



Business Plan 2023/2024

Adopted 2 June 2023



District Council of
**ORROROO
CARRIETON**

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Our District

A clean living experience founded on Agriculture

Situated in the Mid North of South Australia at the base of the spectacular Flinders Ranges, Orroroo is a historic service centre town that retains much of its 1880's village charm. It is situated approximately three hours' drive north of Adelaide and one hour to the east of Port Augusta, ideally located at the intersection of two major road transport routes from the Eastern States and the Northern Territory and Western Australia. The district is also home to smaller communities including Carrieton, Morchard, Pekina and Black Rock.

Prior to non-Indigenous settlement, Orroroo was the home of the Ngadjuri people whose domain was the area to the east of the Flinders Ranges. The first settlers, John and James Chambers arrived in 1844, when they took up the 'Pekina Run' pastoral property that covered 320 square miles. The name 'Orroroo' was first used by an early pioneer, Charlie Easter, who conducted a nearby coaching house which served travelers on the Burra-Blinman track. The true meaning of the word is uncertain with a variety of interpretations possible. This name was officially given in 1875 by the famous South Australian surveyor-general, George Goyder in 1875 when the town was first surveyed.

The first land sales occurred in 1876. The town was granted its own local council, the District Council of Orroroo, in 1887. The town was connected by the Peterborough-Quorn railway line to Peterborough and Quorn in 1881 and rail services continued to 1987. An early irrigation scheme was formed after damming the Pekina Creek and creating the Pekina Reservoir. Water from here was supplied to over 50 dairy farms. Orroroo had its own flour mill, several bakeries, carriage manufacturer and a butter factory.

**"We are a proud community
and our vibrancy makes us resilient.
Our residents, businesses and visitors prosper
from our beautiful landscape, healthy environment
and well serviced regional centre."
*District Council of Orroroo Carrieton***

Today Orroroo is a strong and well serviced regional centre for a predominantly farming community whose main focus are grains, sheep and cattle. The community is also evolving into a significant tourism centre with its central location to so many local and regional heritage, cultural and environmental attractions.

'Goyder's Line' traverses the district, a line drawn up in 1865 by Surveyor General Goyder which indicated the edge of the area suitable for agriculture. Drought is a common experience for the Orroroo farming area, and with increased climate uncertainty, the district's communities are strongly committed to creating a resilient and sustainable future through innovation, adaption and local leadership.

Orroroo is the major service centre, maintaining a range of essential services such as a major Hospital, Health Centre, Area School, Library, Aged Care facility, a variety of community and culture associations, and sporting facilities/clubs that are well supported and extremely competitive. The town centre hosts a range of business which support the district including a post office, supermarket, pharmacy, newsagent, hardware, hotels and cafes.

The District is situated at the base of the Flinders Ranges, and is a popular tourism destination for visitors, retaining much of its unique 1880's charm and heritage.

The primary commerce in the region is agriculture, with the predominant agricultural commodity being food (cereal grains, legumes, meat) and wool.

Council works with industry and all tiers of government across major sectors to ensure opportunities are maximised and that new business opportunities can be supported through sound planning and investment in regional infrastructure.



Introduction

Mayor Kathie Bowman

On behalf of elected members and staff, I present to you the 2023/2024 Annual Business Plan. This Plan outlines the District Council of Orroroo Carrieton's planned services, projects and major expenditures for the 2023-24 financial year.

After taking into account feedback from community groups and various requests throughout the past year along with Council's Long-Term Financial Plan and Asset Management Plans, Council has prepared this draft Plan, including the proposed annual budget, for public consultation.

The Plan aims to maintain efficient services for the community and continue the progress towards the longer-term objectives of the Council, without imposing an unrealistic rate burden on ratepayers.

This business plan and budget has placed a large focus on sealed road works and focuses on services that are at the core of Council service delivery to the community.

The services provided by our Council is a reflection of meeting Council's obligations under legislation and making decisions on behalf of the community to achieve Council's longer-term strategic goals.

Council has undergone a number of recent changes, including a change in senior leadership. Council has endeavored to ensure it is well advanced in the planning for the works required in the coming financial year.

This year's rate increase is difficult due to the external financial impacts, however the proposed total general rate income increase of 8.6% is in keeping with the CPI inflation levels of Adelaide.

Of course, Council administration work very hard on our efficiency in all areas of the business to ensure Council can continue to keep rate increases to a minimum.



