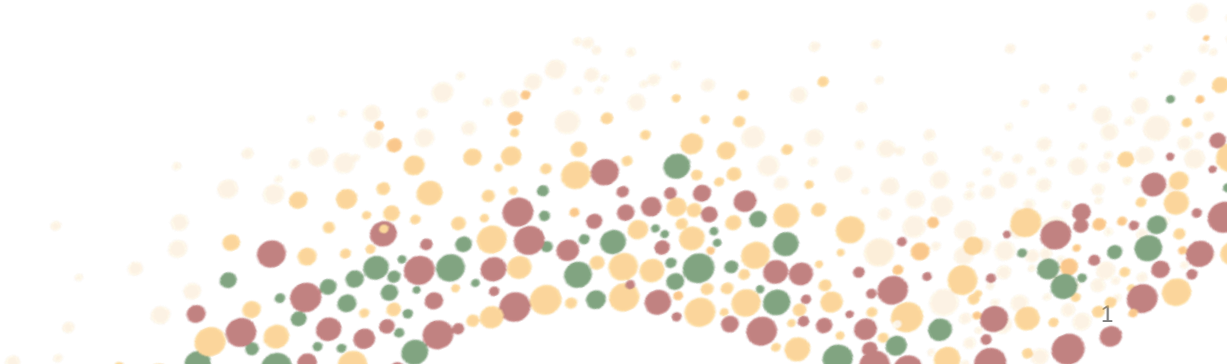




Wudinna District Council

# 2023-24

## ANNUAL BUSINESS PLAN & BUDGET



# Contents

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Contents.....	2
Community Consultation .....	3
Introduction .....	4
District Profile and Demographics .....	5
The Strategic Management Plan .....	5
The Corporate Plan .....	6
Summary of Services Provided to the Community .....	7
Influences and Assumptions for 2022-23 .....	8
Capital Projects 2022-23 .....	9
Financial Sustainability/Performance Measures.....	10
Funding the Annual Business Plan .....	12
Rating Policy 2022-23.....	14
Appendix 1 .....	22
Appendix 2 – Statutory Statements.....	23
Uniform Presentation of Finances .....	23
Key Financial Indicators .....	27
Statement of Comprehensive Income .....	23
Statement of Financial Position .....	24
Statement of Cash Flows .....	26
Statement of Equity .....	25
Appendix 3 – Statement on Expected Rate Revenue.....	29

# Community Consultation

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In accordance with Section 123 of the Local Government Act 1999, Council released its Draft 2023-24 Annual Business Plan for a period of Community Consultation from **26 June to 17 July 2023**.

This document was advertised within local media and on Council's website and Facebook page. This document was also available for download from Council's website at [www.wudinna.sa.gov.au](http://www.wudinna.sa.gov.au).

Hard copies of this document are also available on request from Council's administration office, 11 Burton Terrace, Wudinna.

## Submissions

Written submissions regarding this draft plan were welcome until **5pm, 17 July 2022**. *No written submissions were received.*

Questions and submissions were welcome to be made in person between **11am and 12pm on 18 July 2022** where one hour was set aside for public submissions in relation to the draft plan and budget. *No questions or submissions were made.*

# Introduction

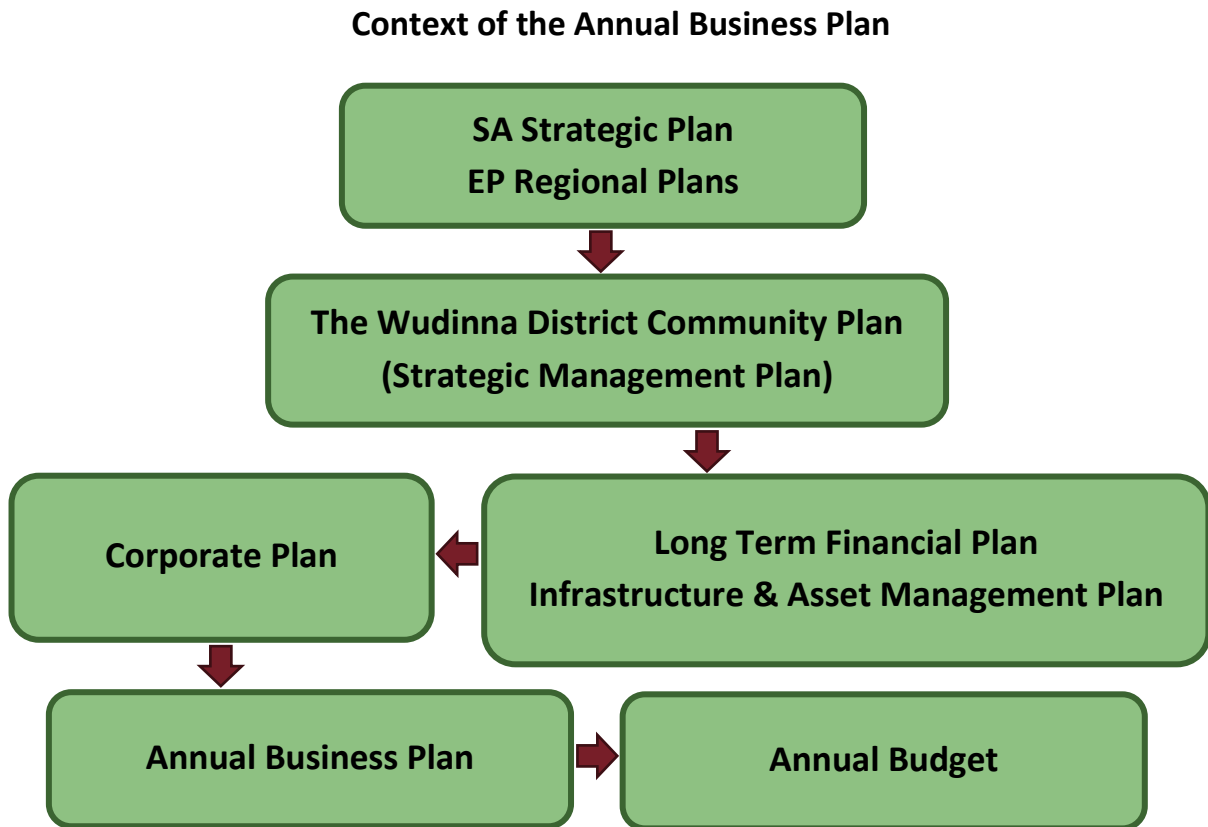
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The Annual Business Plan is intended as a public statement of the Council’s proposed program for the year and the factors shaping it, as required by the Local Government Act. It sets out the Council’s proposed services, programs and projects for 2023-24 and is used as a basis for the preparation of the financial year budget.

Council aims to maintain efficient services for the community and continue to progress towards the longer-term objectives of the “Wudinna District Community Plan” and the “Wudinna District Council Corporate Plan”.

Required content as set out in Section 123(2) of the Local Government Act and Regulations include the following elements:

- A summary of the Council’s longer-term objectives, as set out in the strategic management plans;
- Significant influences for the year including financial factors, asset renewal needs and progress on continuing projects;
- The Council’s specific objectives for the next year against which performance is to be measured;
- The activities (services and projects) that Council intends to undertake to achieve these objectives;
- A summary of the proposed sources of revenue for the year; and
- The approach taken to rating for the year and its implications for ratepayers.



