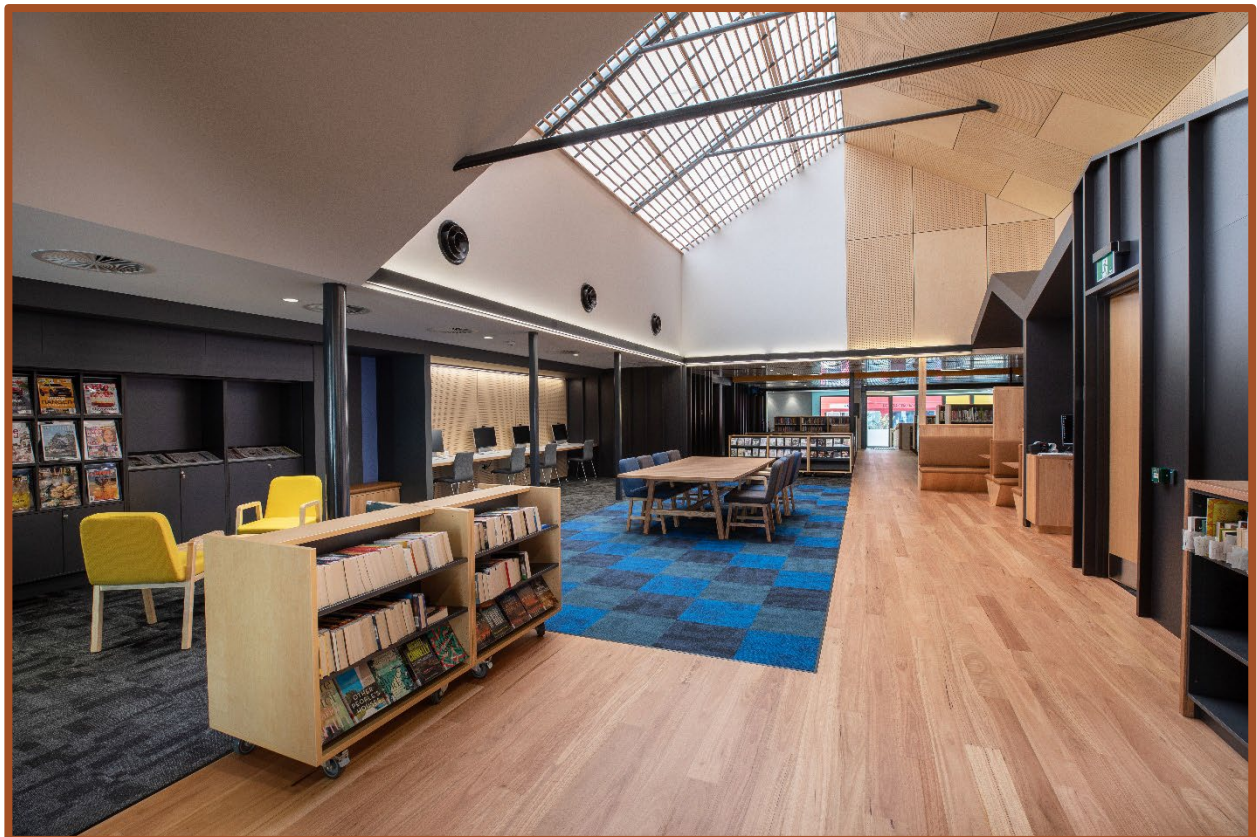




Naracoorte Lucindale Council
Better by Nature

Annual Business Plan 2022/2023



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The Naracoorte Lucindale Story

The Naracoorte Lucindale Council is located at the heart of the Limestone Coast region. The Council is approximately 300 kilometres from Adelaide and 450 kilometres from Melbourne. Naracoorte is the main service centre for the Council district, which also contains the smaller communities of Lucindale, Hynam, Kybybolite and Frances.

Settlement began in the 1840s. The Naracoorte town layout is a result of its beginning as two separate towns. Prior to European settlement, several groups of Indigenous peoples occupied the region, with the Meintangk most closely aligned to our district.

The district is characterised by reliable rainfall and contains prime agricultural land and accessible underground water. It is home to a thriving and vibrant rural economy; featuring beef and dairy cattle, sheep for both wool and meat, and cereal growing.



Two large enterprises; Teys Australia Meat Processing Facility and Mini Jumbuk wool manufacturing centre value add to the primary produce with large grain storage facilities supporting the cereal growing industry. Naracoorte Lucindale Council is central to some of Australia's best wine producing areas with parts of both the Wrattobully and Padthaway wine regions within the district.

