



Naracoorte Lucindale Council

*Better by Nature*

# *Annual Business Plan 2020 - 2021*



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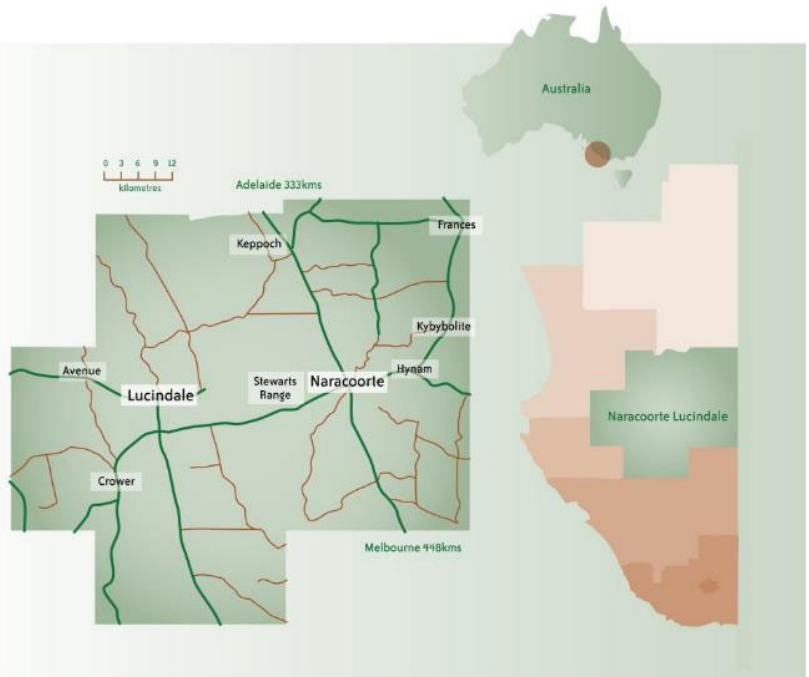
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## **The Naracoorte Lucindale Story**

*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 Wrattenbully 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, Limestone Coast Cheese Factory, 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 has commenced reviewing its Strategic Management Plan and will complete this during the 2020-21 financial year. 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
<p>A sought after visitor destination</p> <p>A vibrant &amp; progressive business centre and townships</p> <p>Diverse range of thriving primary industries</p>	<p>Contribute to sustainable land management practices</p> <p>Water resources &amp; ecosystems are protected &amp; restored</p>	<p>An inclusive community</p> <p>A creative and artistic Community</p> <p>A learning community</p> <p>A healthy &amp; resilient community</p>	<p>A well planned district that meets the current and future needs of the community</p> <p>A safe and integrated transport network</p> <p>Preserve the built heritage &amp; character of the district</p>

*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
<p>Progressive and representative Elected Member leadership</p> <p>Organisational excellence</p> <p>Sustainable community finances and assets</p> <p>Effective delivery of projects and services</p> <p>Effective community communication and engagement</p> <p>Engage external stakeholders to leverage local opportunities</p> <p>Council is a preferred employer</p>

## ***Significant Influences and Priorities***

A number of significant factors have influenced the preparation of the Council's Annual Business Plan. These include:

- The economic climate, including effects and recovery of COVID-19 situation;
- The need to comply with financial, regulatory, transparency and accountability requirements from the State Government.
- Funding constraints which affect the delivery of the range of services offered;
- Enterprise Bargaining agreements which provide for employment terms & conditions, and wages and salaries;
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, storm water drainage, street trees and plantings, open space and Council properties;
- Challenges of managing waste and improving waste outcomes.

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

- No increase in general rate revenue (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 \$320 to \$330 per annum
- Grants Commission allocation to increase by 2.0%
- Early Grants Commission payment to be received in June 2020 and June 2021
- Fines and interest on Council Rates to be waived for the period 1 July to 30 September 2020

The Council's priorities continue to be:

- Actively pursuing State and Commonwealth 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 to maintain and improve Council's assets and infrastructure from a sustainable and affordable perspective.
- Exploring opportunities for improvements in effective delivery of services

## ***Continuing Services***

All Councils have similar responsibilities under the Local Government Act 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 basic infrastructure including roads, footpaths, parks, public open space
- Storm-water drainage
- Development planning and control, 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

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

- Town Halls
- Cemeteries
- Aerodrome

The fees recovered by these facilities generally do not fully offset their annual operating costs.

Council operates the Naracoorte Regional Livestock Exchange as a stand-alone business through a business model that aims to meet operational costs and provide for future capital investment.



## Project Priorities 2020-21

The following table includes the project priorities for the 2020-21 financial year with regard to the community objectives and outcomes as identified in the Strategic Management Plan 2016-2026.

<i>Theme 1 – Prosperous Community</i>	<i>Planned Projects</i>	<i>Budget Implication</i>
<p><b>Facilitating and supporting sustainable growth to achieve economic prosperity</b></p> <ul style="list-style-type: none"> <li>➤ <i>A sought after visitor destination</i></li> <li>➤ <i>A vibrant and progressive business centre and townships</i></li> <li>➤ <i>Diverse range of thriving primary industries</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ NLBTA – contribution to TV Commercial promoting the district</li> <li>▪ Continue upgrade of the NRLE cattle selling pens (Stage 3)</li> <li>▪ Partner with University of Adelaide in the ARC Linkage Project (final year)</li> <li>▪ Caves Connection Project</li> <li>▪ Encourage new ideas &amp; ways of doing business by continuing the Innovation Fund</li> <li>▪ Naracoorte Aerodrome – complete the upgrading of lighting</li> <li>▪ Improved town entrances – continued improvements to the southern entrance to Naracoorte, including replacement planting, and sculpture at the intersection of Pinkerton Road and Wimmera Highway.</li> <li>▪ Continue implementation of Wayfinding Project – directional signage (includes signage for the Old Caves Road route to the Naracoorte Caves)</li> <li>▪ Continue implementation of Wayfinding Project – Promotional banners on Riddoch Highway (southern entrance). The plan may accessed on Council’s webpage – <a href="#">Naracoorte Caves Connection Wayfinding Plan</a>.</li> </ul>	<p>5,000</p> <p>511,000</p> <p>74,000</p> <p>10,000</p> <p>20,000</p> <p>60,000</p> <p>60,000</p> <p>43,090</p> <p>25,000</p>

