

DISTRICT COUNCIL OF LOWER EYRE PENINSULA

ANNUAL BUSINESS PLAN

2017/18



“Working with our Rural & Coastal Communities”

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1. INTRODUCTION

The Annual Business Plan sets out the Council's proposed programs and projects for the 2017/18 year aimed at providing efficient services for the community. The plan continues progress towards the longer term objectives for the District set out in the Strategic Management Plan adopted by the Council on 29 April 2016. The Strategic Plan is the first update for the new Council that was elected in November 2014 and will be due for review in 4 years time.

The plan has been developed to provide an overall operating profit of \$170,200 or 2.92% of General Rate revenue. It is noted that in the 2017/18 year Council will receive an additional \$294,100 from Roads to Recovery funding that needs to be reported as Operating Income even though the money is spent on Capital projects, thus resulting in an inflated profit figure. This level of profit is considered to be sound within the Local Government Industry, and reflects the Council's Long Term Financial Plan which has been developed to ensure that the Council is financially viable over the next ten years.

The annual business plan will result in the total revenue raised through general rates increasing by 3.0% on existing properties. This increase reflects the following factors:

- Movement in the Consumer price Index 2.0%
- Strategic Objectives 1.0%
 - The increased effort undertaken by Council in sealing roads throughout the district over a number of years including 2017-18 has resulted in increased loan repayment costs. The increased Council road sealing effort is in response to community requests to have roads sealed in more populated areas at a faster rate than can be accommodated by existing rate revenue.

An additional \$72,800 or 1.3% of general rate revenue will be raised from new development which Council will be required to service. This new development consists of the creation of new subdivisions and building construction on properties.

The Annual Business Plan is presented on a Full Cost Attribution (FCA) basis. FCA is used to allocate indirect costs to the various functions of Council, including capital projects and other operating activities. For example an administration employee is required to re-allocate some of their time to cemeteries expenditure based on the amount of time they spend dealing with cemetery related work. This process applies to all staff with the exception of outside works employees whose time is allocated directly to the jobs they work on.

A full summary of Business Activity initiatives is included in Section 8 of the Business Plan, covering the Port Lincoln Airport, Coffin Bay Caravan Park, Cummins Homes and Community Waste Water Management Schemes.

1. INTRODUCTION

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Roads and rubbish continue to be a major focus of the Annual Business Plan and comment has been made in regard to significant initiatives in Section 9 of the plan.

Public consultation in relation to the Annual Business Plan was undertaken as follows: -

- The public were invited to join Council for tea and scones to discuss the Draft 2017/18 Annual Business Plan, progression of the Health & Ageing project & local issues at the following venues and times:
 - Tuesday 20 June 2017 – Cummins Council office, 2pm – 4pm;
 - Wednesday 21 June 2017 – Boston Bay Winery, 10am – 12pm; and
 - Wednesday 21 June 2017 – Coffin Bay Yacht Club, 2pm – 4pm.
- Wednesday 5 July Closing date for written submissions from the public to be included in agenda for the Council budget meeting on 14 July.
- Friday 14 July Members of the public can ask questions or make submissions in relation to the Business Plan between 9.00 and 10.00 am at the Council budget meeting.

A survey was also released and promoted via Council's website, facebook, Community reference groups and print media.

2. COUNCIL PROFILE

The District Council of Lower Eyre Peninsula is largely a rural community, interspaced with small country and coastal towns. The extensive east and west coasts of Council's boundaries provide magnificent fishing and surfing beaches, complimented by breathtaking views of rugged cliffs, idyllic picnic-spots and the beauty of the colour-changing Marble Ranges. The major industries of agriculture, aquaculture, fishing and tourism are recognised as being of primary significance to the State's economy. Mining proposals have the potential to provide significant economic benefit to the region.

The Council encompasses an area of 4,754 square kilometres with 709 km of coastline, a road network of 1,345kms (of which 144km is sealed) and a resident population estimated at 5047 in 2015¹. The population of the region continues to grow, primarily due to the ongoing development of the Lincoln Fringe Rural Living area.

The most significant business activity owned and operated by Council is the Port Lincoln Airport, which plays a vital role in the transport system serving Eyre Peninsula. The airport has catered for approximately 175,000 passenger movements in the past 12 months and 16,000 aircraft movements annually.

Council owns and operates sixteen independent living units in Cummins for elderly citizens and also owns the Coffin Bay Caravan Park, with the operation of this facility leased to independent managers.

Council's head office is in Cummins and a branch office is maintained in Port Lincoln.

Works Depots and associated staff are located in Cummins and at the Port Lincoln Airport. Council has a work force of forty FTE employees and contracts out a number of specialised functions and major projects.

Council also maintains:

- Four boat ramps (North Shields, Coffin Bay, Dutton Bay and Farm Beach);
- The North Shields, Dutton Bay Louth Bay Jetties;
- Numerous reserves;
- Investigator Trail (in conjunction with the City of Port Lincoln) and the Oyster Walk in Coffin Bay; and,
- Six playgrounds, being in Coffin Bay Foreshore, Louth Bay, Tulka, North Shields, Cummins Railway Triangle & the Lions Park near Port Lincoln.

Facilities provided by other organisations in the area include a Medical Clinic and Hospital with hostel accommodation at Cummins, rural care (Child Care) servicing the Cummins and District community, provision for students from reception to year 12 at Cummins Area School and Primary Schools at Lake Wangary and Poonindie, while a wide range of recreational and sporting facilities are maintained throughout the district.

¹ ABS Data by Local Government Area sourced 2 June 2017 [here](#).

3. STRATEGIC MANAGEMENT PLAN

Council reviewed and adopted its Strategic Management Plan in April 2016 after engaging a consultant to assist with the process that included wide public consultation and input from the community.

In compiling the current strategic plan Council adopted the following Vision, Mission Statement and Core Values/Principles.

OUR VISION:

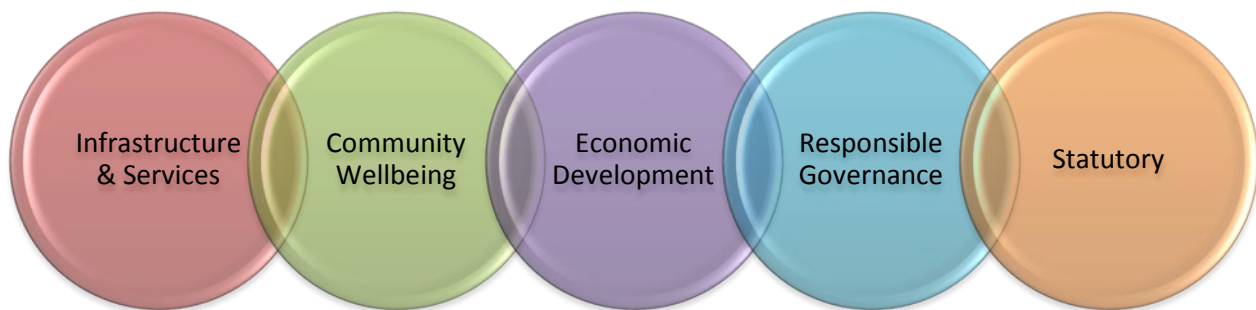
To promote and inspire safe,
prosperous and inclusive rural
and coastal communities

OUR MISSION:

To assist our community achieve its economic
and social potential through services, programs
and advocacy and responsible management.

STRATEGIC PLAN OBJECTIVES

The Strategic Plan objectives are split into five key function areas;



Objectives

1. Infrastructure & Services

Council recognises that appropriate Public infrastructure and assets are among the highest priorities that the community expects and demands from local government. Council will maintain and improve Councils infrastructure and assets to support economic and social development of the district.

2. Community Wellbeing

Council aspires to provide an appropriate level of amenity and support to maintain and improve the wellbeing of the community and recognises that the willingness of residents to live, work and recreate within the district is enhanced through the provision of quality health and educational institutions and the amenity of the area, including well maintained streetscapes, parks and reserves. Continued support and encouragement of local community groups and organisations to undertake their activities is seen as important by Council to assist in maintaining the attitude of self-help that has existed almost uniquely within the Lower Eyre Peninsula communities over many years.

3. Economic

Council will work to promote its area and provide a supportive framework to assist the development and expansion of private enterprise in recognition that small/medium enterprises are significant employers and are major contributors to the economic well being of the district.

3. STRATEGIC MANAGEMENT PLAN

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4. **Responsible Governance**

Council will provide vision and leadership in a stable environment reflecting a high level of integrity and accountability to the community.

Operating within the State Government legislative framework, namely the Local Government Act 1999 and associated regulations, the Council will diligently discharge its duties in providing a range of services and advocating for facilities and services on behalf of the community and business sector.

5. **Statutory**

The Council operates within a highly legislated and regulated environment that both influences and dictates its administrative functions and a range of services provided to the community.

Council will at all times discharge its statutory responsibilities to aid the safety of the community in a fair and courteous manner while enforcing the activities vested in the Council as outlined by the relevant legislation.

The five objectives all contain further sub-headings that list the intended goal of the particular objective, and the actions Council will undertake to achieve the objective.



The following table provides detail of the projects and services that will be delivered in the 2017/18 Annual Business Plan and Budget to meet the objectives set out in the Strategic Plan.

INFRASTRUCTURE AND ASSETS

Council recognises that appropriate Public infrastructure and assets are among the highest priorities that the community expects and demands from local government.

Council will maintain and improve Councils infrastructure and assets to support economic and social development of the district.

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
WASTE MANAGEMENT: Council will provide cost effective waste management services				
I&S1	Maintain kerbside collection and Waste Transfer Stations in line with the Waste Management Level of Service Standards.	(M) \$1,058,000	- Weekly Kerbside Waste Collection undertaken. - Waste transfer stations available in Cummins and Coffin Bay.	(1) Contractual arrangements in place for collection of kerbside waste. (2) Transfer stations operating in line with established procedures and operating times within budget constraints.
I&S2	Explore opportunities for joint Council contracts for the collection and disposal of waste streams such as domestic and business waste, recyclable products and effluent.	Administrative	A review of Waste collection and disposal contracts is commenced in 2017.	(1) A review is undertaken and consideration given to sourcing the best value product and cost for Council.
ROAD MANAGEMENT: Council will proactively strive to improve the standard of the road network				
I&S3	Implement Council's Rural Roadside Vegetation Management Policy.	(M) \$115,000	Work is undertaken along rural roadsides in line with council policy.	(1) Maintenance undertaken in line with Council budget.
I&S4	Maintain and where practical improve the standard of Council owned rural roads in line with Council's Road Network Level of Service Standards and the Asset and Infrastructure Management Plan.	(M) \$629,000 (C) \$1,036,500	Resheeting and patrol grading programs will be undertaken in line with the Capital Works Program and budget	(1) Patrol grading undertaken in line with established Road network service standards (2) Resheeting undertaken on identified roads in line with Council budget.
I&S5	Maintain and where required Improve the standard of urban roads by progressively sealing roads subject to high traffic volumes and supporting expanding residential populations.	(M) \$316,000 (C) \$2,614,000	Sealing projects will be undertaken in line with the identified projects in the 2017/18 budget	(1) A sealing program is in place based on identified needs as part of the Strategic Planning process (2) Work has been undertaken in line with identified priorities in the Capital Works Program and within budgetary allowances.

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
I&S6	Expand staff knowledge and resources in the development and implementation of a best practice approach to the management of a quality road network.	Administrative	Internal workshops to create standardised processes and quality controls.	(1) Training budget expended.
TOWNSHIP AMENITY : Council will play a lead role in township appearance aimed at developing communal pride and ownership of township amenity				
I&S7	Develop a street scape amenity plan for each major town.	(C) \$30,000	Development of street scape amenity plan, commencing with Cummins township with \$30,000 allocated in 2017/18 to carry out identified works in Cummins.	(1) Plan created and implemented / budgeted. (2) Template created for other townships within the district with works considered in future budgets.
I&S8	Maintain and upgrade Council reserves in accordance with the Community Land Management Plan.	(M) \$127,200	Annual maintenance undertaken on reserves in line with budget	(1) 90% of annual maintenance undertaken on reserves in line with budget.
		(C) \$121,300	Relocation of airport canopies, Mt Dutton Bay seating & signage, Tulka landscape improvements, Lions Park footbridge	(2) Relocation of airport canopies completed (3) Mt Dutton Bay seating & signage completed (4) Tulka landscape improvements designed & completed. (5) Lions Park footbridge refurbished.
I&S9	Footpaths and trails maintained and developed in accordance with the Footpath Strategic Plan.	(M) \$106,200 (C) \$102,500	Footpaths to be installed in line with Footpath Strategic Plan / LTFP / Strategic Plan A review of the Footpath Strategic Plan is due to commence in 2017/18.	(1) 90% of annual maintenance undertaken on reserves in line with budget (allowing for weather events). (2) 90 % Capital works programmed are completed. (3) Footpath Strategic Plan reviewed by end 2017/18.
I&S10	Maintain and upgrade public conveniences within Council townships and at important tourist locations.	(M) \$111,400 (C) \$ 235,900	Contracts for the cleaning of conveniences are in place Public conveniences to be installed at Farm Beach	(1) Contracts are in place and monitored for effectiveness and quality. (2) Capital works commenced.
I&S11	Develop and implement a playground Strategic Plan.	Administrative	The Playground Strategic Plan is to be reviewed.	(1) Playground Strategic Plan is reviewed.

