



ANNUAL BUSINESS PLAN 2020-2021

Adopted by Council 15 June 2020

OUR MISSION

**“To provide a range of services which meet the environmental,
social and economic needs of our community.”**



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1. Introduction

The Draft Annual Business Plan sets out the Council's proposed services, programs and projects for 2020-21. It aims to maintain effective services for the community and continue progress towards the long term objectives for the District Council of Grant as set out in our Strategic Management Plan 2016-2020.

Specific objectives for the year are consistent with Council's Long Term Financial Plan and Asset Management Plans to ensure the long term sustainability of Council's financial performance and position.

The District Council of Grant is the most southern local government area in South Australia. Situated on the south east coast it is bounded to the south and west by the Southern Ocean, the Victorian Border to the east and the Wattle Range Council to the north and west. The Council encircles the local government area of the City of Mount Gambier.

The Council is predominantly rural with a number of small townships, and serves a population of 7,597 and covers an area of 188,493 hectares. The area contains some of the richest and most productive agricultural land in South Australia. Dairying, beef, and sheep production, wool, seed and grain production, forestry and horticulture are the predominant agricultural activities.

2. Our Future

The Plan has been prepared on the basis of maintaining an appropriate level of services to the community, without imposing an unrealistic rate burden on ratepayers. The provision of services by Council is a reflection of meeting both Council's obligations under legislation and the community's desire for services and facilities.

Council adopted its 2016-2020 Strategic Management Plan (SMP) in April 2016. The Plan identifies key issues and projects which will provide for a range of services and facilities while ensuring the ongoing sustainability of Council.

When developing the Plan, Council identified its vision as being:

“A progressive and caring Council, providing responsible leadership, sustainable development and cost effective quality services.”

and mission as:

“To provide a range of services which meet the environmental, social and economic needs of our community.”

Council is committed to providing BEST VALUE to its customers and community in the manner that it carries out its duties, functions, responsibilities and obligations. The following goals were set by Council to realise this objective:

GOALS	OUTCOMES
Physical Infrastructure is improved and developed	<ul style="list-style-type: none"> • Improved roads and infrastructure, transport links, footpaths and walking/cycle trails • Improved public spaces • Improved regional infrastructure (including non-council infrastructure) • Improved Mount Gambier Airport infrastructure and services • Improved Mount Gambier Saleyards infrastructure and services • Improved marine infrastructure
Economic development opportunities pursued and promoted	<ul style="list-style-type: none"> • Growth of new and existing industries and businesses • Increased tourism • Existing events supported and new events developed • Land developed to meet future needs and demands
Improved community services delivered that support community expectations	<ul style="list-style-type: none"> • Improved and accountable partnerships and services provided by other stakeholders • Effective and improved community development programs • A safe and vibrant community
Strong leadership, management, and delivery of transparent council services	<ul style="list-style-type: none"> • Effective communication and consultation with the community and regional partners • Effective Council management and business systems • Effective regulatory services • Effective support and services to Elected Members • Effective partnerships with stakeholders
Sustainable use, accessibility and planned use of our natural and built environment	<ul style="list-style-type: none"> • Alternative energy solutions and opportunities explored • Improved and continued public access to our natural environs (parks, coast, marine parks) • Sustainable approach to coastal protection strategies • Sustainable Community Waste Management Systems implemented and maintained • Sustainable Waste Management Services

Action plans detailing major activities that Council will undertake to achieve these objectives can be found in the Strategic Management Plan. The current version being available to the public for inspection at the Council Office or on the website at <http://www.dcgrant.sa.gov.au>

3. Asset Management Plans

Sound asset management is the key to financial sustainability. There is clearly a direct link between the development and implementation of Council's Asset Management Plans and its Long Term Financial Plan. Council expends considerable funds on the acquisition and management of assets. It will be exposed to financial risk over the longer term if budget processes have little regard for ongoing costs associated with the maintenance and renewal of these assets beyond the current budget period. It is incumbent on Council to carefully consider information about the stock of infrastructure and other assets and the contribution that current ratepayers are making to their consumption.

The plans help ascertain likely future maintenance and renewal needs and guide consideration of infrastructure needs to meet future community service expectations. Costs inherent in the Council's Asset Management Plans are reflected in Council's Long Term Financial Plan and both of these documents are integral to, and will be heavily influenced by, the Strategic Plan.

4. Significant Influences and Priorities

A number of significant factors have influenced the preparation of Council's 2020-21 Draft Annual Business Plan. These include:

- The current Covid-19 restrictions and its impact on the local economy;
- Consumer Price Index increase of 2.4% for the March Quarter for Adelaide;
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, stormwater drainage, open space and Council properties;
- Service and infrastructure needs for a growing population;

In response to these factors, the Draft Annual Business Plan has been prepared within the following guidelines:

- The Draft Annual Business Plan will result in the total revenue raised through general rates increasing by 1.6%;
- Most residential customers will pay the same or less than 2019-20, with primary producers bearing higher increases due to large increases in valuations in some areas. No primary producer will pay more than a 6% increase on last years rates, with a cap of 6%;
- Council continues to be proactive with respect to seeking grant funding to assist with the funding for new projects, with significant capital grants having been sourced for the 2020-21 financial year.

The following table summarises rates for 2020-21, compared to the previous years.

	2018-19	2019-20	2020-21
Rate Category	Budget	Budget	Budget
General Property Rates*	7,785,930	8,098,682	8,171,429
CWMS Rates	671,533	703,220	695,088
MGB Rates	599,016	608,250	667,004
NRM Rates	581,205	589,964	605,313
Total	9,637,684	10,000,116	10,138,835
Total Revenue	14,575,537	14,803,717	15,455,159
% of Rates of Total Revenue (excluding NRM)	62%	64%	62%
* Includes rebates, fines and penalties			

The following objectives were achieved in 2019-20:

- Increased maintenance on Council's roads, including continuation of road reseal program;
- Continuation of road construction and renewal as per Asset Management Plans;
- Identify and apply for funding to improve safety of Council's road network;
- Continuation of township upgrades based on the Port MacDonnell and River and Coastal Master Plans;
- Continued advocacy for services and facilities for the community; and
- Various renewals of Councils Community Wastewater Management Systems.

The Council's priorities for 2020-21 are:

- Continue with Councils road maintenance, renewal and upgrade program;
- Continuation of township upgrades based on the Port MacDonnell and River and Coastal Master Plans;
- Economic development initiatives including an industry investment attraction, industry forums and international engagement;
- Upgrade of the Mount Gambier Regional Airport terminal;
- Completion of the Waterfront Project.

5. Continuing Services

All Councils have basic responsibilities under the Local Government Act and other relevant legislation. These include:

- Regulatory activities e.g. maintaining the voters roll and supporting the Elected Members;
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area;
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and storm-water drainage;
- Street cleaning and rubbish collection;
- Development planning and control, including building safety assessment;
- Various environmental health services.

In response to community needs the Council also provides further services and programs including:

- Libraries and Rural Transaction Centres
- Youth Development
- Public Health and Safety
- Animal Management Services
- Community and Sporting Facilities
- Economic Development
- Environmental Plans and Projects
- Community and Cultural Development

In all services the Council seeks to be responsive to changing needs. Regular community surveys are undertaken to check levels of satisfaction and areas for improvement.