There is a strong tourism industry in the Council area supported by the Visitor Information Centre in Naracoorte. South Australia's only World Heritage site, Naracoorte Caves and Bool Lagoon Game Reserve, a wetland of international importance, are the district's two best known natural features. Several more conservation parks and reserves are home to abundant wildlife. Other attractions in the area include the Sheep's Back Museum, Mini Jumbuk Centre, Cockatoo Lake, Naracoorte Golf Club, Lucindale Country Club. and the Naracoorte Swimming Lake.

Strategic Plan 2016 - 2026

The Strategic Plan is the key document guiding the direction of Council. It is structured so that Council's decision making can be informed by the outcomes and actions set in the Strategic Plan.

Council will undertake a major review of its Strategic Management Plan following local government elections to be held in November 2022. The review of the Strategic Plan will provide an opportunity to reflect on what makes the Naracoorte Lucindale Council area great: our land and water resources, the diversity of primary industries, the vibrancy of main street precincts, the remarkable visitor attractions and, most importantly, the committed and innovative community who choose to live here.





Community Vision – What do we want to look like in ten years?

By 2026 NLC will be:

The best place in regional South Australia to live, work, do business, raise a family and retire.

Created by having a Prosperous Community with Healthy Landscapes, Liveable Neighbourhoods and a focus on Harmony and Culture.

An organisation known for:

Progressive Leadership with strong community connections, efficiently managing our shared assets, services and natural resources.

Council’s responsibility is to deliver the Community Vision by being a progressive leader and creating an organisation that promotes continuous improvement.

Structure of the Plan

The strategic plan has four themes which contribute to achieving the community vision

1. Prosperous Community	2. Healthy Landscapes	3. Harmony & Culture	4. Liveable Neighbourhoods
Asought after visitor destination A vibrant & progressive business centre and townships Diverse range of thriving primary industries	Contribute to sustainable land management practices Water resources & ecosystems are protected & restored	An inclusive community A creative and artistic Community A learning community A healthy & resilient community	A well planned district that meets the current and future needs of the community A safe and integrated transport network Preserve the built heritage & character of the district

The fifth theme focuses on Council as an organisation and what is required for it to be effective in the various roles that it has to play in the community.

5. Progressive Leadership
Progressive and representative Elected Member leadership Organisational excellence Sustainable community finances and assets Effective delivery of projects and services Effective community communication and engagement Engage external stakeholders to leverage local opportunities Council is a preferred employer

Significant Influences and Priorities

A number of significant factors have influenced the preparation of the Council’s Annual Business Plan, and these include:

- The economic climate, and the continuing recovery from COVID-19;
- The need to comply with financial, regulatory, transparency and accountability requirements from the State Government, and this includes implementation of Local Government legislative reform across 2021, 2022, and 2023 calendar years.





- Funding challenges which can affect the delivery of the range of services offered;
- Enterprise Bargaining agreements which provide for employment terms & conditions, and wages and salaries;
- Community expectations to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, stormwater drainage, street trees and plantings, open space and Council properties;
- Challenges of managing waste and improving waste outcomes.
- Local Roads and Community Infrastructure Program – with Phase 3 of this program to be expended in 2022/23.

The annual business plan has been prepared within the following guidelines:

- Increase in general rate revenue of 2% (gross of rebates)
- Lucindale Community Waste Management Scheme (CWMS) charges to remain at \$589 for occupied properties and \$213 for vacant land
- Kerbside waste collection charge to increase from \$356 to \$373 per annum, which is a 5% increase and this reflects increased costs and government levies for waste disposal.
- Grants Commission funding allocation being similar to 2021/22
- Early Grants Commission (approximately 75% of annual 2022/23 allocation) payment received in May 2022 for 2022/23 funding allocation.

The Council's priorities continue to be:

- Continuing to maintain and improve Council's assets and infrastructure from a sustainable and affordable perspective, through the development of our Long-Term Financial Plan, and Asset Management Plans.
- Exploring opportunities for improvements in effective delivery of services
- Actively pursuing State and Federal Government grants;
- Attracting and retaining skilled and capable employees at all levels of the Council organisation;
- Enhancing Council's profile within the community, through ongoing engagement and transparent decision making;

Continuing Services

All Councils have similar responsibilities under the Local Government Act 1999, and other relevant legislation.