# District Profile and Demographics

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Wudinna District Council is located on central Eyre Peninsula, South Australia. It encompasses the townships of Warrambo, Kyancutta, Wudinna, Yaninee and Minnipa. The district's main service centre is Wudinna. Wudinna is located on the Eyre Highway, 693 kilometres east of the South Australian/Western Australian border and 580 kilometres west of Adelaide. The total area of the district covers 5,394 square kilometres.

The total population of the district from the 2021 census was 1,136.

## The Strategic Management Plan

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The Wudinna District Council Community Plan provides the context for delivering outcomes to the community over the coming years.

### VISION

“A viable, motivated, rural community which offers an economically diverse, environmentally sustainable and rewarding lifestyle.”

### Our Community Goals

- To create a cohesive thriving community with a strong sense of identity in the Wudinna district.
- To provide appropriate services and facilities to sustain the health, safety, and wellbeing of the community.
- To foster and support a range of activities and facilities to enhance the recreational and cultural pursuits of the community.
- To facilitate the provision of resources to meet the educational needs of the community.
- To actively promote an environment that fosters and supports business and commercial opportunities and activities in the area.
- To ensure a built environment that provides for the diverse needs of the wider community.
- To provide appropriate infrastructure to meet the needs of the community and foster economic activity.
- To sustainably manage and utilise the natural environment.
- To recognise, preserve and promote the history and heritage of the area.
- To efficiently and effectively utilise all available resources to meet community requirements.
- To provide a customer-focused administration.

It is this vision of a sustainable community that forms the basis of the Council's Corporate Plan (Wudinna District Council Corporate Plan).

# The Corporate Plan

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The Corporate Plan and the Corporate Action Plan are living documents that recognises the changing needs of the Wudinna District. It is based on nine key community functions that provide a framework within which corporate directions and more detailed objectives can be expressed.

## MISSION

*As an elected level of government, the Wudinna District Council will provide leadership, representation, and advocacy for its community.*

*It will be accessible and work with the community to identify and provide for its needs efficiently and meet its aspiration.*

*The Council will operate with integrity and be open and accountable to the community in all its activities.*

## Key Result Areas, Goals and KPI's

Key Result Area (Strategic Focus)	Goal
<b>Governance and Administration</b>	<i>A consultative Council providing proactive leadership, good governance and quality, cost effective services.</i>
<b>Public Order and Safety</b>	<i>Public order and the safety of residents, visitors and property.</i>
<b>Health</b>	<i>Services and facilities are provided to sustain the health and wellbeing of the community.</i>
<b>Social Security and Welfare</b>	<i>Quality of life for aged, disabled and disadvantaged sectors of our community.</i>
<b>Housing and Community Amenities</b>	<i>A built environment that provides for the diverse needs of the community.</i>
<b>Recreation and Culture</b>	<i>A range of activities and facilities which enhance the recreational and cultural pursuits of the community, and to recognise, preserve and promote the history and heritage of the area.</i>
<b>Natural Resource Management</b>	<i>A natural environment that is utilised and sustainably managed.</i>
<b>Transport and Communication</b>	<i>Infrastructure that meets the needs of the community and which fosters economic activity.</i>
<b>Economic Affairs</b>	<i>An environment that fosters and supports business and commercial opportunities and activities.</i>

Specific Actions, Steps and Key Performance Indicators (KPIs) are detailed in Council's Corporate Action Plan 2018-2022 which can be viewed here: <http://www.wudinna.sa.gov.au/page.aspx?u=145>.

# Summary of Services Provided to the Community

Strategic Focus	Services Provided
<b>Governance and Administration</b>	<ul style="list-style-type: none"> <li>• District Management</li> <li>• District Services Management</li> <li>• Strategic and Corporate Management</li> <li>• Communications</li> <li>• Finance</li> <li>• Governance and Administration</li> <li>• Information Technology</li> <li>• Infrastructure Management</li> </ul>
<b>Public Order and Safety</b>	<ul style="list-style-type: none"> <li>• Animal Management</li> <li>• Fire Protection</li> <li>• Nuisance &amp; Litter Control</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>• Public and Environmental Health</li> </ul>
<b>Social Security and Welfare</b>	<ul style="list-style-type: none"> <li>• Aged Homes</li> <li>• Home &amp; Community Care</li> <li>• Community Bus Service</li> <li>• Aged/Community Service Support Programs</li> <li>• Youth</li> </ul>
<b>Housing and Community Amenities</b>	<ul style="list-style-type: none"> <li>• Council Housing</li> <li>• Town Planning</li> <li>• Sanitation and Garbage</li> <li>• Community Wastewater Management System</li> <li>• Stormwater</li> <li>• Public Conveniences</li> <li>• Cemeteries</li> <li>• Street Lighting</li> </ul>
<b>Recreation and Culture</b>	<ul style="list-style-type: none"> <li>• Libraries</li> <li>• Cultural Art Events</li> <li>• Gawler Ranges Cultural Centre (Wudinna Hall)</li> <li>• Sport and Recreation Support Programs</li> <li>• Parks and Gardens</li> </ul>
<b>Natural Resource Management</b>	<ul style="list-style-type: none"> <li>• Levy Collection for the Eyre Peninsula Landscape Board (Landscape SA Act 2019)</li> </ul>
<b>Mining, Manufacturing &amp; Construction</b>	<ul style="list-style-type: none"> <li>• Development Control</li> <li>• Planning &amp; Building Approvals</li> </ul>
<b>Transport and Communication</b>	<ul style="list-style-type: none"> <li>• Road Construction, Maintenance and Traffic Control</li> <li>• Footpaths</li> <li>• Aerodromes</li> </ul>
<b>Economic Affairs</b>	<ul style="list-style-type: none"> <li>• Tourism</li> <li>• Business/Community Development</li> <li>• Economic Development</li> </ul>

# Influences and Assumptions for 2023-24

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Council has developed an integrated long-term financial model to examine the potential impact of its decisions over the long term and to determine what can be afforded in terms of the level of rates, debt, and services.

The model provides a high-level budget framework to provide targets when preparing the budget detail. To assist with financial sustainability over the long term, Council will use the financial indicators adopted by the Local Government Association arising from the independent review of Local Government financial sustainability.

The main principles and assumptions that have been used in its approach to developing the annual budget are as follows:

- Current Enterprise Bargaining Agreements under the SA Fair Work Act. These Agreements maintain a minimum 19% above award arrangement for all works employees (Local Government Employees Award) and 23% above award for administration under the SA Municipal Salaries Award and with increased margins for Functional Managers. The agreement provides for annual wage adjustments annually to be increased in line with award changes from the National Wage Increase via the Fair Work Commission.
- The CPI (Consumer Price Index – All Groups Index for Adelaide) which is a measure of the change in the price of a basket of goods and services purchased by households, increased by **7.9%** for the 12 months ending 31 March 2023 - Adelaide Consumer Price Index.
- The LGPI (Local Government Price Index) which provides Councils with a useful reference regarding the inflationary effect of price changes of goods and services consumed by Local Government. Since its introduction on average the LGPI has been higher than the CPI. This year the LGPI was **6.4%** (for the 12 months ending 31 March 2023).
- The continued year on year increases in the State Government’s Solid Waste Levy.
- Maintenance and improvement of infrastructure assets to acceptable standards including roads, footpaths, lighting, street trees and Council properties.
- Infrastructure backlog (including roads, footpaths, open space and buildings) identified and being addressed.
- Local Government financial sustainability and measures.
- State/Commonwealth grant funding for services deemed to continue.
- Additional mandated requirements through the Local Government Reform (*Statutes Amendment (Local Government Review) Act 2021*) now requires councils to fund a Strategic Management Plan Advice Scheme (via the Essential Services Commission South Australia) to ensure that decisions councils make on rate income is appropriate within the context of its long-term plans and that they seek value for money through efficiencies rather than continually increasing rates to cover increased costs.
- Keeping up with the implications of cost shifting from State Government.



