



2013/2014

ANNUAL BUSINESS PLAN

Creating a Better
Future with pride



CONTENTS

Community Engagement Process

The community were invited to make submissions about this plan in writing and these closed on 17 May 2013.

Submissions could be lodged on-line, by email or in writing. In addition, Council also included a one page submission form in its bi-monthly Community Link which was distributed to 2,633 householders within the district and a further 818 posted to non-Coorong Council postcode ratepayers.

All submissions were subject to a report to Council which was made available to the public.

At the close of the engagement period, twelve (12) written submissions were received. Of these six (6) were submitted via email and six (6) on the submission form distributed in the newsletter.

Both written and verbal submissions were heard at a Special Meeting of Council held on 28 May 2013 at the Coonalpyn Town Hall.

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Introduction by Mayor Cr Roger Strother



Cr Roger Strother
Mayor

This Annual Business Plan sets out Council's proposed services, programs and projects for 2013/2014. Council aims to provide effective and efficient services for the community and to continue progress towards the longer term objectives of The Coorong District Council as set out in the 2012-2016 Strategic Management Plan.

The 2012-2016 Strategic Management Plan aims to carry on the Council's continual improvement focus that commenced with the 2008-2012 Strategic Management Plan.

The 2013/2014 Annual Business Plan and Budget has been put together with the following aims in mind:

- The need to keep rate rises as low as possible whilst recognising the cost increases Council has to manage.
- The need to ensure Council is adequately resourced to comply with legislative requirements.
- The need to implement Council's Long Term Financial Plan strategies.

Some of Council's priorities for 2013/2014 include:

- Construction of a new Council Office at Tailem Bend.
- Seeking external funding to facilitate the development of a Visitor Interpretative & Resource Centre at Meningie. Council will also pursue external funding to upgrade the West Terrace Jetty and Narrung Jetty.

- Completing the Infrastructure and Asset Capital Works Program which comprises \$5.736M for replacement and renewal of infrastructure and \$1.739K for new infrastructure.
- Setting plans in place to ensure full cost recovery for Council services such as the CWMS, Water Schemes and Waste Management.
- Actively pursuing State and Commonwealth government grant funding to enable large capital projects within the district to proceed.
- Continued improvement of Council's administrative practices with regard to records management, customer service, governance and policy development.

The ongoing development of The Coorong District Council community has always been a priority of Council, with all elected members and staff committed to being a progressive and proactive Council. This plan sets out what Council wants to achieve in the 2013/2014 financial year.

Mayor Cr Roger Strother

Elected Members



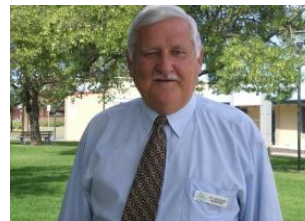
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The Coorong District Council

The Coorong District Council was formed in May 1997 following the amalgamation of the District Council's of Peake, Coonaplyn Downs and Meningie. The Council area comprises land within regions generally known as the Murraylands and the Upper South East.

The Council is within the Regional Development Australia Murraylands Riverland (RDAMR) region and is a member of the Murray and Mallee Local Government Association. The Council is also within both the SA Murray Darling Natural Resource Management (NRM) Board area and the South East NRM Board area. The Council is a member of the Murraylands Tourism Partnership.

The principal office of Council is located at Taillem Bend. Council also has offices at Meningie and Tintinara.



Vision, Mission and Core Values

Vision Statement

A progressive and proactive Council recognised for its diverse communities, prosperous economy and unique and highly valued environment

Mission Statement

The Coorong District Council is committed to:

- Providing **leadership** for the community and ensuring efficient and effective management of the community's resources.
- Responsibly managing the natural and built environment to achieve **sustainability**.
- Facilitating economic **prosperity**, growth and employment throughout the district.
- Actively enhancing the quality of life for the community by encouraging health, **well being** and safety.
- Being an **employer of choice** that attracts, develops and inspires highly talented employees and elected members.

Core Values

Integrity

Adherence to moral and ethical principles, being honest, transparent, accountable, trustworthy and authentic.

Proactive

Acting in anticipation of future opportunities, issues, needs or changes.

Progressive

Making use of new ideas and opportunities.

Collaborative

Working as a team to achieve common goals.

Service Excellence

Consistently delivering quality service outcomes for external and internal stakeholders

Enjoy Work

Achieving satisfaction and a sense of wellbeing from work.

2012-2016 Strategic Management Plan Goals and Strategies

Governance – Leadership	
Goals	Strategies
1.1 Continue to establish and maintain a best practice governance framework	1.1.1 Improve Council's governance performance & develop relevant policies and procedures. 1.1.2 Ensure Council's policies reflect community needs and organisational requirements. 1.1.3 Implement Council's Policy Review Schedule. 1.1.4 Ensure an annual review of Council's Internal Control Policy and Procedures.
1.2 To provide accountable, open and transparent communication between Council and the community and ensure public access to timely, relevant and accessible information.	1.2.1 Implement Council's Community Engagement Policy. 1.2.2 Continue bi-monthly distribution of the Community Link newsletter. 1.2.3 Ensure Council has a presence at local shows and events to promote Council activities and services. 1.2.4 Maintain an up to date and relevant website. 1.2.5 Implement training for staff to ensure appropriate community engagement and communication.
1.3 To continuously strive for quality, responsive customer service and enhancement of the image of Council.	1.3.1 Implement and measure adherence to Council's Customer Service Charter and Service Standards. 1.3.2 Continuous improvement of customer service process and procedures. 1.3.3 Encourage feedback from the community on Council services and activities.
1.4 To have a secure revenue base and manage the business of Council through the responsible and efficient administration of finances to ensure financial sustainability and an equitable level of services to meet the expectations of Council.	1.4.1 Achieve financial targets that are appropriate to Council's circumstances and financial sustainability objectives. 1.4.2 Actively pursue, and plan for, external funding opportunities. 1.4.3 Implement long term financial planning strategies. 1.4.4 Ensure a strong link between Long Term Financial Plan and Infrastructure and Asset Management Plans (refer 2.3.6). 1.4.5 Develop, measure and review internal financial controls.
1.5 Ensure Risk Management Policies and Procedures are implemented at every level of Council business.	1.5.1 Minimise Council's exposure to risk and liability through the creation and implementation of appropriate risk management policies, procedures and plans. 1.5.2 Investigate opportunities to improve Council's LGAMLS legislative audit score. 1.5.3 Ensure understanding of staff and elected

Governance – Leadership

Goals	Strategies
	members of risk management and self insurance responsibilities.
1.6 To show leadership and develop partnerships with both the Federal and State Governments, Regional Organisations and the LGA to advocate for improved services and infrastructure and appropriate service delivery and to advocate on behalf of the community	<p>1.6.1 Actively lobby for key infrastructure and services in the district.</p> <p>1.6.2 Actively explore opportunities for shared service arrangements with neighbouring Councils.</p> <p>1.6.3 Engage the LGA more effectively and seek opportunities through its programs and initiatives to improve Council's policies, procedures and activities.</p> <p>1.6.4 Continue to advocate on behalf of the community to ensure water security across the district and region, in particular in the River Murray, Lower Lakes and Coorong.</p> <p>1.6.5 Advocate of behalf of the community on Natural Resource Management issues and develop strong relationships with NRM Boards and appropriate State Government Departments</p>
1.7 Engage the community in the election process, both as candidates and as voters.	<p>1.7.1 Increase the level of voter participation.</p> <p>1.7.2 Ensure Council's composition of elected members is adequate and fairly represents the community.</p>



Environmental - Sustainability

Goals	Strategies
2.1 To have up to date Development Plan provisions that reflect the needs and aspirations of the community and ensure its development assessment processes reflect best practice principles and consistent decision making.	2.1.1 Implement the actions as detailed in Council's Strategic Direction Report. 2.1.2 Improve the Development Assessment Process. 2.1.3 Continue the proactive approach of providing preliminary advice with regard to guiding investment and development opportunities.
2.2 To responsibly manage the natural environment to ensure its sustainability and to implement natural resource management principles.	2.2.1 To establish and maintain policies and procedures to adequately protect and conserve our natural environment. 2.2.2 To adopt Sustainability principles in all of Council's activities. 2.2.3 To maintain Council's commitment to the Coorong Local Action Plan (LAP) Committee and staff. 2.2.4 Implement strategies and programs to reduce our environmental footprint, greenhouse gas emissions and address climate change. 2.2.5 Proactively address weed and feral pest issues on Council land as well as foster a strong relationship with the local NRM Boards.
2.3 To establish and maintain Asset Management systems and plans to ensure the long term sustainability of Council's resources, plant, equipment, buildings and infrastructure.	2.3.1 To develop and implement Council's Infrastructure & Asset Management Plans. 2.3.2 Ensure Council's core community assets are managed and maintained through rolling 10 year priority based maintenance and/or replacement programs. 2.3.3 Implement a sustainable plant and machinery replacement program. 2.3.4 Develop and implement Open Space Strategies for management of Council's Parks, Reserves and Gardens. 2.3.5 Implement Council's Disability and Discrimination Action (DDA) Plan in conjunction with asset management and capital works programs (refer 4.2.4). 2.3.6 Ensure a strong link between Long Term Financial Plan and Infrastructure and Asset Management Plans (refer 1.4.4)
2.4 To sustainably provide and maintain core community assets and infrastructure that is responsive to the needs of the community.	2.4.1 Maintain and develop roads, footpaths, car parks, walking and cycle tracks in accordance with Council's Infrastructure and Asset Management Plans and Capital Works programs. 2.4.2 Maintain and develop all Council's ovals, parks, gardens, reserves and cemeteries. 2.4.3 Maintain and develop all Council's community facilities such as Council

Environmental - Sustainability

Goals	Strategies
	<p>offices, town halls, aged care homes and community buildings.</p> <p>2.4.4 Ensure Council's water infrastructure at Wellington East and Peake is maintained and promotes sustainability of water resources.</p> <p>2.4.5 Ensure the collection, retention and disposal of stormwater in a manner that promotes sustainability of water resources.</p> <p>2.4.6 Ensure the collection, retention or disposal of common effluent in a manner that promotes sustainability of water resources.</p> <p>2.4.7 Implement sustainable programs and policies for the management of waste throughout the Council district.</p> <p>2.4.8 Implement an appropriate regime of leases, licences and community land management plans for Council land.</p>
2.5 To proactively implement fuel reduction and fire prevention strategies, plans and actions that will protect the community and significant community and Council assets.	<p>2.5.1 Undertake a proactive approach to fuel reduction and fire prevention activities and community education across the district.</p> <p>2.5.2 Undertake a leadership role in the Murray Mallee Bushfire Management Committee (MMBMC).</p>
2.6 To enhance township character and amenity as well as improve opportunities to access significant recreation assets across the district.	<p>2.6.1 Develop and implement town centre plans and initiatives aimed to create attractive and functional streetscapes.</p> <p>2.6.2 Ensure appropriate and clean public toilets in our townships.</p> <p>2.6.3 Develop Council's jetties, boat ramps and lakeside and riverfront reserves to encourage access to the Lakes and Murray River.</p> <p>2.6.4 Actively pursue external funding opportunities to implement plans and initiatives for townships and water access.</p> <p>2.6.5 Preserve local heritage, character and identity.</p>

Economic - Prosperity

Goals	Strategies
3.1 A strong and prosperous economy built on diversifying our established industries, business and enterprises, and attracting new industries and investors through collaboration in Regional, State and National partnerships.	<p>3.1.1 To develop and implement initiatives and partnerships that will enhance the district's investment, commerce and investment potential.</p> <p>3.1.2 Strengthen partnerships and relationships with RDA Murraylands and Riverland to promote and encourage economic development in the district.</p> <p>3.1.3 To have high quality physical infrastructure that meets economic development needs.</p> <p>3.1.4 Position the Council district to be a leader in Carbon Farming that will bring economic and environmental benefits.</p> <p>3.1.5 Advocate on behalf of the community to seek opportunities to add value to agriculture across the district.</p>
3.2 To have a vibrant and growing tourism industry.	<p>3.1.2 To develop and implement initiatives and partnerships that will enhance the district's tourism potential</p> <p>3.2.2 Strengthen partnerships and relationships with SATC and key regional agencies (such as Limestone Coast Tourism (LCT) and Murraylands Tourism Partnership (MTP)) to promote tourism in the district.</p> <p>3.2.3 Ensure an appropriate approach and framework for the provision of visitor information across the district.</p> <p>3.2.4 Advocate and promote opportunities for tourism businesses and activities.</p> <p>3.2.5 Liaise with DTEI and invest in improvements to tourism signage across the district.</p> <p>3.2.6 Become a RV and caravan friendly district.</p>

