

Barunga West Council
Annual Business Plan
2018 - 2019

Life style for the future



Barunga West Council
PO Box 3
PORT BROUGHTON SA 5522
T: 08 8635 2107
F: 08 8635 2596
E: barunga@barungawest.sa.gov.au

Preface to the Annual Business Plan

Part 2 of the Local Government Act 1999 has the following requirement in relation to Annual Business Plan & Budget

123—Annual business plans and budgets

- (1) A Council must have, for each financial year—
 - (a) an annual business plan; and
 - (b) a budget.
- (2) Each annual business plan of a council must—
 - (a) include a summary of the council's long-term objectives (as set out in its strategic management plans); and
 - (b) include an outline of—
 - (i) the council's objectives for the financial year; and
 - (ii) the activities that the council intends to undertake to achieve those objectives; and
 - (iii) the measures (financial and non-financial) that the council intends to use to assess the performance of the council against its objectives over the financial year; and
 - (c) assess the financial requirements of the council for the financial year and, taking those requirements into account, set out a summary of its proposed operating expenditure, capital expenditure and sources of revenue; and
 - (d) set out the rates structure and policies for the financial year; and
 - (e) assess the impact of the rates structure and policies on the community based on modelling that has been undertaken or obtained by the council; and
 - (f) take into account the council's long-term financial plan and relevant issues relating to the management and development of infrastructure and major assets by the council; and
 - (g) address or include any other matter prescribed by the regulations.

TABLE OF CONTENTS

INTRODUCTION	4
GENERAL COUNCIL INFORMATION	6
SUMMARY OF STRATEGIC OBJECTIVES	7
KEY OBJECTIVES	7
COUNCILS OBJECTIVES FOR 2018/19	8
PROPOSED OPERATING & CAPITAL PROJECTS 2018/19	10
FINANCIAL REQUIREMENTS OF COUNCIL FOR 2018/19	12
PROPOSED OPERATING EXPENDITURE 2018/19	14
PROPOSED SOURCES OF REVENUE	16
LOAN SCHEDULE	21

APPENDICES:

FINANCIAL STATEMENTS - ANNUAL BUDGET 2018 - 2019	23
SCHEDULE OF FEES & CHARGES 2018-19	30
RATING & REBATE POLICY 2018-19	36

Introduction

"Welcome to the Barunga West Council". In 2018, we have a new name, new visions and new goals. Our staff and Elected Members have worked hard over the past twelve months, with a common goal to present a strong and sustainable Council.

It was pleasing to recently receive twelve contributions from ratepayers during the public consultation stage, regarding the proposal to change the name of Council. We will ensure that this clarity of our name change is undertaken with minimal financial cost to Council. Updated Council boundary signs were initially deferred to allow for this proposal to be assessed. Now these will be installed to define our area, indicating pride in what we have to offer; as a great place to work, live and play.

A recent highlight as Mayor of Barunga West Council involved attending the Yorke and Mid North Regional Alliance Forum at Port Pirie. It was entitled "Disruption and Resilience". The keynote speaker was Mr Bernard Salt AM who delivered a brilliant presentation. We were challenged to ask "**whose responsibility is it to see our communities grow?**" The answer is: "**ours**". He inspired us to focus on the future of our regional communities, explaining how we can adapt by turning challenges into opportunities and then to prosper. This is exactly applicable to our journey at Barunga West Council, ensuring that we galvanise our communities and work together.

Cost shifting by the State Government and other agencies has increased considerably over the past three years. Rate capping will be introduced in 2019, challenging us as decision makers to continue to provide all our existing services at the same level within the community. According to the 2016 Census, we have seen a small but steady population growth in our Council area. We shall endeavour to keep Council rate increases as low as possible, to ensure we remain sustainable and relevant into the future.

Budget considerations in the 2018/19 financial year have highlighted the increased emphasis required on roads, roads, roads. Leading up to the 2017 harvest, an unprecedented number of Road Train Permits were approved to travel on Council owned unsealed roads. Farmers and road transport industry vehicles are using heavier truck combinations on our road network. Continuing to provide well maintained safe unsealed roads is an increasing challenge upon which we are dedicating significant increased funding.

Improved efficiencies were showcased by collaboration with neighbouring Councils during 2017/18, where we share services such as Planning, Building, Environmental Health and Governance with Copper Coast Council. We also work with the other Yorke Peninsula Councils on joint projects and strategic plans, such as regional health plans and open space strategies. Another joint project nearing completion is the sealing of Mail Road, through our joint funding with Wakefield Regional Council and the Federal Government. Industry growth near Port Wakefield has necessitated the upgrade of this road for the massive increase in truck movements along this corridor.

Continued Tourism focus within our Barunga West region has seen the launch of 'The Coastal Way'. Port Broughton is included in this self-drive tour enticing motorists to experience our coastline, native vegetation, birdlife and farming communities all the way around Yorke Peninsula. A Park Run, community gyms and upgraded sporting facilities featured in recent times. We have a vision for improved walking tracks, town footpaths and bike paths to encourage us to be more active.

The freehold project involving Fisherman Bay is making steady and pleasing progress with all stakeholders communicating well over their relevant responsibilities. Our CEO Andrew Cole has dedicated enormous time and energy into this major development project.

We trust that you enjoy reading our 2018-19 Annual Business Plan. Council elections will be held in November 2018. Now is an ideal opportunity for you to have the courage to nominate and become involved in your local Council.

Cynthia Axford, Mayor

General Council Information

The Barunga West Council is located on the Upper Yorke Peninsula, adjacent to the Mid North of South Australia, with its southern-most boundary approximately 110 Kilometres north of Adelaide. The major townships are Port Broughton, Bute & Fisherman Bay.

The Council covers an area of 1,590 square kilometres, and has a total of 931 kilometres of roads. It has boundaries with Copper Coast Council, Yorke Peninsula Council, Port Pirie Regional Council and Wakefield Regional Council.

The main industries in the Council area are agriculture, aged-care services, and recreational & commercial fishing. Engineering, mining, tourism are also matters which influence council decision-making.

According to the 2016 Census data, the Council population is 2,544, an increase of 3.6% from the previous 2011 census data. The median age of the population of Barunga West Council is 55 (an increase from 51) compared to the State average of 40 (up from 39) and national average of 38 (up from 37). People aged 65 years and over now make up 32.27% (up from 25.9%) of the population. The increase in the average age of the population is always a consideration by Council in its planning for the future.

The Council area houses several retirement facilities, and these are expanding due to the amenity of life in the area, and the central location of the Port Broughton Hospital and related medical services. The increase in the average age of the population is expected to continue. Council is mindful of the infrastructure necessary to accommodate a growing population of elderly residents, in addition to the more robust needs of the agricultural and tourism sector.

SUMMARY OF STRATEGIC OBJECTIVES

The following is a summary of the Five Key Objectives contained within Council's Strategic Management Plan 2013-2020.

Our Vision

"To be recognised as a welcoming, supportive, growing community with a sustainable lifestyle and environment."



Our Mission

Facilitate community engagement and collaboration to effectively deliver the community's needs in a sustainable manner

Key Objectives

Find The Funds And Spend Them Wisely - Council has been established at the local level to act as an informed, responsible and representative decision-maker, in the interests of the local community. Proactive and prudent financial management is essential.

Show The World Who We Are – Council has a great story to tell and should not be afraid to let the world know who we are. We can act local and talk global.

Make Tourism Happen – Tourism is integral to the economic and social wellbeing of the local community. Attracting overnight visitors will build economic sustainability.

Create a Culture Worth Having – Creating a culture of excellence in all that Council does will ensure the successful delivery of outcomes for the local community and enable adjustments to be made along the journey.

Collaborate In Development – Provide the collaborative support and planning guidance required to see future plans and visions brought into existence.

Summary of Council's Long Term Objectives

Council's principal strategic objectives are as follows:

1. Decrease the reliance on ratepayers¹ to fund Council activities through sourcing alternative income streams.
2. Reduce Council recurrent operating expenditure through improved work practices, resource sharing and prudent long term loan management.
3. Develop effective asset infrastructure management plans.
4. Develop the region's identity.
5. Invest in tourism.
6. Build an effective & enthusiastic Council team.
7. Facilitate development activity in the region.

Council's Objectives for 2018/19

1. Tourism

Council continues to support the tourism sector in the development the Council area as a tourism destination within a two hour drive of Adelaide. Council will continue to seek funding for tourism development, as well as planning future infrastructure needs. This funding may include foreshore developments or other projects such as arts-related projects within the Council area. Council has joined with YP Tourism, and see this relationship as central to the effort to increase the level of day and overnight visitors to the Council area.

2. Roads Network

It is proposed to increase the length on unsealed road renewal in the coming financial year to approximately 20 kilometres for the year, up from approximately 12 kilometres in 2017/18. While there is pressure to do more length of road renewal each year, Council is mindful of the significant cost road renewal is within the annual budget. Council has also incorporated a rip-and-reform method into its road maintenance methodology. This alternative maintenance method should provide an effective solution for identified road maintenance requirements.

¹ Currently approximately 80% of Council's general revenue is General Rates, NRM Levy & CWMS fee.

3. Election & Elected Member Training

Council elections are due in November 2018. Based on past experience, there is typically moderate turnover of the 9 Elected Members. The central role of democratically elected Council Members is to advocate and lead on behalf of their community in the many areas that affect their lives. Current and new Elected Members will be trained in the legislative processes and procedures in relation to public Council meetings, informal meetings, meeting procedures, consultation processes, and so on.

Activities for the 2018/19 Annual Business Plan

For the 2018/19 Annual Business Plan, Council conducted preliminary budget sessions at both Bute and Port Broughton, to gauge opinion in relation to any specific projects or services that ratepayers wished to discuss. These were poorly attended.

Due to its size, concentration of population into a few towns, and accessibility of Elected Members, Council has a close engagement with its community. It is typically able to prepare the Draft Annual Business Plan with a reliable awareness of community priorities.

Council has tailored an Operating and Capital works program to achieve its objectives in 2018/19. This is detailed below, after Council's Continuing Services listing for 2018/19.

Measures to Assess Performance in 2018/19

1. Percentage Completion of Operating & Capital Program objectives

Council sets a target of 100% completion for all proposed Operating & Capital Projects listed below.

2. Financial Ratios

Council seeks to operate within the bounds of the financial ratio targets set in the Long Term Financial Plan

3. Treasury Management Including Loans

Council has a target of reducing outstanding loan principal to a range of \$500,000 to \$1,000,000, which provides an interest expense which is manageable for a council of our size.

4. Rates Debtors

Rates Debtors to be less than 5.00% of Total Rates income in 2018/19.

Proposed Operating & Capital Projects 2018/19

Council Capital Program.

Project Description	Type		Length	Cost
Block F Road	Capital	Unsealed	400	\$17,000
Five Mile Road	Capital	Unsealed	1,850	\$64,750
Strathneath Rd	Capital	Unsealed	1,800	\$63,000
Towerview Rd	Capital	Unsealed	5,300	\$185,500
Sandpit Rd	Capital	Unsealed	4,700	\$164,500
Gulfview Rd	Capital	Unsealed	1,600	\$56,000
Church Rd	Capital	Unsealed	2,000	\$70,000
Thomas Plains – Kadina Rd	Capital	Unsealed	2,000	\$70,000
Broughton Tce (1), Tickera	Capital	Sealed	145	\$50,000
Broughton Tce (2), Tickera	Capital	Sealed	150	\$50,000
Footpaths	Capital	Footpaths		\$75,000
Gunner Bills	Capital	Buildings		\$20,000
Council Capital Fund	Capital			\$100,000
Administration Vehicles	Capital	Plant & Machinery		\$80,000
Administration	Capital	Office Equipment		\$10,000
TOTAL				\$1,075,750
Bute Toilets	Operating	Buildings		\$10,000
Building Other	Operating	Buildings		\$20,000
Playground Equipment	Operating	Structures		\$25,000
Council Election	Operating	Governance		\$15,000
Elected Member Training	Operating	Governance		\$10,000
TOTAL				\$80,000

Continuing Services 2018/19

Councils have basic responsibilities under the Local Government Act (1999) and other relevant legislation. These include:

- ✓ Supporting the Elected Members;
- ✓ Setting rates, preparing an annual budget, annual business plan, long term financial plan, asset management plans and determining strategic management plans for the Council;
- ✓ Assessing NRM levy on all ratepayers, collecting said levy and forwarding it to NRM;
- ✓ Street cleaning;
- ✓ Rubbish collection and waste management;
- ✓ Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and stormwater drainage;
- ✓ Development planning and control, including building safety assessment
- ✓ Various environmental health services;
- ✓ Dog & Cat Management;
- ✓ Pest control;
- ✓ Community wastewater management systems;
- ✓ Cemeteries;
- ✓ Safety of food premises;
- ✓ Native Vegetation and Roadside Vegetation Management, and;
- ✓ Regulatory activities, e.g. maintaining the voters roll and supporting the elected Council.

