

# Kangaroo Island Council

Annual Business Plan 2017/2018





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## Introduction by Mayor Peter Clements



I am pleased to report that in 2017 Council is still on track to achieve its Long Term Financial Plan and credit is due to the whole of Council - Elected Members and

Administration. Our CEO, Andrew Boardman and Deputy CEO, Ted Botham have excelled in every possible way and we are privileged to have the best that Local Government expertise can offer in Australia working for this community. Just as pleasing, in Council's quest to promote home-grown talent within the workforce, is the recent appointment of Nicki Putland to the position of Director Council Services.

Becoming financially sustainable is not an easy task, it requires a high level of strategic thinking in areas that can increase revenue opportunities to Council, without unduly impacting ratepayers.

It also requires a steady hand at the tiller in controlling expenses, including the unforeseen or extraordinary costs caused by circumstances such as weather events.

The Community of Kangaroo Island has never been financially sustainable because of its low population base and the requirement to deliver services across a large regional area. Happily, this is changing.

This new Annual Business Plan builds on the thinking of a forward looking Council, it is progressive and realistic, and maintains the status quo with respect to services.

Council's investment in economic development is a significant item and we have determined that our work with the Commissioner for Kangaroo Island, Wendy Campana, is vital to our future success.

Our work with the KI Commissioner and with the Department of Environment Water and Natural Resource is a voluntary partnership; it is a collaboration of extreme importance to the future of Kangaroo Island.

When we consider the importance of our branding to the world markets, the value of tourism that provides us with 60 per cent of our gross domestic product, it becomes very obvious that we need to work closely together.

As an island we have the opportunity to attract a lot of attention, we are a microcosm for South Australia and the spotlight is well and truly on us as a community.

I am pleased to announce the release of the 2017-18 Annual Business Plan, it is a document that will assist in steering our community toward greater prosperity.





# Message from the Chief Executive Officer Andrew Boardman



This is the seventh Annual Business Plan I have presented since commencing as CEO in 2011. During this time we have been able to create stability within the organisation and instigate financial disciplines that have seen

revenues rise, costs fall, better than budget results delivered, planned rate rises reduced and a record of unqualified audits – extremely unusual for a small Regional Council to achieve so consistently.

We have a lean and focused organisation with people throughout the business keen to step up, do more and have more say in how we work to help drive our business forward. This commitment is real, tangible, permeates the business and is very much appreciated by Ted Botham (Deputy CEO) and myself, and it allows us to focus on the strategic opportunities that lie ahead.

I said last year, “The Island is poised for some incredible opportunities for growth across a number of areas....” and this is still very much the case with three State Major Projects on the Island plus the Airport Upgrade Project in construction. Developments such as these on our Island require developers with passion and commitment. Costs to develop here are higher, and everything is more complicated to achieve, however the rewards will be

significant and will come to benefit the next generation of Islanders – those here and those who will move here.

This growth in population is necessary for our Community to become sustainable – we need people. Already a diverse Community, we need as diverse a range of people as possible...their skills, their volunteerism, their ideas, their entrepreneurship, their passion to succeed – all key attributes that we need to grow our Community, our economy and to protect that which makes us such a unique and in demand destination – our environment.

The upgrade of Kangaroo Island Airport will open the Island to direct services from Sydney / Melbourne by the end of 2017, with the major airlines providing straight-through connections to domestic east-coast markets, our major international gateways. This project is a game-changer for the Island. It starts to address the issues of timeliness and cost of access and will build an increasing revenue stream for Council driven from increasing visitation and therefore providing additional relief for our resident Community.

There are other developments in the wings that have similar, if not greater potential, and we will continue to work on building the business cases for these in 2017-18. This Business Plan maintains our core services, continues to reinvest in and recover the backlog of work required by our core assets and does so within the discipline required to achieve our aim of long term financial sustainability. We commend this plan to you.



# Your Council

## Elected Members

Collectively, your Elected Members are responsible for decisions and policy making that impact on future plans for Kangaroo Island, and the lives and livelihoods of the individuals, organisations and businesses within it.

The role of your Elected Members is to:

- Participate in the deliberations and civic activities of the Council
- Formulate the Council's objectives and policies
- Keep the Council's objectives and policies under review to ensure they are appropriate and effective
- Keep Council's resource allocation, expenditure and activities, and the efficiency and effectiveness of its service delivery under review
- Represent the interests of Residents and Ratepayers, to provide Community leadership and guidance, and to facilitate communication between the Community and Council.

## Senior Management Team

Chief Executive Officer  
Deputy Chief Executive Officer  
Director Council Services  
Accounts Professional  
Manager Development & Environmental Services  
Asset Program Manager  
Technical Programs Manager  
Community Affairs Manager  
Customer Engagement Manager

Andrew Boardman  
Ted Botham  
Nicholla Putland  
John Howe  
Aaron Wilksch  
Anna Osman  
John Fernandez  
Pat Austin  
Danielle Fleet

## Contact Details for Council

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## Your Elected Members



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Assessment Panel



# Vision, Mission, Values & Behaviours

## Our Vision

A confident, growing and cohesive community

- Benefiting from a thriving economy based on strong tourism and primary production sectors
- Preserving our unique heritage
- Sustainably managing our natural environment

## Our Mission

To provide leadership, direction and responsible stewardship of resources and delivery of efficient, cost effective key services to our community.

## Our Values & Behaviours

- Creativity and Innovation
- Equality
- Accountability and Transparency
- Sustainability
- Service Orientated
- Participatory





# Council Services

All Councils have responsibilities under the *Local Government Act, 1999* and other relevant legislation, including the following:

- Regulatory activities e.g. maintaining the Voters' Roll and supporting the Elected Council
- Setting rates, preparing an annual budget and determining longer term strategic management plans for the area
- Management of basic infrastructure including roads, footpaths, parks, public open spaces, street lighting and rubbish collection
- Development planning and control, including building fire safety assessment
- Various environmental health services
- Fire protection
- Dog and cat management
- Parks and gardens
- Public amenities
- Ovals and sporting arenas
- Playgrounds
- Environmental programs
- Community programs.

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

- |                        |                         |
|------------------------|-------------------------|
| • Library services     | • Community development |
| • Youth support        | • Car parking           |
| • Economic development | • Tidal swimming pool.  |

Council also operates a number of facilities on a fee-for-service basis. Please refer to the Fees and Charges Schedule on our website at [www.kangarooisland.sa.gov.au/publications](http://www.kangarooisland.sa.gov.au/publications). These provide important Community benefits whilst also generating revenue for services and projects:

- |  |                                     |
|--|-------------------------------------|
| • Camping grounds                                | • Airport                           |
| • Cemeteries                                     | • Town halls                        |
| • Waste management                               | • Water standpipes                  |
| • Community Wastewater Management Schemes (CWMS) | • Boat ramps and marina facilities. |



## Assessments and Rates

Assessed Capital Value	\$ 1,554,480,040
Number of Rateable Properties	5,965
General Rates Income	\$ 6,426,999
Residential (cents in the dollar)	\$ 0.3399
Residential Income*	\$ 2,872,583
Commercial - Shop (cents in the dollar)	\$ 0.3603
Commercial - Office (cents in the dollar)	\$ 0.3603
Commercial - Other (cents in the dollar)	\$ 0.3603
Industry - Light (cents in the dollar)	\$ 0.3603
Industry - Other (cents in the dollar)	\$ 0.3603
Commercial & Industry Income*	\$ 369,878
Primary Production (cents in the dollar)	\$ 0.3059
Primary Production Income*	\$ 2,135,555
Vacant Land (cents in the dollar)	\$ 0.5132
Vacant Land Income*	\$ 976,704
Other Rateable Land (cents in the dollar)	\$ 0.3603
Marinas (cents in the dollar)	\$ 0.3603
Other Rateable Land & Marinas Income*	\$ 72,279
CWMS (Community Waste Water Management Schemes) Income	\$ 1,357,664
CWMS (fee per connection)	\$ 616.00
Waste Management Income	\$ 1,537,184
Waste Management Charge - Treatment & Disposal	\$ 221
Waste Management Charge - Collection	\$ 115
NRM (Natural Resources Management) Levy Income	\$ 380,000
NRM Levy per property	\$ 78
Fixed Charge	\$ 290
Number of Non-Rateable Properties	448
Capital Value Non-Rateable Properties	\$ 89,893,340
Rates Capping	20%

\*Indicates net of rate rebates



## Rating Policy Statement

Pursuant to section 123 (2)(g) of the *Local Government Act* 1999 and as stipulated in the Local Government (Financial Management) Regulations 2011 Part 2-6, The Kangaroo Island Council's Annual Business Plan contains the necessary information relating to general rating and valuations in the Rating and Rebate Policy found in Appendix B of this document.

Council rates are imposed on all rateable properties in the Council area in accordance with the provisions of the *Local Government Act*, 1999. Council is only able to provide the assets and services expected by the Community through the levying and collection of rates, Council's principal source of revenue.

Kangaroo Island Council's Policy for setting and collecting rates from the Community covers the following:

- Methods used to value land
- Business Impact Statement
- General rates
- Fixed charges
- NRM Levy
- Payment of rates
- Remission and postponement of rates
- Sale of land for non-payment of rates
- Adoption of valuations
- Council's revenue raising powers
- Differential rates
- Service rates and charges
- Rate concessions
- Late payment of rates
- Rebate of rates
- Disclaimer.

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## 2016/17 Snapshot Council and Community Achievements



Emu Bay Jetty repaired with assistance from State Government Recreational Fishing Grant



Penneshaw Lawn Irrigation



Completion Stage 2 Brownlow – Kingscote Shared Use Trail with assistance from DPTI Open Spaces Grant



Helipad completion – a joint Council/Community project



Vivonne Bay Beach Access Path – with assistance from State Government Recreational Fishing grant and the Community



FRWA capping at the Resource Centre,

### Major Capital Works Construction Projects

- Airport upgrade
- Bark Hut Road upgrade
- Kingscote street kerbing
- Penneshaw CWMS
- Penneshaw street sealing
- Kingscote CWMS bypass Stage 2
- Willson River Road resheeting
- Elsegood/Willsons Road intersection safety upgrade



# Looking ahead to 2017-18

## Significant Influences and Priorities

CPI – set at Dec 2016 quarter: CPI rate (1.3%)

Following last year's successful application to the *National Stronger Regions Fund* Program, the redevelopment of the [Kangaroo Island Airport](#) commenced in late 2016 and will continue into the 2017-18 financial year. The Airport redevelopment is being funded through a joint funding agreement between Federal and State Governments.

With regards to [Council-funded capital works](#) and [plant/equipment purchase](#) it is intended that we establish variable cash advance debenture facilities (CAD) to the level required (with plant/equipment generally being funded on a fixed rate loan).

To meet the needs of the Capital Works Program, the Long Term Financial Plan demonstrates that a [sustainable level of borrowing](#) for the Council in future years is \$1.5M. When coupled with the \$2M that the State provides through the Unsealed Roads Upgrade Program and \$642,780 provided by other funding sources, we expect to deliver [over \\$4M of infrastructure and asset upgrades](#) in 2017-18.

In May 2014 the Federal Government removed the indexation on the [Federal Assistance Grants](#) (FAGs) which are distributed to the States who in turn distribute the grants to Local Government via the State Grants Commission funding formula. The removal of indexation, in effect, reduces the FAGS distributions to around 4 per cent year on year. For budgeting purposes it has been included at 2016-17 rates, with the expectation that no advance payments will be received.

The South Australian Local Government Association continues to lobby to have the indexation reinstated.

The Federal Government announced on 23 June 2015 that it would be increasing [Roads to Recovery](#) funding for the 2015-16 and 2016-17 financial years. In 2017-18 we expect a much lower allocation for Kangaroo Island Council and have budgeted to receive \$567,780. This will be allocated to the Capital Works Program.

A current [enterprise bargaining agreement](#) between Council and its staff sets out the employment conditions and these are taken into account as part of the 2017-18 budget considerations.

With improvements to our financial position Council has been able to consider a revised Long Term Financial Plan that provides confidence in our ability to continue to strive towards [financial sustainability](#) within 10 years whilst reducing the original rate inflators by a further 1 per cent in 2017-18.

Pursuant to the *Local Government Act 1999* (2)(e) this reflects improved financial performance and recognises the cost of living pressures on our Community.

To this end the increase in Rates Revenue in 2017-18 will comprise of CPI at 1.3% only.

An allowance has also been provided for increase in capital values of properties of 1% (noting that this has varied between 0.1 and 0.8% over the past three years).





In addition to this, Council has determined that the temporary reduction in differential for Primary Production (land use code), introduced as a response to the drought in the late 2000s, will be phased out at 2.5% per year until parity with the residential differential is reached (100%), so in 2017-18 the differential will move from 87.5% to 90%.

Continued efficiencies in the **management of waste** will see the service charge for kerbside collection and waste management increase in line with CPI (1.3%) this financial year.

**Community Wastewater Management Schemes (CWMS)** service charges will increase by 1.3% to \$616 in line with CPI, reflecting the forecast made in last year's Annual Business Plan. This service charge will be allocated to those properties that have the capability to be connected to one of the schemes and does not apply to all ratepayers.

The **Penneshaw CWMS** project which commenced in 2015-16 became operational in the 2016-17 financial year and provides a modern and effective effluent system.





# 2017-18 Snapshot

## Major Capital Works Construction Projects



East West 2 floodway upgrade



CWMS lining Parndana



Stokes Bay Toilet Block



Kingscote Cemetery Stage 2



New kerbs, Kingscote



DPTI unsealed roads program



Kingscote Walking Trail Stage 3

## Essential Infrastructure

Kerbs	\$247,800
Sealed Roads	\$207,000
Unsealed Roads	\$867,000
Stormwater	\$107,200



# Linking the Long Term Financial Plan to the Strategic Goals

Kangaroo Island Council continues its commitment to long term financial planning and to take steps towards securing its long-term financial sustainability.

Council adopted its most recent Long Term Financial Plan (LTFP) in May 2016 and presented an updated version to its Audit Committee for review on the 20 April 2017. The LTFP is to be adopted at the May 2017 meeting of Council and these notes refer to that financial plan.