Kathie Bowman

Mayor

Our Council

Elected Membership of Orroroo Carrieton



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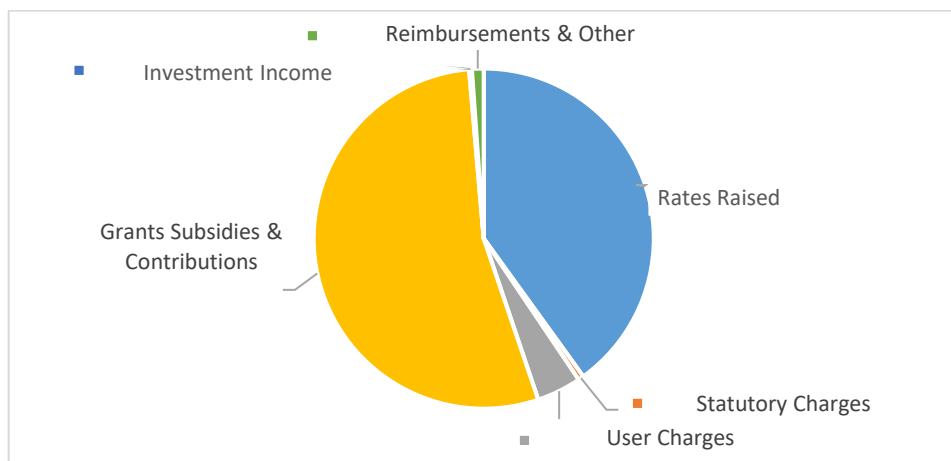
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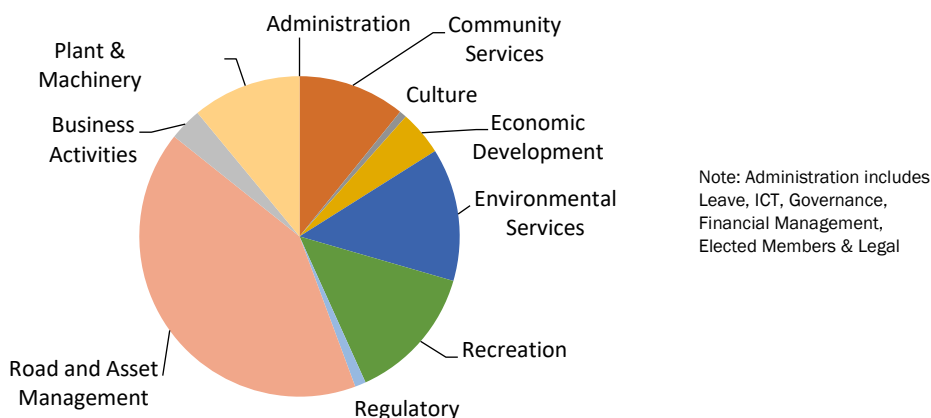
Budget in Brief

2023/2024 Financial Year

OPERATING INCOME	Budget 2022/23	Budget 2023/24
<i>Rates Raised</i>	\$1,383,000	\$1,494,000
<i>Statutory Charges</i>	\$20,000	\$20,000
<i>User Charges</i>	\$139,000	\$163,000
<i>Grants Subsidies & Contributions</i>	\$1,619,000	\$2,069,000
<i>Investment Income</i>	\$22,000	\$10,000
<i>Reimbursements & Other</i>	\$148,000	\$43,000
TOTAL OPERATING INCOME	\$3,331,000	\$3,799,000



OPERATING EXPENSES	Budget 2022/23	Budget 2023/24
<i>Administration</i>	\$817,000	\$837,000
<i>Community Services</i>	\$384,000	\$344,000
<i>Culture</i>	\$33,000	\$22,000
<i>Economic Development</i>	\$67,000	\$135,000
<i>Environmental Services</i>	\$262,000	\$382,000
<i>Recreation</i>	\$332,000	\$412,000
<i>Regulatory</i>	\$32,000	\$33,000
<i>Roads, Footpaths, Kerbing, Aerodrome</i>	\$1,181,000	\$1,239,000
<i>Business Activities</i>	\$97,000	\$99,000
<i>Plant & Machinery, Depot</i>	\$438,000	\$339,000
TOTAL OPERATING EXPENSES	\$3,643,000	\$3,840,000
NET OPERATING SURPLUS / (DEFICIT)	(\$312,000)	(\$41,000)



CAPITAL WORKS	Budget 2022/23	Budget 2023/24
<i>Roads</i>	\$1,597,196	\$1,289,000
<i>Buildings & Other structures</i>	\$475,000	\$408,000
<i>Community Wastewater Management System</i>	\$0	\$200,000
<i>Other assets, Fixtures & Fittings</i>	\$46,000	\$46,000
<i>Plant and Machinery</i>	\$250,000	\$270,000
TOTAL CAPITAL EXPENSES	\$2,368,196	\$2,213,000

Strategic Influences & Priorities

Prosperity & Resilience 2020-2030

Strategic Direction

Council adopted a 10 year Strategic & Community Plan in June 2020: *Prosperity and Resilience 2020 - 2030*. This Strategic and Community Plan is the centre piece of Council's suite of strategic management documents which also includes Council's Long Term Financial and Asset Management Plans and Annual Business Plan.

The Strategic and Community Plan is a tool for defining the direction of the district. By identifying a vision, themes, strategies and key projects, Council is creating a roadmap for 2020 – 2030.

Throughout the 10 year lifetime, the Plan will be regularly reviewed to ensure it remains relevant to the Orroroo Carrieton community and district.