<b>Theme 2 – Healthy Landscapes</b>	<b>Planned Projects</b>	<b>Budget Implication</b>
<p><i>Working together to protect and enhance our natural environment for the future.</i></p> <ul style="list-style-type: none"> <li>➤ <i>Contribute to sustainable land management practices</i></li> <li>➤ <i>Water resources and ecosystems are protected and restored</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Investigate options for improved and innovative waste management</li> <li>▪ Cold burn of Naracoorte’s north and south parklands</li> <li>▪ Gares Swamp Restoration</li> <li>▪ Implementation of the Naracoorte Creek &amp; Creek Walk Plan – includes a hydrological assessment and construction of a weir at the Park Terrace bridge, interpretive signage at 55 Ormerod Street and along the creek walk, resealing of the north parklands path from the cemetery to the swimming lake, heritage signage in the rail lands and permanent signage for the Parkrun. The plan may accessed on Council’s webpage – <a href="#">Naracoorte Creek &amp; Creek Walk Plan</a>.</li> <li>▪ Improved stormwater management for Cedar Avenue &amp; Jenkins Terrace (design only)</li> </ul>	<p>20,000</p> <p>20,000</p> <p>5,000</p> <p>184,500</p> <p>40,000</p>



<b>Theme 3 – Harmony &amp; Culture</b>	<b>Planned Projects</b>	<b>Budget Implication</b>
<p><i>A safe, healthy and diverse community celebrating our similarities and differences</i></p> <ul style="list-style-type: none"> <li>➤ <i>An inclusive community</i></li> <li>➤ <i>A creative and artistic community</i></li> <li>➤ <i>Learning community</i></li> <li>➤ <i>A healthy and resilient community</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Community Art Program – Grant Program</li> <li>▪ Sponsorship and support provided to annual programs, community events, festivals and Community Facilities: - <ul style="list-style-type: none"> <li>○ Harmony Day</li> <li>○ South East Field Days</li> <li>○ TASTE the Limestone Coast</li> <li>○ Christmas in the Square, Lucindale Christmas Party &amp; Special Kids Christmas Party (Adelaide)</li> <li>○ Continued support of Naracoorte Art Gallery (including provision for maintenance)</li> <li>○ Senior Super Bowls Series (year 3 of a 3-year commitment)</li> <li>○ Tour of the Great South Coast Bike Race</li> <li>○ World Heritage Festival &amp; Run</li> <li>○ Multicultural Soccer Carnival</li> </ul> </li> <li>▪ Naracoorte Library development at new location 93 Smith Street, Naracoorte</li> <li>▪ Development of a natural burial ground at the Naracoorte cemetery and improvements to the historic section</li> </ul>	<p>10,000</p> <p>2,500</p> <p>4,000</p> <p>5,000</p> <p>3,400</p> <p>27,720</p> <p>8,000</p> <p>36,700</p> <p>32,000</p> <p>20,000</p> <p>2,000,000</p> <p>100,000</p>

<b>Theme 4 – Liveable Neighbourhoods</b>	<b>Planned Projects</b>	<b>Budget Implication</b>
<p><i>A range of well-planned neighbourhoods and public space, designed with a strong sense of identity and place</i></p> <ul style="list-style-type: none"> <li>➤ <i>A well planned district that meets the current and future needs of the community</i></li> <li>➤ <i>A safe and integrated transport network</i></li> <li>➤ <i>Preserve the built heritage and character of the district</i></li> </ul>	<ul style="list-style-type: none"> <li>▪ Frances Masterplan Implementation – includes linear trail from the town centre to the primary school, signage &amp; marketing, identification as an RV friendly location (may include infrastructure), identification of a community space and establishment of recreation areas. The plan may be accessed on Council’s webpage – <a href="#">Frances Master Plan</a>.</li> <li>▪ Lucindale Masterplan Implementation - includes signage, detailed design for the footpaths / shared paths, vegetation guidelines and the CBD precinct and vegetation plant. The plan may be accessed on Council’s webpage – <a href="#">Lucindale Master Plan</a>.</li> <li>▪ Naracoorte Town Centre Rejuvenation project</li> <li>▪ Continuation of the Heritage Assistance Fund to assist with maintenance of sites listed on the ‘Local Heritage Register’</li> <li>▪ Cockatoo Lake</li> <li>▪ Market Square Playground – replacement of softfall (stage 2)</li> <li>▪ Rotary Park (Swimming Lake) – upgrade of BBQs</li> <li>▪ Caves Trail Plan Implementation – includes signage, protection of Beekeeper Cave and establishment of the caves linear trail from Michaels Road to Pitts Lane shelter.</li> <li>▪ Naracoorte Swimming Lake – shade structure for the northern end</li> <li>▪ Disability Inclusion Plan Implementation – concept for walkways at the Naracoorte Swimming Lake. The plan may be accessed on Council’s webpage – <a href="#">Disability Inclusion Plan</a></li> </ul>	<p>149,000</p> <p>112,000</p> <p>50,000</p> <p>15,000</p> <p>15,000</p> <p>80,000</p> <p>20,000</p> <p>103,000</p> <p>20,000</p> <p>30,000</p>

