



DISTRICT COUNCIL OF LOXTON WAIKERIE
ANNUAL BUSINESS PLAN 2023-24



CONTENTS

District Council of Loxton Waikerie Annual Business Plan

COMMUNITY ENGAGEMENT	3
INTRODUCTION	4
YOUR COUNCIL	
Elected Members	8
About the Council and Fast Facts	9
Vision and Values	10
Council Services	11
STRATEGIC DOCUMENTS	12
INFLUENCES, PRIORITIES AND OPPORTUNITIES OF INTEREST	13
CAPITAL WORKS PROGRAM	15
STRATEGIC PROJECTS	18
FUNDING THE ANNUAL BUSINESS PLAN	20
RATES REVENUE	24
BUDGETED FINANCIAL STATEMENTS	29

COMMUNITY ENGAGEMENT

**WEDNESDAY
25 JANUARY 2023**

A 'Community Sentiment Survey' was distributed across multiple communication channels to gather community feedback on the district and Council's activities.

**WEDNESDAY
8 FEBRUARY 2023**

A follow-up 'Community Priorities Survey' was distributed across multiple communication channels to gather community feedback on what Council should prioritise in the upcoming financial year.

**WEDNESDAY
17 MAY 2023**

The 2023-24 Draft Annual Business Plan was released for public consultation.

**THURSDAY
25 MAY 2023**

A formal public meeting to hear community representations on the Draft Annual Business Plan 2023-24 was held at the Loxton Precinct and via Zoom.

**WEDNESDAY
7 JUNE 2023**

The community was invited to make written submissions on the draft plan by close of business (5pm).

**WEDNESDAY
21 JUNE 2023**

A report containing all submissions on the Draft Annual Business Plan 2023-24 was presented to the Council meeting.



INTRODUCTION

Welcome to the Annual Business Plan for the District Council of Loxton Waikerie, where we outline our goals, strategies, and priorities for the upcoming financial year.

In local government, our primary responsibility is to serve our community and provide essential services that enhance the quality of life for our residents. This annual plan is an important tool that enables us to identify and prioritise the initiatives and investments needed to achieve our objectives while being financially responsible.

Our plan reflects the input of our community and stakeholders, as well as the insights of our staff and elected members. It outlines our vision for the future, the actions we will take to achieve our goals, and the performance metrics that will help us measure our progress. This document serves as a roadmap for our organisation and provides a framework for effective decision-making and resource allocation.

In this Annual Business Plan (ABP), we will discuss the key issues facing our community, the initiatives we plan to undertake, and the resources required to achieve our objectives.

We recognise that effective governance requires transparency, accountability, and engagement with our community. Therefore, we encourage our residents, businesses, and stakeholders to provide feedback on our plan and engage with us via council@lwdc.sa.gov.au throughout the year as we work towards achieving our goals.

FROM THE CEO

To our valued community members, I present to you our 2023-24 Annual Business Plan. As we begin this year, I would like to take a moment to reflect on the challenges we have faced as a region in the past year, particularly with the floods that have impacted so many of our residents.

In the face of such adversity, we have been fortunate to receive unwavering support from the State Government and Federal Governments. Their assistance has been invaluable in helping us rebuild and recover from the floods.

Despite the difficult circumstances, I am proud to say that we have remained committed to our mission of providing quality services to our residents. We understand that these services are essential to maintaining a high quality of life for everyone in our community, and we are determined to continue providing them in the most cost-effective way possible.

To that end, we have framed our budget in a high inflation environment, but with a focus on keeping costs down wherever possible. The Council's history of being conservative has allowed us to formalise a budget well below the CPI of 7.9% to protect ratepayers when other expenses are rising rapidly.

I would like to take this opportunity to thank our dedicated staff for their unwavering commitment to our community. Their hard work and dedication have been essential in helping us navigate the challenges of the past year, and I am truly grateful for their efforts.

Looking ahead, we have an ambitious infrastructure program to deliver. This includes both delayed projects that need to be completed as well as new projects to address the changing needs of our community. Our focus will be on the restoration of our roads, recreation areas, and other essential infrastructure to ensure that our community remains vibrant and resilient.

In closing, I would like to express my sincere appreciation to everyone who has contributed to this Annual Business Plan. Together, we have developed a comprehensive roadmap for the future of our community, and I am confident that we will continue to deliver the services and infrastructure that our residents need and deserve.



David Beaton
Chief Executive Officer

FROM THE MAYOR

It is my great pleasure to present to you our Annual Business Plan for the upcoming year. As your Mayor, I would like to extend a warm welcome to our newly elected Council, who are committed to serving our community and addressing the challenges that we face together.

As we begin this new term, it is important to acknowledge the impact that the recent floods have had on our community. We are committed to working closely with all relevant agencies and stakeholders to ensure that our recovery efforts are swift and effective, and that our community

is able to get back on its feet as soon as possible.

We are also mindful of the challenges posed by high inflation and other economic pressures. In light of these challenges, we remain committed to being financially prudent and responsible, while continuing to provide the essential services and infrastructure that our community relies on.

Finally, I would like to welcome feedback from all members of our community. We believe that our Annual Business Plan is a living document, and that it should reflect the needs and priorities of our residents. So please do not hesitate to reach out to us with your ideas and suggestions for how we can continue to serve you better.

Thank you for your ongoing support, and I look forward to working together with you to build a stronger, more resilient, and more prosperous community.



Trevor Norton
Mayor

YOUR COUNCIL



ELECTED MEMBERS

Our Elected Members are responsible for policy making and decisions that impact on our district, community, businesses, and environment.

The roles of our Elected Members are to:

- Participate in the deliberations and civic activities of our Council.
- Keep the Council's objectives and policies under review to ensure appropriateness and effectiveness.
- Keep the Council's resource allocation, expenditure and activities and the efficiency and effectiveness of its service delivery under review.
- Represent the interests of residents and ratepayers, provide community leadership and guidance, and facilitate communication between the community and the Council.



*Trevor Norton
Mayor*



*Cr Clive Matthews
Deputy Mayor*



Cr Sonya Altschwager



Cr Kent Andrew



Cr Craig Ferber



Cr Jody Flavel



Cr Sonia Fowler



Cr Michelle Hill



Cr Ian Light



Cr Gary Pfeiler



Cr Michael Vowles

ABOUT THE COUNCIL

The District Council of Loxton Waikerie is located on the Murray River in the Riverland of South Australia, spanning from the Blanchetown bridge in the west to the Victorian border in the east.