These include:

- Regulatory activities e.g. supporting the elected Council
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area
- Management of infrastructure and assets including roads, footpaths, parks & gardens, buildings, and public open spaces
- Storm-water drainage
- Planning and compliance, including building safety assessment
- Various environmental health services

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

- Naracoorte Swimming Lake
- Libraries
- Economic development





- Street cleaning, and waste collection
- Environmental programs
- On-street parking management to maximise shared use of parking space
- Community amenities and programs
- Visitor Information Centre
- Support (financial and in-kind) of Festivals and Events
- Arts, and Health & Wellbeing Programs (funded)

The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue that offset costs for services of benefit to the district including:

- Town Halls
- Cemeteries
- Aerodrome

Council owns and operates the Naracoorte Regional Livestock Exchange under a business model that aims to meet operational costs and provide for future capital investment from revenue generated by this facility rather than ratepayer funds.

Local Roads and Community Infrastructure Program

Phase 3 of the Local Roads and Community Infrastructure Program, (Federal Government) will be utilised for a major infrastructure project at the Naracoorte Regional Livestock Exchange.

Funding of \$1,147,436 from this program will be expended on the construction of a roof over the cattle D-Yards, plus upgrade and renewal of all fencing of the D-Yards at an estimated total project cost of \$1,218,000.

Further funding under this Program will be subject to outcomes of the 2022 Federal Election.





Project Priorities 2022/23

Council's project priorities for the 2022/23 financial year with regard to the community objectives and outcomes as identified in Council's Strategic Management Plan 2016-2026, are as outlined below.

<i>Theme 1 – Prosperous Community</i>	<i>Planned Projects</i>	<i>Budget Implication</i>
<p data-bbox="107 448 695 513">Facilitating and supporting sustainable growth to achieve economic prosperity</p> <ul style="list-style-type: none"> <li data-bbox="107 553 554 581">➤ <i>A sought after visitor destination</i> <li data-bbox="107 589 695 654">➤ <i>A vibrant and progressive business centre and townships</i> <li data-bbox="107 662 674 690">➤ <i>Diverse range of thriving primary industries</i> 	<ul style="list-style-type: none"> <li data-bbox="724 448 1031 475">▪ Augmented Reality App <li data-bbox="724 483 1766 511">▪ Continue upgrades and improvements to the Naracoorte Regional Livestock Exchange <li data-bbox="724 519 1787 584">▪ Encourage businesses to explore innovation or change, with funding available through the Business Innovation Fund <li data-bbox="724 592 1507 620">▪ Improved Town Entrances & Wayfinding across the Council area 	<p data-bbox="1885 448 1955 475">5,000</p> <p data-bbox="1835 483 1955 511">3,980,203</p> <p data-bbox="1877 519 1955 547">20,000</p> <p data-bbox="1856 592 1955 620">131,000</p>
<i>Theme 2 – Healthy Landscapes</i>	<i>Planned Projects</i>	<i>Budget Implication</i>
<p data-bbox="107 915 695 980">Working together to protect and enhance our natural environment for the future.</p> <ul style="list-style-type: none"> <li data-bbox="107 1021 695 1086">➤ <i>Contribute to sustainable land management practices</i> <li data-bbox="107 1127 695 1192">➤ <i>Water resources and ecosystems are protected and restored</i> 	<ul style="list-style-type: none"> <li data-bbox="724 989 926 1016">▪ Fire Mitigation <li data-bbox="724 1024 1058 1052">▪ Gares Swamp Restoration <li data-bbox="724 1060 1787 1157">▪ Implementation of the Naracoorte Creek & Creek Walk Plan – includes installation of weirs (stage project over 2 or 3 years). The plan may be accessed on Council's webpage.– Naracoorte Creek & Creek Walk Plan <li data-bbox="724 1166 1787 1230">▪ Improved stormwater management through design of Arthur St to Old Caves Rd Naracoorte, and works on Higgs Rd and Park Terrace, Naracoorte 	<p data-bbox="1948 989 1955 1016">-</p> <p data-bbox="1885 1021 1955 1049">5,000</p> <p data-bbox="1856 1057 1955 1084">254,000</p> <p data-bbox="1856 1157 1955 1185">203,000</p>