The key conclusions of the proposed LTFP are as follows:

- Council is targeting operating surplus in 9 of the 10 years of the plan;
  - Our LTFP includes Income in Advance from the Airport Grant amortised in two tranches – with the Grant from the Federal Government amortised over 5 years (with a half year in the first and sixth years of the LTFP) and the Grant from the State Government amortised over the next 20 years. This income is not included in our annual budget.
- Operational Revenue increases by 22% over the 10 year period of the Plan;
- Operational Expenditure increases by 26% over the 10 year period of the Plan.

The LTFP was first adopted in November 2014, and reviewed and revised in 2016 to allow for the impact of better than predicted financial control, Penneshaw CWMS proceeding, changes to rates differential for Primary Production and the potential of the Airport as a revenue generation source for 2017-18 onwards following the announcement of the successful Commonwealth Funding bid for the Upgrade Project.

The revised LTFP has incorporated the needs of the Strategic Infrastructure and Asset Management Plan (SIAMP), impact of

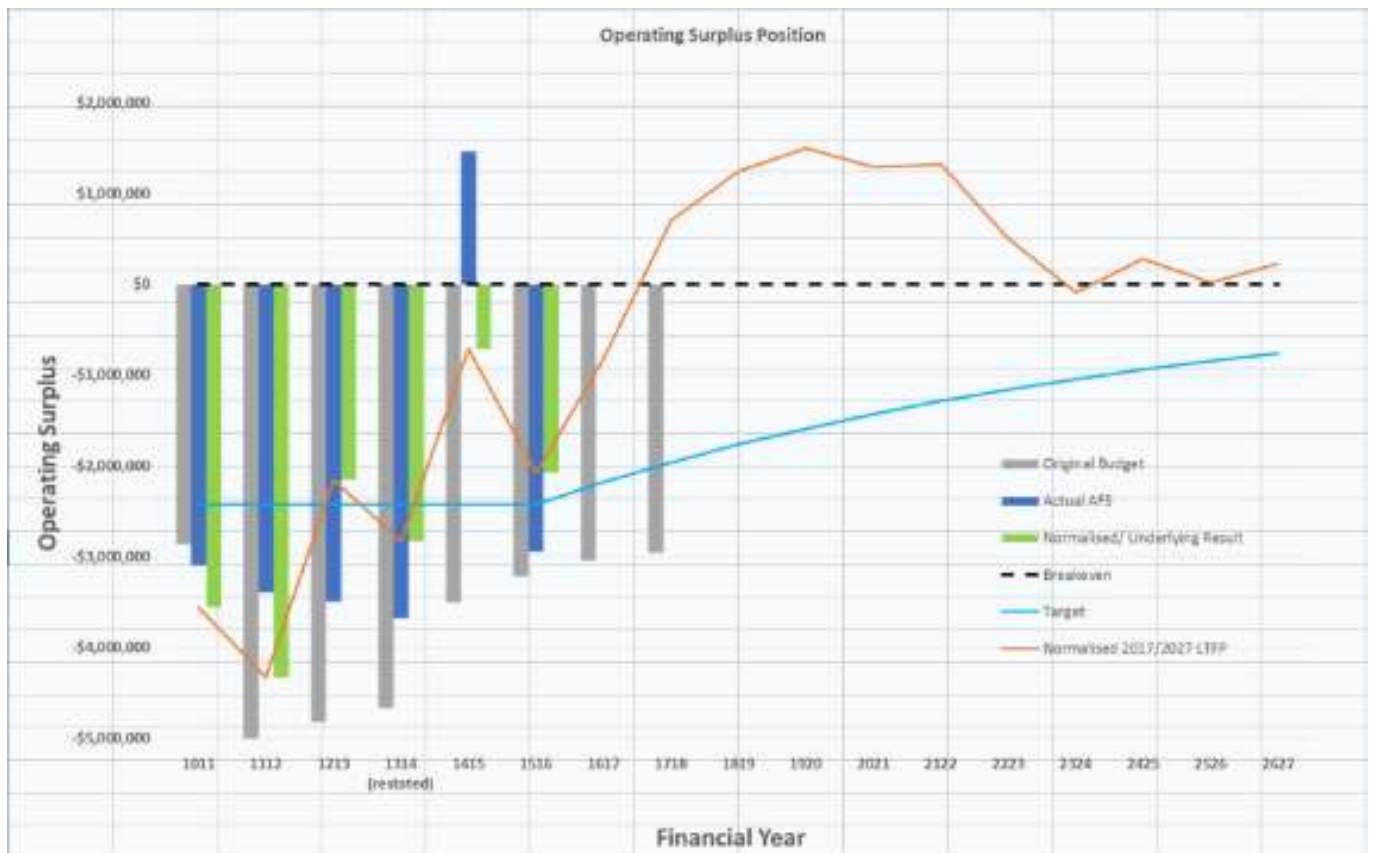
the Airport Revenue and changes to the rate differential and has determined that rates revenue increases would be reduced by 1% in 2016-17 and then again by a further 1% in 2017-18 and then planned to remain at CPI only thereafter. An allowance for capital valuation growth of 1% is provided for. This plan was adopted by Council and drives the 2017-18 budget.

Council's LTFP is reviewed annually once the audited accounts for the previous financial year are completed – it is expected that further fine-tuning and changes will be made as Council continues to explore other options to manage the gap between available funding and the needs of the SIAMP.

Appendix A provides a summary of the financial statements that flow from this Annual Business Plan and Budget. Council has budgeted for an expected operating deficit of \$2.38M for 2017-18, down from \$2.91M last financial year. It is however a \$2.08M pre-depreciation surplus. This compares to our LTFP profit forecast of \$0.7M. The major difference in these two amounts is due to the amortisation of the grant money received for the airport upgrade. The operating deficit is the difference between operating revenue and expenses for the year. Amongst other things, Council's long term financial sustainability is dependent on ensuring that over time, its expenses are less than its revenue.

It should be noted that Kangaroo Island Council will continue to face challenges in its quest for long term financial sustainability.

This is in part due to a large asset base which is projected to exceed \$200M by 30 June 2018, depreciation of around \$4.5M and a low population base. The graph below shows Council's Operating Surplus Position and our long term target.



Council's budgeted revenue in 2017-18 includes \$6.43M proposed to be raised from general rates. Other sources of revenue and funding for Council are defined below and represented in the corresponding Expected Income Charts:

**Rates** - Income levied under Section 7 of the Local Government Act 1999. Council's Rating and Rebate Policy contains comprehensive information relating to valuations and other information relating to each rate and charge levied, including purposes and rates in the dollar.

**State Government Statutory Charges** - Fees and charges set by regulation and collected by Council for regulatory functions such as assessment of development applications, or penalties for non-compliance with a regulatory requirement. Revenue is generally offset against the cost of the service.

**User charges set by Council** - Charges for Council's fee based facilities and some

services (Refer to Schedule of Fees and Charges on our Website).

**Grants, Subsidies and Contributions** - Council aims to attract as much grant funding as possible from other levels of Government. Major projects of wider State benefit are usually joint funded in partnership with State Government and/or other relevant parties.

In the event that Council succeeds in achieving a higher level of Grants Commission funding than that assumed in this Business Plan and Draft 2017-18 Budget, such funds will remain unallocated. Council will make decisions throughout the year either to allocate any such funds to unforeseen expenditure pressures, or in the absence of such pressures, to retire debt.

**Investment Income** - Income from financial investments or loans to community groups. It includes interest





received from LGFA or banks and Interest received on loans to community groups.

**Reimbursements** - Amounts received as payment for work done by the Council acting as an agent for other government bodies and property owners, organisations and individuals.

**Other income** - Income not classified elsewhere.

**Employee expenses** - All forms of consideration given by Council in exchange for service rendered by employees or for the termination of employment.

**Materials, Contracts and other expenses** - All expenses that are NOT employee costs, financial costs or

depreciation, amortisation & impairment costs.

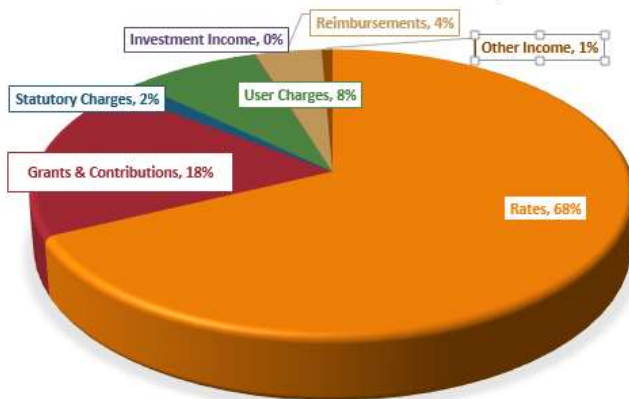
**Finance costs** - The costs of financing Council's activities through borrowings or other types of financial accommodation.

**Depreciation, amortisation & impairment** - Relate to infrastructure property, plant and equipment to which the Council has title.

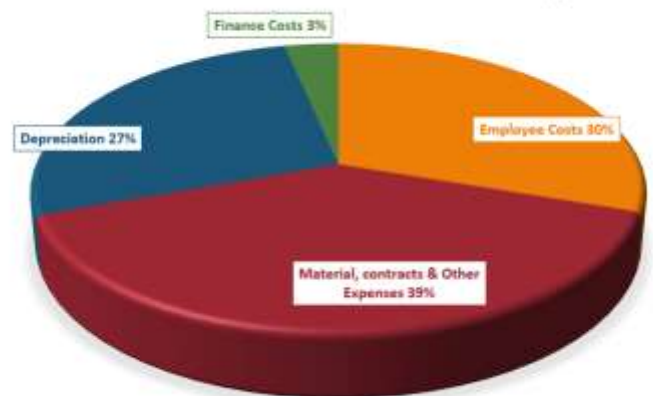
Please go to our Website to view the Long Term Financial Plan:

[www.kangarooisland.sa.gov.au/plans](http://www.kangarooisland.sa.gov.au/plans)

**EXPECTED OPERATING INCOME 2017/18**



**EXPECTED OPERATING EXPENDITURE 2017/18**







# Council Objectives for 2017/18

## Strategic Management Plan

Kangaroo Island Council adopted the 2014-2018 Strategic Management Plan at an ordinary meeting of Council on 10 February 2015. Council designed this plan to increase its effectiveness by prioritising its resources over the four year period in order to achieve its key objectives namely:

- to deliver essential services and legislative requirements to the Island effectively, and
- to provide a leadership role and support activities that address opportunities and challenges impacting the Island and overall decision making.

Providing greater clarity between essential and core services i.e. Council's legislated responsibility, and the work of the Council to assist, lead, advocate, educate and partner with others to achieve outcomes, is important as it underpins resourcing decisions.

The consultation process for this plan showed the highest priority for Council should be around effective delivery and management of core and legislated activities and services. Optional activities

and services that may be sought by the Community, but are not a primary Council role, should be analysed carefully. It was recognised that some existing activities that are not core Council responsibility may be able to be provided by others. In addition, some core areas of Council responsibility may be able to be undertaken in partnership with others, freeing up scarce Council resources for higher priority activities.

To enable it to achieve its overarching objectives, Council identified [three simple strategic approaches](#):

- Responsible Cost Management
- Revenue Generation
- Community Service / Stimulus

These were applied to improvement in seven areas of work:

- Infrastructure
- Shared Vision
- Collaboration
- Environment
- Supporting our Economy
- Community and Island Culture
- Our Organisation



# Linking the Strategic Goals to the Budget

(all figures are 2017-18 Budget Figures)

This section sets out a summary of Council's proposed Operating Expenditure, Capital Expenditure and Revenue for each of the functional areas and business units within Council, pursuant to the *Local Government Act 1999* Part 2 123(2)(c).

Here we also outline Council's projects and activities for the year ahead as they relate to the strategic outcomes set down in the Strategic Plan, and the objectives as they are to be achieved in the form of Strategic Actions.

Governance (all figures are 2017-18 Budget Figures)					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
006 - Corporate Services	880,505	-1,921,730	-	-	- 1,041,225
016 - Governance Support Services	668,405	- 45,245	-	-	623,160
059 - Elected Members	285,537	-	-	-	285,537
<b>Total</b>	<b>1,834,447</b>	<b>- 1,966,975</b>	<b>-</b>	<b>-</b>	<b>- 132,528</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Work with Business Support Department to review, determine and set long term service levels	Appropriate business planning & financial management	1.1 - Establish long-term sustainable service levels appropriate for the service provided and the funding available	Q1 - Q4
Work with Commissioner for Kangaroo Island to continue advocating for strategies to address access issues and cost effective delivery of government services through cross-agency / Council partnerships	Reduce Costs to Community / Council  Integrated & improved delivery of Government Services	7.1 - Advocate for affordable access to Island by both sea and air, for freight and people  7.2 - Work collectively with State / Federal Governments to leverage funds  8.1 - Government Service Delivery - Explore a coordinated approach to combined Government service delivery on the Island including potential provision of single on-line portal	Q1 - Q4



Continue review of under-utilised assets and draft Long Term Plan for development, management or disposal of under-performing assets	Asset utilisation	12.1 - Review under-utilised reserves / non-usable assets and explore potential to lease, sell, co-develop for commercial or Community return	Q1 – Q4
Deliver the Kangaroo Island Airport Upgrade Project	Kangaroo Island Airport is managed in a sustainable manner that enables economic prosperity	14.1 - Develop case for Airport redevelopment and expansion of services	Q1 – Q4
Develop bond options for debt management	Reduce Council debt	22.1 - Investigate opportunity to create a Community bond issue to speed up debt reduction	Q1 – Q4
Focus on developing township specifications, service levels and audit tools in conjunction with Community groups and Council.	A built environment that delivers on Community needs	23.1 - Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc	Q1 – Q4
Optimise efficient utilisation of Council land assets to provide substantial revenue streams and provide potential to offset against other community asset development and projects	Asset utilisation	12.1 - Review underutilised reserves / non-usable assets and explore potential to lease, sell, co-develop for commercial or community return	Q1 – Q4



