District Council of
ORRORO
CARRIETON

Business Plan

2020-2021

The Business Plan sets out Council's proposed services, programs and projects for the coming financial year.

Drafted: APRIL 2020

DRAFT

This page is intentionally blank

Index

Our District	3
From the Chairman	4
From the CEO	4
Our Council	5
Budget in brief	6
Strategic Influencers & Priorities	7
Operational Outlook	8
Capital Works	10
Funding the Plan	11
Rating Strategy	14
Consultation	20
Financials in detail	21

DRAFT

Orroroo Carrieton District

Unique and steeped in history

A clean living experience founded on Agriculture, with strong opportunities for diversification and growth in tourism, energy and resources.

Orroroo is located in the mid north of South Australia, approximately 3 hours' drive north of Adelaide and one hour east of Port Augusta and intersects two major road transport routes from the eastern states on Australia and Northern Territory and Western Australia.

The district has two major towns, Orroroo and Carrieton, with smaller historical locations of Eurelia, Black Rock, Morchard, Yatina, Pekina, Johnburgh and Belton. These are smaller farm townships originally surveyed in the 1800's.

Orroroo has a range of essential services including a major Hospital, Health Centre, Area School, Library, Aged Care facility, a variety of community and culture associations, and sporting facilities/clubs that are well supported and extremely competitive. The town centre hosts a range of business which support the district including a post office, supermarket, pharmacy, newsagent, green grocer, hardware, hotels and cafes.

The District is situated at the base of the Flinders Ranges, and is a popular tourism destination for visitors, retaining much of its unique 1880's charm and heritage. Significant in South Australia's history, the district is home to the National Trust of Australia's heritage icon 'Goyder's Line' – where George Woodroffe Goyder mapped a line of demarcation to signify the end of the cereal-growing country and beginning of the pastoral zone.

The primary commerce in the region is Agriculture, with the predominant agricultural commodity being food (cereal grains, legumes, meat) and wool. These activities are conducted on relatively large holdings.

The region produces a variety of crops for grain, silage and feed, including wheat, oats, barley, beans, oilseeds, legumes, chickpeas, lentils, lupins and hay.

Council works with industry and all tiers of government across sectors such as food production, mining and engineering, solar and alternative energy production, tourism and aged care facilities to ensure the opportunities in these areas are maximised and that new business opportunities can be supported with sound planning and investment in regional infrastructure.

DRAFT

Introduction

From the Mayor

On behalf of elected members and staff, I present to you the 2020/2021 Business Plan. It comes at a time of general upheaval and uneasiness throughout our nation, our state and locally. In a time of prolonged drought and now pandemic and all the strategies to cope with that, it is comforting to know that your Council is still doing the planning for the next financial year in a timely manner and in its normal timeframe.

2019/20 saw many worthwhile projects completed under the Federal Drought Communities Program and this scheme will continue again in the first half of the 2020/21 Financial Year. This does not mean we will put our usual work programs on hold. All the projects that were identified for this time period in our new Strategic and Community Plan are continuing. We will strive as always to provide the best day-to-day service that you expect of us as well.

As we did last year, we propose to keep our overall rate increase to the bare minimum of inflation at 2.1% in an effort to protect all of you as much as we can in these difficult times. This means our real increase for these two years is nil. As our long-term financial strategy had planned for larger increases in both these years, we must continue to work very hard on our efficiency in all areas to make this come together.

In consulting with you last year as to how you would like to see our Council in the future, many great ideas came forward. We will strive to accommodate as many as we can going forward but still keep faithful to your strongest request to keep rate increases to a minimum. It's a challenge Council takes up to get the balance right.

Kathie Bowman
Mayor

From the Chief Executive Officer

I look toward the 2020/21 financial year with energy and optimism. In a time of unprecedented challenges, Council strives to maintain our high level of local amenity and the services we all expect and enjoy, as well as providing for a safe, healthy and financially responsible future.

