

CITY OF PORT LINCOLN

DRAFT ANNUAL BUSINESS PLAN & BUDGET 2022/2023

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Prepared by **City of Port Lincoln**

Version 2

Adopted for Consultation on 16 May 2022

Annual Business Plan and Budget Consultation

Period 19 May 2022 to 10 June 2022

Hearing of submissions on 30 May 2022

RM: N2211129 18.80.2.8

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THE YEAR AHEAD



It is my pleasure as Mayor to present this optimistic, vibrant and strong Annual Business Plan and Budget for the 2022/2023 financial year which commits to making significant progress towards delivering the 10 year strategic actions defined in Council's Strategic Directions Plan 2021 – 2030.

Our team has worked incredibly hard to ensure that we have a balanced approach to new initiatives, program and project delivery while considering external factors which have increased operating costs and working to minimise the impact on our community and ratepayers where possible.

On this basis, we are committed to delivering a schedule of works which only requires a total rate revenue increase of 4.4%, which is below current CPI. The actual impact on individual ratepayers will generally be less than this figure.

In 2021/2022 works commenced on the \$7.28M foreshore project which will see the creation of a new regionally significant adventure play space, vital upgrades to the town jetty, seawall, Parnkalla Trail and other enhancements along the foreshore. This major project will continue throughout the coming year.

We will also finalise some important community planning activities which are in progress including the development of an Economic Development & Investment Attraction Strategy, a Sport & Recreation Strategy, Waste Management Strategy and a Coastal and Marine Facilities Strategy.

Works will also commence on developing masterplans for Centenary Oval, the Ravendale Sports Complex and Murray's Point to understand future land use requirements, opportunities and potential investment requirements and partners.

We are also excited to be working in partnership with Uni Hub Spencer Gulf, which will see the former 'manse' building on the corner of Hallett Place and Adelaide Place be refurbished with \$200K of funding from Council (matched with a further \$200K of federal funding). This project will then see the launch and operation of a Uni Hub here in Port Lincoln from February 2023, which

is a big win for our community.

Other major community infrastructure works proposed in 2022/2023 will include the refurbishment of ArtEyrea which has commenced, \$800K towards road resealing works, \$760K towards stormwater projects, \$450K towards footpaths, \$250K towards Nelson Square improvements and \$150K towards a dog park and \$450K to replace methane flares at the Resource Recovery Centre.

There will also be a focus on jobs and opportunities within Council in the coming year, as we create four new traineeship placements for locals across council operations as well as an additional two full time equivalent roles. These roles will span the areas of open spaces, civil operations, customer services, innovation and technology.

There will be investment in systems, technology, plant, equipment and business processes as we look to modernise and provide our workforce with the tools that they need to continue to improve the way we do business and improve the provision of services to the community.

A large investment is being made into refurbishing the Council Depot, including addressing non-compliances at the site, replacing end of life infrastructure and creating new office space and facilities. This will position Council to relinquish leased office space on Tasman Terrace and consolidate the infrastructure and environment teams at the depot.

We look forward to the year ahead, as we emerge from COVID with optimism, and will continue to build stronger ties and partnerships with local businesses and organisations along the way.

Brad Flaherty
Mayor

CITY PROFILE

Port Lincoln is the 'Seafood Capital of Australia', an iconic South Australian regional coastal city. We are the major service centre for the southern Eyre Peninsula communities.

The city is located at the base of Eyre Peninsula some 650km west of Adelaide by road, on one of the world's largest protected harbours. The natural setting of Boston Bay is a defining feature of Port Lincoln, with the foreshore open space a highly valued recreation space and visitor experience.

Regional primary production including 50% of South Australia's wheat, barley and oil seed, together with our deep natural harbour and commercial fishing fleet, makes Port Lincoln a major agricultural export and fishing centre.

The economy continues to diversify through the innovation and growth of production and industry, bringing new investment, workforce and population growth.

Port Lincoln is also a popular visitor destination, enhanced by a growing program of cruise ships visits (pre-COVID). Numerous festivals and events contribute to the city's vitality and attraction, including Tunarama, Adelaide to Port Lincoln Yacht Club Race, SALT Festival, Teakle Autosprint and Mortlock Shield Football Carnival.

**8 August
1921**

*Town Corporation
Claimed*

**30 January
1971**

*Proclaimed
City*

**26 March
1981**

*Boundaries
Extended*



**Total Area
3,037**
Hectares



14,826

Estimated Population
as at June 2021



491

Average Rainfalls
Millimetres (Source : BOM)



21

**Kilometres
of Coastline**



152
Kilometres

of Sealed Road



8
Kilometres

of Unsealed Road



81.6
Kilometres

of Footpath



Site Value Rateable Properties

as at June 2022

\$1.080 Billion

8,817 Assessments
(8,540 Rateable)



240 Applications
2020/2021

\$42 Million

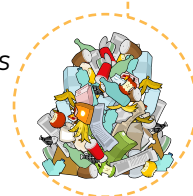
Value of Development Approvals



\$100m **257,000** Visitors to Port Lincoln in 2019

10,978

Tonnes of rubbish goes to landfill per year



2,035

Tonnes recycled per year

3 Most Common Employment Sector

Retail Trade

869
14.2%

Health Care & Social Assistance

762
12.5%

Agriculture, Forestry & Fishing

533
9%

0 250 550 750 1,000
people



6.4%

Unemployment Rate



25.9%

2,939
People Volunteer

2016

5.1%

of the population are Aboriginal and/or Torres Strait islander people

29.6%

young people are disengaged or partially disengaged 15 - 24 years

40 years

median age
(Regional SA is 45)

6.1%

people needing assistance
(857)

40.7%

of people have an education qualification

Household Income

11.2% earn >\$2,500 p/w
24.2% earn <\$650 p/w



71.5%

of Households have Internet



2,369

People own dogs

Source:

https://profile.id.com.au/s_port-lincoln-lga

<https://www.tra.gov.au/Regional/local-government-area-profiles>

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Barngarla People, the Traditional Owners of the land on which the City of Port Lincoln rests and their continuing connection to land, sea, culture and community. We pay our respects to Elders past, present and emerging, and we extend that respect to other Aboriginal and Torres Strait Islander people in our community.



WHAT WE ACHIEVED LAST YEAR

Council is not immune to the global impacts of COVID, and in more recent times the war in Ukraine which has impacted on the cost of just about everything, along with labour and skilled worker shortages which are being experienced by businesses across the country.

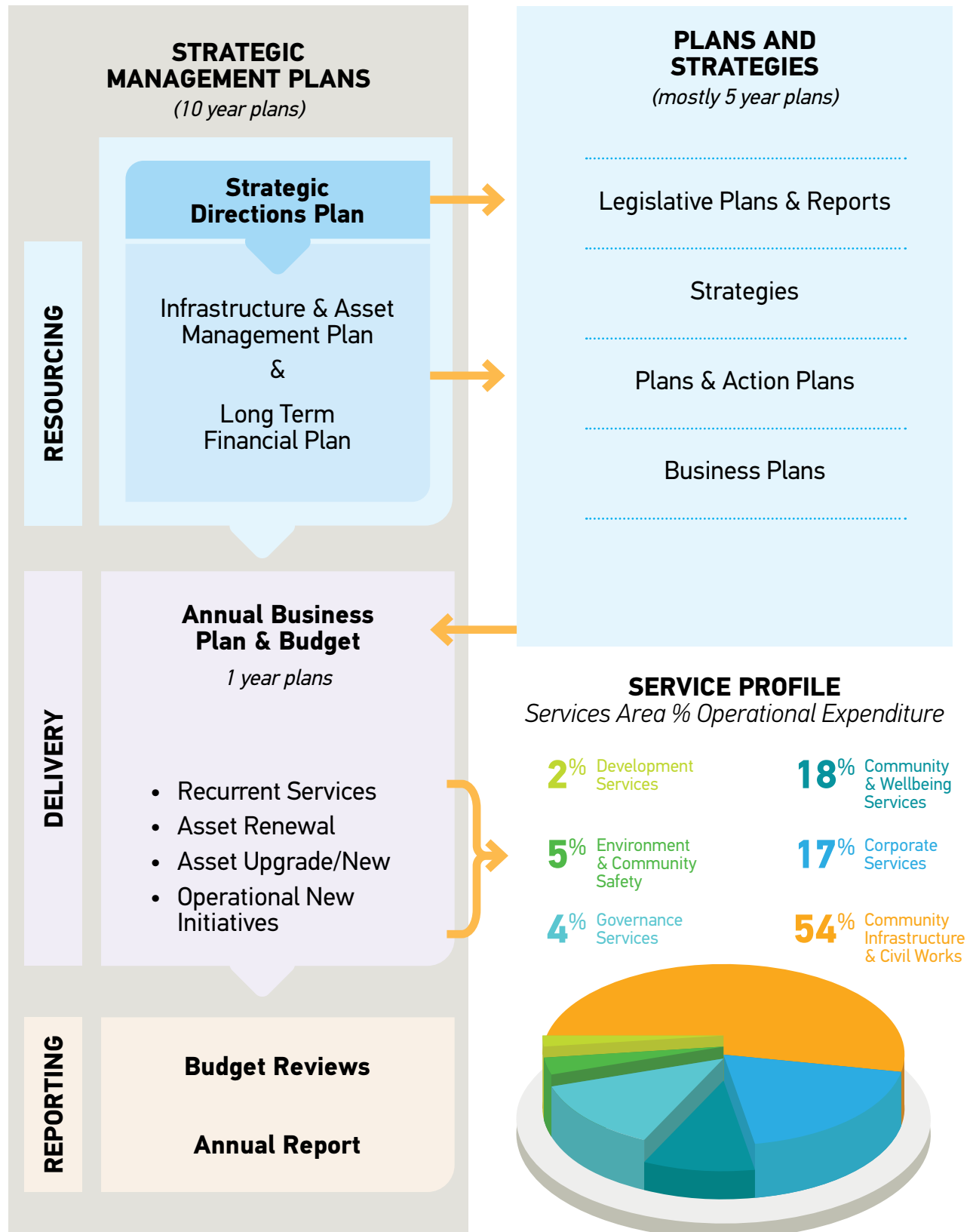
Despite these challenges, which have led directly to delays with projects and initiatives as well as underlying cost increases for the provision of services and projects, Council has still completed a number of projects and made good progress on others.

