



**NORTHERN AREAS
COUNCIL**



2021 / 2022

**DRAFT
ANNUAL BUSINESS PLAN**

Introduction - Mayor and Chief Executive Officer

The Annual Business Plan sets out Council's proposed services, programs and projects for 2021-22. It aims to maintain efficient services for the community and continues progress towards the longer term objectives for the district as set out in the Strategic Plan, Long Term Financial Plan and Asset Management Plans.

The Annual Business Plan for 2021-22 brings together all the objectives from these plans to provide the services and functions required by the community.

One of the major objectives in the Strategic Plan under Goal 5: Sustained Financial Stability was to "Conduct a Review of Council's Rating Structure". Council had not reviewed the rating of structure since Council amalgamations in 1997.

This review has been undertaken in the early months of 2021 and Council has resolved to change the Rating Structure to a Land Use based model.

Council engaged a rating specialist in Skillmar Systems to undertake this work and after working with Council and community consultation the Land Use model was adopted which introduced differential rating. A detailed explanation of the new rating structure is included further into the Annual Business Plan document.

Council has considered the current economic environment and the affects COVID 19 when considering any rate increase and ensured adherence to the Long Term Financial Plan as the starting point of the budget planning process.

The Capital Works program for the 2021-22 Budget is based on the Asset Management Plan for each asset area with reference to any special projects that have been suggested.

Council has considered a range of projects in developing the budget for 2021-2022 and presents a budget that Council believes the needs of the community.



2021 Australia Day Awards at Gulnare, pictured from left to right, Greg Boston (Active Citizenship), Will Bray (Young Citizen) Paul Thomas (Citizen of the year), Bundaleer Motorcycle Club (Event of the Year) and Councillor Denise Higgins.

1. Our Future Vision

The Northern Areas Council will be a well-managed, financially sustainable council that meets community expectations for effectiveness and transparency.

This vision and indeed the entire Plan recognises the inherent qualities that define the region in which we live, as well as what is important to our community: country lifestyle; friendly and welcoming people; well maintained and safe towns; and the importance of our well-established agricultural industry along with other developing industries as well as our local businesses. Many of these qualities are recognised within the Plan as 'Strategic Advantages' of the area.

The key goals contained in the Strategic Management Plan 2020 - 2027 are:

Goal 1 – A thriving Local Economy

- Encouraging investment in local business and industry
- Supporting local business to drive local employment opportunities

Goal 2 – A desirable place to live or visit

- Support safe, sustainable and inclusive communities across the region
- Retain essential services across the region
- Be an attractive short stop or destination stay for tourists and visitors

Goal 3 – Stronger Communities across our region

- Secure sustainable provision and enhancement of services to the community
- Support capacity building of community groups

Goal 4 – Effective Infrastructure and Community Assets

- Enhanced local and regional road network
- Effective Management of Community Assets

Goal 5 – Sustained Financial Stability

- Maintain Council's Financial Sustainability
- Pursue productivity improvements and cost reduction initiatives

Council's Strategic Management Plan and 10 Year Long Term Financial Plan outline the longer-term objectives and priorities for the community. These plans plus the Annual Business Plan & Budget, determine the infrastructure needs and services Council will provide, including the costs required to deliver those services.

Consistent with the previous plans, there remains a strong emphasis on ensuring strong long term financial management and sustainability, which includes looking at different methods of identifying productivity improvements and cost reductions.

2. Project Priorities for the Year

In 2021-22 Council will undertake major Capital Works that are in accordance with Council's Asset Management Plans. Capital works must at least be equivalent to Asset Management Plans in order to ensure the longevity of existing assets and statutory compliance.

In addition Council has set aside a total allocation of \$100,000 to undertake projects which support safe, sustainable and inclusive communities and encourage tourism.

Council is proposing capital expenditure of \$6.3 million of which \$0.7 million is allocated for new assets and the remaining \$5.6 million for renewal and upgrade of existing assets.

Civil

- Re-sealing of existing Sealed roads \$522,000;
- New Seal allowance \$180,000 (Loan funded) – the 2021-22 program will cover selected streets from the 5 year program
- Infrastructure Renewal allowance \$500,000 (Loan funded)
- Unsealed road re-sheeting \$1,783,000;
- Bridges \$158,000; Footpaths \$108,000; Kerbs \$59,000;
- Ayr Street Consultation & Design \$200,000
- Creek Street Fence \$40,000
- Public Lighting \$40,000

Stormwater

- Jamestown Flood Mitigation \$200,000 (50% grants)
- Laura Stormwater Management \$100,000 (50% grants)
- Stormwater \$80,000
- Floodway & Culvert program \$50,000

Plant

- Plant replacement program of \$1,000,000 less trade values of \$100,000 - Loans of \$900,000;

Buildings

- Jamestown/Spalding Pool projects \$131,000
- Building re-roof projects \$65,000
- Public toilet tiling \$40,000
- Planned building maintenance \$61,000
- Various Hall compliance (Fire safety, Disability compliance) \$50,000
- Solar/Energy Upgrades \$80,000

Public Open Space

- Playgrounds \$50,000;
- Belalie Creek Works \$50,000;

CWMS

- CWMS projects \$303,000;

Council's Key Planned Activities for the 2021-22 Financial Year

Goal 2 – A desirable place to live or visit

Council has set aside a total allocation of \$100,000 to undertake projects within this strategic goal. Projects will support safe, sustainable and inclusive communities and encourage tourism. Examples include the “NAC Population and Economic Growth Strategy”.