The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue for services and projects of benefit to the District Council of Grant:

- Animal management fees
- Property Information Searches
- Development Application fees
- Airport fees; including passenger levy, hangar rental and aircraft operating licence fees
- Saleyards fees
- Leases and licences associated with use of council buildings and property
- Road Rents
- Cemetery charges
- Rubbish Dump/Waste Transfer Station fees
- Mobile Food Vending Licence fees
- Fish buyers licences
- Private works carried out for ratepayers and other government departments

The Draft Annual Business Plan does not propose to reduce our services or staff and will increase the service level provided to residents by a higher injection of funds in the road maintenance area.

6. Project Priorities for the Year

Council's planned priorities for project expenditure in 2020-21 are set out in the table below.

District Council of Grant
2020-21 Budget
OPERATING PROJECTS

	Year Ended 30 June:	2020-21
Cultural Engagement Strategy		25,000
CEO Discretionary Fund		50,000
Asset Revaluations		15,000
Consultants - Project Management & Consulting		15,000
Old Boatyard - Consultation & Planning		15,000
Town Planning Projects - Joint Planning Board		10,000
Town Planning Consultant Fees		20,000
Contribution to Planning Portal		6,000
Port MacDonnell Seaweed Removal		40,000
Economic Development Consultants		20,000
Economic Development Projects		20,000
Contribution to Joint Coastal Protection application		20,000
Underground Power Lines - Sea Parade, Port MacDonnell (1/3 share) - Stage 2		231,000
Contribution to City of Mount Gambier's Regional Sporting Hub - year 2 of 2		175,000
TOTAL		662,000

For further details on capital expenditure for 2020-21 please refer to appendix 1.

7. Measuring Performance - Objectives for the Year

The Draft Annual Business Plan has been prepared to deliver the following Council objectives for the 2020-21 year:

Infrastructure:

- Regional and local transport infrastructure planning and provision, including Mount Gambier Airport.
- Implementation of adopted Port MacDonnell, River and Coast, and Tarpeena Master Plans

Economic Development:

- Promote tourism planning opportunities in the district.
- Assist businesses in value adding and diversification in all primary industries.

Community Development and Support:

- Continued advocacy to all levels of government for services, facilities and projects for the community (health, medical services, infrastructure, telecommunications, etc).

Governance:

- Promote participation in leadership governance and other training programs for Elected Members and senior staff.
- Maintain and regularly update the Council website regarding Council's services, facilities and projects.
- Financial sustainability and accountability
- Continued assessment of business systems and approach throughout Council.

Quality Environment:

- Sustainable approach to coastal protection strategies
- Sustainable Community Waste Management Systems implemented and maintained
- Sustainable Waste Management Services.

Financial indicators

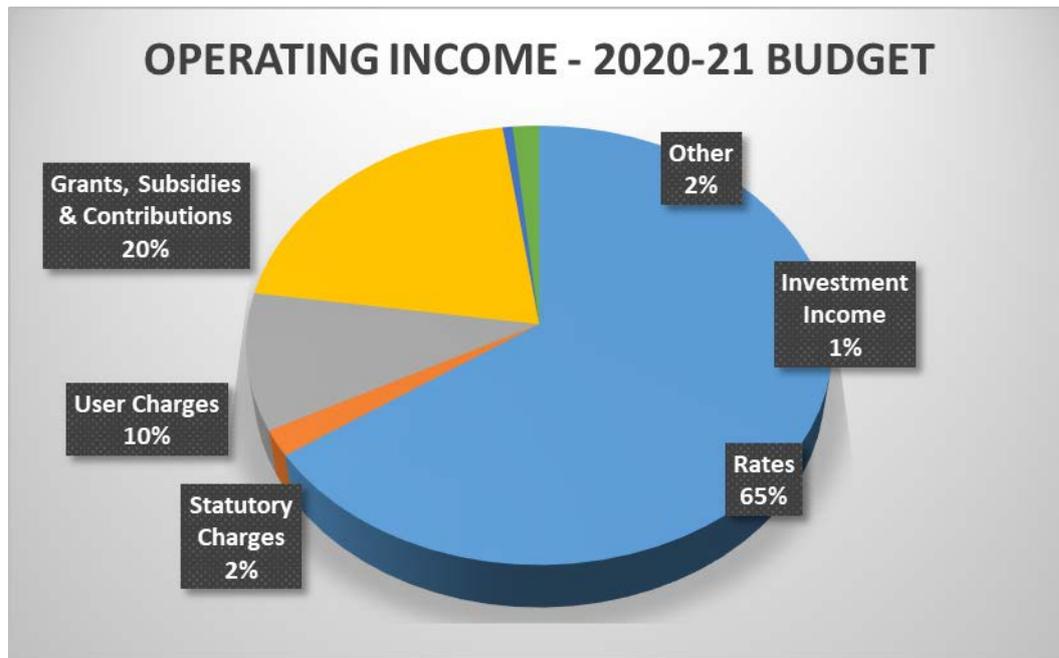
The Local Government sector in South Australia has adopted a set of financial indicators which provide a measure of the financial sustainability of Council's financial performance and position over time. Longer term targets for all indicators are being developed in conjunction with the development of the Long Term Financial Plan. Appendix 4 of this Draft Annual Business Plan provides an explanation of the basis for the indicators and what they tell us about the financial performance and position of the Council.

8. Funding the Business Plan

The plan will deliver a \$87,428 surplus (before capital amounts) for the 2020-21 year.

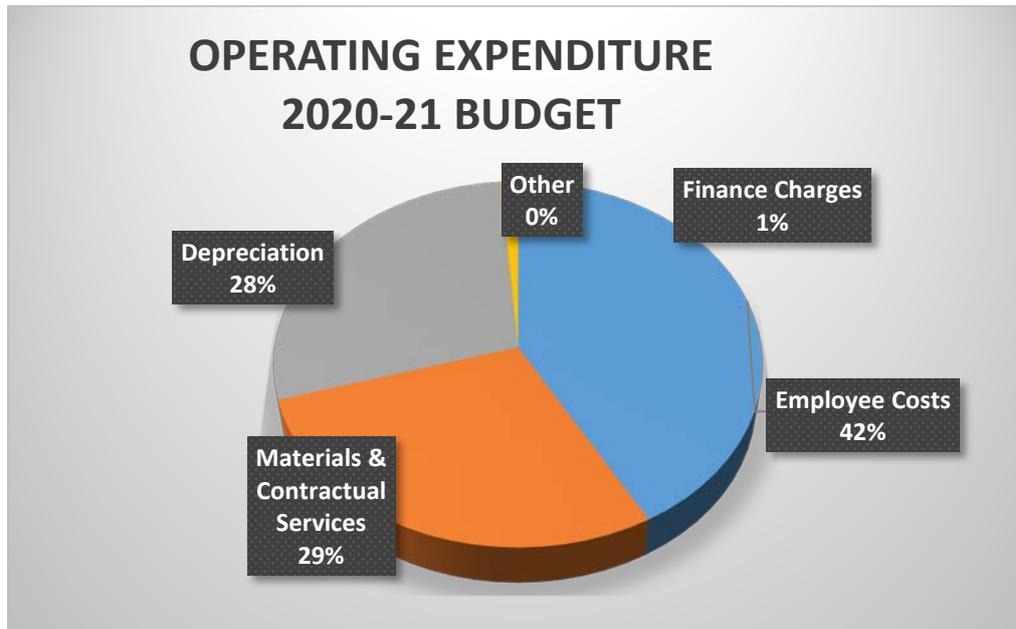
The Council’s long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

The following chart and table highlights the sources of revenue for 2020-21.