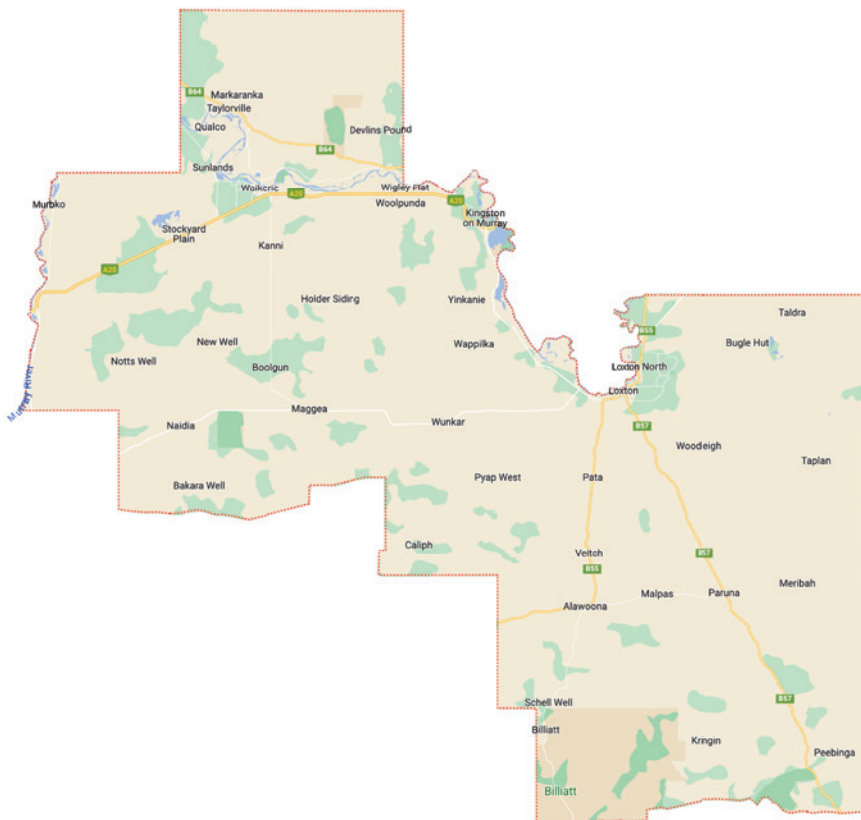
The townships of Loxton and Waikerie are our main service centres and our district also

contains many smaller towns and communities.

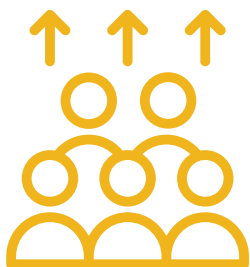
Our main industries include agriculture and horticulture, with the district contributing significantly to the national output of food and beverage. Important value-adding activities also occur locally, with food and beverages

being processed; packaged; stored; and distributed within and from the local area.

Tourism also plays an important part in the mix of our local economy, with an increasing and coordinated effort evident in this sector in recent years.



FAST FACTS



Population - 11,666
2021 Census

Main Towns -
Loxton (3,947)
Waikerie (1,670)



Area - 7,767km²



Road Network -
Sealed (417km)
Unsealed (1,889km)



Rateable Properties -
8,142

VISION AND VALUES

Our Vision

Our vision statement is our inspiration and provides us with purpose, strategic direction, motivation, and purpose.

Influencing today... shaping tomorrow

Our Mission

Our mission aligns with our strategic objectives and indicates how we will achieve our vision. It provides an indication of how we are going to get to where we want to be.

We are committed to:

- Actively enhancing the quality of life of our communities by encouraging health, wellbeing and safety.
- Encouraging and supporting a strong diverse economy that will provide prosperity, growth and employment opportunities for our community.
- Responsibly managing our built and natural environment.
- Providing genuine and accountable leadership that inspires confidence within our community and ensures the responsible management of our resources.
- Being an organisation that has a constructive culture and the capacity to be innovative.
- Effective and efficient delivery of quality services to the community.

Our Core Values

Our core values are the principles, attributes and qualities we hold as important that we will display in the way we go about our business.

We are

GENUINE

Adhering to moral and ethical principles, being honest, accountable, trustworthy and authentic.

We are

UNITED

Working as a team in an inclusive, co-ordinated and collaborative manner to achieve our common goals.

We will aim for

EXCELLENCE

Consistently delivering quality service outcomes and endeavouring to be a high performance organisation.

We will

LISTEN

Communicating as well as engaging the community in an open, honest and constructive manner at all times.

We will be

INNOVATIVE

Seeking out and making use of new ideas and opportunities, showing initiative and being progressive, proactive and creative.

We are

CARING

Showing respect, compassion and empathy and being supportive of each other and our community.

COUNCIL SERVICES

Like all Councils, the District Council of Loxton Waikerie has mandatory responsibilities under the Local Government Act, the Planning, Development and Infrastructure Act, the Public Health Act, the Landscape South Australia Act and other relevant legislation.



Regulatory Activities

- Maintaining the voters' roll
- Property ownership data
- Supporting Elected Members



Finance and Governance

- Setting rates
- Preparing an annual budget
- Determining longer term strategic management plans for our district



Infrastructure Management

- Community buildings, roads and footpaths
- Parks and public open spaces
- Stormwater drainage



Maintenance

- Street cleaning
- Refuse collection
- Recycling



Development

- Development planning and policy
- Building control
- Building fire safety assessment



Environment

- Health standards inspections
- Waste control application assessment
- Dog and cat management
- Bushfire management

Council also delivers a raft of discretionary services which further enhance the health, wellbeing and prosperity of our community.



Community

- Recreation centres and sporting facilities
- Community swimming pools
- Public libraries
- Community funding programs
- Arts and culture



Tourism

- Visitor Information Centres
- Event support
- Online tourism presence



Other

- Community Wastewater Management Systems (CWMS)
- On street parking management to maximise use of kerbside spaces

Council operates several facilities on behalf of the community. These facilities provide important community benefits and include the stand-alone business units of the Loxton Riverfront Holiday Park and the Loxton Retirement Village. It is noted these two business units require no support from rates.

STRATEGIC DOCUMENTS

Council has a number of strategic plans that shape the structure and content of each Annual Business Plan. These are reviewed in development of the ABP, guiding the projects included and ensuring they are prioritised accordingly.