<b>Theme 5 – Progressive Leadership</b>	<b>Planned Projects</b>	<b>Budget Implication</b>
<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"> <li>➤ <i>Progressive and representative Elected Member leadership</i></li> <li>➤ <i>Organisational excellence</i></li> <li>➤ <i>Sustainable community finances and assets</i></li> <li>➤ <i>Effective delivery of projects and services</i></li> <li>➤ <i>Effective community communication and engagement</i></li> <li>➤ <i>Engage external stakeholders to leverage local opportunities</i></li> <li>➤ <i>Council is a preferred employer</i></li> </ul>	<ul style="list-style-type: none"> <li>• Continued renewal &amp; replacement of infrastructure (refer budget and major projects for full details) including: - <ul style="list-style-type: none"> <li>○ Lucindale Cemetery – extend burial area</li> <li>○ Bridges &amp; Culverts</li> <li>○ Sealed road construction</li> <li>○ Footpath construction</li> <li>○ Unsealed road reconstruction</li> <li>○ Reseals</li> <li>○ Resheeting</li> </ul> </li> <li>• Continued renewal &amp; replacement of buildings &amp; structures including: - <ul style="list-style-type: none"> <li>○ Lucindale Works Depot – fire safety improvements</li> <li>○ Naracoorte Works Depot – fire safety improvements</li> <li>○ Naracoorte Town Hall – improvement to ensure safe access to the roof</li> </ul> </li> </ul>	<p></p> <p>30,000</p> <p>335,000</p> <p>1,120,000</p> <p>345,000</p> <p>1,020,000</p> <p>748,178</p> <p>1,680,000</p> <p></p> <p>25,000</p> <p>69,000</p> <p>9,000</p>

## Budget 2020-21

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 of new assets and estimated income and expenditure for the year ending 30 June 2021.

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

The 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 major projects is reported to Council on a monthly basis through the provision of a "Major Projects" report which includes status (eg. on target), brief commentary 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	2016-2017 Actual	2017-2018 Actual	2018-19 Actual	2019-20 Budget	2020-21 Budget
0-15%	6%	4%	19%	7%	8%

The Naracoorte Regional Livestock Exchange is forecasting an operating surplus of \$350,260 for the year.

### 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	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Budget	2020-2021 Budget
>0 < 100%	-16%	-23%	-28%	-11%	-1%

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 \$10.457 million to be invested in 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 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 depreciation over a rolling 3-year period.

Target	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	2019-2020 Budget	2020-2021 Budget
>90 < 110%	92%	68%	81%	101%	182%
3 Year Average	109%	100%	80%	83%	121%

The assessment of whether capital works is "renewal" or "new" works can be subjective. Improvements in the correct identification process is continuing. 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

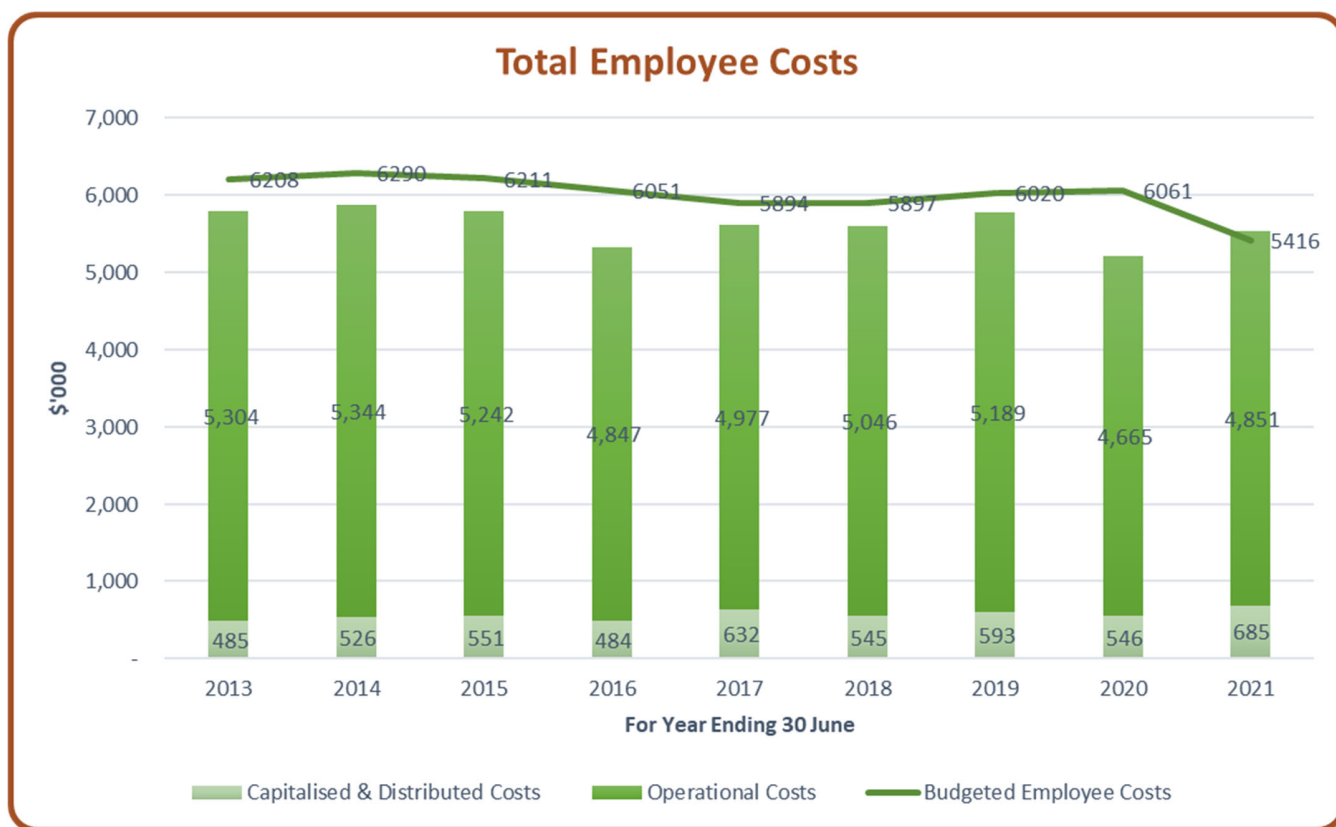
Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

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 \$1,585,538, before capital revenue. This includes the forecast surplus of \$350,260 for the Naracoorte Regional Livestock Exchange.

### Expenditure

Salary and wages and associated expenditure (insurance, leave liability, superannuation, etc) of \$5.981 million is budgeted for. Capital expenditure accounts for \$0.524 million of salaries & wages, with the balance of \$5.457 million being operating expenditure. Council has budgeted for 64 FTE (full time equivalent) positions.

The graph below provides employee costs (operational & capital) for the period 2012-13 to 2020-21. An estimate for final position has been used for 30 June 2020 and budget figures for 30 June 2021.