Council also provides the following discretionary services and programs:

- ✓ Caravan parks at Bute and Port Broughton on a fee for service basis;
- ✓ Transport services for the elderly through the Yorke Peninsula Community Transport Scheme;
- ✓ Library services through the Port Broughton Area school;
- ✓ Assistance for progress associations and community groups, including cash contributions, grant application support and in-kind support;
- ✓ Assistance with maintenance of town ovals and other sporting facilities;
- ✓ Support for the Visitor Information Centre;
- ✓ Rural Transaction Centre in Port Broughton, principally Centrelink services;
- ✓ Rural Transaction Centre, Licensed Post Office in Bute, and;
- ✓ Foreshore control and protection.

The Caravan parks and Rural Transaction centres provide some fee income to Council. The other services do not generate any fee income, however Council considers that the overall benefit to all ratepayers outweighs the deficit funding of providing these services.

In all services Council seeks to be responsible to changing needs.

Financial Requirements of Council for 2018/19

Budget Summary

An operating deficit before capital revenue of \$143,000 is budgeted in 2018/19, which is line with the 2017-27 Long Term Financial Plan deficit forecast of \$200,000 in 2018/19.

The operating surplus (deficit) measures the difference between operating revenue and expenses for the period, and the Council's long term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

We forecast the Council position to return to a small surplus in 2019-20.

Significant Influences for the Year 2018/19

The following significant influences have been considered in the preparation of the 2018/19 Budget and Annual Business Plan:

- ✓ The Consumer Price Index (CPI) Adelaide All Groups increase of 2.3% for the year ending March 2018.
- ✓ The Enterprise Bargaining agreements (EBA) for both ASU employees (Administration employees) and AWU employees (outside workers) provides for a 2.5% increase in wages in 2018/19.
- ✓ Commonwealth Government Financial Assistance Grants are paid annually to Councils on a quarterly basis. These grants are not indexed and remain the same as 2016/17 levels.
- ✓ RTR grants decrease from \$241K in 2017/18 to \$0 in 2018/19. The program concludes in 2018/19, Council has claimed its full whole-of-life allocation.
- ✓ Supplementary Road funding of \$96K was reinstated in 2017/18, and will continue for one more year in 2018/19.
- ✓ Tonkins reviewed the road Infrastructure assets in 2016/17, and this will impact Council's ongoing capital renewal program.
- ✓ Shared service opportunities with neighbouring local government authorities, including the sharing of staff to provide expert statutory services to Council.
- ✓ Partnering with government agencies to provide Council input for local projects.
- ✓ Working with community groups to maintain public facilities at an acceptable standard.

In response to these factors, and to minimize the ongoing burden on rate-payers, the annual business plan has been prepared with the following guidelines:

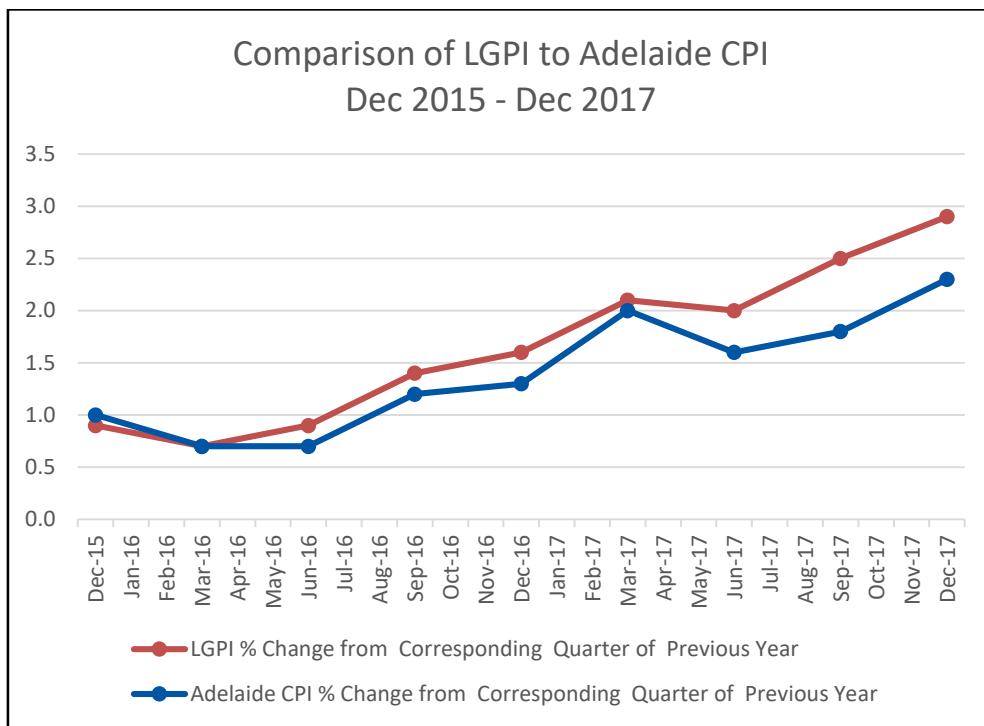
Council has set a 4.75% increase in rates in 2018/19, and 4.00% for the following three years, and thereafter in the range of 3.00 - 4.00%.

Total operating expenditure will reduce by about 1.50% on the current budgeted operating expenditure, as per budget estimates for December 2017.

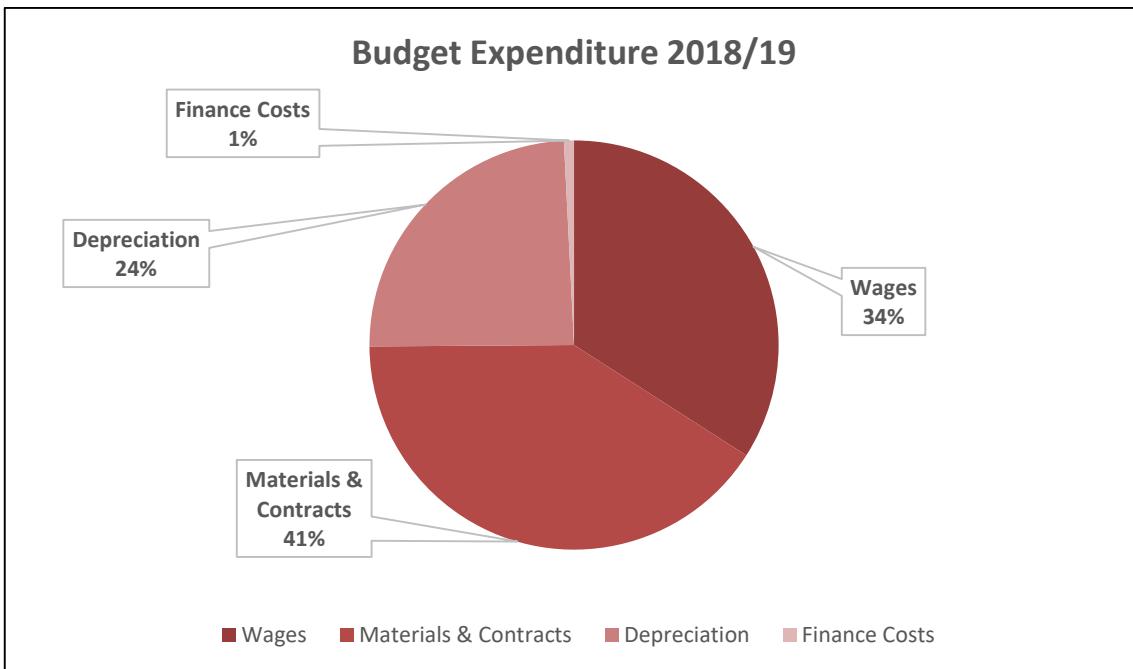
2018 South Australian State Election

The South Australian State Election was held in March 2018 with a new Liberal Government being elected. The policy platform of the new Government will have implications for the local government sector, especially the proposed rate capping regime that is proposed to commence in the 2019/20 financial year.

The new rate capping policy proposes using a measure of the Local Government Price Index (LGPI) to constrain general rate rises within regions within the State of South Australia. The exact impact on Council cannot be determined at this stage, until the required legislation passes the South Australian Parliament.



Proposed Operating Expenditure 2018/19



Salaries & Wages

The Enterprise Bargains for both Administration & Outside workers schedule a 2.5% increase in salaries & wages.

Council appointed a new additional employee in 2017/18 for the dual role of managing the Port Broughton Waste Depot and providing backup for the Works staff.

Council's HR Officer has returned from absence on maternity leave on a part-time basis.

Materials Contractors & Other Expenses

Materials Contractors & Other Expenses fluctuate on an annual basis, dependent on the size & scope of operational budget projects, as well as continuing services.

Council contracted the patrol grading services until the end of 2016/17, and now performs this function in-house.

There is definitely a sustained upward trend in costs associated with electricity, water, legal fees, professional services, fuel and plant maintenance.

Depreciation

Depreciation is an accounting method of allocating the cost of a tangible asset over its useful life.

For the past two years Council has extensively reviewed Infrastructure assets and amended Road Categories, Useful Lives and replacement costs. Council has not allocated any significant amount to new infrastructure assets, rather it has been working on improving the replacement of current road stocks.

We do not expect any significant change to depreciation expense until the next round of asset revaluations.

Finance Costs

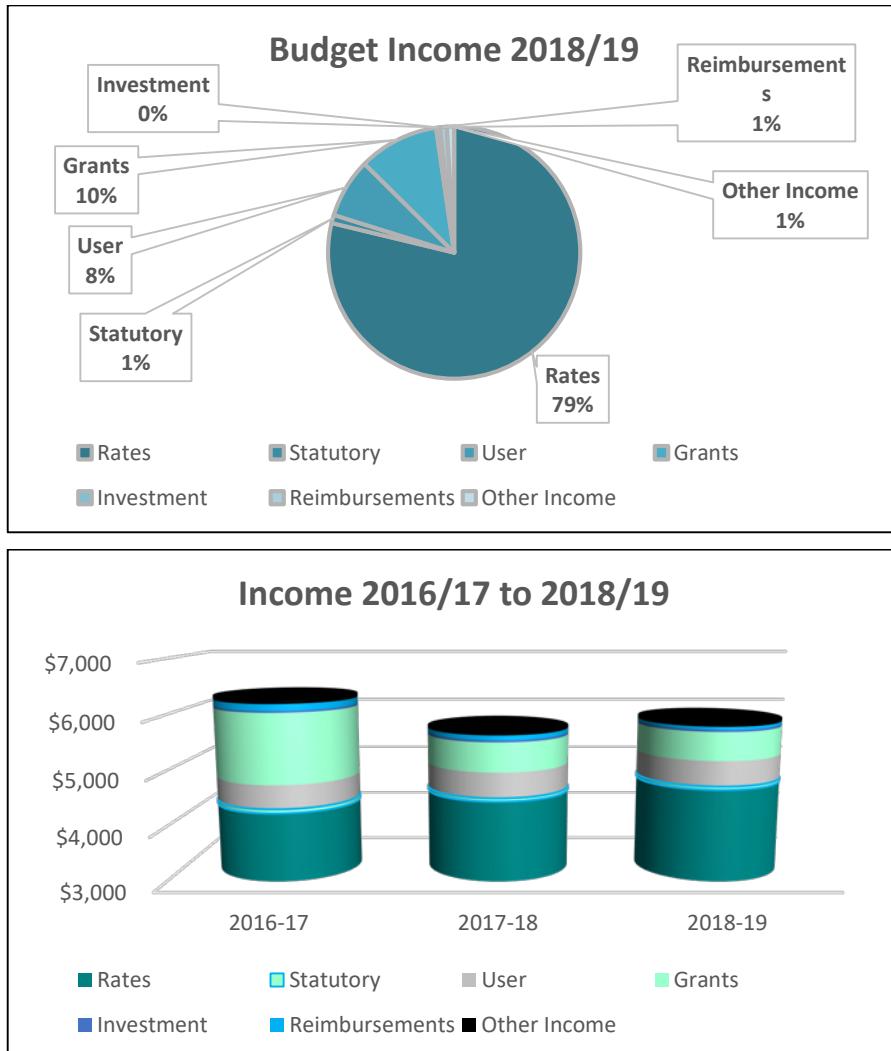
Council's outstanding loan balances continue to decline, and as a consequence, so does Council's annual interest expense.