Our Vision

We are a proud community and our vibrancy makes us resilient. Our residents, businesses and visitors prosper from our beautiful landscape, healthy environment and well serviced regional centre.

Strategic Pillars

The Plan is built upon four key themes:

Prosperity | A strong and diversified local economy

Lifestyle | Healthy, connected and empowered communities with the services they need

Leadership | Informed decision making, strong advocacy and adaptive with change

Landscape | A healthy, productive environment supported by best practice

In working towards its goals in the development of this Business Plan, Council considered a long-term view of its financial situation. Through the 2020-2030 Long Term Financial Plan Council is committed to ensuring its long-term financial sustainability, which is dependent on ensuring that, on average over time, Council's expenses are within the targeted range.



Operational Outlook

Service Provision 2023-2024

Function	Mandatory	Traditional	Elective
Business, Administration & Regulatory Services	Administration & HR Governance Financial Management WHS & Risk Rate Admin Asset Management Dog & Cat Management Development Services Environmental Health	Council House	Private Works Carrieton Water Supply
Community & Recreation Services	Cemeteries WHS & Risk Development Services Website	Passenger Service Public Conveniences Community Library Community Halls Recreation Grounds Parks, Trails & Gardens Swimming Pools Culture	Health and Wellbeing Addison Court Goyder's Line Gazette Community Events Grants and Program/s Historical Society Early Settlers Cottage
Economic Development			Planning & Advocacy Business Assistance Tourism Development Visitor Information Grant Submissions
Environment	Fire Prevention Hazard Management Street Lighting	Waste Collection Recycling Management Stormwater Management Drum Muster	Cropping land Grant submissions Pekina Reservoir Walking Trails
Transport and Infrastructure	WHS & Risk	Road Maintenance Footpaths & Kerbing Aerodromes	Planning & Advocacy Grant Submissions

Strategic New/Upgrade Projects 2023/2024

In addition to the service provision detailed above, Council has committed to continuing delivery of specific key initiatives all of which play a significant role in achieving the long-term goals of Council's Strategic & Community Plan 2020-2030.

The following list describes those initiatives currently known, however pursuant to the Long Term Financial Plan, Council may determine to undertake other projects throughout the financial year.

Project	Description	Estimate Cost 2023/24
CAPITAL WORKS		
Orroroo Waste Transfer Station Development	Includes the development of a transfer station complex to accept waste generated from residential dwellings. Total project value \$300,000. (matched by income of \$150,000)	\$300,000
Orroroo Community Wastewater Management System	Stage 2 extension Total project value \$200,000. (matched by income of \$100,000)	\$200,000
OPERATIONS		
Orroroo Stormwater Stage 2 Development	Includes the development of a stormwater management plan and drawings for future budget consideration. Total project value \$100,000. (matched by income of \$50,000)	\$100,000
Orroroo Swimming Pool	Ageing well and inclusive initiative to encourage inclusive community participation. Total project value \$38,017. (matched by income of \$38,017)	\$38,017
Playgrounds	Morchard & Carrieton	\$20,000

Capital Outlook

Road Construction Renewal Program 2023/2024

Council's road construction program is prepared in alignment with Council's 10 year Asset Management Plan. The state and condition of Council's road network is routinely assessed by independent experts and Council's own staff.

In 2023/24 Council's program consists of sealed road, footpath and kerbing maintenance. It also includes resheeting and rip & reform of unsealed roads.

Resheeting	Distance (m)	Total Budget (\$)
Road Name		
Bullyacre Road (section 1)	1,200	
Blue Gum Road	1,500	
Hogshead Road	600	
Tarcowie to Booleroo Road	1,000	
Belton Road (3 sections)	3,700	
Crotta Road	1,100	
Total Full Resheeting -	9,100	

Rip & Reform	Distance (m)	Total Budget (\$)
Road Name		
Bullyacre Road (section 2)	5,500	
Belton Road	5,000	
Total R&R -	10,500	
Total Unsealed Roads	19,600m	\$262,000

Other components	Total Budget (\$)
Sealed Road Renewal	624,000
Footpaths Kerb and Guttering Renewal	124,000
Sealed Roads Upgrade	279,000
Total	1,027,000

Key Capital Expenditure 2023/2024

The planned capital expenditure also includes a number of key components such as the replacement of machinery, and capital purchases relating to buildings and other infrastructure.

Other Assets		Total Budget (\$)
Plant and Machinery Renewal	Asset No. 107 Isuzu Truck	270,000
Waste Transfer Station	Orroroo	300,000
Community Wastewater Management System	Stage 2 of Orroroo CWMS	200,000
Orroroo RSL	Rainwater tank supply and install	3,000
Orroroo Council office	Building Electrical Renewal	25,000
Pekina Tower	Contribution (deferred from 2022/23)	80,000
Fixtures & Fittings	Various	46,000
Total		924,000

People safety and risk management

The Council aims to provide and promote a healthy and safe working environment to minimise the risk of injury or illness for all staff while at work. Council has a broad risk profile associated with its work in the community and within the organisation and is committed to providing a workplace that:

- Is safe and healthy for all employees, volunteers, contractors and visitors.
- Minimises, manages and controls risks within the work environment.
- Minimises the risk of injury and ill health at work.
- Complies with the Work Health & Safety Act 2012 and the Performance Standards for Self-insured Employers.