OPERATING INCOME	2020-21 BUDGET
Rates	10,108,835
Statutory Charges	296,419
User Charges	1,559,845
Grants, Subsidies & Contributions	3,148,677
Investment Income	93,700
Other	247,684
TOTAL	15,455,159

The following chart and table provide a breakdown of the services for which expenditure is planned in 2020-21



OPERATING EXPENDITURE	2020-21 BUDGET
Employee Costs	6,423,209
Materials & Contractual Services	4,402,830
Depreciation	4,352,177
Finance Charges	189,515
Other	-
TOTAL	15,367,731

User Pay charges set by Council. These comprise charges for the Council's fee based facilities such as CWMS, Garbage Collection, Saleyards and Airport. Most of the above mentioned facilities operate on a self-funded basis where revenues are offset by costs and any balance is kept in a reserve account.

Statutory Charges set by State Government. These are fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications. Revenues will generally off-set the cost of the service.

Grants and Partnerships. The Council normally seeks to attract as much grant funding as possible from other levels of government, and major projects of wider State benefit are usually jointly funded in partnership with the State Government and other relevant parties.

Impact on Council's Financial Position

Council's Debt Policy is to confine long term borrowings to Capital items, while debt servicing (repayment of principal and interest) shall not exceed 20% of total annual General Rate Revenue.

An amount of \$189,595 is required to service Council's loans for the 2020-21 financial year. This figure represents 1.9% of Council's general rate revenue for the 2020-21 financial year. There are no new council loans planned for 2020-21.

Appendix 1: Capital Expenditure

District Council of Grant
2020-21 Budget
Capital Projects

PROJECT	DESCRIPTION	TOTAL	Grants	Loans	Trade-In	Reserves	Other	Council
Masterplan & Open Space Projects								
Development of Whittington Square	Bollards, planter Boxes shrubs Bench seat	\$ 7,752						\$ 7,752
Tarpeena	Fitness Park/Playground upgrade	\$ 15,000						\$ 15,000
Retaining Wall Carp Rock	Retaining along Carp Rocks Rd 80 meters x 1.2 height Average	\$ 41,183						\$ 41,183
Francis Tce West Wall	Retaining Wall 70 meters x .600mm in height	\$ 21,403						\$ 21,403
Old Boat Yard	Car park Old Boat Yard approx 1600 m2 with 30mm Asphalt or 2 Coat seal	\$ 92,073						\$ 92,073
Town Entrance Signage	Entrance Signage for townships for Blackfellows & Pelican Pt	\$ 10,691						\$ 10,691
Nene Valley Playground	Replace existing Cricket pitch & netting	\$ 13,035						\$ 13,035
Carp Rocks Shelter	Carry over from 2019-20	\$ 9,742						\$ 9,742
Port MacDonnell Waterfront	Stage 2 of Waterfront Development	\$ 770,000						\$ 770,000
Australian Government	Local Roads and Community Infrastructure Program	\$ 423,450	\$ 423,450					\$ -
		\$ 1,404,330	\$ 423,450	\$ -	\$ -	\$ -	\$ -	\$ 980,880
ICT								
Information and Communication Technology	As per replacement plan (excluding Saleyards and Airport)	\$ 126,454						\$ 126,454
		\$ 126,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,454
Buildings								
Carpenter Rocks	Request for Additional Public Toilet Facility	\$ 40,000	\$ 20,000					\$ 20,000
Brown Bay	Replace Toilet	\$ 100,000	\$ 50,000					\$ 50,000
Public Conveniences - Blackfellows Cave	Replace Tie downs and retrofit cubical	\$ 10,000						\$ 10,000
Public Conveniences - Donovans	Repairs to list	\$ 2,000						\$ 2,000
Public Conveniences - Kongorong	Internal and external painting	\$ 4,000						\$ 4,000
Public Conveniences - Mount Schank	Repaint interior & exterior	\$ 3,000						\$ 3,000
Public Conveniences - Nene Valley	Replace Pump	\$ 1,000						\$ 1,000
Public Conveniences - PM Foreshore West	Renew plumbing	\$ 2,500						\$ 2,500
Public Conveniences - PM Foreshore Tourist Park	Repair pipes, repaint interior & exterior	\$ 6,500						\$ 6,500
Public Conveniences - Tenterton Reserve	Plumbing renewal	\$ 2,500						\$ 2,500
Public Conveniences - Tarpeena	Replace Toilet Pans & Doors	\$ 13,500						\$ 13,500
Port MacDonnell Foreshore Tourist Park	Repair electrical corrosion in Office	\$ 5,000						\$ 5,000
Port MacDonnell Depot	Replace kitchen	\$ 5,000						\$ 5,000
Port MacDonnell Hall	Renew pipes & taps, paint windows & doors	\$ 2,000						\$ 2,000
Port MacDonnell Community Complex	Upgrade to LED lighting	\$ 4,000						\$ 4,000
Old Maritime Museum	Replace floor coverings, repaint doors & windows	\$ 6,000						\$ 6,000
EA Milstead Centre	Repaint interior & exterior	\$ 5,000						\$ 5,000
Port MacDonnell Scout Hall (Men's Shed)	Renew plumbing, repaint interior	\$ 4,000						\$ 4,000
Yahl Soldiers Memorial Hall	Repaint interior, replace kitchen, install septic	\$ 15,000						\$ 15,000
Tarpeena Memorial Hall	Replace plumbing, external repaint	\$ 10,000						\$ 10,000
Mount Gambier Office	Painting of Training Room, Lunch Room & Verandah	\$ 7,000						\$ 7,000
Mount Gambier Office	Paint high traffic areas and Pharapet	\$ 14,000						\$ 14,000
Mount Gambier Office	External Painting and replacement of carpet - Works building	\$ 4,000						\$ 4,000
Mount Gambier Office	Interior & Exterior painting - NRM Office	\$ 4,000						\$ 4,000
Mount Gambier Office	Main Workshop & Purchasing office renewals	\$ 16,000						\$ 16,000
Mount Gambier Office	Repaint rear NRM Shed	\$ 2,000						\$ 2,000
		\$ 288,000	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 218,000