Goal 3 – Stronger Communities across our region

Council will lobby State and Federal Governments for continued and improved funding of services across our community, conduct service-specific community surveys to determine the needs of the community, prepare for grant opportunities through the identification of shovel ready projects, pursue opportunities to improve community wellbeing and social inclusion and advocate for improved local and regional transport networks and services.

Council will also support community groups to improve capability and financial strength through strategic planning, grant applications and access to Council services and support opportunities for volunteer participation.

Goal 4 – Effective Infrastructure and Community Assets, the following activities and works are planned:

The regular replacement of Council plant & machinery will be in accordance with the 10 year Infrastructure and Asset Management Plan and Replacement Program which is part of the Strategic Management Plan suite and will be reviewed annually as part of the Annual Business Plan.

Regular timely replacement of the plant will ensure maximum efficiency to complete Council's works program on time and within budget.

Goal 4 – Effective Infrastructure and Community Assets, the following activities and works are planned:

Council will undertake at least 76km of re-sheeting works at a cost of \$1.78 million within the Council area. This will be partially funded by the Local Roads component of the Grants Commission Federal Grant allocation of \$448,000.

Council will also invest \$0.52 million in re-sealing a priority list of roads as provided by the Infrastructure Asset Management Plan.

3. Significant Influences and Priorities

A number of significant factors have influenced the preparation of the Council's 2021-22 Annual Business Plan. These include:

- Consumer Price Index increases on relevant goods and services of 1.2% for the year to March 2021; (1.8% for year to December 2020)
- Local Government Price Index (LGPI) increases on relevant goods and services of 1.4% for the year to December 2020;
- Council to make gradual improvements towards a financially sustainable operating position;
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, stormwater drainage, street trees and plantings, open space and Council properties;
- Service and infrastructure needs for a changing population;
- Commitments to continuing projects and partnership initiatives over more than one year;
- New fees/changes imposed by other governments e.g Waste Levy, Regional Landscape Levy;
- Disability Access and Inclusion Planning initiatives

In response to these factors, and to minimise the burden on ratepayers, the Annual Business Plan has been prepared within the following guidelines:

- The Annual Business Plan will result in the total revenue raised through general rates increasing by 2.0% (excluding growth);
- Total operating expenses to be held within LGPI of the current year's level;
- Maintenance of service levels for continuing Council programs and activities;
- Continuing to pursue shared service opportunities with governmental agencies, other local government authorities and private enterprise;
- Improving Asset Management practices through the implementation of various Asset Management Plans and associated service level documents.



Georgetown Memorial Park

4. Continuing Services

All Councils have basic responsibilities under the Local Government Act and other relevant legislation. These include:

- Regulatory activities e.g. maintaining the voters roll and supporting the elected Council;
- Setting rates, preparing an Annual Budget and determining longer-term Strategic Management Plans for the area;
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and storm-water drainage;
- Street cleaning and rubbish collection;
- Development Planning and control, including building safety assessment;
- Various Environmental Health services.

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

- Library services;
- Economic development;
- Environmental programs;
- Community support programs;
- Dog and Cat Management.

In all services Council seeks to be responsive to changing needs. Council conducted an extensive Community Survey in early 2019 and has responded to the comments of the ratepayers with adjustments to the operating budget and inclusions in the capital budget to ensure the council and the community are working in parallel with the needs of the community.

Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue for services and projects of benefit to the community and include:

- Swimming pools;
- Hydrotherapy Pool & Gymnasium;
- Waste Transfer Services;
- Community Halls.



5. Reflecting on 2020-21

Highlights of the goals and outcomes achieved by Council during the 2020-21 financial year include:

Building Maintenance Program

Continuation of Hall Fire Safety, disability and building repair programs.

Events

Council continues to support a range of significant events in its communities. Events this year were limited due to Covid restrictions but included the Caltowie Chilled Out & Fired Up Music Festival. Other events including the Jamestown Easter Tennis Tournament and local sport that required Covid compliance assistance.

Other Operations

Maintenance of roads and associated infrastructure including patrol grading, road patching and footpath/kerb repairs in the range of \$1.3M per annum.

Public Open Space Maintenance (including Parks and gardens) of approx. \$500K per annum.

Waste management, including Transfer Station operations and kerbside waste and recycling collection of approx. \$800K per annum.

\$1.75M

Re-sheeting 81 kms of various rural roads

A capital works program of \$9.3M, including \$7M for the replacement and renewal of existing assets and \$2.3M for new and upgraded assets

(Boosted with Drought & LRCI funding of \$1.5M)



Major projects were:

- Re-sheeting approx. 81kms of unsealed roads to the value of \$1.75M
- Town Re-sealing and New Seal works to the value of \$0.75M
- Major plant replacement program, Net \$600K
- Footpath renewal program \$300K
- Various Drought Projects of \$1M
- Local Road and Community Infrastructure Projects \$500K

6. Measuring Performance - Objectives for the Year

Council's operations and financial performance are measured by three key financial sustainability indicators as follows:

Operating Surplus Ratio

The percentage by which rates vary from day to day expenses.

A positive ratio indicates the percentage of rates available to fund New Capital Expenditure, the provision of new services or to pay down existing debt

A negative ratio for this target indicates the percentage that rates would need to increase by to achieve a break even operating result.

How is this ratio calculated?

$$\frac{A}{B}$$

A = Operating Surplus

B = Rates Income

What is the LTFP Benchmark?

Between 0% and 10% of Rating Income

Commentary on Projected Performance

An Operating Surplus Position of \$300,500 or a ratio of 3% was forecast for 2021/22 in the review of the LTFP. The current budget forecast for 2021/22 is \$151,900 or a ratio of 2%. The continued improving trend will see the Operating Surplus Ratio remain or exceed the target range for the entire plan.

Net Financial Liabilities Ratio

How significant the net amount owed by Council is compared with income.

An increase in this ratio indicates that Council requires more of its operating income to fund its financial obligations.

A drop in this ratio indicates that Council's capacity to meet its financial obligations from operating income is strengthening.

How is this ratio calculated?

$$\frac{A}{B}$$

A = Net Financial Liabilities

B = Total Operating Income

What is the LTFP Target?

Between 0% and 50% of Council's Annual Operating Income

Commentary on Projected Performance

A Net Financial Liabilities ratio of 79% was forecast for 2021/22 in the review of the LTFP. The current budget forecast for 2021/22 is 81% of Council’s annual operating income. Council’s net financial liabilities are forecast to reduce over the remaining life of the LTFP as our operating position improves.

Asset Renewal Funding Ratio

Are assets being replaced at the rate they are wearing out?

How is this ratio calculated?

$$\frac{A}{B}$$

A = Net Asset Renewals

B = Asset Management Plan (AMP) required Expenditure

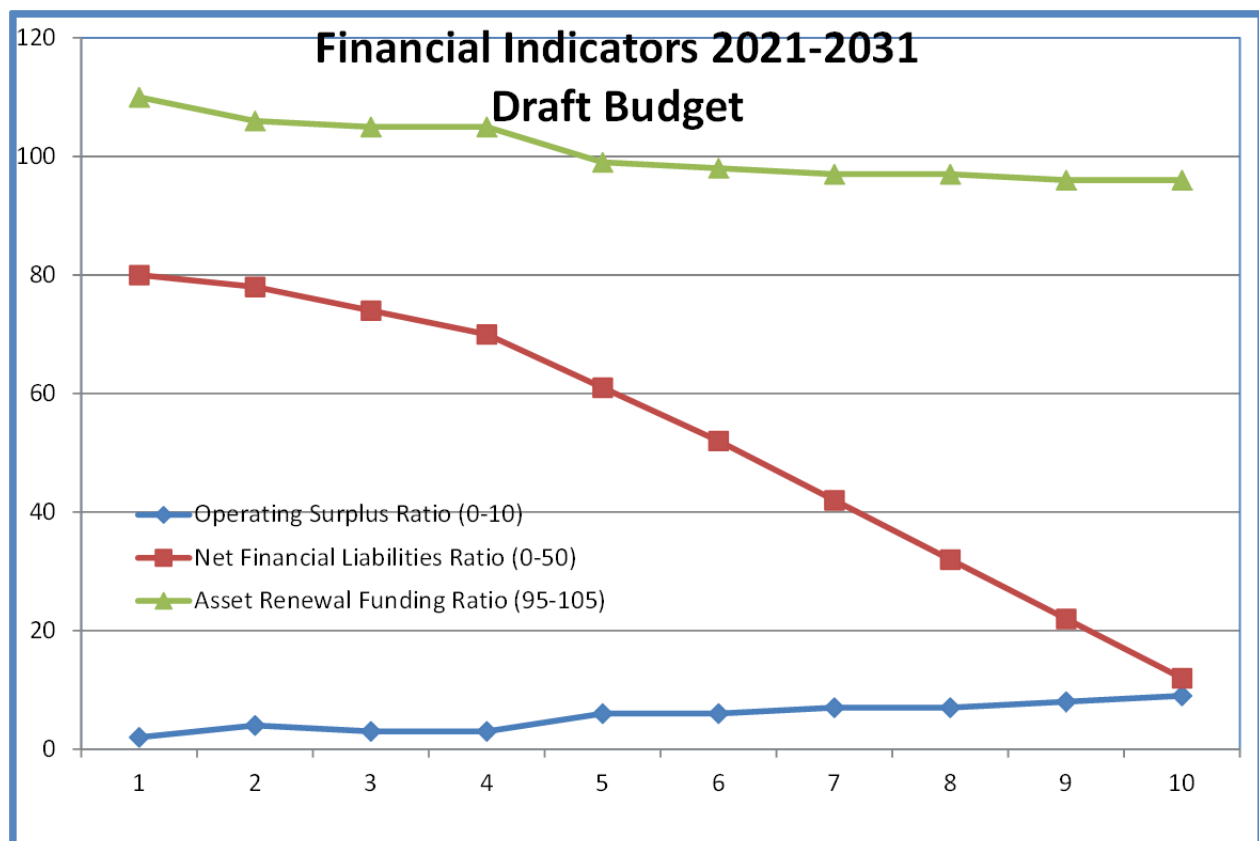
What is the LTFP Target?

95% to 105% of AMP desired capital spend

Commentary on Projected Performance

An Asset Renewal Funding Ratio of 108% was forecast for 2021/22 in the review of the LTFP. The current draft budget forecast for 2021/22 is 111%. Expenditure on renewal and replacement of existing assets over the life of the current LTFP averages 100% which is at the middle of the target range. Recently adopted AMP average desired capital spending totals have been included in the LTFP to provide a realistic picture of the financial position.

The following graph plots the current Budget position of the Ratios listed above.



7. Funding the Business Plan

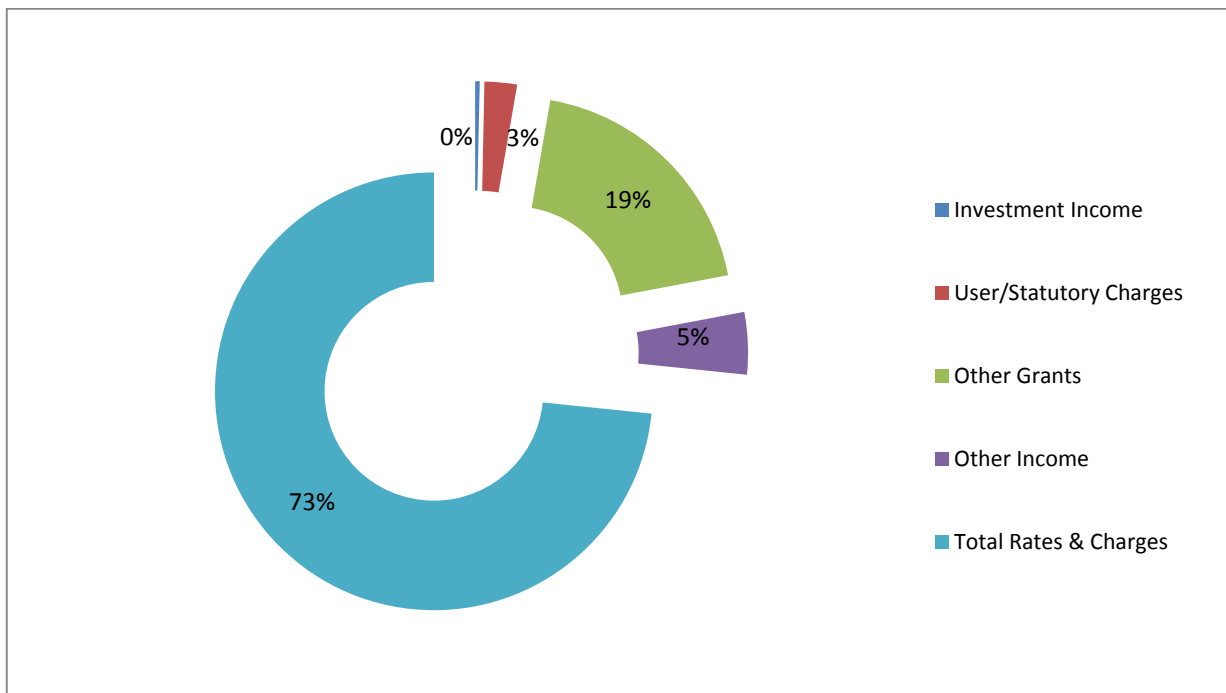
Consistent with the Council's Long-term Financial Plan, an operating surplus of \$151,900 is being targeted in 2021-22. The operating surplus (deficit) measures the difference between operating revenue and expenses for the period. The Council's Long-term Financial Sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

The Council's revenue in 2021-22 includes \$7.62 million proposed to be raised from general rates.

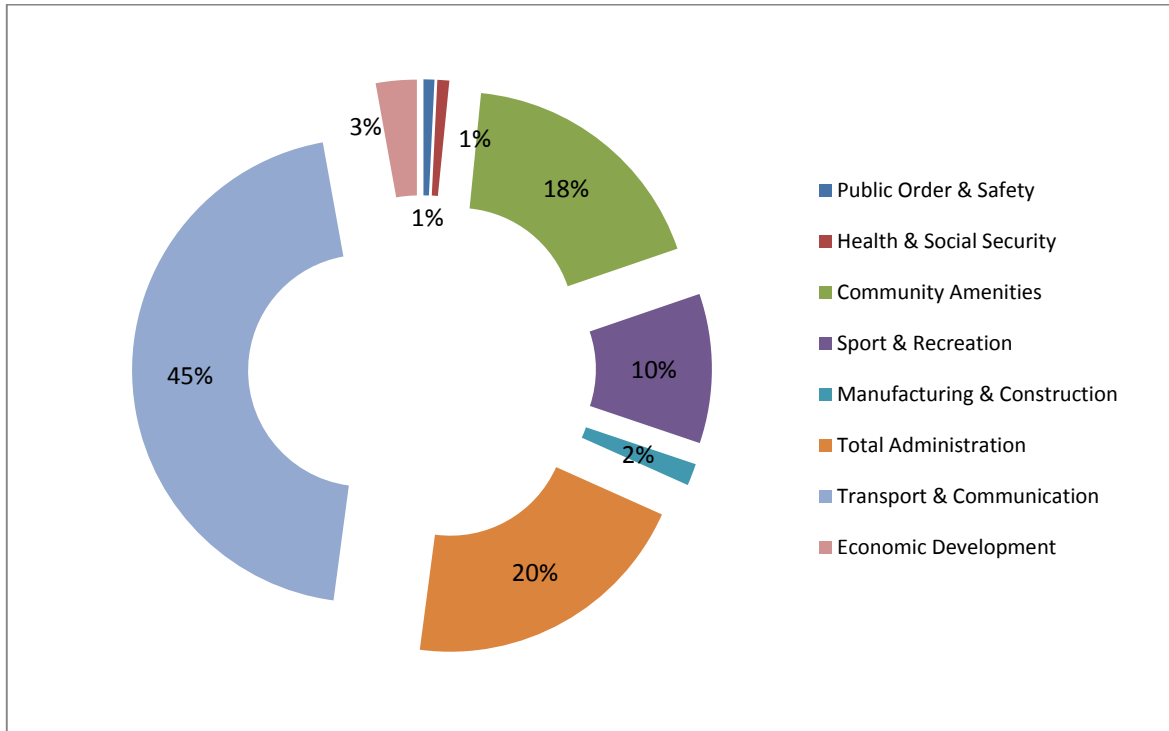
Other sources of revenue for the Council are:

- **User Pay charges set by Council.** These comprise charges for the Council's fee based facilities such as Hall hire fees and Washdown bay charges.
- **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. Revenues generally off-set the cost of the service.
- **Grants and Partnerships.** 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.

2021/22 Operating Revenue Mix



2021/22 Operating Expense Mix



Impact on Council's Financial Position

After taking account of planned net outlays on existing and new assets in 2021-22 new borrowings of \$650,000 will be required. This will be offset by repayments of existing borrowings of \$1,288,600. Council's net financial liabilities are expected to be approximately \$9.76 million at 30 June 2022. Net financial liabilities is a key indicator of the Council's financial position. It measures total liabilities less financial assets (i.e. what the Council owes to others, less money the Council has or is owed). The expected level of net financial liabilities at 30 June 2022 represents 80% of estimated operating revenue in 2021-22. This compares with a targeted level for this indicator of between 0% and 50% of revenue.

8. What it means for rates

How does Council determine the rates payable?

Council adopts the capital values (as provided by the Office of the Valuer-General) on all properties in the Council District. Council determines what revenue is required for Council operations in the district for each financial year in the form of the Annual Business Plan & Budget. The rate in the dollar and the fixed charge are then declared by Council for all properties in the area.

For example: A property has a capital value of \$190,000 and Council declares a rate in the dollar of 0.6961 cents. That property will pay $\$190,000 \times 0.7050 \text{ cents} = \$1,339.50 + \$150.00$ fixed charge for total of \$1,489.50.

In 2020-21 Council's general rate revenue was \$7,432,900. It is budgeted that in the 2021-22 financial year a 2.00% average general rate increase apply to existing rateable properties. New assessments will also add additional rate revenue of 0.5% bringing the gross expected rate income to \$7,620,000.

Overview

In setting its rates for the 2021/2022 financial year Council considered the following:

- The current economic climate and relevant factors such as inflation and interest rates;
- The specific issues faced by our community, including the effects of the drought and the previous impact of poor seasons for the farming community;
- The need to continue to replace and upgrade infrastructure and other assets including both plant and machinery and the road network;
- The objective of attracting and continuing to attract and support business activity to generate economic development;
- Council's Strategic Management Plan and the meeting of its objectives;
- The Budget for the 2021/2022 Financial Year and the Long Term Financial Plans;
- Householders, businesses and farmers;
- Employed, unemployed & pensioners;
- The broad principal of achieving equity in the distribution of rates;
- Minimising the level of general rates required by levying user pays fees and charges for goods and services where possible;
- Setting fees and charges to recover the full cost of operating or providing the services of goods, with provision for concessions to those members of the community unable to readily meet the full cost;
- Taking into account increases on Council valuations by the Office of the Valuer General;
- Council's membership of Regional Development Australia which in turn supports small businesses in the Council area;
- Promoting Single Farm Enterprise benefit which has reduced the rate burden on primary production businesses.
- Impact of the current Covid-19 measures on ratepayers.

Council conducts public consultation on a broad range of issues as required by its Public Consultation Policy. The Draft Annual Business Plan will be available to all ratepayers and

community members who will have the opportunity to provide written feedback and comments prior to adoption.

Method Used To Value Land

Council may adopt one of three valuation methodologies to value properties in its area. They are:

- Capital Value – the value of the land and all improvements on the land;
- Site Value – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements;
- Annual Value – a valuation of the rental potential of the property.

Council has decided to continue to use capital value as the basis for valuing land within its Council area. Council considers that this method provides the fairest method of distributing the rate burden across all ratepayers when applying the equity test of taxation.

Land use types are based on information provided by the Office of the Valuer-General. Please contact Council if you would like to object to your land use type.

Land Use Types
Residential
Commercial - Shop
Commercial - Office
Commercial - Other
Industry - Light
Industry - Other
Primary Production
Vacant Land
Other

Adoption of Valuations

Council will adopt the valuations made by the Office of the Valuer-General as provided to the Council in April 2021.

You may object to the valuation referred to in this notice by writing served personally or by post on the Valuer-General within 60 days after the date of service of this notice.

Office of the Valuer-General
GPO Box 1354, Adelaide 5001
Email: OVGobjections@sa.gov.au
Phone: 1300 653 346.

Council has no role in this process. It is also important to note that the lodgement of an objection does not change the due date or amount for payment of rates.

Review of Rates (Section 151(5) Report)

Council conducted a review of its rating system during February and March 2021 after engaging David Hope of Skillmar Systems Pty. Ltd. who specialises in this work. The review was the first since the Council was formed in 1997 and involved a period of consultation which included public meetings at Jamestown and Gladstone.

After considering consultation feedback Council adopted a change to the rating system at the April 2021 ordinary meeting that:

- Implements land use, using the land use definitions set out in Regulation 14 of the Local Government (General) Regulations 1999, as the basis for differential rates.
- Continues to provide a reduction in the rate in the dollar for primary production properties.

- Introduces differential rates for Commercial and Industry properties, currently with a slight reduction from the general rate (5%) while it assesses the short- and long-term impact of the COVID pandemic on those categories of ratepayer; and
- Retains a fixed charge, at a significantly lower quantum.

The rating structure is:

Rate Category	Differential
Residential	General rate
Commercial – Shop	95% of general rate
Commercial – Office	95% of general rate
Commercial Other	95% of general rate
Industry – Light	95% of general rate
Industry - Other	95% of general rate
Primary Production	49.5% of general rate
Vacant Land	144% of general rate
Other	General rate
Fixed Charge	\$150

General Rates

All land within a council area, except for land specifically exempt (e.g. crown land, council occupied land and other land prescribed in the Local Government Act 1999 – refer Section 168 of the Local Government Act 1999), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties.

It is proposed to raise \$7,530,000 net general rate revenue in a total revenue budget of \$12,549,700. Council anticipates the following general rates based on land use category to raise the necessary revenue.

Land Use Category	Rate in \$	Property Rate Revenue (\$'000)
Residential	0.007050	2220
Commercial - Shop	0.006697	61
Commercial - Office	0.006697	11
Commercial - Other	0.006697	225
Industry - Light	0.006697	7
Industry - Other	0.006697	33
Primary Production	0.003222	4591
Vacant Land	0.010223	167
Other	0.007050	215

Fixed Charge

Council proposes to impose a fixed charge on rateable properties of \$150. The fixed charge is levied against the whole of an allotment (including land under a separate lease or licence) and only one

fixed charge is levied against two or more pieces of adjoining land, whether intercepted by a road or not, if the land is owned by the same owner(s) and occupied by the same occupier(s). Council believes that a fixed charge provides an equitable base for the rating system.

If two or more pieces of rateable land within the area of the Council constitute a single farm enterprise, only one fixed charge may be imposed against the whole of the land. The Single Farm Enterprise provision allows for eligible farmers to achieve more equitable distribution of the fixed charge (which reflects the changing nature of farm holdings in the area). Approval is subject to a written application and such evidence as Council may reasonably require. Applications must be received by June 30 to take effect in the following financial year.

Annual Service Charges

Council provides a Community Wastewater Management System (CWMS) to most properties in Jamestown, Laura, Gladstone and the Moyletown area of Jamestown. Council will recover the full cost of operating, maintaining and improving this service for this financial year (includes setting aside funds for the future replacement of the assets employed in providing the service and septic tank de-sludge on a 4-yearly cycle) through the imposition of an annual service charge of \$506.00 per occupied property unit and \$410.00 per unoccupied unit. The service charges have been increased in accordance with the CWMS Asset Management Plan.

Any surplus of revenue over expense is kept in a dedicated reserve account for future replacement or upgrades of respective schemes.

Council provides waste collection services to townships within the Council area. This annual service charge will be calculated at 100% of anticipated costs of roadside waste collection and disposal for all areas having a pickup. The Waste Collection Annual Service Charge proposed for 2021/22 year is \$240.00 per unit (2 bin system).

Some rural properties voluntarily participate in the service and are invoiced through Council's debtor system.

Please note that properties exempt from General Rates are not necessarily exempt from Annual Service Charges if applicable.

State Government Concessions

These concessions were formerly available to the holders of pensioner concession cards, veterans, low-income earners, unemployed, students, and self-funded retirees.

These concessions were all abolished by the State Government with effect from 30 June 2015. From 1 July 2015, the State Government has elected to replace these concessions with a single "cost-of-living payment" provided directly to those entitled. This payment may be used for any purpose, including offsetting Council rates. Note that not all former recipients of rates concessions will be entitled to the new payment. To check eligibility, contact the Department for Communities and Social Inclusion (DCSI) Concessions Hotline 1800 307 758 or email concessions@sa.gov.au or at www.sa.gov.au/concessions

Also from 1 July 2017 the separate concession entitlements for Council Community Wastewater Management Systems (CWMS) were also handled directly by the State Government.

Postponement of Rates for State Seniors Card Holders

Section 182A of the Local Government Act 1999 provides for the option for State Seniors Card Holders to postpone part of the rates on a long term basis. A deferred amount is subject to a monthly interest charge with the accrued debt being payable on the disposal or sale of the property. Applications are subject to the same conditions as deferral or postponement of rates.

For further information and details please contact the

Rates Officer
Northern Areas Council:
PO Box 120 Jamestown SA 5491
Email: admin@nacouncil.sa.gov.au
Phone: 8664 1139

Discretionary Rebate of Rates - Section 166(1)(I)

Any ratepayer who feels they require relief because of a substantial change in rates payable due to a redistribution of the rate burden arising from a change to the basis of council's rates may apply to Council. A rebate of rates under this section may be granted for a period exceeding one year, but not exceeding three years.

Payment of Rates

The Council has decided that the payment of rates will be by quarterly billing, due on the 3rd September 2021, 3rd December 2021, 4th March 2022 and 3rd June 2022.

Difficulty in paying Rates

Any ratepayer who may, or is likely to experience difficulty with meeting the standard payment arrangements is invited to contact the Rates Officer, to discuss alternative payment arrangements. Council treats such inquiries confidentially.

Late Payment of Rates

The Local Government Act provides that Councils impose a penalty of a 2% fine on any payment for rates, whether due by instalment or otherwise that are unpaid after the due date. A payment that continues to be in arrears is then charged penalty interest at an interest rate, set each year according to a formula in the Act, for each month it continues to be late. Penalty fines allow the Council to recover some of the administration costs that arise because rates were not received by the due date.

Remission and Postponement of Rates

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

Rebate of Rates

The Local Government Act 1999, requires Councils to rebate the rates payable on some land. This includes a 100% rebate for hospitals, health centres, churches and cemeteries. A minimum rebate of 75% is applied for land used predominantly for educational purposes (subject to some qualifications).

Applications for any other discretionary rebates should be in writing to the Manager Corporate Services, detailing the basis for applying for the rebate. Council will consider each application on merit.

Sale of Land for Non-Payment of Rates

Section 184 of 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 amounts and advise the owner of its intention to sell the land if payment of the outstanding amount is not received within one month.

Regional Landscape (State Government) Levy

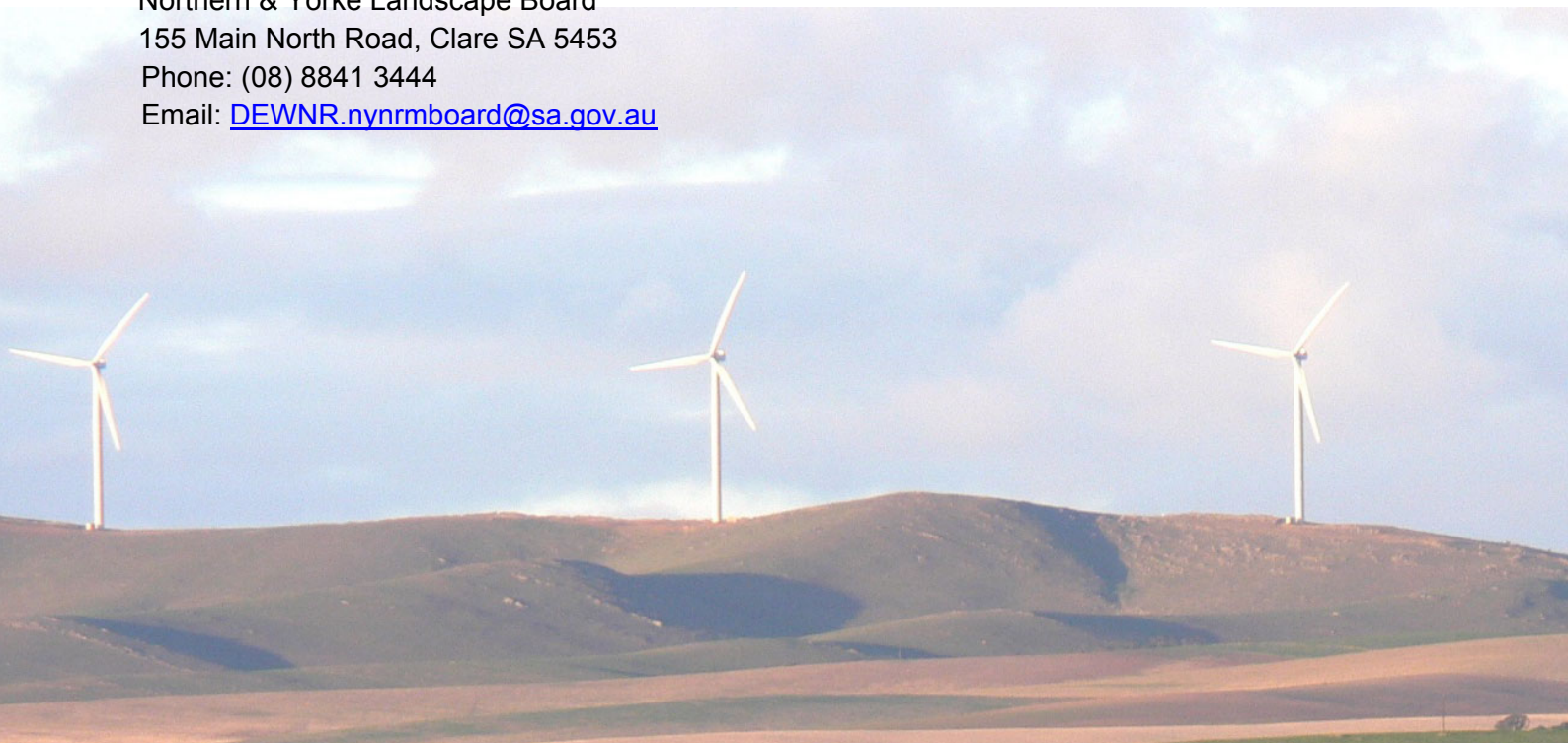
The Landscape South Australia Act 2019 requires Council to raise a levy on behalf of the Northern & Yorke Landscape Region. This levy is shown separately on the rates notice.

Council does not retain this revenue, nor determine how the revenue is spent. Council is required to raise \$277,234 in 2021/22, being an increase of \$2,744 or 1%.

Council will recover this amount by applying a Levy of 0.01573 cents in the \$ against the capital value of every property in the area.

Any queries relating to the Regional Landscape Levy should be directed to:

Northern & Yorke Landscape Board
155 Main North Road, Clare SA 5453
Phone: (08) 8841 3444
Email: DEWNR.nynrmboard@sa.gov.au





**NORTHERN AREAS COUNCIL
BUDGET FINANCIAL INDICATORS
2022/2031**

	TARGET	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Operating Surplus (Deficit) before Capital Revenues	achieve operating breakeven	151,300	327,245	289,899	301,979	612,929	635,746	719,891	782,068	891,028	987,240
Operating Surplus Ratio <i>(=Adjusted Operating Surplus / Rates General & Other)</i>	0% - 10%	2%	4%	3%	3%	6%	6%	7%	7%	8%	9%
Net Financial Liabilities <i>(=Financial Liabilities - Financial Assets)</i>	No more than annual operating revenue	9,889,400	9,845,655	9,635,556	9,326,978	8,398,749	7,288,703	6,054,612	4,812,244	3,442,216	1,955,176
Net Financial Liabilities Ratio <i>(=Net Financial Liabilities / Total Operating Revenue)</i>	0% - 50%	81%	79%	75%	71%	62%	53%	42%	33%	23%	13%
Net Financial Liabilities Ratio excl CWMS <i>(=Net Financial Liabilities excl CWMS / Total Operating Revenue excl CWMS)</i>	0% - 50%	67%	67%	65%	61%	54%	46%	37%	28%	19%	10%
Interest Cover Ratio <i>(=Net Interest Expense / Total Operating Revenue)</i>	0% - 10%	3.0%	2.3%	1.7%	1.5%	1.2%	1.0%	0.8%	0.7%	0.6%	0.5%
Asset Sustainability Ratio <i>(=Net Asset Renewals / Depreciation Expense)</i>	95% - 105% of AMP	111%	106%	105%	105%	99%	98%	97%	97%	96%	96%