Funding the Plan

Budget 2023/2024

The long-term financial sustainability of Council is dependent on ensuring that, on average expenses are less than income, in accordance with the Long Term Financial Management Plan and Financial Strategy.

Council's income in 2023/24 includes \$1,217,000 raised from general rates. This is based on an increase of 8.6%. Total rates income includes General Property Rates, Service Charges for CWMS, Waste Collection, Landscape Levy, Rate Fines, Rate Rebates and Write-offs from Objection to valuations.

Other sources of income are:

- User pay charges set by Council.
- Reimbursements & Other.
- Statutory charges set by other levels of Government: - These are fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications. This income generally helps off-set the cost of the service delivered.

Grant Funding

Local Government receives the following main ongoing types of grant funding:

General Purpose & Local Roads Financial Assistance Grants (Federal)

Council has complete discretion as to expenditure of funds received. Council's 2023/24 budget assumes that the Federal Government financial assistance grants (both general purpose and local roads components) will be received.

Supplementary Road Funding (Federal)

The funding program was reintroduced by the Australian Government for South Australian Councils, to assist with maintaining local road networks on a two year term, currently due to expire 30th June 2023. Council has full discretion as to the expenditure of the funds received.

Other – External Grants

Council will continue to participate in competitive and/or opportunistic grant programs where proposed outcomes align with the intent and purpose of the Strategic and Community Plan 2020-2030 and the Council's Financial Strategy in accordance with the current Long Term Financial Plan.

Grant Funding Summary 2023/24

The following table shows a summary of the operating grants that have been included in the 2023/24 Budget. The amounts are based on the full allocation as the amount of any prepayment has not yet been advised and on the same amounts as the in the previous year with a portion of CPI added.

Grant Funding – Operating	Amount \$'000
Local Roads (Grants Commission)	\$330
General Purpose (Grants Commission)	\$1,050
Local Roads and Community Infrastructure Program	\$341
Roads to Recovery (Advised annual allocation)	\$260
Other grants and subsidies	\$88
Total Operating Grants and Subsidies Funding	\$2,069

Grant Funding Income - Capital (specifically for new or upgrade of assets)

Grants relating to capital works include \$150,000 for the upgrade of the Orroroo Waste Transfer Station and \$100,000 for the stage 2 extension of the Orroroo Community Wastewater Management System.

Financial Sustainability / Financial Performance Measures

All Councils pursuant to the Local Government Act 1999 are required to develop and maintain Long Term Financial Management Plans and Asset Management Plans to ensure sound strategic planning principles to assist with decision making are in place.

Council is committed to ensuring its long-term financial sustainability and this is dependent on ensuring that, on average over time, its expenses are at least matched by its income level.

In addition, the focus of capital expenditure should be on existing infrastructure and other assets and be in accordance with the Infrastructure and Asset Management Plan so as to minimise whole-of-life-cycle costs of assets.

Financial Sustainability Performance

Ratio	Budget 2023/24	LTFP target range
Operating Surplus Ratio	(1%)	0% - 15%
Net Financial Liabilities Ratio	2%	(50%) – 50%
Asset Renewal Funding Ratio	100%	90 – 110%

Operating Surplus Ratio (OSR)

“Is Council covering its operating expenditure and depreciation charge from its operating income?”

The operating surplus ratio expresses the operating surplus / (deficit) as a percentage of total operating income. A result of greater than 0% would indicate that Council is covering its operating expenditure and depreciation charge from its operating income.

The operating deficit of \$41,000 from the proposed budgeted activity for the year which gives a result of (1%).

This result arises because operating income is budgeted to be \$41,000 less than Council’s operating expenses for the year, due mainly to the allocation of LCRI funding of \$341,598.

Asset Renewal Funding Ratio (ARFR)

“Is Council replacing its assets at the same rate the assets are wearing out?”

The Asset Renewal Funding Ratio indicates whether the Council is renewing or replacing existing nonfinancial 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 Council’s Asset Management Plan.

The forecast asset sustainability ratio for the 2023/24 is 100%, within the LTFP target range.

Net Financial Liabilities (NFL) and Net Financial Liabilities Ratio

“Does Council have a manageable level of debt and other liabilities when considering its available income and other cash reserves?”

Net financial liabilities is a comprehensive measure of the indebtedness of the Council as it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of the level of Council's available cash and investments.

Specifically, net financial liabilities equals total liabilities less financial assets, where financial assets for this purpose includes cash, cash equivalents, trade and other receivables, and other financial assets, but excludes equity held in Council businesses, inventories and land held for resale.