Dylan Strong
Chief Executive Officer

DRAFT

Our Council

Kathie Bowman
Mayor

PMB 6
ORRORO0 SA 5431
Email: kathie.bowman@orroroo.sa.gov.au
Phone: 0429 099 615

Grant Chapman
Deputy Mayor

PO Box 77
ORRORO0 SA 5431
Email: grant.chapman@orroroo.sa.gov.au
Phone: 0427 581 128

Joylene Ford
Councillor

6 South Terrace
ORRORO0 SA 5431
Email: joylene.ford@orroroo.sa.gov.au
Phone: 8658 1235
Mobile: 0427 533 628

Colin Parkyn
Councillor

3 First Street
ORRORO0 SA 5431
Email: colin.parkyn@orroroo.sa.gov.au
Phone: 8658 1261
Mobile: 0427 715 862

Ralph Goehring
Councillor

17 West Terrace
ORRORO0 SA 5431
Email: ralph.goehring@orroroo.sa.gov.au
Phone: 8658 1446
Mobile: 0428 581 124

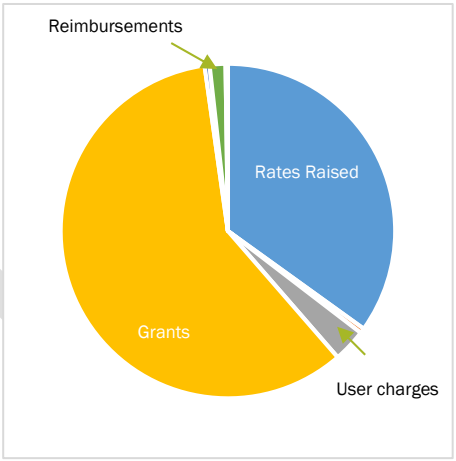
DRAFT

Budget in brief

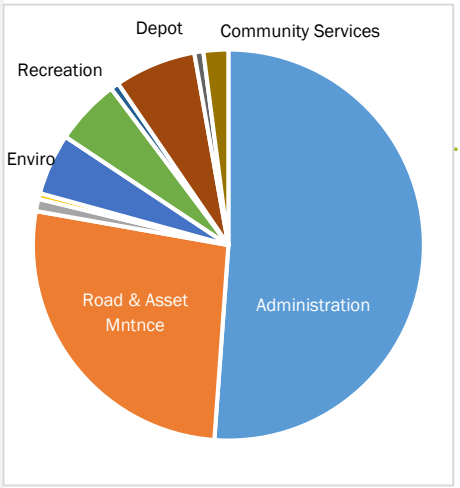
2020/21

OPERATING INCOME	Budget 19/20	Budget 20/21
Rates Raised	$1,203,000	$1,234,000
Statutory Charges	$18,000	$17,000
User Charges	$107,000	$113,000
Grants Subsidies & Contributions	$1,568,000	$2,090,000
Investment Income	$17,000	$17,000
Reimbursements	$72,000	$54,000
Other Income	$5,000	$8,000
TOTAL OPERATING INCOME	**$2,989,000**	**$3,533,000**
OPERATIONAL EXPENDITURE		
Administration	$1,967,713	$2,140,201
Community Services	$126,749	$106,920
Culture	$30,000	$54,893
Economic Development	$117,627	$54,509
Environmental Services	$166,644	$193,581
Recreation	$205,099	$231,423
Regulatory	$23,000	$18,920
Road and Asset Management	$279,213	$287,062
Business Activities	$27,591	$25,714
Plant & Machinery	($21,806)	$2,933
Depot & indirect Expenditure	$116,170	$4,889
TOTAL OPERATIONAL EXPENSES	**$3,038,000**	**$3,121,044**
NET OPERATING SURPLUS / DEFICIT	**($48,000)**	**$411,956**
CAPITAL EXPENDITURE		**Budget 20/21**
Road Re-sheeting		$365,000
Heavy Vehicle Bypass		$303,000
Buildings		$102,300
Footpath upgrades per Footpath Program		$35,000
Aerodrome		$57,000
Fixtures & Fittings		$45,000
Plant and Machinery Purchases		$315,000
TOTAL CAPITAL EXPENSES		$1,222,300
NET CAPITAL EXPENSES		**$1,222,300**

Operating Income



Operational Expenditure



Strategic Influencers & Priorities

Prosperity & Resilience | 2020 - 2030

Strategic Direction

Council intends to adopt a new 10 year Strategic & Community Plan in June 2020: *Prosperity and Resilience 2020 - 2030*. This Strategic and Community Plan is the centrepiece of Council's suite of strategic management documents which also includes Council's Long Term Financial and Asset Management Plans and Annual Business Plan.

The Strategic and Community Plan is a tool for defining the direction of the district. By identifying a vision, themes, strategies and key projects, Council is creating a roadmap for 2020 – 2030.

Throughout the 10 year lifetime, the Plan will be regularly reviewed to ensure it remains relevant to the Orroroo Carrieton community and district.