Business Support – Finance and Information Technology					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
013 - Financial Service Operations	385,315	- 6,100	-	-	379,215
019 - Information Technology	497,385	-	-	-	497,385
036 - Rates	255,642	- 6,566,785	-	-	- 6,311,143
037 - NRM	179,178	- 182,717	-	-	- 3,539
<b>Total</b>	<b>1,317,520</b>	<b>- 6,755,602</b>	<b>-</b>	<b>-</b>	<b>- 5,438,082</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Continued development of implemented financial budgeting, long term financial planning and reporting systems	Appropriate business planning & financial management	<p>6.1 - Develop and implement reporting procedures, tied to the Strategic Plan / Business Plan and maintain Strategic Plan as an evolving document</p> <p>6.2 - Simple Key Performance Indicators (KPI) reporting system developed and implemented with formal reporting to Audit / Finance Committees - extend to simple traffic light system for organisational health</p> <p>11.3 - Adopt and resource best practice strategic and financial planning processes</p>	Q1-Q4
Continue the implementation of the Rural and Urban Street Addressing Policy, to complete street numbering in all townships	Optimise KI Land use to grow the Island economy	30.2 - Continue to develop more structural plans for the four major towns and coastal settlements	Q1-Q4
Adopt and resource best practice strategic and financial processes	Adopt and resource best practice strategic and financial planning processes	<p>5.1 - Remove inefficiencies in core business processes to mitigate business risk</p> <p>11.3 - Adopt and resource best practice strategic and financial planning processes</p>	Q1-Q4



Business wide definition and review of Service Levels within Kangaroo Island Council	Appropriate business planning & financial management	<p>1.1 - Establish long-term sustainable service levels appropriate for the service provided and the funding available</p> <p>1.2 - Conduct a corporate systems review to identify improved efficiencies inclusive of service levels and consumables</p> <p>5.1 - Remove inefficiencies in core business processes to mitigate business risk</p>	Ongoing
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Business Support – Community and Customer Services					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
005 - Cemeteries	77,828	- 24,750	30,000	-	83,078
007 - Community Engagement	244,524	-	-	-	244,524
008 - Customer Service	264,063	-	-	-	264,063
023 - Library	119,376	- 33,804	-	-	85,572
038 - Records	123,248	-	-	-	123,248
066 - Council (Civic) Events	15,390	- 1,490	-	-	13,900
067 - Youth Services	7,180	-	-	-	7,180
068 - Community Grants Provided	94,750	- 16,674	-	-	78,076
069 - Community Passenger Network	48,521	- 50,000	-	-	- 1,479
070 - Tourism & Economic Development	190,000	-	-	-	190,000
076 - Website Management	16,792	-	-	-	16,792
<b>Total</b>	<b>1,201,672</b>	<b>- 126,718</b>	<b>30,000</b>	<b>-</b>	<b>1,104,954</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Continuation of Community Capital Infrastructure Grants, Community Partnership Grants and Community Sponsorship Programs	Support Community priorities and activities in line with strategic directions – through grants to reduce costs  Grant optimisation opportunities for Council/Community	10.1 - Continue the momentum of the Community Grant Partnerships approach  19.1 - Collaborate to support external grant funding application opportunities between Council and Community Groups for key services and infrastructure	Q1 - Q4
Support Youth on Kangaroo Island through the Youth Sponsorship Grant Program and by working with external agencies to secure additional funding for projects that support and develop youth on the Island	High level of Community engagement	38.4 - Encourage, support and partner with Community to develop arts, heritage, youth and culture, sports, tourism, business, participation and promotion	Q1 - Q4



Kingscote Cemetery Expansion Project	<p>A built environment that delivers on Community needs</p> <p>Well managed, tangible and intangible heritage and culture</p>	<p>23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc.</p> <p>37.2 With Council assets, ensure heritage component is properly considered in asset management</p>	
Continued management and maintenance programs for library for use by all members of the Community	Integrated & improved delivery of Government Services	8.4 - Island-wide approach to Community program delivery - Re-direct current Council participation in health and education to appropriate entities e.g. Library	Q1 - Q4
Continued delivery of customer service focused on our Community	Council recognised for its exceptional customer service, focused on delivery for the Community	<p>29.1 - Continue staff and contractor professional development geared towards a culture of customer service excellence</p> <p>29.2 - Service and solution provider of Council services to our Community</p>	Q1 - Q4
<p>Develop Communications Strategy</p> <p>Provide effective communication through use of website</p>	<p>Effective communication</p> <p>High level of Community engagement</p>	<p>38.1 Develop and implement Community Communications Strategy</p> <p>24.2 - Improved website including cross-linking to other relevant partner sites (Brand KI / GFW / AGKI / TKI etc.)</p>	Q1
<p>Tourism &amp; Economic Development</p> <ul style="list-style-type: none"> <li>Kingscote &amp; American River Structure Plans</li> <li>Kingscote Local Area Traffic Management Plan</li> </ul>	<p>Well managed, tangible and intangible heritage and culture</p> <p>High level of Community engagement</p> <p>Optimise KI Land use to grow the Island economy</p>	<p>37.1 - Support opportunities to record, preserve, manage and interpret our local heritage, arts and culture</p> <p>38.4 - Encourage, support and partner with Community to develop Arts, Heritage, Youth and Culture, sports, tourism, business, participation and promotion</p> <p>30.2 Continue to develop more structural plans for the four major towns and costal settlements</p>	<p>Q1 – Q4</p> <p>Q1-Q4</p>



Business Support – HR and Risk Management					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
018 - Human Resources	323,515	- 33,501	-	-	290,014
026 - Occupational Health & Safety	111,749	-	-	-	111,749
029 - Payroll	78,484	-	-	-	78,484
<b>Total</b>	<b>513,748</b>	<b>- 33,501</b>	<b>-</b>	<b>-</b>	<b>480,247</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Conduct annual review of existing HR policies and Procedures and develop further policies and procedures as identified	<p>Positive internal culture</p> <p>Develop capacity within the business</p> <p>Staff work within values &amp; behaviours framework (Next Steps)</p>	<p>27.1 - Ensure that our people, culture, strategies, plans and policies support the organisation and delivery of Council and Community outcomes</p> <p>27.2 - Provide opportunities for our staff to access the training and development to enable them to contribute to our organisational outcomes</p> <p>27.3 - Further develop and maintain an internal culture of trust, wellbeing and personal satisfaction</p>	Q1 – Q4
Maintain compliance with Councils Safety System (One System) and develop additional policies and procedures where applicable	<p>Positive internal culture</p> <p>Develop capacity within the business</p>	<p>27.1 - Ensure that our people, culture, strategies, plans and policies support the organisation and delivery of Council and Community outcomes</p> <p>27.2 - Provide opportunities for our staff to access the training and development to enable them to contribute to our organisational outcomes</p>	Q1 – Q4



	Staff work within values & behaviours framework (Next Steps)	27.3 - Further develop and maintain an internal culture of trust, wellbeing and personal satisfaction	
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Conduct a full review of the online learning system and identify relevant core units to be undertaken by the workforce	Develop capacity within the business  Council recognised for its exceptional customer service, focused on delivery for the Community	27.2 - Provide opportunities for our staff to access the training and development to enable them to contribute to our organisational outcomes  29.1 - Continue staff and contractor professional development geared towards a culture of excellent customer service	Q1 - Q4
Identify training requirements through PDP process and the needs of the business and develop appropriate 12 month training plan	Positive internal culture  Develop capacity within the business  Staff work within values & behaviours framework (Next Steps)  Council recognised for its exceptional customer service, focused on delivery for the Community	27.1 - Ensure that our people, culture, strategies, plans and policies support the organisation and delivery of Council and Community outcomes  27.2 - Provide opportunities for our staff to access the training and development to enable them to contribute to our organisational outcomes  27.3 - Further develop and maintain an internal culture of trust, wellbeing and personal satisfaction  29.1 - Continue staff and contractor professional development geared towards a culture of customer service excellence	Q1 - Q4
Continue to identify business effectiveness throughout Council Operations	Adopt and resource best practice strategic and financial planning processes	5.1 - Remove inefficiencies in core business processes to mitigate business risk	Q1 - Q4
Provide sufficient / adequate resources and support to the delivery end of the business	Appropriate business planning & financial management  Adopt and resource best practice strategic and financial planning processes  Council recognised for its exceptional	1.2 - Conduct a corporate systems review to identify improved efficiencies inclusive of service levels and consumables  5.1 - Remove inefficiencies in Core Business processes to mitigate business risk  29.1 - Continue staff and contractor professional	Q1 - Q4



	customer service, focused on delivery for the Community	development geared towards a culture of customer service excellence	
Review level of service across all departments	Appropriate business planning & financial management  Adopt and resource best practice strategic and financial planning processes	1.1 - Establish long-term sustainable service levels appropriate for the service provided and the funding available  1.2 - Conduct a corporate systems review to identify improved efficiencies inclusive of service levels and consumables  5.1 - Remove inefficiencies in Core Business processes to mitigate business risk	Q1 – Q4





Asset Services – Business Undertakings					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
001 - Airport	628,581	- 554,361	-	-	74,220
003 - Campgrounds	123,175	- 52,370	-	-	70,805
031 - Private Works	116,281	- 326,380	-	-	- 210,099
033 - Property - Commercial (rental buildings)	55,427	- 32,932	-	-	22,495
034 - Property - Land only	-	- 319,760	-	-	- 319,760
<b>Total</b>	<b>923,464</b>	<b>- 1,285,803</b>	<b>-</b>	<b>-</b>	<b>- 362,339</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Continued management and maintenance programs for Council campgrounds Vivonne Bay, Brown Beach, American River	A built environment that delivers on Community Needs	23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc	Q1 – Q4
Property Portfolio Review to continue, as part of the broader revitalization of Infrastructure and Asset Management Plan (IAMP)	A long term infrastructure Asset Management Plan (IAMP) and a process of continuous improvement  Use Asset to best advantage	2.1 Develop and implement Infrastructure Asset Management Plans  12.1 Review underutilized reserves / non usable assets and explore potential to lease, sell, co-develop for commercial or Community return	Q1 – Q4
Continue to maximize private works opportunities, particularly DoT Loop income and DPTI unsealed road upgrades project management	Reduce costs to Community / Council	7.2 Work collectively with State / Federal Governments to leverage funds	Q1 – Q4
Optimise revenue to cost ratios for community assets – Actively pursuing increased promotion and usage of Council facilities	Optimise Costs to Council in partnership with Community	9.1 - Work with Community to identify areas of cost / service that may be "localised" and run at greater efficiency and lower cost (e.g. tidal pool, campgrounds, playgrounds, parks and gardens, sporting facilities and ovals)	Ongoing



Asset Services – Community Services					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
014 - Fire Protection	66,393	- 5,000	-	-	61,393
025 - Environmental Projects	-	-	-	-	-
040 - Risk Mitigation and/or Safety	15,809	- 500	-	-	15,309
051 - Ablution Facilities	274,358	-	110,000	-	384,358
<b>Total</b>	<b>356,560</b>	<b>- 5,500</b>	<b>110,000</b>	<b>-</b>	<b>461,060</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Ablution Facilities revitalisation of facilities	A built environment that delivers on Community needs	23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc	Q1 – Q4
Stokes Bay additional toilet facilities	A built environment that delivers on Community needs	23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc	Q1 – Q4



Asset Services – Culture					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
032 - Property - Amenity use (Halls)	155,710	- 18,300	-	-	137,410
<b>Total</b>	<b>155,710</b>	<b>- 18,300</b>	<b>-</b>	<b>-</b>	<b>137,410</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
To implement and complete routine maintenance activities on town hall facilities	<p>A built environment that delivers on Community needs</p> <p>Well managed, tangible and intangible heritage and culture</p>	<p>23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc.</p> <p>37.1 Support opportunities to record, preserve, manage and interpret our local heritage, arts and culture</p>	Q1 – Q4
Reclad Pavilion in Kingscote	<p>A built environment that delivers on Community needs</p> <p>Well managed, tangible and intangible heritage and culture</p>	<p>23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc</p> <p>37.1 Support opportunities to record, preserve, manage and interpret our local heritage, arts and culture</p>	Q1 – Q4



Development Services					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
011 - Development Planning	281,105	- 51,600	-	-	229,505
060 - Building Control	195,616	- 53,090	-	-	142,526
061 - Development Plan Amendments	2,500	-	-	-	2,500
<b>Total</b>	<b>479,221</b>	<b>- 104,690</b>	<b>-</b>	<b>-</b>	<b>374,531</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Maintain compliance with statutory functions and timeframes for development assessment processes under the <i>Development Act, 1993</i> and a high degree of regulation of development, public health and environmental matters	A supportive environment exists for business and economic development  Optimise KI Land use to grow the Island economy	28.1 - Provide effective, efficient development, building and environmental services solutions for the Community  30.1 - Continue to monitor and refine Kangaroo Island Development Plan to provide appropriate development opportunities underpinned by sound environmental, economic, social and technological considerations	Q1 - Q4
To continue to action and resource the Building Inspection Policy	A supportive environment exists for business and economic development	28.1 - Provide effective, efficient development, building and environmental services solutions for the Community	Q1 – Q4
Assist the CEO and Elected Members with a range of strategic and asset / land projects	Have a shared Vision & develop a whole of Island 10-20 year Community Plan  Increased resident population of Kangaroo Island to drive economic growth	21.1 - Initiate, lead / facilitate Community discussion on vision for future  31.2 - Develop plan to meet vision	Q1 – Q4



Business wide definition and review of Service Levels within Kangaroo Island Council	Appropriate business planning & financial management	<p>1.1 - Establish long-term sustainable service levels appropriate for the service provided and the funding available</p> <p>1.2 - Conduct a corporate systems review to identify improved efficiencies inclusive of service levels and consumables</p> <p>5.1 - Remove inefficiencies in core business processes to mitigate business risk</p>	Q1 – Q4
Develop and refine planning policy which supports economically invigorated town and district centres and propagates vibrant and attractive places for people	Optimise KI Land use to grow the Island economy	<p>30.2 - Continue to develop more structural plans for the four major towns and coastal settlements</p> <p>30.3 - Continue to lobby for better consideration of Island issues within State and Strategic infrastructure plans</p>	Q1 – Q4