District Council of Grant
2020-21 Budget
ROAD CONSTRUCTION

Road	Locality	Description	Total
Dycer Rd	Mingbool	Resheet Dycer Rd (Peweena & Riddoch Highway) 1700 x 6 x .150mm	\$ 57,657
Crowes rd	Kongorong	Resheet Crowes Rd 1500 x 5 x 150mm Crushed Rubble	\$ 39,907
Houston Rd	Kongorong	Reheet 2300 x 6 ..150mm	\$ 72,590
Carney Lake Rd	Wandilo	Resheet 2300 x 6 x .200mm	\$ 94,430
Gilbruc Rd	Mingbool	Resheet 2200 x 4.5 x .150mm	\$ 58,046
Taylor's Rd	Blackfellows	Reheet Taylor's Rd 880 meters x 5 x .200mm	\$ 33,956
Mitchell Rd	Compton	Resheet 1600 meters x 6 x .200 mm	\$ 50,505
McCleans Rd	Mt Schank	Resheet 2000 x 6 x .200mm	\$ 68,348
Old Medhurst Rd	Tarpeena	Resheet 1250 x 6 x .200 jmm	\$ 67,803
Cottage Rd	Mingbool	Resheet 2500 x5 x .200 mm	\$ 72,588
Concannon Rd	Mt Schank	Resheet 1700 x 6 x .200mm (Mt Salt to Mcleans Rd)	\$ 57,427
Milroy	Mingbool	Resheet 2500 x 6 x ,200 mm (End of Bitumen for 2500)	\$ 81,968
Hill Rd (Between Henningsen & Woodlands RD)	Yahl	Reheet 1600m x 6 x .150 mm	\$ 48,978
Teal Rd	Mingbool	Resheet 1600 x 5 x .200 Dip Rd to Milroy Rd	\$ 48,835
Warrenaga Rd	Wye	Resheet 1500 x 6 x .200 (Starting at Hunts Rd to Glenelg River)	\$ 55,699
ACI Rd	Wye	Resheet 1500x 5 x .200	\$ 53,349
Sewarts Rd	Allendale	Reconstruction Sewarts Rd 2000 x 8 x .200mm	\$ 229,706
Peweena Rd	Mingbool	Reconstruct & seal 2000 meters x8 x .200mm	\$ 234,266
Ridge Rd 2	Mingbool	Reconstruct and seal 1350 meters x 9 x .200mm	\$ 164,538
		Resealing	\$ 800,000
Stock Route Rd	Mt Schank	Resheet 1500 x 8 x .200mm and seal 1000 meters	\$ 140,615
Wynham Road	Moorak	Reconstruct & Seal Wynham Rd Rd 1500 x 8 x .200 mm	\$ 167,341
Hammer Pde	Blackfellows Caves	Kerb & Channell on Northern Side 85 meters	\$ 47,704
Butler Street	Kongorong	Reconstruct & Seal 200 meters x 6 x .200 mm	\$ 29,712
Dry Creek Rd	Donovans	Kerb & Channell Dry Creek Rd (FromAdams to end 310m)	\$ 114,559
Marion TCE	Tarpeena	Kerb & Channell 250 meters (Anne to Hall) only Eastern side	\$ 114,519
Cafpirco Rd	Compton	Reconstruct Cafpirco Rd (Burnad Rd 1.6 kms west)	\$ 275,361
Megaw Rd	Compton	Resheet Megaw Rd From Cafpirco Rd to Railway Line 1700 x 6 x .150 mm	\$ 50,581
Port Mac Bike track resurfacing	Pt Mac	Re-seal 760 meters	\$ 76,000
Blackspot Funding	Yahl	Staggered T-Junction Ruwoldt & Yahl Road	\$ 235,000
Total			\$3,641,988

DISTRICT COUNCIL OF GRANT									
2020/2021 BUDGET									
CAPITAL PLANT PURCHASES									
Asset ID	Asset Name	Current Vehicle Details	Allocation	Purchase Details	Qty	Total Cost	Income From Trade	Changeover	
HEAVY PLANT REPLACEMENT									
F.P343	Loaders	Volvo L70F 4WD Front End Wheeled Loader			1	\$275,000	\$40,000	\$235,000	
F.P204	Rollers	Caterpillar Vibrating Roller			1	\$60,000	\$6,000	\$54,000	
F.P344	Tractors	Case IH 115 Maxxum 4WD Tractor			1	\$110,000	\$35,000	\$75,000	
F.P205	Trucks	Hino Premix Truck and Exi-Lay Body			1	\$230,000	\$30,000	\$200,000	
LIGHT PLANT REPLACEMENT									
F.P432	Slashers	Howard EHD180 Slasher			1	\$11,000	\$2,000	\$9,000	
COMMERCIAL VEHICLE REPLACEMENT									
F.002357	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	Martin Brown	Buy Back - NBT	3	\$109,091	\$103,636	\$5,455	
F.002523	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	Community Ranger	Buy Back - NBT	3	\$109,091	\$103,636	\$5,455	
F.002153	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	Matthew Little	Buy Back - NBT	3	\$109,091	\$103,636	\$5,455	
F.002056	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	Works Pool	Buy Back - NBT	1	\$36,818	\$30,909	\$5,909	
F.002315	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	Dale Millar	Buy Back - NBT	1	\$39,175	\$30,909	\$8,266	
MANAGER & PASSENGER VEHICLE REPLACEMENT									
F.002322	Passenger/Manager Vehicles	4 x 4 SUV	Chief Executive Officer		1	\$50,000	\$35,000	\$15,000	
F.002054	Passenger/Manager Vehicles	Hyundai Accent Hatch Active 1.4P Auto	Youth on Wheels		1	\$15,553	\$10,000	\$5,553	
F.002050	Passenger/Manager Vehicles	Hyundai TL Tucson	Aaron Price/Pool Car		1	\$24,797	\$19,000	\$5,797	
F.002318	Passenger/Manager Vehicles	Hyundai Santa Fe TM	Leith McEvoy		1	\$36,171	\$27,000	\$9,171	
F.002317	Passenger/Manager Vehicles	Toyota Corolla Hatch Ascent Sport	Environmental Services Pool	Buy Back - NBT	1	\$21,209	\$15,000	\$6,209	
F.002078	Passenger/Manager Vehicles	Honda HRV Wagon	Shannon Dyer/Pool Car		1	\$22,409	\$18,000	\$4,409	
F.002245	Passenger/Manager Vehicles	Mazda CX5 AWD Wagon	Marianne Tucker		1	\$29,406	\$22,000	\$7,406	
F.002355	Passenger/Manager Vehicles	Toyota Rav4 6A GXL AWD Auto 5D Wagon	Jane Fetherstonhaugh	Buy Back - NBT	1	\$40,000	\$29,090	\$10,910	
MOUNT GAMBIER AIRPORT									
F.002360	Mount Gambier Airport	Toyota Hilux 4x4 Dual Cab Utility	Ian Fritsch	Buy Back - NBT	3	\$109,091	\$103,636	\$5,455	
F.002244	Mount Gambier Airport	Toyota Hilux 4x4 Dual Cab Utility	Adam Branford	Buy Back - NBT	1	\$36,818	\$32,727	\$4,091	
MOUNT GAMBIER SALEYARDS									
F.002358	Mount Gambier Saleyards	Toyota Hilux 4x4 Dual Cab Utility	Saleyards Manager	Buy Back - NBT	1	\$36,818	\$35,318	\$1,500	
F.001965	Mount Gambier Saleyards	Can-Am Outlander L 450			1	\$7,745	\$4,000	\$3,745	
						TOTAL	\$1,519,283	\$836,499	\$682,784

Appendix 2: Budgeted Financial Statements 2020-21

District Council of Grant			
2020-21 Budget			
STATEMENT OF COMPREHENSIVE INCOME			
Year Ended 30 June:	2020-21	2019-20	2020-21
	Budget	Budget	Forecast as per LTFP
Operating Revenue			
Rates	10,108,835	9,982,873	10,169,459
Statutory Charges	296,419	269,702	295,458
User Charges	1,559,845	2,091,644	2,068,011
Grants, Subsidies & Contributions	3,148,677	2,117,592	2,820,396
Reimbursements	38,523	38,523	55,503
Investment Income	93,700	93,700	87,726
Other	209,161	209,683	407,105
Total Operating Revenue	15,455,159	14,803,717	15,903,659
Operating Expenses			
Employee Costs	6,423,209	6,438,925	6,020,351
Materials & Contractual Services	4,402,830	4,244,969	4,511,529
Depreciation	4,352,177	4,236,221	4,785,083
Finance Charges	189,515	219,665	233,057
Other	0	0	0
Total Operating Expenses	15,367,731	15,139,780	15,550,020
Operating Surplus/(Deficit)	87,428	(336,063)	353,638
Fair Value Adjustment			
Net Gain(Loss) on Disposal or Revaluation of Assets	0	0	0
Physical Resources Free of Charge			
Amounts received specifically for new or upgraded assets	3,737,828	4,489,969	502,500
NET SURPLUS / (DEFICIT)	3,825,256	4,153,906	856,138
Other Comprehensive income			
Changes in revaluation surplus - Infrastructure, property, plant & equipment	0	0	0
TOTAL COMPREHENSIVE INCOME	3,825,256	4,153,906	856,138