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
I&S12	Maintain and upgrade playgrounds in accordance with the Playground Strategic Plan.	(M) – Included in Council reserves costs. (C) \$143,500	Existing playgrounds maintained and inspected regularly. Cummins Skate Park (in consultation with Skate Park committee) commences construction.	(1) 100% of existing playgrounds inspected quarterly (2) Inspections undertaken within four weeks of the target dates (3) Cummins Skate Park design completed by end 2017/18
I&S13	Street lighting standards are maintained or improved in accordance with the Street Lighting Strategic Plan.	(M) \$72,000 (C) \$60,000	Capital installations: Haigh Drive/Lincoln Hwy intersection, Tiatukia \$5,000, Hirchausen Road, Poonindie \$22,000, Louth Terrace \$15,000 & Stamford \$18,000	(1) 90% Capital works completed.
I&S14	Maintain and improve the standard of Council cemeteries in accordance with the Cemetery Management Plan	(M) \$33,300 (C) \$38,000 Administrative	Maintenance of existing cemeteries maintained Review of Poonindie Cemetery undertaken to create a management plan for the site.	(1) Annual maintenance undertaken on reserves in line with budget. (2) Review completed in conjunction with stakeholders and grant opportunities explored for identified works.
I&S15	Enact administrative requirements in accordance with the Burial & Cremations Act 2013, and to ensure the dignified treatment of human remains by the allocation of sufficient resources.	Administrative	A suite of appropriate and compliant cemetery policies, procedures and forms will be in place to manage Council cemeteries.	(1) Policies and procedures implemented and full compliance with the act is in place.

COMMUNITY WELLBEING

Council aspires to provide an appropriate level of amenity and support to maintain and improve the wellbeing of the community and recognises that the willingness of residents to live, work and recreate within the district is enhanced through the provision of quality health and educational institutions and the amenity of the area, including well maintained streetscapes, parks and reserves.

Continued support and encouragement of local community groups and organisations to undertake their activities is seen as important by Council to assist in maintaining the attitude of self-help that has existed almost uniquely within the Lower Eyre Peninsula communities over many years.

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
ENVIRONMENT: Council will manage, develop, protect, restore, enhance and conserve the environment in an ecologically sustainable manner.				
C1	Encourage the retention of, and where appropriate provide new access to the coastline for the local community and visitors alike, whilst working in conjunction with responsible State Government agencies to protect and ensure sustainable use of the extensive coastline of the Council area.	(C) \$37,000	North Shields - Beach access to be constructed off Easton Road \$31,000 Coffin Bay Foreshore / Esplanade Access Points & Parking Area \$6,000	(1) Capital works completed.
C2	On Council's coastal reserves, ensure appropriate signage identifying known high risks and highlighting the conservation values to assist the community in protecting the habitat of those areas.	Administrative	Coastal signage audit is undertaken to identify areas requiring additional signage.	(1) Signage audit undertaken (2) Signage installed and fit for purpose.
C3	Participate in the development of a Coastal Access Strategy in conjunction with the EPLGA and RDAWEP.	Administrative	Participate in RDAWEP Coastal Access Strategy	(1) Participate in process as opportunities arise.
C4	Review Council's Climate Change Adaption Report, and implement where necessary in the interests of community safety.	Administrative	No action identified for 2017/18, review to commence in 2018/19	Nil.
C5	Monitor climate change impacts on Council's coastal towns and settlements and take the appropriate actions to reduce identified impacts where resources permit.	Administrative	No action identified for 2017/18	Nil.
C6	Mitigate the potential negative impact of stormwater run off from coastal towns or settlements.	(M) \$136,800 (C) \$80,000	Stormwater drainage maintained to ensure drainage to desired locations. Improvements to be completed in identified locations within the Boston Township, North Shields & Cummins	(1) Works completed to successfully manage stormwater.

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
SPORT & RECREATION: Council will support local community and sporting groups through a range of services and funding initiatives				
C7	Continue to provide 'Community & Sports Groups Capital Grants' to assist with the upgrading of local facilities.	Grants made available - \$25,000	Community Capital and Reserves Grants available annually to community groups and organisations.	(1) Grants allocated and acquitted within the 2017/18 year.
C8	Support strategic upgrading of sporting, recreation and community facilities in the Council area.	Administrative	Provision of the services of a Community Development Officer to assist groups accessing funding.	(1) Officer available to assist groups with funding applications.
C9	Provide recycled water to improve community assets where feasible.	Nil	Recycled water is made available to the Coffin Bay Golf Club & the Cummins Oval	(1) Recycled water is available to Coffin Bay Golf Club and Cummins Oval.
COMMUNITY SUPPORT: Council will assist the community to access services that enhance their quality of life.				
C10	Provide a community bus in association with the Cummins & District Enterprise Committee and the Cummins Community Bank to provide a medium of transport for disadvantaged persons, business groups and the wider community for social events.	(M) \$24,000 (C) \$43,000	The community bus is administered by Council and made available for the use of the community in line with Council policy.	(1) Bus available for community use and maintained to an appropriate standard. (2) Shed completed.
C11	Ensure annual budget allocations and staff cars are made available for Red Cross Community Transport Services.	Donation - \$2,000	A Memorandum of Understanding is entered into with the Red Cross Port Lincoln to enable access to vehicles for the purpose of patient transportation.	(1) Donation included in budget (2) Memorandum signed (3) Vehicles made available.
C12	Promote local community groups and events through a range of services and funding initiatives.	Administrative	- Council highlights summarising the events of the Council meeting sent to community representative groups, and placed on web site - Promotion of events on Council Facebook page	(1) Facebook includes at least four new posts weekly. (2) Council highlights provided monthly to community groups.
C13	Retain the position of a part time Community Development Officer to support local community groups.	\$9,000	Community Development Officer position continued.	(1) Officer engaged.
C14	Provide 'Community Reserves Support Grants' to assist with local initiatives.	Grants made available - \$25,000	Grants provided to the community annually.	(1) Grants allocated and acquitted within the 2017/18 year.

GOALS AND STRATEGIC ACTIONS	Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
C15 Support the youth of our community through the Youth Advisory Committee.	\$3,000	Community Development Officer provides administrative / coordination support for the Youth Advisory Committee	(1) Community Development Officer continues to provide administrative support to the Youth Advisory Committee
C16 Work with the State Recovery Office to prepare an Emergency Response Plan for the Council area that will ensure a unified and appropriate response is planned and resourced ahead of an event to enable Council to support the community in the aftermath of a natural disaster.	Administrative	R&D Grant received from Local Government Association to prepare a Community Recovery Plan for DCLEP through consultation with the community and stakeholders. Commenced in 2016/17.	(1) Plan prepared for consultation & adopted.
HEALTH: Council will advocate to government and non government service providers aimed at ensuring that appropriate facilities and services are available to cater for the health and welfare of residents			
C17 Facilitate the establishment of a committee to review support services and accommodation needs of the elderly aimed at enhancing the lives of older people living at home or in aged care. The terms of reference for the committee include but are not limited to assessment of existing and future services, public and private facilities and land availability where necessary in order to meet identified needs.	Administrative \$28,300	Health & Ageing committee formed and a Project Officer engaged with joint funding from Cummins & District Community Bank.	(1) A report identifying the future needs of DCLEP communities is prepared and made available to stakeholders.
C18 Advocate for, and where appropriate provide reasonable resources to support the establishment of health facilities and to progress initiatives that will support improved health outcomes for the community.	Administrative	Upon completion of above report, advocate for the progression of identified needs within our communities.	Nil until report completion.
C19 Implement actions from the Regional Health Plan within resourcing constraints.	Administrative	Review the plan to determine actions able to be implemented by Council.	(1) Identified actions implemented.

RESPONSIBLE GOVERNANCE

Council will provide vision and leadership in a stable environment reflecting a high level of integrity and accountability to the community.

Operating within the State Government legislative framework, namely the Local Government Act 1999 and associated regulations, the Council will diligently discharge its duties in providing a range of services and advocating for facilities and services on behalf of the community and business sector.

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
FINANCIAL RESPONSIBILITY: Council will provide an appropriate level of services across the district delivered in an affordable and cost effective manner.				
G1	Undertake biennial reviews of Councils rating methodology, to ensure fairness for both built up and rural land owners.	Administrative	Undertake review of rating methodology taking into account all of the facilities provided to each township, interrogating the methodology of assessment, and giving appropriate consideration to the future needs of each community.	(1) A review is undertaken prior to June 2018
G2	Review Council business activities annually (Airport, Cummins Homes, Coffin Bay Caravan Park, Community Waste Water Management Schemes) to ensure they represent value to the ratepayers.	Administrative	Review LTFP Business activities (PLA, Caravan Park, Cummins homes)	(1) Long Term Financial Plan reviewed.
G3	Enact appropriate policies and procedures to ensure the financial transparency of Council, the minimisation of risk is sufficient and that Council is compliant with the Financial Regulations and codes.	Administrative	Internal controls are considered and where improvement is required, enacted.	(1) Internal Controls are in place to the satisfaction of Council's auditor.
G4	Review the Infrastructure & Asset Management Plan to ensure the asset figures are current and replacement of assets and infrastructure is planned and resourced sufficiently.	Administrative	A review of the Asset & Infrastructure management plan commenced in April 2017.	(1) Review completed.
COMMUNICATION: Council will effectively and interactively communicate with its community in relation to the needs and aspirations of all people				
G5	Review the Community Engagement Strategy on an annual basis to ensure it provides for flexibility in engagement options and remains tailored to the current needs of the community.	Administrative	Two meetings held with Community Reference Groups	(1) Meetings are held with reference groups.

GOALS AND STRATEGIC ACTIONS	Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
G6 Review the make up of Community Reference Groups on an annual basis to assist in their effectiveness in representing their respective communities.	Administrative	Review community reference group data bases.	(1) Contact is made with the community reference groups to update database contacts.
G7 Encourage smaller communities to establish their own local resident 'data bases' and 'news feeds' to engender connection within individual areas and to provide a communication avenue for Council.	Administrative	No items identified for 2017/18	Nil.
G8 Develop and implement the Customer Service Standards which outline the level of service customers can expect for a variety of Council's services.	Administrative	Develop DCLEP Customer Service Levels.	(1) Customer service levels are in place by end of calendar year.
COMPLIANCE: Council will provide a high level of compliance with applicable legislation to proactively manage risk for the Council and the community.			
G9 Allocate internal resources for the review of Governance practices once in the term of the Council.	Administrative	No items identified for 2017/18 - Governance Review due in 2018/19.	Nil.
G10 Regularly review internal practices and procedures utilising independent parties where considered necessary.	Administrative	Manage Internal Controls in line with Council's auditor recommendations	(1) 100% of items identified as high risk are addressed within 2017/18 (2) 50% of items identified as medium risk are addressed within 2017/18
G11 Allocate sufficient resourcing to ensure the safety of our employees and compliance with the Work Health & Safety Act 2012 and to meet the required Performance Standards for Self Insured Entities.	Administrative	Annual budget allowances in training and the continued engagement of a Work Health & Safety Administration officer.	(1) Budgeted training plan incorporates WHS component (2) 100% WHS training identified as mandatory expended.
LEADERSHIP: Council will provide consistent and strong leadership to the community and region			
G12 Represent and advocate for residents, community groups and business to other levels of government or agencies where regional, social or economic development activity is considered to be of benefit to the region or is consistent with the strategic objectives of Council.	Administrative	As opportunities arise.	Nil.

GOALS AND STRATEGIC ACTIONS	Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
G13 Elected Members and staff will participate in forums, meetings and other activities involving the Local Government Association, Eyre Peninsula Local Government Association or relevant government agencies.	Administrative	As opportunities arise.	Nil.
G14 Actively engage in regional collaboration initiatives in conjunction with other Local Government entities for the betterment of our region.	Administrative	As opportunities arise.	Nil.
G15 Maintain effective working relationships with State & Federal Governments and agencies.	Administrative	As opportunities arise.	Nil.

ECONOMIC

Council will work to promote its area and provide a supportive framework to assist the development and expansion of private enterprise in recognition that small/medium enterprises are significant employers and are major contributors to the economic well being of the district.