More information on each of Council's strategic documents has been outlined:

ANNUAL BUSINESS PLAN

Council's Annual Business Plans set out our key directions and projects for the coming year, what these projects are aiming to achieve, their cost, and how they will advance the overall strategic direction for our district.

ANNUAL REPORT

The Council must prepare and adopt an annual report relating to the operations of the council for the financial year ending on the preceding 30 June.

STRATEGIC PLAN

LW Future has been developed to provide our community with a clear picture of what Council's strategic direction will be for the next five years. The LW 2020 initiative has set a solid foundation for us to embrace the process and create and drive the implementation of the plan into the future. A relevant and robust plan is a great way to set the context for a proactive and positive approach to the challenges and opportunities ahead.

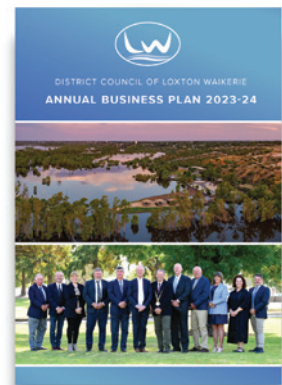
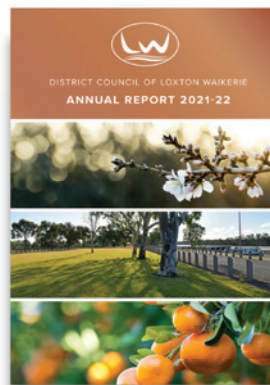
LONG TERM FINANCIAL PLAN

The purpose of a Long Term Financial Plan is to express, in financial terms, the activities Council intends to undertake over the next 10 years to achieve its objectives. It guides the future planning of Council's financial operations in regard to key components such as rate increases, service levels to our community, infrastructure asset replacement/renewal.

OTHER

Alongside the Annual Business Plan, Annual Report, Strategic Plan and Long Term Financial Plan, Council also has other strategic documents that focus on more specific areas. These include:

- Community Land Management Plan (guiding the use of aerodromes, cemeteries, Council buildings, playgrounds & sporting grounds)
- Houseboat Management Plan
- Riverfront Master Plan
- Asset Management Plan



PRIORITIES AND OPPORTUNITIES OF INTEREST

In 2023-24 the Council will continue to work through projects already underway and projects that are prioritised from our strategic management plans and allocations from State or Federal Governments. In addition to this, Council also considers the following priorities and opportunities of interest:

POPULATION GROWTH AND PROSPERITY

Responding to our objectives of promoting economic activity and growing our population, the Annual Business Plan allocates funds to the following strategic activities:

Regional Development Australia Murraylands Riverland (RDAMR)	\$57,000
Loxton Chamber of Commerce	\$16,000
Riverland West Chamber of Commerce	\$16,000
Destination Riverland	\$57,775

TOURISM SUPPORT AND DEVELOPMENT

Tourism will continue to be a focus for Council during 2023-24. Council works closely with Destination Riverland and the South Australian Tourism Commission to promote the region, and will look for opportunities to leverage from the new and improved tourism website.

COMMUNITY DEVELOPMENT AND WELLBEING

Council will continue its investment to support community organisations during 2023-24 at a figure of \$250,000. Included within this amount are the funding of various events and projects. An approved list can be found on Council's website, lwdc.sa.gov.au.



INFLUENCES

Several significant factors have influenced the preparation of Council's Annual Business Plan and Budget 2023/24.

FINANCIAL PRESSURES

Financial factors have influenced the preparation of the Annual Business Plan including:

- Increase in the Consumer Price Index (CPI) of 7.9% for the year ending March 2023 (Adelaide all groups).
- Increases in public liability and property insurance and electricity supply expenses.
- A provision for an increase in salaries and wages in accordance with the relevant Enterprise Bargaining Agreements.

PROJECT DELIVERY IMPACTS

In developing this plan, Council acknowledges that ongoing shortage of trades, increased pricing and shortages of materials may impact the projected costs and delivery schedules of projects.

SUSTAINABLE ASSET MANAGEMENT

The requirement to maintain and improve ageing infrastructure assets to acceptable standards, including roads, footpaths, stormwater drainage, street trees, open space and Council properties is a key priority and responsibility. One of the greatest challenges for Council is maintaining its large asset base and prioritising capital works programs and determining what it can afford.

LONG TERM SUSTAINABILITY

Council needs to meet its current obligations without leaving a significant financial impost for future generations. Council is committed to being more efficient in its operations to ensure it is delivering the most important services to the community. Where possible council will identify cost savings and efficiencies to reduce increases in its operational expenditure.

MURRAY RIVER FLOODS

The past year has been especially busy for Council as the 2022-23 Murray River Floods required extensive time and resources to prepare for, and then begin the recovery process. The impact of the floods will continue into 2023-24, with flood recovery adding additional pressure to Council staff and contractors. Council will continue to focus on the recovery of roads, riverfronts, and infrastructure in an effort to bring the district back to where it was, with improvement.

Residents across the district were affected in varying degrees, and Council has included further rate relief for the Paisley area and other flood-affected properties where the residences may have been inundated with water and unliveable or entirely surrounded by flood water.

CAPITAL WORKS PROGRAM



CAPITAL WORKS PROGRAM

The District Council of Loxton Waikerie is responsible for a large portfolio of assets with a current value of approximately \$216m.

In determining its capital works program Council has been mindful of the need to maintain and renew current assets. The proposed capital renewal program is \$7.934m, whilst the proposed new and upgraded assets capital projects total \$8.702m. The following table lists the capital works program for 2023-24.