Grant funding is in most instances offered on the basis of 1-1 or 2-1 funding by Council. That is, council contributes either 33% or 50%.

The aim of the reduction in outstanding loan principal is to place Council in a position where it can borrow funds to match grant funds on any large-scale project that would improve council's service level to ratepayers.

Proposed Sources of Revenue

Council continues to be reliant on ratepayers for approximately 79% of total income.



Rates

Rates Income is forecast to provide 79% of Council's revenue for 2018/19.

Statutory Charges

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. This revenue generally off-sets the cost of the service. The principal components are town planning, development applications and dog registration fees².

² Dog Registration is a statutory charge, although Council sets the annual fee.

User Charges

User Pays charges set by Council, covering a range of items including cemetery fees, caravan parks, boat ramps, CWMS augmentation, etc. These charges are adopted annually in Council's schedule of fees and charges.

Grants

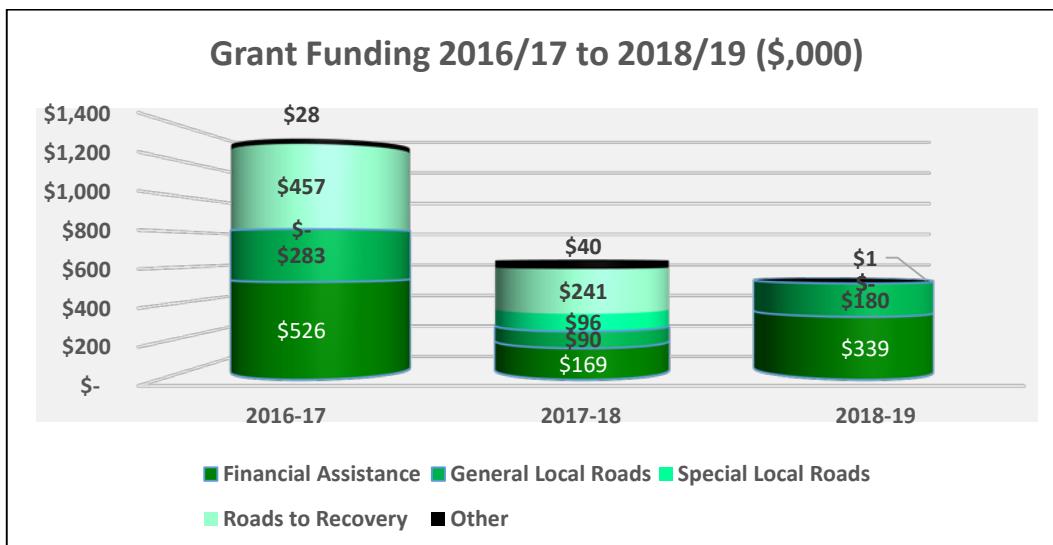
All Australian Councils receive Financial Assistance Grant funding from the government. It is an annual allocation, paid quarterly, for general financial assistance and Local Roads.

Barunga West Council received \$534,416 in 2017-18, the 5th smallest financial allocation of the 68 Councils in South Australia³.

By way of comparison:

Barunga West Council	\$534,416
District Council of Elliston	\$1,127,749
District Council of Kimba	\$1,288,173
District Council of Cleve	\$1,445,292
Northern Areas Council	\$1,790,227

The highest allocation in South Australia was to Playford City Council, an amount of \$10,534,760.



The chart above shows that in 2016/17 Council received 50% of the 2017/18 Financial Assistance Grant funding in advance, and also claimed its full 2018/19 Roads to Recovery allocation in 2016/17.

Accordingly, Grant Income in 2018/19 decreases from the 2017/18 allocations.

³ Half of this allocation was pre-paid in 2016/17, and treated as income in that financial year.

Investment Income

Council maintains investment accounts for funds not immediately required for liquidity purposes. Council invests these funds in 24 hour at call accounts with the Local Government Finance Authority and the ANZ Bank.

Other Income

This includes sundry income, reimbursements, rebates and private works.

Rates Structure & Policies

Council's Rating and Rebate Policy sets out the rates structure and policies for the financial year. The structure this Policy is a result of an assessment of the impact of the rates structure and policies on the community, based on modelling that has been undertaken or obtained by the Council.

The full Draft Rates & Rebates Policy 2018/19 is attached to this Draft Annual Business Plan 2018-19.

Council has budgeted in an average Rate increase of 4.75% in 2018/19.

The Council uses a differential rate model to assess rates in any given year. This model was reviewed in 2017/18 and adopted by the Council as follows:-

Residential Rate	100.00%
Commercial – Shop	100.00%
Commercial – Office	100.00%
Commercial – Other	110.00%
Industry – Light	110.00%
Industry – Other	110.00%
Primary Production	80.00%
Vacant land Rate	120.00%
Non-Rateable	0.00%

The rates model is reviewed each year.

Council has received the 2018/19 valuations from Land Services SA, and these reveal a significant increase once more for Primary Production properties.

The CWMS fee will increase to \$450 in 2018/19.

Impact of Rates Structure & Policies based on Modelling

The general rates for each assessment is made up of a fixed and a variable component:

- Fixed Charge Per Property (Fixed)
- Differential General Rate (Variable)

The fixed charge is set at \$350.00 per assessment, and is included to ensure that all properties are contributing toward the Fixed administrative and governance costs of Council.

The differential General Rate is a variable rate, and is determined by multiplying the property Capital Valuation by the adopted Rate in the Dollar.

Council has 9 different Rating Codes, and all of them are determined as a set percentage of the Residential Rate, as follows:-

Residential Rate	100.00%
Commercial – Shop	100.00%
Commercial – Office	100.00%
Commercial – Other	110.00%
Industry – Light	110.00%
Industry – Other	110.00%
Primary Production	80.00%
Vacant land Rate	120.00%
Non-Rateable	0.00%

The residential rate in 2018/19 is set at 0.003180 cents in the dollar, a reduction on the rate in 2017/18, which was 0.003190.

General Rates for residential properties are detailed below:

Capital Value	Fixed Charge	Diff General Rate	Total General Rate
\$150,000	\$350.00	\$477.00	\$827.00
\$200,000	\$350.00	\$636.00	\$986.00
\$250,000	\$350.00	\$795.00	\$1,145.00
\$300,000	\$350.00	\$954.00	\$1,304.00
\$350,000	\$350.00	\$1,113.00	\$1,463.00
\$400,000	\$350.00	\$1,272.00	\$1,622.00
\$450,000	\$350.00	\$1,431.00	\$1,781.00
\$500,000	\$350.00	\$1,590.00	\$1,940.00

Council's Long Term Financial Plan

Council's Long Term Financial Plan (LTFP) is being prepared in conjunction with this Annual Business Plan. The current budget will be the first year of the LTFP.

The LTFP is based upon known & estimated data as at the time of preparation. Future events may have a material effect on the council finances.

Other Issues

The Fisherman Bay Development Application is progressing. Costs for legal fees and planning expenses are included in the annual budget.

Budget Statement of Comprehensive Income

DCBW Preliminary Draft Budget 2018-19	Actual 2016/17	Budget		Budget Forecast 2018/19
		Original	Current	
		2017/18	2017/18	
Operating Income				
Rates Revenues	\$ 4,279,646	\$ 4,489,165	\$ 4,498,000	\$ 4,708,380
Statutory Charges	\$ 77,276	\$ 61,800	\$ 76,000	\$ 63,100
User Charges	\$ 435,576	\$ 408,400	\$ 463,000	\$ 454,300
Grants, Subsidies and Contributions	\$ 1,293,452	\$ 687,700	\$ 637,000	\$ 614,800
Investment Income	\$ 35,674	\$ 27,200	\$ 43,000	\$ 29,800
Reimbursements	\$ 118,716	\$ 50,000	\$ 99,000	\$ 51,500
Other Income	\$ 70,318	\$ 46,500	\$ 42,000	\$ 55,950
Total Operating Income	\$ 6,310,658	\$ 5,770,765	\$ 5,858,000	\$ 5,977,830
Operating Expenditure				
Employee Costs	\$ 1,730,709	\$ 1,887,800	\$ 1,991,000	\$ 2,085,230
Materials, Contracts & Other Expenses	\$ 2,646,619	\$ 2,490,550	\$ 2,593,000	\$ 2,498,460
Depreciation, Amortisation & Impairment	\$ 1,421,599	\$ 1,561,250	\$ 1,482,000	\$ 1,488,570
Finance Costs	\$ 65,280	\$ 61,350	\$ 61,000	\$ 48,470
Total Operating Expenditure	\$ 5,864,207	\$ 6,000,950	\$ 6,127,000	\$ 6,120,730
Operating Surplus / (Deficit) Before Capital	\$ 446,451	-\$ 230,185	-\$ 269,000	-\$ 142,900
Asset Disposal			\$ 5,000	
Grants for new Assets			\$ 210,400	
NET DEFICIT	\$ 446,451	\$ (230,185)	\$ (53,600)	\$ (142,900)

Loan Schedule

All of Council's loans are sourced from the Local Government Finance Authority.

Council embarked on a strategic program to reduce outstanding debt from its peak level of debt of \$2.042M in 2010-11.

The aims of this strategy were to:-

- ✓ Reduce annual interest expense;
- ✓ Reduce the dollar amount that Council required to service the annual principal repayments; and
- ✓ Place Council in a position whereby it can source new loans, if required, to match grant funds for any large scale strategic project which arises at a future date.

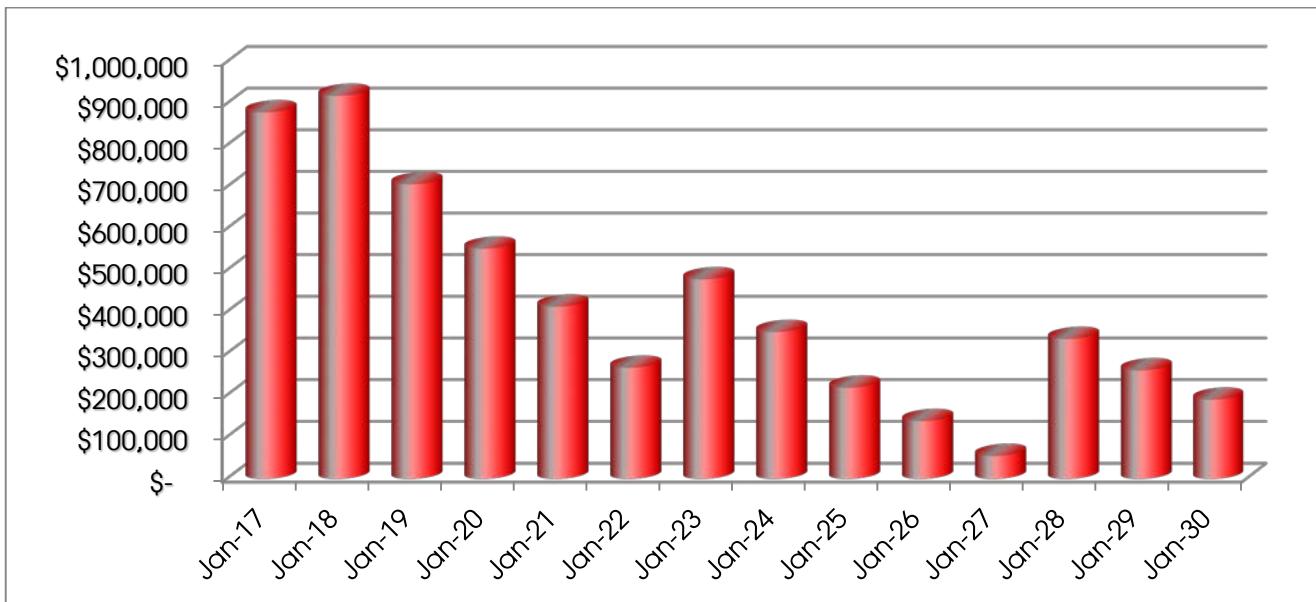
These aims have been achieved.