Some of the key projects and initiatives since July 2021 are:

- Commenced Foreshore Redevelopment
- Finalised the Open Space Strategy
- Secured funding and finalised plan for Whait Reserve Upgrades
- Replaced playground equipment at Harbour View Reserve and Flinders Park
- Resolved safety concerns at Train Playground
- Completed installation of ambulant toilet facility at Puckridge Park
- Replaced lighting towers at Ravensdale Sports Complex
- Commenced 'school safety focus' program with Way2Go
- Secured funding support and approval for Koala crossing on Oxford Terrace
- Completed footpath and enhancements along Stamford Terrace
- Completed \$1.4M road reseal program
- Completed \$500K footpath program (new and replacement)
- Completed installation of memorial tree at North Shields Cemetery
- Completed installation of ticket booth at Centenary Oval
- Completed installation of fire escape and HVAC at Nautilus Arts Centre
- Completed refurbishment of upstairs office area at Nautilus Arts Centre
- Completed 'red shed' project to create new 'welcome' experience for cruise ship visitors
- Tendered for upgrade works at ArtEyrea
- Hosted Visitor Information Centre Network Conference in Port Lincoln
- Supported successful application for Uni Hub Spencer Gulf to create a Port Lincoln Uni Hub
- And more.



STRATEGIC PLANNING FRAMEWORK



STRATEGIC DIRECTIONS PLAN 2021 - 2030

The Strategic Directions Plan Vision is a long term aspiration describing the future place and community of Port Lincoln. The Vision has been developed and confirmed through community engagement. The implementation of the Strategic Directions Plan will lead the city towards our Vision.



VISION

"An inclusive and connected community committed to excellence in lifestyle, culture, industry and innovation"



MISSION

Council will work for and with the community to achieve the Vision by:

- Engaging and empowering the community
- Providing best value and timely services and infrastructure
- Creating a safe and inclusive place to live, work and visit
- Improving environmental sustainability.



VALUES

- UNITY & COLLABORATION
- RESPONSIBILITY & INTEGRITY
- INCLUSIVITY & RESPECT
- RESPONSIVENESS & PROGRESSIVENESS
- SAFETY



GOAL 1

ECONOMIC GROWTH AND OPPORTUNITY

We will be an innovative, diverse and growing local economy

WHAT WE AIM TO FOCUS ON AND ACHIEVE BY 2030

Our Key Focus Areas

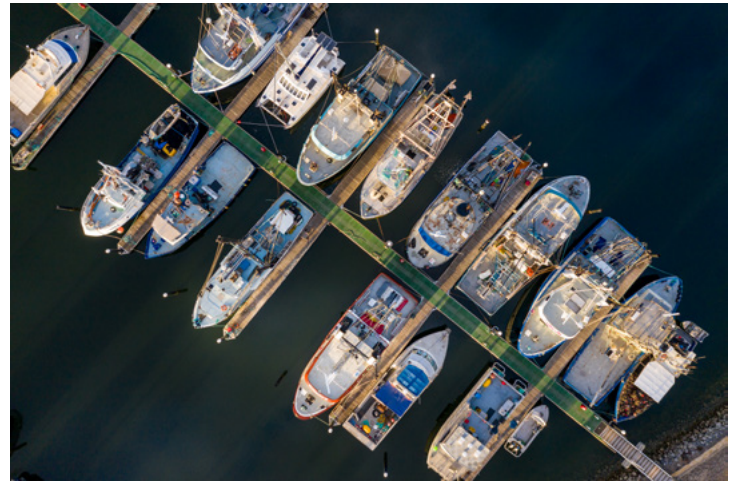
- Southern Eyre Peninsula's commercial, health, education and community regional hub
- Productive agriculture, fishing and aquaculture sectors
- Quality tourism and visitor experiences
- Long term job creation, investment growth and partnership opportunities
- Infrastructure supporting growth and import and export viability
- New, sustainable industries based on a clean environment and quality natural resources
- Innovative, entrepreneurial, globally connected businesses

Measuring Our Success

- Tourism activity
- Progress of Strategic Actions that support Economic Growth and Opportunity
- Progress of Annual Business Plan projects supporting Economic Growth and Opportunity
- Development Application Trend Data - number, type and dollar value of applications

Our Strategic Actions

- 1.1 Advocate for greater education pathways and linkages between schools, educational institutions and local industry and investigate regional university and study hub options
- 1.2 Investigate and implement policies to facilitate and enable diversity of economic development and investment activities
- 1.3 Confirm Port Lincoln's strategic economic priorities and advocate and partner in actions to promote the city's economic vitality through the EPLGA's Eyre Peninsula Strategic Plan
- 1.4 Work with RDA EP and other economic facilitators to advocate for economic growth initiatives in the region for existing and emerging industries, technology and production
- 1.5 Resolve sustainable long-term arrangements for infrastructure and activities at the Port Lincoln Marina Precinct to meet future commercial, tourism and recreational needs
- 1.6 Enable and streamline business development, innovation and growth
- 1.7 Advocate for and facilitate improvements to communication and information technology infrastructure



New Projects & Initiatives for 2022/2023

Project Name	Description	Expenditure \$'000s	Grants/ Contributions \$'000s
Economic Development Strategy Implementation	Implementation of year 1 actions	40	



GOAL 2

LIVEABLE AND ACTIVE COMMUNITIES

We will be a healthy, safe, inclusive and empowered community

WHAT WE AIM TO FOCUS ON AND ACHIEVE BY 2030

Our Key Focus Areas

- Community and individual physical and mental health and well-being
- Community safety and liveability
- Empowered, inclusive, connected, diverse and resilient community
- Opportunity for children and young people to reach their potential, older people to be valued and all people to participate fully
- A regional centre for arts, culture and local heritage

Measuring Our Success

- Community safety
- Use and management of public and open spaces
- Library, Nautilus Arts Centre and Port Lincoln Leisure Centre activity
- Progress of the Strategic Actions that support Liveable and Active Communities
- Progress of Annual Business Plan projects supporting Liveable and Active Communities

Our Strategic Actions

- 2.1 Advocate for continued investment and expansion of Health and Aged Care Services including regional offerings
- 2.2 Develop and implement a Sports and Recreation Strategy
- 2.3 Support & collaborate in programs that benefit all diversity groups in our community
- 2.4 Develop and implement a Disability Access and Inclusion Plan
- 2.5 Investigate and implement improvements to community safety
- 2.6 Advocate for and support affordable low cost accommodation and housing diversity
- 2.7 Complete and implement a Reconciliation Action Plan with the Barngarla Native Title holders and wider Aboriginal community
- 2.8 Develop a Youth Action Plan
- 2.9 Develop and implement a Volunteer Management Plan
- 2.10 Develop and implement a Community Events Strategy
- 2.11 Develop and implement an Arts and Culture Strategy



New Projects & Initiatives for 2022/2023

Project Name	Description	Expenditure \$'000s	Grants/ Contributions \$'000s
Art & Cultural Facilitation	Partnership with Country Arts SA to engage an arts and cultural facilitator in Port Lincoln to develop local frameworks and programs. (Year 2 of program)	140	70
Volunteer Management Plan	Development & implementation of a Volunteer Management Plan	resourced internally	
Animal Management Plan	Development of Animal Management Plan	resourced internally	



GOAL 3

GOVERNANCE AND LEADERSHIP

We will be strategically driven, community aware and accountable

WHAT WE AIM TO FOCUS ON AND ACHIEVE BY 2030

Our Key Focus Areas

- Customer-centric service delivery
- Local and regional community leadership
- Strategic focus, effective and accountable decisions, responsive to significant events
- Open, effective and productive community and stakeholder engagement
- Sustainable long term financial position

Measuring Our Success

- Completion of Annual Business Plan projects
- Long Term Financial Plan and Budget performance
- Grant and partnership funding
- Community engagement with Council
- Progress of the Strategic Actions that support Governance and Leadership
- Progress of Annual Business Plan projects supporting Governance and Leadership
- Progress of Council's strategies and plans

Our Strategic Actions

- 3.1 Implement workforce strategies to attract, develop and retain qualified and experienced staff
- 3.2 Lead regional discussion on local government reform to effectively and efficiently meet community needs in Southern Eyre Peninsula
- 3.3 Advocate for regional co-operation and promote the voice of the community in regional, state and national forums
- 3.4 Develop and implement an Emergency Management Plan, business continuity and related capabilities
- 3.5 Implement Business Excellence and continuous improvement, including service reviews for relevance, efficiency and effectiveness
- 3.6 Develop a strategic response to population growth and service demand from the communities of interest in District Council of Lower Eyre Peninsula adjacent City of Port Lincoln
- 3.7 Monitor and respond to policy directions in Commonwealth/State funding programs relating to the COVID-19 virus
- 3.8 Maximise Council and community grant funding and partnership opportunities to achieve outcomes for the Port Lincoln community to strengthen our financial capacity
- 3.9 Investigate and implement collaborative and resource sharing opportunities with adjoining councils and government agencies



New Projects & Initiatives for 2022/2023

Project Name	Description	Expenditure \$'000s	Grants/ Contributions \$'000s
Enterprise Software	Implement Enterprise Software solution to replace current Corporate System	321	
GIS	Implementation of Geographical Information System	24	
ESCOSA Rates Oversight Scheme	Mandated ESCOSA Review - costs payable to ESCOSA	52	
Infrastructure Revaluations	Legislative revaluation of roads, footpaths and kerbs infrastructure	50	
Council Elections	2022 Council Election - costs payable to Electoral Commission	75	
Emergency Management Plan	Develop an Emergency Management Plan	20	
Asset Maturity Assessment	Asset Management Improvement Program	10	



GOAL 4

SUSTAINABLE ENVIRONMENT

We will be clean, green, renewable and resilient

WHAT WE AIM TO FOCUS ON AND ACHIEVE BY 2030

Our Key Focus Areas

- Healthy natural environment, waterways, land biodiversity and coast
- Pristine protected coastal environment
- Environmental responsibility and sustainability
- Climate change resilience and adaptation

Measuring Our Success

- Recyclable waste ratio
- Environmental sustainability actions in the community
- Investment in stormwater infrastructure and management
- Recycled Water Scheme performance
- Progress of the Strategic Actions that support Sustainable Environment
- Progress of Annual Business Plan projects supporting Sustainable Environment

Our Strategic Actions

- 4.1 Improve stormwater management for safety, business, property protection and environmental outcomes, including water sensitive urban design
- 4.2 Integrate environmental impacts into consideration of service provision and project planning
- 4.3 Work in partnership with local business, Eyre Peninsula Landscape Board, the community and other partners to promote and implement environmental sustainability initiatives
- 4.4 Support and implement renewable energy, energy efficiency, emissions reduction and community sustainability initiatives
- 4.5 Develop and implement a Waste Management Strategy, including community empowerment and education on resource management
- 4.6 Support initiatives through the Regional Climate Change Adaptation Plan for Eyre Peninsula and other coastal and environmental alliances
- 4.7 Develop and implement a Carbon Management Plan



New Projects & Initiatives for 2022/2023

Project Name	Description	Expenditure \$'000s	Grants/ Contributions \$'000s
Carbon Management Plan	Review Council's carbon footprint and develop an action plan.	resourced internally	



GOAL 5

COMMUNITY ASSETS AND PLACEMAKING

We will be a welcoming, liveable and accessible City

WHAT WE AIM TO FOCUS ON AND ACHIEVE BY 2030

Our Key Focus Areas

- Public places and infrastructure meeting economic and community needs
- Community facilities and open spaces for recreation, leisure and health and well-being
- Foreshore, CBD and Marina Precincts public realm activation
- Safe, inclusive and sustainable public places and Council facilities
- Local and regional accessibility and connectivity

Measuring Our Success

- Community assets satisfaction
- Asset renewal ratio
- Total length of paths and trails
- Placemaking capital investment
- Progress of the Strategic Actions that support Community Assets and Placemaking
- Progress of Annual Business Plan projects supporting Community Assets and Placemaking

Our Strategic Actions

- 5.1 Develop and implement a Footpaths and Trails Strategy
- 5.2 Develop and implement a Trails and Wayfinding Strategy including future development options for the Parnkalla Trail
- 5.3 Complete and implement the Open Space Strategy
- 5.4 Deliver key elements of CBD, Foreshore and Marina Precincts Master Plan
- 5.5 Progress development of a civic and community hub
- 5.6 Investigate options for neighbourhood renewal projects in appropriate precincts of the city
- 5.7 Develop a Road Traffic Management Place including shared and future alternative uses of rail and road corridors.