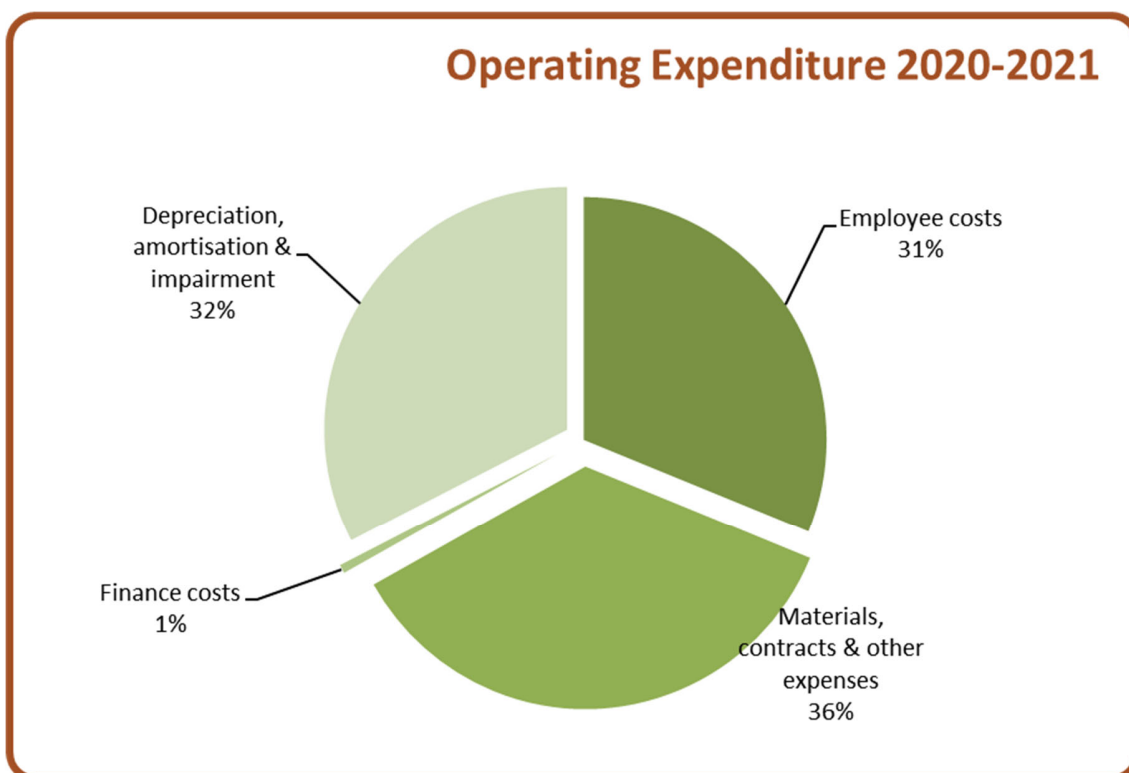
Depreciation of \$5.655 million is included with \$99,000 allowed for finance costs and \$6.236 million for materials, contracts and other expenses.

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

**Budget**  
**30/06/2021**  
**\$'000**

**OPERATING EXPENDITURE**

Employee Costs	5,457
Materials, contracts & other expenses	6,236
Finance costs	99
Depreciation, amortisation & impairment	5,655
<b>TOTAL EXPENDITURE</b>	<b>\$17,447</b>



### Capital Program

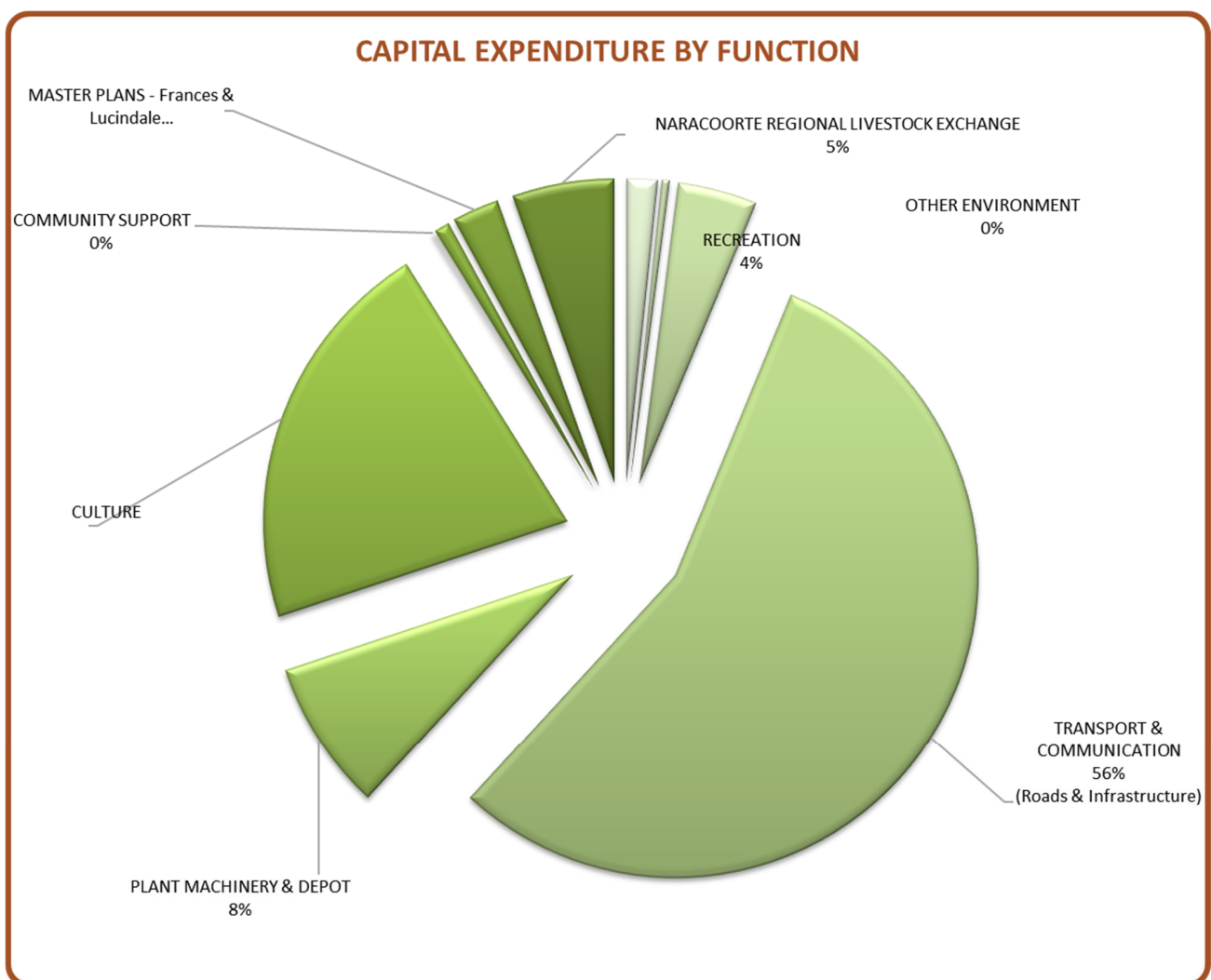
It is anticipated that Council will receive \$934,000 from State and Federal Government Grants specifically for capital expenditure. These Grants are normally not advised to Council prior to adoption of the Annual Business Plan and Budget.

