Revenue as a source of income]

Outstanding Rates Ratio = *Rates Outstanding / Total Rate Revenue*

[Measures the effectiveness of Council's Debt Collection policies and practices]

20. Superannuation

The Council contributes in respect of its employees to a defined benefit superannuation plan established in respect of all municipalities in the State. In accordance with statutory requirements, the Council contributes to the Local Government Superannuation Scheme ("the Scheme") amounts determined by the plan actuary. As such, assets accumulate in the scheme to meet member's benefits as they accrue. If the assets of the scheme were insufficient to meet member's benefits payable to its beneficiaries, the Council would be required to meet its share of the deficiency.

The audited general purpose financial report of the scheme as at 30 June 2003, which was not subject to any audit qualification, indicates that the assets of the scheme are sufficient to meet the accrued benefits. No liability of the Council has been recognised as at the reporting date in respect of superannuation benefits for its employees. The general purpose financial report of the scheme discloses that the most recent actuarial assessment of the plan was undertaken as at 30 June 2002, by LC Brett, Bsc., FIA, FIAA of Brett & Watson Pty Ltd and that the actuary indicated that without improvements to benefit conditions, or other unanticipated events, current Council contribution rates for contributory members, are sufficient to meet member benefits as they accrue.

The amount of superannuation contributions paid by the council during the year was \$65,458 (\$64,378 2004)

21. Controlling Authorities - Section 43

Council is a member of the Southern Flinders Ranges Development Board (SFRDB) which is a regional economic development authority charged with the responsibility of facilitating Economic Growth and Activity in the Southern Flinders Region.

Council is a member of the Central Region Local Government Association (CRLGA) which is a regional Local Government representative body charged with responsibility of representing the interests of its member Councils.

	2005	2004
	\$	\$
Contribution - SFRDB	11,000	11,000
Contribution - CRLGA	6,739	6,600

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

22. Reconciliation of increase in net assets resulting from operations to net cash inflow from operating activities.

	2005	2004
	\$	\$
Change in Net Assets Resulting From Operations	484,740	537,341
Add Depreciation	1,220,733	980,620
Less Gain / Loss On Disposals	9,222	(36,302)
	1,714,696	1,481,658
Less: Capital Grants	375,545	919,473
	1,339,151	562,186
Change In Operating Assets & Liabilities		
Decrease (Increase) in Debtors	650,013	(504,719)
Increase (Decrease) in Creditors	(235,683)	363,971
Increase (Decrease) in Provision for Employee Entitlement	(43,711)	(4,439)
Decrease (Increase) in Inventories	(430)	2,036
Net Cash Provided by Operating Activities	1,709,339	419,035

23. Credit Arrangement

Bank Overdraft Facility	15,000	15,000
LGFA Short Term Accom. Debenture	120,000	120,000
	135,000	135,000

24. Uniform Presentation of Local Government Finances

By agreement between the Commonwealth, States and Territories, each jurisdiction presents financial information on a Uniform Presentation Framework basis in their Budget papers and Financial Statements. The primary objective of this Framework is to ensure that Commonwealth, State and Territory Governments provide a common 'core' of financial information in their Budget papers and Financial Statements, to enable more meaningful comparisons of each Government's finances.

The Uniform Presentation Framework is based on the reporting standards of the ABS Government Finance Statistics Framework. The Framework was revised in April 2000 to adopt accrual accounting consistent with changes at the international level.

In 2002/2003, the District Council of Mount Remarkable took the initiative, along with several other South Australian Local Government bodies, of publishing a simplified version of the Uniform Presentation Framework used by the other spheres of Government.

The following table summarises Council's finances on a simplified ABS Government Finance Statistics accrual based format, whilst the Funding Statement shown at page 5 further expands on this concept.

	2005	2004
	\$	\$
Operating Revenue	4,403,366	3,596,798
Less: Operating Expenditure	4,294,171	3,978,930
Add: Capital Revenues	375,544	919,473
NET SURPLUS (DEFICIT) RESULTING FROM OPERATIONS	484,740	537,341
Less: Net Cost Acquisition of Non-Financial Assets **	(108,357)	1,281,369
NET LENDING (BORROWING)	593,097	(744,028)