District Council of Grant
2020-21 Budget
ESTIMATED BALANCE SHEET

Year Ended 30 June:	2020-21	2019-20	2020-21
	Budget	Budget	Forecast as per LTFF
ASSETS			
Current Assets			
Cash & Equivalent Assets	1,327,306	1,674,091	1,725,480
Trade & Other Receivables	694,692	725,154	725,154
Inventories	188,663	188,663	188,663
Sub-total	2,210,660	2,587,908	2,639,296
Non-current assets held for sale	0	0	0
Total Current Assets	2,210,660	2,587,908	2,639,296
Non-Current Assets			
Receivables	0	0	0
Infrastructure, Property, Plant & Equipment	136,226,153	129,431,138	129,861,706
Inventories			
Other Non-Current Assets			153,137
Total Non-Current Assets	136,226,153	129,431,138	130,014,843
Total Assets	138,436,813	132,019,045	132,654,139
LIABILITIES			
Current Liabilities			
Trade & Other Payables	455,976	1,175,087	952,727
Borrowings	526,838	742,646	526,838
Provisions	852,676	852,676	852,676
Other Current Liabilities			
Sub-total	1,835,490	2,770,409	2,332,241
Liabilities Relating to Non-Current Assets held for sale	0	0	0
Total Current Liabilities	1,835,490	2,770,409	2,332,241
Non-Current Liabilities			
Trade & Other Payables			
Borrowings	2,566,381	2,349,255	2,566,381
Provisions	47,782	47,782	47,782
Other Non-Current Liabilities			
Total Non-Current Liabilities	2,614,163	2,397,037	2,614,163
Total Liabilities	4,449,653	5,167,446	4,946,404
NET ASSETS	133,987,160	126,851,600	127,707,735
EQUITY			
Accumulated Surplus	56,822,160	49,686,600	50,542,736
Asset Revaluation Reserve	77,165,000	77,165,000	77,165,000
Other Reserves	0	0	0
TOTAL EQUITY	133,987,160	126,851,600	127,707,735

District Council of Grant
2020-21 Budget
ESTIMATED CASH FLOW STATEMENT

Year Ended 30 June:	2020-21	2019-20	2020-21
	Budget	Budget	Forecast as per LTFP
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates	10,108,835	9,982,873	10,169,459
Statutory Charges	296,419	269,702	295,458
User Charges	1,559,845	2,091,644	2,068,011
Grants, Subsidies & Contributions	3,148,677	2,117,592	2,820,396
Reimbursements	38,523	38,523	55,503
Investment Income	93,700	93,700	87,726
Other	209,161	209,683	407,105
<u>Payments</u>			
Employee Costs	(6,423,209)	(6,438,925)	(6,020,351)
Materials & Contractual Services	(4,402,830)	(4,244,969)	(4,511,529)
Finance Charges	(189,515)	(219,665)	(233,057)
Other	0	0	0
Net Cash provided by (or used in) Operating Activities	4,439,605	3,900,158	5,138,722
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts Specifically for New/Upgraded Assets	3,737,828	4,489,969	502,500
Sale of Renewed/Replaced Assets	1,012,181	818,540	886,399
Repayment of Loans from Community Groups	30,462	30,462	0
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets	(4,391,886)	(3,744,149)	(3,780,764)
Expenditure on New/Upgraded Assets	(7,336,606)	(6,881,020)	(2,176,800)
Loans made to Community Groups		0	
Net Cash Provided by (or used in) Investing Activities	(6,948,022)	(5,286,199)	(4,568,665)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings	215,000		215,000
<u>Payments</u>			
Repayments of Borrowings	(527,213)	(528,966)	(735,287)
Net Cash provided by (or used in) Financing Activities	(312,213)	(528,966)	(520,287)
Net Increase/(Decrease) in cash held	(2,820,629)	(1,915,006)	49,770
Opening cash, cash equivalents or (bank overdraft)	4,147,935	3,589,095	1,643,998
Closing cash, cash equivalents or (bank overdraft)	1,327,306	1,674,091	1,693,768

**District Council of Grant
2020-21 Budget
ESTIMATED STATEMENT OF CHANGES IN EQUITY**

Year Ended 30 June:	2020-21	2019-20	2020-21
	Budget	Budget	Forecast as per LTFP
ACCUMULATED SURPLUS			
Balance at end of previous reporting period	52,996,904	45,532,692	49,686,598
Net Result for Year	3,825,256	4,153,908	856,138
Transfers to Other Reserves			
Transfers from Other Reserves			
Balance at end of period	56,822,160	49,686,600	50,542,736
ASSET REVALUATION RESERVE			
Balance at End of Previous Reporting Period	77,165,000	77,165,000	77,165,000
Gain/(loss) on Revaluation of Infrastructure, Property, Plant & Equipment		0	
Transfer to Accumulated Surplus on Sale of Property, Plant & Equipment			
Balance at end of period	77,165,000	77,165,000	77,165,000
OTHER RESERVES			
Balance at end of previous reporting period	0	0	0
Transfers from Accumulated Surplus			0
Transfers to Accumulated Surplus			
Balance at end of period	-	-	-
TOTAL EQUITY AT END OF REPORTING PERIOD	133,987,160	126,851,600	127,707,736

Appendix 3: Local Government Financial Indicator Definitions

Ratio Descriptions

Operating Surplus (Deficit)

An operating surplus indicates the extent to which operating revenue is sufficient to meet all operating expenses including depreciation and consequently the burden of expenses is to be met by current ratepayers.

An operating deficit occurs when total operating expenses exceed total operating revenues and consequently the burden of a portion of expenses will need to be met by future ratepayers.

Operating Surplus (Deficit) Ratio

This ratio expresses the operating surplus (deficit) as a percentage of general and other rates, net of rebates.

A negative ratio indicates the percentage increase in total rates required to achieve a break-even operating result.

A positive ratio indicates the percentage of total rates available to fund capital expenditure over and above the level of depreciation expense without increasing Council's level of net financial liabilities. If this amount is not required for capital expenditure it reduces the level of net financial liabilities.

Net Financial Liabilities

Net financial liabilities measure Council's total indebtedness.

Net financial liabilities is a broader measure than net debt as it includes all of Council's obligations including provisions for employee entitlements and creditors.

The level of net financial liabilities increases when a net borrowing result occurs in a financial year and will result in a Council incurring liabilities and/or reducing financial assets.

The level of net financial liabilities decreases when a net lending result occurs in a financial year and will result in a Council purchasing financial assets and/or repaying liabilities.

Net Financial Liabilities Ratio

This ratio indicates the extent to which net financial liabilities of the Council can be met by the Council's total operating revenue.