# Capital Projects 2023-24

## Renewal / Replacement of Assets

Project	Budget (\$,000)	Comment
<b><u>Road Construction</u></b>		
Allen Rd	207	
Smith Rd	226	
Kimba Rd	111	
Days Rd	175	
Yardea Rd	80	<i>Completion of 2022-23 works</i>
Phillips Rd	113	
Kimba Rd	37	
McKenzie Rd	55	
Road Resealing	267	
<b><u>Other</u></b>		
Plant & Machinery Replacements	982	<i>As per Council's replacement program (existing vehicles will be traded which will reduce the net cost)</i>
21 Ballantyne St	75	<i>Refurbishment to modernise</i>
7 Haines St	50	<i>Refurbishment to modernise</i>
Polda Shared Pathway	60	<i>Refurbishment of Shared Pathway (LGICIP)</i>
Highway Banner Signage	75	<i>Installation of Banner Signage on Eyre Highway</i>
Wudinna Aerodrome Reseal	386	<i>Reseal of Wudinna Aerodrome (partially covered by grant funding)</i>
<b>Total Renewal / Replacement</b>	<b>\$2,899k</b>	

## New / Upgraded Assets

Project	Budget (\$,000)	Comment
Footpath – Adams Tce	15	
<b>Total New / Upgrade</b>	<b>\$15k</b>	

**TOTAL CAPITAL PROJECTS                      \$2,914k**

# Financial Sustainability/Performance Measures

## Key Financial Indicators

Local Government in South Australia has adopted a set of Key Financial Indicators which provides an indicator of financial health (and hence Sustainability) and can also demonstrate the improving (or declining) trend in Council's Financial Position over time.

### Operating Surplus Ratio

The operating surplus ratio expresses the operating surplus or (deficit) as a percentage of total operating revenue. A result greater than 0% would indicate that Council is covering its operating expenditure and depreciation charge from its operating revenue.

Council's Treasury Management Policy states that we aim for a 0 - 15% Operating Surplus Ratio over any five-year period.

For the 2023-24 financial year the Operating Surplus Ratio is calculated at **(10%)**. This is from a deficit of **\$598k** meaning that our projected operating expenses will exceed projected operating income.

2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Forecast	2023-24 Budget
1.1%	(23.2%)	(7%)	(9%)	(10%)

This 10% deficit makes the average Operating Surplus Ratio for the five-year period including this 2023-24 budget, **(9.6%)**. This is outside of the range that Council aims for as per its Treasury Management Policy.

### Asset Sustainability Ratio

The Asset Sustainability Ratio shows whether Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out.

It is calculated by measuring capital expenditure on renewal/replacement of assets relative to its Asset Management Plan.

A result in the range of 90% to 110% indicates that Council is replacing its assets in a timely manner. The forecast Asset Sustainability Ratio for 2023-24 is **94%**.

### Net Financial Liabilities Ratio

Net financial liabilities is a comprehensive measure of the indebtedness of the Council as it includes liabilities such as employee leave entitlements and other amounts payable as well as considering the level of available cash and investments.

Specifically, net financial liabilities equal total liabilities less financial assets (cash, cash equivalents, trade, and other receivables, but excludes equity held in Council businesses, inventories and land held for sale).

See below the calculation for the forecast 2023-24 Net Financial Liabilities.

Calculation of Net Financial Liabilities	2023-24 Budget \$,000
Total Liabilities	1,347
Less: Current Cash & Cash Equivalents	2,801
Less: Current Trade & Other Receivables	153
Less: Current Other Financial Assets	1,000
Less: Non-Current Financial Assets	0
<b>Equals: Net financial Liabilities</b>	<b>(2,851)</b>
Operating Income	5,895
<b>Net Financial Liabilities / (Assets) Ratio</b>	<b>(48%)</b>

A negative Net Financial Liabilities Ratio indicates that Council's cash and investments exceed its borrowings.

Council is in a financial position to be able to draw on its cash and investments to fund any future capital projects.

Council's aging infrastructure needs major spend to renew to provide appropriate levels of service to its ratepayers.

Due to Council's limited rate base and little to no growth, it is difficult to raise rates to cover additional projects and expenditure, so we are relying on these reserves more and more.

### **Overall Assessment of Council Financial Sustainability**

The above ratios indicate that the proposed Annual Business Plan and the associated Budget that underpins it, is financially sustainable over the next 12 months, in accordance with the Long-Term Financial Plan.

### **Non-Financial Performance Measures 2023-24**

In addition to the legislative financial performance measures, Council is required to develop non-financial performance measures. The following are performance measures that will be used to assess Councils' 2023-24 achievements as outlined in this plan.

- Completion of operating and capital projects within established time frames.
- Key services continued to be delivered to the community at the same or improved level.
- Legislation compliance associated with key measures including adoption of Annual Business Plan and Budget, Budget Reviews and updates, preparation and adoption of Annual Financial Statements, adoption of Annual Report and preparation of Council meeting Agendas and Minutes.
- Revise, update and adopt Strategic Management Plans by June 2024, including the Long-Term Financial Plan, Infrastructure and Asset Management Plan and Corporate Plan.

# Funding the Annual Business Plan

An operating deficit of **\$598k** is forecast for 2023-24.

Depreciation costs are estimated to be **\$2,371k** (37% of operational expenditure) for 2023-24. Significant work has already been undertaken to ensure that asset valuations are accurate and useful lives accurately reflect circumstance. Work continues to ensure that depreciation levels are accurate.

## Grant Funding

### General Purpose & Local Roads Financial Assistance Grants

Received from Federal Government, Council has complete discretion on how this money is expended.

These funds are usually paid to Council in four quarterly instalments, and in recent years, part of the allocation (50%) has been prepaid in the preceding financial year. This distorts financial statements as we must recognise the income within the year that it is received, not the year it was intended for.

### Roads to Recovery Grants

Received from Federal Government, funds received are to be spent on road projects, but Council has complete discretion on whether the spending is on maintenance, renewal or upgrading of roads. This funding must be matched with Councils own source funds.

### Supplementary Local Road Funding

Additional funding from the Federal Government which is based on a formula to calculate the distribution amongst all local governments in South Australia.