**NORTHERN AREAS COUNCIL
BUDGET INCOME STATEMENT
2022/2031**

2020 Actual	2021 Original Budget		21/22 FY	2023	2024	2025	2026	2027	2028	2029	2030	2031
			2022	\$	\$	\$	\$	\$	\$	\$	\$	\$
		INCOME										
8,708,000	8,956,700	Rates	9,207,900	9,412,445	9,639,599	9,871,679	10,158,884	10,471,786	10,794,427	11,126,955	11,469,627	11,822,809
111,000	108,000	Statutory charges	120,200	121,400	123,900	126,300	128,800	132,800	136,700	140,700	145,000	149,300
180,000	181,000	User charges	180,300	182,900	186,700	190,200	194,100	199,900	206,000	212,000	218,400	225,100
2,711,000	2,413,600	Other grants, subsidies and contributions	2,422,900	2,440,500	2,479,000	2,517,800	2,603,945	2,686,260	2,750,164	2,816,213	2,883,801	2,953,431
65,000	83,400	Investment Income	42,500	56,200	53,700	51,600	49,600	47,900	46,300	44,500	43,900	43,700
142,000	265,400	Reimbursements	229,900	237,700	242,700	247,200	252,300	259,800	267,700	275,400	283,800	292,400
340,000	297,600	Other income	346,000	345,200	352,200	359,000	366,700	377,600	388,900	400,200	412,200	424,500
12,257,000	12,305,700	Total Income	12,549,700	12,796,345	13,077,799	13,363,779	13,754,329	14,176,046	14,590,191	15,015,968	15,456,728	15,911,240
		EXPENSES										
3,541,000	3,534,300	Employee costs	3,658,600	3,688,600	3,763,100	3,837,100	3,915,400	4,032,500	4,153,000	4,277,200	4,404,800	4,535,800
3,647,000	3,051,700	Materials, contracts & other expenses	3,280,600	3,235,800	3,384,400	3,465,200	3,354,200	3,512,900	3,609,100	3,728,700	3,811,200	3,915,700
351,000	430,500	Finance costs	409,200	338,900	276,200	241,900	207,400	186,600	158,700	142,800	128,500	117,500
4,867,000	4,919,200	Depreciation, amortisation & impairment	5,050,000	5,205,800	5,364,200	5,517,600	5,664,400	5,808,300	5,949,500	6,085,200	6,221,200	6,355,000
12,406,000	11,935,700	Total Expenses	12,398,400	12,469,100	12,787,900	13,061,800	13,141,400	13,540,300	13,870,300	14,233,900	14,565,700	14,924,000
		OPERATING SURPLUS / (DEFICIT) BEFORE CAPITAL AMOUNTS	151,300	327,245	289,899	301,979	612,929	635,746	719,891	782,068	891,028	987,240
(149,000)	370,000											
81,000	100,000	Net Gain (loss) on disposal or revaluation	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
0	0	Net Gain (loss) - joint ventures & associa	0	0	0	0	0	0	0	0	0	0
140,000	232,100	Amounts received specifically for new or	220,000	200,000	200,000	100,000	100,000	0	0	0	0	0
0	0	Physical resources received free of charge	0	0	0	0	0	0	0	0	0	0
72,000	702,100	NET SURPLUS / (DEFICIT)	471,300	627,245	589,899	501,979	812,929	735,746	819,891	882,068	991,028	1,087,240
		Rate Increase										
1.0375	1.031		1.025	1.025	1.025	1.025	1.031	1.031	1.031	1.031	1.031	1.031
		Operating Position	151,300	327,245	289,899	301,979	612,929	635,746	719,891	782,068	891,028	987,240
		Cash Position	(580,436)	(1,165,436)	(1,603,336)	(2,193,236)	(1,736,636)	(1,117,936)	(271,336)	569,064	1,631,064	2,905,964
Average		Net Financial Liabilities	9,889,400	9,845,655	9,635,556	9,326,978	8,398,749	7,288,703	6,054,612	4,812,244	3,442,216	1,955,176
5%		Operating Surplus Ratio 0-10%	2%	4%	3%	3%	6%	6%	7%	7%	8%	9%
53%		Net Financial Liabilities Ratio 0-50%	81%	79%	75%	71%	62%	53%	42%	33%	23%	13%
101%		Asset Sustainability Ratio 95-105%	111%	106%	105%	105%	99%	98%	97%	97%	96%	96%
		Yearly Loan amount	650,000	650,000	500,000	0	0	0	0	0	0	0
		AMP Capital Renewal	4,698,726	4,839,688	4,984,878	5,134,425	5,288,458	5,447,111	5,610,525	5,778,840	5,952,206	6,130,772
		Capital Total	6,285,300	5,789,300	5,744,000	5,711,000	5,549,100	5,434,000	5,535,300	5,724,900	5,842,200	5,955,200