Theme 5 – Progressive Leadership	Planned Projects	Budget Implication
<p><i>A well led and managed district supported by a professional approach to managing infrastructure and the delivery of projects and services to the community</i></p> <ul style="list-style-type: none"> ➤ <i>Progressive and representative Elected Member leadership</i> ➤ <i>Organisational excellence</i> ➤ <i>Sustainable community finances and assets</i> ➤ <i>Effective delivery of projects and services</i> ➤ <i>Effective community communication and engagement</i> ➤ <i>Engage external stakeholders to leverage local opportunities</i> ➤ <i>Council is a preferred employer</i> 	<ul style="list-style-type: none"> • Livestreaming of Council Meetings • Asset Management System purchase & implementation • Continued renewal & replacement of infrastructure (refer budget and major projects for full details) including: - <ul style="list-style-type: none"> ○ Road construction ○ Footpath construction ○ Reseals ○ Resheeting ○ Fleet, Plant & Machinery ○ Street lighting • Continued renewal & replacement of buildings & structures including: - <ul style="list-style-type: none"> ○ Naracoorte Cemetery - New Amenities ○ Harry Tregoweth Retirement Village – Unit 2 carpet replacement & fit out ○ Naracoorte Town Hall Roof Access and replace access walkways, seating & carpet, and changerooms upgrade (toilet cisterns) ○ Naracoorte Council Office – Solar Panel installation 	<p>36,000</p> <p>184,000</p> <p>3,335,000</p> <p>329,000</p> <p>694,000</p> <p>1,414,000</p> <p>2,212,000</p> <p>254,000</p> <p>30,000</p> <p>5,000</p> <p>41,000</p> <p>45,000</p>





Budget 2022/23

This Annual Business Plan is complemented by Council’s Annual Budget.

Council’s Annual Budget includes further details in relation to the provision of services, maintenance of infrastructure, replacement of assets, acquisition or construction of new assets and estimated income and expenditure for the year ending 30 June 2023.

The following formal documents form part of the budget documentation: -

- Budgeted Statement of Comprehensive Income
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Cash Flow Statement
- Uniform Presentation of Finances
- Key Financial Indicators

These Formal documents are accompanied by summaries and notes in relation to operational and service areas, which are provided for information purposes, capital budget expenditure, grant income and loan borrowings.

Measuring Performance and Objectives for the Year

The Annual Business Plan has been prepared to deliver the continuing services and project priorities outlined in this document.

The performance of the organisation will be reviewed regularly and will be reported to Council. The performance is principally measured by the achievement of project priorities and compliance with the adopted budget.

Status of all projects and capital expenditure is reported to Council on a monthly basis through the provision of a “Key Projects” report which includes status (eg. on target), brief commentary, adopted budget and year to date expenditure.

Indicator 1: Operating Surplus Ratio

Expresses the operating surplus(deficit) as a percentage of operating revenue.

Where an operating deficit exists, this percentage indicates the percentage increase needed in revenue to achieve a break-even operating result. Equally a break-even operating result could be targeted by decreasing operating costs.

Target

To achieve an operating surplus ratio of between 0% and 15% over any five-year period.

Target	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	2022-2023 Budget
0-15%	4%	19%	13.5%	12.7%	2.6%	4.5%

Indicator 2: Net Financial Liabilities Ratio

Expresses net financial liabilities as a percentage of Total Operating Revenue.

This measure indicates the capacity of Council to meet its financial obligations from its operating revenue for the period. Where the ratio is falling, it indicates that a Council's capacity to meet its financial obligations from revenue streams is strengthening. Where this ratio is increasing, it may indicate that a Council is using its cash





reserves or borrowing to undertake capital works. An increase in the ratio should not be interpreted as the Council having cash flow pressures, unless the ratio is above Council's upper limit of 100%.

Target

Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.

Target	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	2022-2023 Budget
>0 < 100%	-23%	-28%	-19%	-37%	-24%	-0.47%

The increase in Net Financial Liabilities is due to planned utilisation of Council cash reserves for the renewal and upgrade of Council infrastructure. Council's budget includes expenditure of approximately \$13.888M to be invested on infrastructure and assets.

Indicator 3: Asset Renewal Funding Ratio

Indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out. The ratio is calculated on the sum of the proposed expenditure as indicated in the Infrastructure & Asset Management Plan. Council has also included the ratio as calculated by measuring capital expenditure on renewal and replacement of assets relative to the level of depreciation.

Target

Capital outlays on renewing/replacing assets net of proceeds from sale of replaced assets is greater than 90% but less than 110% of forecast expenditure, based on adopted asset management plans, over a rolling 3-year period.