As at June 30 2018, Council has seven current loans with a total of \$918,803 in outstanding loan principal. Two of those loans are community loans.

The loan principal outstanding as at June 30 2019, the end of the current budget financial year, is forecast at \$706,343.

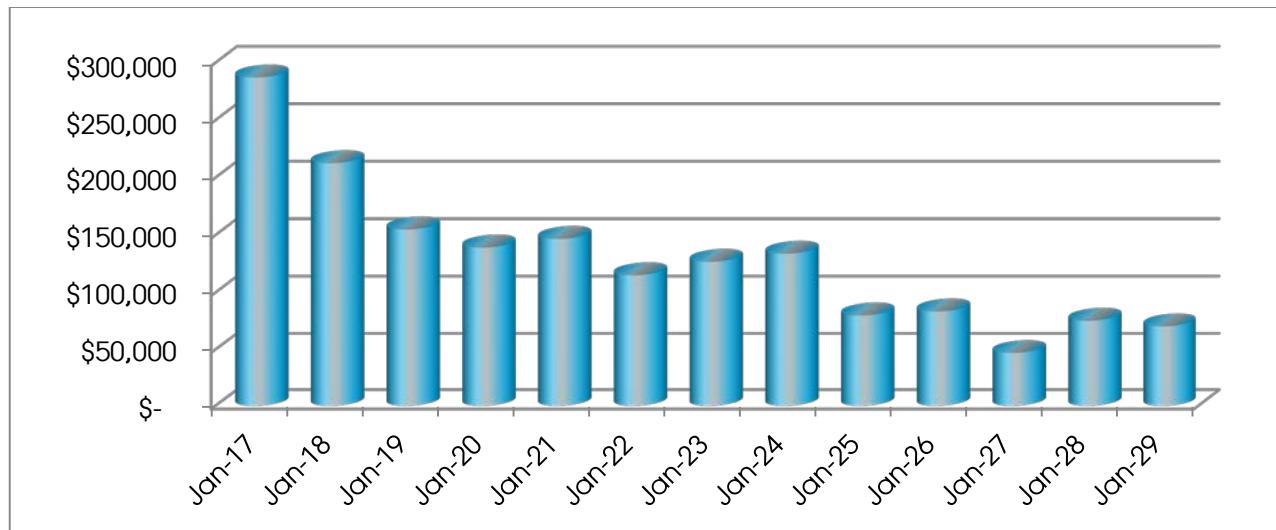
The chart below plots the outstanding loan principal balance at the end of each financial year.

Outstanding Principal



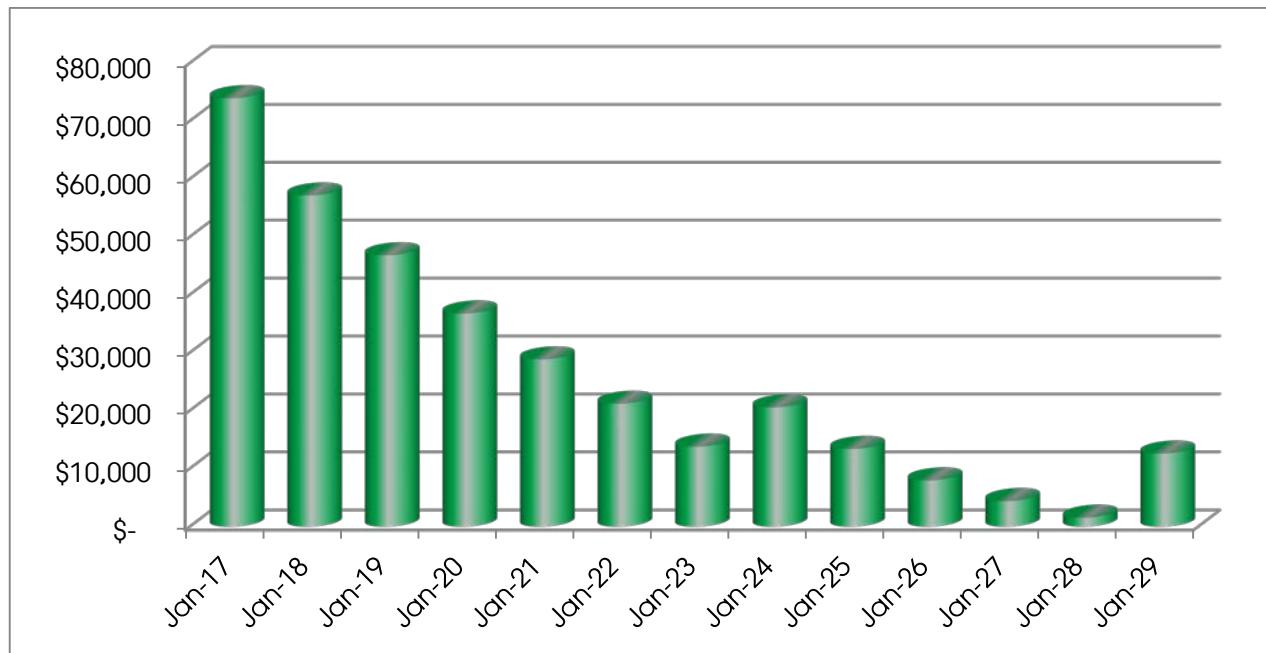
Annual Principal Repayments

Annual repayments level off to a range of \$100-150,000 per annum from 2019-20.



Annual Interest Expense

Annual interest expense continues to decline from a peak of \$139,640 per annum in 2010-11, levelling off in a range of \$10-20,000 per annum from 2021-22.



Appendix A

Financial Statements - Annual Budget 2018 - 2019

DISTRICT COUNCIL OF BARUNGA WEST

STATEMENT OF BUDGETED COMPREHENSIVE INCOME
for the budget year ended 30 June 2019

	Notes	2019 Bud	2018 Est
INCOME			
Rates	2	4,707	4,498
Statutory charges	2	64	76
User charges	2	455	463
Grants, subsidies and contributions	2	615	637
Investment income	2	30	43
Reimbursements	2	5	42
Other income	2	102	99
Total Income		5,978	5,858
EXPENSES			
Employee costs	3	2,085	1,991
Materials, contracts & other expenses	3	2,499	2,593
Depreciation, amortisation & impairment	3	1,489	1,482
Finance costs	3	49	61
Total Expenses		6,121	6,127
OPERATING SURPLUS / (DEFICIT)			
		(143)	(269)
Asset disposal & fair value adjustments	4	-	5
Amounts received specifically for new or upgraded assets	2	-	210
TOTAL COMPREHENSIVE INCOME		(143)	(54)

This Statement is to be read in conjunction with the attached Notes.

DISTRICT COUNCIL OF BARUNGA WEST

STATEMENT OF BUDGETED FINANCIAL POSITION
as at 30 June 2019

ASSETS	Notes	2019	2018	
		Bud	Est	
Current Assets				
Cash and cash equivalents				
Cash and cash equivalents	5	1,598	1,679	
Trade & other receivables	5	233	149	
Inventories	5	80	50	
Total Current Assets		1,911	1,878	
Non-current Assets				
Financial assets	6	64	70	
Infrastructure, property, plant & equipment	7	50,189	50,577	
Total Non-current Assets		50,253	50,647	
Total Assets		52,164	52,525	
LIABILITIES				
Current Liabilities				
Trade & other payables	8	290	268	
Borrowings	8	155	212	
Provisions	8	451	488	
Total Current Liabilities		896	968	
Non-current Liabilities				
Borrowings	8	552	696	
Provisions	8	51	54	
Total Non-current Liabilities		603	750	
Total Liabilities		1,499	1,718	
NET ASSETS		50,665	50,807	
EQUITY				
Accumulated Surplus		(825)	(582)	
Asset Revaluation Reserves	9	50,770	50,770	
Other Reserves	9	719	619	
TOTAL EQUITY		50,664	50,807	

This Statement is to be read in conjunction with the attached Notes.

DISTRICT COUNCIL OF BARUNGA WEST

STATEMENT OF BUDGETED CHANGES IN EQUITY for the budget year ended 30 June 2019

2019	Notes	Accumulated	Asset	Other	Minority	TOTAL EQUITY
		Surplus	Revaluation Reserve	Reserves	Interest Equity	
Balance at end of previous reporting period		(582)	50,770	619	-	50,807
Adjustment due to compliance with revised Accounting Standards					-	
Adjustment to give effect to changed accounting policies					-	
Restated opening balance		(582)	50,770	619		50,807
Net Surplus / (Deficit) for Year		(143)	-	-		(143)
Other Comprehensive Income						
Transfers between reserves		(100)	-	100		-
Balance at end of period		(825)	50,770	719		50,664
 2018						
Balance at end of previous reporting period		(428)	50,770	519	-	50,861
Net Surplus / (Deficit) for Year		(54)	-	-		(54)
Other Comprehensive Income						
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	-	-		-
Transfers between reserves		(100)	-	100		-
Balance at end of period		(582)	50,770	619	-	50,807

This Statement is to be read in conjunction with the attached Notes

DISTRICT COUNCIL OF BARUNGA WEST

STATEMENT OF BUDGETED CASH FLOWS

for the budget year ended 30 June 2019

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2019	2018
		Bud	Est
Receipts			
Rates - general & other		4,640	4,565
Fees & other charges		69	82
User charges		482	528
Investment receipts		30	43
Grants utilised for operating purposes		615	637
Reimbursements		6	46
Other revenues		311	542
Payments			
Employee costs		(2,125)	(1,951)
Materials, contracts & other expenses		(2,769)	(3,057)
Finance payments		(46)	(65)
Net Cash provided by (or used in) Operating Activities		1,213	1,370
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets		-	210
Sale of replaced assets		30	9
Repayments of loans by community groups		6	6
Payments			
Expenditure on renewal/replacement of assets		(855)	(696)
Expenditure on new/upgraded assets		(275)	(1,110)
Net Cash provided by (or used in) Investing Activities		(1,094)	(1,581)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from borrowings		-	360
Payments			
Repayments of borrowings		(201)	(320)
Net Cash provided by (or used in) Financing Activities		(201)	40
Net Increase (Decrease) in cash held		(82)	(171)
Cash & cash equivalents at beginning of period	11	1,680	1,851
Cash & cash equivalents at end of period	11	1,598	1,680

This Statement is to be read in conjunction with the attached Notes

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the budget year ended 30 June 2019

Note 15 - FINANCIAL INDICATORS

	2019	2018	2017
--	------	------	------

These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

Operating Surplus Ratio

<u>Operating Surplus</u>	(2.0%)	(5.0%)	7.0%
Total Operating Revenue			

This ratio expresses the operating surplus as a percentage of total operating revenue.