Community Development – Well Being

Goals	Strategies
4.1 Enhancing the quality of life of the community by encouraging community development opportunities and undertaking a key liaison role.	<p>4.1.1 Support Community Development through funding, grant opportunities, planning, promotion and advocacy.</p> <p>4.1.2 Promote collaboration, communication and networking between community service and education providers across the district.</p> <p>4.1.3 Maintain Council's commitment to community learning and gathering places and services.</p> <p>4.1.4 Support significant events, community art and cultural activities.</p> <p>4.1.5 Further enhance Council's relationship with its local Indigenous communities.</p> <p>4.1.6 To foster a strong relationship with the young people of the district by directly supporting and coordinating youth programs and opportunities.</p> <p>4.1.7 Working collaboratively with, supporting and recognising the efforts of volunteers and encourage volunteer involvement in the community.</p>
4.2 Enhancing the quality of life for older people and people with disabilities	<p>4.2.1 Maintain Council's commitment to auspice Home and Community Care (HACC) funding on behalf of the Taillem Bend Community Centre (TBCC).</p> <p>4.2.2 Maintain Council's commitment to providing the HACC Home Modification and Maintenance Program across the district.</p> <p>4.2.3 Respond to the challenge of an ageing population.</p> <p>4.2.4 Implement Council's Disability Discrimination Action (DDA) Plan (refer 2.4.5).</p> <p>4.2.5 Provide information about existing services and facilities to older people, people with disabilities and their carers.</p> <p>4.2.6 Promote collaboration, communication and networking between aged care providers across the district</p>
4.3 Enhancing the quality of life of the community by advocating, supporting and undertaking health and community safety initiatives.	<p>4.3.1 To promote public and environmental health services within the community in a sustainable, efficient and appropriate manner.</p> <p>4.3.2 To ensure Council meets its responsibilities under the Dog & Cat Management Act and provides adequate & appropriate dog control.</p> <p>4.3.3 Monitor and review the dry zones within the district.</p> <p>4.3.4 Continue to explore and participate in regional health and community safety projects.</p>

Community Development – Well Being

Goals	Strategies
4.4 Enhancing the quality of life of the community by advocating for and supporting community transport schemes and services as well as improved access and mobility across the district.	<p>4.4.1 To maintain Council's commitment to the Murray Mallee Community Transport Scheme (MMCTS).</p> <p>4.4.2 Advocate on behalf of the community for improved transport services across the district.</p>
4.5 To provide a wide range of sporting and recreational facilities and support region wide sport and recreation programs.	<p>4.5.1 Continue to assist sporting and community bodies in sourcing funding for sporting and community facilities.</p> <p>4.5.2 Promote sporting, recreation and leisure facilities and programs in the region.</p>



Organisational Development – Employer of Choice

Goals	Strategies
5.1 Have appropriate organisational capacity and culture to ensure an innovative, effective and efficient organisation.	5.1.1 To strive to be recognised as a high performing organisation. 5.1.2 To address Council's future office accommodation needs. 5.1.3 Undertake continual organisational structural review to ensure the organisation has capacity to meet current and future demands.
5.2 Provide appropriate support, development and training opportunities for all Elected Members.	5.2.1 Provide opportunities to ensure all Council Elected Members can successfully fulfil their governance and leadership responsibilities and be knowledgeable of all relevant Local Government issues. 5.2.2 Promote the on-line self assessment tool for elected members.
5.3 To develop and promote Council as an 'employer of choice' and to facilitate the attraction and retention of highly talented staff.	5.3.1 Develop and implement human resource plans, policies and processes to provide contemporary management of people and performance. 5.3.2 Identify opportunities to develop and train staff (refer 5.4.4). 5.3.3 Implement Workforce Planning and succession planning principles throughout the organisation. 5.3.4 Actively seek opportunities for traineeships and apprenticeships within the organisation. 5.3.5 Implement Council's Reward and Recognition of Staff Policy.
5.4 To promote safety in the workplace through best practice Workplace Health and Safety (WH&S) plans, policies and actions.	5.4.1 Provide a safe, healthy and best practice work environment for all employees as described in Council's adopted WH&S Plan. 5.4.2 Monitor and enhance workplace health and safety practices and programs and benchmark against other Councils. 5.4.3 Continuous review and implementation of Workplace Health and safety plans and procedures. 5.4.4 Implementation of employee training plans. (refer 5.3.2) 5.4.5 Promotion of health and welfare programs to all employees and volunteers.

Organisational Development – Employer of Choice

Goals	Strategies
5.5 To have an Information Technology (IT) and Records Management service that keeps pace with Council and Community needs.	<p>5.5.1 Ensure Council's IT network and telecommunications is cost effective, reliable and fully utilised, delivering quality services to Council and the community.</p> <p>5.5.2 Ensure Council's IT network has adequate risk protection whilst optimising IT resources.</p> <p>5.5.3 Ensure Council's Records Management plans, procedures and systems meet organisational requirements.</p> <p>5.5.4 Ensure Council achieves a Level 5 in the Adequate Records Management Framework to align with State Records legislative requirements.</p>



Significant Influences and Priorities

A number of significant factors have influenced the preparation of the Council's 2013/2014 Annual Business Plan and Budget.

Waste Management

Council commenced a review of its waste management practices in 2010. The review was to examine the way that waste was being managed by Council and to move towards sustainable waste management practices into the future. There were several critical issues requiring a new approach including the increasing understanding of the environmental issues associated with landfill dumps, the increased availability of recycling opportunities and the increasing significant costs associated with waste management.

Initiatives that have flowed from the waste management review have included the following:

- The closure of Council's Taillem Bend Landfill site. Consideration was given to the probable overall operational costs including the construction, operations and closure of the Landfill versus an alternative Landfill disposal option.
- The introduction of the three bin kerbside collection system, yellow recycling bin, green organic waste bin and red residual general waste bin, to divert recyclables and green organics waste from landfill dumps.
- Introduction of a free E-Waste Collection service to divert electrical and computing goods to recycling.
- Council entering into an agreement with the Adelaide Hills Regional Waste Management Authority for the disposal of all waste.

These initiatives and increase in service levels have resulted in the implementation of a Kerbside Waste Management Charge, which is in accordance with Council's financial strategies and its Long Term Financial Plan. The charge is only applied to those ratepayers who are eligible recipients of the increased service levels and are within the kerbside collection boundary. All other ratepayers can a

access waste services either through an optional en-route collection (if eligible), a dump voucher system or via a user pays system at any transfer station within the Council area.

Long Term Office Accommodation

Council has commissioned reviews and engaged numerous consultants to address the ongoing long term office accommodation issue over a period of several years. The most recent was an independent report undertaken by Tony Stacey Management Consulting in May 2009. Subsequent to this report and Council deliberations, Council resolved to relocate the principal office accommodation to Taillem Bend.

A 'Proposal for Long Term Office Accommodation Report' was released for community comment in December 2011 where five submissions were received. As a result of this, Council delegated to its Long Term Office Accommodation Working Committee the finalising of designs, building specification and tendering of the proposed office accommodation in Railway Terrace, Taillem Bend.

In October 2012, Council commissioned an independent financial review of its options, which included maintaining the status quo (renegotiating a new lease where Council was within the constraints of the leased building), purchase and redevelop the current site currently occupied by the Customer Service Centre and the redevelopment of the unoccupied shops adjacent to the Town Hall into new long term office accommodation, thereby vacating the current lease and having all staff located in the one location. Due to the commercial in confidence nature of much of the report, it is not able to be released in its entirety; however the findings concluded that the building of new office accommodation as proposed will:

- Achieve the floor size required for current staffing levels at Taillem Bend and allow for any future growth.
- Be in accordance with Council's Long Term Financial Plan which achieves Council's target Key Financial Targets within the life of the plan.

- Not require any temporary relocation of staff during the build.
- Address the Worker Health & Safety issues identified in the Town Hall;
 - Fire egress issues on the second floor
 - Disability access issue
- Address existing staff car parking issues.

In addition to this, the current economic climate is conducive to building, with low interest rates and lower than originally forecast build costs of 20%. Council has awarded the tender to Kennett Builders and it is anticipated work will commence early in the 2013/14 Financial Year.

Above CPI Rate Increases

A key financial strategy in Council's Long Term Financial Plan is to increase rates in real terms (i.e. over and above the general inflation rate from 2013/14 for each remaining year of the LTFP; until 2020/21. Council's average rating levels/property is currently significantly below those of other rural and regional councils in South Australia and this will see Council return to a surplus operating result during the life of the plan.

Other significant influences and priorities

- The need to comply with ever increasing financial and regulatory demands from the State Government, including but not limited to changes to the Local Government Act and Development Act.
- Funding constraints which affect the delivery of the range of services offered. Council's Long Term Financial Plan indicates that Operational Expenditure needs to be reduced by 10% over the next 10 years.
- The Local Government Price Index (LGPI) increase of 2.8% for the year ended December 2012.
- Commitments to continuing projects and partnership initiatives over more than one year, including the Local Action Plan Biodiversity project.
- The increasing difficulty in attracting all levels of staff to work in rural areas, resulting in Council needing to offer competitive wage and salary conditions through enterprise bargaining agreements.

- The requirement to increase superannuation payments to all employees by 0.25%.
- The Grants Commission returning back to a normal grant funding cycle.
- The requirement to maintain and improve ageing infrastructure assets to acceptable standards including roads, footpaths, lighting, storm water drainage, street trees and plantings, open space and Council properties.
- The need to achieve a high level of road works output in order to utilise Roads to Recovery Grant funds.
- The need to ensure the increase in service levels for waste management is appropriately funded.
- Review and improve Council's Asset & Infrastructure Management Plans.
- Developing a Stormwater and Water Scheme Asset & Infrastructure Management Plan.
- Seeking external funding to facilitate the development of a Visitor Interpretative & Resource Centre at Meningie.
- Improving Council's Development Plan by undertaking a Primary Production and Murray River Development Plan Amendment (DPA).
- Implementing Council's Tourism & Economic Development Plan.
- Completing the Infrastructure and Asset Capital Works Program for 2013/2014 includes \$7.475m of capital expenditure. This includes \$5.736m for replacement and renewal of infrastructure and \$1.739k for new infrastructure.
- Implementing the comprehensive review and Business Plan for Council's Community Wastewater Management Systems (CWMS).
- Setting plans in place to ensure full cost recovery for Council services such as the CWMS, Water Schemes and Waste Management.
- Finalising the review of Council properties which may result in the sale of surplus properties during the 2013/2014 financial year.
- Actively pursuing State and Commonwealth government grant funding to enable large capital projects within the district to proceed.
- Continued improvement of Council's administrative practices with regard to records management, customer service, governance and policy development.

In response to these factors, and to minimise the burden on ratepayers, the Annual Business Plan has been prepared within the following guidelines:

- The need to keep rate rises as low as possible whilst recognising the cost increases Council has to manage.
- The need to ensure Council is adequately resourced to comply with legislative requirements.
- The need to implement Council's Long Term Financial Plan strategies.

Council's Services

All Councils have mandatory responsibilities under the *Local Government Act*, the *Development Act*, the *Public & Environmental Health Act*, the *Natural Resources Management Act* and other relevant legislation.

These include:

- regulatory activities such as maintaining the voters roll, property ownership data and supporting the elected Council;
- setting rates, preparing an annual budget and determining longer-term strategic management plans for the area;
- management of infrastructure including civic buildings, roads, footpaths, parks, public open space, street lighting and storm-water drainage;
- street cleaning, rubbish collection and recycling;
- development planning and control, including building fire safety assessment;
- environmental health services, including health standards inspections and waste control application assessment; and
- protection of natural resources including parks, reserves and rivers.

In response to community needs and/or external funding the Council also provides further services and programs including:

- Environmental programs, including the Local Action Plan (Landcare) Program;
- Community programs;
- Community Wastewater Management Systems;
- Aged Care and Youth Services;
- On-street parking management to maximise use of kerbside space.

Council also has a commitment to continuing projects and partnership initiatives over more than one year including;

- Continuation of the sealing of Tauragat Well Road in partnership with the MMLGA as part of the SLRP.
- Undertake Roads to Recovery works over the next three years as per the agreed funding.
- Continued Local Action Plan programs.
- Continuing the OPAL program in accordance with funding agreement.

The Council also operates a number of facilities on behalf of the community. These provide important community benefits while also generating revenue for services and projects of benefit to the Coorong District Council.

- Coonalpyn Caravan Park;
- Waste Management Facilities;
- Recreation and facilities including the Coonalpyn Swimming Pool and Town Halls.

Capital Works Program

In determining its Capital Works Program, Council has been mindful of the need to focus on replacement and renewal of assets as opposed to constructing new assets. There are long term financial implications for constantly increasing assets and not replacing and renewing current assets. The new assets proposed are generally those associated with projects that attract external funding or are a result of a Council resolution during 2012/2013.

The Infrastructure and Asset Capital Works Program for 2013/2014 includes \$7.475m of capital expenditure. This includes \$5.736m for replacement and renewal of infrastructure and \$1.739m for new infrastructure.

The Capital Works Program for 2013/2014 is based on the Infrastructure and Asset Management Plan (IAMP) for Roads and the 10 Year Capital Works Program.