Where the ratio is falling it indicates the Council's capacity to meet its financial obligations from operating revenues is strengthening.

Where the ratio is increasing it indicates a greater amount of Council's operating revenues is required to service its financial obligations.

Interest Cover Ratio

This ratio indicates the extent to which Council's commitment to interest expenses are met by total operating revenues.

Asset Sustainability Ratio

This ratio indicates whether the Council is renewing or replacing existing non-financial assets at the rate of consumption. On occasions the Council will accelerate or reduce asset expenditures over time to compensate for prior events or invest in assets by spending more now so that it costs less in the future to maintain.

Asset Consumption Ratio

This ratio shows the consumption of the asset stock at a point in time.

Depreciation represents the reduction in value of the assets each year and therefore accumulated depreciation is the total reduction in the carrying value of the assets.

This measure seeks to best represent the deterioration in the value of an asset and gives an indicator of potential backlog.

Appendix 4: District Council of Grant Rating Policy

Rating Policy (FINPOL 19)

	Rating Policy <i>Policy No. FINPOL 19</i>	Version No:	7
		Responsible Officer/s:	Team Leader – Finance & Customer Service
		Issued:	5 October 2016
		Next Review:	April 2021

1. Purpose

Council's powers to raise rates are found in Chapter 10 of the Act which provides the framework within which the Council must operate, but also leaves room for the Council to make a range of policy choices. This document includes reference to compulsory features of the rating system, as well as the policy choices that the Council has made on how it imposes and administers the collection of rates.

2. Scope

All land within a Council area, except for land specifically exempt (e.g. Crown Land, Council occupied land and a few other limited categories under section 150(a) of the Act, is rateable.

3. Definitions

Act	the <i>Local Government Act 1999</i> (SA).
Capital value	the valuation methodology used in determining the value of land, as defined in the <i>Valuation of Land Act 1971</i> .
Council	the elected Council body.
CWMS	the Community Wastewater Management System within the Council area formerly referred to as Septic Tank Effluent Disposal Schemes (STEDS).
General Rate	the rate in the dollar that applies to properties in the calculation of the general rate payable by way of Council Rates. Please note that the 'General Rate' is also referred to as the Differential General Rate under the Act.
Land use	the main categorisation of the use of the land parcel
Minimum Rate	where Council can fix a minimum amount payable by way of rates or charges under Section 158 of the Act, this cannot be applied to more than 35% of the total number of properties in the Council area.
Notional Value	the value of the property based on its actual use rather than the highest and best potential use.
Postponed rates	any rates postponed under Section 182 or 182A of the Act.
Rating	the overall process of raising revenue by way of levying rates and charges.
Rebates	an amount that a rate or charge may be reduced in accordance with Chapter 10, Division 5 of the Act.
Remissions	any reduction in amount payable granted in accordance with Section 182 of the Act.
Service charge	a charge imposed for the provision of a prescribed service under Section 155(1) of the Act.

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Separate rate a rate that applies in addition to other rates and charges, which is used to fund specific activities in accordance with Section 154 of the Act.

4. Policy

4.1. Introduction

Rates are a tax levied on properties according to their capital value which are determined by the Valuer-General. The rates which a property owner pays are calculated by multiplying the property valuation by a rate in the dollar.

To determine the rate in the dollar Council must identify, through its strategic planning and budget deliberations, what services will be provided and what works need to be carried out, then calculate the cost of those works and services.

Once Council has determined its budget it then estimates the revenue it will receive from fees and charges, grants and loans. The shortfall of revenue to balance the budget will come from the ratepayers. The Council sets a rate to calculate the amount an individual property owner will pay based on the property valuation that has been supplied to Council by the Valuer-General.

Rates are not fees for services. They constitute a system of taxation for Local Government purposes.

4.2. Principles of Taxation

This Policy represents the Council's commitment to balancing the five main principles of taxation:

4.2.1. Benefits received

(i.e. services provided, or resources consumed). Reliance on this principle suggests that (all other things being equal) a person who received more benefits should pay a higher share of tax.

4.2.2. Capacity to pay

This principle suggests that a person who has less capacity to pay should pay less; and that persons of similar means should pay similar amounts.

4.2.3. Administrative simplicity

This principle refers to the costs involved in applying and collecting the tax with mechanisms to reduce non-payment.

4.2.4. Economic efficiency

This refers to whether or not the tax distorts economic behaviour.

4.2.5. Policy consistency

The principle that taxes should be internally consistent, and based on transparent, predictable rules that are understandable and acceptable to taxpayers.

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4.3. Business Impact Statement

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 between classes of ratepayers;
- Current local, state and national economic conditions and expected changes during the next financial year;
- Specific Council projects for the coming year that will benefit businesses and primary producers;
- Specific infrastructure maintenance issues that will benefit businesses and primary producers;

4.4. Basis of Rates

- In accordance with the Local Government Act 1999 the following practices apply:
 - (a) All land within a council area, except for land specifically exempt (e.g. crown land, council occupied land and other land prescribed in the Local Government Act), is rateable.
 - (b) The Local Government Act provides for rates to be assessed against any piece or section of land subject to separate ownership or occupation and requires that the division of land for the purposes of establishing a separate ownership and occupation be made fairly and in accordance with principles and practices that apply on a uniform basis across the area of Council.
- Section 153(1) of the Act states that Council may declare a single general rate in the dollar or may set differential general rates on rateable land within its area for a particular financial year.
- If imposing differential rates, Section 156(1) of the Act allows Council to vary the differential rates according to land use, locality of the land, locality of the land and its use or on some other basis determined by the Council (in limited circumstances).
- Council has decided not to differentiate between types of land uses, or between land locations in setting rates. Rather, acknowledging the taxation principles of economic efficiency and policy consistency, the Council has chosen to adopt a single rate-in-the-dollar to apply to all rateable land.
- Council, during the formulation of the annual budget, has determined the total rate revenue it desires to raise and then applied a single general rate in the dollar.

4.5. Method of Valuation

Councils may adopt one of three valuation methodologies to value the properties in its area. They are:

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- Capital Value - the value of the land and all 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 District Council of Grant has decided to continue to use Capital Value as the basis for valuing land within the council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- rates constitute a system of taxation and the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- property value is a relatively good indicator of wealth, and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.
- Council adopts the valuations made by the State Valuation Office as provided to the Council each year.

4.6. Notional Values

Certain properties may be eligible for a notional value, where the property is the principal place of residence of a ratepayer, under the Valuation of Land Act 1971. This relates to some primary production land or where there is State heritage recognition.

4.7. Adoption of Valuations

The Council will adopt the valuations made by the Valuer-General as provided to the Council. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General in writing, within 60 days of receiving notice of the valuation, explaining the basis for the objection, provided they have not:

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

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

State Valuation Office
GPO Box 1354
Adelaide SA 5001
Telephone: 1300 653 345
Web: www.landservices.sa.gov.au
Email: LSGObjections@sa.gov.au

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

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4.8. Minimum Rate

Section 158 of the Act provides that Councils may adopt a minimum rate. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer. Where a Council imposes a minimum rate it must not apply to more than 35% of properties in the Council area.

- Council considers it appropriate that all rateable properties make a contribution to the cost of administering Council's activities;
- Council considers it appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports and underpins the value of each property.

4.9. Single Farm Enterprise

Section 158(2)(bb) of the Local Government Act 1999 provides that where a Council declares a general rate which is based in whole or in part, on a minimum rate:

“if 2 or more pieces of rateable land within the area of a council constitute a single farm enterprise, a minimum amount may only be imposed against 1 of the pieces of land”.

