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SNOWY VALLEYS COUNCIL

Revenue Policy 2021-2022

Snowy Valleys Council's Revenue Policy goal is to effectively and equitably manage revenue raising, service level and asset management decisions, and to ensure ongoing financial sustainability. Council is committed to a user-pay principle and will recover the full cost of services provided unless the cost of the service is controlled by another authority or where a community service obligation is clearly identified.

INCOME AND EXPENDITURE 2021-2022 – FINANCIAL ESTIMATES

Income	2021-2022 (\$ '000)
Rates and Annual Charges	18,502
User Charges and Fees	16,273
Interest and Investment Revenues	410
Other Revenues	827
Grants & Contributions - Operating	10,740
Grants & Contributions - Capital	19,053
Total Income from Continuing Operations	65,805
Expenses	
Employee Costs	17,850
Borrowing Costs	367
Materials & Contracts	13,556
Depreciation	10,825
Other Expenses	5,968
Total Expenses from Continuing Operations	48,566
Net Operating Result from Continuing Operations	17,239

SCHEDULE OF FEES AND CHARGES

Detailed information of the Schedule of Fees and Charges that will apply in 2021-2022 are located in a separate document. This document can be found on Council's website, at Council Libraries and Council's Service Centres.

The 2021-2022 Schedule of Fees and Charges have been prepared on the following basis:

- Increased where permissible;
- Calculated based on full cost recovery from the user where such a recovery is approved by Council; and
- Identifying the true cost of community service obligations.

Council carries out work for external parties on private land. In performing this work, Council is generating additional income and/or acting in a community service role. Income from these works will cover all incremental direct costs and overheads and, where appropriate, add a profit element. The profit element of pricing varies with the relevant organisations taking into account the considerations of service to the community and general market competitiveness.

Council will apply the maximum permissible rate of interest payable as set by the Minister of Local Government on outstanding rates, water charges, wastewater charges and all sundry debtor accounts. The maximum rate of interest payable on overdue rates and charges announced by the Minister for Local Government for the 2021/22 period is an interest charge of 6% per annum.

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LEVIED RATES

Resource Recovery (Waste) Management Charges

	Charge (\$)	Number	Estimated Yield (\$)
Domestic waste	475	5377	2,554,075
Commercial waste	535	663	354,705
School waste	475	50	23,750
Waste access charge	57	7,514	428,298
Vacant Land	57	178	10,146
Special Recycling Only – Commercial	170	14	2,380
Special Recycling Only - Domestic	109	5	545
Waste only – Domestic (additional bin)	181	16	2,896
Total charges			3,376,795

Wastewater Charges

	Charge (\$)	Number	Estimated Yield (\$)
Residential access charge	755	4734	3,574,170
Unoccupied Sewerage Charge	755	148	111,740
Commercial access charge - 20mm	530	501	265,530
Commercial access charge - 25mm	830	114	94,620
Commercial access charge – 32mm	1,360	34	46,240
Commercial access charge - 40mm	2,125	33	70,125
Commercial access charge - 50mm	3,320	34	112,880
Commercial access charge - 65mm	5,600	1	5,600
Commercial access charge - 80mm	8,490	7	59,430
Commercial access charge - 100mm	13,270	7	92,890
Sewer Access Charge – 50mm + 100mm	16,585	1	16,585
Total charges			4,449,810

Water Access Charges

	Charge (\$)	Number	Estimated Yield (\$)
Vacant land within access water charge area	220	148	32,560
Water Access Charge – 20mm	220	5875	1,292,500
Water Access Charge – 25mm	340	153	51,255
Water Access Charge – 32mm	560	34	18,530
Water Access Charge – 40mm	875	42	35,910
Water Access Charge – 50mm	1,360	39	52,062
Water Access Charge – 65mm	2,300	1	2,250
Water Access Charge – 80mm	3,490	7	23,870
Water Access Charge – 100mm	5,450	9	47,970
Water Access Charge – 150mm and above	12,250	4	47,940
Total charges			1,610,690