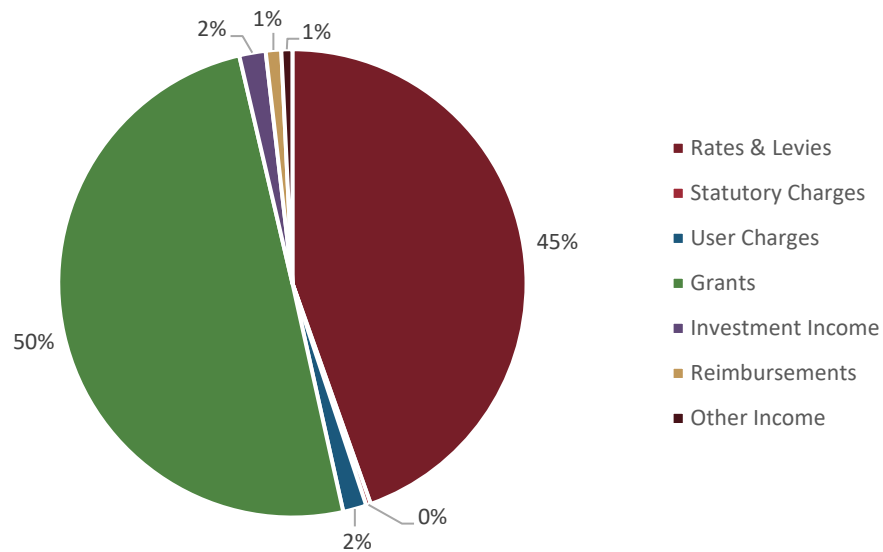
Grant Funding – Operating	Amount \$,000
General Purpose Financial Assistance Grant	1,296
Local Roads Grant	453
Local Roads and Community Infrastructure Grant	484
Roads to Recovery	403
Supplementary Local Road Funding	198
Other (Libraries, etc.)	4
<b>Total Operating Grants</b>	<b>\$2,838k</b>

## Rate Revenue Components

Rates & Levies	Amount \$,000
General Rates	2,324
CWMS Levy	125
Waste Levy	119
EPNRM Levy	80
Rebated Rates	-26
Aged Homes Separate Rate	3
Rate Fines & Interest	7
<b>Total Anticipated General &amp; Other Rates</b>	<b>\$2,632k</b>

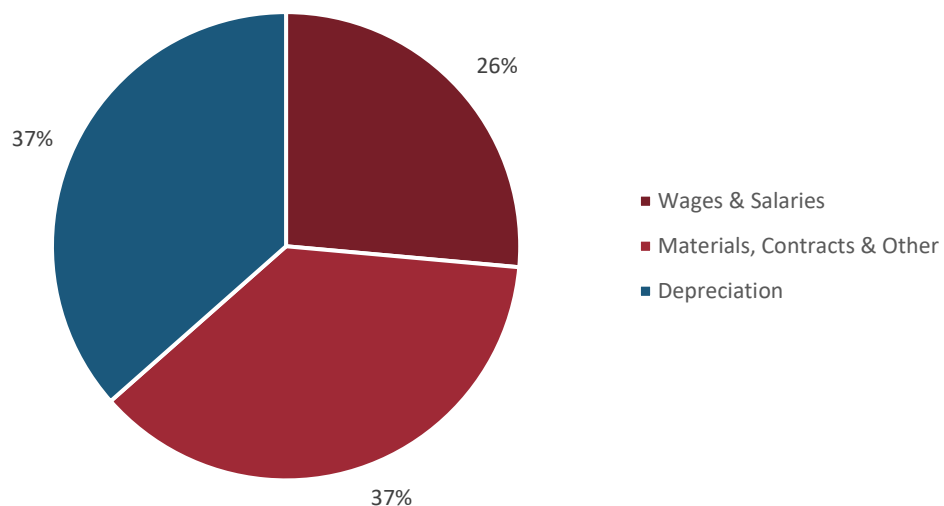
## Operating Income

Revenue Type	Proposed Budget \$,000	% of Total
Rates & Levies	2,601	44%
Statutory Charges	19	0%
User Charges	95	2%
Grants & Subsidies	2,937	50%
Investment Income	70	1%
Reimbursements	63	1%
Other Income	45	1%
<b>Total</b>	<b>\$5,831</b>	<b>100%</b>



## Operating Expenditure

Expenditure Type	Proposed Budget \$,000	% of Total
Wages & Salaries	1,735	26%
Materials, Contracts & Other	2,490	38%
Depreciation	2,371	36%
<b>Total</b>	<b>\$6,596k</b>	<b>100%</b>



# Rating Policy 2023-24

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## Strategic Focus

In setting its rates for the 2023-24 financial year the Council has considered the following:

- Its current strategic plans, the Community Plan and Corporate Plan. The Strategic Plan was developed following an extensive community consultation program;
- The current economic climate and relevant factors such as inflation and interest rates;
- The specific issues faced by our community, which are:
  - An appropriate level of support to assist Councillors to undertake their responsibilities as community representatives.
  - Facilitate the development and maintenance of buildings and other Council structures in a manner that adds to the aesthetics of the area.
  - The provision and maintenance of parks, gardens and street scaping.
  - Maintaining a construction/maintenance program for sealed and unsealed roads.
  - Ongoing development of a program for re-use of water resources i.e. stormwater.
  - Effectively administer requirements in relation to public and environmental health.
  - Provide incentives for business development in the area.
  - An appropriate range of active and passive recreational and cultural facilities for use by the community and visitors.
- The budget for the 2023-24 financial year;
- The impact of rates on the community, including:
  - Householders, businesses and primary producers.
  - The broad principle that the rate in the dollar should be the same for all properties except where there is clearly a different level of services available to ratepayers, or some other circumstance which warrants variation from the broad principle.

For the 2023-24 financial year the Council's plan is to increase general rates by **9.0%** We aim to strike a balance between the level of services for the community and the need to ensure long-term financial sustainability of Council. Significant cost increases due to higher standard of services requested by ratepayers and legislative impositions by state government are being felt.

This increase is being driven by the extensive increase to property valuations within the Primary Production sector. The overall increase in Primary Production land has increased by **42.9%**. **Council have decreased the rate in the \$ to the affected properties in an attempt to reduce the effect this would have otherwise had on these ratepayers.**

*For example, if Council made no changes to the way it rated from last financial year, those ratepayers would get a 42.9% increase in rates (and an overall increase of around 34.4% in total rates).*

## Method Used to Value Land

Of the three valuation methodologies available (*Capital, Site or Annual Value*), the Council has decided to use Capital Value as the basis for valuing all land within the Council Area.

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

The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value; and
- 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.

## Adoption of Valuations

The Council will adopt the most recent valuations from the Valuer-General made available to the Council prior to adoption of the budget, being valuations as at the 27 June 2023 - **\$654,566,220**.

If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General in writing, within 60 days of receiving 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 1999, in which case the objection period is 60 days from the receipt of the first notice, (b) this 60 day objection period may be extended by the Valuer-General where it can be shown there is reasonable cause; or (c) previously had an objection to the valuation considered by the Valuer-General.

Objections can also be submitted via an online form at:

<http://www.sa.gov.au/topics/planning-and-property/owning-a-property/objecting-to-a-property-valuation>

Contact details for the Valuer-General are:

State Valuation Office  
 GPO Box 1354, ADELAIDE SA 5001  
 Email: [LSGObjections@sa.gov.au](mailto:LSGObjections@sa.gov.au)  
 Phone: 1300 653 346  
 Fax: (08) 8226 1428

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

### Valuation Changes

The table below showing the changes to valuation trends, do not include growth or significant developments (new houses, etc) as these distort the figures.

**\$,000**

Property type	2022-23 Valuations \$,000	2023-24 Valuations \$,000	% Change	No. of properties per category	Growth (new properties)	Avg Value per property 2022-23 \$,000	Avg Value per property 2023-24 \$,000	% of district values
Primary Production Land	\$391,404	\$559,274	42.9%	544	2	\$723	\$1,030	84.9%
Bulk Handling	\$4,550	\$4,750	4.4%	5	1	\$1,138	\$950	0.7%
Wudinna Township	\$64,179	\$69,761	8.7%	357	1	\$180	\$195	10.6%
Minnipa Township	\$6,861	\$7,588	10.6%	124	0	\$55	\$61	1.2%
Warrambo Township	\$772	\$850	10.1%	27	0	\$29	\$31	0.1%
Yaninee Township	\$325	\$359	10.2%	18	0	\$18	\$20	0.1%
Pygery Township	\$398	\$449	12.8%	10	0	\$40	\$45	0.1%
Kyancutta Township	\$492	\$541	10.0%	8	0	\$70	\$77	0.1%
Non-rateable Land	\$ 12,633	\$15,249	20.8%	286	0	\$ 44	\$53	2.3%
<b>Total</b>	<b>\$481,604</b>	<b>\$654,566</b>	<b>36.8%</b>	<b>1379</b>	<b>4</b>			

The overall valuation increase from last year was **36.8% (\$ 177,216,340)**.

### Notional Values

Certain properties may be eligible for a notional value under the Valuation of Land Act 1971 where the property is the principal place of residence of a ratepayer. This can relate to certain primary production land or where

there is State Heritage recognition. A notional value is generally less than the capital value and this will result in reduced rates, unless the minimum rate already applies. Application for a notional value must be made to the State Valuation Office.

### **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:

- Consultation with the community (Granite publication & mail out) and the Minnipa Progress Association;
- Those elements of the Council's strategic management plans relating to business development;
- The equity of the distribution of the rate burden – apart from the decision to provide a differential rate for primary production properties, as outlined under the heading "Differential General Rates", the Council considers that all ratepayers receive broadly comparable services and are generally similarly impacted upon by prevailing economic conditions;
- Council's policy on facilitating local economic development:
  - Providing incentives for business development in the area.
  - Preference for local suppliers where price, quality and service provision are comparable to suppliers outside the Council area.
  - Information from the Australian Bureau of Statistics on business and farm incomes, compared with average resident incomes.
- Current local, state, and national economic conditions and expected changes during the next financial year. The general economic climate is unstable and appears unlikely to stabilise over the next twelve months. The major concern is the continued limited employment prospects for school leavers and other persons currently unemployed.
- Changes in the valuation of business and primary production properties from the previous financial year:
  - Wudinna Township – there was no change in property values, except where development had occurred.
  - Commercial and industrial properties valuation remained about the same.
  - Minnipa residential values have stayed constant.
  - Rural Properties – increases to broad acre land capital values of 42.9% average.
- Specific infrastructure maintenance issues that will benefit businesses and primary producers:
  - Re-sheeting of 43 kilometres of district roads (\$1,004k).
  - Resealing of some bitumen roads in the district are also programed (\$268k) to ensure that the surface does not deteriorate too much.
  - Continuation of increasing the footpath network in the Wudinna township.

### **Council's Revenue Raising Powers**

All land within a council area, except for land specifically exempt (e.g., Crown land, Council occupied land and other land prescribed in the Section 147 of the Local Government Act 1999), is rateable. The Local Government Act provides for a council to raise revenue for the broad purposes of the council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties.

In addition, Council can raise separate rates, for specific areas of the council or service rates or charges for specific services. The Council also raises revenue through fees and charges, which are set considering the cost of the service provided and any equity issues.



### Differential General Rates

Pursuant to Sections 153 and 156 of the Local Government Act 1999 (as amended) Council declares differential general rates on rateable land within its area where rates vary by reference to the locality of the land and its use. If a ratepayer believes that a particular property has been wrongly classified by the Council as to its land use, then they may object (to the Council) to that land use within 60 days of being notified. A ratepayer may discuss the matter with Rachel Andrew, Finance Manager on 08 8680 2002 in the first instance.

The Council will provide, on request, a copy of Section 156 of the Local Government Act 1999 which sets out the rights and obligations of ratepayers in respect of objections to a land use.

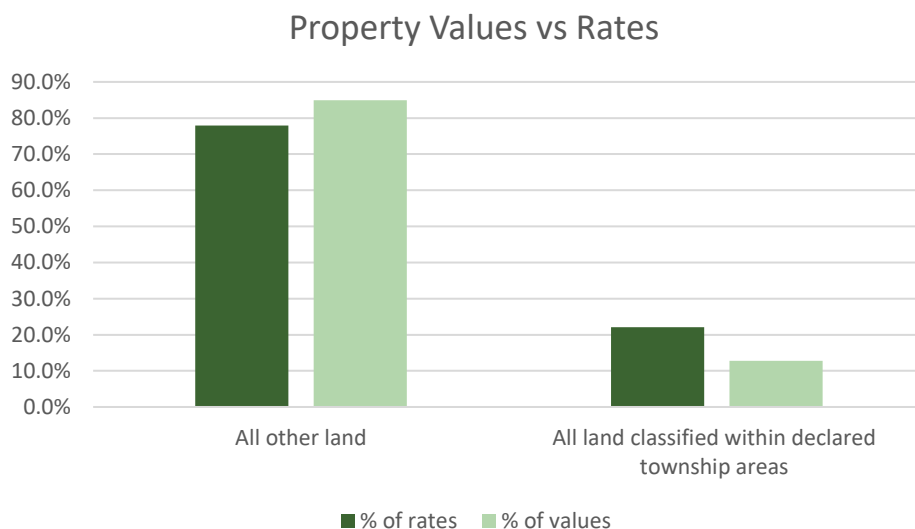
The Council will impose differential general rates by reference to locality.

Council will raise differential rate revenue of **\$2,324k**.

As a result of this decision the Council will set a rate of **0.6024 cents** in the dollar for land within the township of Wudinna, **0.6024 cents** for land within the township of Minnipa **0.6024 cents** within the other declared townships and **0.6024 cents** in the dollar for land within Commercial (Bulk Handling) Zones. Council will set a rate of **0.3201 cents** in the dollar for primary production land (outside the declared township areas).

Locality	2022-23 General Rates	2023-24 General Rates	% Change	No. of properties per category	Avg Rates per property 2022-23	Avg Rates per property 2023-24	Avg Rate Increase %
Bulk Handling Zones	\$ 26k	\$ 28k	9%	5	\$ 6,390	\$ 5,579	-14%
Wudinna township	\$ 346k	\$ 400	9%	357	\$ 972	\$ 1,120	7%
Minnipa township	\$ 55k	\$ 63	10%	124	\$ 444	\$ 506	9%
All other townships	\$ 21k	\$ 23	4%	63	\$ 343	\$ 369	1%
All other land (Rural)	\$ 1,661k	\$1,810	9%	544	\$ 3,070	\$ 3,329	7%
<b>Total</b>	<b>\$2,109k</b>	<b>\$2,324</b>	<b>9%</b>	<b>1093</b>			

As you can see from the graph below, Council tries to ensure that the rate burden is generally equal to the proportion of property valuations in each of the differential rate categories.



## Objections to Land Use

Objections to the Council's decision may be lodged with the Chief Executive Officer, Wudinna District Council, PO Box 6, Wudinna SA 5652. The objection must be made within 60 days of receiving notice of the land use and set out the basis for the objection and details of the land use that (in the opinion of the ratepayer) should be attributed to that property. This 60-day objection period may be extended by the Council where it can be shown there is reasonable cause. The Council may then decide on the objection as it sees fit and notify the ratepayer. A ratepayer also has the right to appeal against the Council's decision to the Land and Valuation Court. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

## Minimum Rate

A council may impose a minimum amount payable by way of rates, provided that it has not imposed a fixed charge. Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer. Where a Council imposes a minimum rate, it must not apply to more than 35% of properties in the Council area.

**For 2023-24, Council will impose a minimum rate of \$545 and it will affect 202 (19.44%) rateable properties.**

The reasons for imposing a minimum rate are:

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

## Service Charges

### Community Wastewater Management Systems

The Council supplies a Community Wastewater Management Scheme (CWMS) to all properties in Wudinna for the removal, treatment, and environmentally appropriate disposal of domestic wastewater.

An annual CWMS Service Charge is applied to all properties serviced by the system to meet the establishment, refurbishment, and ongoing operating costs of the service, under the provisions of Section 155 of the Local Government Act 1999 and to ensure that the charge complies with the National Water Initiative Pricing Principles as required by the Essential Services Commission of South Australia for the provision of Sewerage Retail Services.

Council applies Annual CWMS Service Charges to properties based on a "Unit Charge" system in accordance with the "Code for Establishing and Applying Property Units", as referred to in Section 155 of the LG Act 1999 and Regulation 12 of the Local Government (General) Regulations 2013.

This means that a normal residential property is charged one (1) CWMS Service Charge (one Unit), while a property which contributes larger volumes of effluent into the system than a domestic dwelling (e.g., Hotel, Motel, Commercial facility) may be charged more than one Unit (determined by number of employees/accommodation capacity) to compensate for the greater level of use of the CWMS.

Council has determined that the service charge for 2023-24 will be **\$325** per unit for Occupied properties and **\$290** for Unoccupied properties (no change from last year). This will amount to **\$125,875** for the operation and maintenance of providing the service. Where the service is provided to non-ratable land, a service charge is levied against the land. Details on what constitutes a service charge for each property unit, and other information about the Scheme is available from Rachel Andrew, Finance Manager on 08 8680 2002.

## Waste Collection

An annual Waste Collection Service Charge of **\$262** will be applied to all properties where the service is available, under the provisions of Section 155 of the Local Government Act 1999, raising a total of approx. **\$119k**.

If landowners outside of the 500-metre radius of bin bank sites wish to make use of the collection service, they may apply to council and a scaled service charge (as per Section 13(2) of the Local Government (General) Regulations 2013) will be applied according to the distance from their property to the bin bank site.

If anyone (including commercial/community organisations) require additional wheelie bins, they can apply to Council. These will be capped at a maximum of 2 bins per ratable residential property and 10 bins per commercial/community organisation property (unless special permission is granted by Council).

Commercial and community organisations who believe that they do not require the service may apply to Council to 'opt-out' of the service.

Remissions (in part) for Pensioners may be provided upon application (refer to 'Remissions & Postponement of Rates' section below).

For more information, refer to Councils Waste Collection & Disposal Service Policy or contact the Council office.

## Separate Rates

### Aged Home Units

In accordance with Section 154 (2)(b) of the Local Government Act 1999, and the prescribed authority of the Minister for Local Government, Council imposes a separate rate to the Aged Home Units located within Portion 175, Hundred of Pygery (Wudinna). This levy is imposed to assist in covering the cost of expenditure incurred in the maintenance of the homes and the area. For 2023-24 the separate rate will be **\$180** (no increase on last year).

### Regional Landscape Levy

The Regional Landscape Levy is a State Government initiative under the Landscape South Australia Act 2019. The Levy provides additional funding to help take care of natural resources such as water, soil, animal, and plant control sustainably developing and protecting natural resources for the benefit of communities and future generations living in the Eyre Peninsula region.

Council levies an amount against each rateable property to collect the amount determined by the State Government.

For 2023-24 Council's annual contribution to the Eyre Peninsula Landscape Board is **\$81,088.22**.

Land Use	Rate \$	
	2022-23	2023-24
Residential, Vacant & Other	\$81.25	\$87.43
Commercial & Industrial	\$121.85	\$131.14
Primary Production	\$162.50	\$174.85

The Levy is imposed upon land that constitutes the whole of a single allotment and if two or more pieces of contiguous rateable land are owned or occupied by the same person only one Levy will apply against the whole of that land. Additionally, if two or more pieces of rateable land within the area of the Council constitute a Single Farm Enterprise only one fixed RL Levy will apply against the whole of the land.

### Pensioner Concessions

The new State Government Cost of Living Concession for pensioners, low-income earners and self-funded retirees who hold a Commonwealth Seniors Health Card came into effect on 1 July 2015.

This means concessions will no longer be applied to council rates notices. The new concession will be paid directly to eligible residents by cheque or directly into their bank account.

Application forms for the concession can be obtained from the council or by downloading from [www.sa.gov.au/concessions/costofliving](http://www.sa.gov.au/concessions/costofliving) or by contacting the Concessions Hotline on 1800 307 758.

### Payment of Rates

Council has determined that pursuant to Section 181(2) of the Local Government Act 1999, rates will be payable in four equal instalments and that these instalments will be due and payable on:

<b>1<sup>st</sup> Quarter</b>	<b>8 September 2023</b>
<b>2<sup>nd</sup> Quarter</b>	<b>8 December 2023</b>
<b>3<sup>rd</sup> Quarter</b>	<b>8 March 2024</b>
<b>4<sup>th</sup> Quarter</b>	<b>7 June 2024</b>

**Rates can be paid at any time during the year as long as at least the quarterly amount is paid before the quarter due date.** E.g.: Total Rates of \$1200 (\$300 per quarter). Pay \$300 by the first due date (8 Sept) then pay the remaining \$900 before the second due date (Dec) OR pay the full amount before the first due date, etc.

## Payment Methods

Rates may be paid:

- In person by cash, cheque or Eftpos, at the Council office, 11 Burton Terrace, Wudinna during the hours of 9am to 5pm, Monday to Friday.
- By mail to Wudinna District Council, PO Box 6, Wudinna SA 5652.
- Via BPAY (telephone or internet banking) – contact your financial institution.

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Rachel Andrew, Finance Manager on 08 8680 2002 to discuss alternative payment arrangements. Such inquiries are treated confidentially by the Council.

The Council has adopted a policy that where the payment of rates will cause a ratepayer demonstrable hardship, the Council is prepared to make available extended payment arrangements subject to certain conditions.

## Late Payment of Rates

The Local Government Act provides that councils impose a penalty of a 2% fine on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year in accordance with a formula in the Act, for each month it continues to be late.

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

The Council is prepared to remit penalties for late payment of rates where ratepayers can demonstrate hardship.

The Council issues a final notice for payment of rates when rates are overdue i.e., unpaid by the due date. Should rates remain unpaid more than 14 days after the issue of the final notice then the Council refers the debt to a debt collection agency. The debt collection agency charges collection fees that are recoverable from the ratepayer.

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

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

## Remission & Postponement of Rates

Section 182 of the Local Government Act permits the Council, on the application of a ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where a ratepayer is suffering hardship in paying rates, he/she is invited to contact Rachel Andrew, Finance Manager on 08 8680 2002 to discuss the matter. Such inquiries are treated confidentially by the Council.

Council has deemed that the imposition of the new Waste Collection Service Charge during 2018-19 may cause hardship for pensioner ratepayers and are therefore offering a part remission of this charge to eligible applicants.

To apply for a remission, complete a [Rate Remission Application Form](#) and submit to Council as soon as possible.

To be eligible, the applicant must be:

- the owner/principal ratepayer; and
- the property must be the applicants principal place of residence.
- a recipient or eligible for a Cost-of-Living Allowance (current concession card holder)

For more information, contact Rachel Andrew, Finance Manager on 08 8680 2002.

## Rebate of Rates

The Local Government Act 1999 requires councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society, and educational institutions. Discretionary rebates may be applied by the Council under Section 166 of the Act (i.e., recreation grounds etc.).

Any person or body eligible for a rebate may apply in writing (via Council's Discretionary Rates Rebate Application form), providing as much detail as possible to substantiate the grounds for a rebate in accordance

with Section 166 of the Local Government Act 1999. Contact Rachel Andrew, Finance Manager for more information.

### **Sale of Land for Non-Payment of Rates**

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

Except in extraordinary circumstances, the Council enforces the sale of land for arrears of rates and a copy of the Council's policy is available from Rachel Andrew, Finance Manager on 08 8680 2002 or by writing to the Wudinna District Council, PO Box 6, Wudinna SA 5652.

# Appendix 1

## Explanation of Uniform Presentation of Finances

(example only for explanation purposes – left blank intentionally)

UNIFORM PRESENTATION OF FINANCES	2022-23 Forecast \$'000	2023-24 Budget \$'000
Income		
less Expenses		
<b>Operating Surplus/(Deficit)</b>	-	-
<b>Less: Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal/Replacement of Existing Assets		
less Depreciation, Amortisation and Impairment Expenses		
less Proceeds from Sale of Replaced Assets		
<b>Net Outlays on Existing Assets</b>	-	-
<b>Less: Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New/Upgraded Assets		
less Amounts received specifically for New/Upgraded Assets		
less Proceeds from Sale of Surplus Assets		
<b>Net Outlays on New and Upgraded Assets</b>	-	-
<b>Net Lending/(Borrowing) for Financial Year</b>	-	-

### Explanation/Examples of Components of Uniform Presentation of Finances

Operating Revenue and Expenditure: represent the totals from the relevant lines of the Statement of Comprehensive Income (operating statement) for the year being reported on.

Capital Expenditure on renewal and replacement of Existing Assets: e.g., Road Reseals, replacement tractor, building renovations, replacement computer hardware.

Proceeds from sale of replaced assets: e.g., trade in value of a tractor or motor vehicle being replaced.

Capital Expenditure on New and Upgraded Assets: e.g., constructing a new building, constructing a new catchment pond, purchasing a piece of machinery that was not previously on hand.

Amounts specifically for New or Upgraded Assets: e.g., Capital grants to partly fund a new CWMS, funds received to build new footpaths that did not previously exist.

Proceeds from Sale of Surplus Assets: Proceeds from the sale of a council building that was no longer required, sale of surplus land.

### New/Upgraded vs Renewal/Replacement of Assets

The following definitions have been obtained from the South Australian Local Government Model Financial Statements.

A new asset is additional to Council's previous asset complement (e.g., roads constructed as part of a Council-owned subdivision are new assets. Similarly laying footpaths in areas where they did not previously exist are also new assets).

An upgraded asset replaces a previously existing asset with enhanced capability or functionality.

Renewal or replacement of an asset occurs where a previously existing asset is replaced without enhancement of the service capability except where this is incidental and unavoidable.

It is possible for capital expenditure to be a combination of renewal as well as upgrade.

The important point to understand is that if Council is not able to replace its existing assets in a timely manner, then new assets should not be built unless essential. By building new assets Council is effectively building new liabilities as the assets usually do not generate revenue, cannot be sold, and will need to be maintained and eventually replaced.

## Appendix 2 – Statutory Statements

### Statement of Comprehensive Income

	Forecast 2022-23 \$,000	Budget 2023-24 \$,000	Movement \$,000
<b>INCOME</b>			
Rates	2,439	2,635	196
Statutory Charges	20	19	(1)
User Charges	106	95	(11)
Grants & Subsidies	3,792	2,937	(854)
Investment Income	78	108	30
Reimbursements	64	63	(1)
Other Revenues	54	37	(17)
<b>Total Operating Income</b>	<b>6,553</b>	<b>5,895</b>	<b>166</b>
<b>EXPENDITURE</b>			
Employee Costs	1,504	1,716	212
Materials, Contracts & Other Expenses	3,221	2,406	(815)
Depreciation	2,385	2,371	(15)
<b>Total Operating Expenditure</b>	<b>7,110</b>	<b>6,493</b>	<b>(617)</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(557)</b>	<b>(598)</b>	<b>41</b>
Gain / Loss on Disposal of Assets	0	0	0
Amounts Received Specifically for New Assets	0	0	0
<b>NET SURPLUS / (DEFICIT) transferred to Equity Statement</b>	<b>(557)</b>	<b>(598)</b>	<b>41</b>

## Statement of Financial Position

	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash & Cash Equivalents	4,064	2,923
Trade & Other Receivables	153	153
Other Financial Assets	1,122	1,000
Inventories	52	52
<b>Total Current Assets</b>	<b>5,391</b>	<b>4,250</b>
<b>NON-CURRENT ASSETS</b>		
Financial Assets	0	0
Infrastructure, Property, Plant & Equipment	61,833	62,376
<b>Total Non-Current Assets</b>	<b>61,833</b>	<b>62,376</b>
<b>TOTAL ASSETS</b>	<b>67,224</b>	<b>66,626</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade & Other Payables	327	327
Borrowings	15	15
Short Term Provisions	542	542
<b>Total Current Liabilities</b>	<b>884</b>	<b>884</b>
<b>NON-CURRENT LIABILITIES</b>		
Trade & Other Payables	449	449
Long Term Provisions	14	14
<b>Total Non-Current Liabilities</b>	<b>463</b>	<b>463</b>
<b>TOTAL LIABILITIES</b>	<b>1,347</b>	<b>1,347</b>
<b>NET ASSETS</b>	<b>65,877</b>	<b>65,279</b>
<b>EQUITY</b>		
Accumulated Surplus	(429)	(1,027)
Asset Revaluation Reserve	66,306	66,306
<b>TOTAL EQUITY</b>	<b>65,877</b>	<b>65,279</b>



## Statement of Changes in Equity

	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
<b>ACCUMULATED SURPLUS</b>		
Balance at end of previous reporting period	128	(429)
Net Result for Year	(557)	(598)
Transfer from Reserves	0	0
Transfer to Other Reserves	0	0
<b>Balance at end of period</b>	<b>(429)</b>	<b>(1,027)</b>
<b>ASSET REVALUATION RESERVE</b>		
Balance at end of previous reporting period	66,306	66,306
Gain on Revaluation of Property Plant & Equipment	0	0
<b>Balance at end of period</b>	<b>66,306</b>	<b>66,306</b>
<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>65,877</b>	<b>65,279</b>

## Statement of Cash Flows

	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Receipts</b>		
Operating Receipts	6,475	5,787
Investment Receipts	78	108
<b>Payments</b>		
Operating Payments to Suppliers & Employees	(4,725)	(4,122)
Finance Payments	0	0
<b>Net Cash provided by (or used in) Operating Activities</b>	<b>1,828</b>	<b>1,772</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Receipts</b>		
Grants Specifically for new or upgraded assets	0	0
Sale of replaced Assets	0	0
Sale of surplus Assets	0	0
<b>Payments</b>		
Expenditure on renewal/replaced assets	(3,874)	(2,900)
Expenditure on new/upgraded assets	(10)	(14)
Net Investments held in Long Term Deposits	0	122
<b>Net cash provided by (used in) Investing Activities</b>	<b>(3,885)</b>	<b>(2,792)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>Payments</b>		
Repayment of Borrowings	0	0
Net Cash Provided by (Used in) Financing Activities	0	0
<b>Net Increase / Decrease in Cash</b>	<b>(2,057)</b>	<b>(1,020)</b>
Cash and Cash Equivalents at start of reporting period	6,121	4,064
<b>Cash &amp; Cash Equivalents at the end of the reporting period</b>	<b>4,064</b>	<b>3,045</b>