Target (Asset Management Plans)	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	2022-2023 Budget
>90 < 110%	68%	81%	95.6%	100%	111.6%	71.6%
3 Year Average	100%	80%	81.5	92.2%	102.4%	94.4%

Target (depreciation)	2017-2018 Actual	2018-2019 Actual	2019-2020 Actual	2020-2021 Actual	2021-2022 Budget	2022-2023 Budget
>90 < 110%	83%	122%	152%	67%	122%	131%
3 Year Average	100%	80%	119%	114%	113%	106%

Council continues to focus on asset renewal as a priority. A significant portion of this work will be carried out by contractors through our procurement & tendering process.

Funding the Business Plan

Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

In delivering the services and projects included in this Annual Business Plan and Budget, Council is planning to complete the year with an operating surplus of \$889,423, before capital revenue. This includes the forecast operating surplus of \$332,077 for the Naracoorte Regional Livestock Exchange.





Expenditure

Salary and wages and associated expenditure (insurance, leave liability, superannuation, workers compensation levy, etc) of \$6.327 million is budgeted for, and this compares to \$5.987 million budgeted in 2021/22 financial year. The increase of \$0.34 million is largely attributable to there being 27 fortnights of payroll in 2022/23 financial year as compared to 26 payroll fortnights in 2021/22. The 2022/23 budget includes 62.5 full time equivalent (FTE) employees, compared to 65.3 FTE in 2021/22.

Depreciation of \$5.938 million is included with \$51,000 allowed for finance costs and \$7.138 million for materials, contracts and other expenses.

	<i>Budget 2022/23 \$'000</i>
<hr/>	
OPERATING EXPENDITURE	
<i>Employee Costs</i>	5,678
<i>Materials, contracts & other expenses</i>	7,138
<i>Finance costs</i>	51
<i>Depreciation, amortisation & impairment</i>	5,938
TOTAL EXPENDITURE	<hr/> \$18,805 <hr/>

Capital Program

It is anticipated that Council will receive \$2.147 million from State and Federal Government Grants specifically for capital expenditure. These Grants are normally not advised to Council prior to adoption of the Annual Business Plan and Budget.

Expenditure on non-current assets is projected to be \$13.888M, with \$8.218M to be expended on the replacement and renewal of assets and \$5.670M allocated for new assets.

Loan principal payments of \$148,149 are scheduled for payment. Community Organisations and individuals will repay Council \$31,667 in loan principal repayments.

Council's capital program is partially funded from the cash raised to cover the annual depreciation expense and Council's cash reserves.

Income

General Rates

To continue the level of service that our community currently enjoys, Council is proposing to raise \$11.110 million in general rate revenue (before rate rebates), representing an approximate 2% increase from 2021/22.

Further information on Rates, including the basis for raising rates, differential factors, available assistance when experiencing hardship, and Council's rating policy can be found on pages 13-17.

Rate income included in the table on the following page includes fines and interest and has been adjusted for rate rebates, rate capping and remittances.

Rates – Service Charges & Levies

These charges relate to the waste, recycling and green waste kerbside collection, Landscape SA levy and the Lucindale Community Wastewater Management Scheme.





Statutory Charges

Statutory Charges are set by State Government. These are fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications, dog registrations etc.

User Pay Charges & Commercial Income

These charges are for Council’s fee-based facilities such as town halls, cemeteries and property leases. Commercial income relates to the Naracoorte Regional Livestock Exchange.

Grants, Subsidies & Contributions

The Council seeks to attract as much grant funding as possible from other levels of government. Major projects that may be of wider regional or State benefit may attract funding in partnership with the State or Federal Governments, or other key stakeholders and partners.

It is the Council’s intention to actively seek grant funding for projects outlined in the strategic plan.

Investment Income

Income relates to interest received from investments (Council funds deposited) with the Local Government Finance Authority, Council’s banking partner and loans granted to community organisations.

Reimbursements

Income relates to private work reimbursements, recoveries for insurance claims and rebates.