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Meter Size – Raw Water	Charge (\$)	Number	Estimated Yield (\$)
Raw Water Access Charge – 20mm	220	9	1,980
Raw Water Access Charge – 25mm	340	2	670
Raw Water Access Charge – 32mm	560	1	545
Raw Water Access Charge – 40mm	875	3	2,565
Raw Water Access Charge – 50mm	1,360	6	8,010
Raw Water Access Charge – 65mm	2,300	0	0
Raw Water Access Charge – 80mm	3,490	2	6,820
Raw Water Access Charge – 100mm	5,450	4	21,320
Raw Water Access Charge – 150mm and above	12,250	0	0
Total Charges			42,785

Liquid Trade Waste

Liquid Trade Waste - Annual Charge	Charge (\$)	Number	Estimated Yield (\$)
Category 1 Charge	170	113	19,210
Category 2 Charge	360	19	6,840
Category 3 Charge	670	2	1,340
Total Charges			27,390

Tumbarumba Area – Stormwater Charges (LG Circular 05/69)

	Charge (\$)	Number	Estimated Yield (\$)
Residential	25	781.5	19,538
Commercial (max charge)	Max. 75	119	7,550
Total charges			27,088

RATEABLE AREAS WITHIN SNOWY VALLEYS COUNCIL

In accordance with the NSW Local Government Act 1993 (the Act), Council will adopt four categories of ordinary rate, being Farmland, Residential, Business and Mining.

The Independent Pricing and Regulatory Tribunal (IPART) determines the rate peg, or allowable annual increase, that applies to local government rate income. In September 2020, IPART announced the rate peg to apply in the 2021/22 financial year will be 2.0%. The amount applies to general rate income in total, and not to individual ratepayers' rates. Council intends to increase rating income by 2.0% in accordance with the maximum allowable increase. The 2% increase includes 1.8% for the increase in the Local Government Cost Index to June 2020 and a 0.2% adjustment for the costs of the 2021 local government elections.

Amalgamation of Rating Structures

In accordance with the NSW Government policy of a rate path freeze for any newly created Council under the Local Government Amendment (Rates – Merged Council Areas) Act, the two rating structures adopted by the former Tumut and Tumbarumba Shires at 12 May 2016 continued to apply for 4 years from that time with an extension of a further year applied in 2019. Council has undertaken a review of its rating structure and harmonised the rating

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structure effective 1 July 2021. The rate pegging increase announced by IPART will be applied. The new rating structure uses a base amount component and an ad-valorem component for each rating category.

RATING 2021-2022 (BASE RATE plus RATE IN \$) after applying the 2.0% Rate Cap**Snowy Valleys Council Area**

Category	Base Amount	Ad Valorem (per 1 cent)	Estimated Yield
Farmland	\$200.37	0.3231	\$4,284,139
Residential	\$330.67	0.4228	\$4,032,294
Business	\$152.81	0.9481	\$901,116
Mining	\$152.81	0.9481	\$7,466
Total			\$9,225,015

FARMLAND

Section 515(1) of the Act sets out the prerequisites for occupied land to be categorised as "farmland". Section 519 facilitates the categorisation of vacant land and it should be noted that scope exists for vacant land to be categorised as "farmland" in certain circumstances via those provisions.

For land to be categorised as farmland in terms of section 515 it must be:

- a parcel of rateable land;
- valued as one assessment;
- the dominant use of which is for farming (that is, the business of industry of grazing, animal feedlots, dairying, pig-farming, poultry farming, viticulture, orcharding, beekeeping, horticulture, vegetable growing, the growing of crops of any kind, forestry, or aquaculture within the meaning of the *Fisheries Management Act 1994*, or any combination of those businesses or industries);
- which has a significant and substantial commercial purpose or character; and
- is engaged in for the purpose of profit on a continuous or repetitive basis (whether or not a profit is actually made).

However, land is not to be categorised as farmland if it is "rural residential land" (section 515(2)).

RESIDENTIAL

Section 516(1) of the Act states that land is to be categorised as "residential" if it is a parcel of rateable land valued as one assessment and:

- its dominant use is for residential accommodation (other than as a hotel, motel, guest-house, backpacker hostel or nursing home or for any other form of residential accommodation, not being a boarding house or lodging house, prescribed by the regulations); or
- in the case of vacant land, it is zoned or otherwise designated for use under an environmental planning instrument (with or without development consent) for residential purposes; or
- it is rural residential land.