<u>Adjusted Operating Surplus Ratio</u>	(2%)	(5%)	3%
--	------	------	----

*In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The **Adjusted Operating Surplus Ratio** adjusts for the resulting distortion in the disclosed operating result for each year.*

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	-7%	-3%	-7%
Total Operating Revenue			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	55%	46%	41%
Infrastructure & Asset Management Plan required expenditure			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

DISTRICT COUNCIL OF BARUNGA WEST

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the budget year ended 30 June 2019

UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables

	2019 Bud	2018 Est
Income	5,978	5,858
less Expenses	6,121	6,127
Operating Surplus / (Deficit)	(143)	(269)
 less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	855	696
Depreciation, Amortisation and Impairment	(1,489)	(1,482)
Proceeds from Sale of Replaced Assets	(30)	(9)
	(663)	(795)
 less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	275	1,110
Amounts received specifically for New and Upgraded Assets	-	(210)
	275	900
 Net Lending / (Borrowing) for Financial Year	245	(374)

Appendix B

Schedule of Fees & Charges 2018-19

District Council of Barunga West
Schedule of Fees & Charges 2018/2019

FEE DESCRIPTION	Set By Council	GST	2017-18	2018-19
ADMINISTRATION				
Administration Fee - this fee does not apply to normal customer service	Y	Y	\$ 70.00	\$ 70.00
Purchase of Annual Report	Y	Y	\$ 25.00	\$ 25.00
<hr/>				
Photocopying/Printing (black and white only)				
A3 - single	Y	Y	\$ 0.40	\$ 0.40
A3 – double	Y	Y	\$ 0.80	\$ 0.80
A4 – single	Y	Y	\$ 0.20	\$ 0.20
A4 – double	Y	Y	\$ 0.40	\$ 0.40
<hr/>				
Photocopying/Printing (Colour)				
A3 - single	Y	Y	\$ 1.50	\$ 1.50
A3 – double	Y	Y	\$ 3.00	\$ 3.00
A4 – single	Y	Y	\$ 1.00	\$ 1.00
A4 – double	Y	Y	\$ 2.00	\$ 2.00
<hr/>				
Laminating				
A4	Y	Y	\$ 2.00	\$ 2.00
A3	Y	Y	\$ 4.00	\$ 4.00
<hr/>				
Rate Searches				
Rates Only Searches	Y	Y	\$ 32.50	\$ 32.50
Full Rates Search	Y	Y	\$ 55.80	\$ 55.80
Urgent Search (within 24 Hours)	Y	Y	\$ 67.25	\$ 67.25
<hr/>				
ANIMAL MANAGEMENT				
Registration Fees				
Non Standard Dog	0.00%	Y	N	\$ 70.00
Standard Dog	50.00%	Y	N	\$ 35.00
Non Standard Dog (Concession)	50.00%	Y	N	\$ 35.00
Standard Dog (Concession)	50.00%	Y	N	\$ 17.50
Working Dog (Non Standard Dog)	50.00%			\$ 35.00
Grey Hound (Non Standard Dog)	50.00%			\$ 35.00
Business Registration (per dog)				\$ 50.00
Assistance Dogs	100.00%			\$ -
Transfer of Registration	DACO Charge	Y	N	\$ 5.00
Replacing disc	DACO Charge	Y	N	\$ 5.00
Late registration Fee - Dog		Y	N	\$ 12.50
Permit Fee Exceeding Domestic Animal Entitlement		Y	N	\$ 12.50
<hr/>				
Impounded animals				
Impoundment fee (First occurrence)		Y	N	\$ 50.00
Impoundment fee (Second and subsequent occurrences)		Y	N	\$ 100.00
Daily Holding /Pound fee		Y	N	\$ 25.00
Impoundment fee (after hours) NEW	New Fee	Y	N	\$ -
				\$ 100.00

District Council of Barunga West
Schedule of Fees & Charges 2018/2019

FEE DESCRIPTION	Set By Council	GST	2017-18	2018-19
CEMETERIES				
Lease Fees				
Grave Site Lease (99 years)	Y	Y	\$ 330.00	\$ 330.00
Transfer of Lease (99 years)	Y	Y	\$ 330.00	\$ 330.00
Niche Wall & Columbarium Lease (99 years)	Y	Y	\$ 330.00	\$ 330.00
Burial Site Weekdays & Maintenance single depth	Y	Y	\$ 660.00	\$ 660.00
Burial Site - Infant less than 12 months old	Y	Y	\$ 150.00	\$ 150.00
Burial weekends & public holidays & Maintenance single depth	Y	Y	\$ 1,100.00	\$ 1,100.00
Burial Site Weekdays & Maintenance double depth	Y	Y	\$ 990.00	\$ 990.00
Burial weekends & public holidays & Maintenance double depth	Y	Y	\$ 1,650.00	\$ 1,650.00
Burials				
Plaque	Y	Y	Cost Plus 10%	Cost Plus 10%
Burial	Y	Y	\$ 660.00	\$ 660.00
Burial	Y	Y	\$ 660.00	\$ 660.00
Headstone	Y	Y	Cost Plus 10%	Cost Plus 10%
Erection of headstone	Y	Y	Cost Plus 10%	Cost Plus 10%
Plinth	Y	Y	\$ 663.00	\$ 663.00
Plaque	Y	Y	\$ 332.00	\$ 332.00
Sighting of Death Certificate	Y	Y	\$ 121.00	\$ 121.00
Removal of Marble Slab	Y	Y	\$ 660.00	\$ 660.00
Removal of Concrete/stone chips	Y	Y	\$ 165.00	\$ 165.00
Ashes added to existing gravesite	Y	Y	\$ 165.00	\$ 165.00
Columbarium				
Internment of ashes	Y	Y	\$ 385.00	\$ 385.00
Plaque	Y	Y	Cost Plus 10%	Cost Plus 10%
Internment of ashes	Y	Y	\$ 280.00	\$ 280.00
Memorial				
Plaque	Y	Y	Cost Plus 10%	Cost Plus 10%
COMMUNITY WASTEWATER MANAGEMENT SCHEMES				
CWMS Rate Fee Residential	Y	Y	\$ 425.00	\$ 450.00
CWMS Rate Fee Vacant Port Broughton	Y	Y	\$ 220.00	\$ 220.00
CWMS Rate Fee Vacant Bute	Y	Y	\$ 220.00	\$ 220.00
Waste Water Connection Fee - New Dwelling	Y	N	\$ 2,200.00	\$ 2,200.00
Waste Water Connection Fee - Existing Dwellings	Y	N	\$ 250.00	\$ 350.00
Waste Water - Augmentation Charge - New Connections (Capital/Renewal)	Y	N	\$ 4,400.00	\$ 4,400.00
HIRE FEES				
Mobile Toilets Hire	Y	Y	\$ 95.00	\$ 100.00
Bond hire fee	Y	N	\$ 200.00	\$ 250.00
TICKERA POST OFFICE RENTALS				
PO Box - Small	Y	Y	\$ 23.00	\$ 28.00
PO Box - Medium	Y	Y	\$ 39.50	\$ 47.00
PO Box - Large	Y	Y	\$ 59.50	\$ 70.00
Replacement Key	Y	Y	\$ 10.00	\$ 15.00
BOAT RAMP FEES				
Launch Fee - Recreational & General Commercial	Y	Y	\$ 6.00	\$ 6.00
Annual Permit - Recreational	Y	Y	\$ 85.00	\$ 85.00
Annual Permit - General Commercial	Y	Y	\$ 250.00	\$ 250.00
Replacement Permit	Y	Y	\$ 5.00	\$ 5.00
CARAVAN PARK FEE - BAYSIDE CARAVAN PARK PORT BROUGHTON				
Powered site	Y	Y	\$ 30.00	\$ 30.00
Unpowered site	Y	Y		
CARAVAN PARK FEE - BUTE				
Powered site	Y	Y	\$ 20.00	\$ 20.00
Unpowered site	Y	Y	\$ 15.00	\$ 15.00

District Council of Barunga West
Schedule of Fees & Charges 2018/2019

FEE DESCRIPTION	Set By Council	GST	2017-18	2018-19
WOOD PERMITS				
Collection of Wood Permits (changed to financial year for 18/19)	Y	Y	\$ 20.00	\$ 30.00
COUNCIL HALLS & MEETING ROOMS				
<p>Council retains the right to use its discretion as to the hiring out and fees/bonds charged for usage of the Halls. The Halls are public assets to be enjoyed by all ratepayers and visitors to the Council area. In the event of hall hiring, there is an expectation that the Hall will be cleaned by the hirer to Council's satisfaction. If not, the cleaning fees will be deducted from the bond, and if those costs exceed the bond amount, the hirer will be invoiced for those extra costs.</p>				
Council Halls				
Private Function serving alcohol & or food (Daily Charge)	Y	Y	\$ 350.00	\$ 350.00
Bond - Private Function (Refundable)	Y	N	\$ 250.00	\$ 250.00
Clean Up if required inc Waste (per hour)	Y	Y	\$ 80.00	\$ 80.00
Commercial Use - (Daily Charge)	Y	Y	\$ 350.00	\$ 350.00
Bond - All Commercial Usage (Refundable)	Y	N	\$ 250.00	\$ 250.00
Clean Up if required inc Waste (per hour)	Y	Y	\$ 80.00	\$ 80.00
Community Use - (Daily Charge)	Y	Y	\$ 55.00	\$ 55.00
Bond for Community Groups & Not For Profit Groups assisting Tourism*	Y	N	\$ -	\$ -
Bond for all other Users	Y	Y	\$ 250.00	\$ 250.00
Clean up if required inc Waste (per hour)	Y	Y	\$ 80.00	\$ 80.00
Community Use - Funeral *	Y	Y	\$ -	\$ -
For REGULAR bookings for small businesses such as Dance Classes/Karate Classes etc - bookings can be made up to 12 weeks in total in advance				
Fee of \$10.00 per session booked is charged	Y	Y	\$ 10.00	\$ 10.00
Bond - payable for up to 12 weeks (max) of booking	Y	N	\$ 250.00	\$ 250.00
Port Broughton & Bute Meeting Room/Bute Rest Centre				
Community Use (up to 4 hours)*	Y	Y	\$ -	\$ -
Community Use - Daily Booking (greater than 4 hours) *	Y	Y	\$ 55.00	\$ 55.00
Commercial Use (up to 4 hours)	Y	Y	\$ 82.50	\$ 82.50
Commercial Use - Daily Booking (greater than 4 hours)	Y	Y	\$ 165.00	\$ 165.00
Clean Up if required inc Waste	Y	Y	\$ 55.00	\$ 55.00
<i>* Hirer must have a direct link to a DC Barunga West ratepayer</i>				
RURAL PROPERTY ADDRESSING				
Application to Allocate and Install Rural Property Addressing Plate		\$	110.00	\$ 110.00

District Council of Barunga West
Schedule of Fees & Charges 2018/2019

FEE DESCRIPTION	Set By Council	GST	2017-18	2018-19
WASTE DISPOSAL FEES				
Load Size				
Car Boot/Station Wagon	Y	Y	\$ 7.00	\$ 10.00
Car Boot/Station Wagon [Non Resident]	Y	Y	\$ 14.00	\$ 20.00
Small Trailer/Utility/Van	Y	Y	\$ 20.00	\$ 20.00
Small Trailer/Utility/Van [Non Resident]	Y	Y	\$ 40.00	\$ 40.00
Small Trailer/Utility (High Sides)	Y	Y	\$ 28.00	\$ 30.00
Small Trailer/Utility (High Sides) [Non Resident]	Y	Y	\$ 40.00	\$ 60.00
Tandem Trailer - Small	Y	Y	\$ 38.00	\$ 40.00
Tandem Trailer - Small [Non Resident]	Y	Y	\$ 72.00	\$ 80.00
Tandem Trailer - Small (High Sides)	Y	Y	\$ 48.00	\$ 50.00
Tandem Trailer - Small (High Sides) [Non Resident]	Y	Y	\$ 96.00	\$ 100.00
Tandem Trailer - Large	Y	Y	\$ 48.00	\$ 50.00
Tandem Trailer - Large [Non Resident]	Y	Y	\$ 96.00	\$ 100.00
Tandem Trailer - Large (High Sides)	Y	Y	\$ 58.00	\$ 60.00
Tandem Trailer - Large (High Sides) [Non Resident]	Y	Y	\$ 116.00	\$ 120.00
Small Truck < 8 Tonnes	Y	Y	\$ 140.00	\$ 150.00
Small Truck < 8 Tonnes [Non Resident]	Y	Y	\$ 280.00	\$ 300.00
Large Truck > 8 Tonnes	Y	Y	\$ 210.00	\$ 220.00
Large Truck > 8 Tonnes [Non Resident]	Y	Y	\$ 420.00	\$ 440.00
Car Bodies	Y	Y	\$ 60.00	\$ 70.00
Car Bodies [Non Resident]	Y	Y	\$ 120.00	\$ 140.00
Mattress/Lounge (Single/Double)	Y	Y	\$ 10 - \$15	\$ 15 - \$20
Mattress/Lounge (Single/Double) [Non Resident]	Y	Y	\$ 20 - \$30	\$ 30 - \$40
Clean Fill	Y	Y	Per Size of Vehicle (Resident)	Per Size of Vehicle (Resident)
Green Waste	Y	Y	Fee same as for General Waste	Fee same as for General Waste
Unsorted Loads	Y	Y	Not Accepted	Not
Tyre Disposal Rates				
Motor Cycle	Y	Y	\$ 5.00	\$ 5.00
Motor Cycle [Non Resident]	Y	Y	\$ 10.00	\$ 10.00
Passenger	Y	Y	\$ 6.00	\$ 10.00
Passenger [Non Resident]	Y	Y	\$ 12.00	\$ 20.00
Light Truck	Y	Y	\$ 10.00	\$ 15.00
Light Truck [Non Resident]	Y	Y	\$ 20.00	\$ 30.00
Bobcat	Y	Y	\$ 10.00	\$ 15.00
Bobcat [Non Resident]	Y	Y	\$ 20.00	\$ 30.00
Truck	Y	Y	\$ 14.00	\$ 15.00
Truck [Non Resident]	Y	Y	\$ 28.00	\$ 30.00
Super Single	Y	Y	\$ 18.00	\$ 20.00
Super Single [Non Resident]	Y	Y	\$ 36.00	\$ 40.00
Tractor Small up to 1m high	Y	Y	\$ 22.00	\$ 25.00
Tractor Small up to 1m high [Non Resident]	Y	Y	\$ 44.00	\$ 50.00
Tractor Large 1m to 2m high	Y	Y	\$ 42.00	\$ 45.00
Tractor Large 1m to 2m high [Non Resident]	Y	Y	\$ 84.00	\$ 90.00
Earthmover Small up to 1m high	Y	Y	\$ 50.00	\$ 55.00
Earthmover Small up to 1m high [Non Resident]	Y	Y	\$ 100.00	\$ 110.00
Earthmover Large 1m to 2m high	Y	Y	\$ 85.00	\$ 90.00
Earthmover Large 1m to 2m high [Non Resident]	Y	Y	\$ 170.00	\$ 180.00
Tyre on Rim	Y	Y	Not Accepted	Not