The ratio of 2% indicates that Council is in a strong financial position and can easily service its low level of debt.

Overall Assessment of Council's Financial Sustainability

The above ratios indicate that the Annual Business Plan and the associated Budget that underpins it, is financially sustainable over the following 12 months and is in accordance with the Long Term Financial Management Plan and Strategy.

Uniform Presentation of Finances 2023/2024

The Uniform Presentation of Finances together with the Key Financial Indicators provide a summarised report that focuses on Council's finances at a strategic level. The Uniform Presentation of Finances report highlights the operating surplus/(deficit) measure which is considered the most critical indicator of a Council's financial performance.

The last line, or rather the result of this report, is the movement in Net Financial Liabilities (Net Lending/Borrowing) for the year based on Council's planned capital and operating budgets for that year. Achieving a zero result on the net lending/(borrowing) measure in any one year essentially means that the Council has met all its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new/upgraded assets).

The result of (\$494k) reported below indicates that Council is effectively proposing to use its own cash reserves to fund the movement in net financial liabilities identified below for the year ending 30 June 2024. This result is due to the income (external grants) received for capital projects in previous financial years.

UNIFORM PRESENTATION OF FINANCES

	2022/23 at BR#2 \$'000	2023/24 Budget \$'000
Income	3,331	3,799
less Expenses	3,643	3,840
	(312)	(41)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	1,744	1,584
less Depreciation, Amortisation and Impairment	1,372	1,430
less Proceeds from Sale of Replaced Assets	90	80
	282	74
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	1,543	630
less Amounts received specifically for New and Upgraded Assets	189	250
less Proceeds from Sale of Surplus Assets	60	0
	1,294	380
Net Lending / (Borrowing) for Financial Year	(1,889)	(494)

Rating Strategy

Rating Arrangements 2023/2024

Council's ability to generate income

This Business Plan aims to strike a balance between the level of services for the community and the need to ensure the long-term financial sustainability of Council.

Council has limited options to generate the income required to pay for services which it provides to the community. Apart from the Federal and State Government grants mentioned earlier, some income can be raised through user charges, investment of surplus cash, hire of community facilities and other minor receipts. However, the primary source of income for Council is a property-based tax rate.

Rate income is generated by the broad application of fundamental principles of taxation (fairness and equity, simplicity, ability to pay and efficiency) with a view to achieving an equitable distribution of the rates burden among ratepayers.

Capital Value as a basis for Rating

Council has adopted the capital value method to value properties in its area in common with most other South Australian Councils. This method values the land and all of the improvements on the land.

No valuation method is considered perfect for rating purposes, however the capital value method is generally considered to be the most equitable.

In making a final decision about setting rates for the 2023/24 financial year, Council will carefully consider the impact of rates on the community, including:

- ✓ The equity of the distribution of the rate burden between householders, businesses and primary producers;
- ✓ The broad principle that the rate in the dollar should be the same for all properties except where there is clearly a different level of services available to ratepayers or some other circumstance which warrants variation from the broad principle;
- ✓ Minimising the level of general rates required by levying fees and charges for goods and services on a user pays basis, where that is appropriate to recover the full cost of operating or providing the service or goods, with provision for concessions to those members of the community unable to meet the full cost;
- ✓ Community feedback on this Annual Business Plan.

The following table summarises capital value movements for the past 12 months across the Orroroo Carrieton Council District (based on data received on 22nd May 2023):

Land use	Total No. Properties	Capital Value (\$)	% difference in CV
Non Rateable	354	8,602,261	4.90%
Residential	344	53,215,500	10.20%
Commercial/ Industrial	46	7,101,120	6.58%
Primary Production	771	315,629,840	17.07%
Vacant land	154	1,974,400	5.80%
Other	22	858,859	1.76%
Total	1,691	387,381,980	15.43%

Adoption of Valuations

To ensure independency of valuations, Council has continued to adopt the valuations made by the South Australian Valuer General, in accordance with Section 167(2)(a) of the Local Government Act 1999.

Pursuant to Section 167(3)(a)(i) of the Local Government Act, Council has adopted the most recent capital valuations provided by the Valuer General applied to land within the Council area to be used as the basis for calculating rates.

For the financial year ending 30 June 2024, the most recent capital valuations for the Council area total \$387,381,980 of which approximately \$378,779,719 is rateable. The final rating applied is based on property valuations received from the Valuer-General up to 22 May 2023.

Should any ratepayer be dissatisfied with a property valuation then they are to contact the Office of the Valuer General, GPO Box 1354, Adelaide, SA 5001, lsg.objections@sa.gov.au or call 1300 653 346.

Note - the lodgment of an objection to a valuation does not change the due date for the payment of rates and must be paid in accordance with the rate notice, unless otherwise advised by Council.

Setting Rates

Apart from the need to ensure sufficient income to meet its expenditure needs, Council is mindful of the impact of rates to the community, both residential and business, and regularly makes comparison of its rates across Council areas.