The following table lists the projects included in the Infrastructure and Assets Capital Work Program as well as the Community & Corporate (Information Technology) Capital Projects for 2013/2014.

Project Title	Description	Budget (\$,000)	Capital Income (\$,000)	New or Replacement	Comments
Master Key System	Need to upgrade security for all Council buildings	21.4	-	Replacement	Changing locking mechanisms for all Council's major buildings.
Tailem Bend Council Office	Office redevelopment	1,626	-	Replacement / New	Demolition of old shops, build and extend current Council offices at Railway Terrace.
CWMS Upgrades	Details of upgrades will be known once CWMS Review and Business Plan is completed	161.5	-	Replacement	Various upgrades will be required to degraded pipes and pumps.
Meningie Depot	Replacement of gutters	5.4	-	Replacement	Replacement of corroded gutters
Coonalpyn Depot	Replacement of gutters and roofing	10.7	-	Replacement	Replacement of corroded gutters and roofing
Footpaths	Replacement of footpaths as required in Council's Road IAMP	85.6	-	Replacement	The footpaths will be identified through Council's Road IAMP
Tintinara Hall	Replacement of Awnings	7	-	Replacement	Replace deteriorated awnings
Kerb & Gutter	Replacement of kerb & gutter as required in Council's Road IAMP	53.5	-	Replacement	The kerb & gutter will be identified through Council's Road IAMP
Small Plant	Various small plant (valued over \$3k)	16	-	Replacement	Minor plant purchases include: Trailer for community events (4k), other unspecified (\$12k)
Administration Vehicles	32 Changeovers of Council vehicles per fleet agreement	1,369.6	1,136	Replacement	Vehicle changeovers as per fleet agreement
Parks & Gardens Irrigation	Various Upgrades	21.4		Replacement	Various replacements and upgrades of irrigation in parks and gardens
Playgrounds	Replacement of playground equipment at Meningie	85.6		Replacement	Project deferred from 2012/13. Playground replacements identified through Playground Audit

Project Title	Description	Budget (\$,000)	Capital Income (\$,000)	New or Replacement	Comments
Dickson Reserve	Make Dickson reserve safe and remove temporary fencing	53.5		Replacement	Project deferred from 2012/13.
Park Furniture Replacement	Various street furniture replacements	16	-	Replacement	Various street furniture replacements
Plant & Machinery	Various plant and machinery needs replacement	695.5	50	Replacement	Auxiliary water cart \$25k (\$5k trade in), Truck \$120k (\$15k trade in), Mowers*2 \$80k (\$20k trade in), Road Profiler \$150k (\$10k trade in rock crusher), tractor to pull profiler \$270k
Outside Vehicles	17 Changeovers of vehicles as per agreement	724.4	351	Replacement	In accordance with fleet agreement
Sealed Roads (Re Seals)	In accordance with Council's Road IAMP	321	-	Replacement	A list of roads will be presented to Council following assessment.
Tauragat Well Road	Part funded through the Special Local Roads Program (SLRP)	642	400	New	Council contribution \$200k, SLRP contribution \$400k
Other Capital Road Works	In accordance with Council's Road IAMP	321	-	Replacement	A list of roads will be presented to Council following assessment of capital works program.
Coonalpyn Swimming Pool	Earthing of ladders	7.5	-	New	Earthing of ladders
Unsealed Roads (resheeting)	In accordance with Council's Road IAMP	1,070	482	Replacement	A list of roads will be presented following assessment of capital works program.
East Wellington Water Scheme	Pump replacements	58.9	-	Replacement	Pump replacements
Narrung Toilets	Replacement of toilets	64.2	-	Replacement	Required to meet EPA standards
IT	Video Conferencing Hardware	6.4	-	New	Purchase of camera's to enable video conferencing. Licensing cost & software is \$17.5k (operational expenditure)
IT	Domain Server Replacement	32.1	-	Replacement	Replacing 2 existing servers with servers of greater capacity

NOTE:

In accordance with Council's Annual Business Plan and Budget Policy, the only projects included have known sources of funding. Several Projects will be considered for inclusion into the Capital Works Program subject to successfully obtaining external funding to assist Council in meeting the costs of the works. These projects include:

- Narrung Jetty
- West Terrace Jetty, Meningie
- Interpretative and Resource Centre at Meningie
- Stage 2 of Dickson Reserve, Tailem Bend
- Stormwater Management Project, Coonalpyn

Strategic Projects

In order to implement Council's 2012-2016 Strategic Management Plan and to continue to implement Council's Strategic Directions the following Strategic Projects will be commenced during 2013/2014.

Project Title	Department	Description	Budget (\$,000)
Stormwater & Water Scheme Asset and Infrastructure Management Plan (IAMP)	Infrastructure & Assets	As part of Council's Asset and Infrastructure Management Planning, IAMPs are being developed for all Council's infrastructure. The Road IAMP was adopted by Council in February 2013, The CWMS Management Plan will be completed in 2012/13, the Stormwater and Water Scheme IAMP are proposed for 2013/14 and the Buildings and other infrastructure will be completed in 2014/15.	20
Roadside Vegetation Surveys	Infrastructure & Assets	In order to implement Council's Roadside Vegetation Management Plan roadside vegetation surveys are required for all Council's road reserves. This is a three year project and external funding will be sought from the Native Vegetation Council.	20
Primary Production and Murray River Development Plan Amendment (DPA)	Strategy & Governance	In accordance with Council's Strategic Directions Report the next DPA to be commenced is the Primary Production and Murray River DPA. Focussing on land division and capacity for expansion of rural industries whilst protecting key conservation and landscape areas, noting specific areas including the Narrung Peninsula. General background investigations provided in part by Rural Lands survey undertaken.	25
Town Centre Investigations	Strategy & Governance	Township development and town centre investigations are required to inform the Town Centre DPA proposed for 2014/15 and the outcomes will also be inserted into the Land Use & Infrastructure Prospectus.	10
Develop an Induction Plan for new Elected Members	Strategy & Governance	The Induction Plan will follow on from the Elected Member Training Plan that will be completed in 2012/13. The Induction Plan will need to be in place prior to the November 2014 election.	0
Implementation of the Tourism & Economic Development (T&ED) Plan	Strategy & Governance	Various projects will need to be undertaken as part of implementing the T&ED Plan. The development of Council's Economic Development Strategy in 2012/13 may also inform the priority of projects to be completed.	25
Revaluation projects	Community & Corporate	The Council has been progressively undertaking a comprehensive revaluation program for all Council Assets. Stormwater and Water Scheme assets will be re-valued during 2013/14.	30
Records Management Audit	Community & Corporate	Subject to a successful submission the Council will participate in the State Records Record Management Audit program.	0
Implementation of the Model Communications Plan	Community & Corporate	The Council is currently participating in the LGA Local Excellence Model Communications Plan project. In 2013/14 Council will seek to implement the outcomes of this project. This will also include the development of a Social Media Strategy for Council.	0
Implementing video conferencing	Community & Corporate	Council is purchasing camera's (refer capital work program) to enable video conferencing. In addition software and licensing needs to be implemented.	17.5
One Library System	Community & Corporate	Rolling out the new One Library system at all Coorong District community libraries.	17

Funding the Annual Business Plan

The 2013/2014 budget forecasts an operating deficit of \$1.033m with a net deficit of \$688k. The operating deficit or surplus measures the difference between operating revenue and expenses for the financial year. The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue and a target of better than break even is strived for.

The Council's revenue includes \$5.365m to be raised from general rates and \$1.158m from separate rates (NRM Levy, CWMS, Waste and Water). It is proposed to increase Council general rates revenue by 4%. CWMS service charges have also been increased by \$15; Council has assessed the costs incurred and revenue raised from the various CWMS schemes and all schemes have not kept pace with the costs associated with the schemes. Water Schemes are increasing by 2%.

In accordance with the Long Term Financial Plan Council has also introduced a Kerbside Waste Management Charge of \$190 per property receiving the waste collection service.

The charge is as a result of improvements to the service in 2011/12 and the increased costs need to be funded by those who directly benefit from the waste collection management service. For those not within the kerbside collection boundary, but are on-route, a collection service is available by application at a cost of \$190. The voucher system will also remain; however in recognition of the cost to receive and transport

waste, there is a \$190 user charge for 25 vouchers and \$100 for 12.

Depreciation as previously noted forms a significant portion of Councils projected deficit. Council in 2010/2011 undertook a revaluation of the roads infrastructure. Following the revaluation both the replacement value of the assets and the depreciation of the road assets increased significantly. Council will continue to monitor the depreciation value, useful lives of assets and the residual value of assets annually to ensure accuracy of the depreciation figure. Depreciation is a non cash item; however depreciation does provide an indicative cost of degradation of Council's assets. Council is forecasting to spend \$5.736m on renewing and replacing its assets which will extend the useful lives of its assets.

Council has forecasted to complete \$7.475m in capital projects in 2013/2014. The proposed capital works program will require additional net borrowings of \$2.835m to fully fund the projects and Council is well placed to absorb the impact of the extra debt. Council's current debt levels are as follows, \$158k in fixed loans and a Cash Advanced Debenture loan on a variable basis totaling \$471k. (Council has two existing Cash Advanced Debentures Loans that if fully drawn will amount to \$2.376m). Given that Council has only accessed a portion of the variable cash advance debenture amount available to it, it may not be necessary to borrow new funds but rather utilise current borrowings available to it, however if new

borrowings are required over and above the current available debt it is reasonable for Council to borrow against the larger projects such as the office redevelopment and major plant purchases.

Other sources of revenue for the Council are:

User Pay charges set by Council

These comprise charges for the Council's fee based facilities such as: Caravan Park fees, Swimming Pool fees, Cemetery fees, Rubbish disposal fees, sundry sales and hall hire.

Statutory Charges set by State Government

These are fees and charges from regulatory services set by regulation and collected by the Council for regulatory functions including: Development Act fees, rate searches, animal registration fees and fines, parking fines and expiation fees, health fines, environmental control fines, Litter control fines, waste control system fees and other licence fees/fines.

Council's Fees and Charges for 2013/2014 detail the proposed fees and charges of Council the new fees and charges schedule was adopted at the 25 June 2013 Council meeting.

Grants and Partnerships

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

Funding the Annual Business Plan

Impact on Council's Financial Position

After taking account of planned net outlays on existing and new assets in 2013/2014, the Council's net lending (net borrowing) is expected to be (\$2.835m). Accordingly, the level of the Council's net financial liabilities is expected to total \$7.467m.

Net financial liabilities are a key indicator of the Council's financial position. It measures total liabilities less financial assets (i.e. what the Council owes to others, less money the Council has or is owed). The expected level of net financial liabilities represents 66.32% of estimated operating revenue in 2013/2014 and this compares favourably with a targeted level

for this indicator of under 100% of revenue.

Key Financial Indicator	Adopted Targets	2011/12 Actual	2012/13 Projected	2013/14 Budget
Operating Surplus / (Deficit) - \$,000's	0	(708)	(2,640)	(1,033)
Operating Surplus Ratio - %	0	-27	-44.95	-16.10
Net Financial Liabilities - \$,000's	<Operating Revenue	2,824	4,528	5,759
Net Financial Liabilities Ratio - %	0-100	12	43.02	66.32
Asset Sustainability Ratio - %	85-105	50	114.88	112.39
Asset Sustainability Ratio - % (excluding vehicle changeovers)*	85-105	81.17	109.25	106.15

* This Asset Sustainability Ratio excludes the impact of the changeover of Council Vehicles. The regular changeover of vehicles is part of Councils fleet management agreement and is quite unique to the Coorong District Council. The exclusion of the vehicle changeovers enables a more accurate comparison with other Local Governments.

Summary Statement including Financing Transactions

Uniform Presentation of Finances	Notes	2012/13 Original Budget \$,000	2012/13 3rd Qtr Budget Update \$,000	2013/14 Draft Budget (V1) \$,000
Income		11,015	10,627	11,367
less Expenses		13,027	13,267	12,400
	1	-2,012	-2,640	-1,033
less Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets		4,634	5,646	5,736
less Depreciation, Amortisation and Impairment		4,343	3,717	3,736
less Proceeds from Sale of Replaced Assets		1,249	1,376	1,537
	2	-958	553	463
less Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)		804	1,172	1,739
less Amounts received specifically for New and Upgraded Assets		400	698	400
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)		295	297	0
	3	109	177	1,339
Net Lending / (Borrowing) for Financial Year	4	-1,163	-3,370	-2,835
Financial Ratios				
Operating Surplus / Deficit * (Operating Revenue less Operating Expenses)		-2,012	-2,640	-1,033
Operating Surplus Ratio ** (Operating Surplus divided by Rates Revenue less NRM Levy)	5	-34.63%	-44.95%	-16.10%
Net Financial Liabilities Ratio *** (Net Financial Liabilities divided by Operating Revenue Less NRM Levy) Target between Nil and 100%	6	47.26%	43.02%	66.32%
Asset Sustainability Ratio **** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	7	77.95%	114.88%	112.39%
Asset Sustainability Ratio (Adjusted Excludes Car Agreement)**** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	8	81.17%	109.25%	106.15%

* Being the operating surplus (deficit) before capital amounts

** Operating Surplus ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy

*** Net Financial Liabilities equals total liabilities less financial assets

**** Asset sustainability ratio indicates whether a Council is replacing existing non financial assets at the same rate they are wearing out.