District Council of Barunga West
Schedule of Fees & Charges 2018/2019

FEE DESCRIPTION	Set By Council	GST	2017-18	2018-19
Licences				
Food Business Notification & Inspection Fee (businesses <20FTE)	Y	Y	\$ 88.00	\$ 95.00
Food Business Notification & Inspection Fee (businesses >20FTE)	Y	Y	\$ 220.00	\$ 220.00
New Food Business compliance reinspection	Y	Y	\$ 80.00	\$ 95.00
Food Business non-compliance reinspection Fee	Y	Y	\$ 80.00	\$ 95.00
Street Stall	Y	Y	\$ 5.00	\$ 5.00
Annual Street Stall permit (up to 20 in one year)	Y	Y	\$ 61.00	\$ 65.00
Minimum Lease Rent	Y	Y	\$ 281.00	\$ 281.00
Mobile Food Vending Itinerant Vendor License	Y	Y	\$ 400.00	\$ 400.00
Warm Water Registration Fee	N	N	\$ 36.25	\$ 36.25
Commercial use on Council Land - Annual Fee NEW	Y	Y	-	\$ 300.00
Commercial use on Council Land - Month Fee NEW				\$ 50.00
Commercial use on Council Land - Single fee NEW	Y	Y	-	\$ 15.00
Development Plan Assessment Fee				
Advertisement Fee Cat 3	Schedule 6, Item 1(7)	Y	\$ 340.00	\$ 360.00

Appendix C

Rating & Rebate Policy 2018-19

1. INTRODUCTION

An integral part of an Annual Budget, required to be adopted by Council and pursuant to Section 123 of the Local Government Act 1999 and Regulation 6 of the Local Government (Financial Management) Regulations 2011, is the ability to raise rates to fund Council services and projects.

2. PURPOSE OF THIS POLICY

This document sets out the policy of the Barunga West Council for setting and collecting rates from its community.

3. SCOPE OF THE POLICY

This Policy applies to all ratepayers who are liable to pay Council rates.

4. DEFINITIONS

'CPI' means Consumer Price Index

'CWMS' means Community Wastewater Management Scheme

'DCSI' means Department for Communities & Social Inclusion

'DVA' means Department of Veterans' Affairs

'EFTPOS' means Electronic Funds Transfer at Point Of Sale

'LGA' means the Local Government Association of SA

'NRM Levy' means Natural Resources Management Board Levy

'Notional valuation' means a nominal or face value amount assigned to a financial instrument for calculation purposes

'SFE' means Single Farm Enterprise

'the Act' means the Local Government Act 1999

5. Policy Statement

5.1 Introduction

This document sets out the Barunga West Council Policy for setting and collecting rates from its community.

5.2 Strategic Focus

In setting its rates for the 2018/2019 financial year Council has considered the following:

- The Council Strategic Management Plan.
- The Long Term Financial Plan
- The 2018/19 Annual Business Plan and Financial Budget.
- The relationship between Council's Business Plan objectives and this rating policy.
- The current economic climate.
- The specific issues faced by our community.
- The impact of rates on the community & businesses.
- Council's debt strategy.
- Required funding for future asset replacement.
- The impact of differential changes in property valuations across the district.

Copies of Council's Strategic Plan and Budget will be available for inspection and purchase at the Council offices and at Council's website www.barungawest.sa.gov.au

5.3 Method Used to Value Land

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

- 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 Barunga West Council 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 because property value is considered a reasonable indicator of income and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value.

5.4 Adoption of Valuations

A Council may employ or engage a valuer to value the land in the area or it may use the valuations provided by the Valuer-General, or it may use a combination of both subject to certain restrictions. The Valuer-General is a statutory officer appointed by the Governor.

The Barunga West Council has adopted the most recent valuations made by the Valuer-General. 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 after the date of service of the notice of the valuation to which the objection relates, explaining the basis for the objection.

5.5 Objection to Valuation

A person may object to a valuation of the Valuer-General by notice in writing, setting out the reasons for the objections, and the Valuer General must consider the objection.

An objection to a valuation must be made within 60 days after the date of service of the notice of the valuation to which the objection relates. If the person then remains dissatisfied with the valuation, they have a right to a review.

Applications must be made within 21 days of receipt of the notice of the decision (in relation to the objection) from the Valuer-General. A payment of the prescribed fee for the review to be undertaken, together with the review application must be lodged in the Office of the Valuer-General, who will then refer the matter to an independent Valuer. If the person remains dissatisfied with the valuation then they have a right of appeal to the Land and Valuation Court.

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

Postal: State Valuation Office
GPO Box 1354
Adelaide SA 5001

Telephone: 1300 653 345

Email lsgobjections@sa.gov.au

Note: Council has no role in the process of considering an objection to a valuation. It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

5.6 Notional Values

Certain properties may be eligible for a notional value under the Valuation of Land Act 1971. This relates to some primary production land or where there is State heritage recognition. Any owner that believes that they are entitled to a 'notional value' must apply in writing to the Office of the Valuer-General.

5.7 Business Impact Statement

Council has considered the impact of rates on businesses in the Council area, including primary production. In considering the impact, Council assessed the following matters:

- Those elements of Council's strategic management plans relating to business development.
- The current and forecast economic climate.
- Operating and capital projects for the coming year that will principally benefit industry and business development in the district.
- Movement in the Consumer Price Index (Adelaide Capital City index) and other relevant indices. The CPI represents the movement in prices associated with the goods and services consumed by the average metropolitan household and measured 2.0% as at March 2018.
- Valuation changes in commercial and industrial properties across the district as compared with valuation changes in residential properties across the district.

5.8 Council's Revenue Raising Powers

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 – 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, or through differential general rates, which apply to classes of properties.

In addition, Council can raise separate rates, for specific areas of the Council or service rates or charges for specific services. Council also raises revenue through fees and charges, which are set giving consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available for inspection and purchase at the Barunga West Council offices and free of charge from Council's website www.barungawest.sa.gov.au

A Goods and Services Tax at a rate determined under the Goods and Services Act 1999 will be charged on those fees not given exemption under the Act.

5.9 Differential General Rates

Council set the differential general rates on 12 June 2018, after consideration of capital value changes as advised by the Valuer-General, as well as issues of equity and fairness, simplicity, benefit to the community, impact of the differentials, as well as the capacity to pay.

The Barunga West Council uses differential rating as it believes it is the fairest method of allocating rates. Council's differential rating system is based on land use.

Using the residential rate in the dollar as the base rate, Council has determined the following differential rate values:

Residential Rate	100.00%
Commercial – Shop	100.00%
Commercial – Office	100.00%
Commercial – Other	110.00%
Industry – Light	110.00%
Industry – Other	110.00%

Primary Production	80.00%
Vacant land Rate	120.00%
Non-Rateable	0.00%

If a ratepayer believes that a particular property has been wrongly classified by Council as to its land use, then the ratepayer may object to that land use (to Council) within 60 days of being notified. The objection must set out the basis for the objection and details of the land use that, in the opinion of the ratepayer, should be attributed to that property. Council may then decide the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against Council's decision to the Land and Valuation Court.

A ratepayer may raise the matter with Council's Rates & Debtors Officer via email at Barunga@barungawest.sa.gov.au or by telephone on 08 8635 2107. On request Council will provide a copy of Section 156 of the Local Government Act 1999 which sets out the rights and obligations of ratepayers in respect of objections to a land use.

Note: Lodgement of an objection does not change the due date for the payment of rates.

5.10 Fixed Charge

A Council may impose a fixed charge on each assessed property. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one fixed charge is payable by the ratepayer.

Council will apply a fixed charge per property of \$350 in 2018/19.

The reason for a fixed charge is to ensure that all residents/owners contribute towards the provision of basic services at a reasonable level. The balance of the general rates per assessment is determined by the capital valuation of the property.

5.11 Service Charge – Community Wastewater Management Scheme (CWMS)

Council provides a community waste water management scheme to most properties within the townships of Port Broughton and Bute. Council must cover the full cost of operating and maintaining the service and this includes interest payments on loans raised to upgrade the CWMS schemes. Council must also allow for the future capital replacement of the system. Council has committed to sustainable charging for CWMS in the District which has been determined by the LGA and other external sources. Council will recover this cost through the imposition of a sustainable service charge per property unit as follows:

Areas of the townships of Port Broughton and Bute:

Occupied land	\$450 per property unit.
Vacant land – Port Broughton	\$220 per property unit
Vacant land – Bute	\$220 per property unit

Property unit is determined by the "Code for Establishing and Applying Property Units as a Factor of the Imposition of Annual Service Charges for Community Wastewater Management Systems" published by the Local Government Association of South Australia, April 2006.

5.12 Tenanted property

Council has determined that tenants of premises where there are multiple occupants in occupation of what would otherwise be considered to be contiguous properties, or a single property having multiple occupants who lease the property from a common owner, will be charged rates in accordance with the Valuer-General's land use determination and will be levied the relevant waste management charges as determined under Council's Waste Management Policy. In addition, where CWMS is available, a separate CWMS charge will be levied on each assessment.

5.13 Single Farm Enterprise (SFE)

Council has determined that where an application has been made in 2017/18 or preceding financial years for the relief of the fixed charge or service charges in respect of a SFE and the applicant still complies in 2018/19 with Council's requirements as to the operation of the enterprise as a single entity, then only one fixed charge, only one waste management service charge (per occupied property, if applicable) and only one NRM Levy will be levied.

Existing SFE's that have applied to Council in 2017/18 or preceding financial years will not need to reapply, however new SFE applications will need to be applied for by 30th September 2019. Council however reserves the right to impose additional service charges on SFEs if the properties have additional occupied housing contained within the properties.

5.14 Natural Resources Management Board Levy

Council is obliged to include on its rates notices and to collect a levy in respect of the operations of the Natural Resources Management Board. The levy is determined by the Board and has been estimated at \$211,279 during the 2018/19 financial year. This charge will be distributed evenly throughout the Council area by the imposition of an amount on each separate assessment of rateable land in the Council area.

5.15 Pensioner Concessions

The Pensioner Concession rebate scheme was terminated by the state government in 2014/15. Previously this scheme was jointly funded by the Federal and State governments, but the Federal government has indicated that it will no longer contribute to the scheme, and as a result the State government has also withdrawn funding.