** Being capital expenditure, less proceeds from sale of assets, less depreciation

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005**

25.	Comparison of Budget & Actual Results (Operating)	2004/2005 Operating	
		Budget	Actual
	Revenue	(\$)	(\$)
	Administration	2,544,813	2,558,070
	Regulatory Services	101,000	122,419
	Health	10,000	10,452
	Social Security & Welfare	500	-
	Housing & Community	47,500	54,242
	Recreation & Culture	46,000	106,079
	Transport & Communication	1,571,000	1,105,509
	Economic Affairs	185,000	225,278
	Other Purposes NEC	715,000	218,318
	Total Revenue	5,220,813	4,403,367
	Expenses		
	Administration	465,500	385,689
	Regulatory Services	142,492	131,690
	Health	23,000	25,223
	Social Security & Welfare	13,000	11,609
	Housing & Community	656,500	992,363
	Environmental Protection	5,000	2,096
	Recreation & Culture	223,000	203,283
	Agricultural Services	65,000	69,888
	Transport & Communication	3,428,197	2,184,469
	Economic Affairs	212,500	217,422
	Other Purposes NEC	713,000	125,073
	Inter Function		(54,634)
	Total Expenses	5,947,189	4,294,171
	Capital Revenues	30,000	375,545
	Surplus (Deficit)	(696,376)	484,740
26.	Trust Funds		
	Rent monies received as agent, and held in trust for the Port Germein Jetty Trust.		
	The District Council of Mount Remarkable performs only a custodial role in respect of these monies, and because the monies cannot be used for Council purposes, they are not brought to account in the financial report, but are shown here for information purposes.		
	Port Germein Jetty Trust - 24 Hour	288	8,590
	Port Germein Jetty Trust - Fixed Term	22,827	13,384
		23,115	21,973

CHIEF EXECUTIVE OFFICER'S STATEMENT

I, **SEAN RICHARD CHERITON** the person for the time being occupying the position of **CHIEF EXECUTIVE OFFICER** of **THE DISTRICT COUNCIL OF MOUNT REMARKABLE** do hereby state that the financial statements for the Council for the 2004/2005 financial year are to the best of my knowledge presented fairly and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act, 1999, and the Local Government (Financial Management) Regulations 1999* made under that Act.

.....
S.R. Cheriton
Chief Executive Officer

.....
Dated

~ **ADOPTION STATEMENT** ~

Laid before the Members of the District Council of Mount Remarkable,
and adopted on this thirteenth (13th) day of September 2005

.....
CHIEF EXECUTIVE OFFICER

.....
CHAIRMAN

**INDEPENDENT AUDIT REPORT
TO THE ELECTORS
OF THE DISTRICT COUNCIL OF MOUNT REMARKABLE**

Scope

I have audited the financial statements of the District Council of Mount Remarkable for the financial year ended 30 June 2005, as set out on pages 1 - 21.

The Chief Executive Officer is responsible for the preparation and presentation of the financial statements and the information contained therein. I have conducted an independent audit of the financial statements in order to express an opinion on them.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosure in the financial statements, and the evaluation of accounting policies and significant accounting estimates.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Concepts and Standards and the Local Government Act 1999, so as to present a view of the entity which is consistent with my understanding of its financial position and the result of its operations.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial statements of the District Council of Mount Remarkable are properly drawn up:

- a. So as to give a true and fair view of:
 - (i) The Council's state of affairs as at 30th June 2005 and its operating result for the year ended on that date; and
 - (ii) The other matters required by Chapter 8 of the Local Government Act 1999 to be dealt with in the accounts;
- b. In accordance with the provisions of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999;
- c. In accordance with Statements of Accounting Concepts and applicable Accounting Standards; and
- d. The internal administration procedures and procedures adopted by Council, given the size of the administration, were of acceptable standards.

.....
GERALD P. COBIAC AUA CPA
Partner
Cobiac & Chapman
Certified Practising Accountants
Prospect, South Australia
August, 2005

APPENDIX E - MAJOR ROAD EXPENDITURE FOR THE 2004/2005 FINANCIAL YEAR

Sealed Road Construction	\$ 23,000
Unsealed Road Construction	\$506,000
Sealed Road Maintenance	\$ 18,800
Unsealed Road Maintenance	\$18,400
Township Unsealed Maintenance	\$ 74,000
District Road Maintenance	\$108,000
Grader Maintenance	\$171,000
Special Local Roads Program (Laura/Appila)	\$434,000
Transport SA Works (Booloroo/Appila)	\$684,000
Footpath Construction	\$ 36,376
Reseal Program	\$ 53,000
Township Seal	\$ 27,452