Asset Services - Environment					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
009 - CWMS	1,261,622	- 1,359,380	1,750,000	- 320,000	1,332,242
046 - Standpipes	29,004	- 30,250	-	-	- 1,246
047 - Stormwater	336,218	-	107,200	-	443,418
049 - Street Cleaning	19,200	-	-	-	19,200
050 - Street Lighting	98,787	-	-	-	98,787
056 - Waste management	1,449,392	- 1,537,184	-	-	- 87,792
<b>Total</b>	<b>3,194,223</b>	<b>- 2,926,814</b>	<b>1,857,200</b>	<b>-320,000</b>	<b>1,804,609</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
CWMS Lining Parndana	A built environment that delivers on Community needs	23.4 Continue extension and rationalisation of existing schemes to provide whole of town approach to wastewater management	Q2 – Q4
Revise Kingscote CWMS Extension Project	A built environment that delivers on Community needs	23.4 Continue extension and rationalisation of existing schemes to provide whole of town approach to wastewater management	Q2 – Q4
Kingscote Rising Main C Upgrade	A built environment that delivers on Community needs	23.4 Continue extension and rationalisation of existing schemes to provide whole of town approach to wastewater management	Q2 – Q4
Upgrade of Stormwater: <ul style="list-style-type: none"> <li>Flinders Avenue, Kingscote</li> <li>Tangara Drive, American River</li> <li>East West Highway 2 Floodway</li> </ul>	Environmentally sustainable best practice in Council decision making	36.2 continue focus on development of sustainable flood and island drainage mitigation	Q2 – Q4
Business Case Development to Upgrade Street Lighting from Mercury Vapour to LED	A long term infrastructure Asset Management Plan (IAMP's) and a process of continuous improvement	2.2 Prioritise infrastructure based on residential and business needs. Link infrastructure needs with town plans	Q2 – Q4



Asset Services - Recreation					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
024 - Lookouts	-	-	-	-	-
028 - Parks & Gardens	428,944	-	10,000	-	438,944
030 - Playgrounds	42,622	-	-	-	42,622
063 - Ovals & Sporting Facilities	60,019	- 2,393	-	-	57,626
064 - Council Pool	55,755	-	-	-	55,755
<b>Total</b>	<b>587,340</b>	<b>- 2,393</b>	<b>10,000</b>	<b>-</b>	<b>594,947</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Parks & Gardens: <ul style="list-style-type: none"> <li>North Terrace fence</li> <li>Frenchmans Rock upgrade</li> <li>Flagstaff Hill SEB Tree planting</li> <li>Reeves Point Mulberry tree maintenance</li> </ul>	A built environment that delivers on community needs  Well managed, tangible and intangible heritage and culture	23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc  37.2 With Council assets, ensure heritage component is properly considered in asset management	Q1 - Q4
Ovals & Sporting: <ul style="list-style-type: none"> <li>Kingscote Oval maintenance coring</li> <li>Pavilion re-cladding</li> </ul>	A built environment that delivers on community needs	23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc	Q1-Q4
Prospect Hill Stairs to be replaced and reopened (noting significant external funding support will be required for this to happen)	A built environment that delivers on community needs	23.1 Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc	Q1 – Q4



Planned maintenance programs for Community parks, gardens, lookouts, playgrounds, ovals and pool.	Optimise Costs to Council in partnership with Community	9.1 - Work with Community to identify areas of cost / service that may be “localised” and run at greater efficiency and lower cost (e.g. tidal pool, campgrounds, playgrounds, parks and gardens, sporting facilities and ovals).	Q1 - Q4
Ongoing playground audits and maintenance	A built environment that delivers on Community needs	23.1 - Enhance the character, amenity, safety and accessibility of the built environment through the provision and maintenance of sporting facilities, parks, gardens, playgrounds, pools etc	



Asset Services – Regulatory Services					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
017 - Health Services	113,151	- 25,308	-	-	87,843
065 - Town Centres	4,247	-	-	-	4,247
071 - Dog & Cat Management	42,765	- 53,500	-	-	- 10,735
072 - Environment Services	107,661	-	-	-	107,661
073 - General Inspector	84,106	- 300	-	-	83,806
<b>Total</b>	<b>351,930</b>	<b>- 79,108</b>	<b>-</b>	<b>-</b>	<b>272,822</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Continued dog and cat management programs including Community education	Environmentally sustainable best practice in Council decision making	36.4 - Encourage Community to adopt better cat and dog management	Q1 - Q4
Continued environmental health activities including inspections and Community education	Integrated & improved delivery of Government Services  A supportive environment exists for business and economic development	8.4 - Island-wide approach to Community Program delivery - Re-direct current Council participation in health and education to appropriate entities e.g. Library  28.1 - Provide effective, efficient development, building and environmental services solutions for the Community	Q1 - Q4
General inspectors to undertake activities including management of Council by-laws, parking, and signage	Positive Internal Culture	27.1 - Ensure that our people, culture, strategies, plans and policies support the organisation and delivery of Council and Community outcomes	Q1 - Q4
Review Animal Management Plan	Environmentally sustainable best practice in Council decision making	36.4 - Encourage Community to adopt better cat and dog management	Q1 - Q2
Work with other agencies regarding feral cat	Reduce Costs to Community / Council	7.2 - Work collectively with State / Federal Governments to leverage funds	Ongoing



management and possible eradication	<p>Integrated &amp; improved delivery of Government Services</p> <p>Grant Optimisation Opportunities for Council / Community</p> <p>Environmentally sustainable best practice in Council decision making</p>	<p>8.6 - Active collaboration / discussions with other Islands, partner councils (regional collaborations), reference groups and networks</p> <p>19.1 - Collaborate to support external grant funding application opportunities between Council and Community Groups for key services and infrastructure</p> <p>36.4 - Encourage Community to adopt better cat and dog management</p>	
Business wide definition and review of service levels within Kangaroo Island Council	<p>Appropriate business planning &amp; financial management</p> <p>Adopt and resource best practice strategic and financial planning processes</p>	<p>1.1 - Establish long-term sustainable service levels appropriate for the service provided and the funding available</p> <p>1.2 - Conduct a corporate systems review to identify improved efficiencies inclusive of service levels and consumables</p> <p>5.1 - Remove inefficiencies in core business processes to mitigate business risk</p>	Ongoing
Develop and enhance healthy environments, recreation spaces and opportunities	High level of commitment for a Healthy Environment	38.5 - Adoption of the Kangaroo Island Regional Health Plan	Ongoing
Develop and refine planning policy which supports economically invigorated town and district centres and propagates vibrant and attractive places for people.	Optimise KI Land use to grow the Island economy	<p>30.2 - Continue to develop more structural plans for the four major towns and coastal settlements</p> <p>30.3 - Continue to lobby for better consideration of Island issues within State and Strategic infrastructure plans</p>	Q1 – Q4





Asset Services – Transport					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
002 - Bridges	219,221	-	-	-	219,221
004 - Car Parks	53,207	- 430	-	-	52,777
020 - Jetty / Boat Ramps / Wharfs	109,627	- 76,287	-	-	33,340
021 - Kerbs & Paths	158,762	-	397,800	- 75,000	481,562
041 - Roads - sealed	1,348,373	-	207,000	-	1,555,373
042 - Roads - unsealed	1,687,727	-	867,000	- 567,780	1,986,947
043 - Roads - vegetation	213,330	-	-	-	213,330
045 - Roads - patrol grading	573,566	-	-	-	573,566
052 - Traffic Control (line marking)	-	-	-	-	-
053 - Traffic Control (signage)	72,611	-	-	-	72,611
055 - Verges	58,406	-	-	-	58,406
<b>Total</b>	<b>4,494,830</b>	<b>- 76,717</b>	<b>1,471,800</b>	<b>- 642,780</b>	<b>5,247,133</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Sealed Roads - Upgrade Program: <ul style="list-style-type: none"> <li>Anzac Street Parndana</li> <li>Dover Farm Road extension</li> <li>Giles Street</li> <li>Flinders Avenue, Kingscote</li> <li>North Terrace, Penneshaw</li> <li>Trethewey Terrace, Penneshaw</li> <li>Osmond Street</li> </ul>	A long term infrastructure Asset Management Plan (IAMP's) and a process of continuous improvement	2.1 Develop and implement Infrastructure Asset Management Plans  2.2 Prioritise infrastructure based on residential and business needs - link infrastructure needs with town plans  2.3 Maintain and improve core infrastructure sustainably	Q1 - Q4



<p>Unsealed Roads – Upgrade Program:</p> <ul style="list-style-type: none"> <li>• Gap Road</li> <li>• Borda Road</li> <li>• Jetty Road, Vivonne Bay</li> <li>• Pennington Bay Rd, Dudley</li> <li>• Western River Rd</li> <li>• Min Oil Rd, Redbanks</li> <li>• Ten Trees Road</li> <li>• Esplanade, Nepean Bay</li> <li>• Seaview Road, Kingscote</li> <li>• Baudin Beach</li> <li>• Trethewey Terrace, Penneshaw</li> <li>• Acacia Drive/Lovers Lane/Brownlow Road</li> </ul>	<p>A long term infrastructure Asset Management Plan and a process of continuous improvement</p>	<p>2.1 Develop and implement Infrastructure Asset Management Plans</p> <p>2.2 Prioritise infrastructure based on residential and business needs. - link infrastructure needs with town plans</p> <p>2.3 Maintain and improve core infrastructure sustainably</p>	<p>Q1-Q4</p>
<p>Continue Implementation of DPTI Unsealed Roads Upgrade Program</p> <p>Project Management of Stage 7 (Rowland Hill Highway)</p>	<p>A Long Term Infrastructure Asset Management Plan (IAMP's) and a process of continuous improvement</p> <p>Reduce Costs to Community / Council</p>	<p>2.1 Develop and implement Infrastructure Asset Management Plans</p> <p>2.3 Maintain and improve core infrastructure sustainably</p> <p>7.2 Work collectively with State / Federal Governments to leverage funds</p>	<p>Q1-Q4</p>
<p>Kerbs &amp; Paths – New and Kerb Replacement - Kingscote</p> <ul style="list-style-type: none"> <li>• Giles Street</li> <li>• Investigator Avenue</li> <li>• Flinders Avenue</li> <li>• Thisby Street</li> <li>• Nepean Street</li> </ul> <p>Implementation of town centres walking trail projects</p> <p>Stage 4 Brownlow to Kingscote Shared Use Path</p>	<p>A Long Term Infrastructure Asset Management Plan (IAMP's) and a process of continuous improvement</p>	<p>2.2 Prioritise infrastructure based on residential and business needs – link infrastructure needs with town plans</p>	<p>Q2 – Q4</p>



Footpath designs, Penneshaw	A long term Infrastructure Asset Management Plan (IAMP's) and a process of continuous improvement	2.2 Prioritise infrastructure based on residential and business needs – link infrastructure needs with town plans	Q1-Q2
KI Road signage audit	A long term infrastructure Asset Management Plan (IAMP's) and a process of continuous improvement	2.1 Develop and implement Infrastructure Asset Management Plans	Q2



Asset Services – Plant and Depots					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
010 - Depot Operations	731,256	-	-	-	731,256
057 - Workshop Operations	-	-	435,000	-	435,000
<b>Total</b>	<b>731,256</b>	<b>-</b>	<b>435,000</b>	<b>-</b>	<b>1,166,256</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Maintenance of existing plant and equipment and allocation to appropriate works	Use Asset to best advantage	12.1 Review underutilised reserves / non usable assets and explore potential to lease, sell, co-develop for commercial or Community return	Q1 – Q4
Proposed purchase or Depot equipment <ul style="list-style-type: none"> <li>• Truck replacement</li> <li>• Multi wheeled roller</li> <li>• Upgrade Tar Truck</li> </ul>	A Long Term Infrastructure Asset Management Plan and a process of continuous improvement	2.2 Prioritise infrastructure based on residential and business needs - link infrastructure needs with town plans.  27.1 Ensure that our people, culture, strategies, plans and policies support the organisation and delivery of Council and Community outcomes	Q1 – Q4



Asset Services – Support Services					
Function	Operating Expenses	Operating Income	Capital Expenses	Capital Income	Net Total
Asset Management	418,353	-200,000	-	-	218,353
<b>Total</b>	<b>418,353</b>	<b>-200,000</b>	<b>-</b>	<b>-</b>	<b>218,353</b>

Projects and Activities for 2017-18 Include	Strategic Outcomes	Strategic Actions	Timeframe
Implement long term Infrastructure Asset Management Plans and a process of continual improvement	<p>A long term infrastructure Asset Management Plan (IAMP's) and a process of continuous improvement</p> <p>Positive Internal Culture</p> <p>Optimise KI Land use to grow the Island economy</p> <p>Well managed, tangible and intangible heritage and culture</p>	<p>2.1 Develop and implement Infrastructure Asset Management Plans</p> <p>2.2 Prioritise infrastructure based on residential and business needs. - link infrastructure needs with town plans</p> <p>2.3 Maintain and improve core infrastructure sustainably</p> <p>27.1 Ensure that our people, culture, strategies, plans and policies support the organisation and delivery of Council and Community outcomes</p> <p>30.2 Continue to develop more structural plans for the four major towns and coastal settlements</p> <p>37.2 With Council assets, ensure heritage component is properly considered in asset management</p>	Q1-Q4
Further enhancement of Council's Project Management Functions	Council recognised for its exceptional customer service, focused on delivery for the Community	29.1 Continue staff and contractor professional development geared towards a culture of excellent customer service	Q1-Q4
Continued improvement of Contract and Procurement Functions	Council recognised for its exceptional customer service, focused on delivery for the Community	29.1 Continue staff and contractor professional development geared towards a culture of excellent customer service	Q1 – Q4





# Measuring Our Performance

To enable Council and the Community to assess Council's performance over the 2017-18 year, performance reporting tools have been established for a number of activities including:

## Audit committee

- Action plan
- Internal Control Self-Assessment Tool - finance and IT controls, Airport compliance and governance self-assessments
- External and internal audits of financial performance

## Finance committee

- Quarterly budget reviews measuring actual performance against budget
- Major project reports outlining status of capital projects undertaken during the year
- Cash flow and debt management reports

## Council

- Departmental status reports,
- Customer service notifications,
- FOI requests

## Leadership team

- Internal management reports, with traffic lights to show health of individual departmental budgets

## Development Services

- ABS reporting/system indicators in Development Services
- Development Services Self-assessment Compliance Audit

## Human Resources

- Staff Satisfaction Survey
- WHS reporting

## Other

- ESCOSA reporting to measure our compliance with the Water Industries Act
- Grants Commission returns

## Business Action Plan

The Business Action Plan is derived from the current Strategic Plan and is reviewed each year to ensure it aligns to that year's budget.