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
REGIONAL INFRASTRUCTURE: Council will seek appropriate critical regional infrastructure to maximise opportunity for local business				
E1	Work cooperatively with the Department of Water, Environment and Natural resources, Eyre Peninsula Natural Resource Management Board, SA Water and other relevant Government agencies to pursue a quality, sustainable and expanded water supply.	Administrative	As opportunities arise.	None identified.
E2	Support initiatives to improve power, water and telecommunication infrastructure for the region.	Administrative	As opportunities arise.	None identified.
E3	Maintain & develop relationships with government, airlines and other stakeholder interests to ensure the prosperity of the airport.	Administrative	Meet with Airline Operators	(1) Meeting/s held with Airline Operators
E4	Advocate for initiatives that preserve and enhance the transport infrastructure of the region, including: <ul style="list-style-type: none"> · Rail retained and upgraded to be the principal mover of grain and mining produce across the region; · Highways upgraded to improve safety of road users; and · Reduce conflict between social and freight movements. 	Administrative	As opportunities arise.	None identified.
SUSTAINABLE MANAGEMENT OF RESOURCES: Council will support initiatives to ensure that natural resources in the region are managed in a sustainable manner				
E5	Support the Eyre Peninsula Natural Resource Management Board, government agencies, agricultural interests and the community to ensure sustainable land management practices are utilised.	Administrative	As opportunities arise.	None identified.
E6	Elected Members and relevant staff participate in appropriate land management forums conducted in the region.	Administrative	As opportunities arise.	None identified.

GOALS AND STRATEGIC ACTIONS	Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
ECONOMIC DEVELOPMENT: Council will support small, medium enterprise as the back bone to economic prosperity in an environmentally sustainable manner			
E7 Actively support the establishment of locally based value added business initiatives.	Administrative	As opportunities arise.	None identified.
E8 Work with relevant agencies to encourage development of business activity and initiatives conducive to ensuring young residents have the option of remaining and working in the area e.g. RDAWEP	Administrative	As opportunities arise.	None identified.
E9 Consider the social & environmental impacts on the DCLEP community of mining proposals while seeking to maximise economic benefits.	Administrative	As opportunities arise.	None identified.
E10 Ensure that appropriate quantities and availability of industrial & residential land exists in key towns.	Administrative	Pursue recognition of Coffin Bay Deferred Urban Rezoning & investigate avenues to ensure industrial land is available for development throughout the Council district.	(1) Pursue recognition of Coffin Bay Deferred Urban Rezoning 2) Explore options to ensure industrial land is available for development throughout the Council district.
E11 Utilise the Council website to provide links to businesses locally and regionally.	Administrative	A project to identify how the website can be enhanced and made fit for this purpose will be identified.	(1) Website models including reference / links to businesses investigated with cost to implement considered in 2018/19 budget.
TOURISM: Council recognises tourism as an emerging industry and will promote tourism initiatives with proven economic benefit			
E12 Support tourism opportunities by promoting the area, its facilities and attractions both locally and to the broader tourist market.	Administrative	As opportunities arise.	None identified.
E13 Along with Eyre Peninsula Councils and other stakeholders assist with funding of a Regional Tourism Officer employed by Regional Development Australia Whyalla & Eyre Peninsula.	Administrative \$10,000	Continue to provide funding for regional Tourist Officer.	(1) Budget consideration provided.
E14 Engage with the South Australian Tourism Commission to explore opportunities for the airport to grow and expand its role as a visitor gateway to the Lower Eyre Peninsula.	Administrative	Meet with SATC Airport staff to discuss opportunities for the Port Lincoln Airport	(1) Minimum of one meeting held between Council staff and SATC staff

GOALS AND STRATEGIC ACTIONS		Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
E15	Promote significant tourism destinations via Council website with links to regional websites.	Administrative	Links to regional websites are provided on the Council website.	See E11
E16	Explore opportunities with the South Australian Tourism Commission to promote our region as an area of high quality coastal experiences.	Administrative	In conjunction with Regional Development Australia, support a region wide approach to Tourism	(1) Budget allocation provided for Regional Development Australia Tourism plan over three years.
E17	Invest in tourism infrastructure at significant tourist locations including the Port Lincoln Airport and Council owned Caravan Parks and Camp grounds.	Refer to Long Term Financial Plan – Business Activities	Capital works projects as identified in Long Term Financial Plan and Council 2017/18 budget. Provision of a \$45,000 budget for the promotion of tourism to increase airport revenue	(1) 85% Capital Works completed. (2) Plan for expending of PLA Tourism budget considered and adopted by December 2017.

STATUTORY

The Council operates within a highly legislated and regulated environment that both influences and dictates its administrative functions and a range of services provided to the community.

Council will at all times discharge its statutory responsibilities to aid the safety of the community in a fair and courteous manner while enforcing the activities vested in the Council as outlined by the relevant legislation.

GOALS AND STRATEGIC ACTIONS	Administrative / Capital (C) / Maintenance (M)	2017/18 Action	Measure / Comment
ANIMAL MANAGEMENT: Council will provide cost effective animal management practices in line with the Dog and Cat Management Act, 1995			
S1 Maintain the current level of dog control and enforcement services in accordance with the Animal Management Plan.	\$42,000	Manage animal compliance in line with Councils Animal Management Plan	(1) General inspector engaged.
S2 Review the Council's Animal Management Plan in 2017.	Administrative	Review of DCLEP Animal Management Plan due in 2017/18	(1) Animal Management Plan reviewed and adopted.
PLANNING AND DEVELOPMENT: Council will maintain an up to date planning framework which encourages and supports soundly based residential growth and economic development			
S3 Undertake a Master Plan review of Cummins and Coffin Bay Townships between 2016/17 and 2018/19.	Administrative	Planning and budget provision has been considered however no allocation provided in the 2017/18 year.	Nil.
S4 Undertake a Section 30 review in line with requirements of the Development Act 1993, to ensure that the area is developed in an orderly and economically sustainable fashion.	Administrative	Due to new planning legislation, the Strategic Directions Committee has not been created and a section 30 review is not considered to be required.	Nil.
S5 Undertake Development Plan Amendments where a Section 30 review has identified the need for the rezoning of land.	Administrative	Due to new planning legislation, the Strategic Directions Committee has not been created and a section 30 review is not considered to be required.	Nil.
S6 Assess the opportunity for the employment of specialist planning and development staff to support Councils across the region.	Administrative	In conjunction with the CoPL and DCTB Councils continue to work towards a streamlining of development practices.	(1) Monthly shared service meetings between the CEO's consider the streamlining of development.

FIRE PREVENTION: Council will take measures to protect its area from natural and other hazards

S7	Participate in the development and implementation of Bushfire Management Area Plans for our district and region.	Administrative	Provide active provision of comment and input in Regional and State plans where opportunities arise.	As opportunities arise.
S8	Implement recommendations of the Bushfire Management Area Plan by inclusion in Council annual budgets	(M) - Various budget lines	Implement the works program associated with the LEP BMAP.	(1) Identified works are undertaken in line with Council budgets
S9	Support CFS Community Education initiatives which inform and assist landholders to be prepared for bushfires and to build community resilience.	Administrative	Share information on Council's website, newsletters, Facebook page as available.	(1) Current Information available on Council's website.
S10	Consider opportunities for retro-fitting road linkages to improve fire access / egress in township and rural living areas	Administrative	Consider opportunities to retrofit roads in rural living area within budget constraints and subject to landowner willingness to discuss options.	(1) Pursue Roberts Road / Hidden Valley road link
S11	Activate the Local Bushfire Prevention Committee to gain local knowledge and expertise from local CFS representatives	Administrative	Reform the DCLEP Bushfire Prevention Committee	(1) Committee reformed and meeting regularly.

FOOD & PUBLIC HEALTH: Council will enact the requirements placed upon it by the Food Act 2001 & the South Australian Public Health Act 2011

S12	Undertake Food Act inspections as required by legislation.	\$6,000	Food Premise annual inspections required.	(1) Inspections undertaken and identified actions followed up with businesses.
S13	Undertake an annual review of Council's Environmental Health resourcing arrangements to ensure they meet the needs of the Council.	Administrative	Review Environmental Health Officer operations within DCLEP with consideration of shared service opportunities	(1) Monthly shared service meetings between the CEO's consider the engagement arrangements surrounding EHO's

4. SIGNIFICANT INFLUENCES AND PRIORITIES

A number of significant factors have influenced the preparation of the Council's 2017/18 Annual Business Plan, including: -

- Consumer Price Index increase of 2.0% based on the Adelaide CPI for the year ended March 2017
- Local Government Price Index (LGPI) for year ended March 2017 increased by 2.1%
- Strategic Plan developed in 2015/16 that sets out the proposed capital projects and service standards Council aims to deliver
- Enterprise bargaining agreements to provide for annual wages and salary rises
- Contract renewal tied to CPI movements
- New fees/charges/legislative requirements imposed by other levels of government e.g. Waste management legislative requirements, Governance standards, Litter Nuisance & Control Act 2016, Planning Development & Infrastructure Act 2016.
- Requirement to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, street lighting, stormwater drainage, boat ramps, walking trails, reserves, garbage collection and Council properties
- Service and infrastructure needs of developing areas
- The cost of delivering core Council services such as waste management

5. COUNCIL SERVICES

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

- Governance activities
 - maintaining the voters roll and supporting the elected Council;
 - setting rates, preparing an annual budget and determining longer-term strategic management plans for the area
- Regulatory Requirements such as animal management and fire prevention
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting, storm-water drainage, walking trails and boat ramps
- Street cleaning and rubbish collection and disposal
- Development planning and control, including building safety assessment
- Various environmental health services

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

- Youth Services
- Aged & Disabled Services
- Community Development
- Cemetery management
- Provision of public conveniences
- Foreshore maintenance
- Library support
- Swimming Pool contribution
- Sport & Recreation support
- Drum Muster program
- Authorised Landing Areas
- Tourism contributions
- Camping Reserves
- Health Services

6. COUNCIL SERVICES – CASH BUDGET (FCA not included)

The following is a summary of Council's budgeted cash operating expenditure for the 2017/18 year by function.

Administration

Employee Costs	1,345,700	
Insurance	32,900	
Elected Member / DAP	140,200	
IT Licenses / Support	228,800	
Other Administration Expenses	491,550	2,239,150

Public Order & Safety

Fire Prevention	35,000	
Disaster Recovery Planning	10,000	
Dog Control	28,500	
Miscellaneous	2,200	75,700

Health

Immunisation	3,000	
Ambulance Contribution	2,000	
Food Act Compliance	6,000	
Health & Ageing Project	20,000	
Miscellaneous	400	31,400

Social Security & Welfare

Youth Services	3,000	3,000
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Housing & Community Amenities

Cummins Homes Maintenance	68,700	
Town Planning		
- DPA Coffin Bay Deferred Urban	2,000	
- Planning and Design Code	2,000	
- New Planning System	8,000	
- Section 29 DPA	5,000	
- General Consultants including Appeal costs	110,000	
- Development Miscellaneous	5,500	
Community Development		
- Cummins & Coffin Bay Land Development	130,000	
- Miscellaneous	45,700	
Sanitation & Garbage		
- Waste Management	701,500	
- Transfer Station Operations	137,600	
- Illegal Dumping Recovery	3,000	
- Street Cleaning	30,000	
Effluent Maintenance	376,100	
Stormwater Drainage		
- Stormwater Maintenance	120,000	
- Emergency Recovery	5,000	
Other Community Amenities		
- Cemeteries	41,300	
- Standpipes	8,000	
- Street Lighting	132,000	

- Public Convenience Maintenance	111,400	2,042,800
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6. COUNCIL SERVICES – CASH BUDGET (FCA not included)cont'd**Protection of the Environment**

Foreshore Maintenance	27,800	
Natural Resource Management Levy*	337,300	365,100

Recreation & Culture

Library

- Cummins Community Library	42,700	
- City of Port Lincoln Library	5,000	
- Community Information Grant	3,900	
- Insurance	1,100	

Australia Day Ceremony	1,300	
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Sport & Recreation

- Cummins Swimming Pool	17,000	
- Community Bus	14,000	
- Reserves & Community Support Grants	63,500	
- Reserves Maintenance	127,200	
- Walking Trails Maintenance	25,000	
- Halls (Cummins Institute, Big Swamp insurance)	28,500	
- Brinkworth Reserve Contribution	5,000	
- Other Sport & Recreation	8,000	342,200

Agricultural Services

Aleppo Pine Removal	2,000	
Drum Muster	8,000	10,000

Mining Manufacturing & Construction

Building Rules Assessment	11,050	11,050
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Transport and Communication – Roads

Sealed Road Maintenance	255,000	
Unsealed Road Maintenance	627,000	882,000

Transport and Communication – Other

Bridges Maintenance	1,000	
Footpath Maintenance	70,000	
Port Lincoln Airport	1,154,900	
Authorised Landing Area Maintenance	8,500	
Roadside Furniture	80,000	
Boat Ramp		
- General Maintenance	25,000	
- Mount Dutton Bay Carpark	15,000	
Jetty Maintenance		
- General Maintenance	5,000	
- Replace Piles	115,000	
- Mt Dutton Bay hand rail	10,000	1,484,400

6. COUNCIL SERVICES – CASH BUDGET (FCA not included)cont'd

Economic Affairs

Tourism	24,900	
Caravan Park & Camping Grounds		
- Coffin Bay (Insurance & general maintenance)	8,500	
- Louth Bay (Insurance & general maintenance)	4,000	
- Louth Bay (Upgrade of Toilets)	6,000	
- Cummins (Insurance & general maintenance)	1,500	
- Farm Beach (Insurance & general maintenance)	6,200	
Miscellaneous	100	51,200