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MINING

Section 517(1) of the Act states that land is to be categorised as "mining" if it is a parcel of rateable land valued as one assessment and its dominant use is for a coal mine or metalliferous mine.

BUSINESS

Section 518 of the Act states that land is to be categorised as business if it cannot be categorised as farmland, residential, or mining.

PAYMENT OF RATES AND CHARGES

Council land rates and annual charges are paid in a single annual payment or by quarterly instalments. If a payment is made by a single annual payment, it is due by 31 August, and if it is paid by quarterly instalments, it is due by 31 August, 30 November, 28 February and 31 May. On or before 31 October, 31 January and 30 April, Council will send reminder notices (Instalment Notices) separately from the Rates Notice to each person paying by quarterly instalments. There is no discount available for early payment of rates and charges.

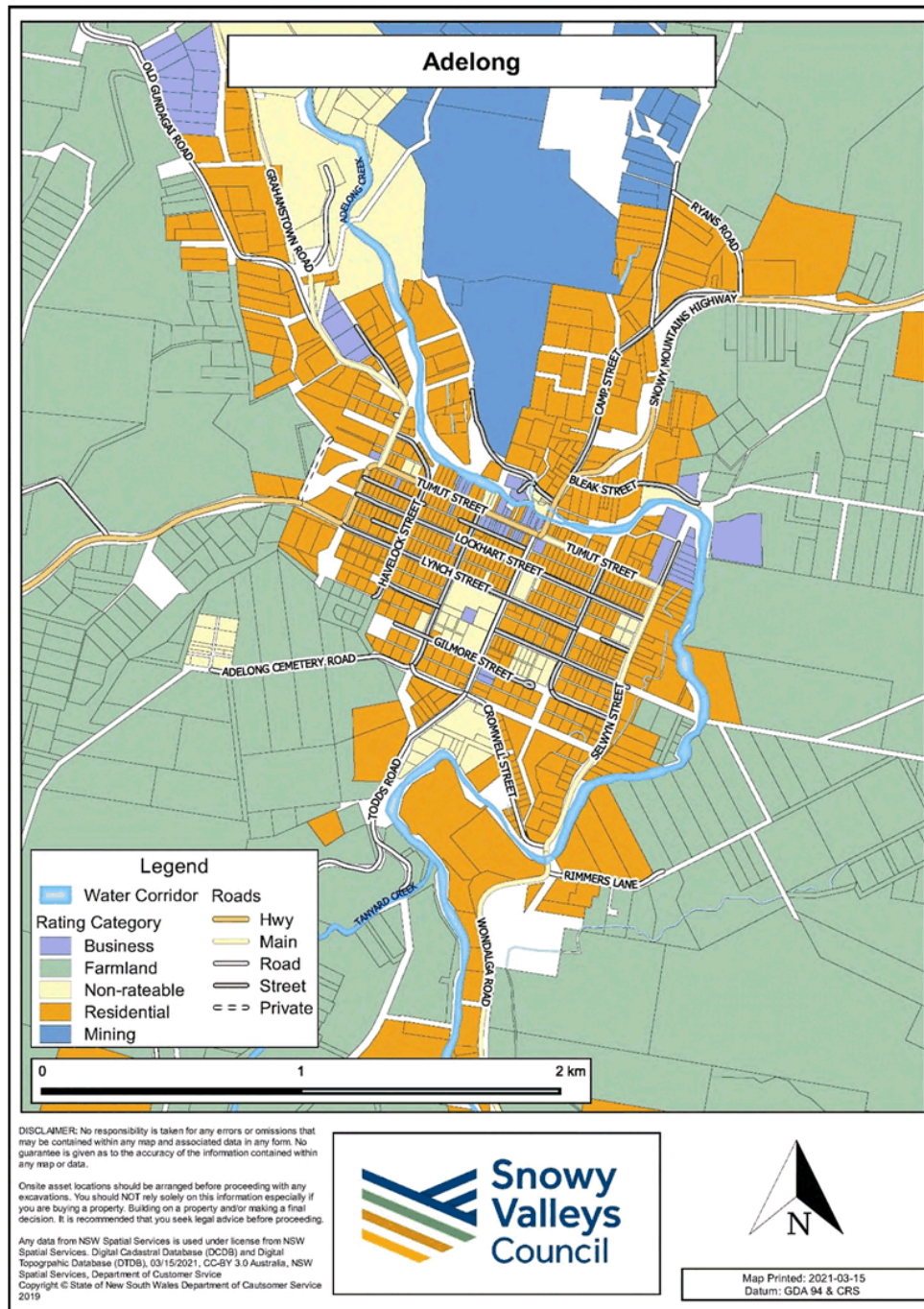
For the payment of rates and charges, Council accepts payment by BPay, BPoint (telephone and online), credit card, EFTPOS, and cash. **Payments cannot be made by direct credit to Council's bank account.** Council provides an optional direct debit facility for the periodical payment of rates and charges. Any dishonoured scheduled direct debit attracts a dishonour fee in addition to any applicable bank charge and will be added onto the rates and charges balance owing.