## TOMM

Council is a key stakeholder in the Tourism Optimisation Management Model Resident and Visitor surveys. The project surveys residents and visitors on an annual basis. As a funding partner, Council can ask a few questions of each of the target groups. The results are used to measure and improve Council's performance and services.

## Target Financial Indicators

While indicators provide a ready assessment of financial performance and sustainability, they need to be interpreted in the context of Council's operating environment. They do not replace the need for sound judgement. (Refer Appendix A for a detailed listing of financial targets).

These performance tools are reviewed throughout the year. A report on the performance outcomes will be included in the 2017-18 Annual Report.

Summary of Financial Indicators		0809	0910	1011	1112	1213	1314	1415	1516	1617	1718	1819	1920	2021	2122	2223	2324	2425	2526	2627
Year / Measures	Target 1																			
	Target 2																			
Operating Surplus																				
Operating Surplus Ratio																				
Net Financial Liabilities																				
Net Financial Liabilities Ratio																				
Interest Cover Ratio																				
Asset Sustainability Ratio																				
Asset Consumption Ratio																				



# APPENDIX A

## FINANCIAL STATEMENTS



## Kangaroo Island Council

### (Budgeted) Statement of Comprehensive Income (for the 2017-18 Financial Year) Proposed Budget 2017/18

	2014/15 Audited AFS	2015/16 Audited AFS	2016/17 Original Budget	2017/18 Proposed Budget	Variance between 2016/17 and 2017/18	Variance between 2016/17 and 2017/18
	\$ '000	\$ '000	\$ '000	\$ '000	\$ \$ '000	%
<b>Income</b>						
Rates Revenues	8,540	9,055	9,408	9,615	207	2.20%
Less Rates Rebate	(82)	(88)	(90)	(95)	(5)	5.56%
Statutory Charges	198	188	214	221	7	3.27%
User Charges	932	1,072	1,167	1,130	(37)	-3.17%
Grants, Subsidies and Contributions	3,529	1,997	2,250	1,930	(320)	-14.22%
Investment Income	22	31	21	7	(14)	-66.67%
Reimbursements	4,398	551	512	584	72	14.06%
Other Income	130	96	50	95	45	90.00%
Net Gain - Equity Accounted Council Businesses	23	4	-	-	0	
<b>Total Income</b>	<b>17,691</b>	<b>12,905</b>	<b>13,532</b>	<b>13,487</b>	<b>(45)</b>	
<b>Expenses</b>						
Employee Costs	4,767	5,189	5,255	5,373	118	2.25%
Less: Capitalized and distributed costs	(182)	(661)	(474)	(403)	71	-14.98%
<b>Net Employee Costs</b>	<b>4,585</b>	<b>4,528</b>	<b>4,781</b>	<b>4,970</b>	<b>189</b>	
Materials, Contracts & Other Expenses	6,967	7,042	6,725	6,828	103	1.53%
Less: Capitalized and distributed costs	(471)	(734)	(15)	(382)	(367)	2446.67%
<b>Net Material Costs</b>	<b>6,496</b>	<b>6,308</b>	<b>6,710</b>	<b>6,446</b>	<b>(264)</b>	
Depreciation, Amortisation & Impairment	4,478	4,438	4,406	4,474	68	1.54%
Finance Costs	670	582	675	576	(99)	-14.67%
Net loss - Equity Accounted Council Businesses	-	-	-	-	0	
<b>Total Expenses</b>	<b>16,229</b>	<b>15,856</b>	<b>16,572</b>	<b>16,466</b>	<b>(106)</b>	
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>1,462</b>	<b>(2,951)</b>	<b>(3,040)</b>	<b>(2,979)</b>	<b>61</b>	<b>-2.01%</b>
Asset Disposal & Fair Value Adjustments	38	(22)	-	-	0	
Amounts Received Specifically for New or Upgraded Assets	800	3,777	889	963	74	8.32%
Physical Resources Received Free of Charge	2,000	2,021	2,000	2,000	0	0.00%
Operating Result from Discontinued Operations	-	-	-	-	0	
<b>NET SURPLUS/(DEFICIT)</b>	<b>4,300</b>	<b>2,825</b>	<b>(151)</b>	<b>(16)</b>	<b>135</b>	
<b>Other Comprehensive Income</b>						
<b>Asset Revaluation Reserve</b>						
Changes in Revaluation Surplus - I, PP&E	3,488	(5,611)	-	-	0	
<b>Total Other Comprehensive Income</b>	<b>3,488</b>	<b>(5,611)</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>7,788</b>	<b>(2,786)</b>	<b>(151)</b>	<b>(16)</b>	<b>135</b>	
<b>Operating Surplus Ratio</b>	<b>18%</b>	<b>38%</b>	<b>33%</b>	<b>-31%</b>		



<b>Kangaroo Island Council</b> <b>(Budgeted) Statement of Financial Position (for the 2017-18 Financial Year)</b> <b>Proposed Budget 2017/18</b>				
	2014/15 Audited AFS	2015/16 Audited AFS	2016/17 Original Budget	2017/18 Proposed Budget
	\$ '000	\$ '000	\$ '000	\$ '000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	1,760	2,647	607	853
Trade & Other Receivables	1,817	1,658	1,191	1,221
Inventories	243	221	254	260
<b>Total Current Assets</b>	<b>3,820</b>	<b>4,526</b>	<b>2,052</b>	<b>2,334</b>
<b>Non-Current Assets</b>				
Equity Accounted Investments in Council Businesses	97	101	100	101
Infrastructure, Property, Plant & Equipment	197,788	191,881	200,977	198,751
Other Non-Current Assets	814	3,474	800	800
<b>Total Non-Current Assets</b>	<b>198,699</b>	<b>195,456</b>	<b>201,877</b>	<b>199,652</b>
<b>TOTAL ASSETS</b>	<b>202,519</b>	<b>199,982</b>	<b>203,929</b>	<b>201,986</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Trade & Other Payables	1,211	1,827	1,256	1,497
Borrowings	1,507	1,036	1,958	1,082
Provisions	852	800	847	777
<b>Total Current Liabilities</b>	<b>3,570</b>	<b>3,663</b>	<b>4,061</b>	<b>3,356</b>
<b>Non-Current Liabilities</b>				
Trade & Other Payables	39	39	-	-
Borrowings	10,773	11,157	12,357	13,719
Provisions	531	303	471	258
<b>Total Non-Current Liabilities</b>	<b>11,343</b>	<b>11,499</b>	<b>12,828</b>	<b>13,977</b>
<b>TOTAL LIABILITIES</b>	<b>14,913</b>	<b>15,162</b>	<b>16,889</b>	<b>17,333</b>
<b>NET ASSETS</b>	<b>187,606</b>	<b>184,820</b>	<b>187,040</b>	<b>184,653</b>
<b>EQUITY</b>				
Accumulated Surplus	8,713	11,817	8,147	11,650
Asset Revaluation Reserves	176,601	170,990	176,602	170,990
Other Reserves	2,292	2,013	2,291	2,013
<b>TOTAL EQUITY</b>	<b>187,606</b>	<b>184,820</b>	<b>187,040</b>	<b>184,653</b>



<b>Kangaroo Island Council</b> <b>(Budgeted) Statement of Changes in Equity (for the 2017-18 Financial Year)</b> <b>Proposed Budget 2017/18</b>				
	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
	\$ '000	\$ '000	\$ '000	\$ '000
<b>2017/18 Proposed Budget</b>				
<b>Balance at the end of previous reporting period</b>	11,666	170,990	2,013	184,669
a. Net Surplus / (Deficit) for Period	(16)	-	-	(16)
b. Other Comprehensive Income	-	-	-	-
- Gain (Loss) on Revaluation of I,PP&E	-	-	-	-
Total Comprehensive Income	(16)	-	-	(16)
c. Transfers between Reserves	-	-	-	-
<b>Balance at the end of period</b>	11,650	170,990	2,013	184,653
<b>2016/17 Original Budget</b>				
<b>Balance at the end of previous reporting period</b>	11,817	170,990	2,013	184,820
a. Net Surplus / (Deficit) for Period	(151)	-	-	(151)
b. Other Comprehensive Income	-	-	-	-
- Gain (Loss) on Revaluation of I,PP&E	-	-	-	-
Total Comprehensive Income	(151)	-	-	(151)
c. Transfers between Reserves	-	-	-	-
<b>Balance at the end of period</b>	11,666	170,990	2,013	184,669
<b>2015/16 Audited AFS</b>				
<b>Balance at the end of previous reporting period</b>	8,713	176,601	2,292	187,606
a. Net Surplus / (Deficit) for Year	2,825	-	-	2,825
b. Other Comprehensive Income	-	-	-	-
- Gain (Loss) on Revaluation of I,PP&E	-	(5,611)	-	(5,611)
<b>Total Comprehensive Income</b>	2,825	(5,611)	-	(2,786)
c. Transfers between Reserves	279	-	(279)	-
<b>Balance at the end of period</b>	11,817	170,990	2,013	184,820
<b>2014/15 Audited AFS</b>				
<b>Balance at the end of previous reporting period</b>	4,254	173,113	2,451	179,818
a. Net Surplus / (Deficit) for Year	4,300	-	-	4,300
b. Other Comprehensive Income	-	-	-	-
- Gain (Loss) on Revaluation of I,PP&E	-	3,488	-	3,488
<b>Total Comprehensive Income</b>	4,300	3,488	-	7,788
c. Transfers between Reserves	159	-	(159)	-
<b>Balance at the end of period</b>	8,713	176,601	2,292	187,606



<b>KANGAROO ISLAND COUNCIL</b> <b>(Budgeted) Statement of Cash Flows (for the 2017-18 Financial Year)</b> <b>Proposed Budget 2017/18</b>				
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2014/15 Audited AFS</b>	<b>2015/16 Audited AFS</b>	<b>2016/17 Original Budget</b>	<b>2017/18 Proposed Budget</b>
<u>Receipts</u>	\$ '000	\$ '000	\$ '000	\$ '000
Operating Receipts	17,507	14,012	14,776	13,717
Investment Receipts	20	28	21	7
<u>Payments</u>				
Operating Payments to suppliers & employees	(11,988)	(11,430)	(13,274)	(12,611)
Finance Payments	(716)	(645)	(676)	(576)
<b>Net cash provided by (or used in) Operating Activities</b>	<b>4,823</b>	<b>1,965</b>	<b>847</b>	<b>537</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<u>Receipts</u>				
Amounts specifically for new or upgraded assets	800	3,777	889	963
Sale of replaced assets	103	100	0	0
Sale of surplus assets	0	88	0	0
<u>Payments</u>				
Expenditure on renewal/replacement of assets	(4,707)	(1,565)	(1,357)	(1,224)
Expenditure on new/upgraded assets	(906)	(3,426)	(1,060)	(2,690)
<b>Net Cash provided by (or used in) Investing Activities</b>	<b>(4,710)</b>	<b>(1,026)</b>	<b>(1,528)</b>	<b>(2,951)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<u>Receipts</u>				
Proceeds from borrowings and Bonds received	6,740	1,610	1,500	2,780
<u>Payments</u>				
Repayment of borrowings	(6,135)	(1,662)	(1,459)	(1,520)
<b>Net Cash provided by (or used in) Financing Activities</b>	<b>605</b>	<b>(52)</b>	<b>41</b>	<b>1,260</b>
<b>Net Increase (Decrease) in cash held</b>	<b>718</b>	<b>887</b>	<b>(640)</b>	<b>(1,154)</b>
Cash & cash equivalents at beginning of period	1,042	1,760	2,647	2,007
<b>Cash &amp; cash equivalents at end of period</b>	<b>1,760</b>	<b>2,647</b>	<b>2,007</b>	<b>853</b>



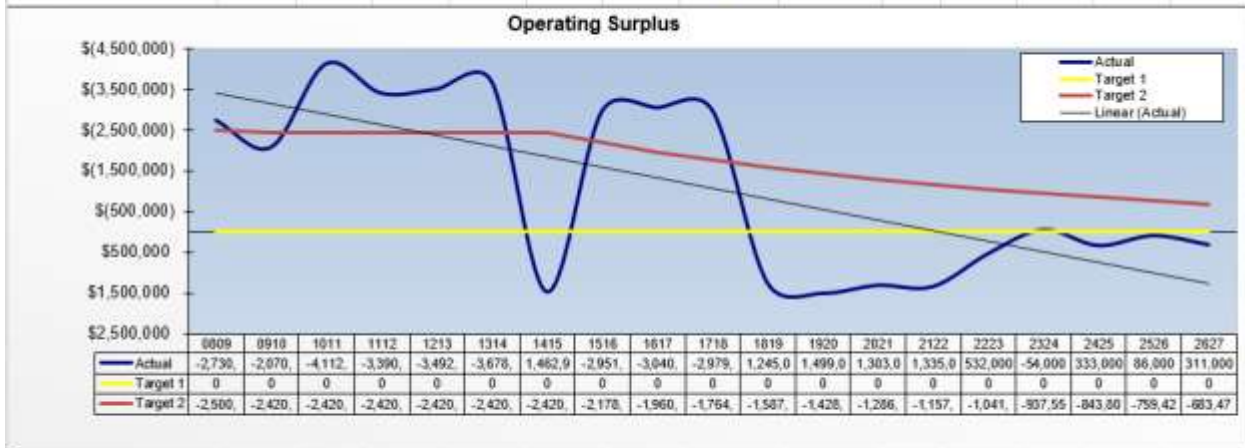


<b>KANGAROO ISLAND COUNCIL</b> <b>(Budgeted) Uniform Presentation of Finances</b> <b>Proposed Budget 2017/18</b>				
	2014/15 Audited AFS	2015/16 Audited AFS	2016/17 Original Budget	2017/18 Proposed Budget
	\$ '000	\$ '000	\$ '000	\$ '000
<b>Income</b>	17,690	12,905	13,532	13,487
less Expenses	(16,228)	(15,856)	(16,572)	(16,466)
<b>Operating Surplus / (Deficit)</b>	1,462	(2,951)	(3,040)	(2,979)
<b>less Net Outlays on Existing Assets</b>				
Capital Expenditure on renewal and replacement of Existing Assets	4,707	1,565	1,357	1,224
less Depreciation, Amortisation and Impairment	(4,478)	(4,438)	(4,406)	(4,474)
less Proceeds from Sale of Replaced Assets	(103)	(100)	0	0
	126	(2,973)	(3,049)	(3,250)
<b>less Net Outlays on New and Upgraded Assets</b>				
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	905	3,426	1,061	2,690
less Amounts received specifically for new and Upgraded Assets	(800)	(3,777)	(889)	(963)
less Proceeds from sale of Surplus Assets (including investment property & real estate developments)	0	(88)	0	0
	105	(439)	172	1,727
<b>Net Lending / (Borrowing for Financial Year)</b>	1,231	461	(163)	(1,456)



### Operating Surplus/(Deficit)

This graph indicates the difference between day-to-day income and expenses for the particular financial year.



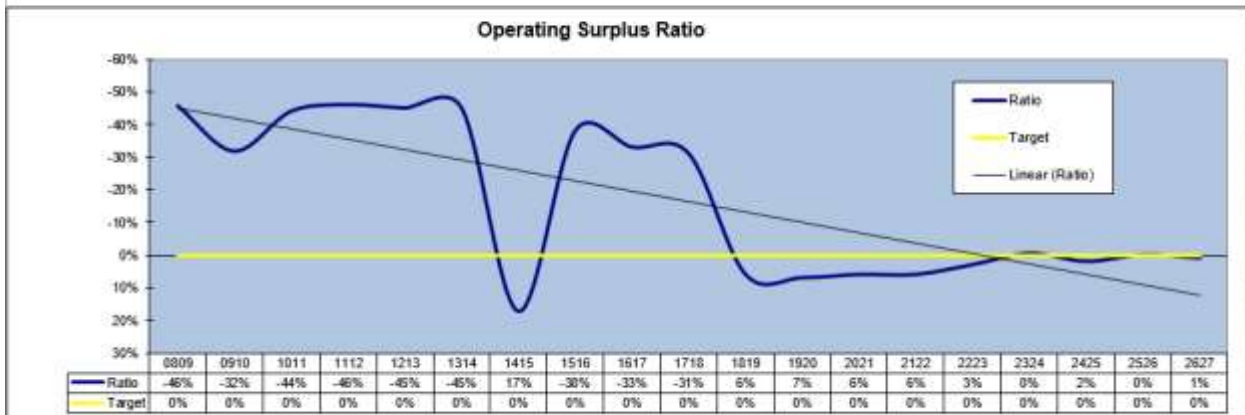
**TARGET:** To achieve a decreasing budget operating deficit and the achievement of an Operating Breakeven Position, or better, over a ten year period.

Target 1 - Operating Surplus greater than \$(2,500,000)

Target 2 - Operating Breakeven

### Operating Surplus Ratio

This ratio indicates by what percentage does the major controllable income source vary from day to day expenses.



**TARGET:** To achieve an Operating Surplus Ratio of 0% within 10 years



### Net Financial Liabilities

This graph indicates what is owed to others less money held, invested or owed to the Authority



**TARGET:** Council's level of Net Financial Liabilities is no greater than its Annual Operating Revenue and not less than zero.

### Net Financial Liabilities Ratio

This ratio indicates how significant the net amount owed is compared with income.

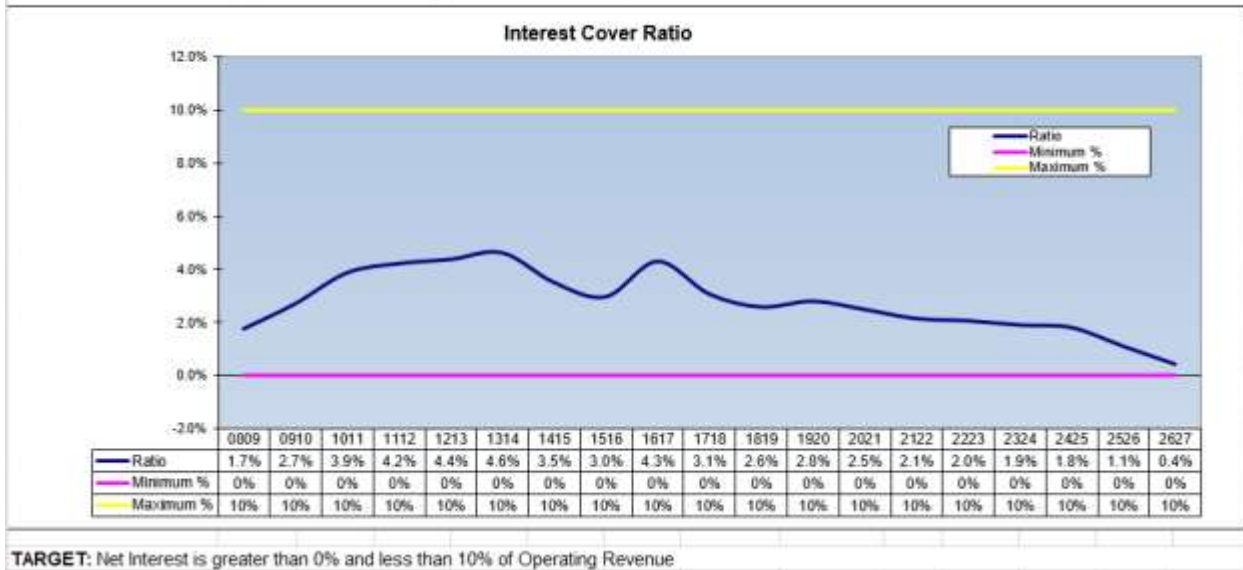


**TARGET:** Net Financial Liabilities Ratio is greater than zero but less than 100% of total Operating Revenue.



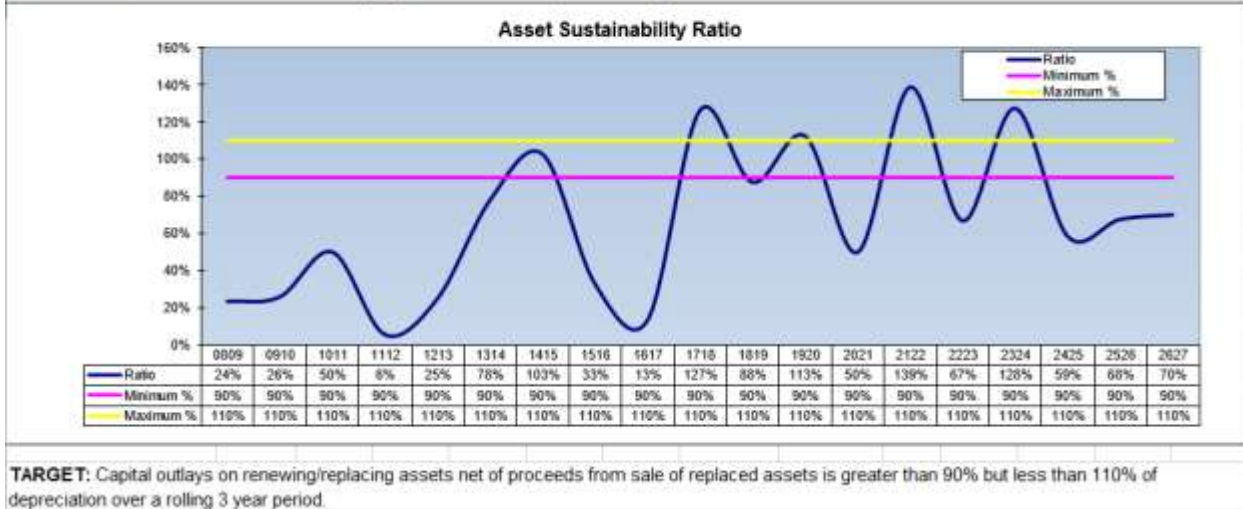
### Interest Cover Ratio

This ratio indicates how much income is used in paying interest on borrowings.



### Asset Sustainability Ratio

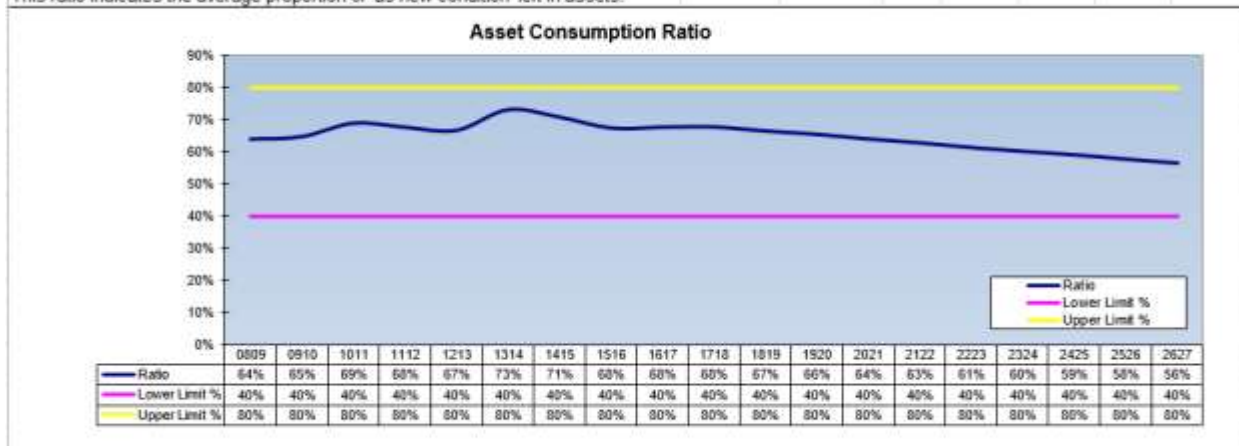
This ratio indicates whether assets are being replaced at the rate they are wearing out.





### Asset Consumption Ratio

This ratio indicates the average proportion of 'as new condition' left in assets.



**TARGET:** The average proportion of 'as new condition' left in assets is greater than 40% and less than 80%.

Estimates for Council's Operating Surplus Ratio, Net Financial Liabilities Ratio and Asset Sustainability Ratio for 2017-18 budget are set out below in a manner consistent with the note in the Model Financial Statements entitled "*Financial Indicators*".

	Budget 17/18	Budget 2016/17	Actual 2015/16
<b>Operating Surplus Ratio</b>	-31%	-33%	-33%
<b>Net Financial Liabilities Ratio</b>	109%	112%	84%
<b>Asset Sustainability Ratio</b>	64%	92%	125%



## 2017-18 Capital Works List

		CAPEX	CAPIN
Ablution Facilities	Stokes Bay Toilet Block Additional Facilities	\$ 110,000	-
Cemeteries	Kingscote Cemetery Stage 2	\$ 30,000	-
Footpaths	Stage 4 Brownlow to Kingscote Walking Trail	\$ 150,000	\$ 75,000
Kerbs	Giles Street - Rawson to Todd Investigator Avenue Flinders Avenue Thisby Street Nepean Street	\$ 247,800	-
Parks and Gardens	Frenchman's Rock - upgrade	\$ 10,000	-
Plant Replacement	6m Truck Heavy Multi-wheeled Roller Tar Truck	\$ 435,000	-
Stormwater	Flinders Avenue, Kingscote East West 2 – Floodway Upgrade	\$ 107,200	-
Unsealed Roads	Gap Road Borda Road Jetty Road Pennington Bay Road Western River Road Min Oil Road Ten Tree Road Esplanade, Nepean Bay Seaview Road, Kingscote Baudin Beach Trethewey Terrace, Penneshaw Acadia Drive/Lovers Lane/Brownlow Road	\$ 867,000	\$ 567,780
Sealed Roads	Anzac Street, Parndana Dover Farm Road Project Year 3 Giles Street, Kingscote Flinders Avenue, Kingscote North Terrace, Penneshaw Osmond Street, Kingscote	\$ 207,000	-
	Total	\$ 2,164,000	\$ 642,780
	Net Capital Spend	\$ 1,521,220	
CWMS *	Parndana – lining VC pipes	\$ 150,000	-
	Kingscote – Rising Main C	\$1,600,000	\$ 320,000
Net Capital Spend		\$ 2,801,220	
* CWMS Capital works to be funded from CWMS self-servicing entity (covered as part of the CWMS service charge)			





## 2017-18 Deferred Projects

		CAPEX	CAPIN
Kerbs	Investigator Avenue, Kingscote	\$ 118,000	-
	<i>Scope of works reduced.</i>		
Plant Replacement	Gardeners Truck Heavy Drum Roller	\$ 150,000	-
	<i>Deferred</i>		
Unsealed Roads	Gap Road Borda Road	\$240,000	-
	<i>Scope of works reduced for 2017/18.</i>		
	Muston Road Turkey Lane Boxer Road	\$398,000	-
	<i>Defer, Monitoring &amp; Patching to be undertaken as part of Unsealed Roads Maintenance (URM)</i>		
	Christmas Street, Penneshaw Clark Street - Penneshaw	\$180,000	-
	<i>Design Works to be undertaken in 17/18 as part of operating</i>		
Sealed Roads	Trethewey Court, American River Flinders Ave, Kingscote Centenary Avenue, Kingscote Burdon Drive, Kingscote Wheelton Street, Kingscote	\$216,000	-
	<i>Deferred</i>		
	<b>Total</b>	<b>\$ 1,302,000</b>	



## 2017-18 Discretionary Projects

Council has noted a commitment to these projects subject to successful grant applications. The leverage attained is significant for all projects and spending will only be undertaken if successful.