New Projects & Initiatives for 2022/2023

Project Name	Description	Expenditure \$'000s	Grants/ Contributions \$'000s
Masterplanning	Commence masterplanning for Murray's Point, Centenary Oval & Ravendale Oval	45	
Create Infrastructure Development Guidelines	Guidelines for new developments in Port Lincoln	15	
Liverpool Street Pump Station	Decommission and remove Liverpool Street Pump Station	25	

CAPITAL EXPENDITURE

2022/2023

Project Name	Project Scope	Renewal (\$)	New / Upgrade (\$)	Funding (\$)
BUILDINGS				
Nautilus Arts Centre First Floor Office completion	Nautilus Arts Centre First Floor Office Air Conditioner		10,000	-
Manse Redevelopment	Manse Upgrade for Port Lincoln Uni Hub		400,000	200,000
Depot Upgrade	Upgrade and redevelopment of Council Depot		2,350,000	
Sub Total			2,760,000	200,000
DRAINAGE				
Stormwater Infrastructure	Continued implementation of Stormwater Management Plan		510,000	-
Additional Stormwater Projects	Stormwater projects in addition to the Stormwater Management Plan		250,000	-
Sub Total			760,000	-
FOOTPATHS				
New Footpaths Program	New Footpath upgrades		200,000	-
Footpath & Kerb Renewal Program	Footpath & Kerb Renewal Program	250,000		212,000
Sub Total		250,000	200,000	212,000
FURNITURE & FITTINGS				
Elected Member IT Equipment	Electronic devices for Elected Members following Council elections		15,000	-
Library Public PC Replacement	Replacement of suite of 4 public access computers including software	10,000		-
Library Self-Serve Kiosks	Replacement of 2 x self-serve kiosks with updated software	25,000		-
Nautilus Arts Centre Front of House Sound System	Replacement of the Nautilus Arts Centre Front of House Sound System	80,000		-
Nautilus Arts Centre Lighting Upgrade	Nautilus Arts Centre Lighting Upgrades	60,000		-
Nautilus Arts Centre Projector	Replacement of Nautilus Arts Centre Projector	20,000		-
Visitor Information Centre Printer	Replace Visitor Information Centre Printer	4,600		-

Capital Expenditure 2022/2023 – continued

Project Name	Project Scope	Renewal (\$)	New / Upgrade (\$)	Funding (\$)
Council Telephone System	Replace current outdated telephone system and hardware to a modern cloud based system and handsets	40,000		-
Sub Total		239,600	15,000	-
KERBS				
Milton Avenue	Milton Avenue Kerbing to address drainage issues		20,000	-
Stamford Terrace/ Windsor Avenue Kerbing	Complete kerb works and intersection drainage issues		60,000	-
Sub Total			80,000	-
PORT LINCOLN LEISURE CENTRE (PLLC)				
Storage Doors - PLLC	Supply and installation of fabricated plywood doors for storage		6,000	-
Basketball Backboards - PLLC	Replace basketball backboards in "old" stadium	30,000		-
Sub Total		30,000	6,000	-
OTHER COMMUNITY ASSETS				
Foreshore Redevelopment (Ongoing)	Ongoing Foreshore Redevelopment as per funding agreement		3,600,000	2,200,000
Rainbird Irrigation	Installation of Rainbird Irrigation to Wellington Square, Shaen Street, Dickens Street & Kirton Point Oval		6,000	-
Poole Oval	Irrigation Design		6,000	-
Nelson Square Enhancements	Nelson Square Enhancements		250,000	250,000
Dog Park	Development of Dog Park		150,000	150,000
Entry Signage	Signage for Council entrances - Tulka, Western Approach Road and Flinders Highway		15,000	-
Playground WHS Improvement Program	Attend to various playground WHS safety findings	100,000		-
Sub Total		100,000	4,027,000	2,600,000
PLANT & EQUIPMENT				
Fleet Vehicles (x3) including trade-in	Motor Vehicle Replacements (1 new & 2 replacements)	68,000	45,000	16,000
Plant Replacement and Disposal	Purchase Skidsteer or Mini Excavator; Grader and Steel Drum Roller to be sold		200,000	100,000
Footpath Sweeper	Purchase Footpath Sweeper		50,000	-
Pressure Cleaner	Purchase of High Pressure Water Cleaner for Depot		20,000	-
Parks and Gardens Truck	Depot Truck		75,000	-

Capital Expenditure 2022/2023 – continued

Project Name	Project Scope	Renewal (\$)	New / Upgrade (\$)	Funding (\$)
Construction Truck	Replace Mitsubishi Fuso Canter FE Tipper	100,000		20,000
Depot Operations Utes	Replace Parks & Gardens & Construction Utes	66,000		10,000
Supervisor Utes	Replace Parks & Gardens & Construction Supervisor Utes	76,000		10,000
Community Safety Vehicle	Replace Community Safety Vehicle	38,000		10,000
Line Marker	Replace Line Marker	25,000		-
Sub Total		373,000	390,000	166,000
RECYCLED WATER SCHEME				
Filtration - Valve Actuators	Filtration - Replace 28 x Valve Actuators	13,500		-
Sub Total		13,500		-
RESOURCE RECOVERY CENTRE				
Resource Recovery Centre Flare	Resource Recovery Centre Flare	450,000		-
Sub Total		450,000		-
ROADS				
Road Reseal Program	Annual Resealing Program TBC	800,000		-
Sub Total		800,000		-

HOW WE COMPARE



Each year when we prepare the Annual Business Plan and Budget we undertake analysis of some key metrics against the other Councils which are classified as regional cities by the Local Government Grants Commission.

Although we are comparing our draft budget with other council's previous years data (so there is a 12 month gap), this still provides us with a good indication of how we compare in basic terms.

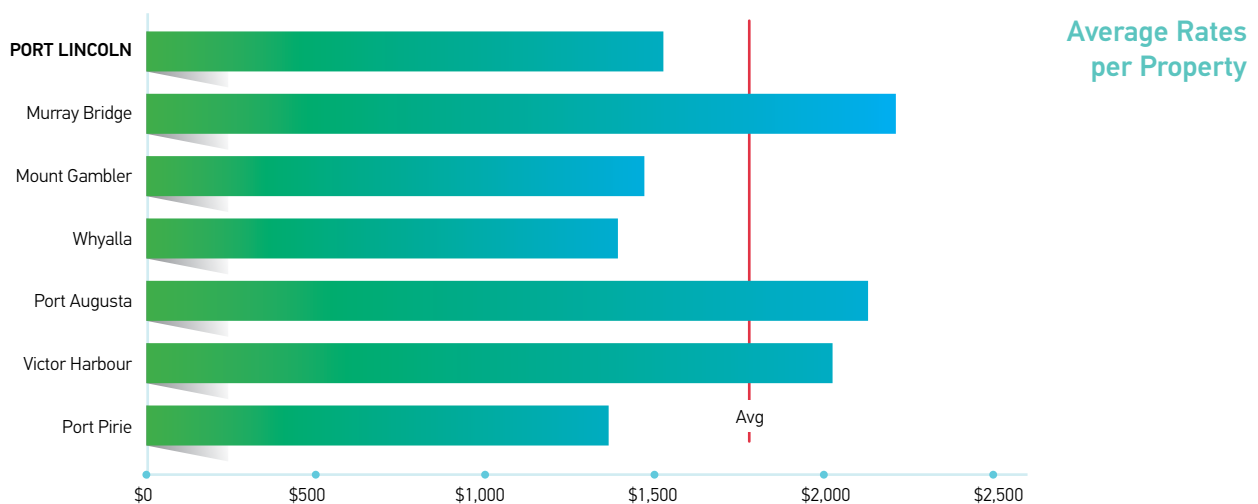
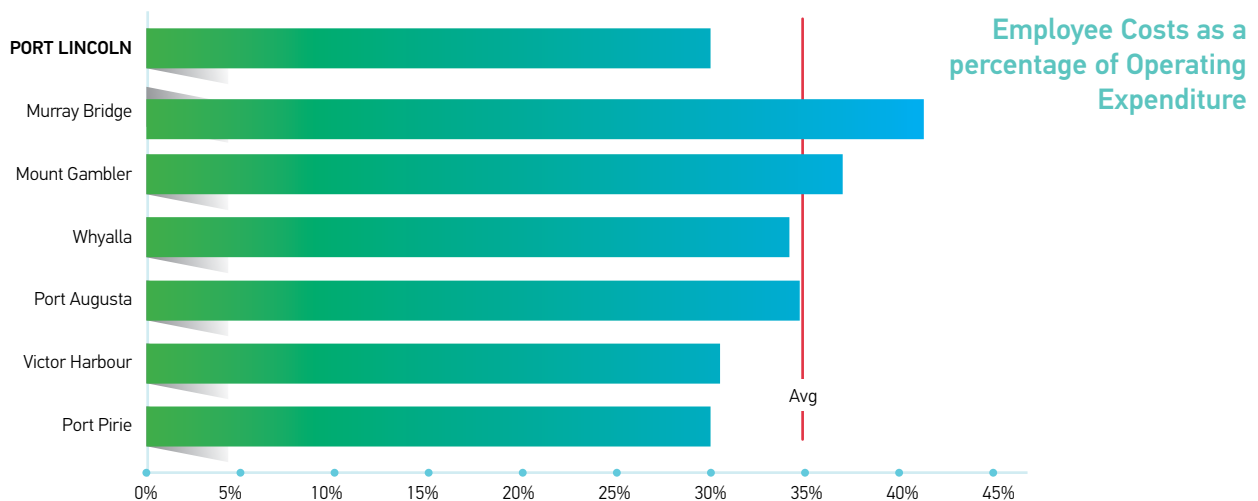
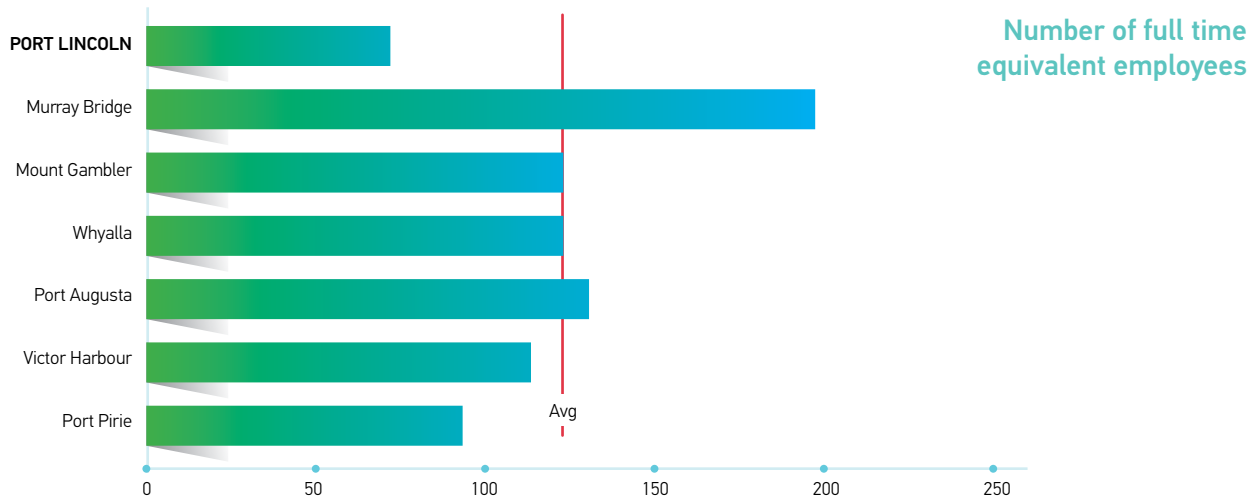
These comparisons provide us with context on resourcing levels compared to other regional cities in South Australia.

Further comparison is available at:

councilsinfocus.sa.gov.au



HOW WE COMPARE



SIGNIFICANT INFLUENCES

A number of significant factors have influenced the preparation of the Council's 2022/2023 Annual Business Plan.

These include:

- Consumer Price Index increases on existing goods and services including increases to regional memberships and subscriptions of around 5.1% (twelve months to March 2022)
- Requirements to maintain and improve infrastructure assets to acceptable standards, including roads, footpaths, stormwater drainage and other community assets
- Planning service delivery needs for a increasing population (0.5% growth)
- Diminishing State / Commonwealth grant funding for standard operating activities in the longer term
- Increased success with obtaining State / Commonwealth grant funding for capital / infrastructure projects
- Need to deliver new initiatives as per the Strategic Directions Plan 2021 - 2030

At a minimum, Council revenue needs to keep pace with these underlying cost indices, simply to continue delivering current services, renewal programs and a modest level of new project and initiative capacity in order to deliver on the long term plans for the community.





FINANCIAL STATEMENTS

UNIFORM PRESENTATION OF FINANCES FOR THE YEAR ENDED 30TH JUNE 2023 Draft Annual Budget 2022/2023

	Annual Budget 2021/2022 \$	Draft Forecast #2 2021/2022 \$	Draft Annual Budget 2022/2023 \$
Income	22,459,537	22,126,349	23,707,098
Expenses	(22,696,394)	(23,057,096)	(24,156,059)
Operating Surplus/(Deficit)	(236,857)	(930,747)	(450,961)
Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	(2,603,500)	(4,202,860)	(2,274,600)
Add back Depreciation, Amortisation & Impairment	4,164,103	4,164,103	4,171,149
Proceeds from Sale of Replaced Assets	45,500	45,500	166,000
	1,606,103	6,743	2,062,549
Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	(5,535,420)	(6,081,831)	(8,273,000)
Amounts received specifically for New and Upgraded Assets	1,281,020	1,478,930	3,042,000
	(4,254,400)	(4,602,901)	(5,231,000)
Net Lending/(Borrowing) for Financial Year			
	(2,885,154)	(5,526,905)	(3,619,412)

STATEMENT OF COMPREHENSIVE INCOME

	Annual Budget 2021/2022 \$	Budget Forecast #2 2021/2022 \$	Draft Annual Budget 2022/2023 \$
INCOME			
Rates	15,687,462	15,703,354	16,367,877
Statutory Charges	284,400	324,400	359,900
User Charges	2,572,706	2,428,972	2,781,201
Grants, Subsidies and Contributions	1,984,114	1,461,359	2,284,887
Investment Income	78,640	58,640	78,641
Reimbursements	902,902	1,064,173	834,561
Other Income	949,313	1,085,451	998,031
Total Income	22,459,537	22,126,349	23,705,098
EXPENSES			
Employee Costs	6,708,747	6,642,195	7,273,628
Materials, Contracts & Other Expenses	11,562,454	12,053,168	11,798,505
Finance Costs	261,090	197,630	235,777
Depreciation, Amort & Impairment	4,164,103	4,164,103	4,171,149
Draft ABP 2022/2023 Operational Projects	-	-	677,000
Total Expenses	22,696,394	23,057,096	24,156,059
OPERATING SURPLUS / (DEFICIT)	(236,857)	(930,747)	(450,961)
Amounts received specifically for new or upgraded assets	1,281,020	1,478,930	3,042,000
TOTAL COMPREHENSIVE INCOME	1,044,163	548,183	2,591,039

BALANCE SHEET

	Annual Budget 2021/2022 \$	Budget Forecast #2 2021/2022 \$	Draft Annual Budget 2022/2023 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	2,753,643	2,989,359	1,960,358
Trade and Other Receivables	1,701,161	1,547,928	1,567,327
Financial Assets	173,914	144,296	89,921
Total Current Assets	4,628,718	4,681,583	3,617,606
Non-Current Assets			
Financial Assets	488,017	557,635	467,714
Other Non-Current Assets	-	163,116	163,116
Infrastructure, Property, Plant & Equipment Land	78,762,300	78,760,000	78,760,000
Buildings	25,805,522	25,862,995	25,139,429
Infrastructure	103,562,187	103,410,528	111,322,424
Plant and Equipment	1,060,941	1,038,529	642,511
Furniture and Fittings	226,458	164,570	107,769
Resource Recovery Centre	2,416,338	3,929,775	3,849,715
Leisure Centre	15,882,562	15,924,831	15,479,831
Right-of-Use Assets	736,284	810,336	810,337
Total Non-Current Assets	228,940,609	230,622,315	236,742,846
Total Assets	233,569,327	235,303,898	240,360,452
LIABILITIES			
Current Liabilities			
Trade and Other Payables	2,833,909	2,338,668	2,331,293
Borrowings	635,166	704,332	683,794
Provisions	921,321	969,811	989,211
Total Current Liabilities	4,390,396	4,012,811	4,004,298
Non-Current Liabilities			
Trade and Other Payables	-	14,637	14,637
Borrowings	8,008,460	8,113,273	10,587,301
Provisions	2,421,123	3,955,587	3,955,587
Total Non-Current Liabilities	10,429,583	12,083,497	14,557,525
Total Liabilities	14,819,979	16,096,308	18,561,823
NET ASSETS	218,749,347	219,207,590	221,798,629
EQUITY			
Accumulated Surplus	41,915,040	42,376,073	44,967,112
Asset Revaluation Reserves	175,563,506	175,563,506	175,563,506
Other Reserves	1,270,801	1,268,011	1,268,011
TOTAL EQUITY	218,749,347	219,207,590	221,798,629

STATEMENT OF CASH FLOWS

	Annual Budget 2021/2022 \$	Budget Forecast #2 2021/2022 \$	Draft Annual Budget 2022/2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating Receipts	21,630,919	21,309,232	22,793,256
Investment Receipts	78,640	58,640	78,641
Payments			
Operating Payments to suppliers & employees	(17,380,955)	(17,796,637)	(18,923,307)
Finance Payments	(261,090)	(197,630)	(235,777)
Net Cash provided by (or used in) Operating Activities	4,067,514	3,373,605	3,712,813
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets	1,281,020	1,478,930	3,042,000
Sale of Replaced assets	45,500	45,500	166,000
Repayments of Loans by community groups	144,590	144,590	144,296
Payments			
Expenditure on renewal/replacement of assets	(2,603,500)	(4,202,860)	(2,274,600)
Expenditure on new/upgraded assets	(5,535,420)	(6,081,831)	(8,273,000)
Loans made to community groups	-	(80,000)	-
Net Cash provided by (or used in) Investing Activities	(6,667,810)	(8,695,671)	(7,195,304)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from Borrowings	1,100,000	1,180,000	2,975,000
Payments			
Repayments of Borrowings	(504,589)	(504,589)	(521,510)
Repayment of Lease Liabilities	(147,624)	(147,624)	
Net cash provided by (or used in) Financing Activities	447,787	527,787	2,453,490
Net Increase (Decrease) in cash Held	(2,152,509)	(4,794,279)	(1,029,001)
Cash & Cash Equivalents at beginning of Period	4,906,152	7,783,638	2,989,359
Cash & Cash Equivalents at end of period	2,753,643	2,989,359	1,960,358

CHANGES IN EQUITY

	Accumulated Surplus \$	Asset Revaluation Reserve \$	Other Reserves \$	TOTAL EQUITY \$
DRAFT BUDGET 2022/2023				
Balance at end of previous reporting period	42,376,073	175,563,506	1,268,011	219,207,590
Restated opening balance	42,376,073	175,563,506	1,268,011	219,207,590
Net Surplus/ (Deficit) for Year	2,591,039	-	-	2,591,039
Balance at End of Period - 30 June 2023	44,967,112	175,563,506	1,268,011	221,798,629
Forecast #2 2021/2022				
Balance at end of previous reporting period	41,827,890	175,563,506	1,268,011	218,659,407
Restated opening balance	41,827,890	175,563,506	1,268,011	218,659,407
Net Surplus/ (Deficit) for Year	548,183	-	-	548,183
Balance at End of Period - 30 June 2022	42,376,073	175,563,506	1,268,011	219,207,590
Annual Budget 2021/2022				
Balance at end of previous reporting period	40,870,859	175,563,506	1,270,801	217,705,166
Restated opening balance	40,870,859	175,563,506	1,270,801	217,705,166
Net Surplus/ (Deficit) for Year	1,044,182	-	-	1,044,182
Balance at End of Period - 30 June 2022	41,915,041	175,563,506	1,270,801	218,749,348

FUNDING THE BUSINESS PLAN

An operating deficit of \$450,961 is being forecast for 2022/2023. The operating deficit measures the difference between operating revenue and expenses for the period. The Council's long term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue, in accordance with the Long Term Financial Plan.