Summary Statement including Financing Transactions

Council, in deliberating the 2013/14 Annual Business Plan has considered the future financial impacts of decisions within its Long Term Financial Plan (LTFP). These include:

- Rate revenue increase of 2% above CPI.
- CWMS rate charges will increase gradually to be more in line with SA Water pricing for sewerage.
- Imposition of a Kerbside Waste Management Charge to raise \$400K. The service charge is in lieu of the new service delivery in respect to Waste Management.
- 1% operational expenditure savings, from productivity or efficiency gains.
- Review of depreciation and residual lives of assets, envisaged to reduce depreciation by \$500K.
- Capital Expenditure of road assets to be in line with the Road Asset Management Plan.

- Capital Expenditure to include the office redevelopment at Tailem Bend.

In consideration of the above the financial results as summarised on the previous page will result in the following.

Note 1

Operating / Surplus / Deficit

Operating Surplus / Deficit forecast result 2013/14 is \$1M deficit, the result is slightly better than the forecast result set in the LTFP of \$1.2M deficit, a leading reason for the difference is the greater than 1% savings forecasted in the operating expenditure.

Other significant reasons for the decrease in deficit can be attributed to the increase in revenue from the Kerbside Waste Management Charge, combined with the 2% above CPI increase in rates revenue.

Depreciation is also forecasted to decrease due to the review of the residual value and useful lives of unsealed roads; the expected result is a decrease of \$500K.

Note 2

Net Outlays on Existing Assets

Net outlays on existing assets are forecasted to be \$463K. Additional expenditure on renewals of assets compared to the LTFP is noted. Additional capital expenditure on outside vehicle fleet and additional

expenditure on roads infrastructure replacement have been the main reasons for the difference.

Note 3

Net Outlays on Existing Assets

Net outlays on new or upgraded assets are forecasted to be \$1.339M. Additional expenditure on upgrades & new assets compared to the LTFP forecast of \$242K can be largely associated with the treatment of the office renovation & refurbishment. In the LTFP the office refurbishment project has been wholly allocated to replacements of assets however for the 2013/14 budget a 50% replacement & 50% upgrade split was utilised to apportion the project.

Note 4

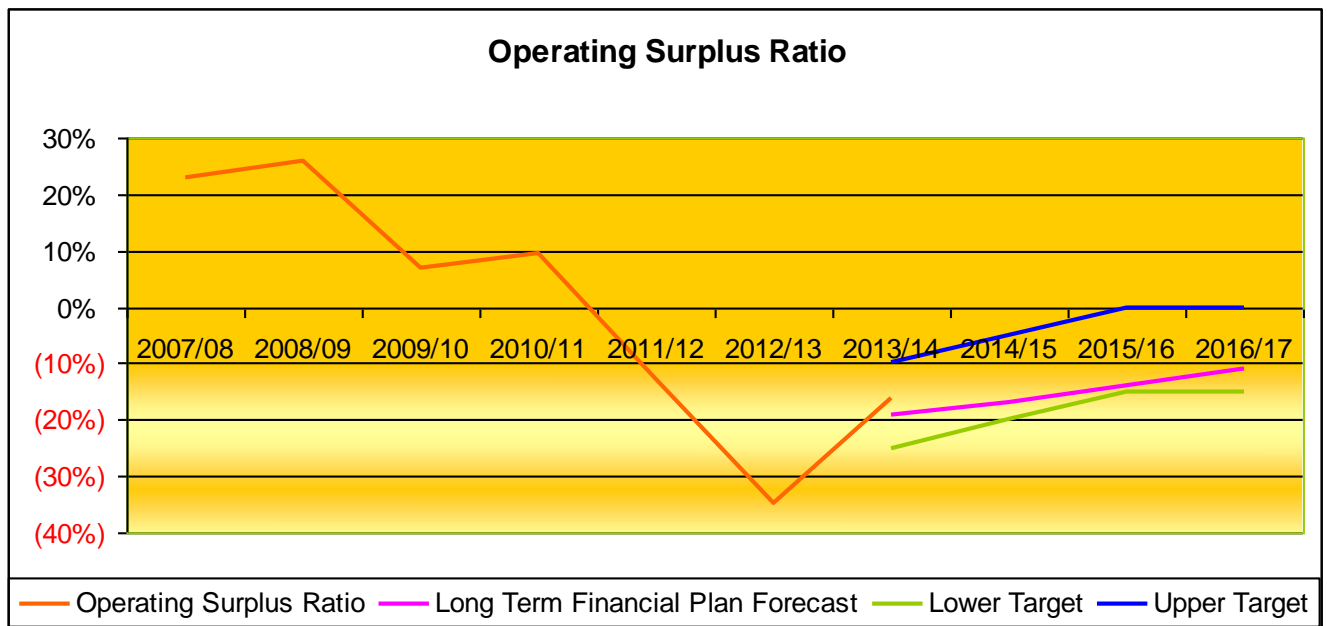
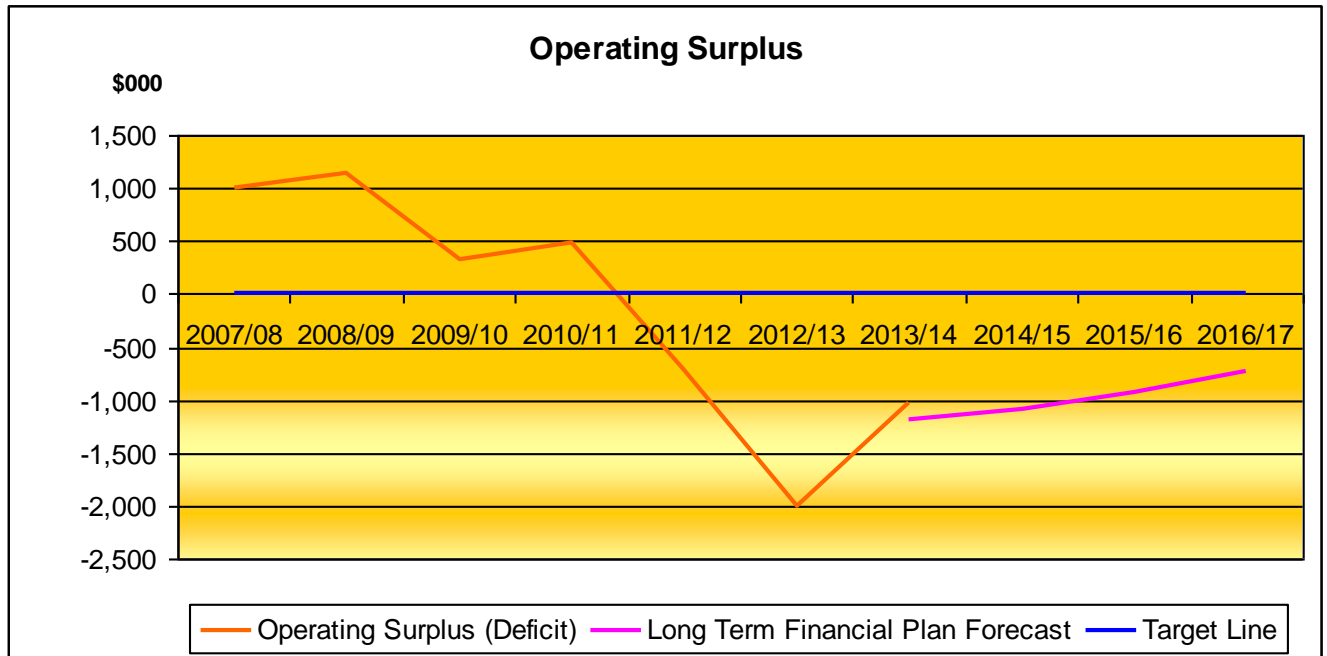
Net Lending (Borrowing) for Financial Year

Net Lending / Borrowings for 2013/14 are forecast to be \$2.8M; the LTFP has forecasted additional borrowings to be \$1.95M. However additional capital expenditure on roads infrastructure, over and above the IAMP, coupled with the additional necessary capital expenditure required for CWMS asset replacements, plant replacement and outdoor vehicle replacements have resulted in additional loan requirements.

Note 5

Operating Surplus / Deficit Ratio

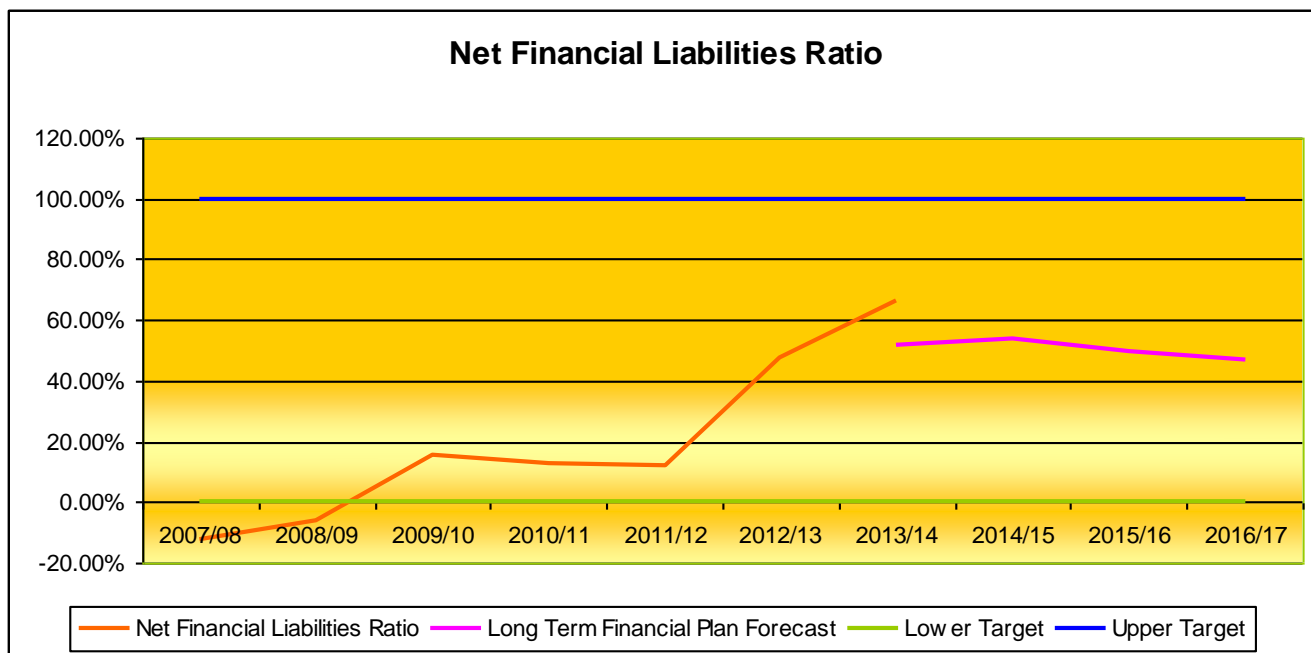
2013/14 forecasted result is slightly better than forecasted in the Long Term Financial Plan. As detailed previously the greater than anticipated savings through the greater than 1% saving in operational expenditure has transposed in a better forecast result than what was predicted in the LTFP. The longer term trend for Council is a continual decrease in deficits with the ultimate target of a return to a surplus position within a 10 year period.