Our Vision

We are a proud community and our vibrancy makes us resilient. Our residents, businesses and visitors prosper from our beautiful landscape, healthy environment and well serviced regional centre.

Strategic Pillars

The Plan is built upon four key themes:

Prosperity | A strong and diversified local economy

Lifestyle | Healthy, connected and empowered communities with the services they need

Leadership | Informed decision making, strong advocacy and adaptive with change

Landscape | A healthy, productive environment supported by best practice

In working towards its goals in the development of this Business Plan, Council considers a long-term view of its financial situation. Through the draft 2020-2030 Long Term Financial Plan Council is committed to ensuring its long-term financial sustainability, which is dependent on ensuring that, on average over time, Council's expenses are at least matched by its revenue.

DRAFT

Operational Outlook

Service Provision 2020/21

Function	Mandatory	Traditional	Elective
Business, Administration & Regulatory Services	Administration Governance Financial Management Payroll WHS & Risk Rate Admin Asset Management Dog & Cat Mgt Development Services Environmental Health	Council House	Private Works Carrieton Water Supply
Community & Recreation Services	Cemeteries	Northern Transport Passenger Service Public Conveniences Community Library Community Halls - Recreation Grounds Parks & Gardens (Lions Park, Parklands etc.) Swimming Pools	Addison Court Goyder's Line Gazette Website Communication Towers Community Events Grants Program/s Historical Society Early Settlers Cottage
Economic Development			Planning & advocacy Tourism development Visitor Information Grant submissions
Environment	Fire Prevention Hazard Management	Waste Management - Landfill Weed Spraying Waste Management Recycling Depot Drum Muster Street Lighting Main Street	Cropping land Grant submissions
Transport and Infrastructure		Road Maintenance (Sealed and unsealed) Footpaths & Kerbing Flood Damage Aerodromes	

Operational Outlook 2020/21

Strategic Projects

In addition to the operational outlook, Council has committed to continuing delivery with a number of specific key initiatives all of which play a significant role in the sustainability and growth of the district.

Project	Description	Amount $
Governance, Finance & Asset Management		
Disability Access and Inclusion Plan	The Disability Access and Inclusion Plan will be developed jointly between the Flinders Ranges Council, District Council of Orroroo Carrieton and District Council of Peterborough.	$5,000
Brighter Futures Program	Brighter Futures is a six month learning and action program for the community developed collaboratively with Legatus Group and Flinders Ranges Council.	$5,000 (paid in 2019/20)
Infrastructure and Services		
Orroroo Storm Water Management – Stage 2	Investigate further storm water capture and reuse in the Orroroo township	$5,000
Tourism Master Plan Implementation	Overhaul the existing master plan for Orroroo Recreation Ground to stage and guide all future development and the upkeep of existing buildings	$21,000
Black Rock Wool Press Development	Project Management, Building / Development approvals, Soil testing / engineering, site security and traffic control of project site.	$15,000
Total Projects		$ 51,000

DRAFT

Operational Outlook 2020/21

Capital Works Program

Item	Amount $	Comment
Road Reconstruction	$365,000	Works in accordance with Asset Management Plan and Road Service Level Standards
Mt James Road Wyndhurst Road Kuerschner Road Crocker Hill Road Garden Road Dump Road Gorge Road Morchard Road Nutt Road Eurelia West Road Belton Road intersection realignment Kuerschner Road (Rip & Reform) Crocker Hill Road (Rip & Reform)		
Orroroo Heavy Vehicle Bypass	$303,000	In accordance with Asset Management Plan
Buildings	$102,300	In accordance with Asset Management Plan
Footpath upgrades per Footpath Program	$35,000	In accordance with Asset Management Plan
Aerodrome	$57,000	Contribution to installation of wildlife exclusion fence and lighting upgrades
Fixtures & Fittings	$45,000	Annual allocation
Plant and Machinery renewal – Vehicle - General Caterpillar Grader 12H	 $55,000 $260,000	In accordance with Plant and Machinery Replacement Program
Total Capital Expenditure	$1,222,300	

AFI

Funding the Plan

Budget 2020/21

Council's revenue in 2020/21 includes $1,234,000 raised from general and other rates. This is based on an increase of 2.1%, equivalent to Adelaide consumer price index (Dec 2019).