Council's revenue in 2022/2023 includes \$16,367,877 proposed to be raised from general and other rates revenue. This is based on an increase in general rates revenue of 4.4%.

The graph below outlines the break-up of operational funding budgeted to be received for the 2022/2023 financial year.

Other sources of revenue for the City of Port Lincoln are:

User Pays Charges set by Council – these charges are mainly for Council's Resource Recovery Centre, but also include private works and other use of Council's facilities.

Statutory Charges 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

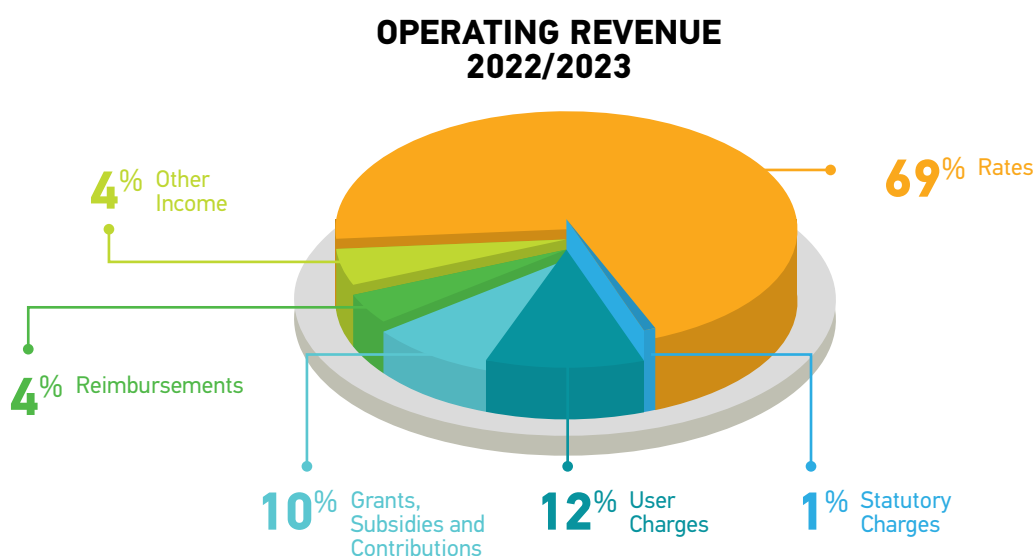
and dog registrations. The revenue from statutory charges generally off-set the cost of the service.

Grants, Subsidies and Contributions – the Council normally seeks to attract as much 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.

Investment Income – Council invests funds for future maintenance and capital projects in interest bearing accounts.

Commercial Rental Income – in recent times Council has entered into a number of commercial leasing arrangements which has seen a new revenue source from commercial rental income from the Flinders Theatre and the Nautilus Arts Centre.

Throughout the next financial year and beyond, Council will also be investigating strategic borrowings to assist with capital development into the future. The current record low interest rates available to Council may assist in Council's cashflow throughout the year and provide additional financial resourcing opportunities.



FINANCIAL SUSTAINABILITY

Amendments to the Local Government Act 1999 in 2005, combined with an independent review initiated by the Local Government Association of SA into the long term financial sustainability of South Australian councils, clearly indicated that there was a need for councils to take a longer term view into their financial planning and sustainability in working towards their goals.

Council is committed to ensuring its long term financial sustainability.

Council's financial sustainability is dependent on ensuring that, on average over time, its expenses are at least matched by its revenue.

In addition, capital expenditure on existing infrastructure and other assets should be optimised in accordance with Council's long term renewal programs as referenced in Council's Infrastructure & Asset Management Plan.

Regulation 7 of the Local Government (Financial Management) Regulations 2011 states:

Pursuant to section 123(10)(b) of the Act, each budget of a council under the Act must – include estimates with respect to the council's operating surplus ratio, asset sustainability ratio and net financial liabilities ratio presented in a manner consistent with the note in the Model Financial Statements entitled Financial Indicators.

OPERATING SURPLUS RATIO

The operating surplus ratio expresses the operating surplus (deficit) as a percentage of operating income.

This ratio answers the question: *Is Council covering its operating expenditure and depreciation charge from its operating revenue?*

The forecast Operating Surplus Ratio for 2022/2023 of -1.9% represents operating income budgeted to be \$450,961 less than Council's operating expenses for the year.

This falls within the acceptable limits of between -3% and +5% as per Council's Long Term Financial Plan.

Calculation of Operating Surplus Ratio	Budget 2022/2023
Operating Surplus (a)	(450,961)
Operating Revenue (b)	23,705,098
Operating Surplus Ratio (a)/(b)	(1.9%)

ASSET SUSTAINABILITY RATIO

The Asset Sustainability 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 depreciation.

The targeted ratio is between 90% and 110% and Council budgeted for 100% which indicates that Council is allocating sufficient funds to replace its assets.

NET FINANCIAL LIABILITIES & NET FINANCIAL LIABILITIES RATIO

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 following table sets out revised estimates as at 30 June 2023.

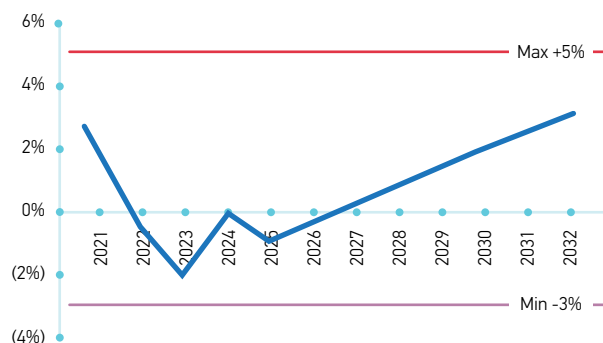
Calculation of Net Financial Liabilities Ratio	Estimated 30/6/2023 \$,000
Net Financial Liabilities (a)	14,477
Total Operating Revenue (b)	23,705
Net Financial Liabilities Ratio (a)/(b)	61%

ASSESSMENT OF LONG TERM FINANCIAL SUSTAINABILITY

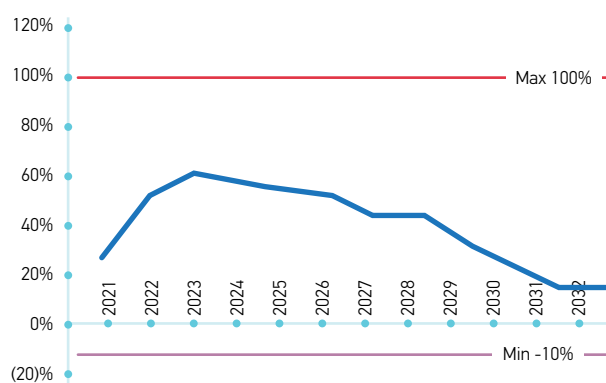
The below 10 year ratios indicate that the 10 year LTFP is financially sustainable:

- A moderate deficit in 2022/2023, thereafter improving in operating result for the remaining years of the plan, returning to surplus in year 5.
- Net Financial Liabilities are at acceptable levels; &
- Asset Sustainability Ratios are at acceptable levels.

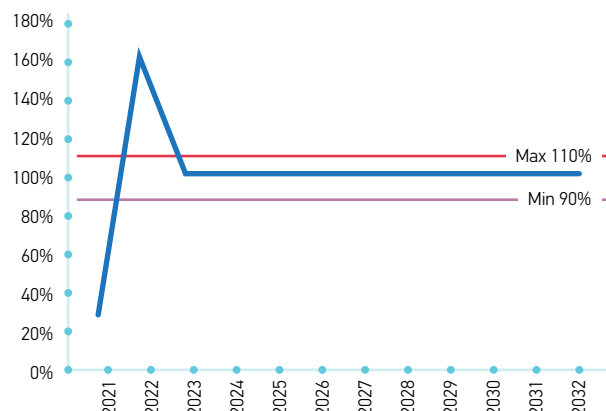
DRAFT OPERATING SURPLUS RATIO



DRAFT NET FINANCIAL LIABILITIES



DRAFT ASSET SUSTAINABILITY RATIO



RATING POLICY AND ARRANGEMENTS

RATING ARRANGEMENTS 2022/2023

The rate revenue increase has been kept to a level to enable funding of on-going operational expenses, renewal infrastructure works, priority new/upgrade capital and operational new initiatives – and return an Operational Result within the target range.

Council's LTFP forecasts a total rate revenue increase for 2022/2023 of 4.4% in RATE REVENUE DOLLARS. The forecast rate revenue increase in the Long Term Financial Plan incorporates and reflects anticipated growth of the city's rate base plus a Consumer Price Indexation estimate.

Rating Basis – Site Value

The City of Port Lincoln will continue to use site value as the basis for valuing land within the council area for the 2022/2023 financial year.

Council acknowledges that most Council's in South Australia have adopted the 'capital value' basis, and that the Local Government Reform Bill passed in 2021 will require a transition from site value to capital value based rating. This process will begin in 2022/2023 for implementation in 2023/2024.

Of the site valuations, \$69,837,616 are non-rateable properties and \$1,080,607,734 are rateable properties for 2022/2023.

Introduction of Differential Rating

In preparation for the transition to capital rates, Council has created land use codes so properties of similar purpose can be rated proportionately into the future under the capital value system. This is known as differential rating; however, it should be noted that there will be no difference in the rate in the dollar between the land use codes in the 2022/2023 financial year.

Land use Codes:

- Residential
- Commercial
- Industrial
- Vacant
- Primary Producers
- Marina Berths
- Other

General Rates (s153 and s156)

The Long Term Financial Plan forecasts a target rate revenue increase for 2022/2023 of 4.4% on the GENERAL RATES (including 'rate in the dollar' component) compared to the previous year, to fund this Annual Business Plan. The percentage rate revenue increase applied in the Annual Business Plan is consistent with funding of the projects, programs and services that Council has included in the Annual Business Plan and Annual Budget.

The general rate revenue calculation is shown in **Table 1. General Rate Revenue Calculation**

The table below demonstrates that although the total general rate revenue raised is to increase by 4.4%, the planned increase in the average rate per assessment is 4.12% (total general rate revenue divided by the total number of properties that the rate revenue is distributed across), when the new total revenue is applied to the new number of assessable properties in 2022/2023.