Note 6

Net Financial Liabilities Ratio

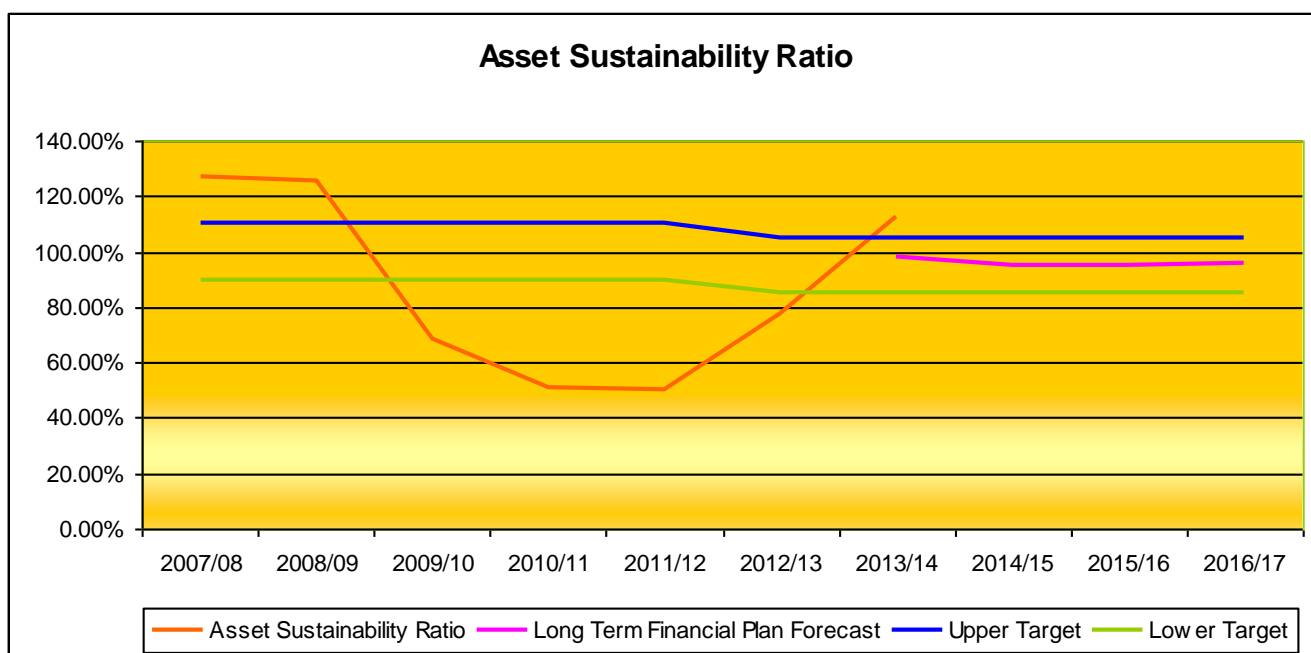
The current forecast result in this ratio is over those included in the LTFP. The impact of increased capital expenditure on roads over and above what the Road Asset Management Plan and LTFP assume, coupled with the immediate remediation works required on CWMS have been large contributors to extra borrowing requirements differing from the expectations in the LTFP. Whilst the result is over the forecasted LTFP result it is still within the target measures set in the LTFP.



Note 7 & 8

Asset Sustainability Ratio

The current forecast position for 2013/14 is expected to reach a percentage of 112%. This increase is above what was expected in the LTFP. The main reasons for the increase can be attributed to increased expenditure on roads infrastructure greater than LTFP predictions. Furthermore the LTFP estimated an 85% of depreciation benchmark for replacement of other assets not roads; however Council has allocated funds to intervene in replacement of the Community Wastewater Management Scheme network which is greater than 85% of depreciation. Furthermore Council has entered an agreement to changeover the outdoor vehicle fleet regularly and these factors all combined have impacted on the forecast result. The longer term trend is to maintain a result of 96%.



2012/2013 Minor Rating Review

The Council undertook a minor rating review during 2012/2013 with particular focus on differentials and service charges.

The outcomes of the review have had an impact on the funding of the 2013/2014 Annual Business Plan.

There is no single rating system that best suits or is preferred by all ratepayers. Which rating tools to use and the extent and details of their use is a choice the Council needs to make having regard to a wide range of factors. It needs to be mindful of historic arrangements and the current and likely future circumstances and character of its community.

The existing rating system of the Coorong District Council is generally consistent with that of other comparable Councils. It is a well structured rating system and there is currently no strong agitation for change from any particular class of ratepayers.

The Council currently rates using capital values and applies a fixed charge rather than a minimum rate. Whilst the majority of SA Councils apply minimum rates, Council's existing policy position which utilises a fixed charge is likely to better satisfy equity considerations in most instances.

Council also applies differential rates. It sets a different rate in the dollar for different classes of

property (based on defined land use). Like many Council and relative to the residential rate in the dollar, Council levies a lower rate on primary production properties and a higher rate on other classes of property (vacant land).

As a result of the minor rating review there is no change proposed to the differential rating. That is differential rating relativities to the residential rate in the dollar being 85% for primary industry, 115% for vacant land and 100% for commercial and industry.

In accordance with the Long Term Financial Plan the Council is proposing to introduce a Kerbside Waste Management Charge. The introduction of a waste service charge is supported by the results of modelling and the implementation would further strengthen Council's basis for rating. The use of such a charge is generally appropriate whenever beneficiaries can be identified and it is practical to do so. It helps recipients appreciate the costs involved in providing the service as well as enable recipient feedback on the value to service providers. It also means that properties that don't receive the service aren't paying higher taxes to help fund its provision to others.

Council will introduce a \$190 Kerbside Waste Management Charge to all properties within the kerbside collection boundary. In recognition of the

new charge the Council also proposes to reduce the fixed charge applied to all properties to \$300.

It is also proposed that the Kerbside Waste Management Charge will increase over coming financial years to ensure it meets Council's aim of full cost recovery for the waste management service.

Other rating categories such as water supply and Community Wastewater Management Scheme (CWMS) have been determined through the 2013/14 Annual Business Plan process. They will also be increased in coming years to achieve full cost recovery.

The outcomes of Council's minor rating review were adopted for community engagement at the March 2013 Council Meeting and community engagement was undertaken in conjunction with the Annual Business Plan.

Of the submissions relating to the 2013/14 ABP, none were specifically targeted at the outcomes of the Minor Rating Review.

Rates Revenue for 2013/2014

Council's revenue for 2013/2014 includes \$5.365m to be raised from general rates. This equates to 47% of Councils operating revenue.

Council has set a rate which requires an increase in general rates to the average ratepayer of 4%. This is in accordance with Council's Long Term Financial Plan requiring the rate increase to be CPI plus 2%. The actual increase payable by any individual ratepayer may be more or less than this depending on the movement in the capital value of their property.

Council has experienced a decline in property valuations in the order of 1.4% for the 2013/14 year. The Council area has not experienced positive growth since 2011/12 and that was a minimal 0.48%.

Council raises revenue for governance and administration of the area and services to the community including road infrastructure maintenance, waste management, street lighting, maintenance of parks and gardens, street cleaning, animal management, environmental health, planning and enforcement of local laws.

In setting rates for the 2013/2014 financial year Council has considered the need to keep rate increases as low as possible whilst also considering the implementation of the following plans:

- The 2012-2016 Strategic Management Plan that sets the overall direction of Council.

- The Coorong District Council Long Term Financial Plan 2012-2022 that sets the overall financial objectives for Council for the life of the plan.
- The Roads Infrastructure and Asset Management Plan that sets capital works, maintenance and renewal programs for Councils road infrastructure.
- The resources required to deliver the Council services as detailed in the 2013/2014 Annual Business Plan and Budget.
- The minor rating review which includes the implementation of a Kerbside Waste Management Charge and assessed equity issues and relationship between various land uses.
- Changes in valuation and how their impact can be minimised in setting rating levels.
- The increased use of 'user pays' cost recovery systems.

Rating Policy 2013/2014

A full version of Council's 2013/2014 Rating Policy is found as Appendix No 2 of this document (Page 41-51).

Method Used to Value Land

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 a relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall ability to pay.

Business Impact Statement

Council has considered the impact of rates on businesses in the Council area, including primary production. Council maintains contact with the business community both directly and through the Regional Development Australia (RDA) Murraylands and Riverland. In considering the impact, Council has assessed the following matters:

- Those elements of Council's 2012-2016 Strategic Management Plan relating to business development
- Council's recent development approval trends
- The operating and capital projects and programs for the coming year that will principally benefit industry and business development, and
- Valuation changes.

Council recognises the importance of supporting and encouraging a diverse and healthy business sector including primary production.

Rates Revenue for 2013/2014

Differential Rate	Rateable Properties`	% Rateable Properties	Capital Value	Rates Raised 2013/2014	% Rates raised
Vacant	387	9.75%	\$32,498,900	\$237k	4.34%
Primary Production	1337	33.67%	\$862,805,800	\$3.103m	56.81%
Residential/Other	2028	51.07%	\$167,636,577	\$1.882m	34.47%
Commercial/Industrial	219	5.51%	\$47,373,955	\$239k	4.38%

The above table demonstrates the value and income of differential rates

Differential General Rates

The Local Government Act 1999 allows Councils to differentiate rates based on the use of land, the locality of land or the use and locality of land.

The Coorong District Council has four differential rates being Vacant Land, Primary Production, Residential and Commercial. The above table indicates the rates raised for each differential for the 2013/2014 financial year.

The differentials and rate in the dollar of the four land uses are:

- Vacant Land – 1.15 0.004405
- Primary Production – 0.85 0.003256
- Residential – 1.0 0.00383
- Commercial – 1.0 0.00383

Council recognises that the rural sector not only contributes greatly to our economy but also has significant responsibilities in environmental conservation.

Council had regard to relative movements in valuation to ensure that the rate burdens remain relatively constant between primary producers and other sectors of the community in 2013/2014.

Fixed Charge

Council has historically imposed a fixed charge, which were \$310 in 2010/2011 and \$325 in 2011/2012 and \$345 in 2012/2013.

Council has decided to decrease the fixed charge to \$300 for the 2013/2014 financial year to counteract the impact of the new Waste Management Service Charge.

Natural Resource (NRM) Management Levies

The NRM Levy is a State Government tax imposed under the Natural Resources Management Act 2004. Council is obliged to collect the levy on behalf of the SA Murray Darling Basin and South East NRM Boards.

For that part of the Council area covered by the South East Natural Resource Management Board, the levy has been a flat rate per property, in 2012/2013 this was \$40.00 per property. For the 2013/14 it will be \$40.17 per property. In the part of the Council area covered by the South Australian Murray Darling Basin Natural Resources Management Board, the levy has been based on property capital valuations and the rate in 2012/2013 was 0.000101 cents in the dollar. For the 2013/14 the rate will be 0.000103.

The NRM levy is shown as a separate charge on the rates notice.

Rate Rebate

The Local Government Act requires Councils to rebate the rates payable on some land. Discretionary rebates may be applied by Council under Section 166 of the Act. Council grants the following discretionary rebates initiative pursuant to Section 159 (3) of the Local Government Act:

- In accordance with Section 166(1)(e), a rebate of 100% of differential general rates, the fixed charge for land used by agricultural and horticultural societies;
- In accordance with Section 166(1)(j), a rebate of 75% of differential general rates and 100% of the fixed charge for community organisations who hold a liquor or gaming licence; and
- In accordance with Section 166(1)(j), a rebate of 100% of differential general rates, the fixed charge for community organisations without a liquor or gaming licence.

Rates Revenue for 2013/2014

The purpose for Council granting discretionary rebates is to assist those organisations to maintain their facilities which are predominately on Council property. A detailed list of mandatory and discretionary rebates are attached to Council's Rate Rebate Policy which is available by visiting www.coorong.sa.gov.au

Rate Capping

For the year ending 30 June 2014 and in accordance with Section 166(l)(i)(ii) of the Local Government Act, Council has decided to make generally available a rebate on the differential general rates paid, so that the maximum rate paid in 2013/2014 is no greater than 10% more than that applicable in 2012/2013 for residential properties, and 20% for all other properties. The rebate is subject to the increase not being due to capital improvements on the property or a change in ownership with the new value reflecting the purchase price.

Any property owner who has experienced an increase in accordance with the criteria above are encouraged to make application for a refund by visiting one of Council's offices or www.coorong.sa.gov.au online

Service Charges

Community Wastewater Management Schemes (CWMS)

This service charge is set to cover the costs associated with operating and developing the CWMS in townships throughout the Council area. Ongoing comparative reviews of Council's CWMS charges reveals Council is charging considerably less for this service than other Councils in its vicinity.

Upon completion of the CWMS Business Plan and Asset Management Plan Council will have a clear indication of the ongoing costs to maintain the CWMS systems. Over the next few years Council will seek to gain full cost recovery from its CWMS service charge.

Council has decided to charge the following CWMS fees for 2013/2014:

Tailem Bend, Meningie and Tintinara:

- \$355 – per occupied unit
- \$185 – per vacant allotment

Wellington East:

- \$305 – per occupied unit
- \$160 – per vacant allotment.

Water Supply

Council provides water supply systems to residential and commercial properties in the small townships of Wellington East and Peake. The full cost of operating these systems is raised from a range of service charges as follows:

- Wellington East water supply; a Service Charge comprised of \$223.10 plus \$1.00 per kilolitre for usage in excess of 125 kilolitres per annum;
- Peake water supply; a Service Charge comprised of \$162.50 plus \$1.00 per kilolitre in excess of 125 kilolitres per annum.

Waste Management

Council will introduce a Kerbside Waste Management Charge in 2013/2014. This will be charged to all properties that benefit from Council's waste collection service and are within the kerbside boundary.

The Kerbside Waste Management Charge will be \$190 per eligible property within the kerbside collection area.