Expenditure on non-current assets is projected to be \$10.4 million, with \$7.1 million to be expended on the replacement and renewal of assets and \$3.3 million allocated for new assets.

Loan principal payments of \$449,540 are scheduled for payment. Community Organisations and individuals will repay Council \$39,656 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. Loan borrowings may be required to fund the establishment of 93 Smith Street as the permanent home of the Naracoorte Public Library.

Loan borrowings require formal approval from Council prior to establishment.



## **Income**

### **General Rates**

To continue the level of service that our community currently enjoys, Council is proposing to raise \$10.810 million in general rate revenue (before rate rebates), representing a zero increase from 2019-20.

Further information on Rates, including the basis for raising rates, differential factors, available assistance when experiencing hardship, postponement of rates due to the impact of COVID-19 and Council's rating policy can be found on pages 19-25.

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

### **Rates – Service Charges & Levies**

These charges relate to the waste, recycling and green waste kerbside collection, Landscape SA levy and 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 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 of wider State benefit are usually jointly funded in partnership with the State government and other relevant parties.

It is the Council's intention to actively seek grant money for projects outlined in the strategic plan. To be able to apply for some grants it is necessary to match or make contributions to funding the project.

### **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.

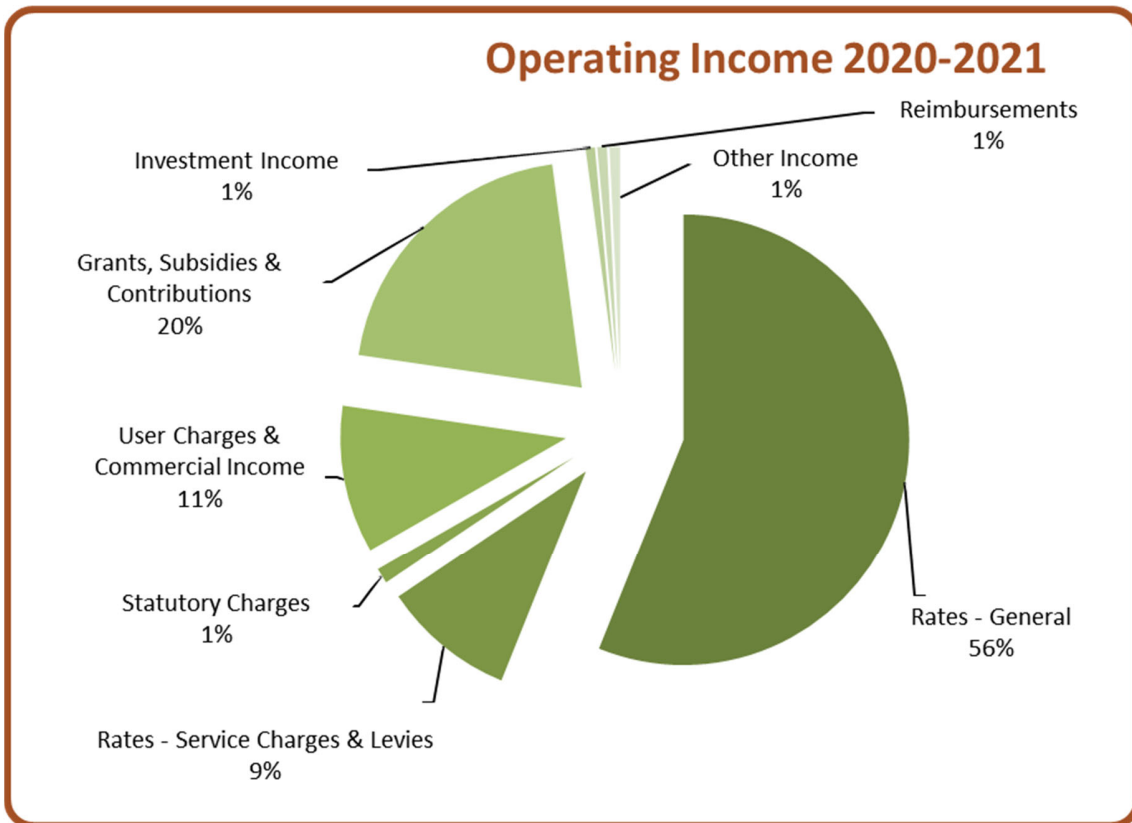
### **Reimbursements**

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

\$  
Budget  
30/06/2021  
\$'000

**INCOME**

Rates - General	10,678
Rates - Service Charges & Levies	1,806
Statutory Charges	210
User Charges & Commercial Income	2,022
Grants, Subsidies & Contributions	3,916
Investment Income	126
Reimbursements	129
Other Income	144
<b>TOTAL INCOME</b>	<b>\$19,032</b>





## 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) The 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. You may elect to pay any instalment in advance. We will send you further notices for each quarter. If the amount due remains unpaid after the due date, it may be recovered in a court of competent jurisdiction.