5.16 Rates Hardship

Council's preference in relation to rates arrears is to develop a payment plan with the ratepayer to settle the debt as quickly as possible. The alternative is referring the debt to a Debt Collection Agency, which increases the total outstanding debt fairly quickly.

In the event of genuine financial hardship, Council will suspend the application of fines and interest on the outstanding debt for an agreed period of time. If required, the Council will consult with an

accredited financial counsellor to identify a manageable payment plan that extinguishes the debt in a timely manner.

Council may consider the following circumstances, but not limited to these, when considering a written application for Rates Hardship Relief, such as:

- The employment status of the ratepayer;
- If not employed, the ratepayers sources of income;
- Eligibility for Pensioner Concession Card, Centrelink Low Income Health Care Card or any other government concession;
- The ratepayer's payment history, including any other previous payment plans;
- Referral by an accredited financial counsellor or welfare agency.

In assessing the merits of a written application for genuine hardship relief, the following options may apply:

- A tailored payment plan recognising the nature of the hardship;
- Temporary suspension of agency fees, interest charges and/or fees and fines;
- Establishment of a Centrelink Centrepay service.
- Establishment of an ongoing BPay payment plan, with either weekly, fortnightly or monthly payment options.

Failure to maintain any formal payment arrangements will result in Council re-establishing the normal debt collection processes and associated fees.

5.17 Postponement of Rates

A postponement of rates may be granted if Council is satisfied that the payment of rates would cause financial hardship. Upon application, Council may request that the ratepayer substantiates the hardship, and request additional information pertaining to the relevant property to consider granting a postponement of payment of rates, on the condition that the ratepayer agrees to pay interest on the amount affected by the postponement at the Cash Advance Debenture rate.

All successful applications will require the full outstanding rates to be paid upon the completion of the postponement period or at the transfer of ownership settlement date, whichever occurs the earliest.

5.18 Postponement of Rates – Seniors

Eligible senior ratepayers (i.e. persons eligible to hold a Seniors card) have the option to apply to Council for a postponement of the payment of the prescribed proportion of rates for the current or a future financial year. The postponement is only available in relation to the prescribed proportion of rates being any amount in excess of \$500 per rateable year and applies to the principal place of residence of the eligible senior ratepayer.

Additional information pertaining to the property may be requested by Council to help in the decision making of the application, for example, mortgage documents. Please contact the Rates & Debtors Officer by email barunga@barungawest.sa.gov.au or phone 08 8635 2107 for the application conditions.

If a postponement of the payment of rates occurs, interest will accrue at the rate specified in the Local Government Act 1999 on the amount affected by the postponement, until the amount is paid in full.

During the postponement period, Council may complete regular reviews of the outstanding balance. The reviews will be to ensure there is adequate property value available to repay the postponement amount, plus any interest held against the property upon the sale of the property. Council may request additional information be provided to complete the review.

5.19 Deferred Payments

Under special circumstances, Council's CEO or delegate may authorise a deferred payment option to ratepayers. Authorised deferred payment options will not incur Fines &/or Interest during the period specified.

The deferred payment option is intended to provide financial relief for a group of property assessments who have/are experiencing the same circumstance, as a once off relief. It is not the intention of this relief to be provided on property assessments/ratepayers singularly or on an ongoing/regular basis.

5.20 Centrelink Recipients and Low Income Earners

The Department of Communities & Social Inclusion (DCSI) may assist Centrelink recipients and low income earners with the payment of Council rates for their principal place of residence. (Remissions are not available on vacant land or rental premises).

Please contact DCSI for details:

Telephone: 1800 307 758
Email: concessions@dcsi.sa.gov.au
Internet: <http://www.sa.gov.au/topics/employment-and-finance/financial-support/concessions-and-benefits/concessions/council-rate-concessions>
Postal Address: Concessions, Reply Paid 292, Adelaide SA 5001

5.21 Payment of Rates

As required by Section 181 of the Local Government Act 1999, Council offers ratepayers the opportunity to pay their rates in four equal or approximately equal instalments, due in the months of September, December, March and June each year.

Ratepayers who have access to internet banking facilities may set up a regular electronic payment plan at weekly, fortnightly or monthly intervals via BPay Scheduled Payments. The BPAY Reference number for each Ratepayer is specific to the property and does not change.

In cases where the initial account requiring payment of rates is not sent at least 30 days prior to this date, or an amended account is required to be sent, the Chief Executive Officer has the authority to fix the date by which rates must be paid for these assessments.

The Chief Executive Officer also has the authority to enter into agreements with principal ratepayers relating to the payment of rates in any case where they consider it necessary or desirable to do so.

Rates may be paid by Bpay, cheque, money order, cash or EFTPOS. Credit cards (with the exception Diners Card and American Express) can be utilised to a maximum of \$2,500.

The following payment options are available in relation to Council rates:

Internet: www.barungawest.sa.gov.au
B-Pay: Using the information contained on your rates notice.
Credit card: www.barungawest.sa.gov.au
Mail: Addressed to PO Box 3, Port Broughton SA 5522

Payments can also be made at the following Council Service Centres:

- Council Office, Bay Street, Port Broughton
- Council Office, Railway Terrace, Bute

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Council's Rates & Debtors Officer on 08 8635 2107, to discuss alternative payment arrangements. Such inquiries are treated confidentially by Council.

Note: Late payment fines and interest may still apply.

5.22 Late Payment of Rates / Debt Recovery

The Local Government Act provides that Councils may impose a penalty 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.

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 a Council may incur because it has not received the rates on time.

The Barunga West Council imposes late payment penalties strictly in accordance with the Local Government Act 1999. The ability to remit penalties in whole or part is a power vested in Council. At Council, each case will be considered on its merits based on the information provided.

5.23 Debt Recovery

All ratepayers have until the date on which the instalment of rates is due. After that the following recovery procedure will come into effect:

1. Fines and interest as provided by the Act will be added.
2. An overdue notice will be forwarded within 28 days of the imposition of a late payment penalty.
3. The debt will be placed in the hands of a debt collector if payment or arrangement for payment is not made within the overdue notice pay by date (21 days from date on

overdue notice) and a notice of intention to issue a claim will be forwarded by the debt collector.

4. Court proceedings will be instigated if the payment is still overdue after 21 days.

All fees and court costs will be recovered from the ratepayer.

When Council receives a payment in respect of overdue rates, Council applies the money received in the following order:

1. To satisfy any costs awarded in connection with court proceedings;
2. To satisfy any interest costs;
3. In payment of any fines imposed;
4. In payment of rates, in date order of their imposition (starting with the oldest account first).

5.24 Sale of Land for Non-Payment of Rates

Section 184 of 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 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 Council enforces the sale of land for non-payment of rates after 3 years or more in accordance with the provisions of the Act.

5.25 Overpayment of Rates

Council will not pay interest on any voluntary overpayment of rates, and will not refund any amount less than \$100 due to costs involved in processing refunds. Any credit balance will be applied against the next instalment of rates.

Council regularly reviews the balance of rates on each property and if rates have been overpaid by \$100 or more, a refund payment may be processed to the principal ratepayer. Council will require in writing if the ratepayer requests any rate refunds or overpaid rates to be paid towards future rate payments.

5.26 Rebate of Rates

Policy Statement

It is the policy of the Barunga West Council that a rebate of rates in respect of any rateable land in the Council area will be available only when the applicant satisfies the requirements under the Local Government Act 1999 and, where appropriate, the requirements of this Policy.

Introduction

The Local Government Act 1999 (“the Act”) sets out at Chapter 10, Division 5 (Sections 159 to 166) those provisions applicable to the Council granting a rebate of rates to persons or bodies.

Council has decided to adopt a Policy to assist it in its decision making functions relative to the operation of the rate rebate provisions contained in the Act.

This Policy is intended to provide guidance to the community as to the grounds upon which a person or body is, or may be entitled to receive a rebate of rates and the matters that Council will take into account in deciding an application for a rebate.

In accordance with the rebate provisions contained in the Act, this Policy sets out the type of use in respect of land which Council must grant a rebate of rates and the amount that rebate must be, and those types of land use where Council has discretion to grant a rebate of rates.

Local Government Act 1999

Section 159(3) of the Act provides that Council may grant a rebate of rates under the Act if it is satisfied that it is appropriate to do so.

The Act provides for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate (see Mandatory Rebates Clause below).

The Act also provides that where Council must grant a rebate of rates under the Act, and the amount of that rebate is fixed by the Act at less than 100%, Council **may** increase the amount of the rebate.

The Act provides, at Section 166 for Council to provide a discretionary rebate of rates in the cases set out in that Section.

Mandatory Rebates

Council must grant a rebate in the amount specified in respect of those land uses which the Act provides will be granted a rebate.

Rates on the following land will be rebated at **100%**:

- Health Services - Land being predominantly used for service delivery or administration by a hospital or health centre incorporated under the Health Care Act 2008;
- Religious Purposes - Land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes;
- Public Cemeteries - Land being used for the purposes of a public cemetery;
- Royal Zoological Society of SA - Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated.

Rates on the following land will be rebated at **75%**:

- Community Services - Land being predominantly used for service delivery and administration by a community services organisation. A “community services organisation” is defined in the Act as a body that –
 - is incorporated on a not for profit basis for the benefit of the public; and
 - provides community services without charge or for a charge that is below the cost to the body of providing the services; and
 - does not restrict its services to persons who are members of the body.

It is necessary for a community services organisation to satisfy all of the above criteria to be entitled to the mandatory 75% rebate.

The Act further provides that eligibility for a rebate by a community services organisation is subject to it providing one or more of the following community services –

- emergency accommodation
- food or clothing for disadvantaged persons (i.e., persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability);
- supported accommodation (i.e., residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life);
- essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;
- legal services for disadvantaged persons;
- drug or alcohol rehabilitation services; or
- the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses.

- Educational Purposes
 - Land occupied by a government school under a lease or licence and being used for educational purposes; or
 - Land occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes; or
 - Land being used by a University or University College to provide accommodation and other forms of support for students on a not for profit basis.
 - Where Council is satisfied from its own records or from other sources that a person or body meets the necessary criteria for a mandatory 100% or 75% rebate, Council will grant the rebate of its own initiative. Where Council is not so satisfied it will require the person or body to apply for the rebate in accordance with the Applications Clause of this Policy.
 - Where a person or body is entitled to a rebate of **75%** Council may, pursuant to Section 159(4) of the Act, increase the rebate up to a further **25%**. Council may grant the further **25%** rebate upon application or on its own initiative. In either case Council **will** take into account those matters set out within the Applications Clause of this Policy and **may** take into account any or all of those matters set out within that Clause.
 - Where an application is made to Council for a rebate of up to a further **25%** the application will be made in accordance with the Applications Clause of this Policy and Council will provide written notice to the applicant of its determination of that application.

Discretionary Rebates

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

- a. Where it is desirable for the purpose of securing the proper development of the area (or a part of the area);
- b. Where it is desirable for the purpose of assisting or supporting a business in its area;
- c. Where it will be conducive to the preservation of buildings or places of historic significance;
- d. Where the land is being used for educational purposes;
- e. Where the land is being used for agricultural, horticultural or floricultural exhibitions;
- f. Where the land is being used for a hospital or health centre;
- g. Where the land is being used to provide facilities or services for children or young persons;
- h. Where the land is being used to provide accommodation for the aged or disabled;
- i. Where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Commonwealth) or a day therapy centre;
- j. 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;

- k. 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
- l. 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.
- m. Where the rebate is considered by the Council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities anticipated by the Council in its annual business plan or a liability that is unfair or unreasonable.
- n. Where the rebate is to give effect to a review of a decision of the Council under the Local Government Act Chapter 13 Part 2.
- o. Where the rebate is contemplated under another provision of the Local Government Act.

Council may grant a rebate of rates up to and including 100% of the relevant rates or service charges. Council may grant a rebate for a period exceeding one year, but not exceeding 10 years in respect of (a), (b) or (k) and not exceeding 3 years in respect of (l).

Council has an absolute discretion:

- To grant a rebate of rates or service charges in the above cases; and
- To determine the amount of any such rebate.