Unclassified Expenditure

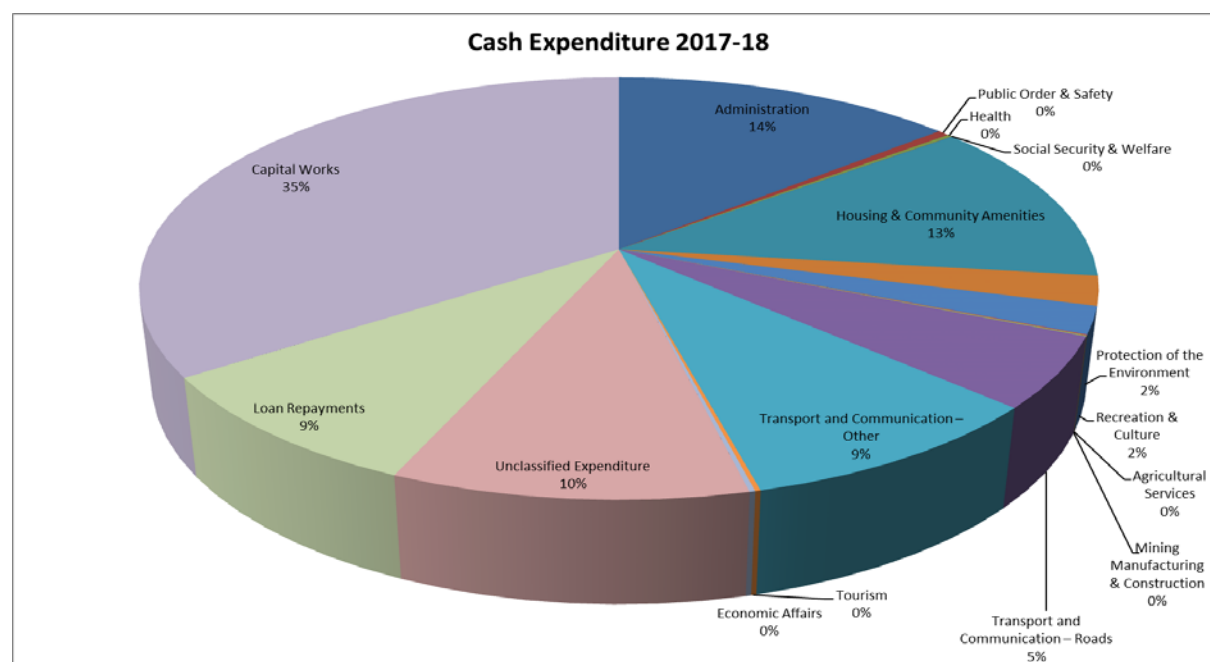
Council Radios	21,000	
Rental Property Maintenance	10,700	
Private Works	8,000	
Donations	16,300	
Insurance	6,800	
Works Dept Administration Salaries	385,500	
Works Dept Wages Overheads	367,000	
Other Works Dept Overheads	329,000	
Machinery Operating Costs	500,000	1,644,300

Loan Repayments	1,460,100	1,460,100
Capital Works	5,620,500	5,620,500

Total Cash Expenditure 16,262,900

* Council collects revenue for the NRM Levy and forwards funds on to the NRM Board.

7. CASH EXPENDITURE GRAPH – 2017-18 FINANCIAL YEAR



8. BUSINESS ACTIVITIES

Council undertakes the following business activities on a fee for service basis:-

8.1 Port Lincoln Airport

Council own and operate the Port Lincoln Airport as a self funding activity with user charges meeting the costs associated with the facility and providing reserve funds for future requirements.

The Master Plan for the airport was reviewed in 2015/16, while Council will be reviewing the Airport Business Plan covering management of the airport and financial aspects in the 2017/18 year.

The following capital works have been budgeted to be completed in 2017-18:

- | | |
|--|-----------|
| • Reseal of General Aviation Apron & Taxiway | \$135,700 |
| • Runway Reseal Completion | \$80,000 |
| • Asset Management System Upgrade | \$25,000 |
| • Minor Capital Works & Plant Purchases | \$28,500 |

A return on Council's investment to rate payers is taken from the Reserve amounting to six percent of the Airport operating income for the year. In relation to the 2017-18 budget, the return on investment for the Council is \$110,400.

The airport is budgeted to make an operating loss of \$6,900 in 2017/18.

8.2 Coffin Bay Caravan Park

Council has upgraded the two ablution blocks at the caravan park in recent years largely funded by loan borrowings which are being repaid over a 10 year period.

The caravan park is budgeted to have a cash deficit of \$162,200 at 30 June 2018, with no significant improvement of this position expected prior to pay out of the loans, the first of which will be finalised in the 2017/18 year.

The annual lease fee was increased on 1 January 2017 based on a percentage of Caravan Park turnover, with CPI increases to occur on 1 January for the next four years prior to the next full market review.

The Caravan Park has budgeted to undertake minor drainage works in 2017/18 at a cost of \$5,700 with more significant capital works projects anticipated in future years.

The Caravan Park is budgeted to make an operating profit of \$45,000 in the 2017/18 financial year.

8. SELF FUNDING ACTIVITIES

cont'd

8.3 Cummins Homes for the Aged

Council owns and operates sixteen rental accommodation units for aged and disabled people in Cummins. The Cummins Homes Committee is continually investigating options to make the units more appealing to tenants and their families.

A one bedroom unit was converted into two bedrooms in 2015/16 and Council will consider further upgrades in the future subject to funding availability.

The 2017/18 draft budget has an allocation of \$43,000 for bathroom renovations with a successful grant application of \$12,000 having been lodged to assist with the funding of these upgrades. There are six bathrooms remaining to be renovated with the Cummins Homes Committee and Council considering the future operations and funding requirements of the Cummins Homes.

Additionally the Cummins Homes have budgeted \$165,000 to renovate the fifteen single bedroom unit kitchens in a move to modernise the units, increasing their amenity in the hope to increase future occupancy rates. The Cummins Homes is budgeting to borrow the \$165,000 over a 10 year term.

During the 2016/17 year a number of tenants vacated the homes resulting in Council budgeting for 75 percent occupancy in 2017/18. The Cummins Homes Reserve has budgeted a cashflow deficit of \$8,200 for 2017/18 and a total accumulated cash deficit of \$169,400 at 30 June 2018 with Council waiving the interest payable on the cash owing..

8.4 Community Wastewater Management Scheme (CWMS)

Council manages four Community Wastewater Schemes, which service Cummins, North Shields, Coffin Bay and Tulka. The reserves for these schemes have been consolidated; however, financial records continue to be recorded for each of the schemes to enable Council to monitor the performance of each scheme.

The effluent levy charged to landowners at each location is the same. This is on the basis that land owners in each location are provided with the same, or a very similar level of service for their money.

The Business Plan has been developed using an occupied levy of \$465, with an understanding that levies charged are aimed at ensuring the long term sustainability of the schemes. It is relevant that the subsidy provided through the State Government for new CWMS schemes is apportioned on the assumption that Councils are charging in line with the SA Water sewerage rate, and that this is the amount which Council's would need to charge to ensure viability of a new scheme. It is noted that Council's current effluent levy is significantly below both the SA Water sewerage rate and the Statewide average charge for CWMS connections.

Council considers the current fee charged for CWMS connections to be adequate based

on current costs however the fee will be subject to yearly review. Council will make every endeavour to keep the levy to the minimum amount required for future replacement, operation and maintenance of the four schemes.

8. SELF FUNDING ACTIVITIES

cont'd

8.4 Consolidated CWMS Schemes

cont'd

The enactment of the Water Industry Act 2012 caused local governments which provide Community Waste Water Treatment Systems (CWMS) and in some instances potable water supplies to be under the same provisions as those faced by SA Power Networks, SA Water and other large scale utility providers. The legislation added the Essential Services Commission of South Australia (ESCOSA) and the Office of the Technical Regulator (OTR) to the list of government agencies that Council must routinely report to on CWMS and water supply and re-supply systems.

This reporting has added administration and operating costs, in addition to the Council now being required to pay an annual licence fee of \$6,000 to ESCOSA.

The following details the capital works to be undertaken at the four plants in 2017/18.

- Tulka CWMS - \$140,600
 - Creation of easements
 - Upgrade communications and reporting capacity
 - Provisioning for power outages
- Cummins CWMS - \$371,000
 - Pump Station Upgrade Condition Assessments
 - Lagoon Refurbishment
 - Treatment Plant Upgrade
 - Bratten Way Gravity Main Replacement
 - Provisioning for Power Outages
 - Minor Infrastructure Replacement
- Coffin Bay CWMS- \$76,100
 - Upgrade of Pump Station K
 - Provisioning for Power Outages
- North Shields CWMS- \$34,400
 - Pump Station Interim Refurbishment

The budgeted operational and capital activities will result in a net cashflow loss of \$341,000 for the 2017/18 financial year and an overall cash deficit closing balance of \$152,500 for the CWMS Reserve.

The capital works program in 2017/18 of \$622,100 includes the expenditure of \$120,000 of grant funding previously received by the Tulka CWMS scheme which is required to be finalised in 2017/18.

The CWMS's have a budgeted operating profit of \$28,100 in the 2017/18 financial year, including loan interest payment of \$3,400.

9. OTHER SIGNIFICANT ISSUES

9.1 Road Funding

The Plan includes road sealing projects including the completion of the Proper Bay S-Bend Upgrade at a cost of \$448,000 and Sheoak Road, Tulka at \$503,000.

Second Coat Seals are also required on Mortlock Street, Cummins and Wattle Drive, Tulka totaling \$33,200 as a follow up to recently completed road sealing projects.

The Proper Bay S-Bend project is being carried over from 2016/17 due to unforeseen issues experienced during the road upgrade works. Council has received grant funding of \$250,000 from the Motor Accident Commission for the undertaking of the road upgrade works.

An allocation has been made of \$65,500 for contracting the survey and design works associated with road sealing projects set to occur in 2018/19.

An issue for council in the formulation of this plan was the significant pavement failures that have been experienced along sections of Bratten Way. In 2016/17 Council engaged consultants to assist staff in undertaking a detailed analysis of the Bratten Way and provide reports on the structural integrity of the pavement. Following this review Council have made the following budget allocations in the 2017/18 financial year:

- | | |
|---|-----------|
| • Upgrade and Repair Lawrence Road Intersection | \$391,000 |
| • Sectional Rehabilitation and Repair Works | \$381,600 |
| • Turner's Hill Drainage | \$35,000 |

In addition to the proposed capital works and given the regional significance of the Bratten Way Council has allocated \$20,000 to engage a consultant to prepare a report identifying both the 'regional' and 'local' purpose of the road, aimed at determining longer term funding responsibility for this road.

In addition Council will spend \$1,036,600 (includes \$470,500 carried over from 2016/17) on re-sheeting rural roads, \$370,300 on sealed road reseals and will spend \$1,060,370 on general road maintenance.

9.2 Waste Management

Waste Management is budgeted to cost Council \$1,058,400 in 2017/18. Kerbside collection and disposal costs amount to \$701,500, while the Waste Transfer Station Operations cost \$137,600 off set by income of \$55,000. This means that Council are subsidising the Transfer Station operations to the extent of \$82,600 in 2017/18. The total net cost to Council of waste management amounts to 18.13% of general rate revenue.

