

ANNUAL BUSINESS PLAN AND BUDGET

2023-2024,



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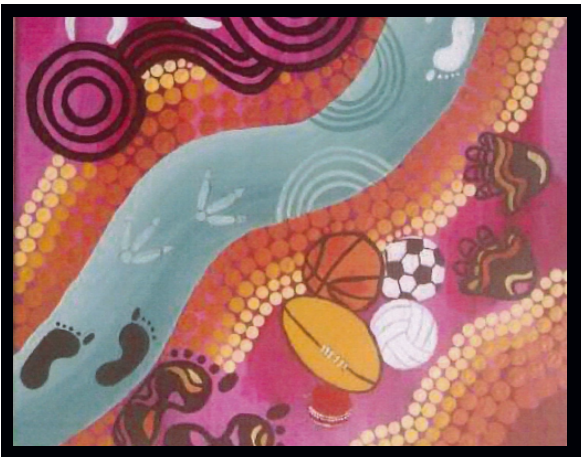


ACKNOWLEDGEMENT OF COUNTRY

The Municipal Council of Roxby Downs acknowledge the Traditional Custodians of the lands on which we work and live, and recognise their continuous connection to land, waterways and community. We pay respect to the Elders past and present.



2022 Kokatha Art Prize Winner Matthew Moore



2022 Kokatha Art Prize Winner Paulette Williams



2022 Kokatha Art Prize Winner Paulette Williams



FROM THE ADMINISTRATOR

The Annual Business Plan & Budget for the upcoming financial year has been prepared for community consideration. Your thoughts and feedback on the plan and the contents therein are welcomed.

The feedback from the community will be considered, together with our consultations with the State Government and BHP. Prior to adopting the Annual Business Plan and Budget, Council is required to obtain the independent approval of the State Government and BHP.

As with all sectors of the economy, Council's operating cost base has been significantly impacted by price rises and cost pressures driven by high inflation and increasing interest rates. This has flowed through to the deliberations and considerations in drafting the plan for the 2023/2024 financial year. Veolia has been appointed to provide waste management services for the next 5 years. All waste to landfill and recyclables are transported to southern based processing centres near Adelaide. With the pressures of inflation and running costs (eg fuel) the cost of waste management services will increase. The costs for household collection services (general, recycling and green waste) are recovered through the waste levy charged with the Council rates notice.

I am pleased to report the pump track and the 4 court netball/tennis projects are both well underway. These projects are important steps in providing high quality recreation and open space facilities. The construction of the changerooms is scheduled to commence early in 2023/24 (as noted below). Both projects have been funded in the Budget for 2022/23 and any residual works at 30 June 2023 will be supported with carryover funding from the current year.

With annual inflation in the March quarter at 7.9 per cent for Adelaide, Council proposes to not raise rates beyond the CPI.

A continuing keystone project that will be finalised in the 2023 – 2024 Budget is the Sports Precinct Upgrade, which will provide four multi-purpose sports (including netball) courts and two new gender-diverse changerooms. The changeroom facilities have been generously supported by BHP and the contractors involved in the 2021 Olympic Dam maintenance campaign together with State and Federal Government grants. This legacy project will see the existing changerooms, which were built in the 1980s when community attitudes and expectations were very different to those of today, replaced with modern facilities that encourage diversity in sport.

At Roxby Council we understand that sport is a pillar of our community, and our beautiful arid environment is one of our greatest assets.

Roxby Council is also supporting environmental sustainability, with plans to reduce the amount of Great Artesian Basin water being used for irrigation. Supported by the twenty-year wastewater treatment agreement with BHP, Council will work towards expanding the volume of recycled wastewater for irrigation.

Furthering the liveability of Roxby Downs, Council has commenced a five-year process of appropriate tree and understorey plantings to enhance the look and feel of the town as well as providing shade and cooling effects and as a response to climate change.

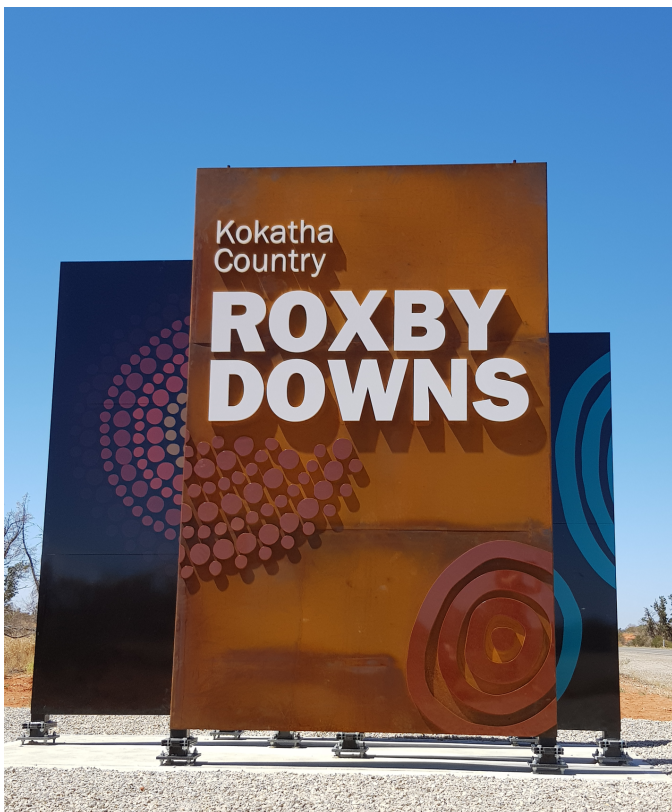
We are committed to offering cultural experiences to all residents. Public art adds enormous value to the cultural, aesthetic and economic vitality of a community. It contributes to a community's identity, fosters community pride and a sense of belonging, and enhances the quality of life for its residents and visitors.

Our capital works program is assessed according to criteria to prioritise and allocate funding that will provide the greatest economic, environmental and community outcomes for the town. Where possible, Council will also advocate to State and Federal Governments for grant and stimulus funding.

The Annual Business Plan and Budget 2023-2024 has been developed within the context of the key principles of the Long-term Financial Plan, underpinned by a newly developed Infrastructure and Infrastructure and Asset Management Plan.

The implications of the recent announcement by BHP and its acquisition of OZ Minerals on Roxby Downs will be a work in progress throughout the year.

**Geoff Whitbread
Administrator**



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ANNUAL BUSINESS PLAN AND BUDGET 2023-24 SNAPSHOT

The Annual Business Plan and Budget 2023 – 2024 sets out what we will deliver in the next financial year, and how it will be funded.

Our Strategic Plan guides Council's operational activities and priorities. This forward planning will position Roxby Downs to ensure sustainability and resilience are at the forefront of decision making.

To make the goals of our Strategic Plan a reality, our investment decisions are guided by the Long-Term Financial Plan and Infrastructure and Asset Management Plan. Both of these plans have been revised with particular emphasis on analysing Council's business units and understanding how they contribute to the over all organisation.

We will use this year's budget to deliver programs, services, and projects across the town. The Annual Business Plan and Budget provides the details of these programs, services and projects.

RATES INCREASE

Rates indexed at 7.5%. This compares favourably to the Adelaide Consumer Price Index (CPI) of 7.9% for the year to 31 March 2023.

PROJECTS AND MAINTENANCE

Focus on our major projects, including the Sport Precinct Upgrade, completing the Pump Track, and upgrading and improving essential infrastructure.

PRUDENT BUDGET

Commitment to fiscal conservatism despite global financial challenges including inflation.

Any movement in expenditure has been aligned with known price increases and planned service delivery levels.

EFFECTIVE SERVICE DELIVERY

Continual monitoring of service delivery, including community programs and events, to improve the quality, efficiency, and benefit to the Community of these services.

THIS YEAR'S BUDGET IS \$20.7 MILLION

WHERE DOES THE MONEY COME FROM?

Council funds the budget through a mixture of rates, state and federal grants, user charges and other sources. See page 24 for more details.

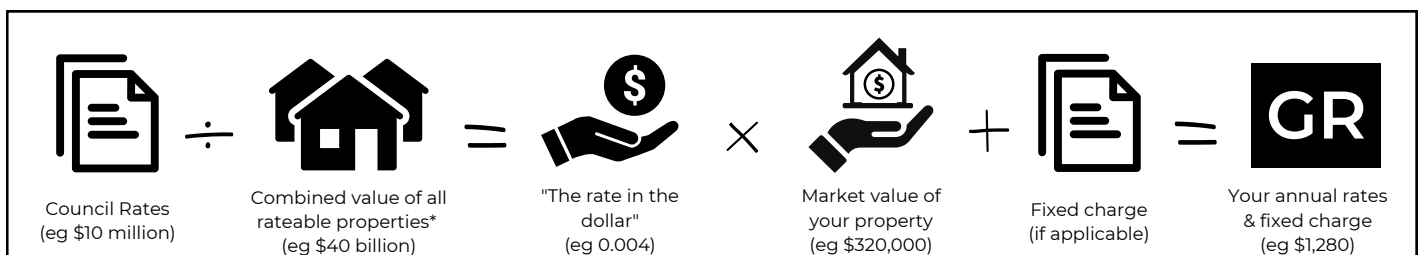
HOW IS THE MONEY SPENT?

We prioritise services, programs and projects across our delivery areas. See page 25 for more details.

HOW ARE THE RATES CALCULATED?

There is a formula based on property valuations that Council uses to calculate rates for households and businesses. See page 27 for more information.

How General Rates and charges are calculated



*Based on the SA Valuer General Valuation on properties.

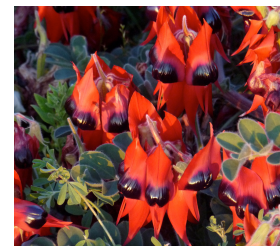
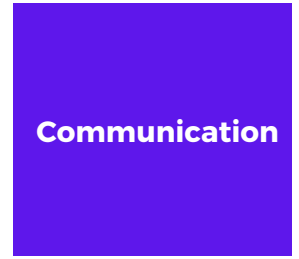
STRATEGIC DIRECTION

Roxby Council's Strategic Plan 2021 – 2025, Infrastructure and Infrastructure and Asset Management Plan and Long-term Financial Plan outline the future objectives and priorities for the community. These plans, alongside the Annual Business Plan and Budget, determine the infrastructure priorities and the range of services Council will seek to provide in the Community.

The remote location of Roxby Downs in South Australia's outback, high level of transient population (an average 20% changeover per year is experienced) and interdependence with BHP's Olympic Dam operations mean there are many external influences outside of Council's control. Having a plan that accommodates shifting priorities is critical for success.

In Roxby Downs we recognise that change is constant. As a result, Council has evolved into a flexible, responsive, and resilient organisation.

The community's unique demographic composition, with a high number of children and young people and low numbers of elderly citizens, means there is a corresponding focus on facilities and services for younger age groups. However, Council recognises the importance of addressing the needs of all people in our community and continues to develop appropriate programs and facilities that cater for all ages.



FINANCIAL SUSTAINABILITY

A Council is financially sustainable where planned long-term services and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

FINANCIAL INDICATORS

Three ratios have been developed by the local government sector as a simple way of indicating the extent to which the Council is financially sustainable.

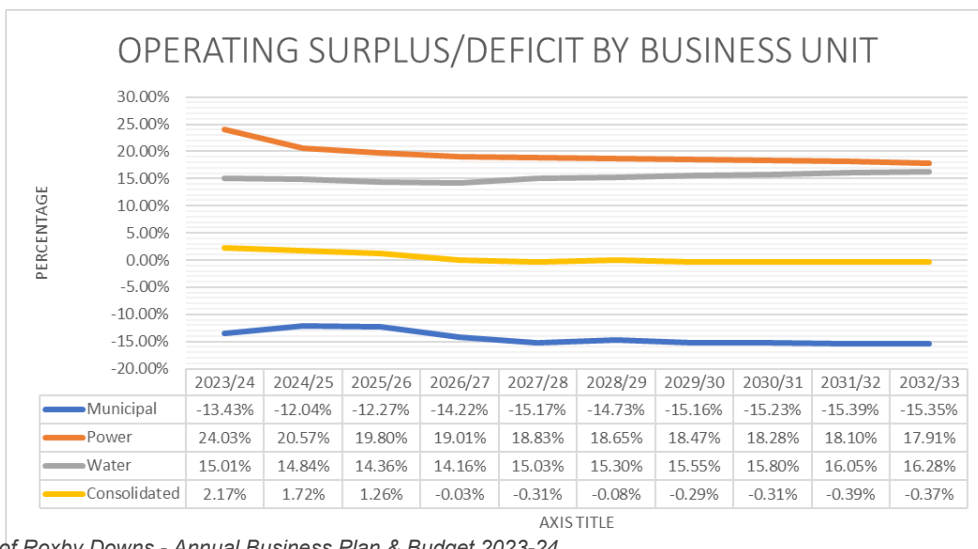
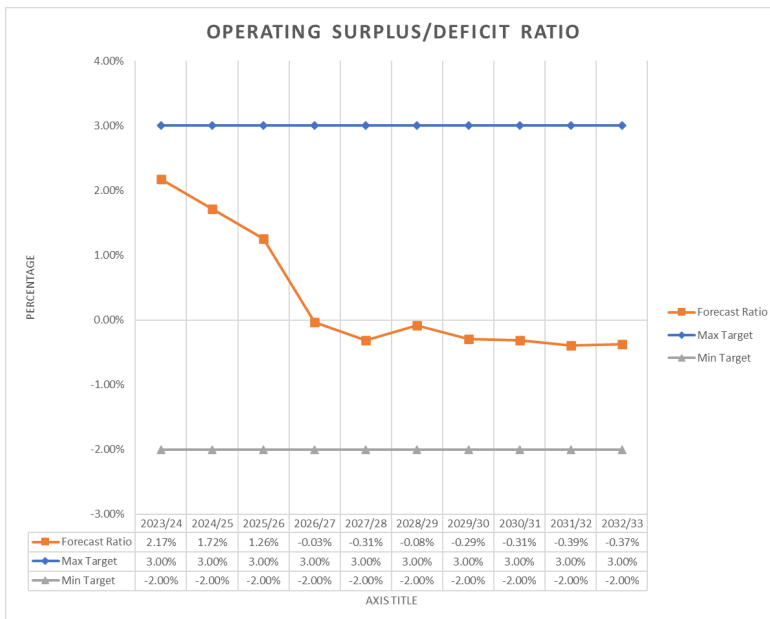
Council's Budget Management Policy determines the targets that should be achieved in the development of the ABP.

The three ratios are:

Operating Surplus/Deficit Ratio

A council is financially sustainable if it achieves a positive ratio over time. The desired level is between 0% and 10% on average over the long term. A short-term operating deficit may be acceptable; however, it should not occur continuously over time. A zero result implies the current generation is paying for what it is receiving in service levels, a deficit that they are not paying enough, and a surplus that they are potentially paying too much.

With Council setting its rate increase at 7.5% it anticipates a surplus ratio of a 2.17%, strengthening its strong financial health, with no debt and adequate cash reserves.

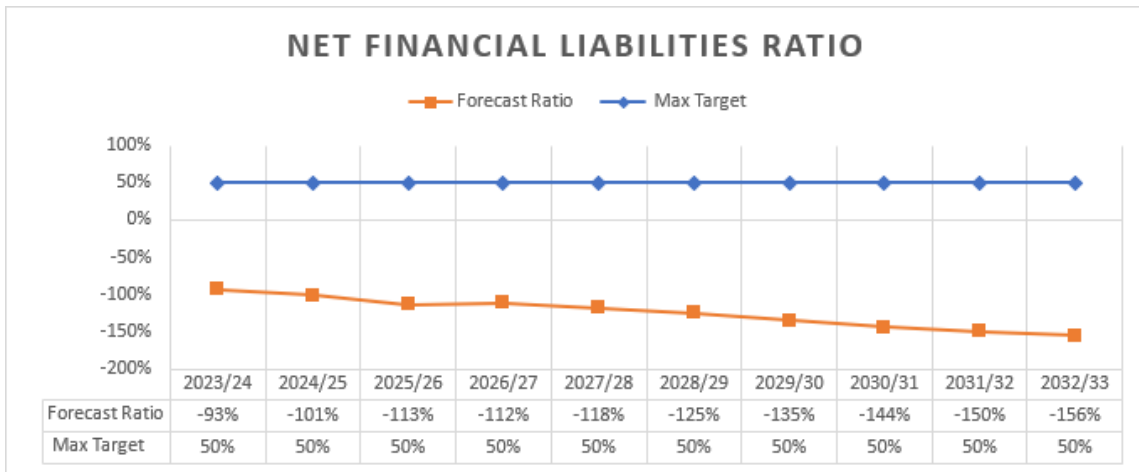


Net Financial Liabilities Ratio

This ratio indicates the extent to which the net financial liabilities of the Council can be met by its total operating revenue.

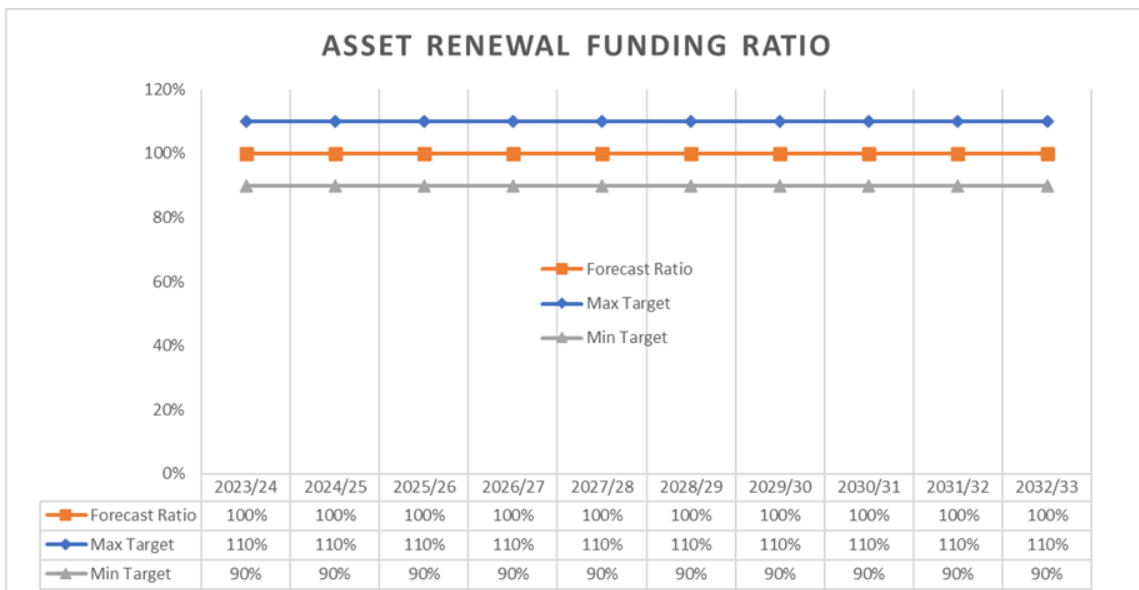
When the ratio is increasing, it indicates that a greater amount of a council’s operating revenue is required to service its financial obligations.

As Council continues to be debt free and have sufficient reserves to meet many of the future commitments on maintenance and capital expenditure projects, the Net Financial Liabilities Ratio reflects as a negative figure. For Roxby Downs this reflects good financial health.



Asset Renewal Funding Ratio

The desired level is greater than 90% but less than 110% on average over the long term. This ratio measures whether Council is renewing or replacing existing physical assets when needed to maintain service levels. It is calculated by measuring actual capital expenditure on renewal or replacement of assets, relative to Council’s Infrastructure and Asset Management Plans.



Following the adoption of Council’s Infrastructure Asset Management Plan asset renewal ratio is 100% for the upcoming budget.



WHAT WE DO



40km
of sealed roads

- 75km Kerbing
- 25 km Footpaths

We support the maintenance and development of the Roxby Downs Community Garden



We maintain:

- 6 Playgrounds
- 1 Splash pad
- 1 Skate Park
- 2 Ovals
- 2 Pools
- 1 Pump Track



We collect **3,000kg** of general waste per day



75km of low/high voltage cables and 776 street and footpath lights

In 2022 there were **16,512** Library Visits



Our Community Programs have **8,200** visitors per year



Infrastructure we maintain:

- 67km potable water supply
- Town pump station
- 6 inline pumps
- 678 isolation valves
- 1,715 water meters



WHO WE ARE



13%
of Roxby residents are born overseas

60%
of Roxby residents are under 35 years old

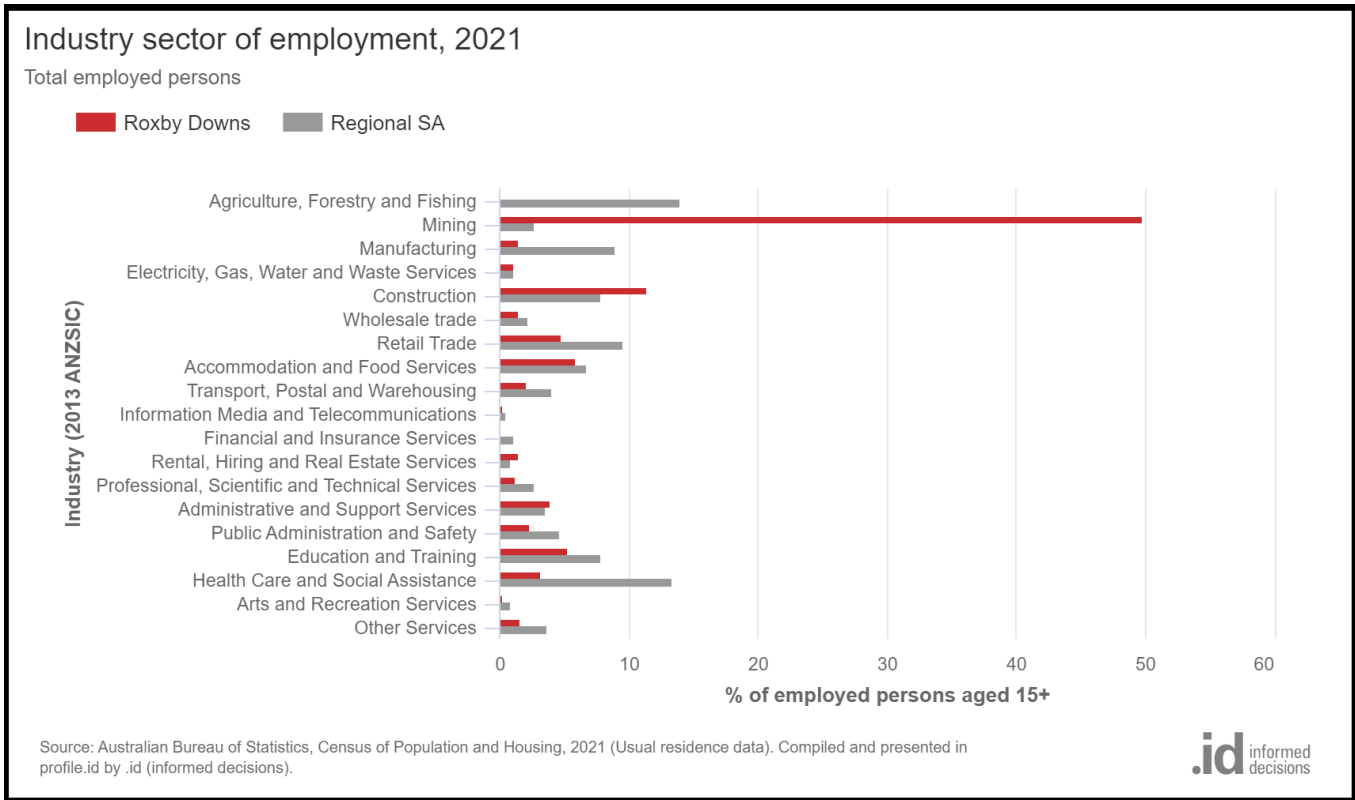


We speak English and **32%** other languages



50%
of Roxby residents work in the Mining Industry

We have over **50** community groups, sporting clubs, forums and volunteer networks



Source: Australian Bureau of Statistics and <https://profile.id.com.au>

MAJOR PROJECT STATEMENT

With several large projects undertaken over previous years, 2023/24 will see a reduction in the number of new projects being undertaken. This is to ensure ongoing projects such as the Sports Precinct, Light Tower Globe and LED upgrade at the town oval are completed to a high standard, without competing for resources of new initiatives. It also consolidates Councils position of concentrating on asset renewal rather than construction of new assets which Council will need to maintain and renew into the future.

ROBY RECYCLED WATER OPTIMISATION

Roxby Council and BHP have been collaborating on practical measures to reduce the offtake of potable water to the township. This project will produce sustainable environmental improvements by lessening demand from amenity horticulture in Roxby Downs for the processing and supply of treated potable water for irrigation.

This water will be used to replace potable water currently deployed for irrigation of grassed areas and landscaping zones within the town centre.

Potential areas to initially benefit from this practice would include the town ovals, Lions Park, Roxby Link environs and Richardson Place.

This project will produce sustainable environmental improvements by lessening demand from amenity horticulture in Roxby Downs for the processing and supply of treated potable water for irrigation. Water is a precious resource and is critical to Olympic Dam production.

The project will ensure that there are no public health risks created through the use of this water in public open spaces, and that there is no reduction in amenity through the presence of effluent odours. Any water savings will be of direct benefit to the environment, Roxby Downs and Olympic Dam.

Judicious use of the treated wastewater through the use of contemporary irrigation practice including remote sensing and telemetry of real time ground conditions will result in more effective and more efficient application of water by better matching environmental conditions to available water resources.

Long term, the reduction in the demand from amenity horticulture will result in cost savings to the Council, through not having to purchase potable water.



POOL SLIDE STAIR REPLACEMENT

The timber stairs to the pool slide require replacement. Over the past few years they have needed ongoing maintenance and recent inspections have identified some rotting timbers.

The existing timber stairs will be replaced with new nonslip stairs and handrail at a cost of \$50K.



CONTEXT AND OPPORTUNITIES

INDENTURE AGREEMENT

Roxby Council operates under the powers of the Roxby Downs (Indenture Ratification) Act 1982 and the Local Government Act, as determined by the State Parliament of South Australia. The provisions of the Indenture Act determine the financial parameters of the Council, with provisions to exclusively reticulate and retail power and water within Roxby Downs, in addition to traditional local government property rating capacity. As part of these requirements the Council is also required to provide the Annual Business Plan and Budget to the State Government and BHP for their respective endorsement prior to Council considering the Plan for adoption.

Currently the State Government and BHP each contribute funding of \$300,000 per annum towards the cost of providing municipal services to Roxby Downs

OLYMPIC DAM OPERATION

BHP announced the completion of the OZ Minerals acquisition. The BHP Group Limited is now the ultimate parent company of OZ Minerals limited.

In bringing together the BHP and OZ Minerals businesses, BHP will focus on safe and reliable operation of the Olympic Dam, Prominent Hill and Carrapateena assets, building a shared culture of innovation and performance, and progressing sustainable growth options to establish a copper province in South Australia.

SOURCE: <https://www.bhp.com/news/media-centre/releases/2023/05/completion-of-oz-minerals-acquisition>



BHP STAKEHOLDER ENGAGEMENT GROUP

BHP has established a Stake Holder Engagement Group (SEG) for Roxby Downs. The SEG has been established to provide a conduit for BHP to connect with the local community and gather local responses.

The first gathering of the SEG was held on Thursday 20 April and included a site visit to the Olympic Dam Village.

The SEG will come together on a quarterly basis.

LOCAL COST FACTORS

Costs associated with major works and projects in Roxby Downs are significantly higher than most other Councils in South Australia. This is due to the remoteness of the location, higher labour costs, transport expenses, intensity of works and competing for resources with the Olympic Dam operation (such as local contractors). This is reflected in the budget for any expenditure items requiring external resources.

CONSUMER PRICE INDEX

The Consumer Price Index (CPI) measures changes in the price of goods and services which account for a high proportion of expenditure by metropolitan households.

The annual Adelaide CPI to March 2023 reached 7.9%, (the previous increase to March 2022 reached 4.7%).

INDUSTRIAL

Council's employees are covered by the Municipal Council of Roxby Downs Enterprise Agreement 2020. This document prescribes employment terms, conditions and pay rates. The agreement is currently being reviewed through an enterprise-wide bargaining process.

INFRASTRUCTURE AND ASSET MANAGEMENT PLAN 2023-2032

Council's Infrastructure and Asset Management Plan provides the strategy to manage, renew and replace its very significant asset base, valued at almost \$175 million. The Plan identifies Council's current asset base, considers current and desired levels of service and provides financial projections for the management of its assets for a ten year period. The capital costs identified by the Plan are provided in the Capital Works Program, reflected in the Long Term Financial Plan and then in turn, the Annual Business Plan and Annual Budget.

Infrastructure and Asset Management Planning

This plan is prepared as a core level maturity which means we use a top down approach with analysis applied at a network level to determine how we maintain current levels of services, determine our forward replacement programs, and calculate the associated cash flow projections.

Council needs to spend an average of \$1.3m each year over the next 10 years on asset renewal and \$1.8m on maintenance and operating to ensure its infrastructure is maintained to current service levels.

LONG TERM FINANCIAL PLAN 2023-2032

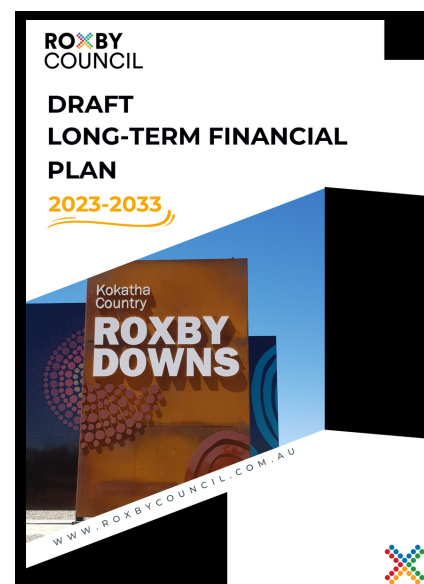
Council has prepared a new LTFP for the period 2023-2032.

Roxby Council operates under the powers of the *Roxby Downs (Indenture Ratification) Act 1982* and the *Local Government Act 1999*. The provisions of the Indenture Act determine the financial parameters of the Council, with provisions to exclusively reticulate and retail power and water within Roxby Downs, in addition to traditional local government property rating capacity.

Currently the State Government and BHP each contribute funding of \$300,000 per annum towards the cost of providing municipal services to Roxby Downs. Roxby Water also pays a dividend to the Municipal Unit of Council \$1.05m annually.

In 2023/24 significant input has gone into analysing the costs associated with each of the Council's business units (Roxby Power, Roxby Water, Roxby Link and Municipal services) to ascertain the correct pricing that is equitable for each service provider as well as understanding how each contributes to the consolidated operating result.

The Water and Power businesses continue to operate at a surplus, supporting the Municipal operating deficit. The budgeted depreciation for 2023/24 for the Municipal business unit is \$1,684,746.



OUR SERVICES, PROJECTS AND PROGRAMS

Roxby Council delivers a wide range of services to the community. The scope which turn our Strategic Management Plan, Infrastructure and Asset Management Plan and Long-term Financial Plans into action, making sure that Council delivers essential programs and services to Roxby Downs.

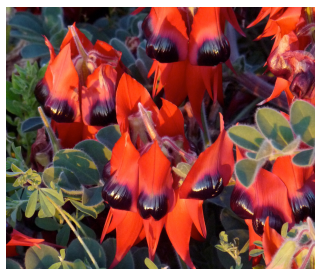
The following pages present our organisational departments and the services provided under each department. Each service category shows the key capital projects planned for the financial year.

Council's operations are governed by the *Roxby Downs (Indenture Ratification) Act 1982* and the *Local Government Act 1999*.

Additional statutory and regulatory responsibilities arise from several other Acts of the South Australian State Parliament, including the *Dog and Cat Management Act 1995*, *South Australian Public Health Act 2011*, *Local Nuisance and Litter Control Act 2016*, *Environmental Protection Act 1993* and *Planning, Development, and Infrastructure Act 2016*.

The provision of mandatory and discretionary programs and services is influenced by these pieces of legislation, as well as local community needs and priorities.

OUR DEPARTMENTS



ESSENTIAL SERVICES AND ASSETS

The Essential Services & Assets group operates and maintains a wide range of infrastructure and other community assets and services.

Council manages \$174 Million in community assets

Maintenance and upgrading of Council infrastructure:

- Council buildings
- Environmental initiatives
- Footpaths
- Ovals
- Parks and gardens
- Playgrounds
- Public open spaces
- Street lighting
- Stormwater drainage
- Roads
- Treated wastewater for irrigation



Provision of Municipal Services:

- Quarterly street cleaning, weekly rubbish collection and recycling
- Regulatory activities including development planning and control, building and fire safety assessment, and dog and cat management.
- Environmental health services including health standards inspections.
- Local service centre for Service SA transactions.
- Protection of natural resources.



ESSENTIAL SERVICES & ASSETS

2023/24 KEY ACTIVITIES

		Amount FY 23/24 \$'000	Carried Forward FY 22/23 \$'000
ENVIRONMENTAL INITIATIVES	Horticulture Plan Stage 1		20
	Streetscaping Irrigation Maintenance Horticulture Plan		10
PARKS/PLAY SPACES	Replacement of Open space furniture	8	
STORMWATER	Replace Headwall		40
PLANT & EQUIPMENT	Bin Renewal	7	
COMMUNITY LIBRARY	Re-evaluation of library accessibility, functionality and relevancy of resources audit. Updating the library's aesthetic and design		20



ROXBY WATER

Council manages a water network of 37.8km, 678 nodes and 1,715 water meters for both residential and commercial customers.

Water for the Roxby Downs township is extracted from the Great Artesian Basin and piped to the Olympic Dam mine site by BHP where it is treated (desalinated and chlorinated). The treated potable water is pumped by BHP to water storage tanks.

The main elements of the water distribution network are a Town Water Supply (TWS) Pump Station located on Olympic Way, and 37.8km of potable water mains, a staging tank and a pumping station used for watering the public ovals.



ROXBY WATER

The combined value of Roxby Water Assets is \$19 Million

ROXBY WATER

2023/24 KEY ACTIVITIES

		Amount FY 23/24 \$'000	Carried Forward FY 22/23 \$'000
SEWAGE	Replacement of two sewer pumps to reduce maintenance costs.	66	
	Sewer Reclaimed Water Optimisation	250	
	Chlorine Analyser	75	
	Underground inspection of sewer lines and the confirmation of GIS location data.		30
	Sewer reticulation maintenance - Investigation Sewer Mains – Mapping		30
TOWN WATER	Town Water Pumps Replacement to increase water efficiency and ensure continuity of supply.	80	
	Water valve inspection and replacement	100	



ROXBY POWER

Council manages a power network of 75.2km of mainly underground low/high voltage cables, 38 transformers, three generators and 2,331 commercial and private meters, 776 street & path lights, 205 section pillars, 715 service pillars with a combined asset value of \$42m.

The Roxby Power network delivers commercial and domestic power to all premises in Roxby Downs.

The network also accounts for the 776 street and pathway lights in town.

Roxby Power is responsible for the maintenance of the power grid, power meters, streetlights, and other asset replacement within the network.



The combined value of Roxby Power Assets is \$42 Million

ROXBY POWER

2023/24 KEY ACTIVITIES

		Amount FY 23/24 \$'000	Carried Forward FY 22/23 \$'000
TRANSFORMERS	Transformer Replacement Program	100	



LIFESTYLE, SPORT AND COMMUNITY

Community Library

During the 2022/2023 financial year the Roxby Community Library welcomed an estimated 16,512 patrons to the library space.

A breakdown of attendees/users by programs:

- 1,690 Toddler Storytime
- 1,058 Lego Club
- 299 Baby Bounce
- 554 Crafternoon
(a free program designed for children of all ages to explore their creative and crafty side)
- 420 Leap
- 3,322 Author talk/event/ other program
- 376 public computer/internet users; and
- 724 Princh users
(public library printing software)

This is an increase of 2,004 visits compared to 14,508 in 2022/2023.

The library currently has 1,093 active members, which is a decrease of 68 when compared to 2022/2023; this includes 115 new member registrations.

Community Development

Council works in collaboration with the Roxby Downs Community Board and Forums as well as BHP to provide a range of activities that support community life. Council's role varies from being the lead agent (e.g. initiator, event or project manager) to that of facilitator or supporter. Community development strategies focus on the Roxby Downs Community Board which is a platform for local community members to develop personal skills in leadership, in community advocacy and in collective action.



Aquatics

In 2022/2023 financial year there was an increase in casual visits of 6,344 compared to 5,820 in 21/22; however, overall there was a decrease in visits. This is reflected in the decrease of membership sales. In 22/23 there were 189 memberships sold compared to 240 in 21/22.

The Splashpad is in its third year of offering a play space for preschool aged children between 9am and 1pm Monday to Friday which provides an opportunity for young children to utilise the facility before the main heat of the day. Pool & Splashpad opening times are dependent on weather conditions and are seasonal.

During the summer months, the outdoor pool and splashpad provide the perfect venue for families when planning birthday parties or a casual BBQ with friends. These facilities provide much needed relief for children after school to socialize and cool off in a supervised environment.

Swim School

Roxby Links swim school program caters for children aged six months up to adult, with most of the participants in the three to seven-year age bracket.

Swim school enrolments were down to 697 participants across 2022/23 compared with 990 throughout 2021/22. There were several staff changes in 2021/22 within the Swim School division, which meant Council were unable to offer as many classes across as many days.



Pulse Fitness

The entry of new commercially provided fitness offerings in Roxby Downs has changed the dynamic for the Pulse Fitness service provided at Roxby Link.

An extensive review has shown reduced demand for the Pulse Fitness facility resulting in higher per capita cost base making its continued operation increasingly uneconomic. It is proposed that the Pulse Fitness service at Roxby Link will cease operation at the end of September 2023.

Further consideration will be given to how this space can be best utilised.



LIFESTYLE, SPORT AND COMMUNITY 2023/24 KEY ACTIVITIES

		Amount FY 23/24 \$'000	Carried Forward FY 22/23 \$'000
AQUATICS	Pool slide – stair replacement and Outdoor pool ladder replacement.	50	
	Pool Structures removal	6	
	Installation of bifold doors and insulation of the indoor pool and upgrading of support pillars.		150
	Replacement of paving and grates installation in the indoor pool.		100
STADIUM	Roof structures from audit, incl roof ladder installation	100	
OVALS/SPORTING FACILITIES	Light Tower Globe Replacement and LED Upgrade	350	
ROXBY LINK OFFICE	Stadium Roof Structures and Ladder Installation		100
	Ergonomic Desks	18	
	Replacement of Roxby Link two-way Radios	13	
YOUTH	Re-evaluation of Youth Services, to improve outcomes in this area.	6	
CULTURAL CENTRE	Furniture & Fittings	21	



EXECUTIVE

The Executive group supports the operation of Council by providing services that enable the work of our customer-facing teams.

The Executive group also provides financial management and accounting services to the Roxby Downs Community Board as well as Longer-term Strategic Management Plans for Roxby Downs.

COMMUNICATIONS AND ICT

- Engagement, grants and events
- Marketing and communication
- Business operating systems
- ICT reform
- Technology support

CORPORATE SERVICES

- Customer Service
- EZY Reg and Service SA enquiries
- Employee/industrial relations
- Recruitment
- Training and development
- Management of Council records
- Work health and safety

FINANCE AND GOVERNANCE

- Financial accounting and strategy
- Maintaining property ownership database
- Preparation of annual budgets
- Provision of Roxby Power and Roxby Water accounts to town residences
- Revenue collection for municipal rates
- Internal payroll systems
- Agendas, minutes and publications, civic event planning and coordination
- Legislative compliance, emergency management, risk management and internal audit, insurance, policy, legal reporting and advice



EXECUTIVE
2023/24 KEY ACTIVITIES

		Amount FY 23/24 \$'000	Carried Forward FY 22/23 \$'000
COUNCIL BUILDING	Design plan for the refurbishment of administration foyer and bathroom facilities.		50
COMMUNICATIONS / INFORMATION TECHNOLOGY	A scoping study to assess the viability of a maker space or community shed as an alternative community space for adults.		45
	Annual computer and network infrastructure refresh	140	
	Review of Business systems software	50	
CORPORATE SERVICES	Engaging a records management specialist to improve how records are managed within Council.		25
	An ongoing program of retraining staff across all areas of Council and providing opportunities for further development over the next five years.		50





YOUR BUDGET



HOW WILL COUNCIL FUND THE ANNUAL BUSINESS PLAN

The Annual Business Plan produces an operating surplus of \$417,897 resulting from increased income, and the containment of projected expenditure.

OPERATING INCOME

To deliver the projects and ongoing services outlined within this Plan, Council raises income from various sources, including state and federal government grants and rates.

Income Sources	\$'000
Rates	6,242
Statutory Charges	54
Electricity Charges	4,772
Water Charges	4,812
Other User Charges	1,686
Grants, Subsidies and Contributions	167
Municipal Deficit Funding	600
Investment Income	931
Other Income	65

Income \$19.3M



- Rates
- Statutory Charges
- Electricity Charges
- Water Charges
- Other User Charges
- Grants, subsidies and contributions
- Municipal Deficit Funding
- Investment income

EXPENSES

The cost to Council to deliver services at their current levels is \$18.9M. Across the different Council functions, Council spends \$5.6M on employing staff. It also incurs over \$3.1M depreciation to recognise the annual consumption of its large network of infrastructure assets.

Departmental Expenditure	\$'000
Essential Services and Assets	5,872
Executive	614
Lifestyle, Sport and Community	4,709
Roxby Power	3,625
Roxby Water	4,090

Expenses \$18.9M



- Power
- Water and Sewage
- Essential Services and Assets
- Lifestyle, Sport and Community
- Executive

CAPITAL EXPENDITURE

\$1.2M will be spent on renewing and replacing assets. \$0.5M will also be spent on new or upgraded assets providing additional services and benefits to the community.

Capital Expenditure	\$'000
Buildings and other structures	757
Power	100
Water and Sewerage	571
Transport	-
Open Space	78
Stormwater	40
Equipment	40
Equipment	168

**Capital Expenditure
\$1.8M**



- Buildings and other Structures
- Power
- Water and Sewerage
- Transport
- Open Space
- Stormwater
- Furniture and Fittings
- Equipment



SETTING OF RATES AND CHARGES

In deciding how much rate revenue we need to raise for the financial year, we consider several factors including the cost of delivering services to the community and our future asset renewal and replacement requirements. We also allow for the current economic climate, community expectations and ensuring we fulfill all our statutory obligations.

GENERAL RATES

Council is proposing to increase its general rate revenue by 7.5%, the March 2023 Adelaide CPI was 7.9%. We will raise a total of \$5,423,146 compared to \$4,967,735 in the previous financial year.

We believe this level of rate income will ensure our long-term financial sustainability, while being fiscally responsible in the short-term.

DIFFERENTIAL GENERAL RATES

As in previous years Council has opted to differentiate the rates charged by different land use. It does so on the basis that some land uses impact more on the level of services used compared to others.

Land Use	Rate in Dollar	Rates to be Collected \$
Residential	0.0060365	3,817,300
Commercial Shop	0.0180492	220,064
Commercial Office	0.0226973	136,980
Commercial Other	0.0206449	400,757
Industry Light	0.0141858	51,600
Industry Other	0.0099602	71,256
Vacant	0.0184717	181,083
Other	0.0100810	143,350

FIXED CHARGE

Council considers it appropriate that all rateable properties make a minimum contribution to the cost of Council's activities. Council has set a fixed charge of \$765. Council will raise \$1,432,080 (28% of general rate revenue) from the fixed charge.

MAXIMUM INCREASE

Council has set a maximum increase of 12%. It applies to the general rate for residential ratepayers if the property is their principal place of residence. It does not apply if there has been development or a change in use from the previous year.

RATE REBATES

Council provides rates rebates in accordance with Section 10(1)(5) of the *Local Government Act 1999*. Council regularly reviews discretionary rate rebates.

AVERAGE RATE

The average rate is calculated by dividing the total general rates payable by the number of properties for each land use.

Land Use	Average Rate / Assessment	Rates to be Collected	Change from last year
Residential	2,205	1731	7.23%
Commercial Shop	8,464	26	5.11%
Commercial Office	7,610	18	2.44%
Commercial Other	18,216	44	12.7%
Industry Light	7,371	7	7.36%
Industry Other	10,179	7	17.16%
Vacant	5,487	33	7.10%
Other	9,556	15	*106.59%

* The large percentage change from last year for 'Other' properties is high due to the change of a property previously classified as non-rateable.



BUSINESS IMPACT STATEMENT

Council considers the impact of rates on all businesses in the Council area. In considering the impact, we have assessed the financial impact on local businesses of the current and forecast economic climate, the operating and capital projects and new programs for the coming year that will principally benefit industry and business development, valuation changes and Council's ability to provide appropriate local stimulus to businesses through its annual rating.

FURTHER INFORMATION

Further information concerning Council Rating Concessions, Rebates, Capping Rebates and provisions for rate payers facing hardship can be found in Appendix 1.

SERVICE CHARGE - WASTE COLLECTION

The full cost of operating and maintaining a waste collection service is recovered through a service charge to each residential property. For 22/23, the cost of this charge was \$493.77. In 23/24, Council proposes that the service charge for waste collection will be increased by 15%, equating to \$567.50 per annum. Council will collect \$982,343 from the service charge. This increase in the cost of the annual service charge is a result of increased disposal and transport costs to dispose of waste generated at Roxby.

REGIONAL LANDSCAPE LEVY

The Regional Landscape Levy is a State Government tax imposed under the Landscape South Australia Act 2019. Council is obliged to collect the levy on behalf of the SA Arid Lands Management Board. No portion of the levy is retained by Council. The levy is based on a fixed charge by land use type and is shown as a separate charge on the rate notice. The rates proposed for 2023/24 are \$45.35 for Residential/Vacant/Other and \$90.69 for Commercial/Industrial land use types. Council will collect \$89,923 from the Regional Landscape Levy.



METHOD USED TO VALUE LAND

Council uses capital value as the basis for valuing land within the Council area. Council considers that it provides the fairest method of distributing the rate burden across all rate payers and is a good indicator of wealth.

ADOPTION OF VALUATION

The Council has adopted the valuations made by the Valuer-General. Anyone dissatisfied with the valuation may object to the Valuer General in writing within 60 days of receiving the notice of the valuation, explaining the basis for the objection. The Council has no role in the process. It is important to note that the lodgement of an objection does not change the due date for payment of rates.

The total property valuations (excluding non-rateable) provided by the State Valuation Office as of 30 June 2023 was \$498,480,158 - an increase of 3.58% - over last year.

POWER AND WATER CHARGES

The income generated from the sale of power and water is difficult to predict accurately in the context of seasonal variability and volume demand fluctuations. Council attempts to predict and budget based on broad assumptions and the analysis of actual usage patterns; however, key drivers of future demand such as population and temperature are subject to uncertainty.

We are planning on no change in both electricity tariffs and the solar buy-back rate, with total expected revenue for Roxby Power being \$4.772M.

Similarly, there will also be no change in water tariffs (usage), water supply and sewerage supply charges, with total expected revenue for Roxby Water being \$4.812M.



APPENDIX 1 - RATING POLICY EXPLAINED

Why are rates in Roxby Downs comparatively higher than those in metropolitan councils?

Due to restrictions around land use, there has been no proposed construction of new buildings or houses in Roxby Downs. This has implications for Council as natural growth in the number of rateable properties, which commonly occurs in other local government areas, cannot be factored into planning for natural revenue growth.

The cost of delivering high quality services in a remote area is also significantly higher and there is less availability of services.

How often does Roxby Council increase its rates?

Prior to 2022, Council had not increased rates since 2016.

As part of Council's long-term commitment to sustainability we have increased rates by 7.5%. Last financial year Council also increased rates in line with Adelaide CPI of 4.75% for the year to March 31, 2022.

When are my rates due?

Annual rates can be paid in full at the first installment in September or in four equal instalments due in September, December, March and June. The outstanding balance can be paid in full at any time. Council will send out instalment notices to ratepayers, advising them of their next instalment due date at least 30 days prior to the due date. Council is also now sending out reminders in the form of SMS texts for all accounts that are overdue. Council provides a range of payment options.

Instalment Due Dates

- Instalment 1 – 15 September, 2023
- Instalment 2 – 15 December, 2023
- Instalment 3 – 15 March, 2024
- Instalment 4 – 17 June, 2024

What happens if I pay my rates after the due date?

The *Local Government Act 1999* requires that councils impose a penalty of 2% on any payment for rates, whether instalment or otherwise, that is received late.

The purpose of this penalty is to:

- Act as a deterrent to ratepayers who might otherwise fail to pay their rates on time.
- Allow councils to recover the administrative cost of following up unpaid rates.
- Cover any interest cost the Council may incur because it has not received the rates on time.

Rates remaining unpaid will be charged interest each month, set each year in accordance with Section 181(8)(c) of the Act. Council may at its discretion remit penalties for late payment of rates where ratepayers can demonstrate hardship (refer to Roxby Power Hardship Policy). Council issues an overdue notice for payment of rates unpaid by the due date. Should rates remain unpaid more than 21 days after the issue of the overdue notice, the council may refer the debt to a debt collection agency. The debt collection agency charges collection fees that are recoverable from the ratepayer. When the council receives a payment in respect of overdue rates, the council applies the money received in accordance with the sequence prescribed in Section 183 of the Act.

The prescribed sequence is:

1. Satisfying any costs awarded in connection with court proceedings.
2. Satisfying any interest costs.
3. Paying any fines imposed.
4. Payment of rates, in chronological order (starting with the oldest amount owing).



Do penalties apply to outstanding rates?

Penalties do apply to outstanding rates. Any rate payer who may experience difficulty with meeting the standard payment requirements or is planning an extended absence at the time rates are due, is encouraged to contact our Rates Officer on 8671 0010 to discuss alternative payment arrangements.

What if I'm experiencing hardship?

If you are concerned about the payment of your Council rates, please contact Council on 8671 0010 to discuss your personal circumstances and organise alternative payment arrangements before the payment is due.

Can I postpone my rates payment if I'm experiencing hardship?

Under Section 182 of the *Local Government Act 1999*, you can apply to postpone your rates if payment would cause you hardship. You need to meet the following criteria:

- That hardship can be proven (such as by providing a statement of income and expenses).
- You agree to pay interest on the amount at the cash advance debenture rate, calculated monthly and published by the Local Government Finance Authority for 1 July each year.
- The property is your principal residence and is the only property you own.
- You have owned the property and used it as your principal residence for a minimum of 1 year.
- You can produce your Pensioner Concession Card from Centrelink or Veterans Affairs, or you can demonstrate that you are a self-funded retiree with a household income of less than \$25,000 a year.

We strongly encourage any ratepayer to contact us if they anticipate that they will have difficulty paying rates instalments when they fall due.

We strongly encourage any ratepayer to contact us if they anticipate that they will have difficulty paying rates instalments when they fall due.

Can I postpone my rates if I have a Seniors Card?

Pursuant to Section 182A of the *Local Government Act 1999*, if you hold a State Government Seniors Card, you can apply to postpone part of your council rates for the current or a future financial year.

The deferred amount will still incur a monthly interest charge, and the accrued debt will become payable when your property is sold or disposed of. As a South Australian Seniors Card holder, you can only apply for postponement if:

- The property is your principal place of residence.
- No other person other than your spouse or domestic partner has an interest as owner of the property.

Which properties are eligible for a rate rebate?

The *Local Government Act 1999* (the Act) provides that the Council must grant a rebate of Council rates in specified circumstances. The rebates relate to:

- Land used by a not-for-profit community service organisation for specified services (pursuant to Section 161).
- Land containing a church or other building used for public worship and land used solely for religious purposes (pursuant to Section 162).
- Land used for specified educational purposes (pursuant to Section 165).

Who else is eligible for a rebate?

Section 166 of the *Local Government Act 1999* sets out the circumstances in which council can grant discretionary rebates of up to 100%. Rebates are reviewed and approved by council on an annual basis.

Maximum Rate Increase Cap

The Council may fix a maximum increase in the general rate charged on any rateable land within its area that constitutes the principal place of residence of a principal ratepayer under Section 153 (3) of the *Local Government Act 1999*. If the Council fixes a maximum increase, it will do so on the application of the property owner for the relevant year ending 30 June provided that:

- the property has been the principal place of residence of the principal ratepayer since at least 1 July of the previous financial year.
- the property has not been subject to a change in land use since 1 July of the previous financial year.
- the property has not been subject to improvements with a value of more than \$20,000 since 1 July of the previous financial year.

Enquiries can be made by contacting Roxby Council's Rates Officer on 8671 0010.



What happens if rates are in arrears for more than three years?

Section 184 of the *Local Government Act 1999* 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 its intention to sell the land if payment of the outstanding amount is not received within one month and must provide the owner with details of the outstanding amounts. Except in extraordinary circumstances, the council enforces the sale of land for arrears of rates.



Rates Notice 2023/2024

1st Instalment Notice

Rates & Charges for period
1 July 2023 to 30 June 2024

Young Vibrant Community
Richardson Place (PO Box 124)
Roxby Downs SA 5725
08 8671 0010
roxby@roxbycouncil.com.au
roxbydowns.sa.gov.au
ABN 68 284 130 046

XYZ Investments Pty Ltd
PO Box 1234
ROXBY DOWNS 5725

Assessment No.	Issue Date
A0001	28/07/2023
Due Date	Amount Due
15/09/2023	\$123.45

Council Rates and Charges shown on this notice are exempt from GST

Property Details			
Property Address	00 Richardson Place, Roxby Downs SA 5725		
Legal Description	Lot 000 T12345 CT1243/123	Valuation Number	123456789
Declared Date	30 June 2023	Capital Value	\$123,456
Rates & Charges Breakdown			
Balance brought forward as at 28/07/2023			\$0.00
Rates & Charges applied for 2023/2024		Rate in the \$	
General Rate—Differential —(Land Use) Residential		0.001234	\$1,234.56
General Rate—Fixed Charge			\$123.00
Service Charge—Domestic Waste Collection			\$123.00
Other Fees & Charges applied for 2023/2024			
SA Arid Lands Regional Landscape Levy			\$12.345
Rebates, Concessions, Adjustments and Payments applied for 2023/2024			
Rebates/Concessions			-\$12.34
TOTAL BALANCE (full year's payment due)			\$1,234.12



A sample of Roxby Councils Rates Notice

Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

Expected Rates Revenue

	2022/23 (as adopted)	2023/24 (estimated)		Change	
General Rates Revenue					
General Rates (existing properties)	\$4,967,735	\$5,423,146 (a)			
General Rates (new properties)		(b)			
General Rates (GROSS)	\$4,967,735	\$5,423,146 (c)			
Less: Mandatory Rebates	(\$170,166)	(\$265,271) (d)			
General Rates (NET)	\$4,797,569	\$5,157,875 (e)	(e)=(c)+(d)	7.5%	
Other Rates (inc. service charges)					
Regional Landscape Levy	\$125,541	\$89,928 (f)			The Regional Landscape Levy is a State tax, it is not retained by council.
Waste collection	\$853,728	\$982,343 (g)			Increased costs to deliver service
Water supply		(h)			
CWMS		(i)			
Separate and Special Rates	n/a	(j)			
Electricity Supply		(k)			
	\$5,776,838	\$6,230,146			
Less: Discretionary Rebates	\$0	\$9,379 (l)			
Expected Total Rates Revenue	\$5,651,297	\$6,149,597 (m)	(m)=(e)+(g)+(h)+(i)+(j)+(k)+(l)	8.8%	Excluding the Regional Landscape Levy and minus Mandatory & Discretionary Rebates.

Estimated growth in number of rateable properties

Number of rateable properties	1,879 <i>Actual</i>	1,881 <i>Estimate</i>		0.1%	
			(n)		

'Growth' is defined in the regulations as where new properties have been created which has added rateable properties to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.

Estimated average General Rates per rateable property

Average per rateable property	\$2,644	\$2,883		9.1%	
			(o)=(c)/(n)		

Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (ie. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall

Notes

(d) Councils are **required** under the Local Government Act to provide a rebate to qualifying properties under a number of categories:

Health Services - 100 per cent	Religious purposes - 100 per cent	Royal Zoological Society of SA - 100 per cent
Community Services - 75 per cent	Public Cemeteries - 100 per cent	Educational purposes - 75 per cent

The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).

(e) Presented as required by the *Local Government (Financial Management) Regulations 2011* reg 6(1)(ea)

Please Note: The percentage figure in (e) relates to the change in the total amount of General Rates revenue to be collected from all rateable properties, not from individual rateable properties (ie. individual rates will not necessarily change by this figure).

(f) Councils are required under the *Landscape South Australia Act 2019* to collect the levy on all rateable properties on behalf of the State Government. The levy helps to fund the operations of regional landscape boards who have responsibility for the management of the State's natural resources.

(i) Community Wastewater Management Systems

(l) A council **may** grant a rebate of rates or service charges in a number of circumstances. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (ie. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).

(m) Expected Total Rates Revenue excludes other charges such as penalties for late payment and legal and other costs recovered.

(n) 'Growth' as defined in the *Local Government (Financial Management) Regulations 2011* reg 6(2)

Statement on Expected Rate Revenue

Please note: These figures represent a considered estimate of Expected Rate Revenue based on the most current information available at the time of going out to consultation on the DRAFT Annual Business Plan and Budget (ABP&B). This information is updated regularly and therefore these figures may be subject to confirmation at the time of actual adoption of the ABP&B.

Expected Rates Revenue										
	Total expected revenue			No. of rateable properties		Average per rateable property			Cents in the \$	
	2022/23	2023/24	Change	2022/23	2023/24	2022/23	2023/24	Change	2023/24	
Land Use (General Rates - GROSS)										
Residential	\$2,324,727	\$2,493,085	7%	1729	1731	\$1,345	\$1,440 (p)	\$96	0.0060	
Commercial - Shop	\$183,505	\$200,174	9%	25	26	\$7,340	\$7,699 (p)	\$359	0.0180	
Commercial - Office	\$114,186	\$123,210	8%	17	18	\$6,717	\$6,845 (p)	\$128	0.0227	
Commercial - Other	\$696,002	\$768,618	10%	45	44	\$15,467	\$17,469 (p)	\$2,002	0.0206	
Industry - Light	\$43,078	\$46,245	7%	7	7	\$6,154	\$6,606 (p)	\$452	0.0142	
Industry - Other	\$63,812	\$65,901	3%	8	7	\$7,976	\$9,414 (p)	\$1,438	0.0100	
Vacant Land	\$160,816	\$161,958	1%	35	33	\$4,595	\$4,908 (p)	\$313	0.0185	
Other	\$50,882	\$131,875	159%	13	15	\$3,914	\$8,792 (p)	\$4,878	0.0101	
Total Land Use	\$3,637,007	\$3,991,066	9.7%	1,879	1,881	\$1,936	\$2,122 (p)	\$186		

Fixed Charge						
	Total expected revenue			Charge		
	2022/23	2023/24	Change	2022/23	2023/24	Change
Fixed Charge	\$1,330,728	\$1,432,080	7.6%	\$712	\$765 (q)	\$53

This revenue amount is **included** in the General Rates GROSS figure at (c).

Adopted valuation method

Capital Value

Council has the option of adopting one of three valuation methodologies to assess the properties in its area for rating purposes:

Capital Value – the value of the land and all improvements on the land;

Site Value – the value of the land and any improvements which predominantly affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements (