



## *The Barossa Council*

### **MINUTES OF THE SPECIAL MEETING OF THE BAROSSA COUNCIL**

held on Thursday 27 June 2019 commencing at 6.00pm in the Council Chambers, 43-51 Tanunda Road, Nuriootpa

#### **1.1 WELCOME**

Mayor Bim Lange declared the meeting open at 6.00pm.

#### **1.2 MEMBERS PRESENT**

Mayor Michael (Bim) Lange, Deputy Mayor Cr John Angas, Crs Tony Hurn, Leonie Boothby, Dave de Vries, Richard Miller, Russell Johnstone, Don Barrett and Carla Wiese-Smith

#### **1.3 LEAVE OF ABSENCE**

Cr David Haebich

#### **1.4 APOLOGIES FOR ABSENCE**

Cr Cathy Troup

Cr Kathryn Schilling

**MOVED** Cr Hurn that the apologies received from Cr Cathy Troup and Cr Kathryn Schilling be noted.

**Seconded** Cr Barrett

**CARRIED 2018-22/225**

#### **1.5 NOTICE OF MOTION**

Nil

### **2. DEBATE AGENDA**

#### **2.1 CHIEF EXECUTIVE OFFICER - DEBATE**

##### **2.1.1**

#### **APPROVAL TO CONTINUE WORKS IN PROGRESS**

**B8923 19/36100**

**MOVED** Cr de Vries that Council approve the continuation of works identified in the Attachment for works currently in progress from the 2018/19 capital and select operating program to ensure the continuation of works and service on condition the total budget for the projects is not exceeded and final carry over amounts are completed as part of the first quarter budget review.

**Seconded** Cr Johnstone

**CARRIED 2018-22/226**

**PURPOSE**

Once again as with most financial years, there are works continuing from the budgeted 2018/19 program. The report seeks approval to continue those works unimpeded by the end of financial year processes and therefore continue to deliver on the programs immediately rather than await final carryover approval in October.

**REPORT**

There are works still to be completed from the 2018/19 financial year budget that are either underway or are well advanced. So that these budgeted items can continue unimpeded approval is being sought to authorise the continued delivery of the works and services identified in the attachment, this will avoid unnecessary delay whilst the final 2018/19 financial year accounts are being settled and will not commit the Council to anything that has not already been authorised in a prior budget.

It is proposed that a general approval be provided for the works and services on the condition that officers do not exceed the funding allocations based on a total of the spending across (now) the 2018/19 and 2019/20 financial year – this will ensure no over spending of the budgets. Budgets will be adjusted accordingly once final 2018/19 figures are available as part of the first quarter budget adjustments process.

There are sufficient funds to support the works.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

Continuation of Works in Progress

**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**

Community Plan



Infrastructure

3.1 Develop and implement sound asset management which delivers sustainable services.

Legislative Requirements

Local Government Act 1999, S123

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**

Carryovers are fully funded from the adopted 18/19 operating and capital budget and do not represent additional program or project funding.

**COMMUNITY CONSULTATION**

No consultation required - forms part of prior budget settings which have already been consulted upon.

**2.2 FINANCE - DEBATE****2.2.1****NON-CURRENT ASSET ACCOUNTING POLICY**

**B1466**

Author: Manager Financial Services

**MOVED** Cr Johnstone that Council receives, considers and approves the updated Non-Current Asset Accounting Policy.

**Seconded** Cr Hurn

**CARRIED 2018-22/227**

**PURPOSE**

The current Asset Accounting Policy was approved by Council on 27 June 2018. An updated draft version (Attachment 1) is presented for adoption by Council.

**REPORT**

Background

Section 48(aa1) of the Local Government Act 1999 requires Council to develop and maintain prudential management policies, practices and procedures for the assessment of projects.

#### Discussion

The Local Government Act 1999 and associated regulations, along with the Australian Accounting Standards, requires Council to develop and maintain prudential management policies, practices and procedures for the budgeting, assessment, procurement, management and recognition of projects.

Council Policies are normally reviewed every 4 years and set the overall direction of Council at a strategic level.

The Asset Accounting Policy is due for review 1 June 2019 and an updated draft version is attached to this report. As this Policy is restricted to assets held in Council's asset register, it is appropriate the Policy heading reflects that and has been renamed to the "Non-Current Asset Accounting Policy" (the Policy).

The Policy previously contained some asset classification information that, at times, required an annual update at the detailed level.

To enable the ability to maintain the asset information at a lower level, selected information is now incorporated into a document as an associated document to this Policy, known as the Asset Classification Document (Attachment 2). The content of the Policy has been simplified and unnecessary terminology has been removed.

Therefore the Policy will continue to be adopted by Council, but it is anticipated that the Asset Classification Document will be provided to, and endorsed by, the Audit Committee and subsequently approved by the Corporate Management Team.

This draft version of the Policy was presented to the Audit Committee on 7 June 2019 and to the Corporate Management Team on 12 June 2019, with minor changes made to a definition and term replacing "Depreciated Replacement Cost" with "Current Replacement Cost". Requirements for the new Australian Accounting Standard for Leases - AASB16 have also now been incorporated into this policy.

#### Summary and Conclusion

Council is now asked to approve the updated Non-Current Asset Accounting Policy.

### **ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

Attachment 1: Draft Non-Current Asset Accounting Policy

Attachment 2: Asset Classification Document

### **COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**



How We Work – Good Governance

#### Corporate Plan

6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

#### Legislative Requirements

Local Government Act 1999

### **FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**

Risk is reduced by the transparency and accountability provisions provided in the Local Government Act 1999 and this Policy.

### **COMMUNITY CONSULTATION**

No community consultation is required for this Policy as the content is mandated by legislation and facilitated according to internal processes.

## 2.2.2

**FEES AND CHARGES REGISTER – 2019/2020****B8923**

Author: Senior Accountant

**MOVED** Cr de Vries that the proposed Fees and Charges are adopted for the 2019/2020 budget year.

**Seconded** Cr Wiese-Smith**CARRIED 2018-22/228****PURPOSE**

Council must review the Fees and Charges structure to be applied for the 2019/2020 financial year.

**REPORT**Discussion

A list of the proposed Fees and Charges for 2019/2020 is *attached*. The list is encompassing of all sundry fees charged by Council in its general service provisions and includes dog registration fees which were previously adopted by Council at the 16 April 2019 meeting. Any relevant fees and charges set by the State Government have been included for information, but they do not require Council approval. Any fees and charges that do not have a comparable 2018/2019 amount are new for 2019/2020.

To maintain existing cost recovery rates for various services, and to continue to minimise the general rate burden on our community, it is imperative that Council increase the fees and charges at least in line with the cost increases being experienced by Council in the delivery of such activities to our community. Accordingly, all fees have been reviewed by the relevant Budget Manager and have been increased where required.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

Attachment 1: Register of Fees and Charges as at 1 July 2019

Policy

Budget & Business Plan and Review Policy

**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**Corporate Plan

How We Work – Good Governance

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
- 6.3 Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.
- 6.4 Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.
- 6.9 Provide access to Council's plans, policies and processes and communicate with the community in plain English.
- 6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements

Local Government Act 1999 – Section 188 (1)

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**Financial

To ensure that Council is able to recover its costs in relation to user paid services provided to the community.

**COMMUNITY CONSULTATION**

Fees and charges set by the State Government are a legislative requirement and Council is required to charge the amounts applied by the relevant Act. Other fees and charges are set by Council as part of the budget process and public consultation on the 2019/2020 budget closes on 12 June 2019. The newly adopted fees and charges will be available for the Community to access on Council's website from 1 July 2019.

**2.2.3****ANNUAL BUDGET & BUSINESS PLAN 2019/20 INCORPORATING THE LONG TERM FINANCIAL PLAN 2019/20 TO 2028/29****B8923**

Mr Mark Lague, Manager Financial Services, briefed Council on updates and changes made to the draft budget and plans.

**MOVED** Cr de Vries that Council, pursuant to Section 123 of the Local Government Act 1999, having previously reviewed the submissions made during the public consultation period and considered those submissions and further amendments to the Annual Business Plan for 2019/20 as presented in this report, used for the purpose of public consultation, adopt the amended draft Annual Business Plan 2019/20.

**Seconded** Cr Johnstone

**CARRIED 2018-22/229**

**MOVED** Cr de Vries that Council, pursuant to Section 122 and 123 of the Local Government Act 1999, having previously reviewed the submissions made during the public consultation period and considered those submissions and further amendments to the Annual Budget and Business Plan as presented in this report, Council adopt:

- (1) The draft Annual Budget 2019/20, used for the purpose of public consultation, as amended, be adopted as The Barossa Council Annual Budget 2019/20;
- (2) The annual review of the draft Long Term Financial Plan 2019/20 to 2028/29, used for the purpose of public consultation, as amended, be adopted as The Barossa Council Long Term Financial Plan 2019/20 to 2028/29;
- (3) Notes the Chief Executive Officer's Council's Sustainability report on the Council's long term financial performance and position as recorded in the Annual Budget & Business Plan 2019/20, incorporating the Long Term Financial Plan 2019/20 to 2028/29; and authorises the Chief Executive Officer to make necessary minor changes to the text of the Annual Budget 2019/20, incorporating the Long Term Financial Plan 2019/20 to 2028/29 prior to formal publication;
- (4) The reserve transfers for the items listed in this report.

**Seconded** Cr Hurn

**CARRIED 2018-22/230**

**PURPOSE**

To adopt the consolidated Annual Budget & Business Plan (AB&BP) 2019/20, incorporating the annual review of the Long Term Financial Plan (LTFP) 2019/20 to 2028/29.

**REPORT**Discussion**Operating & Capital Budget adjustments:**

Changes made to the AB&BP since the version adopted for Public Consultation at the Special Council meeting on 15 May 2019 are noted in the following table:

Annual Business Plan pages have been changed for the below amounts where relevant.

Area	Details	Budget Amendment Amount \$	Op/Cap	Type	LTFP adjust as one-off for 2019/20
Rates Income	VG adjustment to rates income and to reflect rate revenue increase of 1.98% and rates growth of 1.49% (the draft budget included a rate revenue increase at 2.5% and growth at 1%)	7,356	Operating	Income	Ongoing
Recycling	Recycling income adjustment - no. of services increase	-1,612	Operating	Income	Ongoing
Recycling	Recycling Collection - no. of services increase	875	Operating	Expenditure	Ongoing
Recycling	Recycling Disposal - no. of services increase	5,409	Operating	Expenditure	Ongoing
Waste	Waste income adjustment - no. of services increase	-2,460	Operating	Income	Ongoing
Waste	Waste collection contractors - no of services increase	1,205	Operating	Expenditure	Ongoing
Waste	Waste disposal - no. of services increase	851	Operating	Expenditure	Ongoing
Waste	Waste income - State Govt. Waste disposal levy increase	-11,741	Operating	Income	Ongoing
Waste	Waste expense - State Govt. Waste disposal levy increase	17,295	Operating	Expenditure	Ongoing
Green Waste	Green disposal - additional no. of services	7,612	Operating	Expenditure	Ongoing
Green Waste	Green collection - additional no. of services	11,475	Operating	Expenditure	Ongoing
Green Waste	Green income adjustment - additional no. of services	-15,390	Operating	Income	Ongoing
Green Waste	Green income adjustment - additional tenants/other no. of services	-8,493	Operating	Income	Ongoing
Grant income	Increase in Roads to Recovery funding allocation from Federal Government	-96,602	Operating	Income	Ongoing
Works	Increase Road Resealing allocation for extra Roads to Recovery funding	96,602	Capital	Expenditure	Ongoing
Tanunda Recreation Park	Grant Funding \$206,250 and Contributions \$98,000	-304,250	Capital	Income	One off
Tanunda Recreation Park	Show Hall Upgrade expenditure	206,250	Capital	Expenditure	One off
The Big Project	Reallocation of grant income to Tanunda Recreation Park	206,250	Capital	Income	One off
The Big Project	Reallocation of expenditure Tanunda Recreation Park	-206,250	Capital	Expenditure	One off
Nuriootpa Centennial Park Authority	Grant Funding \$350,000 and Contributions \$130,000	-480,000	Capital	Income	One off
Nuriootpa Centennial Park Authority	Multiuse Changerooms	890,000	Capital	Expenditure	One off
The Big Project	Reallocation of grant income to Nuriootpa Centennial Park Authority	480,000	Capital	Income	One off
The Big Project	Reallocation of expenditure Nuriootpa Centennial Park Authority	-890,000	Capital	Expenditure	One off
Finance	Salary changes for rates resourcing updates	630	Operating	Expenditure	Ongoing
Various	Adjust Superannuation for Leave Loading	12,430	Operating	Expenditure	Ongoing
Library	RFID project - budget reallocation only between existing library budget	0	Operating	Expenditure	Ongoing
Upper Torrens Land Management Project	Decrease income - Native Grass Trials - 18/19 Project remainder of project may be carried forward at Quarter 4 Budget Review)	7,723	Operating	Income	One off
Upper Torrens Land Management Project	Decrease expenditure - Native Grass Trials -18/19 Project remainder of project may be carried forward at Quarter 4 Budget Review)	-7,723	Operating	Expenditure	One off
Works	Increase for outsourcing cleaning costs for southern public conveniences	29,000	Operating	Expenditure	Ongoing
Various	Reduction in contractor costs	-26,000	Operating	Expenditure	Ongoing
Various	Reduction in consultant costs	-13,000	Operating	Expenditure	Ongoing
Various	Reduction in material purchases	-44,543	Operating	Expenditure	Ongoing
Various	Reduction in legal costs	-6,000	Operating	Expenditure	Ongoing
Williamstown WQVJP	Maintenance contribution to football clubrooms and netball storage shed - consultation submission	24,687	Operating	Expenditure	One off
		<b>-108,414</b>			

-107,016 Operating Income and Expenditure  
96,602 Capital Expenditure  
-98,000 Capital Income  
-108,414

### **Revised Information**

#### ❖ *Valuation, General Rating, Service Changes - Analysis*

Valuation data, as provided by the Valuer-General, has been received and updated in Council's modelling tools, using the draft Rating Model as included within the Draft AB&BP for 2019/20. Updates have been made to the Property Valuation an increase of 3.72% over last year (2.86% as at 14 April 2019) this includes an increase in natural growth for this rating year to 1.49% (the draft budget for growth was 1%).

An amendment for the supplementary valuations to Week 16 June 2019 is included within the following Valuation and Differential Rating reports to this meeting and the AB&BP document. Due to higher than expected valuation increases and growth both higher than budgeted, the rates in the \$ have been decreased on all Local Government Categories than previously listed within the AB&BP document so that total general rate revenue is slightly reduced; this will have the effect of reducing the overall charges on each assessment, see table on Page 22 of the attachment. The overall increase to general rate revenue from last year is now at 1.98% (CPI Adelaide as at March 2019 was 1.3% and LGPI was 2.1%) plus growth of 1.49% a total general rate revenue increase of 3.47%. As noted in the previous table, the additional revenue from growth has been offset by a reduction to the differential rates in the \$, resulting in Councils general rate revenue decreasing from the draft budget by \$7k.

To assist rural property owners experiencing large valuation increases, Council proposes to provide a discretionary rebate where the increase in the Primary Production general rates levied for an assessment exceeds the 2018/19 general rates by more than 15%. Applications that meet the eligibility criteria will be assessed. General rate revenue has been increased by \$18,000 to provide for this rebate.

Service charges must recover the cost of the service, with the increase in valuation along with additional users of the Community Wastewater Management Systems (CWMS), required a change from the amount previously listed within the AB&BP document, with a reduction in the Service charge for Residential users from \$340 to \$337 pa and Non-Residential users a reduction in the Service Rate from \$0.001183 to \$0.001177. The revised CWMS Service charge of \$337 is a net increase of 2.12% from last year service charge of \$330.

Overall the standard refuse and recycling collection service rate has been increased by 3.2% on 2018/19 charges from \$156.00 to \$161.00. The 140L Refuse Bin has increased by 2.8% from \$106.00 to \$109.00 and Recycling by 4.00% from \$50.00 to \$52.00. The service charge increases are mainly due to anticipated cost increases for waste and recycling collection, sorting and disposal.

The refuse collection service rate for 240 Litre bins, available to commercial premises to upsize to 240L, has increased by 3% from \$133.00 to \$137.00.

Following the State Government Budget 2019 (State Budget), the Waste Refuse disposal levy has increased more than previously advised (further information on the effect to expenditure for this levy increase is contained within this report). To partly offset this cost the refuse service charge has been increased by \$1 per year for each bin service, than the amounts previously listed within the AB&BP document. This levy change increases our 140l bin service charge from a fair increment of 1.9% to 2.8% (the LGPI is at 2.1%).

The Green Organics bin is an optional residential town service within the Council's designated waste collection area. Customers who opt for this service will be charged an annual fee; for 2019/20 this has decreased by 3.4% from \$59.00 to \$57.00.

Subsequent to the release of the Draft AB&BP and LTFP on 22 May 2019, Officers have received new and revised information which has been included in the amended AB&BP and LTFP. These are grouped into Operating and Capital Budgets in the table above.

#### ❖ *Operating Budget*

Further reviews to the Budget over the last few weeks resulted in adjustments to the operating, in summary:

- additional expenditure for Refuse disposal, partly offset by a service charge increase,
- increase to the number of services for Refuse, Recycling and Organic Green waste services,
- increase to Roads to Recovery grant funding with this matched by an increase to the Reseal capital expenditure budget,
- savings made in numerous expenditure areas,
- inclusion of one of the submissions received during consultation, and
- reallocations within the budget.

The Refuse Service cost has increased following the State Budget and the Waste disposal levy (levy) increases over two increments: 1 July 2019 and 1 January 2020.

For the 2019/20 draft budget Council had provided for a levy of \$51.50/T, the State Budget has now increased the levy to \$55/T starting from 1 July 2019.

Our estimated disposal quantity for 2019/20 is 4,942 T at a levy cost of \$51.50 a total of \$254k with the increased levy cost \$17k and new total levy cost at \$271k.

To offset the additional Levy cost, it is recommended that Council increases the service charge by \$1 pa, raising an additional \$11,741. The budget consultation document included a service charge for a 140l bin of \$108 so increase this to \$109 and for a 240l bin from \$136 to \$137 (last year service charge was \$106 & \$133 respectively).

On 1 January 2020 the Waste disposal levy will increase to \$70/T, it is proposed this additional cost estimated at \$35k be absorbed in 2019/20 within the net operating result for this service then at year end adjusted to/from the Refuse Reserve. The full cost of this service will be reassessed in preparation of the 2020/21 budget and reflected in the service charge for that year. The Refuse Reserve balance as at 30 June 2018 was \$154k, although it is to be adjusted for the 2018/19 actual results it is expected to have an adequate balance to offset the additional levy charge from 1 January 2020.

The Nuriootpa Centennial Park Authority (NCPA) have approved their final 2019/20 Budget and Business plan. The NCPA operating and capital budget information is contained within Council's AB&BP and LTFP.

Full Cost Attribution has now been applied - this is an allocation of internal services to external services and does not affect the overall net result.

Additional operating adjustments have been included in the AB&BP as included in the Operating & Capital Budget adjustments table above.

The various amendments to the operating items overall has improved the forecast operating result to a surplus of \$107,016 (note: this amount includes amendments as per above table) from a draft surplus of \$613,464 in the consultation document.

#### ❖ *Capital Budget*

Additional capital works have been included in the AB&BP as included in the Operating & Capital Budget adjustments table as follows:

- increase to Roads to Recovery grant funding with this matched by an increase to the Reseal capital expenditure budget, and
- reallocations from both capital income and expenditure amounts to the Nuriootpa Centennial Park Authority for a Multiuse change room and Tanunda Rec Park Show Hall Upgrade from the general The Big Project – Buildings.

#### **Reserve Transfers**

A reduction in reserves is required for the projects listed below (as previously discussed with Council during the budget and new initiative (NI) process):

<b>Reserve</b>	<b>2019/20 Transfer Amount</b>	<b>Reason</b>
<b>Transfer from Reserve</b>		
Barossa Regional Gallery Cookbooks	45,000	Carry forward from 2018/19 Budget – Air conditioning *
Recyclables Collection Reserve	20,000	Carry forward from 2018/19 Budget – Hard waste disposal scheme *
Stockwell Hall Reserve	2,316	NI - Install stage curtain
Stockwell Recreation Park Reserve	14,000	NI - Electric BBQ installation
Talunga Recreation Park Reserve	130,000	NI - Talunga Park Oval - Irrigation \$100,000, Maintenance Atco Building \$10,000, Hybrid Power Solution \$20,000
CWMS Reserve	50,000	NI - Talunga Park Oval - Irrigation
Williamstown Queen Victoria Jubilee Park	15,900	NI - Caravan Park - Front Office refurbishment \$7,900, WQVJP - Reinststate Basketball backboard, hoop, linemarking \$8,000
Williamstown Community Council Reserve	4,000	NI - Williamstown Action Group - Queen Street Banners
<b>Total</b>	<b>281,216</b>	

Items marked with \* have already been approved by Council; provided for information only.

As noted in this report as a result of the waste levy increases the net operating result for this service will be adjusted to/from the Refuse Reserve at the end of 2019/20 and a report provided to Council for this approval.

#### **Annual Budget & Business Plan**

As required under Section 123 of the Act, the draft Business Plan has been prepared and is contained within the first section of the draft AB&BP 2019/20.

The consolidated Financial Statements are included in the "Annual Budget" section of the Draft AB&BP 2019/20.

Pursuant to Section 123 (7) of the Act, Council must adopt its Annual Business Plan with or without amendment before the adoption of its Annual Budget, as per the following excerpt:

- (7) Each budget of a council must-
- (a) be considered in conjunction with the council's annual business plan (and must be consistent with that plan, as adopted); and
  - (b) be adopted by the council after the council has adopted its annual business plan.

Pursuant to Section 153(5)(a) of the Act, Council must adopt its AB&BP prior to adopting rates for the financial year.

#### **Long Term Financial Plan**

As required in Section 122 of the Act, Council must undertake a review of its LTFP as soon as practical after adopting the Council's Annual Business Plan.

The annual review of the LTFP is included as a section within the document. It is noted that following the inclusion of the submissions and revised information above, the LTFP has been updated from the draft consultation document.

Further reviews to the LTFP over the last few weeks adjustments to the assumptions and forecasts.

From the Federal Government Budget 2019 we have been advised that Councils allocation for each program is as follows:

- Supplementary road funding for the years 2019/20 and 2020/21; Councils allocation is \$476,668, which is \$26,668 more than the amount already included within the AB&BP document at \$450,000. We received advice on 21 June 2019 from the Grants Commission that these funds will be placed in Councils bank account before 30 June 2019 and as this grant is untied it is recognised as income in the 2018/19 financial year. The LTFP has been adjusted to reflect the early payment of \$476,668 in 2018/19 and included in the opening cash position as at 1 July 2019,
- Financial Assistance Grants (FAGS) with half of the 2019/20 allocation paid to Council on 19 June 2019. The amount placed in Councils investment account at the LGFA is \$717,522, Council budgeted this early payment to be an amount of \$616,034. At this stage the early payment is an estimate and will be adjusted for indexation and over/under payments from the previous year, so the amount still to be received during 2019/20 a budgeted amount of \$616,034 has not been changed, this will be a budget adjustment during 2019/20 when that final allocation is provided. The LTFP has been adjusted to reflect the early payment of \$717,522 in the 2018/19 financial year and as this grant is untied it will be recognised as income in 2018/19 and included in the opening cash position as at 1 July 2019. The LTFP from 2020/21 and the forward years have been adjusted to an amount of \$717,522 x 2 or full year at \$1,435,044 pa indexed per year, and
- As previously reported to Council following an announcement from the Federal Government Budget 2019 the grant funding for Roads to Recovery (RTR) allocation was increased by \$97k to \$483k pa over the next five year program. The LTFP includes this amount for 2019/20 with the additional \$97k allocated to the resale budget in 2019/20 and added to general transport programs over the next four years. The LTFP from year six and onwards reverts back to RTR funding of \$386k pa.

#### *Revenue and Expenditure - Indexation*

To ensure appropriate cost recovery for Services, increases in General Rate revenue range from 2.25% to 2.5% pa, plus growth in service numbers of 1%. Operating expenditure is indexed within a range of 2.1% to 2.5%, with one-off and cyclic expenditure works and programs scheduled in the appropriate year as and when required. The LTFP includes known operational and capital expenditure programs to maintain, renew and implement assets and services as required for Council services over the ten years.

To ensure appropriate cost recovery for Waste Services, increases in all three service charges range from 2.1% to 6.5% pa plus growth in service numbers (1% included pa). The LTFP includes an overall Waste Services increase of 6.5% in 2020/21 to fund the additional levy expected to be \$86k or \$7.35 per service pa and any other service cost increases applicable to the Refuse, Recycling and Green Organic Service(s). As the optional Green Organic Service continues to expand so the expected costs and service numbers have been estimated based on known information for existing customers along with increases for new customers.

To ensure appropriate cost recovery for CWMS Services, increases in service charges range from 2% to 2.25% pa, plus growth (1% included pa) in service numbers. The LTFP includes known operational and capital expenditure programs to maintain, renew and implement assets as required for this service.

The NCPA have revised and adopted their LTFP in line with current information, trends and service requirements and has been validated to Council's NCPA – LTFP sub-plan. Operating income and expenditure indexed at 2-2.5% pa and capital expenditure kept at minimal levels then ramping up from 2024/25. While maintaining an adequate cash balance for their operations, their loan debt repayments are starting from an initial repayments in 2018/19 and with all loans programmed to be repaid by 2026/27.

The LTFP sub-plans are consolidated to form Council's summary LTFP - this summary annual review is reported within the AB&BP.

Loans for a total amount of \$13m have been included in the LTFP in years 2019/20 to 2021/22 and will be presented for Council's consideration to help finance the expenditure requirements for "The Big Project" (TBP) – Generational Community Infrastructure Project, as and when required.

The type of loans ie. fixed and/or cash advance facility will be assessed as appropriate to ensure at a minimum cash position is maintained in line with Council requirements and Policy.

Existing Community loans and scheduled repayments have been included in the LTFP in line with the approved agreements.

The LTFP sits within the Business Planning Framework providing an integral link between Council's strategy and Council operations.

### **Financial Sustainability & Performance Report**

As required in Section 122 of the Act, the Council's Chief Executive Officer (CEO) is to prepare a report on the Council's long term financial performance and position taking into account the provisions of Council's annual business plan and strategic management plans.

Council's Financial Sustainability Principles play an important part of the preparation of the LTFP and are included in the document. Council has adopted the Local Government sector key financial indicators to assess Council's long-term financial sustainability. The CEO report uses the Key Performance Indicators (KPI's) as a tool to analyse and measure forecasts to targets.

The measurement of Council's performance includes both financial and non-financial KPI's. These are reported within the document in detail for the budget year and in summary for the 10 year plan. An explanation of the variances for the LTFP KPI's are recorded in the document.

A Financial Sustainability Performance Report is included in the final AB&BP on the section "Long Term Financial Plan 2019/20 to 2028/29".

## **ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

Attachment 1: Annual Budget & Business Plan 2019/20, incorporating the annual review of the Long Term Financial Plan (LTFP) 2019/20 to 2028/29

## **COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**



How We Work – Good Governance

### Corporate Plan

6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

6.16 Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

### Legislative Requirements

Local Government Act 1999

## **FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**

### Financial

Council must ensure (where practicable) all adopted budgets are within established financial sustainability targets or key performance indicators (KPIs). In instances where ratios are not within a target, the LTFP adopted by Council will reflect a sustainable progression to such target.

The original budget is adopted following an extensive preparation and consultation process including the raising of rates at the appropriate levels for financial sustainability to be achieved.

The Financial Sustainability analysis indicates that The Barossa Council is currently financially sustainable for the forecast period covered by the LTFP. This will require ongoing annual and quarterly reviews to monitor and review direction as appropriate.

For the 2019/20 Annual Budget & Business Plan and the LTFP:

- KPI 1 – (Operating Surplus) a surplus of \$720k is expected for the 2019/20 year and over the next five years the LTFP forecasts an operating surplus of \$2,428k; the adopted target is to achieve an operating break-even position, or better, over any five year period.
- KPI 2 – (Operating Surplus Ratio) a rolling 3 year a surplus of 3.6% in 2019/20 and future years within the LTFP range from 0.9% to 2.1% are all within the acceptable target range set by Council of (2%) to 10%.
- KPI 3 – (Net Financial Liabilities Ratio) at 42.1% and future years within the LTFP range from 9.5% to 43.6% with year 10 at 9.5% comfortably within Council adopted targets of zero to 100%.
- KPI 4 – (Asset Sustainability Ratio) for the 2019/20 year the rolling 3 year average is expected at 79.7%. The target is being met over the ten year period, the average being 81.6%. For three years in this review the ratio is below the minimum rate, the lowest at 78.3%, all other future years are forecast to be within the adopted target range of 80% to 110%. A selection of TBP builds will upgrade and replace a considerable amount of assets. These works will be identified and then re-assigned as appropriate to renewal works and will improve this ratio.

Planned expenditure from the Infrastructure and Asset Management Plan(s) for the major asset classes has been used, along with updated data for remaining life on selected asset(s) replacements. This has resulted in a more accurate measure for Council's KPI on asset sustainability. This KPI is assessed to ensure Council provides for replacement/renewal of existing assets as they wear out or are consumed.

A substantial amount of 'Upgraded' asset work completed each year are partly renewing components of existing assets. For normal work cycles, components of these assets would need to be replaced when the depreciation or consumption of them had reduced their remaining life to zero, but as they are being upgraded to a better service level, they are effectively replacing asset components that would normally need to be replaced as/when due, this could have a significant favourable impact on the indicator.

It is imperative Council's financial sustainability principles and indicators are considered in budget processes and estimates. All budget estimates must include the measurement of all financial indicators and where relevant the justification and implication for not working within these targets.

The objective for the review of Council's LTFP is to achieve financial sustainability in the medium to longer term. In the absence of a regular review, financial sustainability will go unchecked, reducing Council's ability to absorb unplanned activities or financial shocks and impacts.

The Corporate and Organisational Management Team will work to achieve the longer term target for further improvements to Council long financial sustainability through an ongoing budget and organisational initiatives include the following approach:

- Ongoing reporting of the approved Strategic Projects Program
- Alignment of the Community and Corporate plans to the Annual Budget & Business Plan and the zero based budget process completed in the 2019/20 year to recalculate all expenditure and revenue settings across every operational area to find savings and potential increased revenues from sources not related to rates;
- Continue to review the net cost of all services provided by Council to further drive opportunities for efficiencies;
- Continue to review Council's asset base for accurate depreciation charges, renewal requirements and sustainable service levels.

Periodic updates on outcomes and options coming out of the work being undertaken has and will continue to be reported to Council.

## **COMMUNITY CONSULTATION**

Included as part of the Draft Annual Budget and Business Plan 2019/20 consultation and adoption process, and in accordance with the Act.

### **2.2.4**

#### **ADOPTION OF VALUATIONS FOR 2019/20 RATING PURPOSES**

#### **B3582**

Author: Senior Rates Officer

**MOVED** Cr Angas that Council, in accordance with Section 167(2)(a) of the Local Government Act 1999, adopts for rating purposes for the year ending 30 June 2020, the Valuer-General's most recent valuations available to Council of the Capital Value in relation to the area of the Council, which specifies that the total values that are to apply within the area is \$5,377,361,280 of which \$5,259,788,454 is rateable.