	Budget 2022/23 \$'000
<hr/>	
OPERATING INCOME	
Rates - General	10,993
Rates - Service Charges & Levies	1,970
Statutory Charges	292
User Charges & Commercial Income	2,189
Grants, Subsidies & Contributions	4,028
Investment Income	125
Reimbursements	13
Other Income	85
TOTAL INCOME	<hr/> \$19,694 <hr/>

What it means for Rates

General Rates

In setting its rates each year Council considers the following:

- (a) The specific issues faced by our community, which are:
 - (i) The need to continue to maintain and upgrade the district’s infrastructure which includes roads, buildings, drainage and parks
 - (ii) Increased costs associated with the collection and disposal of waste
 - (iii) EPA compliance and other legislative compliance
 - (iv) The benefit ratepayers receive from the services provided by the Council
 - (v) The expectations of the Community to have access to a particular level of service
- (b) The budget for the relevant financial year
- (c) Increase in costs and charges to be paid by Council
- (d) The impact of rates on the community





Payment of Rates

Rates are payable in four approximately equal instalments, and can be paid in advance. Notices are sent quarterly, and legal recovery action may be undertaken by Council for outstanding amounts owing.

Basis for Raising Rates

The Council continues to use capital value (the value of the land and all of the improvements on the land) as the basis for calculating annual rates within the Council area. The Council considers that this method of valuation provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

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

The Land against which rates may be assessed will include:

- Any piece or section of land subject to separate ownership or occupation; or
- Any aggregation of contiguous land subject to the same ownership or occupation.

Differentiating Factor for Rates

Council uses locality as its differentiating factor when determining rates. This factor is reflected in the rate code description.

Minimum Rate

Council is proposing a minimum rate of \$395 on all properties. The minimum rate is levied against the whole of an allotment and only one minimum rate is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the same occupier or a single farming enterprise. Rate modelling indicates 211 assessments will be charged the minimum rate. This represents 3.8% of Council's rateable properties, a maximum of 35% of assessments is allowed by legislation.

Adoption of Valuations

The Council will adopt the valuations made by the Valuer-General. Anyone who is dissatisfied with the valuation made by the Valuer-General may object to the Valuer-General in writing, within 60 days of receiving this notice of the valuation, explaining the basis for the objection - provided the ratepayer has not:

- Previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first notice; or
- Previously had an objection to the valuation considered by the Valuer-General.

The address of the State Valuation Office is:

State Valuation Office
GPO Box 1354
ADELAIDE SA 5001

and the telephone number is **1300 653 345**. Objections may also be lodged by email at LSGObjections@sa.gov.au. The Council has no role in this process. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

Fines and Interest for Late Payment

The amount of rates due will be overdue if they have not been paid by the due date shown on the front of the rate notice. After this date, additional charges will apply. A fine of 2% of the amount due will be added immediately and at the end of each month thereafter, interest, at the rate prescribed in the Local Government Act 1999, will be added on any balance, including interest, not then paid.





Hardship

Section 182 of the Local Government Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship.

Ratepayers experiencing difficulties in paying their rates and associated charges are encouraged to contact the Council office at an early stage on 08 8760 1100 to discuss options available. Council treats such inquiries confidentially.

Contact may also be made by email at council@nlc.sa.gov.au

Council Rebates

Certain persons/and or organisations may be eligible for a rebate, eg community groups, health and education organisations etc. Phone 08 8760 1100 or email council@nlc.sa.gov.au for further information.

Postponement of Rates – Seniors

Ratepayers who hold a State Seniors Card (or who are eligible to hold a State Seniors Card and have applied for one) are able to apply to Council to postpone payment of rates on their principal place of residence.

Postponed rates remain as a charge on the land and are not required to be repaid until the property is sold or disposed of. Phone 08 8760 1100 or email council@nlc.sa.gov.au for further information.

Rating Policy – General Rates

Locality is used as the factor to levy differential rates. There are four (4) general differential rates: Urban – all townships; Rural Living – to reflect a lower level of service, eg no street lighting, Commercial/Industry – ability to generate an income from property; and Rural – ability to generate income from property, but reduced services and generally larger capital values apply.

A formal review of Council’s basis for rating approach was undertaken during 2012-13. Council explored various options for raising its rates revenue and resolved to continue with its current principles in relation to differential rates:

- That Council’s Commercial/Industrial (Naracoorte Township) rate in the \$ is set at approximately 4 - 4.5% above the urban rate in the \$.
- That Council’s Primary Production rate in the \$ is set at approximately 60% of the urban rate in the \$.

In June 2019 it was determined that the principles endorsed in 2012/13 were difficult to administer when there is a large increase in capital valuations within one locality. This occurred for the 2019/20 financial year with land rated as primary production experiencing a 25% increase in capital value. Further increases of 14%, 17%, and 19.7% in capital value of land rated as primary production has been experienced in 2020/21, 2021/22, and 2022/23 respectively.