## Uniform Presentation of Finances

	<b>Forecast 2022-23 \$,000</b>	<b>Budget 2023-24 \$,000</b>
<b>Operating Revenue</b>	6,553	5,895
<b>less Operating Expense</b>	(7,110)	(6,493)
<b>Operating Surplus / (Deficit) before Capital Amounts</b>	<b>(557)</b>	<b>(598)</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	3,854	2,900
less Depreciation, Amortisation & Impairment	(2,385)	(2,371)
less Proceeds from Sale of Replaced Assets	0	0
<b>Total Net Outlays on Existing Assets</b>	<b>1,469</b>	<b>529</b>
<b>less Net Outlays on New &amp; Upgraded Assets</b>		
Capital Expenditure on New & Upgraded Assets	10	14
less Amounts specifically for new or upgraded Assets	0	0
less Proceeds from Sale of Surplus Assets	0	0
<b>Total Net Outlays on New &amp; Upgraded Assets</b>	<b>10</b>	<b>14</b>
<b>Net Lending/ (Borrowing) for Financial Year</b>	<b>(2,036)</b>	<b>(1,113)</b>

## Key Financial Indicators

	Forecast 2022-23 \$,000	Budget 2023-24 \$,000
<b>Operating Surplus Ratio</b>		
<u>Operating Surplus</u>	(557)	(598)
Total Operating revenue (less NRM Levy)	6,553	5,895
	<b>(9%)</b>	<b>(10%)</b>
<b>Net Financial Liabilities Ratio</b>		
<u>Net Financial Liabilities</u>	(3,992)	(2,851)
<b>Total Operating revenue</b>	6,553	5,895
	<b>(61%)</b>	<b>(48%)</b>
<b>Asset Sustainability Ratio</b>		
<u>Net Asset Renewals</u>	3,854	2,900
Capital Renewal Expenditure as per asset management plan	3,098	3,098
	<b>124%</b>	<b>94%</b>

# Appendix 3 – Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

<b>Expected Rates Revenue</b>				
	<b>2022/23</b>	<b>2023/24</b>		
	<b>(adopted)</b>	<b>(estimated)</b>		<b>Change</b>
				<b>Comments</b>
<b>General Rates Revenue</b>				
General Rates (existing properties)	\$2,134,475	\$2,323,676	(a)	
General Rates (new properties)	\$500	\$1,000	(b)	
<b>General Rates (GROSS)</b>	<b>\$2,134,975</b>	<b>\$2,324,676</b>	(c)	
Less: Mandatory Rebates	(\$17,134)	(\$17,134)	(d)	
<b>General Rates (NET)</b>	<b>\$2,117,841</b>	<b>\$2,307,542</b>	(e)	<b>9.0%</b>
		(e)=(c)+(d)		
<b>Other Rates (inc service charges)</b>				
Regional Landscape Levy	\$75,358	\$80,871	(f)	The Regional Landscape Levy is a State tax, it is <b>not retained</b> by council.
Waste Collection	\$118,555	\$119,079	(g)	
CWMS	\$125,005	\$125,875	(h)	No change
Aged Homes Levy	\$2,880	\$2,880	(i)	A separate rate imposed to cover the cost of expenditure incurred in the maintenance of the Aged Home Units.
	\$2,439,699	\$2,442,260		
Less: Discretionary Rebates	(\$9,496)	(\$9,496)	(j)	
<b>Expected Total Rates Revenue</b>	<b>\$2,354,845</b>	<b>\$2,545,880</b>	(k)	<b>8.1%</b> <b>Excluding the Regional Landscape Levy and minus Mandatory &amp; Discretionary Rebates</b>
		(k)=(e)+(g)+(h)+(i)+(j)		

## Estimated growth in number of rateable properties

<b>Number of rateable properties</b>	<b>1,087</b>	<b>1,093</b>	(l)	<b>0.6%</b>
	<i>Actual</i>	<i>Estimate</i>		

"Growth" is defined in the regulations as where new properties have been created which has added rateable properties to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.

## Estimated average General Rates per rateable property

<b>Average per rateable property</b>	<b>\$1,962</b>	<b>2,127</b>	(m)	<b>8.3%</b>
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Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area).

The total General Rates paid by all rateable properties will equal the amount adopted in the budget.

## NOTES

- (d) Councils are **required** under the Local Government Act to provide a rebate to qualifying properties under a number of categories:
- |                          |                           |                                       |
|--------------------------|---------------------------|---------------------------------------|
| Health Services – 100%   | Religious purposes – 100% | Royal Zoological Society of SA – 100% |
| Community Services – 75% | Public Cemeteries – 100%  | Educational purposes – 75%            |
- The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. All other ratepayers are subsidizing the rates contribution for those properties who receive the rebate).
- (e) Presented as required by the *Local Government (Financial Management) Regulations 2011* reg 6(1)(ea)  
**Please Note:** The percentage figure in (e) relates to the change in the total amount of General Rates revenue to be collected from all rateable properties, not from individual rateable properties (ie. Individual rates will not necessarily change by this figure).
- (f) Councils are required under the Landscape South Australia Act 2019 to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's natural resources.
- (h) Community Wastewater Management Systems
- (j) A council may grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).
- (k) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.
- (l) "Growth" as defined in the Local Government (Financial Management) Regulations 2011 reg 6(2)

### Expected Rates Revenue

	Total expected revenue			No. rateable properties		Average per rateable property (n)			Cents in \$
	2022/23	2023/24	Change	2022/23	2023/24	2022/23	2023/24	Change	2023/24
<b>Locality (General Rates – GROSS)</b>									
Commercial (Bulk Handling) Zone	\$25,559	\$27,896	9%	4	5	\$6,390	\$5,579	-\$811	0.6093
Wudinna Township	\$367,464	\$399,844	9%	356	357	\$1,032	\$1,120	\$88	0.6093
Minnipa Township	\$56,811	\$62,766	10%	124	124	\$458	\$506	\$48	0.6093
All other Townships	\$22,291	\$23,247	4%	62	63	\$360	\$369	\$9	0.6093
All other land (Rural)	\$1,622,778	\$1,810,923	9%	541	54	\$3,074	\$3,329	\$255	0.3238
<b>GRAND TOTAL (GROSS)</b>	<b>\$2,134,903</b>	<b>\$2,342,676</b>	<b>8.9%</b>	<b>1,087</b>	<b>1,093</b>	<b>1,964</b>	<b>\$2,127</b>	<b>\$163</b>	

### Minimum Rate

<u>Minimum Rate</u>	No. of properties to which rate will apply		Rate		
	2022/23	% of total rateable properties	2022/23	2023/24	Change
	202	18%	\$500	\$545	(0) \$45

### Adopted Valuation Method

#### Capital Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

**Capital Value** – the value of the land and all improvements on the land;

**Site Value** – the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or

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

The Council considers that the Capital Value method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis.

- The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth;
- Property value is a relatively good indicator of wealth and capital value, which closely approximates the market value of a property and provides the best indicator of overall property value; and
- 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.

#### **NOTES**

(n) Average per rateable property calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, divided by number of rateable properties within that category in the relevant financial year.

(o) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.