Persons who or bodies, which seek a discretionary rebate, will be required to submit an application form to Council and provide to Council such information as stipulated on the application form and any other information that Council may reasonably require.

Council maintains a Register of Discretionary Rebates.

Applications

Council will inform the community of the provisions for rate rebate under the Local Government Act 1999 by the inclusion of suitable details in the Rating and Rebate Policy Summary distributed with the annual rate notice.

Persons or bodies who seek a rebate of rates (and/or service charges) either:

- Pursuant to Section 159(4) of the Act and Mandatory Clause of this Policy; or
- Pursuant to Section 166 of the Act and Discretionary Clause of this Policy;
- Must make written application to Council pursuant to Section 159(1) of the Act in the manner and form determined by Council and supplying such information as Council may reasonably require.

Application forms may be obtained from the Council office located at 11 Bay Street, Port Broughton SA 5522.

Council will take into account, in accordance with Section 166(1a) of the Act in relation to (d)-(j) inclusive in the Discretionary Rebates Clause above, the following matters –

- the nature and extent of Council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in the Council's area;
- the community need that is being met by activities carried out on the land for which the rebate is sought; and
- the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons.

Council may take into account other matters considered relevant by the Council including, but not limited to, the following –

- why there is a need for financial assistance through a rebate;
- the level of rebate (percentage and dollar amount) being sought and why it is appropriate;
- the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies;
- whether the applicant has made/intends to make applications to another Council;
- whether, and if so to what extent, the applicant is or will be providing a service within the Council area;
- whether the applicant is a public sector body, a private not for profit body or a private or profit body;
- whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term;
- the desirability of granting a rebate for more than one year in those circumstances identified within Discretionary Clause of this policy;
- consideration of the full financial consequences of the rebate for Council;
- the time the application is received;
- the availability of any community grant to the person or body making the application;
- whether the applicant is in receipt of a community grant; and
- any other matters and policies of Council, which Council considers relevant.

All persons who or bodies which wish to apply to Council for a rebate of rates must do so on or before **30th September in a given year**. Council reserves the right to refuse to consider applications received after that date. However, applicants which satisfy the criteria for a mandatory **100%** or **75%** rebate will be granted the rebate at any time.

The Act provides that Council may grant a rebate of rates or charges on such conditions as Council thinks fit.

Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.

It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act. The maximum penalty for this offence is \$5,000.

If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform Council of that fact and (whether or not Council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence. The maximum penalty for this offence is \$5,000.

Council will, in writing, advise an applicant for a rebate of its determination of that application within 40 business days of receiving the application or of receiving all information requested by Council. The advice will state –

- if the application has been granted, the amount of the rebate; or
- if the application has not been granted, the reasons why.

Delegation

Council has delegated its power, pursuant to Section 44 of the Act, to grant applications for mandatory rebates, which meet the requirements of the Act.

All discretionary rebates shall be determined by Council with the exception of the Rate Cap, which shall be applied automatically to rate notices.

Review

A person who or a body which is aggrieved by a determination of Council in respect of an application for a rebate may seek a review of that decision in accordance with Council's Internal Review of Council Decisions Policy within 30 days of the date of the notice of determination which is given pursuant to Applications Clause of this Policy.

Community Grants

If an application for a rebate is unsuccessful, Council has an absolute discretion to then treat the application as one for a community grant and to determine it in accordance with Council policy.

Rate Capping

To provide ratepayers with relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to rapid changes in valuation, a rebate of general rates for the 2018/19 financial year will be granted to the Principal Ratepayer of an Assessment under Section 166 (1) (I) of the Act, either by Council of its own initiative where Council is in possession of sufficient information to determine the entitlement to the rebate or otherwise on application to 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 2017/18 financial year and the amount of general rates imposed for the 2018/19 financial year, is greater than 20%.

The amount of the rebate will be the difference between the amount of general rates in monetary terms imposed for the 2017/18 financial year and the amount of general rates imposed for the 2018/19 financial year less 20% of that amount.

The rebate is only applicable if:

- The property has the same owner(s) in 2017/18 and 2018/19, and
- The rate code in 2017/18 and 2018/19 are the same, and
- The property has not been subject to amalgamation.

The rebate will be calculated collectively on adjoining properties under identical ownership and single farm enterprises and the rate rebate will be applied to the first assessment listed.

In providing the rates capping rebate to the applicable assessments, Council has deemed the rebate should provide relief of any substantial valuation change.

Common portion of Community titled land

Where a community title exists over an individual portion of land then any common portion of land held under that community title will be considered to be non-rateable and will not be subject to the imposition of fixed charges or service charges.

5.27 Applications

All applications for rebates, remissions or postponements must be in writing, addressed to the Chief Executive Officer, Barunga West Council via email at barunga@barungawest.sa.gov.au or post at PO Box 3, Port Broughton SA 5522 and include sufficient details to identify the relevant property and any supporting documentation in support of the application.

5.28 Changes to Assessment Records

All changes to postal address of ratepayer/owner, changes of ownership of a property and changes to ratepayer/owner name must be notified promptly to Council in writing or via Council's website at www.barungawest.sa.gov.au

5.29 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 Council has failed to properly apply this policy it should raise the matter with Council. In the first instance contact should be directed to the Rates & Debtors Officer at the Council Office by email at rates@barungawest.sa.gov.au or by telephone 08 8635 2107. If after this initial contact a ratepayer is still dissatisfied, they should then write to the Chief Executive Officer, Barunga West Council via email at barunga@barungawest.sa.gov.au or by post at PO Box 3, Port Broughton SA 5522 explaining the nature of their concern.

Application Form for Rate Rebate 2018/19 Financial Year

(1) Details of Applicant

Name: _____

Address: _____

Email: _____

Telephone: _____

If the Applicant is not a natural person, please provide details of a contact person for the Applicant

Name: _____

Address: _____

Email: _____

Telephone: _____

(2) Details of Land

Certificate of Title: _____

Assessment Number: _____

Property Address: _____

Owner of Land (if not Applicant): _____

(3) Categories of Rebate

Please tick the category of rebate under which you are seeking a rebate –

3.1 Mandatory Rebates

- Health Services 100% Rebate – Land being predominantly used for service delivery or administration by a hospital or health centre incorporated under the Health Care Act 2008;
- Religious Purposes 100% Rebate – Land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes;
- Public Cemeteries 100% Rebate – Land being used for the purposes of a public cemetery;
- Royal Zoological Society of SA 100% Rebate – Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated.
- Community Services 75% Rebate – Land being predominantly used for service delivery and administration by a community services organisation.

Does your organisation satisfy the following?

A community services organisation is a body that:-

- is incorporated on a not for profit basis for the benefit of the public; and
- provides community services without charge or for a charge that is below the cost to the body of providing the services; and
- does not restrict its services to persons who are members of the body.

If you have ticked all three of the above criteria's, which of the following services does your organisation provide –

- emergency accommodation;
- food or clothing for disadvantaged persons (i.e., persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability);
- supported accommodation (i.e., residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life);
- essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;
- legal services for disadvantaged persons;
- drug or alcohol rehabilitation services; and/or
- research into, or community education about, diseases or illnesses, or palliative care to persons who suffer from diseases or illnesses.
- Other – please specify

Educational Purposes 75% Rebate – which of the following criteria apply –

- land occupied by a government school under a lease or licence and being used for educational purposes; or
- land occupied by a non-government school registered under the Education and Early Childhood Services (Registration and Standards) Act 2011 and being used for educational purposes; or
- land being used by a University or University College to provide accommodation and other forms of support for students on a not for profit basis.

3.2 Discretionary Rebates

The Council may in its discretion grant a rebate of rates or service charges in any of the following cases. Please indicate which of the following is applicable to your application–

- the rebate is desirable for the purpose of securing the proper development of the area (or a part of the area);
- the rebate is desirable for the purpose of assisting or supporting a business in its area;
- the rebate will be conducive to the preservation of buildings or places of historic significance;
- the land is being used for educational purposes;
- the land is being used for agricultural, horticultural or floricultural exhibitions;
- the land is being used for a hospital or health centre;
- the land is being used to provide facilities or services for children or young persons;
- the land is being used to provide accommodation for the aged or disabled;
- the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1997 (Commonwealth) or a day therapy centre;
- the land is being used by an organisation which provides a benefit or service to the local community;
- the rebate relates to common property or land vested in a community corporation under the Community Titles Act (SA) 1996 over which the public has a free and unrestricted right of access and enjoyment;
- the rebate is appropriate to provide relief against what would otherwise amount to a substantial change in rates payable by a rate payer due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations;
- the rebate is considered by the Council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities anticipated by the Council in its annual business plan or a liability that is unfair or unreasonable;
- the rebate is to give effect to a review of a decision of the Council under the Local Government Act Chapter 13 Part 2;
- the rebate is contemplated under another provision of the Local Government Act.

(4) Amount of Rebate

If you are seeking a mandatory rebate under Clause 3.1 of this Application, for which you are entitled to a 75% rebate, are you also applying to the Council to increase that rebate?

- YES, please specify the amount of rebate that you are applying for –

- NO

If you are applying for a discretionary rebate under Clause 3.2 of this Application, please specify the rebate amount you are applying for.

Please specify why you (or your organisation) need financial assistance through a rebate and why the amount of rebate you have applied for is appropriate.

(5) Additional Information Required

The Council requires you to attach the following additional information to this Application–

- 5.1 Where you are seeking a rebate under Clause 3.1 of this Application – Community Services –
- 5.1.1 evidence that the land is being used for service delivery and/or administration;
 - 5.1.2 a copy of the organisation's Constitution and/or other documentation establishing that it is incorporated on a not-for-profit basis;
 - 5.1.3 a copy of the organisation's latest Annual Report;
 - 5.1.4 evidence that the organisation provides services free of charge or below cost;
 - 5.1.5 evidence that the organisation provides services to persons other than members.

5.2 Where you are seeking a rebate in any other case –

- 5.2.1 evidence that the land is being used for the purpose for which the rebate is being sought;
- 5.2.2 information as to whether, and if so to what extent, you (or your organisation) will be providing a service within the Council area;
- 5.2.3 whether you have made or intend to make an application to another council;
- 5.2.4 the extent of financial assistance (if any) being provided by Commonwealth or State agencies;
- 5.2.5 whether you are in receipt of a community grant;
- 5.2.6 any other information that you believe is relevant in support of this Application.

(6) Application Forms

Application forms and all additional information must be submitted to the Council on or before 30 September each year.

A failure to submit application forms or to provide the additional information required by the Council to assess the application by the due date may result in the Council refusing to consider the application.

(7) Important Information

It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act. The maximum penalty for this offence is \$5,000.00, (Section 159 (2) of the Local Government Act 1999).

The Council may grant a rebate of rates or charges on such conditions as the Council thinks fit.

If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist, the person or body must immediately inform the Council of that fact and (whether or not the Council is so informed) the entitlement to a rebate ceases. If a person or body fails to notify the Council that person or body is guilty of an offence and liable to a maximum penalty of \$5,000.00, (Section 159 (7) and (8) of the Local Government Act 1999).

The Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies.

Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year, the Council is entitled to recover rates, or rates at the increased level (as the case may be), proportionate to the remaining part of the financial year.



I declare that the information I have provided on and attached to this application form is true.

Signed: _____

Name: _____

6. LEGISLATION

Aged Care Act 1997 (Commonwealth)

Community Titles Act 1996

Education and Early Childhood Services (Registration and Standards) Act 2011

Goods and Services Act 1999

Local Government Act 1999

Local Government (General) Regulations 2011

Health Care Act 2008

Valuation of Land Act 1971

7. Availability & Grievances

This policy is available for inspection at the Council office at 11 Bay Street, Port Broughton during ordinary business hours.

It is also available for inspection, download or printing, free of charge, from Council's website www.barungawest.sa.gov.au

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer, Barunga West Council, PO Box 3, Port Broughton SA 5522.

8. REVIEW

This Policy shall be reviewed by The Barunga West Council annually.

10/06/2014	01	Adopted by Council
09/06/2015	02	Adopted by Council
14/06/2016	03	Adopted by Council
13/06/2017	04	Adopted by Council
	05	Review by Council