Pursuant to Sections 159 to 165 of the Local Government Act 1999, Council is required to provide mandatory rate rebates to land that is either owned, occupied or used for purposes as described in these sections. Section 166 of the Act also provides that Council may grant discretionary rebates for the purposes as described in Section 166. Council currently provides mandatory rebates

Table 1. General Rate Revenue Calculation

Total General Rate Revenue for 2021/2022 Budget	Total Percentage Increase 2021/2022	In Comparison Total % Increase in 2020/2021	Total General Rate Revenue for 2022/2023 Budget	Total Percentage Increase 2022/2023	In Comparison Total % Increase in 2021/2022
\$12,442,298	4.00%	1%	\$12,986,355	4.37%	4%

2021/2022	2021/2022	2021/2022	Total % Increase on Average Per Property	2022/2023	2022/2023	2022/2023	Total % Increase on Average Per Property
Total General Rate Revenue	Number of Properties Rates Distribution	Average proposed General Rate Per Property		Total General Rate Revenue	Number of Properties Rates Distribution	Average proposed General Rate Per Property	
\$12,442,298	8,519	\$1,460.54	3.59%	\$12,986,355	8,540	\$1,520.67	4.12%

to 122 properties and discretionary rate rebates to 27 properties.

In addition to a general rate, Council will raise income through Service Charges for Recycling and Waste Collection.

The 2022/2023 Budget will be developed to enable Council to undertake the planned services, programs and proposed projects, in line with its financial sustainability objective and principles.

The total rate revenue to be raised for this Annual Business Plan is provided in the summary below in the context of the overall forecast cash flow impact of Council activities.

In order to adopt a sustainable and responsible Annual Business Plan and Budget, Council has reviewed project priorities together with other key budget drivers, demonstrating a clear nexus between any additional debt or reserves use and the community outcomes to be achieved.

The net proceeds of rates received for budget purposes will also reflect additional revenues and expenses related to rates, including revenue for the Regional Landscape Levy, formerly known as the Natural Resources Management Levy, penalties for late payment, rates and legal costs recovered, less rebates, rate remissions and write-offs and the rates early payment discount.

Rate in the Dollar Summary			
		Rate in Dollar component	Increased rates raised - Rate in Dollar component
Total Rate in Dollar Charge 2021/2022	\$0.008215	\$8,640,923	
Total Rate in Dollar Charge 2022/2023	\$0.008400	\$9,077,105	\$436,182

To raise **General Rate Revenue** that is identified in the section **FUNDING THE ANNUAL BUSINESS PLAN**, Council declares a **rate in the dollar of \$0.0084** based on the site valuation of land within the City of Port Lincoln together with a fixed charge per rateable property.

Fixed Charge

The Council has elected to impose a fixed charge system, rather than a minimum rate which tends to distort the equity principles of taxation.

The reasons for imposing a combination of rate in the dollar and a fixed charge are:

- The Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities and maintaining the physical infrastructure that supports each property;

- The fixed charge system has a lesser proportionate impact on lower income earners than a minimum rate system;
- The fixed charge system is more readily understandable than a minimum rate system.

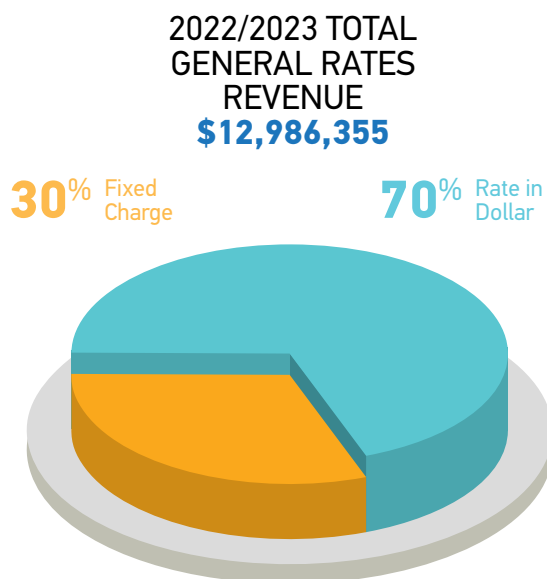
The fixed charge for 2022/2023 will be levied uniformly on all non-contiguous assessments excluding Marina Berths. The fixed charge is levied against the whole of an allotment (including land under a separate lease or license) and only one fixed charge is levied against two or more pieces of adjoining land (whether intercepted by a road or not) if the same owner occupies and owns them.

Council has in the past increased the fixed charge by a nominal \$10 per year and will maintain a \$10 increase for 2022/2023.

Fixed Charge Summary			
	2021/2022	2022/2023	
Number of rateable properties	8,519	8,540	
Less Adjoining properties	183	149	
Marina berths	161	161	
Adjusted number of properties fixed charge applicable to	8,175	8,230	
		Fixed Charge component	Increased rates raised - Fixed Charge component
Total Fixed Charge 2021/2022	\$465	\$3,801,375	
2022/2023 Fixed Charge	\$475	\$3,909,250	\$107,875

Pursuant to Section 151(10) of the Local Government Act 1999, revenue raised from the Fixed Charge component cannot raise an amount that exceeds 50% of all revenue raised by the Council from general rates.

Rate Revenue from Fixed Charge and calculated Rate in the Dollar Rates



Waste and Recycling Service Charges

Pursuant to Section 155 of the Local Government Act 1999, Council has declared service charges for both the waste and recycling collection services.

The Waste Service Charge is based on the nature of the service in respect of all land within the area of the City of Port Lincoln to which Council provides or makes available a waste collection service.

Council does not provide kerbside recycling services to properties assessed by the Valuer General's Office as vacant land or marina berths, and therefore these properties do not attract the Recycling Service Charge.

To be equitable to all ratepayers, property owners should be charged for the services they are eligible to receive from Council. Council continues to model for full cost recovery on waste and recycling services totalling **\$333.98** where applicable, as shown in the table below:

Waste and Recycling Service Charges				
	2021/2022		2022/2023	
Number of rateable properties	8,519		8,540	
Less exempt from charges under Lease or License	11		11	
Number of rateable properties Waste Service Charge applicable	8,508		8,529	
Less Marina Berths	161		161	
Less Vacant Land	412		422	
Number of rateable properties Recycling Service Charge applicable	7,935		7,946	

	Service Charges		Total Amount Raised	
	2021/2022	2022/2023	2021/2022	2022/2023
Waste Service Charge	\$265.80	\$277.76	\$2,261,426	\$2,369,015
Recycling Service Charge	\$53.80	\$56.22	\$426,903	\$446,724
Combined Service Charge	\$319.60	\$333.98	\$2,688,329	\$2,815,739

Although the City of Port Lincoln has experienced significant growth in property values in the past, from \$267 million in June 2002 to over \$1.1 billion at present, the property values have not continued to increase at the same rate over the last 4 years. Over the last year, however the total site value across the Council has increased noticeably.

The Annual Business Plan has calculated that an increase in assessment numbers between 2021/2022 and 2022/2023 will be less than 0.5%. This determination of rate revenue and rates setting had regard for the growth of the city and the rate base as reflected in the new assessments advised by the Valuer General at the time of budget adoption.

Council staff have undertaken Rates Modelling as part of the annual budgeting process. The modelling system is based on the total amount of rates revenue Council needs to raise, including the Fixed Charge component, applied over the number of assessments. Modelling also reflects the other rating variations applicable to each property in regards to the Service Charges and the Regional Landscape Levy.

In adopting the Annual Business Plan and subsequently the Annual Budget for 2022/2023, Council has determined the rating model considered to be the most fair and equitable to residents and ratepayers.

The City of Port Lincoln does not proportionally raise rates on new developments throughout the financial year.

Property valuations are determined and advised by the State Valuation Office and vary from year

to year. One property's site value in relation to other properties will affect the relative change to the General Rates amount applicable to any one assessment, when compared to the 'average'.

The increase in the general rate revenue, which is inclusive of the rate in the dollar and fixed charge components, when applied across all rateable properties including new assessments, averages a total increase of 4.12% per assessment. This does not include the increase in the Regional Landscape Levy, which is not determined by Council.

The table below is provided as an indicative illustration of the overall impact of the proposed increases in the revenue to be generated from general rates, services charges and Landscape Levy when applied to the estimated 2022/2023 total property assessments. The Landscape Levy comparison is based solely on the Residential, Other and Vacant Land Use Rate as the impact on other land use user groups will differ. The actual impact on an individual assessment may not be the same as the examples provided and may be more or less than the average.

Regional Landscape Levy

The City of Port Lincoln currently falls within the Eyre Peninsula Landscape Board region. The Landscape South Australia Act 2019 allows the process for collecting Levy funds on behalf of the Eyre Peninsula Landscape Board (EPL) to raise funds by way of a fixed charge levy to assist in funding the operations of the Board. The fixed charge is imposed as a separate rate upon all properties within the area of the Board.

Regional Landscape Levy

	2021/2022	2022/2023	\$ Difference	% increase
Average General Rates	\$1,460.54	\$1,520.67	\$60.13	4.12%
Waste & Recycling Service Charges	\$319.60	\$333.98	\$14.38	4.50%
Combined Average Rates & Services Charges	\$1,780.14	\$1,854.65	\$74.51	4.19%
Landscape Levy	\$80.30	\$80.90	\$0.60	0.75%
Total including Landscape Levy	\$1,860.44	\$1,935.55	\$75.11	4.04%

The amount of the levy per property is now determined by the fixed rate applicable to the particular land use as advised by the EPL Board as follows:

Residential, Other and Vacant Land: \$80.90
Commercial and Industrial Land: \$121.35
Primary Producers: \$161.80

Council is required to collect this revenue and pay the amount collected to the EPL Board. It does not retain this revenue or determine how the revenue is spent, nor does it determine the amount of the levy to be collected. The total amount of funds Council is required to raise for the EPL Board based on the property data provided to the EPL Board in October 2021, for the City of Port Lincoln Council area for 2022/2023 is estimated to be \$712,891. This represents an increase of 2.6% on the amount paid in 2021/2022.

Rates Summary

General Rate on Property Value @ \$0.0084	\$9,077,105
Fixed Charge @ \$475.00	\$3,909,250
Waste Service Charge @ \$277.76	\$2,369,015
Recycling Service Charge @ \$56.22	\$446,724
Landscape Levy Charge @ \$80.90*	\$712,891
TOTAL RATE & SERVICE CHARGE REVENUE	\$16,514,985

Note : The Landscape Levy charge referenced above applies to residential properties and vacant land. Commercial and Industrial Land uses attract a rate of \$121.35 and Primary Producers attract a charge of \$161.80 per property.