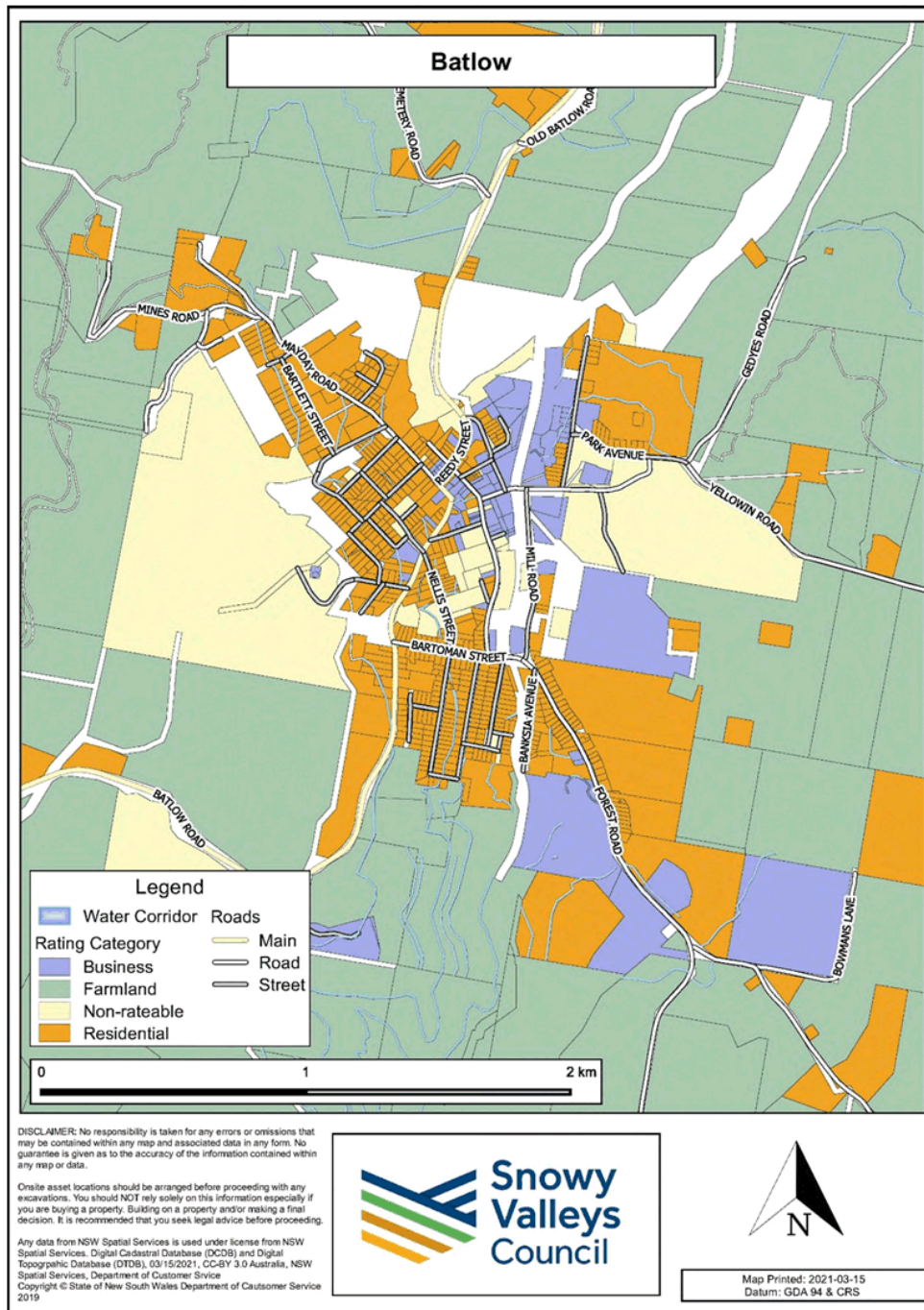
The fee to reproduce and supply a copy of a previously issued Rates or Water & Wastewater charges notice will be \$15.00 per notice, payable in advance. A copy of a previously issued notice shall only be supplied to the owner of the property or their nominated and correctly authorised agent.

ZONING UNDER A LOCAL ENVIRONMENT PLAN (LEP)

The categorisation of land for rating purposes under the Local Government Act should not be confused with a lands zoning under a LEP. They are two distinct classifications, each subject to the definitions under their respective legislations.

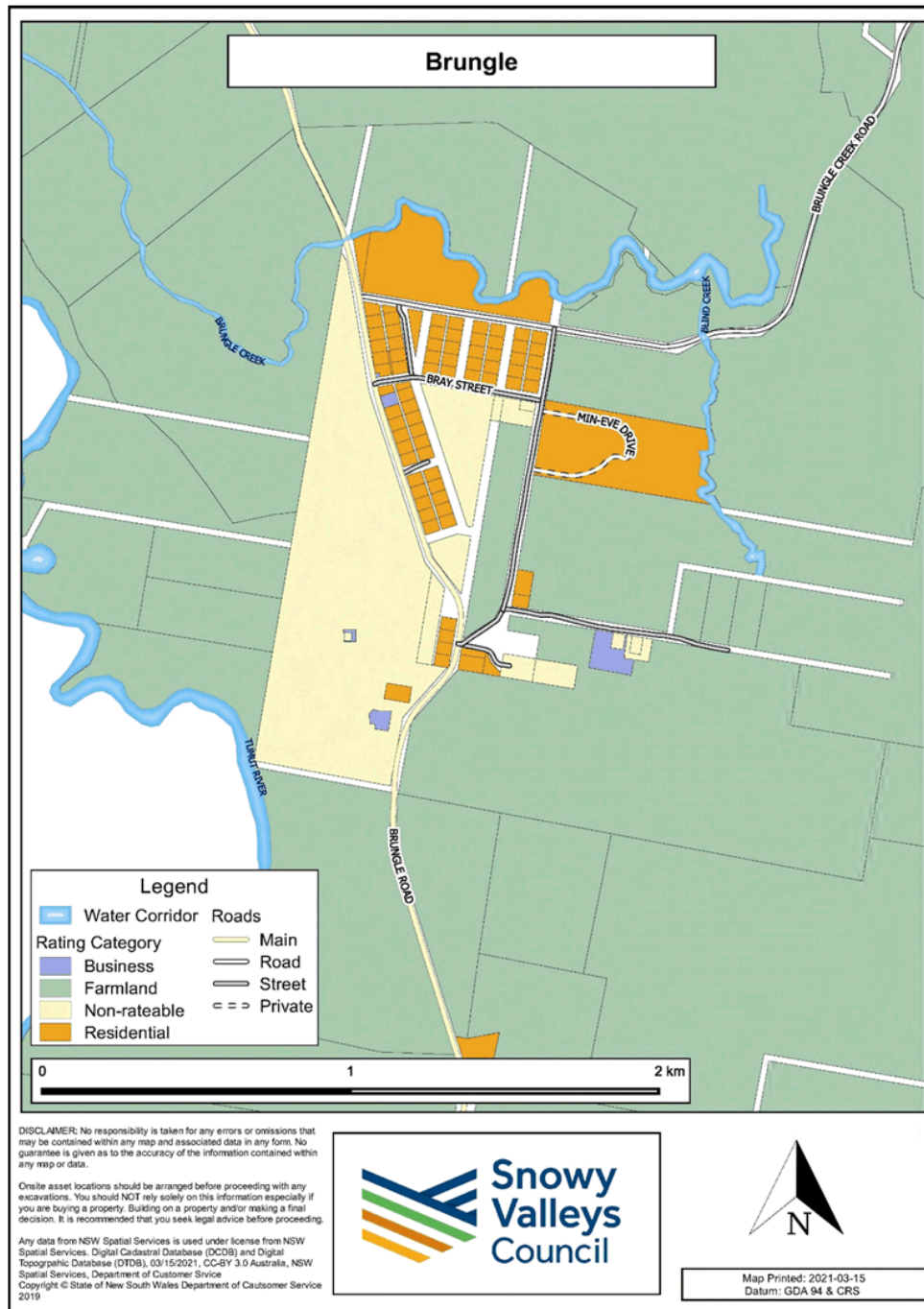
The maps below provide an indication of where each rating category will apply. The maps have been broken into each town and village.



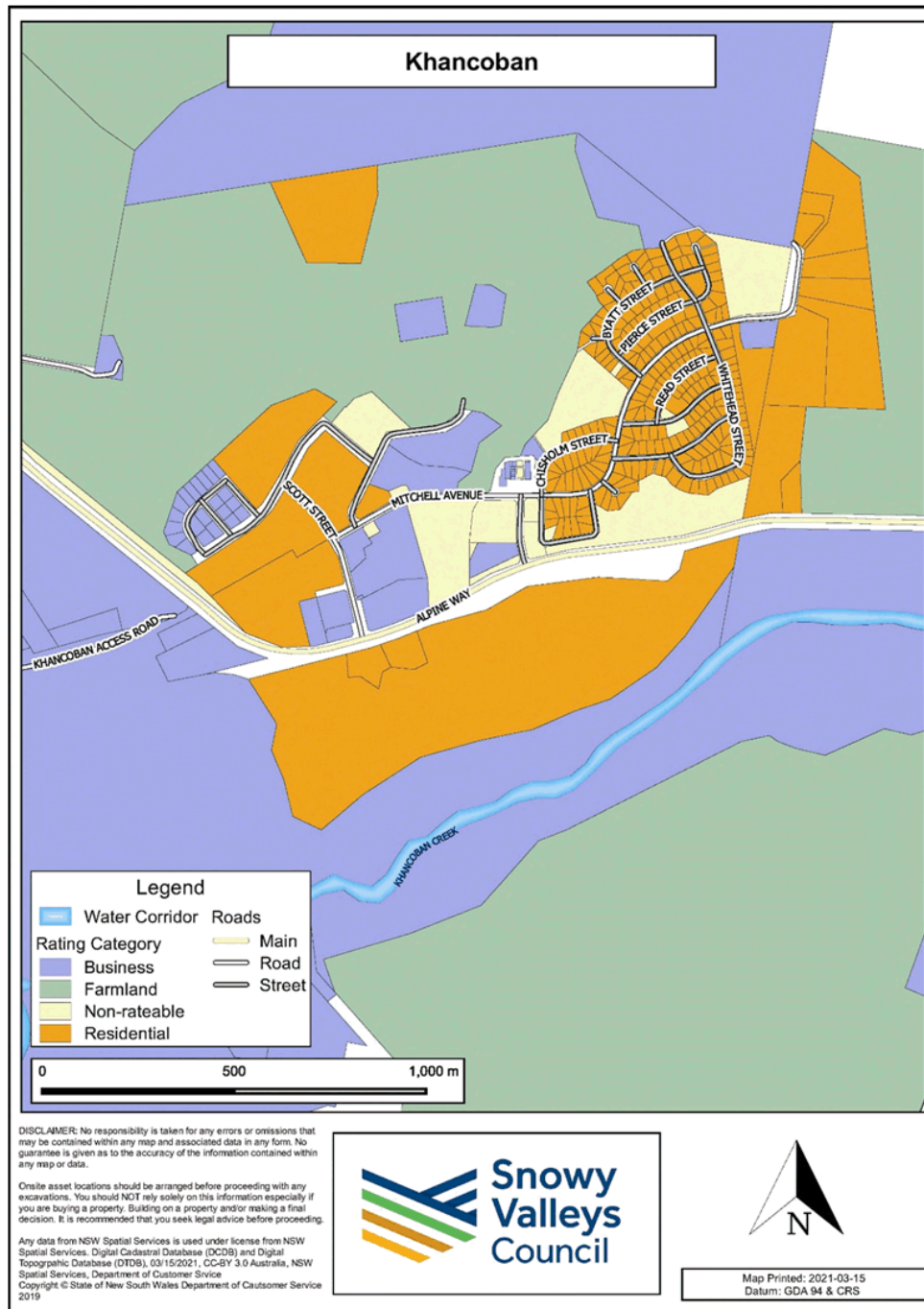


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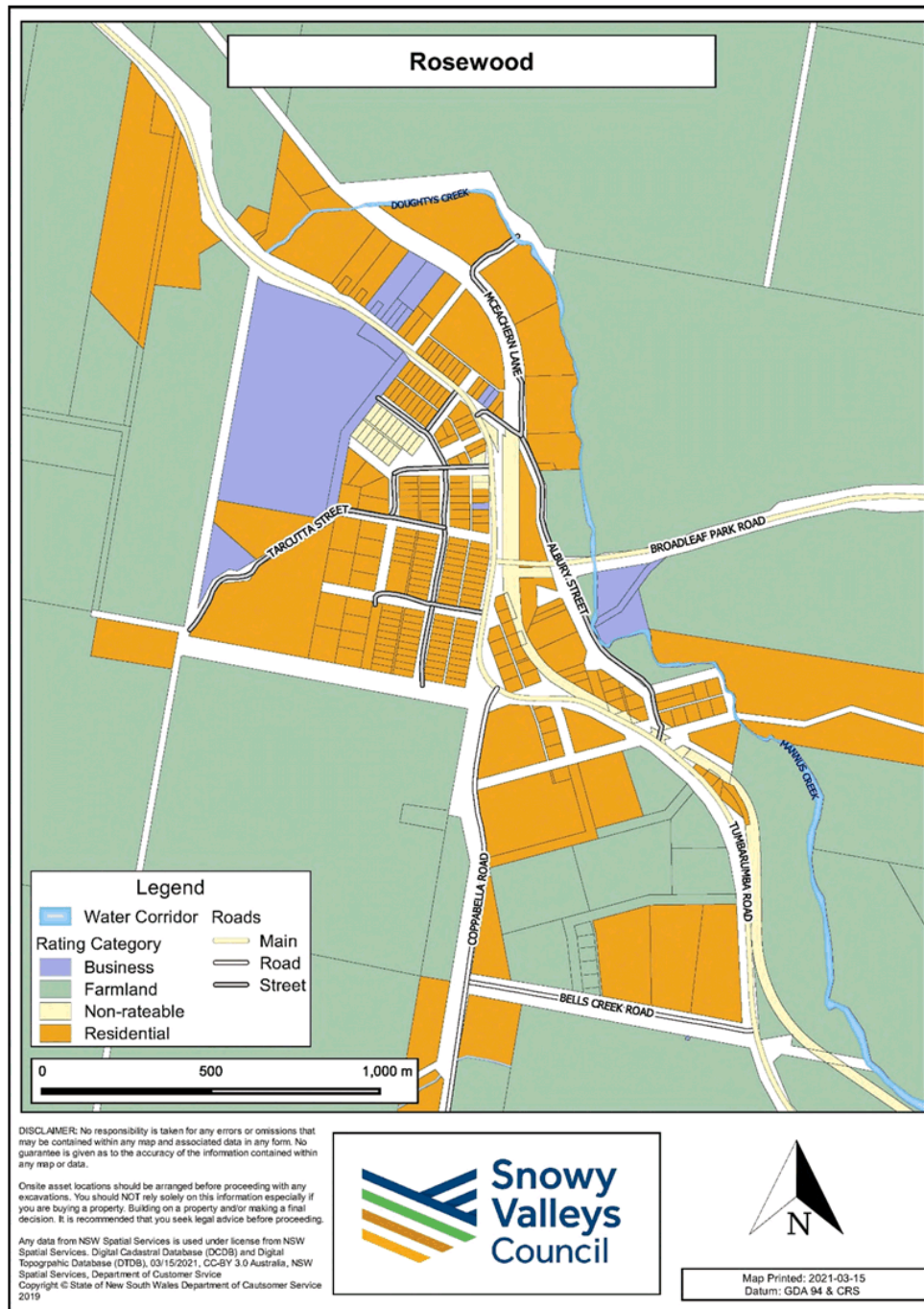






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