### Operating Projects

		OPEX	OPIN
<b>Parks &amp; Gardens</b>	Kingscote Skate Park	\$ 51,000	-
	Penneshaw Sculpture Park	\$ 86,695	-
	<i>Council will fund up to 30% of the cost.</i>		
<b>Community Grants Provided</b>	Rec Fishing Grants - Jetty Lights, - Pool Shelter	\$ 24,500	\$12,250
	<i>Projects only considered if grant funding obtained</i>		



## APPENDIX B

# RATING AND REBATE POLICY



	<b>Rating and Rebate Policy</b>
<b>File Number</b>	18.8.11
<b>Date Adopted:</b>	08 August 2008
<b>Minute Reference:</b>	11.3
<b>Next Review date:</b>	June 2017
<b>Responsible Manager/s or Department:</b>	Business Support Department
<b>Related Policies / Codes:</b>	<ul style="list-style-type: none"> <li>➤ Code for Establishing and Applying Property Units as a Factor of the Imposition of Annual Service Charges for Community Wastewater Management Systems - published by the Local Government Association of South Australia, April 2006</li> <li>➤ Fees &amp; Charges Policy</li> <li>➤ Funding Policy</li> </ul>
<b>Related Procedure(s):</b>	<ul style="list-style-type: none"> <li>➤ Rates Management Procedure Manual</li> </ul>
<b>Related Document(s):</b>	<ul style="list-style-type: none"> <li>➤ <i>Aged Care Act, 1997 (Commonwealth)</i></li> <li>➤ <i>Community Titles Act, 1996</i></li> <li>➤ <i>Education and Early Childhood Services (Registration &amp; Standards) Act, 2001</i></li> <li>➤ <i>Goods and Services Act, 1999</i></li> <li>➤ <i>Local Government Act, 1999</i></li> <li>➤ <i>Local Government (General) Regulations, 1999</i></li> <li>➤ <i>Health Care Act, 2008</i></li> <li>➤ <i>Valuation of Land Act, 1971</i></li> <li>➤ <i>Natural Resources Management Act, 2004</i></li> <li>➤ <i>Water Industries Act, 2012</i></li> </ul>

## 1. Introduction

This document sets out the policy of the Kangaroo Island Council for setting and collecting rates from its community for the year ending 30 June 2018.

## 2. Scope

Council's powers to raise rates are found in Chapter 10 of the *Local Government Act 1999* (the *Act*). The *Act* provides the framework within which the Council must operate, but also leaves room for the Council to make a range of policy choices. This document includes reference to compulsory features of the rating system, as well as the policy choices that the Council has made on how it imposes and administers the collection of rates.



### 3. Definitions

‘**CPI**’ means Consumer Price Index

‘**CWMS**’ means Community Wastewater Management Scheme

‘**DCSI**’ means Department for Communities & Social Inclusion

‘**DVA**’ means Department of Veterans’ Affairs

‘**EFTPOS**’ means Electronic Funds Transfer at Point Of Sale

‘**LGA**’ means the Local Government Association of SA

‘**NRM Levy**’ means Natural Resources Management Board Levy

‘**Notional Valuation**’ means the capital valuation assigned by the State Valuation Office after allowing for the portion of land under a current State Heritage Agreement

‘**SFE**’ means Single Farm Enterprise

‘**the Act**’ means the *Local Government Act, 1999*

### 4. Policy Statement

#### 4.1. Strategic Focus

In setting its rates for each financial year Council will consider the following:

- Its Strategic Plan.
- Its Long Term Financial Plan.
- State legislative requirements.
- Its Budget requirements.
- The current economic climate.
- The specific issues faced by our community.
- The impact of rates on the community.
- The impact of rates on businesses.
- The relationship between Council objectives and rating policy.
- Council’s debt strategy.
- Required funding for future asset replacement.
- The impact of differential changes in property valuations across the Island.
- As may be relevant, issues of consistency and comparability across Council areas in the imposition of rates on sectors of the community.

Copies of Council’s Strategic Plan and Budget will be available for inspection and purchase at the Kangaroo Island Council offices and at Council’s website [www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au)

#### 4.2. Method Used to Value Land

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

- Capital Value – the value of the land and all the improvements on the land.
- Site Value – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- Annual Value – a valuation of the rental potential of the property.



The Kangaroo Island Council has decided to use Capital Value as the basis for valuing land within the Council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers because property value is considered a reasonable indicator of income and capital value, which closely approximates the market value of a property.

#### **4.3. Adoption of Valuations**

A Council may employ or engage a Valuer to value the land in the area or it may use the valuations provided by the Valuer-General, or it may use a combination of both subject to certain restrictions. The Valuer-General is a statutory officer appointed by the Governor. The Kangaroo Island Council has adopted the most recent valuations made by the Valuer-General.

#### **4.4. Objection to Valuation**

A person may object to a valuation of the Valuer-General in writing, setting out the reasons for the objection, and the Valuer General must consider the objection. An objection to a valuation must be made within 60 days after the date of service of the valuation notice to which the objection relates, explaining the basis for the objection. If the person then remains dissatisfied with the valuation, they have a right to a review.

Right-of-Review applications must be made within 21 days of receipt of the notice of the decision (in relation to the objection) from the Valuer-General. A payment of the prescribed fee for the review to be undertaken, together with the review application must be lodged in the Office of the Valuer-General, who will then refer the matter to an independent Valuer. If the person remains dissatisfied with the valuation then they have a right of appeal to the Land and Valuation Court.

The address of the Office of the Valuer-General is:

Postal:	State Valuation Office GPO Box 1354 Adelaide SA 5001
Telephone:	1300 653 345
Email:	<a href="mailto:lsgobjections@sa.gov.au">lsgobjections@sa.gov.au</a>
Website:	<a href="http://www.sa.gov.au/landservices">www.sa.gov.au/landservices</a>

**Note:** Council has no role in the process of considering an objection to a valuation. It is also important to note that the lodgement of an objection does not change the due date for the payment of rates.

#### **4.5. Notional Values**

Certain properties may be eligible for a notional value under the *Valuation of Land Act 1971*. This relates to some primary production land or where there is State Heritage recognition. Any owner who believes that they are entitled to a 'notional value' must apply in writing to the Office of the Valuer-General.



#### **4.6. Business Impact Statement**

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

- Those elements of Council's strategic management plans relating to business development.
- The current and forecast economic climate.
- Operating and capital projects for the coming year that will principally benefit industry and business development on the Island.
- Movement in the Consumer Price Index (Adelaide Capital City index) and other relevant indices. The CPI represents the movement in prices associated with the goods and services consumed by the average metropolitan household for the most recent calendar year.
- Valuation changes in commercial and industrial properties as compared with valuation changes in residential properties across the Island.

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

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

In addition, Council can raise separate rates for specific areas of the Council or service rates or charges for specific services. Council also raises revenue through fees and charges, which are determined giving consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available for inspection and purchase at the Kangaroo Island Council offices and free of charge from Council's website [www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au)

A Goods and Services Tax at a rate determined under the *Goods and Services Act*, 1999 will be charged on those fees not given exemption under the *Act*.

#### **4.8. Differential General Rates**

Council set the differential general rates for the current year after consideration of capital value changes as advised by the Valuer-General. Other factors taken into consideration include equity and fairness, simplicity, benefit to the community, impact of the differentials and the capacity to pay.

Kangaroo Island Council uses differential rating as it believes it is the fairest method of allocating rates. Council's differential rating system is based on land use.

The proposed differential general rates on the capital value of all rateable land in the area of the Council vary according to the use of the land for the current year as follows:

1. Residential
2. Commercial – Shop
3. Commercial – Office
4. Commercial – Other
5. Industry – Light
6. Industry – Other
7. Primary Production
8. Vacant Land
9. Other





## 10. Marinas

If a ratepayer believes that a particular property has been wrongly classified by Council as to its land use, then the ratepayer (the objector) may object to that land use classification (to Council) within 60 days of being notified. The objection must set out the basis for the objection and details of the land use that, in the opinion of the ratepayer, should be attributed to that property. Council may then decide an objection as it sees fit and notify the objector in writing of its decision. An objector also has the right to appeal against Council's decision to the Land and Valuation Court.

A ratepayer may raise the matter with Council and, upon request, Council will provide a copy of Section 156 of the *Local Government Act*, 1999 which sets out the rights and obligations of ratepayers in respect of objections to a land use classification.

**Note:** Lodgement of an objection does not change the due date for the payment of rates.

### 4.9. Fixed Charge

Council imposes a fixed charge on each assessed property.

Where two or more adjoining properties have the same owner **and** are occupied by the same occupier, only one fixed charge is payable by the ratepayer.

The reason for a fixed charge is to ensure that all residents / owners contribute towards the provision of basic services at a reasonable level.

### 4.10. Service Charge – Community Wastewater Management Scheme (CWMS) (formerly known as STEDS)

Council provides a community waste water management scheme to most properties within the townships of Kingscote, Brownlow, Parndana, American River and Penneshaw, while also maintaining a service at Parndana East. Council must cover the full cost of operating and maintaining the service, inclusive of interest payments on loans raised to upgrade the CWMS systems. Council must also allow for the future capital replacement of the system.

Council has committed to sustainable charging for CWMS on Kangaroo Island, which has been determined by the LGA and other external sources. Council will recover this cost through the imposition of a sustainable service charge per property unit as follows:

- Areas in the townships of Kingscote, Brownlow, Parndana, Parndana East, American River and Penneshaw, with the service charge being levied on all properties whether connected or otherwise, and if property is developed or vacant, and located in the defined collection scheme boundaries.

The property units are determined by reference to the "CWMS Accounting Principles – The Costing and Pricing of CWMS – December 2016." published by the Local Government Association of South Australia.

### 4.11. Service Charges – Waste Management

Council is continuing to impose a Waste Management Service Charge in respect of the collection, treatment and disposal (including by recycling) of waste for the whole of Kangaroo



Island. This charge is calculated and incurred in line with Council's Waste Management Policy for the current year, while also separating the waste management services provided:-

- Waste Management – Treatment & Disposal
- Waste Management – Collection

Pursuant to Section 155 of the *Local Government Act*, 1999 and Regulation 13 of the *Local Government (General) Regulations*, 2013, waste collection charges are applied on properties that are required to take their waste a distance to be collected. The Waste Collection charges are then charged based on the following tiered rates:-

- |   |       |
|---|-------|
| • Collection Charge Rate: Distance Less than 500 metres   | 100%; |
| • Collection Charge Rate: Distance Less than 2 kilometres | 75%;  |
| • Collection Charge Rate: Distance Less than 5 kilometres | 50%;  |
| • Collection Charge Rate: Distance Over 5 kilometres      | 0%.   |

Where more than one occupied building is located on land under a single assessment, Council reserves the right to impose additional charges in respect of these residential or commercial buildings. This proviso also applies to strata or other community title properties.

Council has determined that where land has been annexed specifically for the purpose of supporting telecommunications facilities, an application may be made by the land owner for a full rebate of the waste service charge based upon the merit of the application.

#### **4.12. Tenanted property**

Council has determined that tenants of premises where there are multiple occupants in occupation of what would otherwise be considered to be contiguous properties, or a single property having multiple occupants who lease the property from a common owner, will be charged rates in accordance with the Valuer-General's land use determination and will be levied the relevant waste management charges as determined under Council's Waste Management Policy. In addition, where CWMS is available, a separate CWMS charge will be levied on each assessment.

#### **4.13. Single Farm Enterprise (SFE)**

A SFE is defined in Section 152 of the *Act*. The definition imposes an absolute requirement that all the occupiers be the same for all of the assessments comprising the SFE (regardless of who may own the land).

Existing SFE's that have applied to Council in preceding financial years will not need to reapply. However, new SFE applications will need to be submitted by 30<sup>th</sup> September.

Council reserves the right to impose additional service charges on existing SFEs if the properties have additional occupied housing contained within the properties.

#### **4.14. Natural Resources Management (NRM) Levy**

The NRM Levy, set by the NRM Boards, is a State Government tax imposed under the *Natural Resources Management Act*, 2004. As such, Councils are obliged to collect the levy on behalf of the State Government for no gain to Council.

The NRM Levy is distributed evenly throughout the Council area by the imposition of an amount on each separate assessment of rateable land in the Council area for the same amount.



#### **4.15. State Government Concessions**

##### ***Cost of Living Concession (COLC)***

The previous State Government Pension Concession of Council rates has been replaced with a COLC from 1<sup>st</sup> July 2015. Unlike the Pension Concession on Council rates which was paid directly to Council on your behalf, the COLC will be paid directly to those eligible from the State Government.

##### ***Self-Funded Retirees***

The Government of South Australia may determine that self-funded retirees meeting certain conditions will be entitled to a rebate on rates for their principal place of residence. Ratepayers who hold or are eligible and applying for a State Seniors card may be entitled to this rebate and will need to submit an application to State Government, Department of Communities and Social Inclusion (DCSI).

##### ***Centrelink Recipients and Low Income Earners***

The DCSI may assist Centrelink recipients and low income earners with the payment of Council rates for their principal place of residence. (Remissions are not available on vacant land or rental premises).

All queries and applications are to be directed to the DCSI at:-

- Email – [concessions@sa.gov.au](mailto:concessions@sa.gov.au)
- Concessions Hotline– 1800 307 758
- Website – [www.sa.gov.au/concessions](http://www.sa.gov.au/concessions)

#### **4.16. Rebate of Rates**

The *Act* sets out in Chapter 10, Division 5 (Sections 159 to 166) those provisions applicable to the Council granting a rebate of rates to persons or bodies.

##### **Mandatory Rebates**

Council must grant a rebate in the amount specified in respect of those land uses which the *Act* provides will be granted a rebate.

Rates on the following land will be rebated at **100%**:

- Health Services - Land being predominantly used for service delivery or administration by a hospital or health centre incorporated under Health Care Act 2008;
- Religious Purposes - Land containing a church or other building used for public worship (and any grounds), or land solely used for religious purposes;
- Public Cemeteries - Land being used for the purposes of a public cemetery;
- Royal Zoological Society of SA - Land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated.