Council has used the Consumer Price Index (CPI) - Adelaide All Groups, December 22 each year as its benchmark of movements in the community's capacity to pay and endeavors to contain the rate increase to around this level, subject to significant cost pressures or income losses that cannot be otherwise accommodated, or service level increases desired by the community.

The changes in capital valuations over the previous twelve months have varied greatly between residential and non-residential properties as demonstrated in the table included on the previous page.

Rates Modelling

The differential rating system based on land use will continue to be used as a basis for calculating general rates. Council determined that this provided the most effective means of distributing the impact of the abnormal valuation differentials between residential and non-residential, whilst still reflecting the impact of increased capital values across the non-residential sector.

Maintaining the differential rating system, Council has undertaken rates modelling exercise of three options to determine the impact of each and how the rate in the dollar will be set. Models were prepared and discussed at Council for the following scenarios;

- ◆ CPI- 8.6%
- ◆ 7%
- ◆ 10%

Given that the proposed model has been structured on an 8.6% increase, the proposed budget would remain unchanged regardless of further valuation movements. Changes would be made to the differential rate in the dollar, to minimise the impacts this may have on general rates and the valuation base used for calculations.

General Rates

Council will raise a total of \$1,216,965 in general rate income in the 2023/24 financial year, an increase of 8.6% from the previous year.

Council, having considered the general principles of rating in Section 150 of the Local Government Act 1999, and the requirements of Section 153 (2) the Local Government Act 1999 and pursuant to Section 152 (1)(c) of the Local Government Act 1999, declares that the general rate in respect of rateable land within the Council area for the year ending 30 June 2024 will be a rate consisting of two components:

- (a) one being the value of the rateable land
- (b) the other being a fixed charge

That pursuant to Section 153 (1)(b) and Regulation 14 of the Local Government (General) Regulations 2013, determines that the following rates for the year ending 30 June 2024, be declared on rateable land within its area, based upon the capital value of the land.

Differential Rate

Indicative differential rates for each land use type are:

- (a) 0.2290 cents in the dollar for Primary Production land located within the Council area.
- (b) 0.3555 cents in the dollar for all other land use types located within the Council area.

Fixed Charge

For 2023/24, Council plans to impose a fixed rate of \$358, which is an increase from the previous year of \$28. As a component of general rates, the fixed charge is paid by each ratepayer as an equitable rate base for each property.

Council considers it appropriate that all rateable properties make a base level contribution to the cost of Council's activities, including the cost of maintaining the physical infrastructure that supports each property. The fixed rate is one of the lowest in the State following an analysis of comparable Councils.

The fixed charge shall apply to all rateable properties, unless the principal ratepayer has applied for and been granted the benefit of a Single Farm Enterprise, then only one fixed charge is applied to that Farm Enterprise.

The fixed charge shall be levied against the whole of an allotment (including land under a separate lease or license). 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.

Regional Landscape Levy (formerly Natural Resource Management Levy)

The Landscapes South Australia Act 2019 requires Council to raise a levy on behalf of the Northern and Yorke Regional Landscape Board. This levy is shown separately on the rates notice. Council has no influence in the determination of the levy to be collected, as it remains a decision made by the Regional Landscape Board and the Minister for Environment.

The declared amount to be collected during the 2023/24 year in accordance with Section 154 of the Local Government Act 1999 and the Landscape Act 2019, for the purpose of reimbursing amounts contributed to the Northern and Yorke Natural Landscape Board is \$42,738, which is to be collected at a separate rate of 0.01141 cents in the dollar. This is a decrease from the previous year of 3.99%.

Northern & Yorke Regional Landscape Centre - Clare (head office), 155 Main North Road, Clare SA 5453
Phone: (08) 8841 3400. Monday to Friday from 9am til 5pm.

Website: <https://landscape.sa.gov.au/ny/home>

Service Charges

Waste Management Collection

Council will need to raise approximately \$183,040 in service charges to recover costs associated with the kerb-side waste and recycling collection services. Council will collect this charge through an annual service charge to all residences and businesses in the Council area where a refuse collection service is provided.

The Council will charge \$450 per household, for each property provided with the waste management collection service (2 bin).

An additional Service Charge of \$140 shall be applied for each additional bin collected from the property for which the service is provided.

CWMS

Unit charges are based on individual property usage. The charge per unit will remain the same as for the previous year at \$1,600 for each connected property.

Impact Statement

The Council has proposed that the total rate income, fixed charges, and Service Charges (excluding the Landscapes Levy and Carrieton water supply charges) generated in the 2023/24 budget will need to be approximately \$1,448,005 (including the service charge for CWMS).

The following provide examples of the impact on Rates on the various sectors. The example uses averages and includes the anticipate changes in capital valuation of each type of property.