### 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.

Unlike the State and Federal spheres of Government which have the power to impose a number of different taxes which are used to "top-up" annual budgets. By comparison the only tax that Local Government can impose to "top-up" its annual budget is rates.

### 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 \$390 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 308 assessments will be charged the minimum rate. This represents 4.91% 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 you have 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](mailto: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.

### Fines and Interest – COVID-19 Financial Relief

Fines and interest will not be raised for the period 1 April 2020 to 30 September 2020.

Fines and interest incurred prior to 1 April 2020 will continue to be due and payable, however, these charges will not incur any additional interest until 1 October 2020.

### Pensioner Concession and Self-Funded Concessions

Until 2015, the State Government funded concessions on Council rates. These concessions were formerly available to the holders of pensioner concession cards, veterans, low-income earners, unemployed, students and self-funded retirees. These concessions were all abolished by the State Government with effect from 30 June 2015. From 1 July 2015, the State Government has elected to replace these concessions with a single “cost-of-living payment” provided directly to those entitled. This payment may be used to offset Council rates. Note that not all former recipients of rates concessions will be entitled to the new payment. To check eligibility, contact the Department for Communities and Social Inclusion (DCSI) Concessions Hotline 1800 307 758 or at [www.sa.gov.au/concessions](http://www.sa.gov.au/concessions).

From 1 July 2017 the separate concession entitlements for Council Community Waste Water Schemes (CWMS) are also paid directly to the concession holder by the State Government.

### 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. Where a ratepayer is suffering hardship in paying rates he/she is invited to contact the Rates Officer, on 8760 1100 to discuss the matter. Council treats such inquiries confidentially.

### Hardship & Postponement of Rates – COVID-19 Financial Relief

Ratepayers who are experiencing genuine hardship may apply to have their rates postponed / deferred.

The postponed / deferring of rate payments will allow our ratepayers a recovery period following the COVID-19 pandemic and the ability to schedule rate payments for later in the 2020-21 financial year.

**Applications for postponement of rates as a result of COVID-19 must be received by 30 September 2020.**

Rates may be postponed in the following circumstances

1. The applicant must be responsible for the rate liability; and
2. The applicant must be able to demonstrate, as a result of COVID-19,
  - i. a 20% reduction in income due to unemployment or reduced hours
  - ii. business closure
  - iii. or a 30% reduction in net business income measured against the same period last year; and
  - iv. Net business income reduction is not offset by a government stimulus package.

The maximum period of postponement is until 30 June 2021.

Fines and interest will not be raised for the period of approved postponement.

There will be no referral to debt collection until expiry of the approved period of postponement.

Ratepayers experiencing difficulties in paying their rates and associated charges are encouraged to contact the Council office on 08 8760 1100 and speak to the Rates Officer, Jodie McFarlane, or Director Corporate Services, Fiona Stringer, in the first instance.

Contact may also be made by email at [council@nlc.sa.gov.au](mailto: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](mailto: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](mailto: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. A further increase of 13% in capital value of land rates as primary production has been experienced in 2020-21.

To ensure equitable rate increases across the district 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 2020-21	% of Total Rates Raised 2020-21
Commercial	4.7%	7.9%
Primary Production	71.3%	55.7%
Rural Living	5.6%	6.7%
Urban	18.4%	29.7%

As per our Long-Term Financial Plan, Council has generally increased its general rate income by CPI (Adelaide) as measured for the previous 12 months from December. The December 2019 CPI was 2.1%. Council considered three (3) general rate increases including 0%, 1% and 2.1% at a workshop on 26 May 2020. An assessment of the impact on Council's operating surplus, long term financial plan and estimated variation for each property was considered.

Due to being in a strong financial position and identified savings as a result of an assessment of operating income & expenditure over the last three (3) years; the draft budget has been prepared based on a zero increase of its general rate income for 2020-21. This decision reflects and acknowledges Council's understanding of the pressures on the local economy by providing some level of financial relief to ratepayers, including businesses, impacted by the COVID-19 pandemic. This approach follows from Council's recent decision to offer rate relief to ratepayers experiencing hardship due to COVID-19 by allowing ratepayers to apply for the postponement / deferment of rate payments and to not raise fines for the period 1 April 2020 to 30 September 2020.

Across the district there will be properties which will still experience an increase due to changes in valuations. Changes in valuations impact on the actual change in rates experienced across individual properties.

Council's capital valuation (excluding non-rateable properties) has increased from \$2,568,707,028 in June 2019 to \$2,833,333,766 in 2020 or by approximately 10%.

Rate in the dollar for localities are identified below:

<u>Rate in Dollar 2019-20</u>		<u>Rate in Dollar 2020-21</u>
	<b><u>Rural Living</u></b>	
0.469	Rural Living Zone	0.460
0.469	Deferred Urban Zone	0.460
	<b><u>Urban</u></b>	
0.640	Residential (Naracoorte) Zone	0.613
0.640	Recreation (Naracoorte) Zone	0.613
0.640	Conservation (Naracoorte) Zone	0.613
0.640	Caravan & Tourist Park (Naracoorte) Zone	0.613
0.640	Mixed Use (Naracoorte) Zone	0.613
	<b><u>Commercial</u></b>	
0.667	Commercial (Naracoorte) Zone	0.638
0.667	Light Industry (Naracoorte) Zone	0.638
0.667	Industry (Naracoorte) Zone	0.638
0.667	Town Centre (Naracoorte) Zone	0.638
0.667	Infrastructure (Naracoorte) Zone	0.638
	<b><u>Industrial</u></b>	
0.667	Industry Zone	0.638
	<b><u>Rural</u></b>	
0.333	Primary Production Zone	0.296
0.333	Airfield Zone	0.296

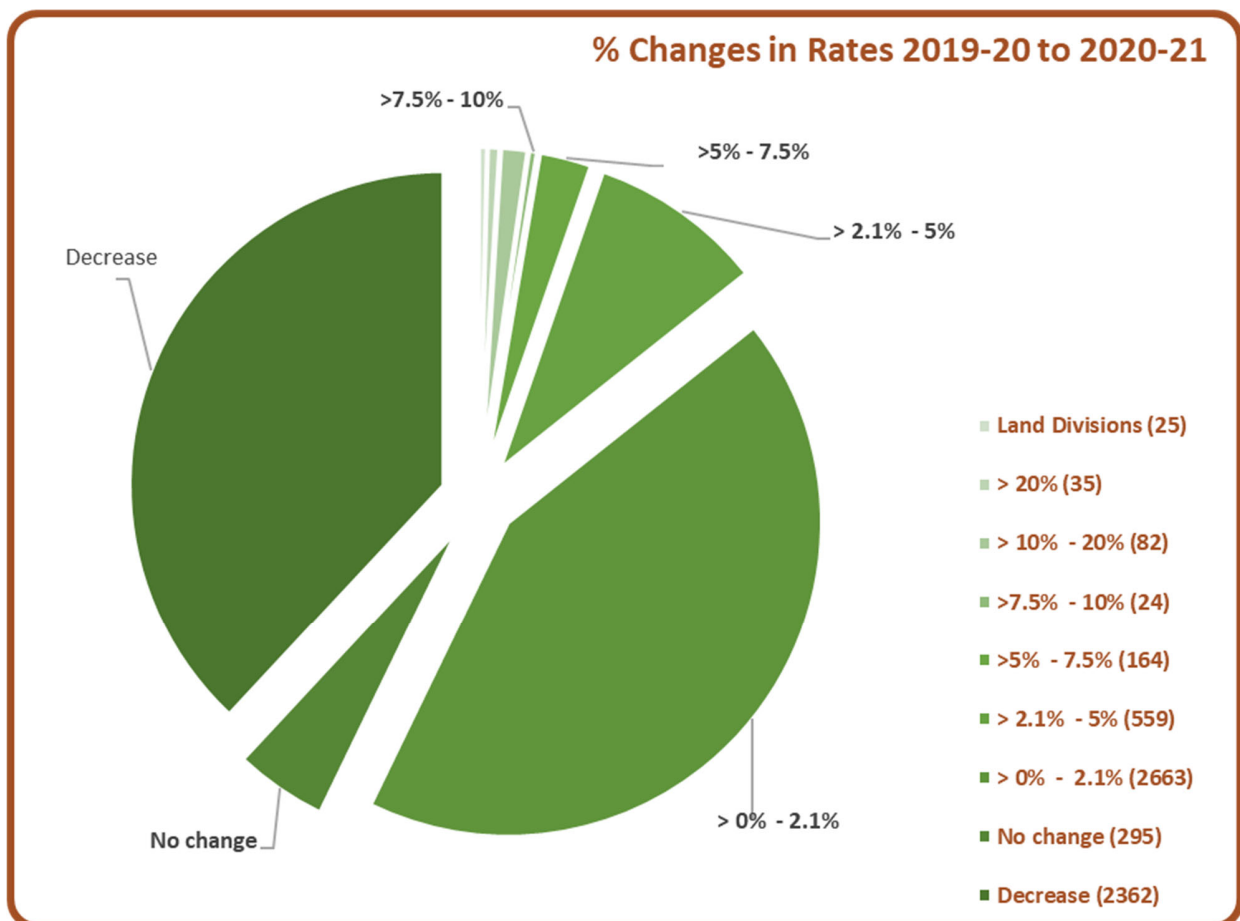
	<b><i>Townships</i></b>	
0.640	Town Centre (Lucindale) Zone	0.613
0.640	Commercial (Lucindale) Zone	0.613
0.640	Township Zone	0.613
0.640	Residential (Lucindale) Zone	0.613
0.640	Recreation (Lucindale) Zone	0.613

Approximately 2,657 (43%) properties will experience no change or a decrease in general rates. Another 2,663 (43%) properties can expect an increase of between 0% and 2.1%.

5,465 (88%) properties will have a general rate increase of less than \$52 for the year, with another 409 (6%) properties having a general rate increase of less than \$100 for the year.

221 or 3.5% of rateable properties receive a rate rebate.

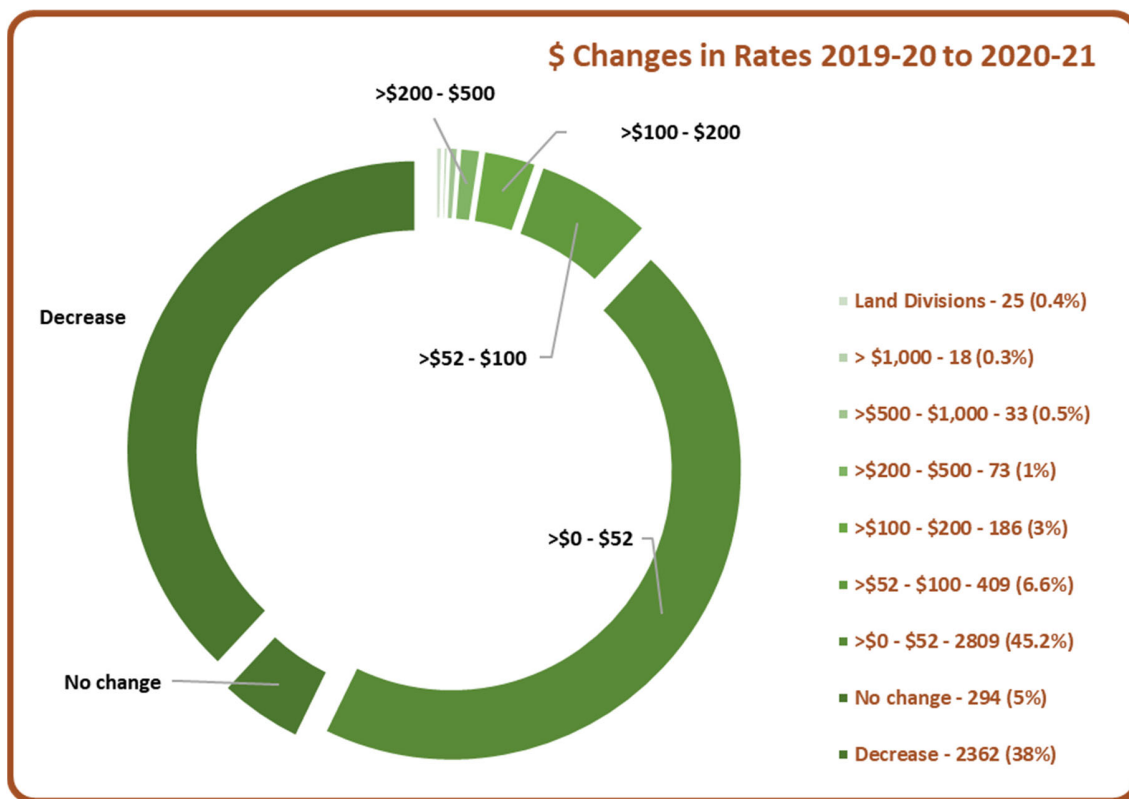
Those properties that have incurred a high increase in rates have generally undertaken capital development (eg. new dwelling), transferred ownership or have resulted as a division of land.