Other sources of revenue for the Council are:

- ✓ User charges and commercial revenue
- ✓ Statutory charges set by State Government
- ✓ Grants
- ✓ Other revenue

Council's long-term financial sustainability is dependent on ensuring that on average expenses are less than revenue, in accordance with the Long Term Financial Management Plan and Financial Strategy.

Grant Funding

Local Government receives the following main ongoing types of grant funding:

General Purpose & Local Roads Financial Assistance Grants (Federal)

Council has complete discretion as to expenditure of funds received. Council's 2020/21 budget assumes that four quarterly instalments of Federal Government financial assistance grants (both general purpose and local roads components) will be received.

Supplementary Road Funding (Federal)

The funding program was reintroduced as of 1st July 2019 by the Federal Government for South Australian Councils, to assist with maintaining local road networks for a further two years. Council has full discretion as to the expenditure of the funds received.

Roads to Recovery Grants (Federal)

While funds received are to be spent on road projects, Council has complete discretion on whether such spending is on maintaining, renewing or upgrading roads.

Grant Funding – Operating	Amount $,000
Local Roads (Grants Commission)	*$266**
General Purpose (Grants Commission)	*$934**
Supplementary Road Funding	$ -
Roads to Recovery (Standard annual allocation)	$389
Other – Drought Communities Funding	*$500*
Total Operating Grant Funding	$2,089

** local roads and general purpose grants include prepayment amounts*

DRAFT

Funding the Plan

Budget 2020/21

Council's Financial Sustainability Assessment

Ratio	20/21 Budget	LTFP target range
Operating Surplus Ratio	12%	0% - 15%
Net Financial Liabilities Ratio	(25%)	(50%) – 50%
Asset Renewal Ratio	169%	90 – 110%

Operating Surplus Ratio (OSR)

The OSR is used to confirm that Council can cover its operating expenses (which includes depreciation charges) from its operating revenue. The operating surplus ratio from the budgeted activity for the year is 12%. This result arises because operating income is budgeted to be $500k more than Council's operating expenses for the year due to the Drought Communities Program income.

Asset Sustainability Ratio (ASR)

The ASR indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as they wearing out. A result in the range of 90% to 110% would indicate that Council is replacing its assets in a timely manner. The forecast ASR is 169% which indicates that asset renewal is above the desirable levels for the 2020/21 financial year. This result is higher than normal due to the additional capital works occurring under the Drought Communities Program.

Net Financial Liabilities Ratio (NFL)

The NFL is a comprehensive measure of the indebtedness of Council including items (such as long-service leave entitlements) as well as taking account of the level of Council's available cash and investments. The ratio of (25%) indicates that Council is in a strong financial position.

Overall Assessment of Council's Financial Sustainability

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

In addition to the above ongoing grants received, Council endeavours to apply for and leverage external capital grants should an opportunity exist. A number of capital grants have been applied for in the 2020/21 year but because they are competitive will not be included in Council's budget until an outcome is known. Council will continue to participate in competitive and/or opportunistic grant programs where proposed outcomes align with the intent and purpose of the Strategic and Community Plan 2020-2030.

DRAFT

Funding the Plan

Budget 2020/21

Uniform Presentation of Council Finances

	2019/20 (at BR2)	Draft Budget 2020/21
	$'000	$'000
Income	3,129	3,533
less Expenses	3,084	3,121
	45	412
***less* Net Outlays on Existing Assets**		
Capital Expenditure on renewal and replacement of Existing Assets	663	1,240
less Depreciation, Amortisation and Impairment	948	1,045
less Proceeds from Sale of Replaced Assets	30	60
	(315)	135
***less* Net Outlays on New and Upgraded Assets**		
Capital Expenditure on New and Upgraded Assets	129	475
less Amounts received specifically for New and Upgraded Assets	18	-
less Proceeds from Sale of Surplus Assets	80	-
	31	475
Net Lending / (Borrowing) for Financial Year	**329**	**(198)**

The Uniform Presentation of Council Finances together with the results of the Key Financial Indicators provides a summarised report that focuses on Council's finances at a strategic level.

Financial Indicators	Draft Budget 2020/21	*LTFP target range*
Operating Surplus Ratio	12%	*1 - 15%*
Net Financial Liabilities Ratio	(25%)	*(50%) - 50%*
Net Financial Liabilities Ratio	169%	*91 - 110%*

DRAFT

Rating Strategy

Rating Arrangements 2020/2021

Capital Value as a basis for Rating

The District Council of Orroroo Carrieton uses capital value as the basis for valuing land within its Council area. 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 provides a fair indicator of overall property value.
- ✓ The distribution of property values throughout the Council area is such that some ratepayers will pay more and some less depending on fluctuations of property value.