To enable Council to spread the Council rates and any increases equitably across the Council, an average of rates raised per locality over the last three (3) years has been used to calculate the applicable rate in the \$

Locality	% Capital Valuations 2022/23	% of Total Rates Raised 2022/23
Commercial	3.6%	7.1%
Primary Production	76.1%	57.8%
Rural Living	5.2%	6.5%
Urban	15.1%	28.6%





Councils endorsed Long-Term Financial Plan provided for a forecasted 1.5% increase in general rate income, with CPI (Adelaide) as measured for the previous 12 months from December 2021 being 3.3%. Taking these indicators into consideration, Council has chosen to increase general rate income by 2%.

Across the district there will be properties which will still experience an increase or decrease greater or less than the 2% average general rate increase, and this will largely be due to variations across rating localities.

Council's capital valuation (excluding non-rateable properties) has increased from \$3,193,153,451 in June 2021 to \$3,835,996,582 in 2022, or by approximately 20.1%.

Rate in the dollar for localities are identified below:

Rate in Dollar 2021/22		Rate in Dollar 2022/23
	<u>Rural Living</u>	
0.428	Rural Living Zone	0.3600
0.428	Deferred Urban Zone	0.3600
	<u>Urban</u>	
0.601	Residential (Naracoorte) Zone	0.5500
0.601	Recreation (Naracoorte) Zone	0.5500
0.601	Conservation (Naracoorte) Zone	0.5500
0.601	Caravan & Tourist Park (Naracoorte) Zone	0.5500
0.601	Mixed Use (Naracoorte) Zone	0.5500
	<u>Commercial</u>	
0.625	Commercial (Naracoorte) Zone	0.5700
0.625	Light Industry (Naracoorte) Zone	0.5700
0.625	Industry (Naracoorte) Zone	0.5700
0.625	Town Centre (Naracoorte) Zone	0.5700
0.625	Infrastructure (Naracoorte) Zone	0.5700
	<u>Industrial</u>	
0.625	Industry Zone	0.5700
	<u>Rural</u>	
0.260	Primary Production Zone	0.2200
0.260	Airfield Zone	0.2200
	<u>Townships</u>	
0.601	Town Centre (Lucindale) Zone	0.5500
0.601	Commercial (Lucindale) Zone	0.5500
0.601	Township Zone	0.5500
0.601	Residential (Lucindale) Zone	0.5500
0.601	Recreation (Lucindale) Zone	0.5500





The expected impact on properties is shown below:

General Rate Variations	No of Assessments	% of Total Assessments
Land Divisions	54	0.9%
Greater than 20%	132	2.1%
Greater than 10% to 20%	93	1.5%
Greater than 5% to 10%	1,894	30.3%
Greater than 2% to 5%	399	6.4%
0% to 2%	813	13.0%
Decrease	2,641	42.3%
Rebateable	225	3.6%
TOTAL PROPERTIES	6,251	
Number of Properties on Minimum Rate (\$395)	211	3.8%

Service Charge - CWMS Levy

The Council provides a Community Wastewater Management System (CWMS) in Lucindale. The full cost of operating and maintaining this service for this financial year is budgeted to be \$85,345 (including depreciation).

Council maintains funds within a specific CWMS Reserve Fund to fund future replacement of infrastructure such as pumps, pits, pipes and ponds. It is planned to maintain the charge at \$589 for occupied properties and \$213 for vacant land.

A comprehensive audit of the system was undertaken during 2021/22 to determine the condition of CWMS infrastructure and this will assist with forecasting capital works for the future. The audit will also provide important information for Council and the Lucindale Community on the ongoing operations and maintenance of the Lucindale CWMS.

The Lucindale CWMS Reserve was \$522,679 as at 30/6/21, and is forecast to be \$552,904 at 30/6/23.

Service Charge - Waste and Recycling Levy

Council provides kerbside collection, recycling services and green waste collection in defined areas of the Council, consistent with Council's long-term strategy to reduce the volume of waste going to landfill and reducing the overall environmental impact of waste collection and disposal services.

A three-bin kerbside collection service for putrescible waste, recycling and green waste is available in defined areas in the Townships of Naracoorte, Lucindale, Hynam, Kybybolite and Frances, and rural living zones. Council provides a two-bin kerbside collection service for putrescible waste and recycling in defined areas within the township of Naracoorte, including the Town Centre, Industrial and Commercial zones.

The three-bin kerbside collection consists of one 140 litre bin putrescible waste (red lid) and two 240 litre bins, recycling (yellow lid) and green waste (green lid) collection. The two-bin kerbside collection consists of two 240 litre bins, recycling (yellow lid) and putrescible waste (green lid) collection.