9. OTHER SIGNIFICANT ISSUES

cont'd

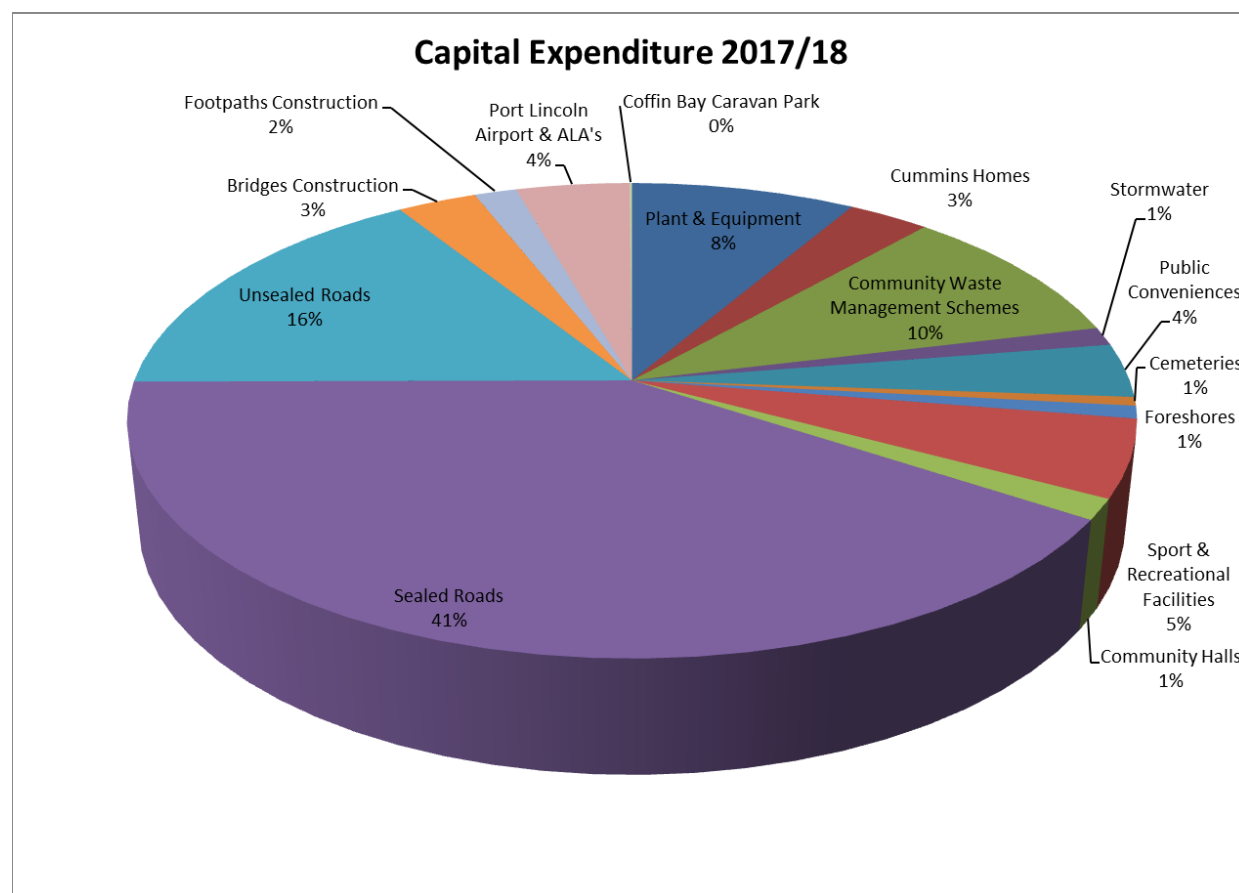
9.3 Machinery Replacement

Plant purchases with a total changeover cost of \$364,000 have been included in the draft budget, including one roller and two trucks to be purchased from the Plant Reserve. The budgeted transfer to the plant reserve is \$587,500 which is largely attributable to \$396,000 of additional income received from the cessation of the Southern Eyre Peninsula Subsidiary which owned and operated a D7 Dozer between the District Council of Lower Eyre Peninsula and District Council of Tumby Bay.

Light vehicle replacement continues inline with the scheduled changeover dates and includes two cars and 4 utilities with a total changeover cost of \$158,000.

The plant reserve is budgeted to have a balance of \$587,500 at the end of the year.

10. CAPITAL WORKS EXPENDITURE GRAPH 2017/18



11. FUNDING THE BUSINESS PLAN

Consistent with the aim of Council's long-term financial plan to be sustainable, an operating surplus of \$170,200 before Capital revenues is budgeted in 2017/18. The operating surplus measures the difference between operating revenue and expenses for the period. The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

The operating surplus includes a combined operating profit of \$44,200 from self funding activities including the Port Lincoln Airport, Cummins Homes, Coffin Bay Caravan Park and the four Community Wastewater Management Schemes.

The net affect of this leaves an operating surplus of \$126,000 after deducting the profit from these specific self funding activities. It is noted that Council will receive bonus payments from Roads to Recovery totalling \$291,100. This grant funding is required to be reported as Operating Income however the funds are being spent on roads with the expenditure capitalised, resulting in an inflated operating surplus.

12. BUDGETED OPERATING STATEMENT

BUDGETED OPERATING STATEMENT FOR THE YEAR ENDED 30 JUNE, 2018

OPERATING REVENUE	2018 BUDGET \$	2017 ESTIMATE \$
Rates		
Rates General	5,837,500	5,595,600
Rates Other	1,117,500	1,032,300
Statutory Charges	155,400	163,400
User Charges	1,928,600	2,233,900
Operating Grants and Subsidies	1,823,537	1,644,500
Investment Income	65,500	66,500
Reimbursements	93,900	121,600
Gain on Disposal of Non-Current Assets		
Other	194,550	179,500
TOTAL OPERATING REVENUE	11,216,487	11,037,300
OPERATING EXPENSES		
Employee Costs	2,401,783	2,459,248
Materials Contractors & Other Expenses	5,037,555	4,666,544
Finance Charges	335,600	320,000
Depreciation Amortisation & Impairment	3,271,298	2,953,552
Loss on Disposal of Non-Current Assets		
TOTAL OPERATING EXPENSES	11,046,236	10,399,344
Operating Surplus/(Deficit) before Capital Amounts	170,251	637,956
Net Gain (Loss) on disposal or revaluation of assets	415,000	
Amounts specifically for new or upgraded assets	250,000	308,000
Physical Resources received free of charge		
NET SURPLUS / DEFICIT	835,251	945,956

13. SOURCES OF COUNCIL REVENUE

The Council's revenue in 2017/18 includes \$5.8 million proposed to be raised from general rates.

Other sources of revenue for the Council are:

Service Charges. The Community Waste Water Management Schemes (formerly known as STEDS) are used to collect funds for the operation and improvement of schemes to dispose of septic waste.

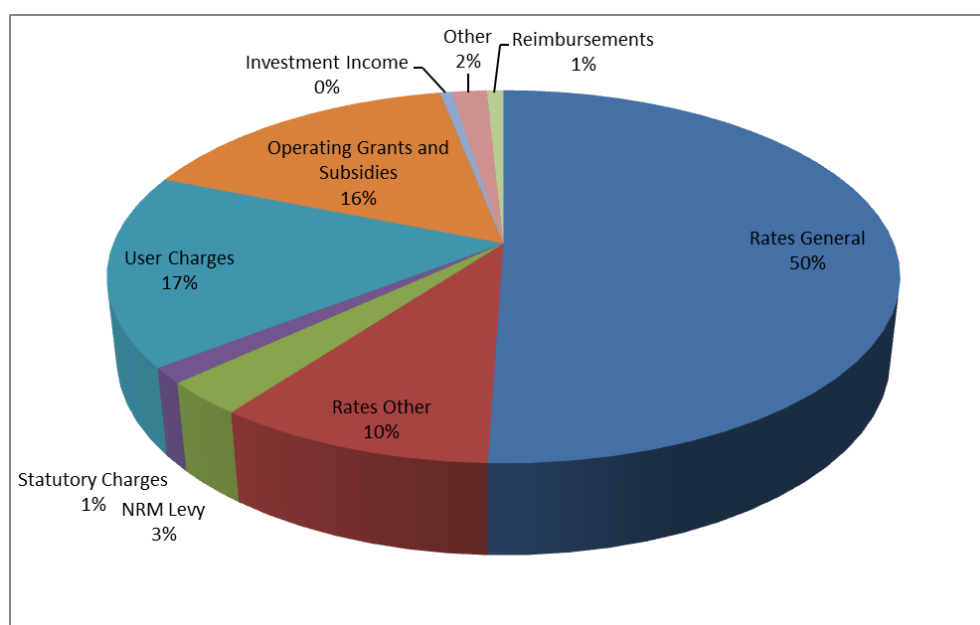
Separate Rates. Council collects the Natural Resource Management Levy on behalf of the Eyre Peninsula Natural Resource Management Board.

User Pays charges set by Council. These comprise charges for the Council's fee based facilities such as the Port Lincoln Airport, Cummins Homes, Caravan Parks and Camping Grounds, Cemeteries and Rental Properties.

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

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

14. GRAPH - REVENUE SOURCES FOR 2017/18 YEAR



15. IMPACT ON COUNCIL'S FINANCIAL POSITION

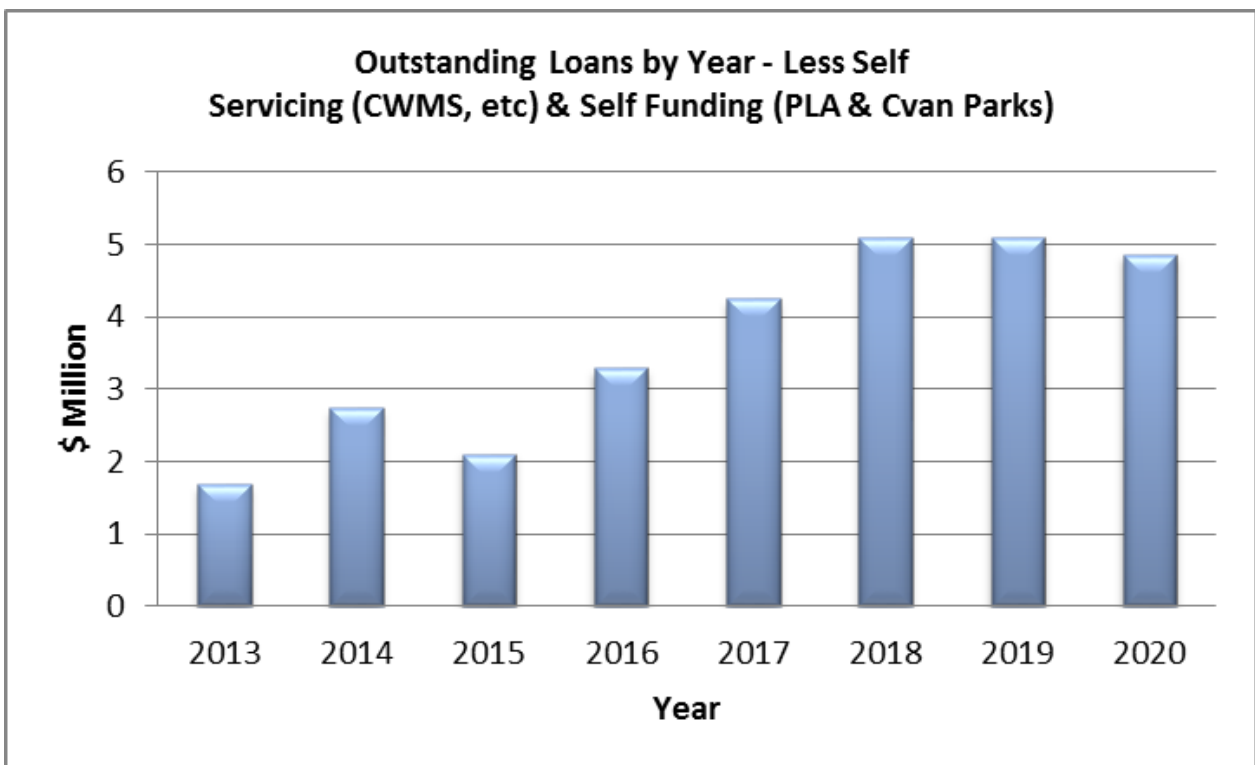
15.1 Council Debt

To provide for the requirement to borrow for planned net outlays on existing and new assets in 2017/18, the Council's net borrowing in 2017/18 is expected to be \$1.66 million. Accordingly, the level of the Council's net borrowings is expected to increase by approximately \$537,000 to be \$8.54 million at 30 June 2018.

Of the \$8.54 million total borrowings, approximately \$2.84 million is for a loans relating to the Port Lincoln Airport to fund the recent Airport upgrade capital projects including the new Terminal, Land Acquisitions and Council's portion of the Sullivan Drive realignment which is also funded by the Airport.

In addition, a significant component of Council's debt relates to other self servicing activities (e.g. Community waste water management schemes or loans to community groups) or self funding activities (e.g. Coffin Bay Caravan Park). After deducting loans related to these activities Council's projected debt as at 30 June 2018 is \$5.09 million.

The following graph also includes estimated borrowings to be taken in the 2019 & 2020 financial years to fund capital projects identified in Councils Strategic Plan.



15. IMPACT ON COUNCIL'S FINANCIAL POSITION

cont'd

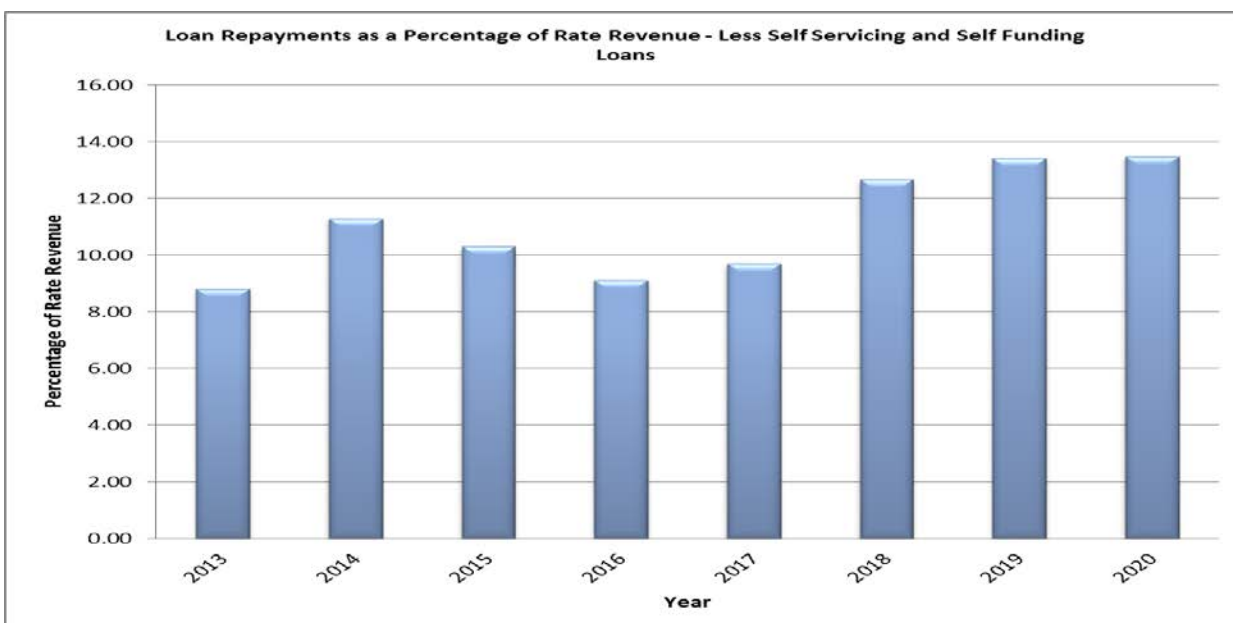
15.1 Council Debt

cont'd

Excluding the Port Lincoln Airport Cash Advance Debenture (as this does not have fixed loan repayments, rather interest payable on outstanding debt with principal repaid from available business activity cash flow) the total amount of loan repayments as a percentage of general rate revenue is budgeted to be 20.71 percent for the 2017/18 financial year. After factoring in new loan borrowings in the proposed budget the loan repayments as a percentage of general rate revenue is expected to be 21.40 percent in the 2018/19 financial year.