- Impact to **householders with a house with a capital value of \$161,920 in Orroroo** where its value increased the equivalent of the sector the average of 9.95% is an increase of \$61.60 or a 6.91% increase.
- Impact to **a Single Farm Enterprise with a capital value of \$1,431,835** where its value increased the equivalent of the sector average of 16.98% is an increase of \$509.19 or a 15.29% increase.
- Impact to **owners of vacant land with a capital value of \$11,135** where its value increased the equivalent of the sector the average of 6.05% is an increase of \$2.80 or a 0.75% increase.

- Impact to **owners of a commercial/industrial property with a capital value of \$125,028** where its value increased the equivalent of the sector average of 4.19% is an increase of \$53.52 or a 6.85% increase.

The examples provided above are based on valuation data dated 27th March 2023 and may be subject to change.

Business Impact Statement

Council has considered the impact of rates on all forms of business and industry within the community including primary production. In considering the impact the Council considered:

- The elements of Council's development and the equity of the distribution of the rate burden between ratepayers;
- Council's policy on facilitating local economic development and current local, state and national economic conditions;
- Specific Council projects for the coming year and specific infrastructure maintenance issues that will benefit businesses and primary producers.

Payment of Rates – Quarterly Billing

Payment of rates may be made in quarterly instalments due in September, December, March and June each year. Rate notices will be issued prior to each quarterly instalment. Payment methods are described on the reverse of the rate notice.

Seniors Postponement of Rates

Residential property owners with a Seniors Card may apply to postpone payment of rates until the property is sold. Postponed Rates are a charge on the land. Statutory interest will continue to be charged on Postponed Rates but will be payable on sale of the property.

Remissions, Discretionary Rebates and Rebates

The Local Government Act 1999 enables Council to grant discretionary rebates up to 100% for land used for the purposes of a community benefit.

Concessions

The South Australian Government provides concessions with a single "cost-of-living concession" to those eligible. Those who receive this concession can decide whether to use it to offset part of their Council rates, or for other purposes.

Payment of Rates

Rates may be paid by way of four quarterly instalments with the due dates being 15th September 2023, 15th December 2023, 15th March 2024 and 15th June 2024.

Rates may be paid,

- in person at the Council Office during business hours;
- by mailing a cheque or money order to the District Council of Orroroo Carrieton, PO Box 3, Orroroo SA 5431;
- by using Bpay and EFT online transfer, or by telephone payment on 08 8658 1260.

Late Payment of Rates

The Local Government Act provides that Council imposes an initial fine of 2% on any payment of rates, whether by instalment or otherwise, that is received late. A payment that continues to be late is then charged a prescribed interest rate on the expiration of each month that it continues to be late.

Should Council refer the debt to a debt collection agency for collection, then any debt collection charges will be recoverable from the ratepayer. When the Council receives a payment in respect of overdue rates Council applies the money received as follows,

- to satisfy any costs awarded in court proceedings to satisfy any interest costs
- payment of any fines imposed, and
- payment of rates, in chronological order, starting with the oldest account first

Remission and Postponement of Rates

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

Should a ratepayer experience hardship in paying rates they are invited to contact the Council to discuss the matter, with all such inquiries being treated confidentially.

Pursuant to Council's Hardship Policy, Council will make available extended payment arrangements by entering into a payment agreement where the payment of rates will cause a ratepayer demonstrable hardship.

Recovery of Outstanding Rates

The Council has adopted a Debtor Management Policy that provides a policy and procedure approach to the recovering of outstanding rates.

Reminder notices are issued when a rate instalment is unpaid and further notice after two rate instalments remain unpaid. If the rate instalments outstanding remain unpaid after the reminder notice payment date, then the outstanding amount is referred to Council's debt collection agent for recovery action.

Sale of Land for the nonpayment of Rates

The Local Government Act provides that a Council may sell any property where the rates have been in arrears for three years or more.

The Council is required to notify the owner of the land of its intention to sell the land, provide the owner with details of the outstanding amount[s], and advise the owner of its intention to sell the land if payment is not received within one month.

Consultation

Have your say on the Plan

The Public Consultation on the Annual Business Plan and Budget 2023/24 commenced on Friday 14 April 2023 and concluded on Monday 8 May 2023 at 5pm.

Council invited feedback on the draft Plan and hosted the following information sessions to give the community every opportunity to engage with us:

- Community Information Session 1
Pekina Recreation Ground
Tuesday 2 May 2023
7pm – 8pm
- Community Information Session 2
Carrieton Recreation Ground
Wednesday 3 May 2023
7pm – 8pm

Copies of the plan were made available via the website on www.orreroo.sa.gov.au or at the Council Office.

Submissions were invited to be made in the following ways:

- Posted to DC of Orreroo Carrieton PO Box 3, Orreroo SA 5431
- Emailed to council@orreroo.sa.gov.au

A report on the consultation period can be found at www.orreroo.sa.gov.au, (About Council – Minutes & Agendas – Council Meeting Agenda 24 May 2023).