The following table summarises capital value movements for the past 12 months across the Orroroo Carrieton Council District:

Local Government Code	2019/20 No.	2019/20 CV Total	2020/21 CV Total	Overall CV % Change
Residential	341	46,290,500	46,718,000	0.92%
Commercial - Shop	11	1,066,000	1,066,000	0.00%
Commercial - Office	2	152,000	152,000	0.00%
Commercial - Other	32	7,029,000	7,030,500	0.02%
Industry - Light	3	184,000	184,000	0.00%
Industry - Other	7	693,000	693,000	0.00%
Primary Production	810	188,014,260	204,354,460	8.69%
Vacant Land	330	2,150,300	2,163,900	0.63%
Other	130	4,053,700	4,060,200	0.16%
TOTAL:	**1,666**	**249,632,760**	**266,422,060**	**6.73%**

Adoption of Valuations

To ensure independency of valuations, Council has continued to adopt the valuations made by the South Australian Valuer General, in accordance with Section 167(2)(a) of the Local Government Act 1999.

Pursuant to Section 167(3)(a)(i) of the Local Government Act, Council, has adopted the most recent capital valuations provided by the Valuer General applied to land within the Council area to be used as the basis for calculating rates.

For the financial year ending 30 June 2020, the most recent capital valuations for the Council area total $266,422,060 of which approximately $259,240,660 is rateable.

DRAFT

Rating Strategy

Rating Arrangements 2020/2021

Should any ratepayer be dissatisfied with a property valuation then they are encouraged to make contact with the Office of the Valuer General, GPO Box 1354, Adelaide, SA 5001, lsg.objections@sa.gov.au or 1300 653 346.

Note - the lodgment of an objection to a valuation does not change the due date for the payment of rates and must be paid in accordance with the rate notice, unless otherwise advised by Council.

The Valuer General's Office does not formally apply it's valuations until the end of May. The figures used for modelling in this draft Business Plan are considered the best available estimate and will be adjusted as required prior to the plan's adoption in June 2020.

Given models have been structured on a 2.1% increase, the draft budget should remain unchanged regardless of valuation movements. Changes may however be made to the rate in the dollar, the impacts this may have on varies sectors and the valuation base used for calculations.

Setting Rates

Apart from the need to ensure sufficient revenue to meet its expenditure needs, Council is mindful of the impact of rates to the Community, both residential and business, and regularly makes comparison of its rates across Council areas.

Council uses the Consumer Price Index (CPI) each year as its benchmark of movements in the community's capacity to pay and endeavors to contain the rate increase to around this level, subject to significant cost pressures or income losses that cannot be otherwise accommodated, or service level increases desired by the community.

The changes in capital valuations over the previous twelve months have varied greatly between residential and non-residential properties as demonstrated in the table included on the previous page.

Council has undertaken rates modelling exercises for several options to determine how the rate in the dollar will be set as well as the need to cap rate increases to even out the impact of these unusual valuation trends across the community.

Models were prepared and discussed at Council for the following scenarios, with consideration that Council cannot exceed the capping rebate beyond 3 years and removal of this rebate would see significant increases incurred by the Primary Production sector.

- No rate capping, differential rates – 2.1% increase
- No rate capping, differential rates, increased fixed charge – 2.1% increase
- No rate capping, differential rates – 4.1% increase
- Applying a 15% rate cap, differential rates – 2.1% increase
- No cap, flat rate across all sectors – 2.1% increase

DRAFT

Rating Strategy

Rating Arrangements 2020/2021

Based on the modelling undertaken it was decided to implement a differential rating system based on land use. This will provide the most effective means of distributing the impact of the abnormal valuation differentials between residential and non-residential, whilst still reflecting the impact of increased capital values across the non-residential sector. An analysis of comparable Councils rating charges was provided and based on this it was also decided to increase the fixed charge from $252 to $300.

The rate in the dollar has been set to generate an increase of 2.1% in rate revenue.

Rating Method

General Rates: Council will raise a total of $1,234,000 in general rate revenue.