Again, a significant portion of these loans relate to **Business Activities** or self funding activities and after deducting these loans the loan repayments as a percentage of general rate revenue is 12.66 percent in 2017/18 rising to 13.43 percent in the 2018/19 financial year.

As per the previous graph, this graph also includes estimated repayments to be made in the 2018, 2019 & 2020 financial years to fund capital projects identified in Councils Strategic Plan.



Council's Treasury Management Policy FIN-POL-03 states that:

"Council will endeavour to structure its borrowing program in order to maintain the annual debt servicing commitment at less than 15% of general rate revenue."

This policy is to apply only to those loans to be serviced by general rate income and does not include self servicing or self funding activities such as CWMS Schemes, Caravan Parks or Airports where income from the activity is expected to be available to meet the repayments."

15. IMPACT ON COUNCIL'S FINANCIAL POSITION **cont'd**

15.1 Council Debt **cont'd**

While the borrowing to service the proposed 2017/18 budget increases the repayments as a percentage of general rate income, in future years the percentage still fits within Council's loan borrowing policy.

Furthermore Council considers that the projects to be funded by the loan borrowings will add important infrastructure for the region with the level of borrowing being supported by the community.

15.2 Net Financial Liabilities

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 level of Council's net liabilities is expected to be \$9,129,438 at 30 June 2018 being 81% of budgeted operating revenue for 2017/18.

It is noted that a considerable amount of the loan borrowings relates to Business Activities or self funding activities.

15.3 Interest Rate Cover

The Interest Rate Cover Ratio refers to Council's net interest payments as a percentage of operating revenue.

This ratio indicates the extent to which a Council's operating revenues are committed to interest expenses. As with all financial indicators associated with measuring indebtedness and its associated costs, there is no right or wrong ratio. Council simply needs to manage this ratio within a range acceptable to it, giving regard to long term sustainability and its suite of Strategic Management Plans and Financial Management Policies.

DCLEP has a budgeted net Interest Rate Cover of 2.99% for the 2017/18 year which sits well within the LGA recommended target.

15. IMPACT ON COUNCIL'S FINANCIAL POSITION

cont'd

15.4 Depreciation

Local Government in South Australia has placed a significant emphasis on financial sustainability and much of this revolves around the depreciation of assets and their subsequent replacement. Councils should be spending the calculated depreciation attributable to assets on the replacement of such assets or alternatively placing an equivalent amount in a reserve for future replacement of the assets.

The District Council of Lower Eyre Peninsula re-valued all significant assets as at 1 July 2016.

- Land was re-valued using the Valuer General's Capital valuations as supplied to Council on an annual basis. As no depreciation is charged on land this process will merely provide the basis for recognising Council's land assets.
- Council owned buildings were re-valued by Maloney Field Services.
- Infrastructure assets were re-valued using the experience of Council staff and experts where appropriate on 1 July 2016.
- As part of the process employees undertook condition assessments of all sealed and unsealed roads, footpaths and stormwater drains. This data is being used to calculate the expected remaining useful and set future works programs for the management and renewal of these asset classes. All assumptions and unit rates used have previously been quantified by an engineer in line with advice received from Councils Auditor.

Council is in the process of developing an Asset & Infrastructure Management Plan and the asset valuation data will form the basis of this plan.

Machinery due to its routine and regular changeover is not required to be re-valued inline with other Council assets. Council has a plant replacement program for major items of plant as per the following table. A plant reserve is retained and amounts are either appropriated to the reserve or recouped from the reserve based on the budgeted plan change over costs for a particular year as against the depreciation which is charged in that year.

All significant assets are revalued every five years inline with Council practices and are due to be re-valued at 1 July 2021.

15. IMPACT ON COUNCIL'S FINANCIAL POSITION**cont'd****15.5 Plant Replacement Program**

BUDGET YEAR	PLANT ITEM	PLANT DESCRIPTION	YEAR OF PURCHASE	REPLACEMENT YEAR	AGE AT REPLACEMENT
Year 1	Truck 37	Mitsubishi Fuso 2.0	2009/10	2017/18	8
	Truck 39	Hino ADR 80/03	2012/13	2017/18	5
	Roller C	Combination Roller	Unknown	2017/18	Unknown
Year 2	Loader F	CAT 432E Backhoe	2008/09	2018/19	10
Year 3	Truck 38	Hino FD 1124	2012/13	2019/20	7
	Truck 40	Hino FD 1124	2012/13	2019/20	7
	Loader I	John Deere 544K	2011/12	2019/20	8
	Loader K	Cat 236D	2014/15	2019/20	5
	Loader L	Hitachi 326E	2014/15	2019/20	5
Year 4	Patrol N	Cat 12H Grader	2009/10	2020/21	11
	Loader H	Kumatsu WA65_6H	2011/12	2020/21	9
Year 5	Truck 41	Isuzu NLR 45	2015/16	2021/22	6
Year 6	Truck 37	Mitsubishi Fuso 2.0	2017/18	2022/23	5
	Truck 39	Hino ADR 80/03	2017/18	2022/23	5
	Tractor L	Case Magnum 235	2014/15	2022/23	8
	Tractor M	Faresin 730C Telehandler	2014/15	2022/23	8
	Patrol O	Cat 12M Grader	2011/12	2022/23	11
	Loader J	Cat 432F	2014/15	2022/23	8
Year 7	Truck 42	Isuzu GIGA CX415	2015/16	2023/24	8
	Patrol P	CAT 12M Grader	2015/16	2023/24	8
Year 8	Tractor K	Case MX215	2016/17	2024/25	8
	Loader K	Cat 236D	2019/20	2024/25	5
	Loader L	Hitachi 326E	2019/20	2024/25	5
Year 9	Patrol M	Cat 12H Grader	2016/17	2025/26	9
	Roller S	Self Propelled Vibe	2016/17	2025/26	9

15. IMPACT ON COUNCIL'S FINANCIAL POSITION**cont'd**

The following table represents Council's performance in the proposed budget in funding the replacement of existing classes of assets. Self funding and self servicing assets have been removed for the purpose of this exercise as they are not funded by Council's general rate revenue.

Asset Category	Annual Depreciation Charged \$	Asset Replacement in 2017/18 Year \$	Reserve Adjustment Addition / (Reduction) \$	Comment
Buildings	263,000	94,500	0	\$94,500 has been provided to upgrade façade of the Cummins Institute
Machinery	309,700	364,000	549,200	The Plant Reserve is used to manage fluctuations from year to year in the purchase of major plant items (refer to plant replacement program).
Infrastructure	1,727,200	2,160,000	0	Major infrastructure being replaced in 2017/18 consists of: - <ul style="list-style-type: none"> ○ Rubble roads \$566,000 (not including 2016/17 works carried over) ○ Re-Sealing roads \$370,000 ○ Bratten Way Projects \$752,500 ○ Flinders Highway Bridge Widening \$192,400

Note: Roads form a major component of Council's infrastructure and management of their condition is vitally important to Council's long term sustainability.

A comparison for the level of Formed and Surfaced rubble road re-sheeting is to compare the 'cash' (excluding FCA) expenditure requirement estimate per the figure provided in an independent engineers report completed in March 2011, against the 'cash' amount budgeted in 2017/18. The engineers report indicates Council should be spending \$717,000 per year on Formed and Surfaced rubble road re-sheeting. The 2017/18 budget has \$463,000 allocated, being 65% of the required amount (again noting this does not include \$470,500 of works carried over from 2016/17).

16. WHAT IT MEANS FOR RATES

This section sets out the requirements of the District Council of Lower Eyre Peninsula for setting and collecting rates from its community pursuant to Section 123(2)(d)(e) & (g) of the Local Government Act.

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16. WHAT IT MEANS FOR RATES

cont'd

16.1 STRATEGIC FOCUS

In setting its rates for the 2017/18 financial year, the Council has considered the following:

- 1 The District Council of Lower Eyre Peninsula Strategic Plan 2016/2025. The Strategic Plan has been reviewed in conjunction with an extensive community consultation program;
- 2 10 Year Long Term Financial Plan 2016-25.
- 3 The budget for the 2017/18 financial year;
- 4 Legislative requirements;
- 5 The current economic climate and relevant factors such as inflation and interest rates; and
- 6 The need to balance appropriate service delivery and minimise the rate burden on the community.
- 7 The level of Federal Government Financial Assistance Grants (FAG's) and Roads to Recovery monies to be received.

16.2 BUSINESS IMPACT STATEMENT

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

- 1 Those elements of the Council's strategic management plans relating to business development;
- 2 The equity of the distribution of the rate burden – Council has determined to apply differential general rates to reflect the provision of and access to certain Council services within specified major and minor gazetted townships and outside of gazetted townships. Apart from this, Council considers that all ratepayers receive broadly comparable services and are generally similarly impacted upon by prevailing economic conditions.

The following graphs provide valuable information in relation to Rates per residential property and rates per capita for the 2014/15 financial year.