Financial Statements

2023/2024

STATEMENT OF COMPREHENSIVE INCOME

	Previous Year Actual 2021/2022 \$'000	Budget Review 2 2022/2023 \$'000	Proposed Budget 2023/2024 \$'000
INCOME			
Rates - general	1,322	1,383	1494
Statutory Charges	18	20	20
User Charges	123	139	163
Grants, subsidies and contributions	3,372	1,619	2,069
Investment Income	12	22	10
Other Income/Reimbursements	151	148	43
TOTAL INCOME	4,998	3,331	3,799
EXPENSES			
Employee Costs	943	1,042	1,015
Materials, contracts & other expenses	1,217	1,227	1,392
Finance Charges	7	2	5
Depreciation, amortisation & impairment	1,312	1,372	1,430
TOTAL EXPENSES	3,479	3,643	3,840
Operating Surplus/(Deficit) before Capital Income	1,519	(312)	(41)
<i>Operating Surplus/(Deficit) - Adjusted for once-off grants</i>	83	-	-
CAPITAL INCOME			
Asset disposal & fair value adjustments	(120)		-
Amounts received specifically for new or upgraded assets	1,282	189	250
NET SURPLUS/(DEFICIT)	2,681	(123)	209
(transferred to Equity Statement)			

*figures above subject to rounding

STATEMENT OF FINANCIAL POSITION

	Previous Year Actual 2021/2022 \$'000	Budget Review 2 2022/2023 \$'000	Proposed Budget 2023/2024 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	2,806	930	450
Trade and other receivables	208	208	208
Other	167	167	167
Total Current Assets	3,181	1,305	825
Non-current Assets			
Financial Assets	33	30	7
Infrastructure, Property, Plant and Equipment	34,565	36,330	37,035
Other non-current assets	-	-	-
Total Non-Current Assets	34,598	36,350	37,042
TOTAL ASSETS	37,779	37,655	37,866
LIABILITIES			
Current Liabilities			
Trade and other payables	374	300	302
Borrowings	25	25	25
Provisions & Other	332	309	405
Total Current Liabilities	731	634	732
Non-current Liabilities			
Borrowings	-	-	-
Provisions	1	97	1
Total Non-Current Liabilities	1	97	1
TOTAL LIABILITIES	732	731	733
NET ASSETS	37,047	36,924	37,133
EQUITY			
Accumulated Surplus	10,814	10,691	10,944
Asset Revaluation Reserve	26,217	26,217	26,217
Other Reserves	16	16	16
TOTAL EQUITY	37,047	36,924	37,133

*figures above subject to rounding

STATEMENT OF CASH FLOWS

	Previous Year Actual 2021/2022 \$'000	Budget Review 2 2022/2023 \$'000	Proposed Budget 2023/2024 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating Receipts	5,426	3,308	3,789
Investment Receipts	12	22	10
<u>Payments</u>			
Operating Payments to suppliers & employees	(2,958)	(2,269)	(2,407)
Finance Payments	(7)	(2)	(5)
Net Cash provided by (or used in) Operating Activities	2,473	1,059	1,388
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets	1,282	189	250
Sale of Replaced Assets	1	90	80
Sale of Surplus Assets	-	60	-
Repayments of loans by community groups	8	13	13
<u>Payments</u>			
Expenditure on renewal/replacement of assets	(1,072)	(1,744)	(1,584)
Expenditure on new/upgraded assets	(1,778)	(1,543)	(630)
Loans made to community groups	(25)	-	-
Net Cash provided by (or used in) Investing Activities	(1,584)	(2,935)	(1,869)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Borrowings	25	-	-
<u>Payments</u>			
Repayment of Borrowings	(66)	-	-
Net Cash provided by (or used in) Financing Activities	(66)	-	-
 Net Increase (Decrease) in cash held	 (848)	 (1,876)	 (480)
 Cash & cash equivalents at beginning of period	 1,958	 2,806	 930
Cash & cash equivalents at end of period	2,806	930	450

*figures above subject to rounding

STATEMENT OF CHANGES IN EQUITY

	Previous Year Actual 2021/2022 \$'000	Budget Review 2 2022/2023 \$'000	Proposed Budget 2023/2024 \$'000
Accumulated Surplus			
Balance at end of previous reporting period	5,931	10,814	10,691
Net Surplus / (Deficit) for Year	2,218	(123)	255
Transfers (to) from reserves	-	0	0
Balance at end of period	8,149	10,691	10,900
 Asset Revaluation Reserve			
Balance at end of previous reporting period	27,915	26,217	26,217
Revaluation Adjustments During Year	(1,698)	-	-
Balance at end of period	26,217	26,217	26,217
 Other Reserve			
Balance at end of previous reporting period	-	16	16
Transfers (to) from reserves	-	-	-
Balance at end of period	-	16	16
 TOTAL EQUITY			
Balance at end of previous reporting period	33,846	37,047	36,924
Net Surplus / (Deficit) for Year	2,218	(123)	209
Revaluation Adjustments During Year	(1,698)	-	-
Transfers between reserves	-	-	-
Balance at end of period	34,366	36,924	37,133

*figures above subject to rounding