Council, having taken into account the general principles of rating in Section 150 of the Local Government Act 1999, and the requirements of Section 153 (2) the Local Government Act 1999 and pursuant to Section 152 (1)(c) of the Local Government Act 1999, declares that the general rate in respect of rateable land within the Council area for the year ending 30 June 2020 will be a rate consisting of two components:

(a) one being the value of the rateable land

(b) the other being a fixed charge

That pursuant to Section 153 (1)(b) and 156 (1)(b) of Local Government Act 1999, determines that the following rates for the year ending 30 June 2020, be declared on rateable land within its area, based up on the capital value of the land.

(a) 0.002900 cents in the dollar for Primary Production land located within the Council area.
(b) 0.003822 cents in the dollar for Residential land located within the Council area.
(c) 0.003822 cents in the dollar for Vacant land located within the Council area.
(d) 0.003822 cents in the dollar for Commercial/Industrial land located within the Council area.
(e) 0.004131 cents in the dollar for Other land located within the Council area.

Fixed Charges

As a component of total rate income the Council has adopted a fixed charge that will be uniformly paid by each ratepayer and to assist in forming an equitable total rate for each property. The fixed charge shall apply to all rateable properties, unless the principal ratepayer has applied for and been granted the benefit of a Single Farm Enterprise, then only one fixed charge is applied to that Farm Enterprise. The fixed charge shall be levied against the whole of an allotment (including land under a separate lease or license).

One fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier the fixed charge of $300 will apply.

DRAFT

Rating Strategy

Rating Arrangements 2020/21

Service Charges – Waste Management Collection

Council will raise approximately $147,293 in service charges to recover costs associated with the kerb-side waste and recycling collection services. Council will collect this charge through an annual service charge to all residences and businesses in the Council area where a refuse collection is provided.

The Council will charge $386 per household, for each property provided with the waste management collection service. An additional Service Charge of $88 is applied for each additional bin collected from the property for which the service is provided.

Regional Landscape Levy (formerly Natural Resource Management Levy)

The Council's 2020/2021 Rating Strategy provides for the collection of any Regional Landscape Levy plus any administration costs associated with the collection of the Regional Landscape Levy on behalf of the Northern and Yorke Natural Resource Management Board. The Rating Strategy provides for the distribution of any Natural Resource Management Levies that are collected less any administration costs incurred by the District Council of Orroroo Carrieton, in the collection of the levy, to the Northern and Yorke Natural Resource Management Board.

Council has no influence in the determination of the levy to be collected, as it remains a decision made by the Regional Landscapes Board and the Minister for Environment.

The declared amount to be collected during the 2020/2021 year in accordance with Section 154 of the Local Government Act 1999 and Section 95 of the Natural Resources Management Act 2004, for the purpose of reimbursing amounts contributed to the Northern and Yorke Natural Resource Management Board is $43,270, to be collected at a separate rate of 0.016835 cents in the dollar. This is an increase of $7,611 above the 2019/2020 Levy amount of $35,659 or 21.3%.

More information on Regional Landscape Levies can be found at
www.naturalresources.sa.gov.au/northernandyorke

Impact Statement

The Council has proposed that the total rate revenue, fixed charges, and Service Charges (excluding the Landscapes Levy and Carrieton water supply charges) generated in the 2020/2021 budget will need to be approximately $1,183M. This is an increase of $24.000 or 2.1% over the total 2019/2020 rate revenue raised.

The following provide examples of the impact on Rates on an average household, single farm enterprise and vacant land.

- Impact to householders with a house with a Capital Value of $140,000 in Orroroo is a $4.74 or a 0.6% increase in rates.
- Impact to a single farm enterprise holding with a Capital Value of $980,000, receiving a capping rebate of $1065 rebate in 2019/20 is a reduction $82.88 or a 2.77% decrease in rates.
- Impact to a owners to Vacant Land with a Capital value of $9,500 is $45.06 or 15.47% increase in rates

DRAFT

Rating Strategy

Rating Arrangements 2020/2021

Business Impact Statement

Council has considered the impact of rates on all forms of business and industry within the Community including primary production. In considering the impact the Council considered:

- The elements of Council's development and the equity of the distribution of the rate burden between ratepayers
- Council's policy on facilitating local economic development and current local, state and national economic conditions
- Specific Council projects for the coming year and specific infrastructure maintenance issues that will solely or principally benefit businesses and primary producers

Payment of Rates – Quarterly Billing

Payment of rates may be made in quarterly instalments due in September, December, March and June each year. Rate notices will be issued prior to each quarterly instalment.

Payment methods are described on the reverse of the rate notice.

Seniors Postponement of Rates

Residential property owners with a Seniors Card may apply to postpone payment of rates until the property is sold. Postponed Rates are a charge on the land. Statutory interest will continue to be charged on Postponed Rates but will be payable on sale of the property.

Remissions, Discretionary Rebates and Rebates

The Local Government Act 1999 enables Council to grant discretionary rebates up to 100% for land used for the purposes of a community benefit.

Concessions

In the past, the State Government funded some concessions on Council rates. These concessions were formerly available to the holders of pensioner concession cards, veterans, low-income earners, unemployed, students, and self-funded retirees. However, these concessions were all abolished by the State Government with effect from 30 June 2015.

From 1 July 2015, the State Government elected to replace these concessions with a single "cost-of-living concession" provided directly to those entitled. Those who receive this concession can decide whether to use it to offset part of their Council rates, or for other purposes.

DRAFT

Rating Strategy

Rating Arrangements 2020/21

Payment of Rates

Rates may be paid by way of four quarterly instalments with the due dates being 15th September 2020, 15th December 2020, 15th March 2021 and 15th June 2021.

Rates may be paid,

- in person at the Council Office during business hours
- by mailing a cheque or money order to the District Council of Orroroo Carrieton, PO Box 3, Orroroo, SA, 5431
- by using Bpay and EFT online transfer, or
- by telephone payment to 08 8658 1260

Late Payment of Rates

The Local Government Act provides that Council imposes an initial fine of 2% on any payment of rates, whether by instalment or otherwise, that is received late. A payment that continues to be late is then charged a prescribed interest rate on the expiration of each month that it continues to be late. Should Council refer the debt to a debt collection agency for collection, then any debt collection charges will be recoverable from the ratepayer. When the Council receives a payment in respect of overdue rates Council applies the money received as follows,

- to satisfy any costs awarded in connection with court proceedings to satisfy any interest costs
- payment of any fines imposed, and
- payment of rates, in chronological order, starting with the oldest account first

Remission and Postponement of Rates

The Local Government Act permits 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 they are invited to contact the Council to discuss the matter, with all such inquiries being treated confidentially.

Pursuant to Council's Hardship Policy, Council will make available extended payment arrangements by entering into a payment agreement where the payment of Rates will cause a ratepayer demonstrable hardship.

Recovery of Outstanding Rates

The Council has adopted a Debtor Management Policy that provides a policy and procedure approach to the recovering of outstanding rates. The policy is based on the forwarding of reminder notices when a rate instalment is unpaid, and a further reminder notice after two rate instalments remain unpaid. If the rate instalments outstanding remain unpaid after the reminder notice payment date then the outstanding amount is referred to Council's debt collection agent for recovery action.

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 amount[s], and advise the owner of its intention to sell the land if payment is not received within one month.

DRAFT

Consultation

Have your say on the plan

The Public Consultation on the Annual Business Plan and Budget 2020/2021 commenced on Monday 11th May 2020 and will conclude on Monday 1st June 2020 at 11am in accordance with Council's adopted consultation strategy. You can learn more by:

- Visiting Council's website at www.orroroo.sa.gov.au
- Phoning the Council office on 08 8568 1260
- Emailing Council at council@orroroo.sa.gov.au

The Draft Annual Business Plan and Budget 2020/21 consultation and submission process was advertised in the Plains Producer and in Council's Goyder Line Gazette publication.

Copies of the Draft Annual Business Plan and Budget are available at

- Council's website www.orroroo.sa.gov.au
- By prior arrangement Council Office 17 Second Street, Orroroo
- Orroroo Post Office, Orroroo
- Carrieton General Store, Carrieton

Submissions were invited to be made in the following ways

- Delivered to the Council Office, 17 Second Street, Orroroo
- Posted to DC of Orroroo Carrieton PO Box 3, Orroroo, SA, 5341
- Emailed to council@orroroo.sa.gov.au

Council can be contacted

Mail: PO Box 3, Orroroo SA 5431
Email: council@orroroo.sa.gov.au
Phone: 08 8658 1260
Website: www.orroroo.sa.gov.au

To ensure Council's Business Plan represented the voice of our community, there are many ways in which residents could become involved.