A single farm enterprise must be comprised of two or more pieces of rateable land which are farm land and are occupied by the same person(s) or entity. To enable properties to be identified as single farm enterprises it will be necessary for ratepayers to complete an application form to provide details to Council to enable Council to identify the land concerned. Staff will assess the application & properties under Section 149 of the Act.

The information or evidence that the council will reasonably require will include the following:

- The names of all of the persons who own and occupy each allotment (as comprised in a Certificate of Title) of the land claimed to be the single farm enterprise;
- A description of the use to which all of the allotments of land are put;
- if not the owner, a copy of any leases or licences, or details of the rights to occupy any of the allotments comprising the single farm enterprise;
- a list of the names of all persons who derive income, or claim deductions for the purposes of income tax as a result of the farming activities conducted upon each of the allotments comprising the single farm enterprise

If the occupation of any of the allotments differs, then a “single farm enterprise” by definition, will not exist. Also, if the persons who derived income or claim deductions for income tax purposes differ a “single farm enterprise” will not exist as the land will not be “farmed as a single enterprise”.

To allow Council to appropriately set rate levels at its annual budget meeting, applications for Single Farm Enterprise status should be received before 31st March to be applicable for the following financial year. Any applications received

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after this date will not affect the following financial years assessment of fixed charges on properties included in the application.

No application will have an effect on past fixed charges assessed.

Council will write to all ratepayers to inform them of their entitlement to claim Single Farm Enterprise status in the first instance. Additionally, ratepayers will be informed on an annual basis of this entitlement by placing advertisements in The Border Watch, articles in Council's newsletter and rate inserts.

4.10. Adjoining Property

Section 152 of the Act states that if two or more pieces of contiguous rateable land are owned by the same owner and occupied by the same occupier, only one fixed charge may be imposed against the whole of the land.

4.11. Maximum Increase on Rates ('Rate Capping' Rebate)

A rebate of general rates for the 2020-21 financial year will be granted to the Principal Ratepayer of a Primary Producer Assessment under Section 166 (1) (l) of the Act, on application to the Council, where the amount of any increase in rates in respect of that Assessment in monetary terms between the amount of general rates imposed for the 2020-21 financial year and the amount of general rates payable for the 2019-20 financial year is greater than 6 per cent.

The amount of the rebate will be the difference between the amount of general rates in monetary terms that was imposed for the 2020-21 financial year and the amount of general rates in monetary terms payable for the 2019-20 financial year plus 6 per cent of that amount.

The rebate will not apply where:

- Any such increase is due in whole or part to an increase in valuation of the land in the Assessment because of improvements made to it worth more than \$10,000, or
- Any such increase is in whole or part because the zoning of the land has changed, or
- Any such increase is due in full or part to the use of the land being different for rating purposes on the date the Council declared its general rates for the 2020-21 financial year than on the date the Council declared its general rates for the 2018-19 financial year, or
- The ownership of the rateable property has changed since 1 July 2019.

The rate cap will be applied automatically to properties that can be readily identified as being eligible. Where this rebate is not applied automatically, ratepayers who consider they could be eligible for the Rate Cap Rebate may lodge an application form, which will be assessed against the eligibility criteria. Council rebates or remissions are not included in the capping calculation process. The application must be lodged by 31 August 2020. This rebate is applied under the discretionary rebate provisions of Section 166(1)(l) of the Act.

4.12. Service Charges

Council has considered the following elements in deciding to raise the revenue by means of a service charge because:

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- The concept of user pays;
- The nature of the service;
- The cost to operate and maintain the service;
- The capital costs to establish the service;
- The costs 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.

4.12.1. Community Wastewater Management Systems

Council provides Community Wastewater Management System (**CWMS**) previously referred to as Common Effluent Drainage or Septic Tank Effluent Disposal Schemes to the townships of Tarpeena, Port MacDonnell, Allendale East, Pelican Point, Donovans and Cape Douglas.

Council will raise the number of charges against an assessment in accordance with the Code for Establishing and Applying Property Units as a Factor for the Imposition of Annual Service Charges for Community Wastewater Management Systems as referred to in Section 155 of the Act and Regulation 9A of the Local Government Regulations.

4.12.2. Waste Management – Mobile Garbage bins

Mobile Garbage Bins have been provided in all townships and other selected areas of the Council and will include alternate weekly domestic collection and recycling collections. All properties within these locations are supplied with two 240 litre bins by Council, and are required to pay a service charge.

4.13. Separate Rates

Pursuant to Section 154 of the Act, a council may declare a separate rate on rateable land within a part of the area of the council for the purpose of planning, carrying out, making available, supporting, maintaining or improving an activity that is, or is intended to be, of particular benefit to the land, or the occupiers of the land, within that part of the area, or to visitors to that part of the area.

The current separate rates applied are outlined below.

4.13.1. Cape Douglas CWMS

This scheme for 49 shack sites in Cape Douglas was completed in 2010 as a development approval condition of a subdivision, with scheme establishment being part of developer costs; landowners paid their contribution to the scheme as part of their land purchase cost.

Existing Western Shacks sites were ex-Crown and had been through the freeholding process earlier. These were later required by Council to connect to the scheme due to some levels of non-compliance in disposal of effluent from their properties. Nine of these 14 sites have paid the cost of construction in full to Council, the remaining properties will pay this cost via a service charge from Council.

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4.13.2. Natural Resources Management Levy

Council is in the South East Natural Resources Management area and is required under the Natural Resources Management Act to fund, along with other Councils of the area, the operations of the South East Natural Resources Management Board. It does so by imposing a separate rate against all rateable properties in the Council area (excluding adjoining properties owned and occupied by the same person/s, and Single Farming Enterprises).

The South East Regional Natural Resources Management Plan requires council to collect their levy using a fixed charge based on the purpose for which the rateable land is used, pursuant to section 95 (3)(a)(iii). Council currently only uses this information for calculating the NRM levy.

Council is operating as a revenue collector for the South East Natural Resources Management Board in this regard. Revenue from this levy is not retained by the Council, nor does the Council determine how the revenue is spent.

4.14. Land use

As part of the valuation assessment process the State Valuation Office applies a land use to each assessment to identify the predominant use of the land. This land use is applied by various taxing authorities.

Under the Act, Council is the relevant authority that determines land use for rating purposes. The rating land use applied by Council must meet the definitions under Development Regulations. As such the local government land use may vary from that used by other taxing authorities.

Under section 156 of the Act, a ratepayer, if of the opinion that a particular land use has been wrongly attributed to the ratepayer's land by the council for the purpose of levying differential rates, may object to the attribution of that land use to the land.

The objection:

- (a) must be in writing; and
- (b) must set out—
 - (i) the grounds of the objection; and
 - (ii) the land use (being a land use being used by the council as a differentiating factor) that should, in the objector's opinion, have been attributed to the land; and
- (c) must be made within 60 days after the objector receives notice of the attribution of the particular land use to which the objection relates (unless the council, in its discretion, allows an extension of time for making the objection).

The council may decide an objection as it thinks fit and must notify the objector in writing of its decision.