Project Name	Budget (\$)	New or Renewal	Comment
Loxton Library & Visitor Information Centre - Stage 2	3,207,500	N	Build a new Loxton Library, Visitor Information & Cultural Centre in the heritage listed former Institute building. Includes demolition of old library to allow for new toilet. Project totals \$7.2m over two financial years.
Roads - Re-sheeting	2,701,230	R	Resheeting as per council approved work program.
Billiat Road - Stage 1 & 2	1,701,000	R	Multi-stage projects including road shoulder reconstruction, widening and resealing to accommodate GML Road Train and oversized traffic on Billiat Road. Stage 1 of 3 - \$810k, stage 2 of 3 - \$892k.
Riverfront Improvements - Constraints Group Funding	1,500,000	R	The Constraints Measures Project will allow Council to upgrade several riverfront facilities and infrastructure. The facilities may still be impacted and possibly closed during high rivers, but they won't be adversely affected and will be constructed to cater for more frequent high river events.
Plant	1,391,613	R & N	Replacement of various plant and fleet items.
Loxton Retirement Village Unit Refurbishment	695,704	R	General refurbishment and changeover refurbishment of units within the Loxton Retirement Village.
Road Sealing & Resealing	482,000	R	Sealing & resealing road network as per council approved work program.
CWMS Replacement of LX 9	250,000	R	Replace CWMS pump station LX9 located on Luther Road.
Replacement Kerbs and Footpaths	200,000	R	Replacement program for 2023-24 will be based on outcomes from the Road/Footpath Condition Audit.
Loxton Swimming Pool Covers	110,000	N	New thermal pool covers, pool buddy and under bench rollers for the Loxton Swimming Pool.
Loxton Oval - Playground	100,000	N	New playground at the Loxton oval.
Paruna Toilet Block	100,000	R	Demolition of existing and construction of a new amenities block.
Playground Equipment	60,000	R	Removal and Replacement of existing playground equipment as per the playground audit.
IT Upgrades	60,000	R	Upgrade of servers, hardware, improve cyber security and update IT assets.

CAPITAL WORKS PROGRAM

Project Name	Budget (\$)	New or Renewal	Comment
White Street Retaining Wall Stormwater	58,683	R	Refurbishment of the White Street retaining wall to mitigate stormwater issues. Inclusive of spoon drain and surge grate installation.
East Terrace Protuberances - Post office	49,310	N	Elevating pram ramps, kerbing modification, irrigation (if possible), and garden beds.
Loxton North Playground Equipment	45,020	N	Installation of new playground equipment at the Loxton North Sporting Precinct.
Keith Payne Court Stormwater Basin	40,380	R	Expansion of the Keith Payne Court Stormwater Basin to increase capacity and address flooding concerns from rainfall.
Starcevich Road Stormwater Basin	40,362	R	Expansion of the Starcevich Road Stormwater Basin, works to increase capacity and address flooding concerns from rainfall.
Authority Upgrades	30,000	N	Continued development of Council's Corporate Software.
Waikerie District Historical Society – Building access to 'The Old Council Chamber'	25,000	R	Improve access to the building and install ramp.
Federation Park Retaining Wall	22,494	N	Refurbishment of retaining wall at Federation Park retaining to stop erosion.
Christmas Trees for Waikerie	22,000	N	Three new spiral Christmas Trees for Waikerie, including decorations, presentation box and sign writing.
Pram Ramps	20,000	R	Continued budget for pram ramps in the district.
Christmas Wreaths for Waikerie	16,140	R	Twelve new double-sided Christmas wreaths to install on outstanding poles in Waikerie.
Waikerie Playground Edging	10,000	N	Installation of Softfall edging around all playgrounds at Waikerie.
Christmas Wonderland Seating	10,000	N	Installation of two table and chair settings in the new lawn section of Christmas Wonderland.
Waikerie Planter Boxes	10,000	N	Installation of planter boxes to beautify McCoy Street.
Waikerie Cemetery Seating	10,000	N	New seating to be installed at the Waikerie Cemetery and Gazebo.
Loxton Precinct Carpark	10,000	N	Design carpark area for vacant land at Precinct.
Welcome to Loxton Entrance Wall	7,000	N	Welcome to Loxton Wall located on Bookpurnong Road.
Waikerie Community Sports Centre Coffee Machine	6,000	N	Purchase of a commercial coffee machine for the Waikerie Community Sports Centre.
White Street Retaining Wall - Southern End	5,556	R	Repairs to damaged retaining wall at the southern end for White Street, including new sleepers, and bollards with reflectors.

STRATEGIC PROJECTS



STRATEGIC PROJECTS

In 2023-24, Council will invest \$145,364 into strategic projects. These projects are considered 'one-off' and are funded through operating expenditure of Council.

Project Name	Budget (\$)	New or Renewal	Comment
SANFL - West Adelaide v Port Adelaide	40,000	R	Work with West Adelaide to bring a SANFL game to Council District.
Local History Officer	39,000	R	Continue employing Local History Officer to continue participation in the state-wide digitisation project for DCLW.
Loxton Roundabout Beautification	20,362	R	Beautification of Loxton Roundabout.
Disability Access and Inclusion plan actions	20,000	R	Complete actions from the Disability Access and Inclusion plan.
Beautification of Waikerie's three town entrances	10,000	R	Engage landscape designer to create concept drawings for the beautification of Waikerie's three town entrances.
Website Re-Design	6,300	N	Redesign Council's website to improve navigation, highlight important pages, and achieve a modern look.
Replacing Flood Level Marker at the Waikerie Riverfront	5,592	R	Install new flood level marker at the Waikerie Riverfront.
Waikerie Library & Visitor Centre – Wi-Fi	4,110	N	Enhance Wi-Fi access for customers throughout Centre for easier access.

POST CONSULTATION ADDITIONAL PROJECT

Project Name	Budget (\$)	New or Renewal	Comment
Waikerie Community Hub	3,180,000	N	Build a new Waikerie Community Hub at the Waikerie Football Oval, as per Special Council Meeting resolution, held 7 July 2023.

Following the endorsement of the 2023/2024 Annual Business Plan at the Council Meeting held Wednesday 21 June, a Special Council Meeting was requested to discuss the finalised costings for the Waikerie Football Club development, the 'Waikerie Community Hub'.

At the meeting held Friday 7 July 2023, Elected Members unanimously voted in favour of the project, moving it to be incorporated into the 2023/2024 budget and Annual Business Plan.

FUNDING THE ANNUAL BUSINESS PLAN



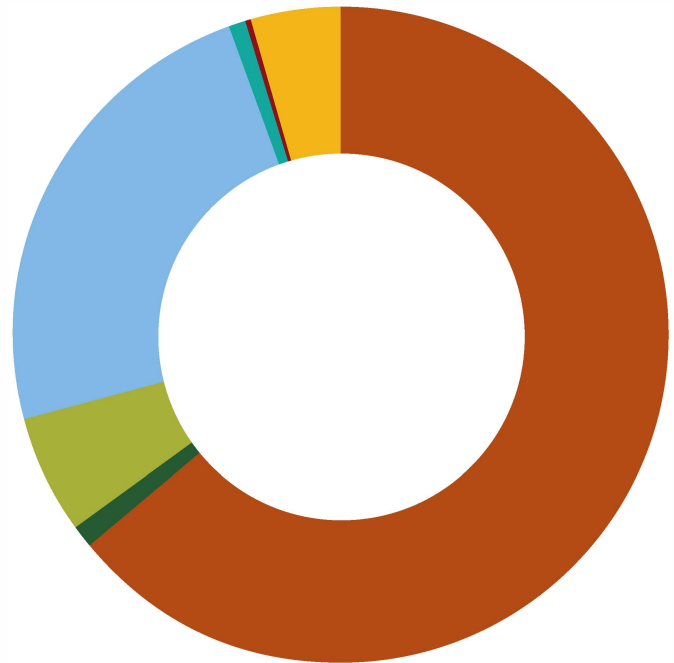
FUNDING THE ANNUAL BUSINESS PLAN

The 2023-24 budget forecasts an operating surplus of \$40,000. The operating surplus measures the difference between operating revenue and expenses for the financial year. Our long-term financial sustainability is dependent on ensuring that over time, our expenses are (on average) less than our revenue and a target of better than breakeven is strived for.

Income

INCOME	\$'000
Rates Revenue	\$14,994
Statutory Charges	\$249
User Charges	\$1,369
Grants, Subsidies and Contributions	\$5,528
Investment Income	\$196
Reimbursements	\$80
Other Income	\$972
Total Income	\$23,388

- Rates Revenue 64.1%
- Statutory Charges 1.1%
- User Charges 5.9%
- Grant's Subsidies and Contributions 23.6%
- Investment Income 0.8%
- Reimbursements 0.3%
- Other Income 4.2%



RATES

Our rate revenue includes general rates and separate charges for Community Waste Management System (CWMS), Kerbside Waste Collection and Regional Landscape Levy.

USER CHARGES

These comprise charges for our fee-based facilities such as: Loxton Retirement Village, cemeteries, waste transfer stations, sundry sales and hall hire.

GRANTS AND PARTNERSHIPS

Each year Council receives significant contributions from Commonwealth Financial Assistance Grants which are administered and distributed by the South Australian Local Government Grants Commission. In addition, Council seek to attract as much external grant funding as possible from other levels of government, and major projects of wider state benefit are usually jointly funded in partnership with the State Government and other relevant parties.

STATUTORY CHARGES

These are fees and charges for services set by regulation and collected by us for functions including: Planning Development and Infrastructure Act applications, rate searches, animal registration and fines, parking fines and expiation fees, health fines, environment control fines, litter control fines, waste control system fees and other licence fee/fines.

Expenditure

EXPENDITURE	\$'000
Employee Costs	\$7,431
Materials, Contracts and Other	\$8,894
Finance Costs	\$21
Depreciation	\$7,002
Total Expenditure	\$23,348

- Employee Costs 31.8%
- Materials, Contracts and Other 38.1%
- Finance Costs 0.1%
- Depreciation 30.0%



EMPLOYEE COSTS

Employees are responsible for the provision of Council's services including ongoing maintenance of open spaces. Employee costs are proposed to increase by \$524,000 in the upcoming financial year as a result of increases from Enterprise Bargaining Agreements, increases to the Superannuation Guarantee Contribution, and a difference in allocation between capital and operating for 2023-24.

MATERIALS, CONTRACTS AND OTHER

Council's 'Materials, Contractors and Other' budget includes physical goods, purchases for consumables, utility payments, building costs, repairs and maintenance. Services are provided by external providers and Council uses contractors to assist in the provision of major services such as waste collection.

FINANCE COSTS

Finance costs include costs, interest and other charges associated with Council's borrowings. Council has minimal

borrowings, with all current loans taken on behalf of community groups. Council's 2023-24 annual business plan will be funded from grant funding and existing financial capacity without the need for borrowing.

DEPRECIATION

Depreciation forms a significant portion of Council's operating expenditure. Depreciation is an accounting treatment used to allocate the costs of an asset over its useful life. It represents how much of an asset's value has been used.

Capital Revenue

CAPITAL GRANTS AND CONTRIBUTIONS

Council has incorporated \$3.342m in capital grants and contributions towards new capital works planned in 2023-24.

Impacts on Council’s Financial Position

To assist Council in meeting its objective of financial sustainability a series of financial indicators are endorsed by the Local Government Association. The below table outlines the adopted key financial indicators and adopted targets.

Key financial ratios are forecast to be within their targeted ranges for the 2023-24 year.

The Operating Surplus Ratio is the operating surplus/(deficit)

expressed as a percentage of general and other rates, net of rate rebates and revenues from the Regional Landscape Levy.

Net financial liabilities are a key indicator of the Council’s financial position. It measures total liabilities less financial assets (i.e., what the Council owes to others, less money the Council has or is owed).

The asset renewal Funding Ratio is defined as net capital

expenditures on the renewal and replacement of existing assets and excludes new capital expenditure on the acquisition of additional assets. This ratio indicates whether the Council is renewing or replacing existing assets at the rate of consumption. Council’s long-term target of 100% ensures that Council aims to invest adequately in maintaining its asset base.

KEY FINANCIAL INDICATOR	ADOPTED TARGETS	2023-24 BUDGET	2022-23 ADOPTED BUDGET (UNDERLYING)
Operating Surplus Ratio	0%	0.27%	(0.06%)
Net Financial Liabilities Ratio	0-100%	40%	36%
Asset Sustainability Ratio	90-110%	150%	127%

RATES IN 2023-2024

In setting the rates for the 2023-24 financial year Council considered the need to keep rate increases below inflation whilst also considering the implementation of the following plans and issues:

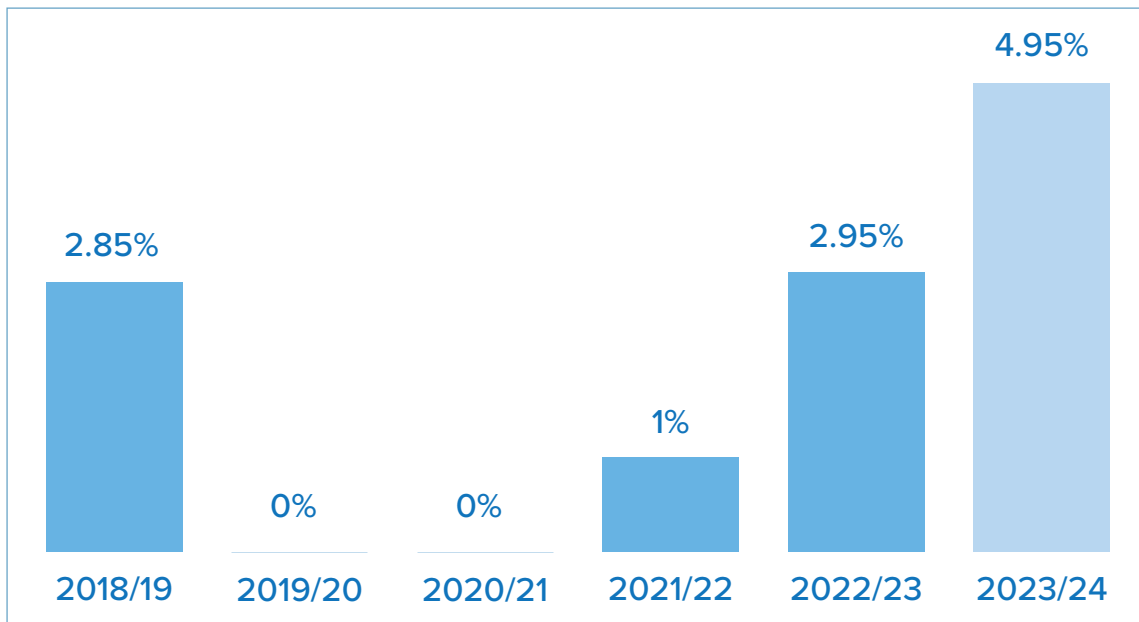
- Strategic Management Plan
- Long Term Financial Plan
- Asset Management Plans
- Resources required to deliver Council services
- Changes in valuation
- Increased use of 'User Pays' cost recovery systems

Council has adopted a 4.95% general and fixed charge increase for the 2023-24 year. The actual increase payable by any individual ratepayer may be more or less than this, depending on the movement in the capital value of their property (relative to the average).

Council is aware of the impact rate increases have on the community. To help minimise the increase, Council's separate

service charges for CWMS and kerbside waste collection and disposal will not increase for 2023-24.

General rates raised in 2023-24 will be \$11.39m. This equates to 49% of Council's operating revenue.



Method used to Value Land

Council uses capital value as the basis for valuing land within the council area. Council considers that this method of valuing land provides the fairest method

of distributing the rate burden across all ratepayers because property value is a relatively good indicator of wealth and capital value, which closely

approximates the market value of a property and provides the best indicator of overall property value.

Capital Valuation Movements

Proposed capital values across the whole district for 2023-24 have increased by \$291.435 million (10.56%) from last year.

Split by land use category values have changed as follows:

LAND USE CATEGORY	VALUATION 2022-23 (\$)	VALUATION 2023-24 (\$)	VALUATION MOVEMENT (\$)	VALUATION MOVEMENT (%)
Residential	1,248,086,500	1,410,533,500	162,467,000	13.02
Commercial	95,143,320	100,887,840	5,744,520	6.04
Industrial	36,303,400	41,307,640	5,004,240	13.78
Primary Production	1,268,819,600	1,377,010,300	108,190,700	8.53
Vacant Land	53,632,000	58,700,040	5,068,040	9.45
Others	58,034,700	62,995,520	4,960,820	8.55
TOTAL	2,760,019,520	3,051,454,840	291,435,320	10.56

The following table depicts average valuations for properties across the district and their respective increases in rates compared against the prior year.

These figures are exclusive of Waste Management and CWMS service charges:

WITHIN TOWNSHIPS

LAND USE	YEAR	AVERAGE VALUATION (\$)	NUMBER OF PROPERTIES	AVERAGE RATES (\$)	AVERAGE INCREASE (\$)	AVERAGE INCREASE (%)
Residential	2022-23	235,303	2,549	1,152	57	4.95
	2023-24	267,910	2,554	1,209		
Commercial	2022-23	226,166	278	1,500	74	4.95
	2023-24	245,543	280	1,574		
Industrial	2022-23	289,002	47	1,536	76	4.95
	2023-24	324,079	50	1,612		
Primary Production	2022-23	138,666	3	1,094	54	4.95
	2023-24	150,333	3	1,148		
Vacant Land	2022-23	109,804	87	720	35	4.95
	2023-24	128,954	87	755		
Other	2022-23	158,211	70	1,240	61	4.95
	2023-24	192,562	65	1,301		

OUTSIDE TOWNSHIPS

LAND USE	YEAR	AVERAGE VALUATION (\$)	NUMBER OF PROPERTIES	AVERAGE RATES (\$)	AVERAGE INCREASE (\$)	AVERAGE INCREASE (%)
Residential	2022-23	294,568	2,111	1,281	63	4.95
	2023-24	329,659	2,137	1,344		
Commercial	2022-23	234,593	95	1,585	78	4.95
	2023-24	268,661	90	1,663		
Industrial	2022-23	303,531	47	1,780	88	4.95
	2023-24	357,949	49	1,868		
Primary Production	2022-23	582,708	2,162	1,929	95	4.95
	2023-24	630,748	2,168	2,024		
Vacant Land	2022-23	97,932	515	650	32	4.95
	2023-24	106,033	504	682		
Other	2022-23	36,570	176	479	24	4.95
	2023-24	39,190	180	503		

*Figures utilised were the valuations of the Valuer-General available to Council as at 10 June 2024. Average valuation has been calculated by dividing the total capital value for land use by the number of properties.

Rating Methodology

Council is proposing to utilise differential rating according to the land use and locality of the property, pursuant to the Local Government Act 1999 s156(1)(c) together with a fixed charge component on properties within the council area.

DIFFERENTIAL RATES

In applying differential general rates Council has considered and is satisfied that the rating system addresses the issue of consistency and comparability across all areas, particularly as it relates to the various sectors of the business and wider community. This satisfies the requirements of the Local Government Act 1999 s153(2).

Differential general rates will apply to all rateable land within the area based upon the capital value of the land varied by reference to the locality and use of the land. Differential general rates imposed by Council are separate and distinct from service charges imposed for the CWMS and Waste Management. Details of service charges are provided

further in this document. For the 2023-24 year, Council is proposing to raise differential general rate revenue of \$8.819m. The following tables show the proportion of differential general rates raised by category of land use and location.

PROPORTION OF GENERAL RATES RAISED (DIFFERENTIAL/FIXED CHARGE)

	2022-23	% OF TOTAL GENERAL RATE	2023-24	% OF TOTAL GENERAL RATE
Differential	8,385	77.3	8,812	77.3
Fixed Charge	2,457	22.7	2,579	22.7
Total	10,842	100	11,391	100

FIXED CHARGE

The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) only one fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if they are owned by the same owner and occupied by the

same occupier. The reasons for imposing a fixed charge is the Council considers it appropriate that all rateable properties contribute to the cost of creating and maintaining the physical infrastructure that supports each property.

Council proposes a fixed charge of \$367. Expected revenue to be raised by the fixed charge component is \$2.579 million. The proposed fixed charge, revenue generated, and percentages of total general rates are shown compared against the 2022-23 year as above.

SERVICE CHARGES

A total of \$3.889m is proposed to be raised from separate rates (The Regional Landscape Levy, CWMS, Kerbside Waste Collection).

COMMUNITY WASTE MANAGEMENT SYSTEM SERVICE CHARGE

A total of \$1.817m will be raised as a CWMS service charge to cover the operation, maintenance, and renewal of Council's respective community wastewater management systems across the district.

CWMS service charges will be \$534 for occupied connections within the Loxton and Waikerie townships and \$514 for vacant land connections.

Similarly, CWMS service charges will be \$470 for occupied connections within the Moorook and Kingston on Murray townships (\$450 for vacant land connections).

WASTE SERVICE CHARGE

A total amount of \$1.524m will be raised as a waste service charge to cover the cost of providing this service.

To cover collection and disposal Kerbside Waste Management service charges will be as follows:

- 3 bin collection - \$318 per collection
- 2 bin collection - \$250 per collection
- Retirement village's collection - \$212 per collection

REGIONAL LANDSCAPE LEVY

The Landscape South Australia Act 2019 requires Council to collect a levy on all rateable properties within its area on behalf of the Murraylands and Riverland Landscape Region. The Act further provides a range of options as the basis for calculating the regional levy. Based on the principles

established by the Board, the value of rateable land was used to determine the regional levy.

For the 2023-24 financial year the Council is required to collect, on behalf of the Murraylands and Riverland Landscape Region an amount of \$547,804 (a 7.49% increase on 2022-23).

Council recovers this amount as a separate rate based on the capital value of all rateable land within the Council area along with a cap of \$100 for such rateable land.

RATE REBATE

Council has determined that rebates of rates will be granted when the applicant satisfies the requirements for mandatory rebates under the Local Government Act ss159 to 165. Applications for discretionary rebates lodged under s166 of the Act will be considered under Council's Rate Rebate Policy and assessed against guidelines prepared by the Local Government Financial Management Group.

The Act acknowledges that there are particular land uses that are economically disadvantaged and provide local community benefit and therefore must be offered rate relief in order to be sustainable. Some rebates under the Act are applied as a mandatory requirement however further discretionary provisions allow for Council to determine whether other desirable land uses may be offered rate relief.

Each year we develop a Rate Rebate Policy which provides the full details regarding rate rebates permissible under the Act. This policy document supports our Strategic Rating Policy. The purpose of granting discretionary rebates is to assist organisations to maintain their facilities which are predominantly on Council land.

BUDGETED FINANCIAL STATEMENTS



STATEMENT OF COMPREHENSIVE INCOME

(Year ending 30 June 2024)

	2023-24 ADOPTED BUDGET \$'000	2022-23 ADOPTED BUDGET \$'000	2021-22 AUDITED ACTUAL \$'000	NOTE
INCOME				
Rates	14,994	14,492	13,953	1
Statutory charges	249	286	382	
User charges	1,369	1,316	1,248	2
Grants, subsidies, and contributions	5,528	4,460	7,720	3
Investment income	196	71	59	
Reimbursements	80	120	162	4
Other income	972	963	1,160	
Total Income	23,388	21,708	24,685	
EXPENSES				
Employee costs	7,431	6,907	6,005	5
Material, contracts, and other expenses	8,894	9,392	9,044	6
Finance costs	21	22	17	
Depreciation, amortisation, and impairment	7,002	6,568	6,734	7
Total Expenses	23,348	22,889	21,800	
OPERATING SURPLUS (DEFICIT)	40	(1,181)	2,884	8
Asset disposal and fair value adjustment	0	0	(542)	
Amounts received specifically for new or upgraded assets	5,842	4,608	3,172	9
NET SURPLUS	5,882	3,427	5,514	
UNDERLYING OPERATING SURPLUS/(DEFICIT)				
Operating Surplus	0	(1,181)	0	
Grants, subsidies, and contributions	0	1,190	0	
UNDERLYING NET SURPLUS	0	9	0	

STATEMENT OF COMPREHENSIVE INCOME NOTES

1.
 - a. A 4.95% increase in general rates is proposed for 2023-24.
 - b. Council is legally obligated to levy ratepayers on behalf of the Department for Environment and Water and then remit that amount back to the Department. Council has been informed that it will be required to collect, on behalf of the Murraylands and Riverland Regional Landscape Board an amount of \$547,804 in 2023-24. This is a 7.49% increase on 2022-23.
 - c. No increase in CWMS and Kerbside waste service charge is proposed in 2023-24.
2. User charges are proposed to increase by \$40,000 from the 2022-23 financial year.
3. Grant income is projected to increase by \$1.068m from 2022-23. The contributing factor behind this is advance prepayment of Council's Federal Grant Assistance payment received in 2021-2022 and not 2022-2023.
4. Reimbursements are proposed to decrease by \$40,000 from the 2022-23 financial year. This is due to the High Rate Algal Pond (HRAP) Project with the University of SA now completed.
5. Employee costs are proposed to increase by \$524,000 over 2022-23. Salaries and wages will increase in accordance with the relevant Enterprise Bargaining Agreements. The Superannuation guarantee will also increase from 10.5% to 11%. Council's overall Full Time Equivalents will be 83.52.
6. Materials, contractors, and other expenses are proposed to decrease by \$509,000 This is largely driven by a decrease in grant funding projects
7. Depreciation expense is proposed at an amount of \$7 002m, an increase of \$434,000 from the 2022-23 financial year
8. An operating surplus of \$40,000 is forecast for 2023-24
9. This amount is representative of grant funding proposed for new capital projects and capital contributions