Appendix 1 Budgeted Financial Statements

Coorong District Council Comprehensive Income Statement 2013 / 2014



Statement of Comprehensive Income	2012/13 Original Budget \$,000	2012/13 3rd Qtr Budget Update \$,000	2013/14 Draft Budget (V1) \$,000
Income			
Rates - General	5,181	5,183	5,365
Rates - Other	718	727	1,158
Statutory Charges	108	110	100
User Charges	127	128	128
Operating Grants & Subsidies	4,628	3,979	4,339
Investment Income	5	2	2
Reimbursements	158	271	203
Other Income	89	227	72
Total Income	11,015	10,627	11,367
Expenses			
Employee Expenses	4,420	4,134	4,519
Material	1,021	1,160	1,056
Contractual Services	2,278	3,143	2,059
Other Expenditure	896	1,040	945
Depreciation	4,343	3,717	3,736
Finance Charges	70	73	85
Net Loss - Joint Ventures & Associates	0	0	0
Total Expenses	13,027	13,267	12,400
Operating Surplus / (Deficit)	-2,012	-2,640	-1,033
Amounts received specifically for new or upgraded assets	400	698	400
Asset disposal & fair Value Adjustments	-45	-74	-55
	355	624	345
Net Surplus / (Deficit)	-1,657	-2,016	-688
Other Comprehensive Income			
Changes in revaluation surplus - IPP&E	0	500	0
Impairment (Expense) / Recoupment offset to ARR	0	-308	-67
Total Comprehensive Income	-1,657	-1,824	-755
Financial Ratio's			
Operating Surplus / Deficit <i>(Operating Revenue less Operating Expenses)</i>	-2,012	-2,640	-1,033
Operating Surplus Ratio <i>(Operating Surplus divided by Rates Revenue less NRM Levy)</i>	-34.63%	-44.95%	-16.10%

Draft Annual Budget 2013 -14 (Key Assumptions & Changes)

* Council adopted a Long Term Financial Plan (LTFP) 2012 - 2023 the following list of assumptions were adopted in this budget.

- 1** Rating Revenue is to increase by 2% above CPI or effective increase of 4%
- 2** CWMS Revenue is to be 3% above CPI or effective increase of 5%
- 3** A Waste Management Service Charge is to be introduced. Council forecasts the charge will be \$190 per eligible ratepayer. The charge is forecast to raise \$400K, which is consistent with the Long Term Financial Plan's predictions.
- 4** Commonwealth Federal Assisted Grants revenue is assumed that funds will return to normal payment cycle plus a 2% CPI increase.
- 5** Council is to make a 1% operational expenditure saving annually. This assumption has been exceeded and the following details a list of changes.
 - a.** Staffing efficiencies have been gained, the follow are examples of the efficiency gains :
 - i)** The rates officer role .6 FTE has been absorbed into the records officer role.
 - ii)** The Community Liaison Officers role has been reduced from .8 FTE to .4 FTE.
 - iii)** Council has not replaced a community facilities worker position that was recently vacated, the role has been absorbed into current workforce.
 - iv)** The Governance Officer role was withdrawn, following the restructure the Director of Strategy and Governance has now absorbed this role.
 - v)** The Roads Coordinator will not be refilled and the duties have been absorbed by the Manager of Roads and Capital Programs.
 - b.** All budget expenditure lines were revisited and various minor savings in expenditure were achieved including significant reductions in consultancy.
 - c.** Other budgetary expenditure reductions include but not limited to: lease costs customer service centre reduced by \$20K as Council expects to move into the renovated offices by March 2014.
- 6** Unsealed roads depreciation is expected to decrease by approximately \$500K following the review of the residual values of the roads in 2012/13 these expectations are consistent with the LTFP expectations.
- 7** Expenditure on roads maintenance has been maintained in correlation with both the LTFP and the Roads Infrastructure Asset Management Plan (IAMP). Maintenance on Unsealed Roads \$1.035M compared to LTFP & IAMP \$863K, Sealed Roads \$252K compared to LTFP & IAMP \$198K, Kerb & Gutter \$5K in comparison to \$7K LTFP & IAMP and Footpaths \$71K compared to \$61K LTFP & IAMP.
- 8** Operating Expenditure - Key Changes
 - a.** Council has allocated \$17.4K for the implementation of the new One Library Card system. The Council contribution will assist in rolling out of the new software to the four school based libraries in the townships of Tailem Bend, Meningie, Coomandook & Tintinara (including the book depository at Coonalpyn)
 - b.** Council was successful in obtaining funding for the OPAL (Obesity Prevention Program) part way through 2012 /13. Councils contribution is net \$20K per year for the next 5 years.
 - c.** Following the completion of the efficiency review a recommendation of the report is to install Video Conferencing to improve inter office connectivity. \$17K in software, has been allocated to assist in the rollout and a further \$7K has been budgeted for in Capital Expenditure to purchase the compatible equipment.
 - d.** Additional interest expense is expected with the increase in debt forecasted, furthermore additional costs are expected from rate capping claims in 2013/14.
 - e.** Employee Expenses - Over and above the efficiency gains mentioned above, Council expects to increase wages by 4% as per the Enterprise Bargaining Agreement. Furthermore due to the Federal Government recent changes in legislation, superannuation contributions are forecasted to increase from 9% to 9.25%.
 - f.** Following an internal review of staffing requirements it was noted that additional assistance was required ongoing in the area of Human Resources, Risk Management & Work Health & Safety. In 2013/14 an additional .4 FTE has been budgeted for.
 - g.** Further to the internal review of staffing requirements, annually Council allocates \$10K for Customer Service backfill, it is proposed that the \$10K will be utilised to attract a .4FTE school based trainee to the organisation.
 - h.** The schedule of asset revaluation are expected to continue; the roads infrastructure will be reviewed again as part of the annual update process, further to this an asset management plan for stormwater & water supplies will be developed, \$35K has been allocated to complete these projects.
 - i.** Planning - A Development Planning Amendment (DPA) for primary production areas, and a town centres review will be undertaken at a combined cost of \$35K.
 - j.** Council is in need to review its Roadside Management Plan as part of this process roadside vegetation surveys will be undertaken at a cost of \$20K.
 - k.** Community Wastewater Management Schemes- Following the review of the schemes a recommendation of regular cleaning of the pipes is required particularly to maintain the effective operation of the schemes, \$50K allocated.
 - l.** All other operating expenditures are expected to increase by CPI.

Coorong District Council
Balance Sheet
2013 / 2014



Balance Sheet	2012/13 Original Budget \$,000	2012/13 3rd Qtr Budget Review \$,000	2013/14 Draft Budget (V1) \$,000
ASSETS			
Current Assets			
Cash & Cash Equivalents	12	12	20
Trade and Other Receivables	570	649	687
Inventories	21	24	24
Total Current Assets	603	685	731
Non Current Assets			
Equity Accounted Investment in Council Business	23	27	23
Investment Property	935	935	935
Infrastructure, Property, Plant & Equipment	147,886	148,189	150,379
Total Non Current Assets	148,844	149,151	151,337
Total Assets	149,447	149,837	152,068
LIABILITIES			
Current Liabilities			
Trade & Other Payables	461	827	861
Borrowings	70	70	61
Provisions	595	715	730
Total Current Liabilities	1,126	1,613	1,651
Non Current Liabilities			
Trade & Other Payables	146	142	142
Borrowings	4,295	3,228	6,185
Provisions	318	206	196
Total Non Current Liabilities	4,759	3,576	6,523
Total Liabilities	5,886	5,189	8,174
NET ASSETS	143,562	144,648	143,893
EQUITY			
Accumulated Surplus	26,776	27,600	27,109
Asset Revaluation Reserves	116,597	116,348	116,281
Other Reserves	189	700	503
NET ASSETS	143,562	144,648	143,893
Financial Ratio's			
Net Financial Liabilities	5,158	4,528	7,467
<i>(Total Liabilities less Financial Assets) Target Greater than Nil but less than Operating Revenue</i>			
Net Financial Liabilities Ratio	47.26%	43.02%	66.32%
<i>(Net Financial Liabilities divided by Operating Revenue Less NRM Levy) Target between Nil and 100%</i>			
Asset Sustainability Ratio	77.95%	114.88%	112.39%
<i>(Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%</i>			
Asset Sustainability Ratio (Adjusted to Exclude Admin Car Replacements)	81.17%	109.25%	106.15%
<i>(Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%</i>			

Draft Annual Budget 2013 -14 (Key Assumptions & Changes)

- Current Assets - Increase is largely forecasted in rates debtors, whilst debt recovery practices have improved, the increase in rates expected coupled with tighter economic conditions will result in an increase in rates debtors.
- Non Current Assets - The completion of the office refurbishment will increase the carrying value of non current assets this coupled with the impending \$500K decrease in accumulated depreciation in unsealed roads infrastructure are the large drivers for the increase in the carrying value of the Non Current Assets.
- Current Liabilities - Following analysis of trends in trade and other payables over the past few years, Council traditionally receives a large number of invoices in the final month of the year consequently the trade and other payables end result have been traditionally higher than budget forecasts. consequently the trade and other payments have been increased to acknowledge this trend.
- Non Current Liabilities - Borrowings are expected to increase to \$6.18M, the increase is above expectations in the LTFP of \$5.44M. Whilst Council has accounted for the Council Offices redevelopment in the LTFP the additional impact of the increased capital expenditure on roads, and immediate remediation work required on the CWMS infrastructure and the broadening of the vehicle replacement agreement to include outdoor vehicles was not foreseen, the net result is an additional borrowings will be required to fund these items.
- Equity - Minor changes are expected to the Asset Revaluation Reserve following sale of assets and decommissioning revalued assets
Other reserves are expected to decrease by \$197K upon payment of committed funds allocated to the Local Action Plan Caring for our Country project.

Coorong District Council
Capital Expenditure
2013 / 2014



Capital Expenditure Accounts	2012/13 Original Budget \$,000	2012/13 3rd Qtr Budget Update \$,000	2013/14 Draft Budget (V1) \$,000
Capital Expenditure			
CWMS Capital	96	1,223	161
Council Buildings Capital	535	535	1,647
Depot Capital	0	0	16
Footways & Cycle Tracks Capital	75	75	86
Halls Capital	4	6	7
Information Technology Capital	36	18	39
Minor Plant Capital	19	78	16
Other Property Capital	8	0	0
Parks & Gardens Capital	107	70	177
Plant & Machinery Capital	696	856	1,420
Public Conveniences Capital	11	17	64
Sanitary & Garbage Capital	268	187	0
Sealed Roads Construction	1,231	1,445	1,338
Swimming Pool Capital	0	8	7
Unsealed Roads Capital	1,070	1,017	1,070
Vehicles Capital	1,284	1,284	1,370
Water Supply Capital	0	0	59
Grand Total	5,438	6,818	7,475

Draft Annual Budget 2013 -14 (Key Assumptions & Changes)

* Council adopted a Long Term Financial Plan (LTFP) 2012 - 2023 the following list of assumptions were adopted in line with the LTFP.

- 1 Council Offices renovation will be started in 2012/13 \$1.6M allocated in 2013/14 to complete. The expected total expenditure is less than the LTFP forecast of \$2.5M.
- 2 Capital expenditure on replacement of assets is \$5.73M compared to \$5.66M in the LTFP however expenditure on new assets is \$1.74M compared to \$642K in the LTFP. The main reason for the disparity in the new/upgraded assets can be attributed to the allocation of the office refurbishment. The LTFP has allocated the whole of the building to replacement whereas for 2013/14 budget purposes the split is 50% Replacement, 50% New/Upgraded.
- 3 In comparison to the Roads Infrastructure Asset Management Plan (IAMP) - Council has allocated \$86K for footpaths compared to \$70K forecasted \$56K kerb & gutter compared to \$40K forecasted in the plan, reseals and sealed roads \$642K compared to \$350K and \$1.07M on unsealed roads compared to \$1.1M in the plan. Whilst the expenditure is higher in some areas than what is required, the benefit of increased expenditure will transpose in a direct reduction in the backlog of road infrastructure expenditure.

Capital Expenditure Budget

- 1 CWMS - \$161K allocated to various critical replacements of infrastructure outlined from the CWMS Annual Business Plan.
- 2 Council Offices - Finalisation of the renovation / refurbishment \$1.647M.
- 3 Coonlapyn & Meningie Depots - gutter and roofing replacement \$16K.
- 4 Footpaths - \$86K allocated to various footpaths throughout the district as per the priorities listed in the IAMP capital works schedule.
- 5 Tintinara Hall \$7K - Awnings replacement.
- 6 Information Technology - replacement of two servers that have surpassed their useful life \$32K allocated, \$7K has been allocated to the purchase of Video Conferencing Equipment.
- 7 Minor Plant \$16K allocated replace trailers and other minor plant.
- 8 Parks & Gardens - Irrigation equipment replacements \$21K, Dickson Reserve make part section safe and withdraw temporary fencing \$54K, Park furniture replacements \$16K, Meningie Playground \$86K replacement of equipment.
- 9 Plant & Machinery - Major Plant \$696K - Auxiliary Water Cart, Truck, 2 X Mowers, Road Profiler & Tractor (trade ins expected \$50K)
Outside Fleet - Vehicle replacements \$724K various utes replaced. (Trade Ins \$351K).
- 10 Public Toilets - Narrung Toilet Replaced \$64K.
- 11 Sealed Roads - \$56K Kerb & Gutter various replacements as per capital works program and Roads IAMP, \$641K Tauragat Well Road Seal next 4km, \$641K Various reseals both rural and urban. Roads targeted are as defined in the capital works program and IAMP.
- 12 Swimming Pool Coonlapyn \$7K to earth ladders.
- 13 Unsealed Roads - \$1.07M resheet various roads as per capital works program and Roads IAMP.
- 14 Vehicles \$1.37M replacement admin fleet cars (Trade In expected \$1,136M) net cost \$234K.
- 15 Water Supply \$59K - Replace pumps that supply Wellington East water supply.