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4.15. Concessions & Remissions

4.15.1. Rate Rebate for Pensioners and Self Funded Retirees whose general rate payable has increased by greater than 20% since last year:

Council will provide a Discretionary Rebate of that amount above a 20% increase in general rates payable, to provide relief against what would otherwise amount to a substantial change in rates payable due to rapid changes in valuations, under the following conditions;

- The general rate increase is greater than 20% from the previous year;
- The assessment is the principal place of residence of the owner, and the owner is receiving a pensioner concession for the assessment, or the owner is a self funded retiree with a taxable income of less than \$30,000 per year;
- The ownership of the assessment has not changed since 1 July of the preceding financial year;
- The increase in rates is not due to building improvements worth more than \$10,000 being made to the assessment;
- The zoning of the assessment has not changed;
- This is not a new assessment, and
- The general rates raised this financial year are not less than or equal to the minimum general rate.

Ratepayers seeking to take advantage of this rebate are required to complete a written application to Council for consideration. Such requests will be kept confidential and cannot be applied to past years rates.

4.15.2. Cost of Living Concessions

As from 1st July 2015 the State Government 'Cost of Living Concessions' replaced the traditional Council rate concessions for Pensioners. This is administrated by the State Government.

4.16. Remission and Postponement of Rates

4.16.1. Postponement of Rates - Financial Hardship

Section 182 of the Act permits a 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 Council's Rates Officer on (08) 8721 0444 to discuss the matter. Such inquiries are treated confidentially by the Council.

The Council has adopted the following policy with regard to the remission or postponement of rates:

"Council will not cancel or remit rates under Section 182(1)(b) of the Local Government Act 1999 (this section allows Council to remit rates in circumstances of hardship).

Council is willing to consider applications under Section 182(1)(a) of the Local Government Act 1999, for postponement of rates until some

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change in the ratepayer's circumstances, or until a change of ownership of the property takes place.

Any postponement granted is subject to fines and interest being added in accordance with Section 181(8) of the Local Government Act 1999, and at the discretion of the Chief Executive Officer.

Delegated authority for granting these approvals is given to the Chief Executive Officer, and Deputy Chief Executive Officer under Section 44 of the Local Government Act 1999."

4.16.2. Covid-19 Hardship

On Monday 6th April, council endorsed the following actions regarding concessions and emissions of rates that are outside of Councils current Rating Policy and Debt Management Policy:

- (a) That Council consider applications under Section 182(1)(a) of the Act, for postponement of rates for all ratepayers who may be suffering evidence based financial hardship during the COVID-19 outbreak and recovery, regardless of whether the property is their primary place of residence.
- (b) Any postponement granted will not be subject to fines and interest being added in accordance with Section 181(8) of the Act.
- (c) Applications for hardship will apply to the fourth quarter rates instalment due 5 June 2020 and first instalment for the 2020-2021 Financial Year.
- (d) That these actions be reviewed at 30 June 2020 and further at 30 September 2020.
- (e) No legal action or sale of land for non-payment of rates is to take place during this period

4.16.3. Postponement of Rates - Seniors

Application for postponement of rates and charges will be considered under the provisions of Section 182A of the Act – "Postponement of Rates – Seniors".

Applications must be lodged in writing and must provide evidence of eligibility plus other evidence as required. Requests must be lodged on the Application Form for Postponement of Rates Seniors that is Attachment 2 to this Policy. Monthly interest at the prescribed rate will be applied to rates postponed under Section 182A.

Where an application for postponement under Section 182A is granted, a presumption of ongoing manual postponement will be assumed subject to receipt of an annual signed declaration of continued eligibility.

Ratepayers requesting postponement of rates will initially be referred to the availability of reverse mortgage loans through financial institutions.

Seniors granted Postponement of rates are required to pay a minimum of \$500 of rates and charges levied in each financial year in compliance with the Local Government (General) Regulations.

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4.17. Rebate of Rates

Council has determined that rebates of rates will be granted when the applicant satisfies the requirements for mandatory rebates under Sections 159 to Section 165 of the Act. Applications for discretionary rebates lodged under Section 166 of the Act will be considered under Council's Rate Rebate Policy and will be assessed against guidelines prepared by the Local Government Financial Management Group.

The Act acknowledges that there are particular land uses that are economically disadvantaged and provide local community benefit and therefore must be offered rate relief in order to be sustainable. Some rebates under the Act are applied as a mandatory requirement however further discretionary provisions allow for Council to determine whether other desirable land uses may be offered rate relief.

4.18. Late payment of rates / debt recovery

The Act provides that Councils impose a penalty of a 2% fine on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. Interest charged on late payments is charged on both the amount of the rate arrears and any interest that has previously been imposed.

The purpose of this penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Councils to recover the administrative cost of following up unpaid rates and to cover any interest cost the Council may incur because it has not received the rates on time.

The prescribed interest rate will be published in the Annual Business Plan.

4.19. Sale of land for non-payment of rates

The 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 provide the principal ratepayer and the owner (if not the same person) with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month. The District Council of Grant enforces the sale of land for non-payment of rates after 3 years or more in accordance with the provisions of the Act.

4.20. Changes to assessment records

All changes to postal address or name of a ratepayer/owner and changes of ownership of a property must be notified promptly to Council in writing; letter, fax or email.

5. Responsibilities

As prescribed by Section 99 of the Act, the Chief Executive Officer is responsible for ensuring that systems are in place to cause all rating to comply with legislation.



Rating Policy
Policy No. FINPOL 19

Version No:	7
Responsible Officer/s:	Team Leader – Finance & Customer Service
Issued:	5 October 2016
Next Review:	April 2021

6. References / Other Documents

6.1. Legislation

The Local Government Act 1999 – Section 148, 159 -166, 182, 182A, 184
The Local Government (Financial Management) Regulations
Natural Resource Management Act 2004
Valuation of Land Act 1971

6.2. Council Policies / Procedures

Debt Collection Policy
 Rate Rebate Policy

7. Review

This Policy shall be reviewed by the District Council of Grant annually, prior to or at the same time as finalisation of the annual budget process (or on significant change to legislation or other matters which could affect this policy).

Action	Date	Minute Reference
Adopted by Council	5 October 2016	16130.1
Amended	16 January 2017	17004.2
Amended	19 June 2017	17086.1
Amended	7 May 2018	18066.1
Amended	20 June 2018	18091.2
Amended	20 May 2019	19067.6
Minor amendment by CEO	24 June 2019	CEO
Amended	18 May 2020	20056.2.2



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APPENDIX 1

2020-21 Rating Information

District Council of Grant		
Rating Information 2020-21		
	2020-21	2019-20
Rate in the Dollar	\$ 0.3044	\$ 0.3352
Minimum Rate	\$ 610	\$ 610
Valuation	\$ 2,821,697,940	\$ 2,582,378,980
Rates Raised	8,236,429	8,068,203
<u>Service Charges</u>		
CWMS Occupied	\$ 610	\$ 610
CWMS Vacant	\$ 520	\$ 520
MGB	\$ 254	\$ 254
<u>Separate Area Rates</u>		
Cape Douglas CWMS Construction	\$ 1,613	\$ 1,613
<u>Landscape Levy Rates</u>		
Residential	\$ 78	\$ 78
Commercial	\$ 119	\$ 113
Industrial	\$ 188	\$ 178
Primary Production	\$ 345	\$ 339
<u>Dates for payment of Rates</u>		
First Quarter	04-Sep-20	06-Sep-19
Second Quarter	04-Dec-20	06-Dec-19
Third Quarter	05-Mar-21	06-Mar-20
Fourth Quarter	04-Jun-21	05-Jun-20