Any queries regarding the Landscape Levy
should be raised with the
Eyre Peninsula Landscape Board
Telephone **08 8688 3200**
or website **www.landscape.sa.gov.au/ep**

Rates Impact Statement

Residential Properties

Valuation	2021/2022	2022/2023	Difference	% Change
\$80,000	\$1,441.80	\$1,480.98	\$39.18	2.72%
\$160,000	\$2,099.00	\$2,152.98	\$53.98	2.57%
\$250,000	\$2,838.35	\$2,908.98	\$70.63	2.49%
\$370,000	\$3,824.15	\$3,916.98	\$92.83	2.43%

Commercial Properties

Valuation	2021/2022	2022/2023	Difference	% Change
\$72,000	\$1,376.08	\$1,413.78	\$37.70	2.74%
\$95,000	\$1,565.03	\$1,606.98	\$41.95	2.68%
\$300,000	\$3,249.10	\$3,328.98	\$79.88	2.46%
\$690,000	\$6,452.95	\$6,604.98	\$152.03	2.36%

The tables illustrate the impact of the proposed rates to be applied for 2022/2023 in comparison to the 2021/2022 financial year using the referenced property valuations. The percentage increase in rates for residential properties, will vary, but as shown in the table, generally is below the advertised rate revenue increase of 4.4%.

Payment of Rates

Payment of rates for the year ending 30 June 2023 will be allowed to be paid in quarterly instalments with the first payment due on the **second** Friday of September 2022 and the **first** Friday in December 2022, March 2023 and June 2023.

A quarterly rates notice will be sent to ratepayers at least 30 days prior to each due date. A ratepayer may also pay their rates in a single instalment due by **9 September 2022**.

To make bill paying more convenient for customers, the City of Port Lincoln provides the following services for the payment of the rates notice:

- BPAY service using the telephone or Internet. BPAY is available 24 hours a day, 7 days a week. Contact your Bank or financial institution for further details.
- Payment through the mail by posting a cheque with the 'tear off' remittance advice to the City of Port Lincoln.
- Payment in person at the Council Office, Level One, Civic Centre, 60 Tasman Terrace, Port Lincoln. Cheque, cash and EFTPOS facilities are available Monday to Friday 9am to 4.30pm.
- Payment via Council Website – at anytime.

Incentive for Early Payment of Rates

Council has previously offered a 2% discount for payment of rates received in full on or before the September payment date, and will continue to offer a 2% discount for payment of rates and charges in full on or before **Friday 9 September 2022**.

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 Council receives a payment in respect of overdue rates Council applies the money as follows;

- To satisfy any costs awarded in connection with 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.

Recovery of Outstanding Rates

The Council has a documented procedure for the recovery of outstanding rates. The process is based on the forwarding of reminder notices when a rate instalment is unpaid, if that instalment and the next remain unpaid after the next instalment reminder is sent out, the outstanding amount is referred to Council's debt collection agent for recovery action.

Sale of Land for Non-Payment of Rates

The Local Government Act 1999 provides that a Council may sell any property where the rates have been outstanding 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.

Rate Concessions

In previous years the State Government, in providing equity across SA in this area, funded a range of concessions on Council rates. The State Government ceased providing direct funding of Council rates concessions for eligible pensioners and self-funded retirees in 2015-2016 and introduced an alternative form of concession funding for eligible pensioners and self-funded retirees which can be applied to any need at the discretion of the recipient.

Council rates concessions are no longer directly applied and the full rates account is payable.

Remission and Postponement of Rates

Individuals and businesses can apply to have their rates postponed and/or enter into an agreed

payment plan if they meet the hardship criteria outlined in Council's Financial Hardship Policy 7.63.17. This will be upon application and assessed on a case by case basis.

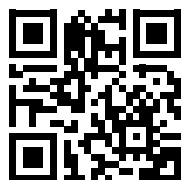
Rebate of Rates

The Local Government Act 1999 requires councils to rebate the rates payable on some land. Specific provisions are made pursuant to Section 160 to 165 for land used for health services, community services, religious purposes, public cemeteries and educational institutions. Council also provides Discretionary Rebates for some community groups or organisations pursuant to Section 166, however this rebate is not applicable to rateable properties owned or managed by community groups holding a licence pursuant to the Liquor Licensing Act 1997.

An application for rebate shall only be required upon establishment of a property which meets the criteria as outlined in the Local Government Act 1999 and the rebate will continue to be applied annually unless Council is notified, or becomes aware, of a change in circumstances.

Policy 7.63.8 Rates Concession Scheme

As per Section 166 and Council's Policy 7.63.8 Rates Concession Scheme, Council also provides some rebates of rates to encourage continuing building activity and land development in the City. These are in relation to development construction with a value in excess of \$1,000,000 and subdivision development, including strata and community title developments, where there are unsold new allotments.



Ratepayers can obtain further information about concessions by:

Telephoning the Department of Human Services
– ConcessionsSA Hotline:

on **1800 307 758**

Email: concessions@sa.gov.au

Visiting the website: www.dhs.sa.gov.au

DRAFT LONG TERM FINANCIAL PLAN 2023-2032 - FINANCIAL SUMMARY

ESTIMATED COMPREHENSIVE INCOME STATEMENT

Year Ended 30 June:	2021 Actual \$('000)	2022 Esti- mate \$('000)	2023 Plan Year 1 \$('000)	2024 Plan Year 2 \$('000)	2025 Plan Year 3 \$('000)	2026 Plan Year 4 \$('000)	2027 Plan Year 5 \$('000)	2028 Plan Year 6 \$('000)	2029 Plan Year 7 \$('000)	2030 Plan Year 8 \$('000)	2031 Plan Year 9 \$('000)	2032 Plan Year 10 \$('000)
INCOME												
Rates	15,141	15,703	16,367	17,071	17,790	18,467	19,170	19,899	20,656	21,443	22,260	23,108
Statutory Charges	355	324	360	371	380	390	400	410	420	431	442	453
User Charges	2,772	2,429	2,781	2,864	2,936	3,009	3,084	3,161	3,240	3,321	3,404	3,489
Grants, subsidies, contributions	2,551	1,461	2,285	2,347	2,176	2,230	2,286	2,343	2,402	2,462	2,524	2,587
Investment Income	49	59	79	49	56	52	56	59	64	70	73	79
Reimbursements	564	1,064	834	862	884	906	929	952	976	1,000	1,025	1,051
Other Income	968	1,086	998	1,028	1,054	1,080	1,107	1,135	1,163	1,192	1,222	1,253
Total Revenues	22,400	22,126	23,704	24,592	25,276	26,134	27,032	27,959	28,921	29,919	30,950	32,020
EXPENSES												
Employee costs	6,183	6,642	7,274	7,559	7,810	8,088	8,369	8,663	8,966	9,280	9,604	9,941
Materials, contracts & other expenses	10,902	12,053	11,798	12,195	12,622	13,064	13,521	13,994	14,484	14,991	15,516	16,059
Depreciation	4,475	4,164	4,171	4,304	4,430	4,446	4,479	4,496	4,503	4,520	4,537	4,554
Finance Costs	226	198	235	359	438	410	383	355	329	301	275	259
Other Expenses	0	0	677	187	175	179	183	188	193	198	203	208
Total Expenses	21,786	23,057	24,155	24,604	25,475	26,187	26,935	27,696	28,475	29,290	30,135	31,021
OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	614	(931)	(451)	(12)	(199)	(53)	97	263	446	629	815	999
Net gain/(loss) on disposal or revaluations	(245)	0	0	115	123	152	212	107	404	142	153	188
Amounts specifically for new assets	13	1,479	3,042	1,077	0	0	0	0	0	0	0	0
NET SURPLUS/(DEFICIT)	382	548	2,591	1,180	(76)	99	309	370	850	771	968	1,187
Other Comprehensive Income												
Changes in revaluation surplus - IPP&E	163	0	0	0	0	0	0	0	0	0	0	0
Total Other Comprehensive Income	163	0	0	0	0	0	0	0	0	0	0	0
TOTAL COMPREHENSIVE INCOME	545	548	2,591	1,180	(76)	99	309	370	850	771	968	1,187

DRAFT LONG TERM FINANCIAL PLAN 2023-2032 - FINANCIAL SUMMARY

ESTIMATED BALANCE SHEET

Year Ended 30 June:		2021 Actual \$('000)	2022 Esti- mate \$('000)	2023 Plan Year 1 \$('000)	2024 Plan Year 2 \$('000)	2025 Plan Year 3 \$('000)	2026 Plan Year 4 \$('000)	2027 Plan Year 5 \$('000)	2028 Plan Year 6 \$('000)	2029 Plan Year 7 \$('000)	2030 Plan Year 8 \$('000)	2031 Plan Year 9 \$('000)	2032 Plan Year 10 \$('000)
ASSETS													
Current Assets													
Cash & Equivalent Assets		7,784	2,989	1,960	4,370	4,143	4,207	5,400	4,906	6,845	8,343	10,569	10,287
Trade & Other Receivables		1,692	1,691	1,657	1,612	1,616	1,620	1,624	1,555	1,543	1,538	1,520	1,520
Total Current Assets		9,476	4,680	3,617	5,982	5,759	5,827	7,024	6,461	8,388	9,881	12,089	11,807
Non-Current Assets													
Receivables		622	558	467	376	280	180	76	41	18	0	0	0
Infrastructure, Property, Plant & Equipment		223,991	230,064	236,275	236,916	236,515	236,204	234,940	235,439	233,976	232,873	231,228	232,289
Total Non-Current Assets		224,613	230,622	236,742	237,292	236,795	236,384	235,016	235,480	233,994	232,873	231,228	232,289
Total Assets		234,089	235,302	240,359	243,274	242,554	241,211	241,040	241,941	242,382	242,754	243,317	244,096
LIABILITIES													
Current Liabilities													
Trade & Other Payables		2,347	2,339	2,331	2,316	2,350	2,361	2,384	2,401	2,422	2,440	2,460	2,480
Borrowings		687	704	684	1,059	931	951	972	921	929	950	972	1,648
Provisions		969	969	989	1,042	1,051	1,083	1,104	1,132	1,158	1,186	1,215	1,244
Total Current Liabilities		4,003	4,012	4,004	4,417	4,332	4,395	4,460	4,454	4,509	4,576	4,647	5,372
Non-Current Liabilities													
Trade & Other Payables		15	15	14	19	17	17	15	15	15	15	15	15
Borrowings		7,457	8,113	10,588	11,596	10,848	10,080	9,291	8,553	7,807	7,040	6,251	4,786
Provisions		3,955	3,955	3,955	4,264	4,455	4,718	4,964	5,239	5,521	5,822	6,135	6,467
Total Non-Current Liabilities		11,2427	12,083	14,557	15,879	15,320	14,815	14,270	13,807	13,343	12,877	12,401	11,268
Total Liabilities		15,430	16,095	18,561	20,296	19,652	19,210	18,730	18,261	17,852	17,453	17,048	16,640
NET ASSETS		218,659	219,207	221,798	222,978	222,902	223,001	223,310	223,680	224,530	225,301	226,269	227,456
EQUITY													
Accumulated Surplus		41,828	42,376	44,967	46,148	46,072	46,171	46,480	46,850	47,700	48,471	49,439	50,626
Asset Revaluation Reserve		175,563	175,563	175,563	175,562	175,562	175,562	175,562	175,562	175,562	175,562	175,562	175,562
Other Reserves		1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268
TOTAL EQUITY		218,659	219,207	221,798	222,978	222,902	223,001	223,310	223,680	224,530	225,301	226,269	227,456