The expected impact on properties is shown below:

Percentage Rate Increase	No of Assessments	% of Total Assessments
Land Divisions	25	0.4%
Greater than 20%	35	0.6%
Greater than 10% to 20%	82	1%
Greater than 7.5% to 10%	24	0.4%
Greater than 5% to 7.5%	164	2.6%
Greater than 2.1% to 5%	559	9%
Greater than 0% to 2.1%	2,663	43%
0% (no change)	295	5%
Decrease	2,362	38%
<b>TOTAL PROPERTIES</b>	<b>6,209</b>	<b>100%</b>



\$ Rate Increase	No of Assessments	% of Total Assessments
Land Divisions	25	0.4%
Greater than \$1,000	18	0.3%
Greater than \$500 to \$1,000	33	0.5%
Greater than \$200 to \$500	73	1%
Greater than \$100 to \$200	186	3%
Greater than \$52 to \$100	409	6.6%
Greater than \$0 to \$52	2,809	45.2%
No Change	294	5%
Decrease	2,362	38%
<b>TOTAL PROPERTIES</b>	<b>6,209</b>	<b>100%</b>

### 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 \$76,825 (including depreciation). Following an investigation and a report by the Local Government Association into CWMS's across the state, Council has recognised that it should maintain funds within a specific CWMS Reserve Fund to fund future replacement of aging 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 assessment of expenditure, income, and expected capital works will be undertaken in 2020/21 to assist in the development of the Lucindale CWMS Asset Management Plan which will provide important information for Council and the Lucindale Community (users and funders of the service).

### 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 \$10 per annum to \$330 per annum per occupied rateable property. The last increase to this charge was 1 July 2017. 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 retain this revenue or determine how the revenue is spent.

The levy is charged per rateable property and indicative values for 2020-21 are:

- |                               |          |
|-------------------------------|----------|
| ○ Residential, Vacant & Other | \$79.60  |
| ○ Commercial                  | \$119.60 |
| ○ Industrial                  | \$184.40 |
| ○ Primary Production          | \$344.45 |

## Public Submissions

The community was invited to provide suggestions and great ideas for Council to consider during budget deliberations by 23 March 2020. The following community requests were received during this period (items highlighted green have been included in the budget; red items are undergoing investigation or will be taken into consideration in future plans for the area): -

- ✓ Lucindale Christmas Street Party (LINC) – annual request
- ✓ Naracoorte Regional Art Gallery – annual contribution
- ✓ Taste the Limestone Coast Festival – annual contribution
- ✓ Christmas Party for Special Children – annual contribution
- ✓ Naracoorte Interchurch – annual contribution
- ✓ Michael Lyons – promotional banners for events at town entrance to town to have a permanent frame to hold them rigid
- ✓ Michael Lyons – sculpture at southern entry to Naracoorte lost in surrounds – Stage 1 of improvements to the southern entry occurred in 2019-20; Stage 2 is scheduled for 2020-21
- ✓ Limestone Coast Prostate Cancer Support Group – financial support (subject to Council resolution)
- X Paul McCarthy – extend walking track from Golf Course Road to McMillan Road – minor improvements to be implemented for safety on the corner of McMillan Road/Riddoch Highway
- X Michael Lyons - consideration be given to encourage a boutique beer maker in town
- X Michael Lyons - old library be used as an information centre for travellers, bringing them into the town.
- X Michael Lyons - caves fun run be scheduled around the town (finishing in town Sq.) for the 5 and 10 km run, with the bike ride out of town to finish also in the town Sq.
- X Arrange to have old railway carriages etc. brought to Naracoorte to help promote the history of rail in the area – this would be a comprehensive project that would require wider community support and planning
- X Two of our coffee shops be given a little more footpath space for their outside ambience – would be considered upon application from the business owners, taking into consideration Council policy
- X Naracoorte Demon's Netball Club – upgrade of netball courts – still under consideration

The following items submitted by Michael Lyons are in relation to private property and outside Council's control:

- Building in Smith Street,(old Red Rooster) next to the Kincaig hotel be used as a wine promotion centre for our regional wines
- Scouts land near the creek is not utilised often enough.
- Look at the possibility of opening the old theatre in Smith St to have movies and use as a museum
- Lights highlighting the churches on the hill until say 10pm
- A "mud map" painted on the wool store wall, opposite McDonalds, to indicate points of interest.
- Arrange to have artistic graffiti on the silo's in the rail yards promoting a local theme.
- Area at the rear of the art gallery and near the creek be used for temporary car/caravan parking (drive through), while visiting the town during the day

The following community requests and comments were received during the legislated period of public consultation, which closed on 23 June 2020 (items highlighted green have been included in the budget; red items are undergoing investigation or will be taken into consideration in future plans for the area): -

- ✓ Naracoorte Lions Club – sponsorship of the 2020 Lions C201C2 District Convention to be held in Naracoorte in October 2020
- X Stand Like Stone - Sponsorship

**The ongoing development of the Naracoorte Lucindale district is a priority of Council,  
with all Councillors committed to a progressive and vibrant community.**

**Council welcomes community involvement in its many and varied projects.**