Coorong District Council
Budgeted Change In Equity Statement
2013 / 2014



Change in Equity Statement	2012/13 Original Budget \$,000	2012/13 3rd Qtr Budget Update \$,000	2013/14 Draft Budget (V1) \$,000
Total Equity	144,806	144,648	143,893
Accumulated Surplus			
Opening Balance	29,677	28,984	27,600
Net Surplus / (Deficit) For Year	-1,657	-2,016	-688
Transfers To/From Reserves	0	632	197
Balance at end of Period	28,020	27,600	27,109
Asset Revaluation Reserve			
Opening Balance	116,597	116,156	116,348
Gain on Revaluation of IPP&E	0	500	0
Impairment (expense) / recoupment's offset to ARR	0	-308	-67
Balance at end of Period	116,597	116,348	116,281
Other Reserves			
Opening Balance	189	1,332	700
Transfers To/From Reserves	0	-632	-197
Balance at end of Period	189	700	503

Coorong District Council
Budgeted Cash Flow Statement
2013 / 2014



CashFlow Statement	2012/13 Original Budget \$'000	2012/13 3rd Qtr Budget Update \$,000	2013/14 Draft Budget (V1) \$,000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating Receipts	11,099	9,253	11,629
Investment Receipts	2	2	2
Payments			
Operating Payments to Suppliers & Employees	7,684	8,138	9,546
Finance Payments	55	73	85
Net Cash provided by (or used in) Operating Activities	3,362	1,045	2,400
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amount specifically for new or upgraded assets	-	698	400
Sale of replaced assets	945	1,376	1,537
Sale of surplus assets	-	297	-
Repayments of loans by community groups	82	82	41
Total Receipts	1,027	2,454	1,978
Payments			
Expenditure on renewal/replacement of assets	3,580	5,646	5,736
Expenditure on new/upgraded assets	3,075	1,172	1,739
Loans made to community groups	-	23	-
Total Payments	6,655	6,841	7,475
Net Cash provided by (or used in) Investing Activities	(5,628)	(4,388)	(5,497)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings	4,906	6,620	8,569
Total Receipts	4,906	6,620	8,569
Payments			
Repayments of Borrowings	3,716	3,370	5,464
Total Payments	3,716	3,370	5,464
Net Cash provided by (or used in) Financing Activities	216	3,250	3,105
Net Increase (Decrease) in cash held	(1,008)	(93)	8
Cash & cash equivalents at beginning of period	20	105	12
Cash & cash equivalents at end of period	12	12	20

Coorong District Council
Budgeted Uniform Presentation of Finances
2013 / 2014



Uniform Presentation of Finances	Notes	2012/13 Original Budget \$,000	2012/13 3rd Qtr Budget Update \$,000	2013/14 Draft Budget (V1) \$,000
Income		11,015	10,627	11,367
less Expenses		13,027	13,267	12,400
	1	-2,012	-2,640	-1,033
less Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets		4,634	5,646	5,736
less Depreciation, Amortisation and Impairment		4,343	3,717	3,736
less Proceeds from Sale of Replaced Assets		1,249	1,376	1,537
	2	-958	553	463
less Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)		804	1,172	1,739
less Amounts received specifically for New and Upgraded Assets		400	698	400
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)		295	297	0
	3	109	177	1,339
Net Lending / (Borrowing) for Financial Year	4	-1,163	-3,370	-2,835
Financial Ratios				
Operating Surplus / Deficit * (Operating Revenue less Operating Expenses)		-2,012	-2,640	-1,033
Operating Surplus Ratio ** (Operating Surplus divided by Rates Revenue less NRM Levy)	5	-34.63%	-44.95%	-16.10%
Net Financial Liabilities Ratio *** (Net Financial Liabilities divided by Operating Revenue Less NRM Levy) Target between Nil and 100%	6	47.26%	43.02%	66.32%
Asset Sustainability Ratio **** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	7	77.95%	114.88%	112.39%
Asset Sustainability Ratio (Adjusted Excludes Car Agreement)**** (Acquisition of renewal and replacement of assets / Depreciation) Target between 85% to 105%	8	81.17%	109.25%	106.15%

* Being the operating surplus (deficit) before capital amounts

** Operating Surplus ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy

*** Net Financial Liabilities equals total liabilities less financial assets

**** Asset sustainability ratio indicates whether a Council is replacing existing non financial assets at the same rate they are wearing out.

Appendix 2 Rating Policy 2013/14

Strategic Reference	Providing leadership for the community and ensuring efficient and effective management of the community's resources
File reference	AR13/4531
Responsibility	Community & Corporate Department
Revision Number	Original
Effective date	June 2013
Last revised date	Original
Minutes reference	237/13
Next review date	N/A
Applicable Legislation	Local Government Act, 1999
Related Policies	2013/14 Annual Business Plan & Budget
Related Procedures	N/A

1. Purpose

The purpose of this policy is to outline Council's approach towards rating its community in 2013/14 and to meet the requirements of the Local Government Act 1999 (the Act), with particular reference to Section 123. This Section requires Council to have a rating policy that must be prepared and adopted (as part of the Annual Business Plan) each financial year and in conjunction with the declaration of rates.

2. Scope

The policy covers:

- method used to value land
- adoption of valuations
- business impact statement
- Council's revenue raising powers
- differential general rates
- single farm enterprise
- service charges
- Natural Resource Management levy (the Council's collection role)
- pensioner concessions
- other concessions
- payment of rates

- late payment of rates
- remission and postponement of rates
- rebate of rates
- rate capping
- sale of land for non-payment of rates
- objections
- disclaimer

3. Strategic Focus

In setting its rates for the 2013/2014 financial year, Council has considered the following:

- Strategic Management Plan 2012-2016
- Long Term Financial Plan 2012-2021
- The 2013/14 Annual Business Plan & Budget
- Current economic climate and relevant factors such as inflation, interest rates & the introduction of a carbon tax
- Specific issues faced by its community, which include:
 - the need to update and maintain capital equipment to enable servicing of the road network and other essential infrastructure;
 - the maintenance and improvement of community assets to enable the District to be promoted as an attractive place in which to live, work, invest and visit;
 - the sustainable management of waste and the promotion of recycling programs;
 - the fostering and promoting of recreational activities for all ages.
- The budget context for the 2013/2014 financial year
- The impact of rates and service charges on the community, including:
 - households, businesses and primary producers;
 - the broad principle that the rate in the dollar should be the same for all properties except where there is clearly a different level of services available to ratepayers or some other circumstance which warrants variation from the broad principle;
 - minimising the level of general rate required by levying fees and charges for goods and services on a user pays basis, where possible and equitable, to recover the full cost of operating or providing the service or goods, with provision for concessions to those members of the community unable to meet that cost.

Council has increased general rates by 4% to set a budget that will provide Council with sufficient revenue to meet its business plan objectives and to absorb cost increases. The Strategic Management Plan 2012-2016 provides the strategic direction of Council over a five year period while the budget provides detail for the 2013/2014 year and the rates are set at a level to meet those strategic directions.

Council must raise revenue sufficient for the purpose of governance, administration and to provide appropriate goods and services for the community. The goods and services are especially those that would not be provided by private enterprise, e.g. infrastructure, waste management, community, regulatory, environmental health services and street lighting.

Rates are a system of taxation on the community for local government to deliver the goods and services expected by the community. All ratepayers receive benefits from paying rates. In considering the impact of rates on the various sectors of the community, Council has determined its rates so that

they apply in a consistent manner and are commensurate with the level of services provided in the urban and rural areas.

Council conducts community engagement on a broad range of issues relating to specific programs and the future directions for the area. These opportunities are advertised in local papers, Council newsletters and special interest email groups. Council encourages feedback at anytime and can be done so by visiting www.coorong.sa.gov.au or posting to;

Chief Executive Officer
Coorong District Council
PO Box 399
Tailem Bend SA 5260

4. Valuation Methodology

Council has adopted the use of capital value as the basis for valuing land within the Council area. Council considers that this method of valuing land provides the best of the options available to Council as prescribed in the Act and therefore the fairest method of distributing the rate responsibility across all ratepayers.

Council may adopt one of the following three valuation methodologies to value the properties in its area (Section 151 of the Act). They are:

- *Capital Value* – the value of land, buildings and other improvements
- *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.

In adopting capital value as the basis for valuing land, Council believes that this more appropriately addresses the principles of taxation and is a better indication of capacity to pay.

Council does not determine property valuations but chooses to exercise the right under Section 151 of the Act to adopt the capital valuations as assessed by the Valuer General through the State Valuation Office. If a ratepayer is dissatisfied with a property valuation then an objection may be made as detailed in Section 21 of this Policy.

5. Business Impact Statement

Council has considered the impact of rates on businesses in the Council area, including primary production. Council maintains contact with the business community both directly and through the Regional Development Australia Murraylands and Riverland.

Council has also considered:

- Those elements of Council's Strategic Management Plan 2012-2016 relating to business development.
- The Coorong District Council Development Plan.
- The equity of the distribution of the rate burden – including the decision to provide a differential rate between residential, commercial/industrial/ primary production and vacant land as outlined under the heading "Differential General Rates". Council considers that all ratepayers have access to broadly comparable services and are generally similarly impacted upon by prevailing economic conditions.
- Council's policy on facilitating local economic development including:
 - preference for local suppliers where price, quality and service provision are comparable to suppliers outside the Council area;

- support for and contribution to tourism marketing;
- support for and contribution to the Murraylands Regional Development Board.
- Current local, state and national economic conditions and expected changes during the next financial year. Changes in the valuation for 2013/14 based on the general valuation assessment, where the capital value has decreased by 1.40%.
- Specific infrastructure maintenance issues that will principally benefit businesses and primary producers include:
 - up-grading the pavement structure and sealing major roads both rural and urban, partly as a result of the need for roads to carry heavier vehicles to service industry.

6. Council's Revenue Raising Powers

All land within a Council area, except for land specifically exempt (eg Crown land held for a public purpose, Council occupied land and land prescribed in the Act – refer Section 147 of the Act), is rateable. The 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 a differential general rate, which applies to different classes of properties.

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 established having consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available on Council's website www.coorong.sa.gov.au or by contacting one of the Council offices.

7. Differential General Rates

The Act allows Councils to 'differentiate' rates based on the use of the land, the locality of the land, the use and locality of the land or on some other basis determined by Council.

Coorong District Council applies different rates on the basis of land use. Land use is recognised by other State taxing agencies and is easily identified and understood by our communities. It is therefore considered the most appropriate method for applying different rates by the majority of councils.

Definitions of the use of the land are prescribed by regulation and are as follows:

- (1) Residential
- (2) Commercial – Shops
- (3) Commercial – Office
- (4) Commercial – Other
- (5) Industrial – Light
- (6) Industrial – Other
- (7) Primary Production
- (8) Vacant Land
- (9) Other

For ease of classification and for the application of rates, Council categorises these into the following differentials:

- Residential/Other (1 & 9)
- Commercial/Industrial (2-6)
- Primary Industry (7)
- Vacant (8)

As part of the valuation assessment process the State Valuation Office applies a land use to each assessment to identify the predominant use of the land. This land use is used by various taxing authorities. Council generally applies this land use for general rating purposes however under the Act, Council is the relevant authority that determines land use for rating purposes and our rating land use must meet the definitions under Development Regulations. As such the local government land use may vary from that used by other taxing authorities.

If a ratepayer believes that a particular property has been wrongly classified as to its land use, then an objection may be made as detailed below.

Differential rates better reflect consumption of council services but can also be tailored to support other key objectives, e.g. economic development, encourage capital development, or recognise the value of a specific land use sector.

Council's budget contains rate revenue of \$6.5m inclusive of remissions in a total budgeted income of \$11.3m (a 4% increase in rate revenue from the 2012/13 budget). Council is proposing to apply the following rate in the dollar to give effect to the increase in rate revenue to the following property classifications. (Please note that the following table does not include the fixed charge, which is summarised in the next item).