Rates on the following land will be rebated at **75%**:

- Community Services - Land being predominantly used for service delivery and administration by a community services organisation. A “community services organisation” is defined in the Act as a body that –
  - is incorporated on a not for profit basis for the benefit of the public; and



- provides community services without charge or for a charge that is below the cost to the body of providing the services; and
- does not restrict its services to persons who are members of the body.

It is necessary for a community services organisation to satisfy all of the above criteria to be entitled to the mandatory 75% rebate. The *Act* further provides that eligibility for a rebate by a community services organisation is subject to it providing one or more of the following community services –

- emergency accommodation
  - food or clothing for disadvantaged persons (i.e., persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability);
  - supported accommodation (i.e., residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life);
  - essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities;
  - legal services for disadvantaged persons;
  - drug or alcohol rehabilitation services; or
  - the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses.
- Educational Purposes
    - Land occupied by a government school under a lease or licence and being used for educational purposes; or
    - Land occupied by a non-government school registered under the *Education and Early Childhood Services (Registration and Standards) Act, 2011*, and being used for educational purposes; or
    - Land being used by a University or University College to provide accommodation and other forms of support for students on a not for profit basis.

Where a person or body is entitled to a rebate of **75%** Council may, pursuant to Section 159(4) of the *Act*, increase the rebate up to a further **25%**. Council may grant the further **25%** rebate upon application or on its own initiative. In either case Council **will** take into account those matters set out within the Applications Clause of this Policy and **may** take into account any or all of those matters set out within that Clause.

Where an application is made to Council for a rebate of up to a further **25%** the application will be made in accordance with the Applications Clause of this Policy and Council will provide written notice to the applicant of its determination of that application.

### **Discretionary Rebates**

Council may in its absolute discretion grant a rebate of rates or service charges in any of the following cases pursuant to Section 166 of the *Act*:

- a. Where it is desirable for the purpose of securing the proper development of the area (or a part of the area);
- b. Where it is desirable for the purpose of assisting or supporting a business in its area;
- c. Where it will be conducive to the preservation of buildings or places of historic significance;



- d. Where the land is being used for educational purposes;
- e. Where the land is being used for agricultural, horticultural or floricultural exhibitions;
- f. Where the land is being used for a hospital or health centre;
- g. Where the land is being used to provide facilities or services for children or young persons;
- h. Where the land is being used to provide accommodation for the aged or disabled;
- i. Where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the *Aged Care Act*, 1997 (Commonwealth) or a day therapy centre;
- j. Where the land is being used by an organisation which, in the opinion of the Council, provides a benefit or service to the local community;
- k. Where the rebate relates to common property or land vested in a community corporation under the *Community Titles Act*, 1996 over which the public has a free and unrestricted right of access and enjoyment; and
- l. Where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable due to a change in the basis of valuation used for the purposes of rating, rapid changes in valuations, or anomalies in valuations.
- m. Where the rebate is considered by the Council to be appropriate to provide relief in order to avoid what would otherwise constitute a liability to pay a rate or charge that is inconsistent with the liabilities anticipated by the Council in its annual business plan or a liability that is unfair or unreasonable.
- n. Where the rebate is to give effect to a review of a decision of the Council under the *Act*, Chapter 13 Part 2.
- o. Where the rebate is contemplated under another provision of the *Act*, 1999.

Council may grant a rebate of rates up to and including 100% of the relevant rates or service charges. Council may grant a rebate for a period exceeding one year, but not exceeding 10 years in respect of (a), (b) or (k) and not exceeding 3 years in respect of (l).

Council has an absolute discretion:

- To grant a rebate of rates or service charges in the above cases; and
- To determine the amount of any such rebate.

Persons who, or bodies which, seek a discretionary rebate, will be required to submit an application form to Council and provide to Council such information as stipulated on the application form and any other information that Council may reasonably require.

Council acknowledges that it has a number of long standing arrangements with various organisations to provide discretionary rebates. For each such organisation Council reserves the right either to extend the rebate for another 12 months (and to inform the organisation accordingly without requiring it to submit an application) or to request an application for Council consideration. This latter situation will particularly apply if the circumstances of the organisation are known (or perceived) to have changed.

### **Rate Capping**

To provide ratepayers with relief against what would otherwise amount to a substantial change in rates payable by a ratepayer due to rapid changes in valuation, a rebate of general rates for the current year will be granted to the Principal Ratepayer of an Assessment under Section 166 (1) (l) of the *Act*. This can occur either by Council of its own initiative where Council is in possession of sufficient information to determine the entitlement to the rebate or otherwise on



application to Council, where the amount of any increase in rates in respect of that assessment in monetary terms between the amount of general rates imposed for the last year and the amount of general rates imposed for the current year, is greater than 20%.

The maximum increase in the general rates will be capped at a maximum of 20% increase from the previous year, subject to the below criteria being met. The amount of the rate capping rebate to be provided will be the amount which would normally apply (if the rate capping rebate did not apply) above the 20% increase.

Example:	\$1,500.00	Previous year general rates
	\$2,000.00	Current year general rates
	33.3%	Increase to the general rates (i.e. greater than 20%)
	\$1,500.00	Previous year general rates
Plus	<u>\$ 300.00</u>	20% of previous year general rates
	\$1,800.00	Maximum increase to general rates
Less	<u>\$2,000.00</u>	(Current year general rates), a
	<b>-\$ 200.00</b>	Rate Capping Rebate applies in current year

The rebate is only applicable if:

- The property has the same owner(s) in both the previous & current years;
- The increase in capital improvement is <\$10,000; and
- The rate code in both the previous & current years are the same.

The rebate will be calculated collectively on adjoining properties under identical ownership and single farm enterprises and the rate rebate will be applied to the first assessment listed.

In providing the rates capping rebate to the applicable assessments, Council has deemed the rebate should provide relief in respect of any substantial valuation change.

#### **4.17. Payment of Rates**

As required by Section 181 of the *Act*, Kangaroo Island Council offers ratepayers the opportunity to pay their rates in four equal or approximately equal instalments, due in the months of September, December, March and June each year.

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, the Chief Executive Officer has the authority to fix the date by which rates must be paid for these assessments.

The Chief Executive Officer also has the authority to enter into agreements with principal ratepayers relating to the payment of rates in any case where they consider it necessary or desirable to do so.

Rates may be paid by:-

- Bpay – through your bank;
- In Person during the applicable business hours at the Council office
  - 43 Dauncey Street, KINGSCOTE
  - Or
  - Penneshaw Community Business Centre Middle Terrace, PENNESHAW





- Internet – [www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au)
- Mail (cheque/money order) – PO Box 121, KINGSCOTE 5223

Any ratepayer who may, or is likely to, experience difficulty with meeting the standard payment arrangements is invited to contact Council to discuss alternative payment arrangements. Such inquiries are treated confidentially by Council.

**Note:** Late payment fines and interest may still apply.

#### **4.18. Late Payment of Rates / Debt Recovery**

The *Act* provides that Councils may impose a penalty on any payment for rates, whether instalment or otherwise, that is received late. A payment that continues to be late is then charged an interest rate, set each year according to a formula in the *Act*, for each month it continues to be late.

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

Any payment extensions or arrangements will continue to be charged fines & interest until the outstanding amount is paid in full.

The Kangaroo Island Council imposes late payment penalties strictly in accordance with the *Act*. The ability to remit penalties in whole or part is a power vested in Council. At the Kangaroo Island Council, each case will be considered on its merits based on the information provided.

#### **4.19. Postponement of Rates**

A postponement of rates may be granted if Council is satisfied that the payment of rates would cause financial hardship. Council may on application and subject to the ratepayer substantiating the hardship, request additional information pertaining to the relevant property. When considering the granting of a postponement of rates in respect of an assessment, the ratepayer also agrees to pay fines and interest on the amount affected in line with the *Act*.

All successful applications will require the full outstanding rates to be paid upon the completion of the postponement period or at the transfer of ownership settlement date, whichever occurs the earliest.

#### **4.20. Postponement of Rates – Seniors**

Eligible senior ratepayers (i.e. persons eligible to hold a Seniors card) have the option to apply to Council for a postponement of the payment of the prescribed proportion of rates for the current or a future financial year. The postponement is only available in relation to the prescribed proportion of rates being any amount in excess of \$500 per rateable year and applies to the principal place of residence of the eligible senior ratepayer.

Additional information pertaining to the property may be requested by Council to help in the decision making of the application, for example, mortgage documents.





If a postponement of the payment of rates occurs, interest will accrue at the rate specified in the *Act* on the amount affected by the postponement, until the amount is paid in full.

During the postponement period, Council may complete regular reviews of the outstanding balance. The reviews will be to ensure there is adequate property value available to repay the postponement amount, plus any interest held against the property upon the sale of the property. Council may request additional information be provided to complete the review.

#### **4.21. Deferred Payments**

Under special circumstances, Council's CEO or delegate may authorise a deferred payment option to ratepayers. Deferred payment options may not incur fines and / or interest during the period specified.

The deferred payment option is intended to provide financial relief for a group of property assessments who have/are experiencing the same circumstance, as a once off relief. It is not the intention of this relief to be provided on property assessments/ratepayers singularly or on an ongoing/regular basis.

#### **4.22. Delivery of Rate Notices**

Ratepayers are able to elect to have their rate notices delivered in the post or electronically and the options are:-

- Post;
- Email;
- Bpay View – via internet banking;
- MyPost – via Australia Post's digital mailbox.

The default is to deliver rate notices in the post and ratepayers are able to request Council in writing if delivery by email is preferred. If no written request is received from the ratepayer, rate notices will continue to be sent in the post.

#### **4.23. Debt Recovery**

All ratepayers have until the date on which the instalment of rates is due. After that the following recovery procedure will come into effect:

1. Fines and interest as provided by the *Act* will be added.
2. An overdue notice will be forwarded within 28 days of the imposition of a late payment penalty.
3. The debt may be placed in the hands of a debt collector if payment or arrangement for payment is not made within the overdue notice pay by date (21 days from date on overdue notice) and a notice of intention to issue a claim will be forwarded by the debt collector.
4. Court proceedings will be instigated if the payment is still overdue after 21 days.

All fees and court costs will be recovered from the ratepayer.

When Council receives a payment in respect of overdue rates, Council applies the money received in the following order:

1. To satisfy any costs awarded in connection with court proceedings;
2. To satisfy any interest costs;
3. In payment of any fines imposed;
4. In payment of rates, in date order of their imposition (starting with the oldest account first).



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

Section 184 of the *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 provide the principal ratepayer and the owner (if not the same person) with details of the outstanding amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month. The Kangaroo Island Council enforces the sale of land for non-payment of rates after 3 years or more in accordance with the provisions of the *Act*.

#### **4.25. Overpayment of Rates**

Council will not pay interest on any voluntary overpayment of rates and will not refund any amount unless requested by the principal ratepayer. Any credit balance will be applied against the next instalment of rates.

Council may review the balance of rates on each property and if rates have been overpaid, a refund payment may be processed to the principal ratepayer. Council will require in writing if the ratepayer requests any rate refunds or overpaid rates to be paid towards future rate payments.

#### **4.26. Applications**

All applications for rebates, remissions or postponements must be in writing, addressed to the Chief Executive Officer, Kangaroo Island Council via email at [kicouncil@kicouncil.sa.gov.au](mailto:kicouncil@kicouncil.sa.gov.au) or post at PO Box 121, Kingscote SA 5223 and include sufficient details to identify the relevant property and any supporting documentation in support of the application.

#### **4.27. Changes to Assessment Records**

All changes to postal address of ratepayer/owner, changes of ownership of a property and changes to ratepayer/owner name must be notified promptly to Council in writing or via Council's website at [www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au).

#### **4.28. Disclaimer**

A rate cannot be challenged on the basis of non-compliance with this policy and must be paid in accordance with the required payment provisions.

Where a ratepayer believes that Council has failed to properly apply this policy it should raise the matter with Council. In the first instance contact should be directed to the Rates Officer to discuss the matter. If after this initial contact a ratepayer is still dissatisfied, they should then write to the Chief Executive Officer, Kangaroo Island Council explaining the nature of their concerns:-

- email at [kicouncil@kicouncil.sa.gov.au](mailto:kicouncil@kicouncil.sa.gov.au); or
- post at PO Box 121, Kingscote SA 5223

## **5. Contact Details for Further Information**

	<b><u>Rates Officer</u></b>	<b><u>KI Council</u></b>
Email	<a href="mailto:rates@kicouncil.sa.gov.au">rates@kicouncil.sa.gov.au</a>	<a href="mailto:kicouncil@kicouncil.sa.gov.au">kicouncil@kicouncil.sa.gov.au</a>
Telephone	08 8553 4500	08 8553 4500
Facsimile	08 8553 2885	08 8553 2885



Website [www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au)

[www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au)

## 6. Review & Responsibilities

This Policy shall be reviewed and updated by the Kangaroo Island Council and Audit Committee annually

## 7. Availability and Grievances

This Policy will be available for inspection at the Council's Offices 43 Dauncey Street, Kingscote during ordinary business hours and via the Council's website: [www.kangarooisland.sa.gov.au](http://www.kangarooisland.sa.gov.au) Copies will also be provided to the public upon request, and upon payment of a fee in accordance with the Council's Schedule of Fees and Charges.

Any grievances in relation to this policy or its application should be forwarded in writing addressed to the Chief Executive Officer, Kangaroo Island Council, PO Box 121, Kingscote SA 5223

SIGNED:

Being a Policy adopted by the  
Mayor and Elected Council

Chief Executive Officer

Date: 13 June 2017

History:		
Date Reviewed:	Version:	Reason for Amendment:
8 August 2008	Version 1	Final Policy
27 April 2009	Version 2	Draft Policy Adoption 2009-10
2 July 2010	Version 3	Draft Policy Adoption 2010-11
30 June 2011	Version 4	Draft Policy Adoption 2011-12
13 June 2012	Version 5	Annual Policy Review by Council 2012-13
12 June 2013	Version 6	Annual Policy Review by Council 2013-14
11 June 2014	Version 7	Annual Policy Review by Council 2014-15
09 June 2015	Version 8	Annual Policy Review by Council 2015-16
21 June 2016	Version 9	Annual Policy Review by Council 2016-17
13 June 2017	Version 10	Annual Policy Review by Council 2017-18