STATEMENT OF FINANCIAL POSITION

(Year ending 30 June 2024)

	2023-24 ADOPTED BUDGET \$'000	2022-23 ADOPTED BUDGET \$'000	2021-22 AUDITED ACTUAL \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	3,781	7,423	12,522
Trade and other receivables	1,612	1,500	1,650
Inventories	60	55	57
Total Current Assets	5,453	8,978	14,184
Non-Current Assets			
Financial assets	1,474	271	498
Investment property	18,500	17,500	15,185
Infrastructure, property, plant and equipment	234,357	224,629	216,107
Other non-current assets	14,500	12,500	13,724
Total Non-Current Assets	269,231	254,900	245,514
TOTAL ASSETS	274,284	263,878	259,698
LIABILITIES			
Current Liabilities			
Trade and other payables	14,110	14,850	13,756
Borrowings	1,770	1,650	1,776
Provisions	15	15	15
Total Current Liabilities	15,895	16,515	15,547
Non-Current Liabilities			
Borrowings	125	150	135
Provisions	224	240	240
Total Non-Current Liabilities	349	390	375
TOTAL LIABILITIES	16,244	16,905	15,922
NET ASSETS	258,040	246,973	243,776
EQUITY			
Accumulated Surplus	108,020	102,854	92,864
Asset revaluation reserve	149,200	143,256	149,200
Other reserves	820	863	1,712
TOTAL EQUITY	258,040	246,973	243,776

STATEMENT OF CASH FLOWS

(Year ending 30 June 2024)

	2023-24 ADOPTED BUDGET \$'000	2022-23 ADOPTED BUDGET \$'000	2021-22 AUDITED ACTUAL \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates - general and other	14,660	14,213	13,836
Fees and other charges	249	286	382
User charges	1,297	1,266	1,248
Investment receipts	196	71	59
Grants utilised for operating purposes	5,528	4,460	7,720
Reimbursements	80	120	162
Other revenues	968	963	2,531
Payments			
Employee costs	(7,267)	(6,740)	(5,919)
Materials, contracts and other expenses	(8,579)	(8,998)	(9,807)
Finance payments	(6)	(7)	(7)
Net cash provided by (or used in) Operating Activities	7,126	5,634	10,205
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets	4,842	4,479	3,172
Sale of replaced assets	424	362	342
Sale of surplus assets			128
Repayment of loans by community groups	11	16	20
Payments			
Expenditure on renewal/replacement of assets	(7,424)	(7,592)	(2,981)
Expenditure on new/upgraded assets	(8,452)	(8,467)	(10,923)
Purchase of investment property			(342)
Loans made by community groups			
Net cash provided by (or used in) Investing Activities	(10,599)	(11,139)	(10,584)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from bonds and deposits		-	33
Proceeds from aged care facility deposits	300	2,300	1,054
Payments			
Repayment of borrowings	(16)	(15)	(15)
Repayment of aged care facility deposits	(280)	(280)	(757)
Net cash provided by (or used in) Financial Activities	4	2,005	315
Net increase (decrease) in cash held	(3,469)	(3,450)	(64)
Cash and cash equivalents at beginning of period	7,250	10,923	12,586
Cash and cash equivalents at end of period	3,781	7,423	12,522

STATEMENT OF CHANGES IN EQUITY

(Year ending 30 June 2024)

	2023-24 ADOPTED BUDGET \$'000	2022-23 ADOPTED BUDGET \$'000	2021-22 AUDITED ACTUAL \$'000
ACCUMULATED SURPLUS			
Balance at end of previous reporting period	101,889	98,785	87,557
Net surplus for year	5,881	3,427	5,514
Transfers between reserves	250	642	(207)
Balance at end of period	108,020	102,854	92,864
ASSET REVALUATION RESERVE			
Balance at end of previous reporting period	149,200	143,256	143,256
Additional revaluations		-	5,944
Balance at end of period	149,200	143,256	149,200
OTHER RESERVES			
Balance at end of previous reporting period	1070	1,505	1,505
Transfers between reserves	(250)	(642)	207
Balance at end of period	820	863	1,712
Total reserve balances	150,020	144,119	150,912
TOTAL EQUITY AT END OF REPORTING PERIOD	258,040	246,973	243,776

PRESENTATION OF FINANCES

(Year ending 30 June 2024)

	2023-24 ADOPTED BUDGET \$'000	2022-23 ADOPTED BUDGET \$'000	2021-22 AUDITED ACTUAL \$'000	NOTE
OPERATING ACTIVITIES				
Operating Income	23,388	21,708	24,684	1
<i>less</i> Operating expenses	23,348	22,889	21,800	2
Operating Surplus/deficit	40	(1,181)	2,884	3
CAPITAL ACTIVITIES				
Capital exp. on renewal and replacement of existing assets	7,934	7,862	3,323	4
<i>less</i> Depreciation, amortisation and impairment	7,002	6,568	6,734	
<i>less</i> Proceeds from sale of replaced assets	424	362	342	
Net Outlays on Existing Assets	508	932	3,753	5
NET OUTLAYS ON NEW AND EXISTING ASSETS				
Capital expenditure on new and upgraded assets	8,702	9,066	10,923	6
<i>less</i> Amounts received for new and upgraded assets	5,842	4,608	3,172	
<i>less</i> Proceeds from sale of surplus assets			128	
	2,860	4,458	7,623	7
Net Lending/(Borrowing) for Financial Year	(3,328)	(6,572)	(986)	8

PRESENTATION OF FINANCE NOTES

1. Income available for delivery of services includes all grants except those received specifically for new or upgraded assets.
2. Cost of services, including depreciation expense.
3. Extent to which income is sufficient or insufficient to fund the cost of services. Operating surplus / (deficit) is the key measure of a Council's financial performance.
4. Expenditure which returns the service potential of existing assets to original condition.
5. Consistent negative outlays on existing assets indicates that, overall, existing assets may be deteriorating at a greater rate than expenditure on their renewal or replacement.
6. Expenditure to acquire new assets or upgrade existing assets to provide expanded, or a higher level of service.
7. Net cost of acquiring or upgrading assets.
8. Net lending reduces a Council's accumulated level of net financial liabilities. Net borrowing adds to the level of net financial liabilities. Net financial liabilities are the key measure of a Council's financial position and are calculated by deducting financial assets from its total liabilities.