Summary - Differential Rate Revenue

Differentiating Factor/ Land Use	2012-13 Rate in \$	2013-14 Rate in \$	Total \$ Revenue Expected	% of Total Revenue
Vacant	0.004041	0.004405	\$143K	3.24%
Primary Industry	0.002987	0.003256	\$2.81M	63.58%
Residential/Other	0.003514	0.003830	\$1.28M	29.07%
Commercial/Industrial	0.003514	0.003830	\$181K	4.11%

8. Fixed Charge

Council has historically determined that a fixed charge is applied to all rateable assessments and there are no changes to this in 2013/14. Fixed charges in previous years have been \$310 in 2010/11, \$325 in 2011/12 and \$345 in 2012/13.

The primary reason for imposing a fixed charge is to ensure that all rateable properties make a base contribution to the cost of administering Council activities and maintaining the services and physical infrastructure that supports each property.

In applying the fixed charge only one charge can be imposed on two or more adjoining assessments with the same owner and occupier (contiguous).

Where a ratepayer believes that they may be eligible for a reduction in the fixed charge applied to contiguous assessments an objection may be made as detailed in Section 21.

As a direct result of the introduction of a Kerbside Waste Management Charge, Council has decided to decrease the fixed charge for 2013/14 to \$300. This is in recognition that a proportion of waste management expenditure was being funded by the fixed charge, but that an increase in service for those eligible for kerbside collection will be funded by the new charge.

Summary - Fixed Charge Revenue

Differentiating Factor/ Land Use	Total \$ Revenue Expected	% of Total Revenue
Vacant	\$94K	8.99%
Primary Industry	\$294K	28.15%
Residential/Other	\$599K	57.34%
Commercial/Industrial	\$58K	5.52%

9. General Rates Income Summary

The following tables highlight the total general rate revenue (differential & fixed charge) per differentiating land use;

Summary - Total General Rates

Differentiating Factor/ Land Use	Total \$ Revenue Expected	% of Total Revenue
Vacant	\$237K	4.34%
Primary Industry	\$3.1M	56.81%
Residential/Other	\$1.88M	34.47%
Commercial/Industrial	\$239K	4.38%

10. Separate Rates & Service Charges

Community Wastewater Management Schemes (CWMS)

This service charge is set to cover the costs associated with operating and developing the Community Wastewater Management Schemes (CWMS) in townships throughout the Council area. Ongoing comparative reviews of Council's CWMS charges reveals Council is charging considerably less for this service than other councils in its vicinity.

Council is currently progressing through a detailed CWMS Business Plan, which will provide a clear indication of the ongoing costs associated with maintaining CWMS systems. Over the next few years Council will seek to gain full cost recovery from its CWMS service charge.

Council has decided to charge the following CWMS charges for 2013/2014:

Tailem Bend, Meningie and Tintinara:

- \$355 – per occupied unit
- \$185 – per vacant allotment

Wellington East:

- \$305 – per occupied unit
- \$160 – per vacant allotment.

Water Supply

Council provides water supply systems to residential and commercial properties in the small townships of Wellington East and Peake. The full cost of operating these systems is raised from a range of service charges as follows:

- Wellington East water supply; a Service Charge comprised of \$223.10 plus \$1.00 per kilolitre for usage in excess of 125 kilolitres per annum;
- Peake water supply; a Service Charge comprised of \$162.50 plus \$1.00 per kilolitre in excess of 125 kilolitres per annum.

Kerbside Waste Management

Council commenced a review of its waste management practices in 2010. The review was to examine the way that waste was being managed by Council and to move towards sustainable waste management practices into the future. There were several critical issues requiring a new approach including the increasing understanding of the environmental issues associated with landfill dumps, the increase availability of recycling opportunities and the increasing significant costs associated with waste management.

Initiatives that have flowed from the waste management review have included the following:

- The closure of Council's Taillem Bend Landfill site. Consideration was given to the probable overall operational costs including the construction, operation and closure of the Landfill verses an alternative Landfill disposal option.
- The introduction of the three bin kerbside collection system, yellow recycling bin, green organic waste bin and red residual general waste bin, to divert recyclables and green organics waste from landfill dumps.
- Introduction of a free E-Waste Collection service to divert electrical and computing goods to recycling.
- Council entering into an agreement with the Adelaide Hills Regional Waste Management Authority for the disposal of all waste.

These initiatives and increase in service levels have resulted in the implementation of a Kerbside Waste Management Charge, which is in accordance with Councils financial strategies and its Long Term Financial Plan. The charge for 2013/2014 is \$190 and is only applied to those ratepayers who are recipients of the increased service levels and are within the kerbside collection boundary.

11. Natural Resource Management (NRM) Levy

The NRM Levy is a State Government tax imposed under the Natural Resources Management Act 2004. Council is obliged to collect the levy on behalf of the SA Murray Darling Basin and South East NRM Boards.

For that part of the Council area covered by the South East Natural Resource Management Board, the levy will be \$40.17 per property. In the part of the Council area covered by the South Australian Murray Darling Basin Natural Resources Management Board, the levy is based property capital valuations and the rate is 0.000103 cents in the dollar.

The NRM levy is shown as a separate charge on the rates notice.

12. Single Farm Enterprise

Section 152(2)(d) of the Act provides that where a Council declares a general rate which is based in whole or in part, on a fixed charge:

"If two or more pieces of rateable land within the area of the Council constitute a single farm enterprise only one fixed charge may be imposed against the whole of the land".

A single farm enterprise must be comprised of two or more pieces of rateable land which are farm land and are occupied by the same person or persons. To enable properties to be identified as single farm enterprises it will be necessary for ratepayers to complete an application form to provide details to Council to enable Council to identify the land concerned.

An application form can be obtained from any of the Council offices.

13. Pensioner Concessions/State Seniors Concession/Other Concessions

An eligible pensioner may be entitled to a concession on their principal place of residence. All pensioner concession applications are administered by the State Government.

14. Payment of Rates

Council has decided that the payment of rates will be by four instalments, due on 13 September 2013, 13 December 2013, 13 March 2014 and 13 June 2014. Council is offering a discount of 1.5% for the payment of all rates, in full, by 13 September 2013.

A notice will be sent to each ratepayer 30 days prior to each quarterly instalment being due.

Rates may be paid

- By post to The Coorong District Council at PO Box 399, Tailem Bend SA 5260
- In person by cash, cheque, credit card or EFTPOS at the Meningie, Tailem Bend or Tintinara Offices during the hours of 8.30am to 5.00pm, Monday to Friday (noting that Meningie and Tintinara close for lunch between 12.30pm and 1.30pm)
- Electronic payments available via the 'web', log onto www.coorong.sa.gov.au and follow the prompts or over the counter using CREDIT cards
- By BPAY - see rate notice for biller code & reference number
- By Post BPAY – see rate notice for biller code & reference number
- By EFT Transfer to Council's Bank Account (please quote Asst No as Reference)

BSB	105-170
Account No	015437140
Account Name	Coorong District Council

15. Merchant Fee for Payment by Credit Card

Council has decided to collect the merchant fee charged for the use of credit cards. This fee will be calculated at the time of making payments and your receipt will show the amount of fee charged

16. Late Payment of Rates

The Act provides that Councils impose an initial penalty of 2% on any payment for rates, whether by instalment or otherwise, that is received late. A payment that continues to be late is then charged a prescribed interest rate on the expiration of each month that it continues to be late. For the 2013/2014 financial year, compound interest will be charged, per month, of the amount in arrears, at the prescribed percentage as set by the Local Government Finance Authority.

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

- First – to satisfy any costs awarded in connection with court proceedings.
- Second – to satisfy any interest costs.
- Third – in payment of any fines imposed.
- Fourth – in payment of rates, in chronological order (starting with the oldest rate account).

Postal delays which result in the payment being received after the due date will incur a fine. Council does not usually waive the fine because of such delays.

17. Remission & Postponement of Rates

Where the payment of rates will cause a ratepayer demonstrable hardship, Council is prepared to consider an extended payment provision or defer the payment of rates. This will only occur upon application and persons likely to be affected are asked to contact Council on 8572 3611 to discuss the matter. Such enquiries are treated confidentially by Council.

18. Rebate of Rates

The Act requires Councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, and educational institutions. Discretionary rebates may be applied by Council under Section 166 of the Act. From 2006-2007, Council has introduced the following discretionary rebates, which will be granted on Council's, own initiative pursuant to Section 159 (3) of the Act:

- In accordance with Section 166(1)(e), a rebate of 100% of differential general rates, the fixed charge for land used by agricultural and horticultural societies;
- In accordance with Section 166(1)(j), a rebate of 75% of differential general rates and 100% of the fixed charge for community organisations who hold a liquor or gaming licence; and
- In accordance with Section 166(1)(j), a rebate of 100% of differential general rates, the fixed charge for community organisations without a liquor or gaming licence.

The purpose for Council granting discretionary rebates is to assist those organisations to maintain their facilities which are predominately on Council property.

A full list of mandatory and discretionary rate rebate recipients is attached to Council's Rate Rebate Policy, which was adopted as amended at the 25 June 2013 meeting.

19. Rate Capping

For the year ending 30 June 2014 and in accordance with Section 166(l)(i)(ii) of the Act, Council has decided to make generally available a rebate on the differential general rates paid, so that the maximum rate paid in 2013/2014 is no greater than 10% more than that applicable in 2012/2013 for residential properties, and 20% for all other properties. The rebate is subject to the increase not being due to capital improvements on the property or a change in ownership with the new value reflecting the purchase price. Council has adopted this position for the current financial year due to the change in its Rating Policy and the subsequent impact this may have on its ratepayers.

Any property owner who has experienced an increase in accordance with the criteria above are encouraged to make application for a refund by visiting one of Council's offices or online www.coorong.sa.gov.au

20. Sale of Land for Non-Payment of Rates

The Act provides that a Council may sell any property where the rates have been in arrears for three years or more. Council is required to notify the owner of the land of the amounts outstanding and its intention to sell the land if payment of the outstanding amount is not received within one month. Except in extraordinary circumstances, Council will enforce the sale of land for arrears of rates. A copy of Council's Debt Recovery Policy is available from any office of Council or by visiting www.coorong.sa.gov.au

21. Objections

Council rates are imposed under the provisions of the Act, and within the Coorong District Council are based on the Capital Valuation and the Land Use Category applied for the current financial year, plus the Fixed Charge declared by Council. Where a ratepayer believes the level of rates charged on an assessment is excessive, the avenues for appeal are to lodge a formal objection to the Capital Value, the Land Use or to the Fixed Charge (where multiple adjoining properties are involved).

It is important to note that the lodgement of any objection does not change the due date for payment of rates. Rates must be paid in accordance with the Rate Notice until otherwise notified by Council.

The following provides information on lodging objections.

Valuation Objections

Council has adopted the valuations made by the Valuer-General as provided to Council on 8th June 2013. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then an objection may be made to the State Valuation Office in writing within 60 days of receiving the notice of the valuation, explaining the basis for the objection, provided they have not:

- previously received a notice of this valuation under the Act, in which case the objection period is 60 days from the receipt of the first notice, or
- previously had an objection to the valuation considered by the State Valuation Office in the current financial year.

The address of the State Valuation Office is:

State Valuation Office
GPO Box 1354
ADELAIDE SA 5001
Email: LSGObjections@sa.gov.au
Phone: 1300 653 345
Fax: 8226 1428

Forms for lodging objections are available on the State Valuation Website www.landservices.sa.gov.au. Please note that Council has no role in this process and it is also important to note that the lodgement of an objection does not change the due date for the payment of rates. Rates must be paid in accordance with the rate notice until otherwise notified by Council.

Land Use Objections

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

It is important to note that the lodgement of an objection does not change the due date for payment of rates. Rates must be paid in accordance with the rate notice until otherwise notified by council.

Fixed Charge Objections

Where a ratepayer believes that they may be eligible for a reduction in the fixed charge applied to contiguous assessments, they must lodge their objection in writing to:

Chief Executive Officer
Coorong District Council
PO Box 399
Taillem Bend SA 5260

The objection must contain full details of the ownership, occupants (tenants) and dates of any lease agreements and date of purchase for each assessment subject to objection. Rates must be paid in accordance with the Rate Notice until otherwise notified by Council.

22. Disclaimer

In accordance with Section 171(5) of the Act, 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.

In accordance with Council's Customer Compliments and Complaints Policy, where a ratepayer believes that Council has failed to properly apply this policy, initial contact should be made with a Council office. If, after this initial contact, a ratepayer is still dissatisfied they should lodge a formal complaint which can be done by attending a Council office, telephoning the Customer Service Centre, visiting the Council website, emailing or writing to Council.

23. Further information

This policy will be available for inspection at the Council offices listed below during ordinary business hours and available to be downloaded, free of charge, from Council's internet site: www.coorong.sa.gov.au

Customer Service Centre
93a Railway Terrace
Tailem Bend
Phone: 8572 3611
Fax: 8572 3822

Meningie Branch Office
49 Princes Highway
Meningie

Tintinara Branch Office
37 Becker Terrace
Tintinara

Copies will be provided to interested parties upon request. Email council@coorong.sa.gov.au

Any grievances in relation to this code of practice or its application should be forwarded in writing addressed to the Chief Executive Officer of Council.