The service charge will increase by \$17 per annum to \$373 per annum per occupied rateable property. The increase in levy is aimed to assist the service to be self-sustaining and funded by those that receive the service, rather than being partly subsidised by other ratepayers who don't receive the service.





Regional Landscape Levy (previously known as the NRM Levy)

The Regional Landscape Levy is a State tax. Councils are required to collect it under the Landscape South Australia Act. Further information on Landscape South Australia can be found at <https://landscape.sa.gov.au/>

Council does not decide the amount of this levy, does not retain this revenue, nor do we determine how the revenue is spent.

The levy is charged per rateable property and indicative values for 2022/23 are:

- Residential, Vacant & Other \$81.47
- Commercial \$122.21
- Industrial \$195.53
- Primary Production \$358.47

Community Budget Submissions

The community was invited to provide suggestions and ideas for Council to consider during budget deliberations by 25 March 2022. The following community requests were received during this period.

Organisation or Person	Request Details	\$	Outcome
Paul McCarthy	Construction of a walking/bike track north of the township, along Riddoch Highway	\$75,000	Included in draft Budget
Lee Castine	<ul style="list-style-type: none"> • Corella culling program • Naracoorte Creek Weir Project 	Nil \$253,750	Noted by Council Already included in draft budget by Council
Naracoorte Regional Art Gallery	Continued financial support	\$25,000	Included in draft budget
LINC	Loechel Park project – Council contribution to carpark construction	\$15,000	Council has committed to this contribution, and can make this contribution through a budget variation if external funding is secured by LINC.
Australian Migrant Resource Centre	Limestone Coast Multicultural Soccer Carnival	\$15,000	Included in draft budget – and Council has received \$10K in external funding for this event
Naracoorte Scout Group	New amenities block (intended to be funded by Scouts SA, Naracoorte Scout Group, and Council)	\$10,000	\$7K included in budget, with \$3K committed to from 2021/22 Community Chest Fund
Naracoorte Business Association	Implementation of endorsed Strategic Plan projects	\$15,000	Included in draft budget
Stand Like Stone Foundation	Continued support and donation	\$2,000	Included in draft budget
Lions Club of Naracoorte	<ul style="list-style-type: none"> • Taste Unplugged Event support • Lions District 201C2 Convention support 	\$6,000 \$5,000	Included in draft budget Included in draft budget

These submissions were considered by Council at a Budget Workshop held on 27 April 2022.





Community Engagement

Community feedback was sought by the Naracoorte Lucindale Council on its draft Annual Business Plan and Budget for 2022/23. This was an opportunity to have input into Council's priorities for the Naracoorte Lucindale area for the coming year.

- In writing (including email), to be received by Council by 5pm Thursday 9 June 2022
- By using Council's online engagement tool and leaving a comment by 5pm Thursday 9 June 2022 at <http://yoursay.naracoortelucindale.sa.gov.au>
- In Person, at a Special Council Meeting held in the Naracoorte Council Chambers on Tuesday, 14 June 2022 from 5.00pm to 6.00pm.

Amendments to the Draft Annual Business Plan & Budget 2022/23

Section 123(6a) of the Local Government Act 1999, provides that

- (6a) If a council proposes to adopt an annual business plan with amendments, the council must include in the adopted business plan a statement—*
- (a) setting out any significant amendments from the draft annual business plan; and*
 - (b) providing reasons for those amendments.*

At a Special Meeting of Council held on Tuesday 14 June 2022 to consider any public submissions, Council formally resolved to make amendments to the Annual Business Plan and Budget 2022/23 by including items of:

- Lucindale Entrance Statements Project \$60,000
- Council Administration Centre Solar Panel installation \$45,000
- Major Plant Item Water Tanker Demountable \$140,483 (Purchase \$160,483, less trade \$20,000)

Council also resolved to not take out a loan to assist in the funding of the Naracoorte Library redevelopment, and this has the effect on the 2022/23 Annual Business Plan & Budget by removing principal and interest payments that had been included in draft documents.

Additional assessment and analysis of Council's general rate modelling was also undertaken, with no additional rate revenue proposed, but with an improvement in sharing of the rate burden outcomes across the district.

The main impacts of these amendments include:

- Improving Councils expected Operating Surplus from 840K to 889K;
- Decreasing Councils expected cash position as at 30 June 2023 from \$5.938M to \$5.765M.