**Seconded** Cr Johnstone

**CARRIED 2018-22/231**

## PURPOSE

Property valuations received from the Valuer-General require adoption for the purpose of generating the 2019/20 rates.

## REPORT

### Discussion

The movement in property valuations from 2018/19 to 2019/20 is outlined in the table below.

**Table 1 – Property Valuations Movement – updated Land Use Codes**

	Land Use Code	No. of assessments	18-19 Total Valuations	18-19 Average Valuation	No. of assessments	19-20 Total Valuations	19-20 Average Valuation	% Movement Total Valuations
Residential	1	9,114	3,113,175,527	341,582	9,253	3,180,341,783	343,709	2.16%
Commercial	2-4	602	309,095,483	513,448	618	330,707,718	535,126	6.99%
Industry - Light	5	47	16,313,206	347,089	46	16,992,885	369,411	4.17%
Industry - Other	6	92	227,863,739	2,476,780	91	232,961,806	2,560,020	2.24%
Primary Production	7	2,178	1,249,465,481	573,676	2,179	1,342,921,435	616,302	7.48%
Vacant Land	8	566	101,110,865	178,641	585	100,358,665	171,553	-0.74%
Other	9	145	54,144,588	373,411	144	55,504,162	385,446	2.51%
		<b>12,744</b>	<b>5,071,168,889</b>		<b>12,916</b>	<b>5,259,788,454</b>		<b>3.72%</b>

There has been an increase of approximately \$43m in the total property valuations from those tabled in the previous public consultation version of the Annual Budget and Business Plan 2019/20. This is as a direct result of recent re-visits and new sub-divisions by the Valuer-General in the past month.

## ATTACHMENTS OR OTHER SUPPORTING REFERENCES

### Policy

Budget & Business Plan and Review Policy

Rating Policy

## COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

### Corporate Plan



How We Work – Good Governance

- 6.2 Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.
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### Legislative Requirements

Local Government Act 1999

## FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

### Financial

Refer Annual Budget and Business Plan 2019/20

**COMMUNITY CONSULTATION**

Included as part of the draft Annual Budget and Business Plan 2019/20 consultation and adoption process.

**2.2.5****DECLARATION OF DIFFERENTIAL GENERAL RATES 2019/20****B3582**

Author: Senior Rates Officer

**MOVED** Cr de Vries that Council, pursuant to Sections 152(1)(c)(i), 153(1)(b) and 156(1)(a) of the Local Government Act 1999, declares the following differential general rates on rateable land within its area for the year ending 30 June 2020, based upon the capital value of the land, which rates vary by reference to land use categories as per Regulation 14 of the Local Government (General) Regulations 2013:

- (1) Category (a) use (Residential), a rate of 0.0035137 in the dollar;
- (2) Category (b) use (Commercial – Shop), category (c) use (Commercial – Office) and category (d) use (Commercial – Other), a rate of 0.0053565 in the dollar;
- (3) Category (e) use (Industry – Light), a rate of 0.0054660 in the dollar;
- (4) Category (f) use (Industry – Other), a rate of 0.0161400 in the dollar;
- (5) Category (g) use (Primary Production), a rate of 0.0032600 in the dollar;
- (6) Category (h) use (Vacant Land), a rate of 0.0063700 in the dollar;
- (7) Category (i) use (Other), a rate of 0.0058500 in the dollar;

**Seconded** Cr Hurn

**CARRIED 2018-22/232**

**MOVED** Cr Miller

**RESIDENTIAL RATES CAP**

That Council, pursuant to Section 153(3) and (4) of the Local Government Act 1999, has determined to fix a maximum increase in general rates levied upon a category 1 land use (Residential) property for the year ending 30 June 2020, which constitutes the principal place of residence of a principal ratepayer at:

- (a) **7.5%** over and above the general rates levied for the 2018/19 financial year (for residential ratepayers who are in receipt of the Cost of Living concession); or
- (b) **15%** over and above the general rates levied for the 2018/19 financial year (all other residential ratepayers);

provided that:

- the property has been the principal place of residence of the principal ratepayer since at least 1 July 2018; and
- the property has not been subject to improvements with a value of more than \$20,000 since 1 July 2018.

**Seconded** Cr Wiese-Smith

**CARRIED 2018-22/233**

**PURPOSE**

To adopt the differential general rates-in-the-dollar to apply for the 2019/20 rating year.

**REPORT**Discussion

A comparison of the rates-in-the-dollar for 2018/19 and 2019/20 is outlined in the table below:

**Table 1 – Rate-in-\$ comparison 2018/19 – 2019/20 – updated Local Govt Categories 16 June 2019**

Local Govt. Categories	% change to rate in \$	18-19 Rate in \$/charge	18-19 Revenue	% of Total Rate Revenue (excl Fixed Chg)	19/20 Rate in \$/charge	19/20 Revenue	% of Total Rate Revenue (excl Fixed Chg)	% Increase in revenue
Residential	0.91%	0.0034820	10,840,077	50.45%	0.0035137	11,174,767	50.47%	3.1%
Commercial	-2.15%	0.0054740	1,691,993	7.88%	0.0053565	1,771,436	8.00%	4.7%
Industry - Light	-3.29%	0.0056520	92,202	0.43%	0.0054660	92,883	0.42%	0.7%
Industry - Other	-0.12%	0.0161600	3,682,271	17.14%	0.0161400	3,760,004	16.98%	2.1%
Primary Production	-3.49%	0.0033780	4,220,694	19.64%	0.0032600	4,377,924	19.77%	3.7%
Vacant Land	0.17%	0.0063590	642,964	2.99%	0.0063700	639,285	2.89%	-0.6%
Other	0.64%	0.0058130	314,745	1.46%	0.0058500	324,699	1.47%	3.2%
Fixed Charge		342	4,139,226		356	4,375,596		5.7%
<b>TOTAL</b>			<b>25,624,173</b>	<b>100.0%</b>		<b>26,516,593</b>	<b>100.0%</b>	<b>3.48%</b>

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**Policy

Budget & Business Plan and Review Policy

Rating Policy

**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**Corporate Plan

How We Work – Good Governance

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Legislative Requirements

Local Government Act 1999

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**Financial

Refer Annual Budget and Business Plan 2019/20

Rating Policy

**COMMUNITY CONSULTATION**

Included as part of the draft Annual Budget and Business Plan 2019/20 consultation and adoption process.

**2.2.6****DECLARATION OF FIXED CHARGE FOR RATING PURPOSES****B385**

Author: Senior Rates Officer

**MOVED** Cr Johnstone that Council, pursuant to Section 152 (1)(c)(ii) of the Local Government Act 1999, declare a Fixed Charge of \$356 on each separately valued piece of rateable land within the Council area for the year ending 30 June 2020.

**Seconded** Cr Boothby**CARRIED 2018-22/234****PURPOSE**

To consider the imposition of a Fixed Charge on all rateable properties for the 2019/20 rating year.

**REPORT**Discussion

A Fixed Charge of \$356 represents a \$14 increase on the amount applied for the 2018/19 rating year.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**Policy

Budget &amp; Business Plan and Review Policy

**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**Corporate Plan

How We Work – Good Governance

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Legislative Requirements

Local Government Act 1999

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**Financial

Refer Annual Budget and Business Plan 2019/20

Rating Policy

**COMMUNITY CONSULTATION**

Included as part of the draft Annual Budget and Business Plan 2019/20 consultation and adoption process.

**2.2.7****DECLARATION OF WASTE COLLECTION SERVICE CHARGE****B3582**

Author: Senior Rates Officer

**MOVED** Cr de Vries that Council, pursuant to Section 155 of the Local Government Act 1999, and in order to provide the service of waste collection in those parts of the Council's area described in (3) below, declares the following service charges by reference to the nature and/or level of usage of the service, for the year ending 30 June 2020:

**(1) Non-recyclable Waste Collection**

- (a) An annual service charge of \$109.00 per 140L collection receptacles
- (b) An annual service charge of \$137.00 per 240L collection receptacles; except in instances where, subject to written application to and approval by the Council, residential households with six or more permanent residents may receive a 240L receptacle at the same service charge level of a 140L receptacle.

**(2) Recyclable Waste Collection**

- (a) An annual service charge of \$52.00 per 240L collection receptacle
- (b) An annual service charge of \$57.00 per 240L Green Organic Waste collection receptacle

**(3) Parts of Council Area**

All Service Entitled Properties in the Designated Waste Collection Areas and along the Approved Waste Collection Route as identified in the Waste Management Services Policy

**Seconded** Cr Miller

**CARRIED 2018-22/235**

**PURPOSE**

To consider the declaration of the Waste Collection Service Charge for the 2019/20 rating year.

**REPORT**

Discussion

The proposed service charges are based on the estimated cost to Council in providing the service.

Pursuant to Section 155(5) of the Local Government Act 1999, Council cannot recover by way of the service rate an amount exceeding the estimated cost of operating the service.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

Policy

Budget & Business Plan and Review Policy

**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**

Corporate Plan



How We Work – Good Governance

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Legislative Requirements

Local Government Act 1999

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**Financial

Refer Annual Budget and Business Plan 2019/20

Rating Policy

**COMMUNITY CONSULTATION**

Included as part of the draft Annual Budget and Business Plan 2019/20 consultation and adoption process.

**2.2.8****DECLARATION OF COMMUNITY WASTEWATER MANAGEMENT SYSTEMS (CWMS) RATE AND SERVICE CHARGE****B3582**

Author: Senior Rates Officer

**MOVED** Cr Hurn that Council, pursuant to Section 155 of the Local Government Act 1999, declare a service rate and impose a service charge for the year ending 30 June 2020, in the following areas to which Council makes available a Community Wastewater Management System (CWMS):

**1. Lyndoch, Mount Pleasant, Nuriootpa, Penrice, Stockwell, Tanunda and Williamstown – Residential & Vacant Land Properties**

- (a) An annual service charge of \$337 of occupied residential rateable and non-rateable land;
- (b) An annual service charge of \$110 on each assessment of vacant rateable and non-rateable land.

**2. Lyndoch, Mount Pleasant, Nuriootpa, Penrice, Stockwell, Tanunda and Williamstown – Non-Residential & Non-Vacant Land Properties**

A service rate of 0.001177 in the dollar of the capital value of occupied non-residential rateable land.

**3. Springton – Residential & Vacant Land Properties**

- (a) An annual service charge of \$582 (including a capital repayment contribution of \$245) on assessments of occupied residential rateable land and non-rateable land;
- (b) An annual service charge of \$245 on assessments of occupied non-rateable land;
- (c) An annual service charge of \$65 on each assessment of vacant rateable land.

**4. Springton – Non-Residential & Non-Vacant Land Properties**

- (a) A service rate of 0.001177 in the dollar of the capital value and an annual service charge of \$245 (capital repayment contribution) on assessments of occupied non-residential land.
- (b) An annual service charge of \$245 on assessments of occupied non-rateable land

**Seconded** Cr Wiese-Smith**CARRIED 2018-22/236****PURPOSE**

To consider the declaration of Community Wastewater Management Systems (CWMS) rates and charges for the 2019/20 rating year.

**REPORT**Discussion

The proposed service rates and charges are based on the estimated cost to Council in delivering the service.

Pursuant to Section 155(5) of the Local Government Act 1999, Council cannot recover by way of the service rate and charges an amount exceeding the estimated cost of operating, maintaining, improving and replacing the service.

The charge for all residential properties connected to a CWMS scheme is solely based on a service charge.

#### **ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

##### Policy

Budget & Business Plan and Review Policy

Rating Policy

#### **COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**

##### Corporate Plan



How We Work – Good Governance

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##### Legislative Requirements

Local Government Act 1999

#### **FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**

##### Financial

Refer Annual Budget and Business Plan 2019/20

#### **COMMUNITY CONSULTATION**

Included as part of the draft Annual Budget and Business Plan 2019/20 consultation and adoption process.

### **2.2.9**

#### **DECLARATION OF NATURAL RESOURCE MANAGEMENT LEVIES**

#### **B3583**

Author: Senior Rates Officer

**MOVED** Cr de Vries that Council, in exercise of the powers contained in Section 154 of the Local Government Act 1999, for the year ending 30 June 2020 and in order to reimburse Council for the amount contributed to the:

- (1) Adelaide and Mount Lofty Ranges Natural Resources Management Board, a levy in the nature of a separate rate of **0.00009544** in the dollar of the Capital Value of land, on all rateable land in the Council's area in the area of that Board in accordance with Section 95 of the Natural Resources Management Act 2004;

- (2) SA Murray-Darling Basin Natural Resources Management Board, a levy in the nature of a separate rate of **0.00023990** in the dollar of the Capital Value of land, on all rateable land in the Council's area in the catchment area of that Board, in accordance with Section 95 of the Natural Resources Management Act 2004.

**Seconded** Cr Johnstone

**CARRIED 2018-22/237**

#### **PURPOSE**

To consider the declaration of the State Government Natural Resource Management levies for the 2019/20 rating year.

#### **REPORT**

##### Discussion

The levies are collected on behalf of the State Government and then forwarded to the various Boards on a quarterly basis.

#### **ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

##### Policy

Budget & Business Plan and Review Policy

Rating Policy

#### **COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**

##### Corporate Plan



How We Work – Good Governance

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##### Legislative Requirements

Local Government Act 1999

Rating Policy

#### **FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**

##### Financial

Refer Annual Budget and Business Plan 2019/20

#### **COMMUNITY CONSULTATION**

Included as part of the draft Annual Budget and Business Plan 2019/20 consultation and adoption process.

#### **2.2.10**

#### **PAYMENT OF RATES**

#### **B2690**

Author: Senior Rates Officer

**MOVED** Cr de Vries that Council:

- (1) Pursuant to Section 181(1) and (2) of the Local Government Act 1999, all rates and charges will be payable in four quarterly instalments due on **10 September 2019, 3 December 2019, 3 March 2020 and 2 June 2020**; provided that in cases where the initial account requiring payment of rates is not sent at least 30 days prior to this date, or an amended account is required to be sent, authority to fix the date by which rates must be paid in respect of those assessments affected, is hereby delegated to the Chief Executive Officer.
- (2) Pursuant to Section 44 of the Local Government Act 1999, the Chief Executive Officer (or his delegate) be delegated power under Section 181(4)(b) of the Act to enter into agreements with ratepayers relating to the payment of rates in any case where he considers it necessary or desirable to do so.

**Seconded** Cr Barrett**CARRIED 2018-22/238****PURPOSE**

To consider quarterly payment due dates for the 2019/20 rating year.

**REPORT**Discussion

In accordance with the provisions of the Local Government Act 1999, rate payments must be offered on a quarterly basis in September, December, March and June each year.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**Policy

Budget & Business Plan and Review Policy

Rating Policy

**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS**Corporate Plan

## How We Work – Good Governance

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Legislative Requirements

Local Government Act 1999

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**Financial

Refer Annual Budget and Business Plan 2019/20

Rating Policy

**COMMUNITY CONSULTATION**

Included as part of the draft Annual Budget and Business Plan 2019/20 consultation and adoption process.

## **2.3 MANAGER COMMUNITY PROJECTS - DEBATE**

### **2.3.1**

#### **COMMUNITY ASSISTANCE SCHEME GRANT – EDEN VALLEY INSTITUTE – KITCHEN RENOVATION**

**B3342**

**MOVED** Cr Angas that Council approve the Community Assistance Scheme Committee recommendation to grant the Eden Valley Institute Incorporated \$10,000 ex GST for the purpose of the kitchen renovation project, from the Community Assistance Scheme Committee budget.

**Seconded** Cr de Vries

**CARRIED 2018-22/239**

Cr Wiese-Smith requested the correction of the spelling of her name in the resolution of the Community Assistance Scheme Committee (CASC) minutes.

#### **PURPOSE**

Council approval required to consider the recommendation from the Community Assistance Scheme Committee to grant \$10,000 ex GST to the Eden Valley Institute Incorporated (the Group) for their kitchen renovation project.

#### **REPORT**

##### Background

The Community Assistance Scheme Committee (CASC) has delegation to approve community and youth grants up to \$3,000 ex GST. The Group have submitted an application for their kitchen renovation project for \$10,000 which is outside of CASC delegation and therefore this report is tabled for Council's consideration.

##### Discussion

At the CASC meeting on 18 June 2019, the following was resolved:

**MOVED Cr Weise-Smith** that the Community Assistance Scheme Committee:

- 1) supports in principle, the Eden Valley Institute Inc Kitchen Renovation project;
- 2) recommends that Council approve a Community Grant of \$10,000 (ex GST) for the Eden Valley Institute Inc Kitchen Renovation project, subject to Planning and Building approvals being granted.

**Seconded Cr Barrett**

**CARRIED**

The CASC Report is provided at Attachment 1 and the application from the Eden Valley Institute Incorporated is provided at Attachment 2.

Director, Corporate and Community Services has attended various events at the institute over the last 12 months. It is a vibrant centre of community activity and the focus of the social life of the township. The Group is well organised, practical and highly inclusive and has a strong track record of direct fundraising.

The project may also be suited to an application for State Government Grants SA funding and in particular the medium range of funding for projects (\$5,001 to \$20,000) particularly if there is a component of match funding provided by Council. It is understood the next round of grants will open in July 2019. Should Council support the recommendation, officers will advise the Group of this opportunity.

The Group have also been advised that development approval is required as the project involved demolishing a portion of the existing building (a lean-to area) and construct a larger lean-to comprising a new kitchen. This is considered an extension to the existing footprint and all extensions require Development Approval (Planning and Building). Notwithstanding this, the building is Local Heritage Listed and even a fully internal alteration would require Development Approval.

The current CASC budget balance is sufficient to cover this increased request.

**ATTACHMENTS OR OTHER SUPPORTING REFERENCES**

- Attachment 1: CASC meeting minutes - 18 June 2019 Ref: 19/34348  
 Attachment 2: CASC Application – Eden valley Institute Kitchen renovation Ref: 19/42628

**COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS****Community Plan**

Community and Culture

**Corporate Plan**

How We Work – Good Governance

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**Legislation**

Local Government Act 1999

Local Government (Financial Management) Regulations 2011

**FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS**Financial Management Considerations

The adopted Budget for the Community Grants and Youth Grants for 2018/19 is \$25,500 (excl GST).

TOTAL CURRENT FUNDS AVAILABLE		\$11,325
June 2019 (Special Meeting): Requested Community Grant	1 Application	<u>\$ 10,000</u>
FUNDS REMAINING IF APPLICATION GRANTED		\$ 1,325

**COMMUNITY CONSULTATION**

Not required under legislation or Council's Public Consultation Policy.

**3. NEXT MEETING**

Tuesday 16 July 2019 at 9.00am.

**4. CLOSURE OF MEETING**

Mayor Lange declared the meeting closed at 6.42pm.

Confirmed at Council Meeting on 16 July 2019

Date:.....

Mayor:.....