DRAFT LONG TERM FINANCIAL PLAN 2023-2032 – FINANCIAL SUMMARY

ESTIMATED CASH FLOW STATEMENT

Year Ended 30 June:	2021 Actual \$('000)	2022 Esti- mate \$('000)	2023 Plan Year 1 \$('000)	2024 Plan Year 2 \$('000)	2025 Plan Year 3 \$('000)	2026 Plan Year 4 \$('000)	2027 Plan Year 5 \$('000)	2028 Plan Year 6 \$('000)	2029 Plan Year 7 \$('000)	2030 Plan Year 8 \$('000)	2031 Plan Year 9 \$('000)	2032 Plan Year 10 \$('000)
CASH FLOWS FROM OPERATING ACTIVITIES												
Receipts												
Rates		15,664	16,403	17,071	17,790	18,467	19,170	19,899	20,656	21,443	22,260	23,108
Statutory Charges		324	360	371	380	390	400	410	420	431	442	453
User Charges		2,444	2,781	2,864	2,936	3,009	3,084	3,161	3,240	3,321	3,404	3,489
Grants, subsidies, contributions		1,461	2,308	2,330	2,192	2,230	2,294	2,347	2,409	2,467	2,530	2,593
Investment Income		59	79	49	56	52	56	59	64	70	73	79
Reimbursements		1,064	837	862	884	906	929	952	976	1,000	1,025	1,051
Other Income		1,085	998	1,028	1,054	1,080	1,107	1,135	1,163	1,192	1,222	1,253
Payments												
Employee costs		(6,641)	(7,253)	(7,194)	(7,603)	(7,793)	(8,098)	(8,358)	(8,655)	(8,949)	(9,259)	(9,578)
Materials, contracts & other expenses		(11,889)	(11,889)	(12,177)	(12,618)	(13,052)	(13,513)	(13,984)	(14,475)	(14,981)	(15,507)	(16,049)
Finance Costs		(198)	(235)	(365)	(432)	(410)	(381)	(354)	(327)	(300)	(273)	(257)
Other Expenses		0	(677)	(187)	(175)	(179)	(183)	(188)	(188)	(198)	(203)	(208)
Net Cash provided by (or used in) Operating Activities		3,373	3,712	4,642	4,464	4,700	4,865	5,079	5,278	5,496	5,714	5,934
CASH FLOWS FROM INVESTING ACTIVITIES												
Receipts												
Amounts Specifically for New/Upgraded Assets		1,479	3,042	1,077	0	0	0	0	0	0	0	0
Sale of Renewed/Replaced Assets		46	166	115	123	152	212	107	404	142	153	188
Repayments of Loans by Community Groups		144	144	90	92	96	100	104	35	23	18	0
Payments												
Expenditure on Renewal/Replacement of Assets		(4,202)	(2,274)	(2,578)	(2,587)	(3,162)	(2,211)	(3,475)	(2,065)	(2,421)	(1,876)	(4,579)
Expenditure on New/Upgraded Assets		(6,082)	(8,273)	(2,368)	(1,443)	(974)	(1,005)	(1,520)	(975)	(996)	(1,016)	(1,036)
Loans Made to Community Groups		(80)	0	0	0	0	0	0	0	0	0	0
Net Cash Provided by (or used in) Investing Activities		(8,695)	(7,195)	(3,664)	(3,815)	(3,888)	(2,904)	(4,784)	(2,601)	(3,252)	(2,721)	(5,427)

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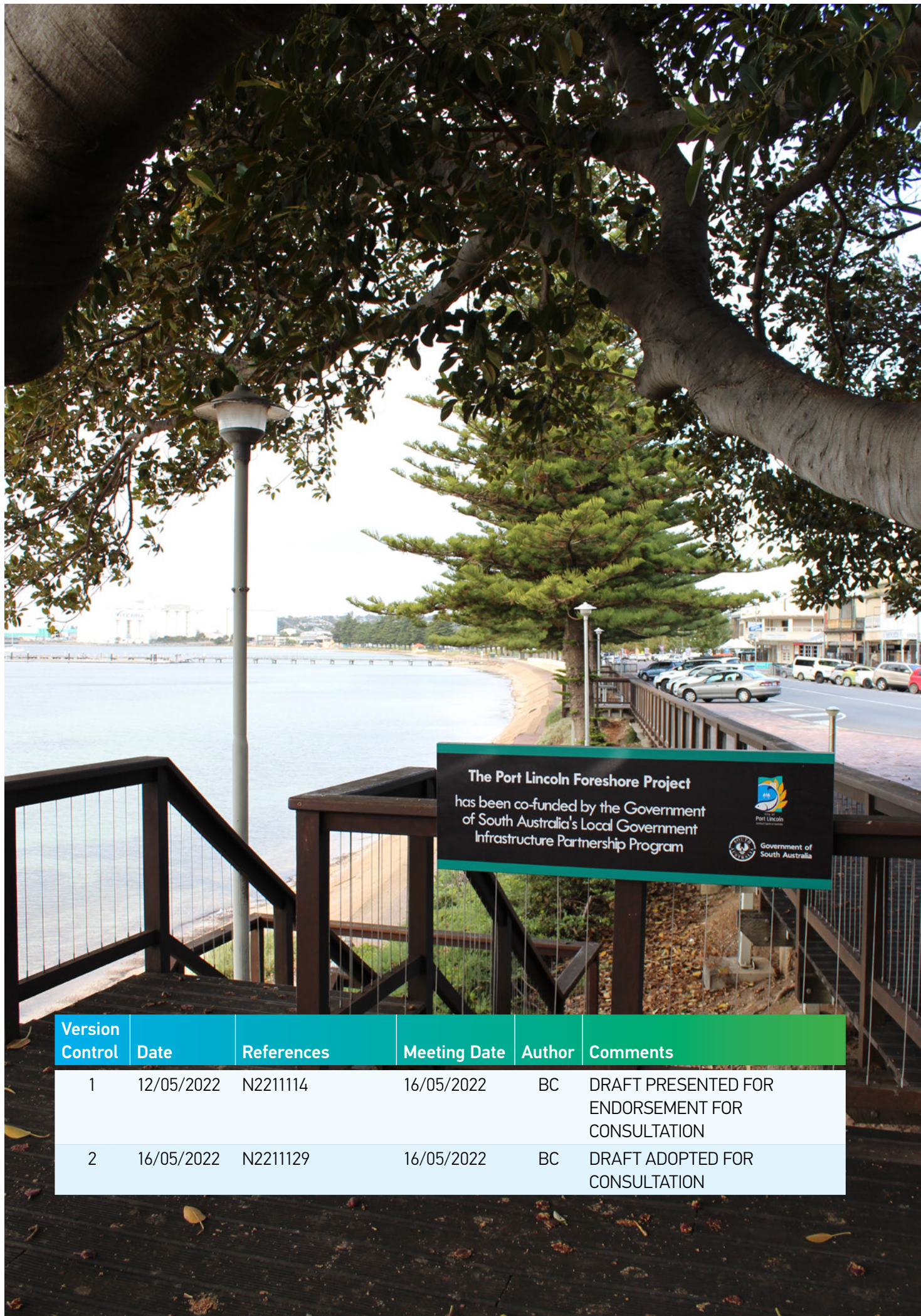
DRAFT LONG TERM FINANCIAL PLAN 2023-2032 - FINANCIAL SUMMARY

ESTIMATED CASH FLOW STATEMENT

Year Ended 30 June:		2021 Actual \$('000)	2022 Esti- mate \$('000)	2023 Plan Year 1 \$('000)	2024 Plan Year 2 \$('000)	2025 Plan Year 3 \$('000)	2026 Plan Year 4 \$('000)	2027 Plan Year 5 \$('000)	2028 Plan Year 6 \$('000)	2029 Plan Year 7 \$('000)	2030 Plan Year 8 \$('000)	2031 Plan Year 9 \$('000)	2032 Plan Year 10 \$('000)
CASH FLOWS FROM FINANCING ACTIVITIES													
Receipts													
Proceeds from Borrowings			1,180	2,975	1,917	0	0	0	0	0	0	0	0
Payments													
Repayments of Borrowings			(505)	(521)	(536)	(876)	(748)	(768)	(789)	(738)	(746)	(767)	(789)
Repayment of Aged Care Facility Deposits			(148)	0	0	0	0	0	0	0	0	0	0
Net Cash provided by (or used in) Financing Activities			527	2,454	1,381	(876)	(748)	(768)	(789)	(738)	(746)	(767)	(789)
Net Increase/(Decrease) in cash held			(4,795)	(1,029)	2,369	(227)	64	1,193	(494)	1,939	1,498	2,226	(282)
Opening cash, cash equivalents or (bank overdraft)			7,784	2,989	1,960	4,329	4,102	4,166	5,359	4,865	6,804	8,302	10,528
Cash at Bank				692	3,061	2,834	2,898	4,091	3,597	5,536	7,034	9,260	8,978
Reserve Balances			1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268	1,268
Closing cash, cash equivalents or (bank overdraft)		7,784	2,989	1,960	4,329	4,102	4,166	5,359	4,865	6,804	8,302	10,528	10,246



Photo: Courtesy of Craig Hoare



Version Control	Date	References	Meeting Date	Author	Comments
1	12/05/2022	N2211114	16/05/2022	BC	DRAFT PRESENTED FOR ENDORSEMENT FOR CONSULTATION
2	16/05/2022	N2211129	16/05/2022	BC	DRAFT ADOPTED FOR CONSULTATION

CONTACT

For further information on the Draft Annual Business Plan & Budget contact the Council Administration Office:

Council Administration

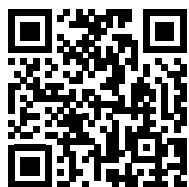
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