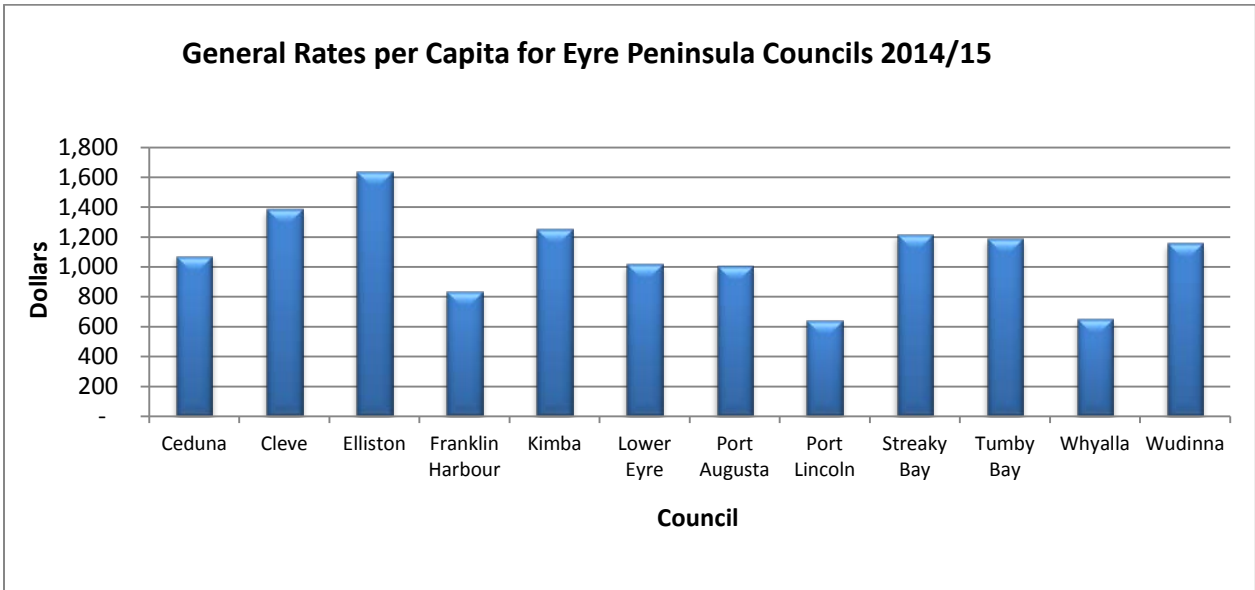
16. WHAT IT MEANS FOR RATES

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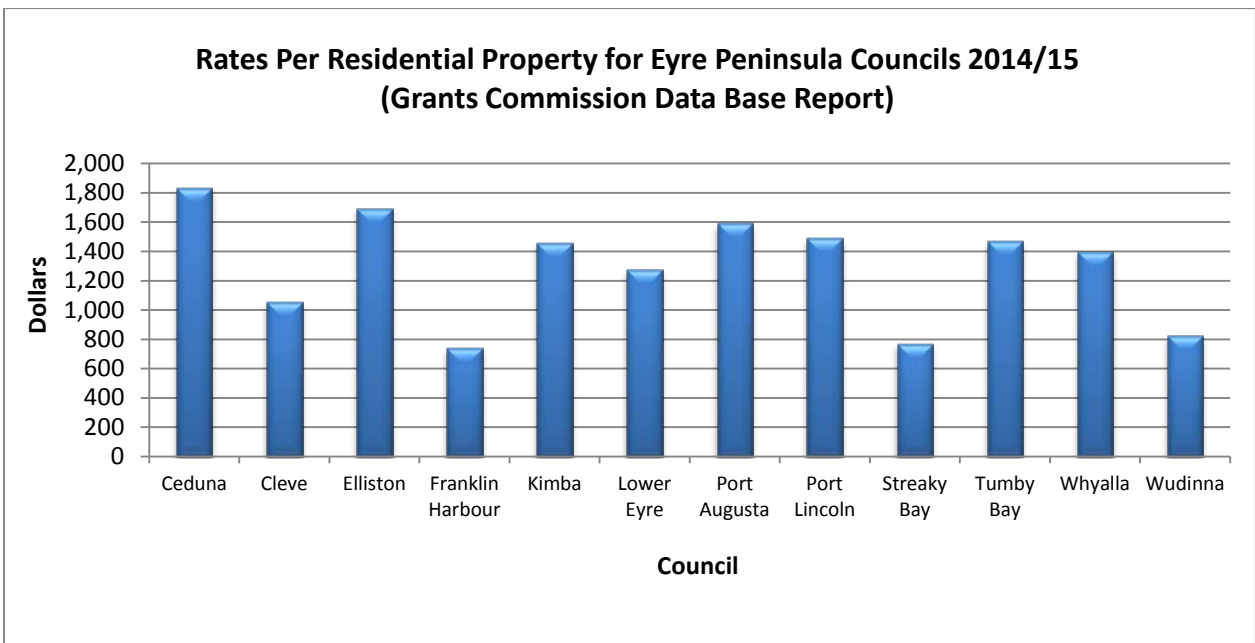
16.2 BUSINESS IMPACT STATEMENT

cont'd

Graph 1 – Rates Per Capita for Eyre Peninsula Councils



Graph 2 – Rates per Residential Property for Eyre Peninsula Councils



16. WHAT IT MEANS FOR RATES

cont'd

16.3 VALUATIONS

16.10.1 Valuation Method

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

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

Site Value – the value of the land and any improvement which permanently affects the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.

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

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

- 1 The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- 2 Property capital value is considered to be a relatively good indicator of wealth.
- 3 The distribution of property values throughout the Council area is such that few residential ratepayers will pay significantly more than the average rate per property.

16.10.2 Adoption of Valuations

The Council adopts the valuations made by the Valuer-General.

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

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

16. WHAT IT MEANS FOR RATES **cont'd**

16.3 VALUATIONS **cont'd**

16.3.2 Adoption of Valuations **cont'd**

The address and telephone number of the office of the Valuer General is:

State Valuation Office
GPO Box 1354
Adelaide SA 5001

General Enquiries	1300 653 346
Objections to Property Valuation	1300 653 345
Email Requests	lsgobjections@saugov.sa.gov.au

Council has no role in valuing land or processing objections to valuations of land. It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

If an objection, review or appeal results in the alteration of a valuation after rates are paid, and a refund is due, payment will be made as soon as possible to the ratepayer, and in the event that an additional amount is payable as a result of the objection, review or appeal, Council will not recover the additional amount from the ratepayer if the rate notice has been issued.

16.10.3 Notional Values

Under the Valuation of Land Act 1971, where a property is the principal place of residence of a ratepayer, the property may be eligible for a notional value. A notional value is the value of a property based on its actual use rather than the highest and best potential use. This can relate to primary production land or State Heritage recognition. A notional value is generally less than the capital value. Application for a notional value must be made to the Office of the Valuer General.

16.4 MAXIMUM INCREASE OF RATES

Under Section 153 of the Local Government Act, Council must determine whether it will fix a maximum increase in the general rate to be charged on any rateable land within its area that constitutes a principal place of residence of a ratepayer.

The effect of setting a maximum rate increase would ease the rate burden on properties which have had a significant increase in capital valuation (excluding as a result of development) and would increase the rate burden on remaining properties.

Council considers that the trends in property valuations provided by the Valuer General do not necessitate setting a maximum rate increase.

16. WHAT IT MEANS FOR RATES

cont'd

16.5 DIFFERENTIAL GENERAL RATES

A review of the Rating Locality Boundaries was conducted in 2007 which analysed:

- 1 The physical boundaries used to define the localities to which differential rates are applied;
- 2 The grouping of each locality into the three differential rate groups of gazetted major towns, gazetted minor towns and outside townships.

Following the review, Council altered the township boundaries of Coffin Bay and Boston, abolished Stamford Township and established the townships of Tulka, Tiatukia and Mount Dutton Bay.

A further review of the Boston Township boundary was undertaken in 2016/17 and subsequently the Endeavour Heights Stage 2 development was included within the Boston Township Boundary. This will result in approximately 114 allotments being classified as Major Township status and incurring the 13% general rates differential from the 2017/18 financial year.

The Council has decided to impose differential general rates, and has determined that:

- 1 The rate for land inside the gazetted townships of Cummins, Coffin Bay, North Shields, Louth Bay, Boston, Tiatukia and Tulka be 13% more than the differential rate for land outside gazetted townships; and
- 2 The rate for land inside the gazetted townships of Edillilie, Yeelanna, Coult, Mount Hope, Wanilla, Lake Wangary and Mount Dutton Bay be the same as the differential rate for land outside gazetted townships:

on the basis that the land outside gazetted townships and land inside gazetted townships of Edillilie, Yeelanna, Coult, Mount Hope, Wanilla, Lake Wangary and Mount Dutton Bay:

- 1 Tends to be remote from many of the services provided by Council (i.e. less access to garbage collection, Council maintained reserves, etc.);
- 2 Does not have significant footpaths or street lighting;
- 3 Is mainly serviced by unsealed roads.

16. WHAT IT MEANS FOR RATES

cont'd

16.6 FIXED CHARGE

A Council may impose a fixed charge on every property in its area, provided that it has not imposed a minimum rate. Where two or more adjoining properties have the same owner and occupier, or where there is a single farm enterprise comprising more than one property, only one fixed charge is payable by the ratepayer.

The Council will seek information from ratepayers relating to exemptions from the fixed charge every year. Applications for an exemption from the fixed charge need to be made at the Offices of Council.

The Council has decided to impose a fixed charge on all rateable properties on the basis that all rateable properties:-

- 1 Make a base level contribution to the cost of administering the Council's activities; and
- 2 Contribute to the cost of creating and maintaining the physical infrastructure that supports each property.

The EPNRM levy in 2016/17 collected approximately \$287,000 from the District Council of Lower Eyre Peninsula land owners using a levy of \$78.60 per property.

The NRM Board has increased this amount to \$337,300 in 2017/18 being an increase of 17.5% which is primarily being paid for by an increase to Primary Production properties who will see an approximate 88% increase to their NRM levy.

The Council will seek information from ratepayers relating to exemptions from the natural resources management levy every year. Applications for an exemption from the natural resources management levy need to be made at the Offices of Council.

16. WHAT IT MEANS FOR RATES

cont'd

16.7 SEPARATE RATES

The whole Council area is in the Eyre Peninsula Natural Resources Management Board area and Council is required pursuant to the Natural Resources Management Act 2004 to raise funds by way of a fixed charge levy to assist in funding the operations of the board.

The Council is required to collect this revenue and pay the amount collected to the Board. The Council is simply operating as revenue collector for the Eyre Peninsula Natural Resources Management Board in this regard. The Council does not retain this revenue or determine how the revenue is spent.

In the 2017/18 financial year the Natural Resources Management Board has altered their methodology for levying of properties. Historically each rateable property within the Council district would pay the same fixed charge regardless of the identified property use.

Commencing 2017/18 NRM levies will now be imposed and charged based on a properties land use code and therefore its identified use.

The following is a summary of the categories of property uses and expected annual charge:

Residential	\$75.08
Commercial	\$112.62
Industrial	\$112.62
Primary Producers	\$150.17
Other & Vacant Land	\$75.08

16. WHAT IT MEANS FOR RATES**cont'd****16.8 SERVICE CHARGES**

The Council provides a septic tank effluent disposal scheme to properties contained in the townships of Cummins, North Shields, Coffin Bay and Tulka. The cost of operating, maintaining and improving this service for this financial year is budgeted to be \$1,096,200.

This includes utilising funds previously accumulated and set aside for the future replacement of the assets employed in providing the service.

The Council will recover these costs through the imposition of a service charge. Where a service that is subject to a service charge is available to non-rateable land, a service charge is levied against that land.

The service charge for each property to which the service is provided is budgeted to be:

Occupied Allotment Charge - Cummins Township	\$465
Vacant Allotment Charge - Cummins Township	\$315

Occupied Allotment Charge - North Shields Township	\$465
Vacant Allotment Charge - North Shields Township	\$315

Occupied Allotment Charge - Coffin Bay Township	\$465
Vacant Allotment Charge - Coffin Bay Township	\$315
Occupied Pump Reduction Charge - Coffin Bay Township	\$315
Vacant Pump Reduction Charge - Coffin Bay Township	\$140
Extra Pump Out Charge - Coffin Bay Township	\$ 50

Occupied Allotment Charge - Tulka Settlement	\$465
Vacant Allotment Charge - Tulka Settlement	\$315
Occupied Pump Reduction Charge - Tulka Settlement	\$445
Full Occupied Pump Reduction Charge - Tulka Settlement	\$315

The Council has decided to raise the revenue to fund septic tank effluent disposal schemes by means of a service charge after considering:

- 1 The nature of the service;
- 2 The user pays system;
- 3 The cost of establishing, operating, maintaining and replacing the service; and
- 4 The likelihood of an enhancement to the value of the property due to the availability of the service, whether or not the service is actually being used.

16. WHAT IT MEANS FOR RATES

cont'd

16.9 COMMUNITY EQUITY

Council has considered the impact of rates on the community, including:

- 1 Householders, businesses and primary producers;
- 2 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; and
- 3 Minimising the level of general rates required by levying fees and charges for goods and services on a user pays basis, where it is possible to recover some or all of the cost of operating or providing the service or goods, with provision for concessions to those members of the community unable to meet the full cost.

Fees and charges levied by Council are set giving consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available on the Council website or can be provided by staff at the two offices of Council.

16. WHAT IT MEANS FOR RATES**cont'd****16.10 REBATE OF RATES**

The Local Government Act 1999, as amended, requires Councils to rebate the rates payable on some land and allows Council to determine the level of rebates on certain other land.

Council may determine to provide a discretionary rebate of rates for a variety of reasons, including providing relief due to anomalies in valuations or rapid changes in valuations.

The effect of providing a rebate of rates eases the rate burden on the rebated properties and increases the rate burden on the non-rebated properties.

Council considers that the trends in property valuations provided by the Valuer General do not necessitate a rebate of rates based on anomalies in valuations or rapid changes in valuations.

16.10.1 Discretionary Rebates

- 1 The Council has adopted the following guidelines for the rebate of general and separate rates for land used by organisations which in the opinion of Council, provide a benefit or service to the local community, in line with section 166(1)(j) of the Act.
- (a) The Council has granted a rebate of 100% of general and separate rates levied for the following service clubs, community and/or sporting organisations which operate on property rated in their own name, under the provisions of part 1 above:-

NAME OF ORGANISATION	ASSESSMENT NUMBER
Kapinnie Hall Committee	213
Yeelanna Memorial Association	240
Yeelanna Memorial Association	249
Yeelanna Memorial Association	276
Karkoo Hall Committee	331
Mount Hope Soldiers Memorial Hall	353
Wanilla Progress Association	491
Coffin Bay Progress Association	616
Catholic Diocese of Port Pirie	743
Catholic Diocese of Port Pirie	745
Coffin Bay Yacht Club	940
Coffin Bay Yacht Club	1156
Masonic Lodge Sirius No. 133	1172
Cummins Memorial Rec Centre	1220

16. WHAT IT MEANS FOR RATES **cont'd**

16.10 REBATE OF RATES **cont'd**

16.10.1 Discretionary Rebates **cont'd**

Cummins Memorial Rec Centre	1221
Cummins Memorial Rec Centre	1222
Cummins Memorial Rec Centre	1223
Cummins Memorial Rec Centre	1224
Cummins Community Opportunity Shop Inc.	1227
Cummins-Yeelanna R.S.L. Sub Branch	1530
Marble Range Community Sports Centre Inc.	1542
Coulta Memorial Hall Association	1791
Scout Association of Australia - S.A. Branch	2155
Port Lincoln Golf Club	2354
Cummins Memorial Rec Centre	2397
PE Jarrett, FJ Nelligan & RT Strudwick - (Edillilie Recreation Centre)	2508
Edillilie Memorial Progress Association	2540
White Flat Community Hall	2630
Port Lincoln Gun Club	2693
Port Lincoln Go Kart Club Inc.	2759
Port Lincoln Sporting Car Club Inc.	2760
Port Lincoln Pony Club Inc.	2763
Trustees North Shields Hall	2855
Port Lincoln Motor Cycle Club	2948
Lions Club of Port Lincoln	3026

- (b) The Council has granted a rebate of 100% of general and separate rates levied on the following land for community service groups which operate on property rated in the name of the District Council of Lower Eyre Peninsula or the Crown, under the provisions of part 1 above:-

NAME OF ORGANISATION	ASSESSMENT NUMBER
Big Swamp Community Centre Incorporated	453
Wanilla Progress Association	503
Wanilla Progress Association	591
Coffin Bay Progress Association	1269
Cummins Memorial Recreation Centre	1736
Australian Boy Scouts Association	2043
Ravendale Park Pony Club	2117
Cummins & District Enterprise Committee	2149
Louth Bay Community Club Inc.	2535
Louth Bay Community Club Inc.	2674
Louth Bay Community Club Inc.	2678
North Shields Sports Association	2925
North Shields Sports Association	2926
Coffin Bay Sporting Association	3181

16. WHAT IT MEANS FOR RATES **cont'd**

16.10 REBATE OF RATES **cont'd**

16.10.1 Discretionary Rebates **cont'd**

- (c) The Council has granted a rebate of 100% of general and separate rates levied on the following land leased and operated by community service groups, under the provisions of part 1 above:-

OWNER	LESSEE	ASSESS NUMBER
City of Port Lincoln	Rotary Club of Port Lincoln	2980

- 2 The Council has adopted the following guidelines for the rebate of general and separate rates for land used for agricultural, horticultural or floricultural exhibitions in line with Section 166(1)(e) of the Act:

- (a) The Council has granted a rebate of 100% of general and separate rates levied for the following organisation, under the provisions of part 2 above:-

NAME OF ORGANISATION	ASSESSMENT NUMBER
Cummins A. & H. Society	3041

The Council has given the above discretionary rebates to assist organisations who have limited income raising options and are considered by Council to provide a benefit to the local community.

Further information relating to rebates is available from the Cummins Council office.

16. WHAT IT MEANS FOR RATES

cont'd

16.11 PAYMENT OF RATES

The Council proposes that the payment of rates will be either:

- 1 In one instalment for the 2017/18 year falling due on 7 September 2017; or
- 2 In four equal (or approximately equal) instalments for the 2017/18 year falling due on the following days: 7 September 2017, 7 December 2017, 7 March 2018 and 7 June 2018.

Rates may be paid:

- 1 In person at: Cummins Office
32 Railway Terrace
Cummins SA 5631
Port Lincoln Office
38 Washington Street
Port Lincoln SA 5606; or
- 2 Posted to the District Council of Lower Eyre Peninsula, PO Box 41 Cummins SA 5631; or
- 3 By telephone or internet banking using the BPay facility or E-Services.
- 4 Over the counter using Australia Post.

The Council is offering a discount of 2% for the payment of rates, in full, by 7 September 2017. The Council is prepared to allow three working days after the due date for rate payments as a grace period. Discount will be allowed by Council if the payment is received within the three working day grace period. Discount will not apply after the expiration of the grace period.

Ratepayers who take advantage of the discount offered by Council need to be aware that it is their responsibility to ensure that Council receives the payment for the full amount of rates on or before the due date for rate payments. Council will not grant discount on rates not received on or before the due date for rate payments (having regard to allowances provided for grace periods) unless it is the Council's payment facilities that are at fault.

Ratepayers who use the BPay or Australia Post facility need to be aware that it is their responsibility to ensure that Council receives the payment for rates on or before the due date for rate payment and that the Council will not waive fines for rates not received on or before the due date for rate payments (having regard to allowances provided for grace periods) unless it is the Council's facilities that are at fault.

16. WHAT IT MEANS FOR RATES

cont'd

16.11 PAYMENT OF RATES

cont'd

Any ratepayer who may, or is likely to experience difficulty with meeting the standard payment arrangement is invited to contact Council staff to discuss and make alternative arrangements. Council encourages discussion with Staff relating to any payment difficulties and such enquiries are treated confidentially by the Council.

Credits on rate assessments in excess of \$50.00 will be refunded and credits on rate assessments of less than \$50.00 will be attributed to any future rates liability.

16.12 LATE PAYMENT OF RATES

The Local Government Act 1999, as amended, provides that Councils impose a penalty of 2% on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the Act, for each month it continues to be late. The purpose of the penalty is to act as a genuine deterrent to ratepayers who might otherwise fail to pay their rates on time, to allow Councils to cover the administrative cost of following up unpaid rates and to cover any interest cost the Council may meet because it has not received the rates on time.

The Council is prepared to allow three working days after the due date for rate payments as a grace period. Late payment penalties will not be applied by Council if the payment is received within the three working day grace period. Late penalties will be applied to rates as soon as possible after the expiration of the grace period and will apply from the due date for payment.

Where rates remain unpaid, interest will be added (following three working days grace period) at the prescribed interest rate as soon as possible after each full month.

Overdue notices will only be issued to any ratepayer in arrears in excess of \$10.00. Amounts less than \$10.00 will remain as a debt against the assessment and will attract interest until paid.

16. WHAT IT MEANS FOR RATES**cont'd****16.13 COUNCIL'S REVENUE RAISING POWERS**

All land within a Council area, except for land specifically exempt (e.g. crown land, Council occupied land and other land prescribed in Section 147 of the Local Government Act 1999), 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 through differential general rates, which apply to classes of properties. In addition, Council can raise separate rates, for specific areas of the Council or service charges for specific services.

16.14 CONCESSIONS

In previous years the State Government funded a range of concessions on Council rates. The State Government ceased providing direct funded concessions on Council rates for eligible pensioners and self-funded retirees in 2015/2016 and introduced an alternative Cost of Living concession by way of direct payment to the rate payers.

The eligibility for the new Cost of Living Concession (CLC) has been expanded to include pensioners and low-income earners who are tenants, resulting in an additional 45,000 people receiving an extra \$100 per year across South Australia in 2017/18.

The following table details the changes to the payments introduced at 1 July 2015;

	Direct Council rate concession (\$ p/a)	New cost of living concession (\$ p/a)	Change (\$ p/a)
Pensioners and low-income earners who own their own home	\$190	\$200	+\$10
Pensioners and low-income earners who are tenants	\$0 (ineligible)	\$100	+\$100
Self-funded retirees who hold a Commonwealth Seniors Health Card who own their own home	\$100	\$100	No change
Self-funded retirees who hold a Commonwealth Seniors Health Card who are tenants	\$0 (ineligible)	\$100	+\$100

The CLC is payable per household, not per individual.

16. WHAT IT MEANS FOR RATES

cont'd

16.14 CONCESSIONS

cont'd

Council have historically provided a concession to eligible property owners on their Community Wastewater Management System (CWMS) charges however, in the 2017/18 financial year the Department for Communities and Social Inclusion (DCSI) are going to be directly providing this CWMS concession to eligible households.

The Department for Communities and Social Inclusion have advised Council that they will be writing to all affected CWMS households informing them of the changes and explaining how the concession will be administered commencing 1 July 2017.

Further information on the CWMS concession changes can be found on DCSI's website www.dcsi.sa.gov.au.

16.15 REMISSION OF RATES

Section 182 of the Local Government Act 1999, as amended, permits a Council, upon application by the ratepayer, to partially or wholly remit rates, on the basis of hardship. All ratepayers are invited to make written application setting out their relevant particulars.

16.16 POSTPONEMENT OF RATES

Section 182 of the Local Government Act 1999, as amended, permits a Council, upon application by the ratepayer, to partially or wholly postpone rates, on the basis of hardship, to support businesses or to alleviate valuation anomalies.

Section 182A of the Local Government Act 1999, as amended, stipulates a Council, upon application by the prescribed ratepayer (a person who holds a *State Seniors Card* issued by the State Government), must postpone rates of any amount in excess of \$500.00 subject to the applicant meeting eligibility criteria.

Council considers that the postponement of rates is a fair and reasonable method of providing rate relief to identified groups of ratepayers, whilst providing equity across the rate-paying community.

All applications for postponement of rates must be made in writing and applications must meet all of the criteria contained in the Local Government Act.

No discount will be applied to any portion of the rates payable by a ratepayer in the event that an agreement is reached for the postponement of rates on a property.

16. WHAT IT MEANS FOR RATES**cont'd****16.17 DEBT COLLECTION PROCEDURES**

Overdue notices are posted to ratepayers who have incurred fines and interest on unpaid rates.

Debt collection is commenced if the debt is 90 days in arrears and where the amount of the debt is in excess of \$100.00.

The following summarised list of procedures is followed in an attempt to collect outstanding rates.

Action Taken	Result
Seven Day Letter	Rates Paid / Payment Arrangement Established
Intention to Summons Letter	Rates Paid / Payment Arrangement Established
Referral to Collection Agency	Debt Recovered by Agency on Behalf of Council

Accounts with payment arrangements or which have been referred to Council's collection agency are monitored regularly.

The following is a detailed list of the procedures (as listed above) carried out by Council in an attempt to collect outstanding rates:

After the due date for any instalment of rates, a letter is issued to warn the ratepayer that legal action may be initiated if the Council is not contacted within seven days. If an arrangement is not made, an attempt to telephone all ratepayers with outstanding rates is made to discuss payment arrangements or particular circumstances which may affect the finalising of the rate account.

If contact is made by the ratepayer, an arrangement for the payment of rates is made. A letter to confirm this arrangement is forwarded to the ratepayer. Regular monitoring of these accounts is carried out to ensure that arrangements are being adhered to. Should a payment arrangement not be adhered to, a telephone call is made or a letter is forwarded to warn the ratepayer of possible legal action and as a reminder of the agreement. A revised arrangement can be made to suit the ratepayer's circumstances.

16. WHAT IT MEANS FOR RATES

cont'd

16.17 DEBT COLLECTION PROCEDURES

cont'd

If no contact is made by the ratepayer, a letter warning that the Council intends to summons the ratepayer is forwarded. This letter advises that legal action will be taken if no contact is made within seven days. An arrangement can be made if contact is made by the ratepayer.

If no contact is made by the ratepayer to the Council, a copy of the *Intention to Summons* letter is forwarded to Council's debt collection agency to engage their assistance in recovering the debt of unpaid rates.

Regular contact is made between the collection agency and the Council regarding the overdue account, including the addition of legal fees and any changes or payments made on the account.

16.18 SALE OF LAND FOR NON-PAYMENT OF RATES

The Local Government Act 1999, as amended provides that a Council may sell any property where the rates have been in arrears for three years or more. The Council is required to provide the principal ratepayer and the owner (if not the same person) with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

Should any rates be in arrears for three rating years or more, Council staff will advise Council that they have commenced proceedings to sell the property for non-payment of rates, in accordance with the Act. The Council will make the final decision regarding the sale of property should the proceedings lead to the actual auction of the land for the non-payment of rates.

16.19 PROVISION FOR SUPPLY OF COPIES OF DOCUMENTS

Fees and charges apply for certified copies of any entry in the assessment record. The list of applicable fees and charges is available at the Offices of Council.

16. WHAT IT MEANS FOR RATES

cont'd

16.20 LOCAL GOVERNMENT INQUIRIES

The Local Government Act 1999, as amended provides that a person who has a defined interest in land within the Council area may request in writing, a certificate stating the amount of any liability for rates or charges and any amount received on account of rates or charges on the land. This information is produced by staff upon receipt of the relevant fee or when arrangements have been made for its payment.

Most commonly, land agents, conveyancers and solicitors request this type of information when the sale of land is imminent. The request for the Inquiry may be faxed to the Council Office and an invoice for the fee for the supply of the information can be issued upon request.

Updates to these Local Government Inquiries are granted within two months of the date of the original Inquiry, free of charge, provided that the request to provide such an update is made in writing and the updated request relates to the same financial year. The request for the update to the Inquiry may be faxed to the Council Office.

No updates relating to the liability for rates or charges and amounts received on account of rates or charges will be granted to any person who has not requested this information in writing.

Only ratepayers are able to access updates or information relating to their own liability for rates or charges and amounts received on account of rates or charges over the telephone; all other requests for such information will be supplied in writing, following the relevant request.

Any requests to update a Local Government Inquiry made two months after the date of the original Inquiry or which relates to the following financial year, is treated as a new Inquiry, with the associated fee requested.

Land agents, conveyancers and solicitors are requested by Council to pay the total Council rates outstanding for the relevant financial year or years as soon as practicable after settlement following the sale or transfer of land to another party.

16.21 PREDICTED RATE INCREASE

The total general rate revenue is budgeted to amount to \$5.83 million for the 2017/18 year. Council proposes that the average increase in general rates in the 2017/18 financial year will be 3% excluding rates from new development.

Rate payers should however, be aware that changes in individual property valuations can vary from the average property valuation movements and this will result in a variation from the 3% average rate increase.

Development on a property will also result in an increase in capital valuation and a subsequent amendment to rates payable.