DRAFT

DISTRICT COUNCIL OF ORROROO CARRIETON
2020/21 Budget for the year ended 30 June 2021

STATEMENT OF COMPREHENSIVE INCOME

	2019/20 (at BR2) $'000	Draft Budget 2020/21 $'000
INCOME		
Rates - general	1,205	1,234
Statutory Charges	20	17
User Charges	117	113
Grants, subsidies and contributions	1,716	2,090
Investment Income	17	17
Other Income/Reimbursements	55	62
TOTAL INCOME	**3,129**	**3,533**
EXPENSES		
Employee Costs	915	912
Materials, contracts & other expenses	1,194	1,154
Finance Charges	26	9
Depreciation, amortisation & impairment	948	1,045
TOTAL EXPENSES	**3,084**	**3,121**
Operating Surplus/(Deficit) before Capital Revenue	**45**	**412**
Operating Surplus/(Deficit) - Adjusted for FAG's		*412*
Asset disposal & fair value adjustments	-	-
Amounts received specifically for new or upgraded assets	18	-
NET SURPLUS/(DEFICIT)	**63**	**412**
transferred to Equity Statement		

**figures above subject to rounding*

DRAFT

DISTRICT COUNCIL OF ORROROO CARRIETON
2020/21 Budget for the year ended 30 June 2021

STATEMENT OF FINANCIAL POSITION

	2019/20 (at BR2) $'000	Draft Budget 2020/21 $'000
ASSETS		
Current Assets		
Cash and cash equivalents	1,453	1,486
Trade and other receivables	626	626
Other	41	42
Total Current Assets	**2,120**	**2,154**
Non-current Assets		
Financial Assets	21	16
Infrastructure, Property, Plant and Equipment	34,539	35,149
Other non-current assets	-	-
Total Non-Current Assets	**34,560**	**35,165**
TOTAL ASSETS	**36,680**	**37,319**
LIABILITIES		
Current Liabilities		
Trade and other payables	527	538
Borrowings	76	106
Provisions	309	309
Total Current Liabilities	**912**	**953**
Non-current Liabilities		
Borrowings	77	263
Provisions	31	31
Total Non-Current Liabilities	**108**	**294**
TOTAL LIABILITIES	**1,020**	**1,247**
NET ASSETS	**35,660**	**36,072**
EQUITY		
Accumulated Surplus	5,258	5,670
Asset Revaluation Reserve	30,402	30,402
Other Reserves	-	-
TOTAL EQUITY	**35,660**	**36,072**

*figures above subject to rounding

DRAFT

DISTRICT COUNCIL OF ORROROO CARRIETON
2020/21 Budget for the year ended 30 June 2021

STATEMENT OF CASH FLOWS

	2019/20 (at BR2) $'000	Draft Budget 2020/21 $'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Operating Receipts	3,111	3,516
Investment Receipts	17	17
Payments		
Operating Payments to suppliers & employees	(2,109)	(2,067)
Finance Payments	(26)	(9)
Net Cash provided by (or used in) Operating Activities	**993**	**1,457**
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Amounts specifically for new or upgraded assets	18	-
Sale of Replaced Assets	30	60
Sale of Surplus Assets	80	-
Repayments of loans by community groups		5
Payments		
Expenditure on renewal/replacement of assets	(663)	(1,240)
Expenditure on new/upgraded assets	(129)	(475)
Loans made to community groups		-
Net Cash provided by (or used in) Investing Activities	**(663)**	**(1,650)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings		303
Payments		
Repayment of Borrowings	(51)	(77)
Net Cash provided by (or used in) Financing Activities	**(51)**	**227**
Net Increase (Decrease) in cash held	**279**	**33**
Cash & cash equivalents at beginning of period	1,174	1,453
Cash & cash equivalents at end of period	**1,453**	**1,486**

**figures above subject to rounding*

DRAFT

DISTRICT COUNCIL OF ORROROO CARRIETON
2020/21 Budget for the year ended 30 June 2021

STATEMENT OF CHANGES IN EQUITY

	2019/20 (at BR2) $'000	Draft Budget 2020/21 $'000
Accumulated Surplus		
Balance at end of previous reporting period	5,195	5,258
Net Surplus / (Deficit) for Year	63	412
Transfers (to) from reserves	-	-
Balance at end of period	**5,258**	**5,670**
Asset Revaluation Reserve		
Balance at end of previous reporting period	30,402	30,402
Revaluation Adjustments During Year	-	-
Balance at end of period	**30,402**	**30,402**
TOTAL EQUITY		
Balance at end of previous reporting period	35,597	35,660
Net Surplus / (Deficit) for Year	63	412
Revaluation Adjustments During Year	-	-
Transfers between reserves	-	-
Balance at end of period	**35,660**	**36,072**

**figures above subject to rounding*

DRAFT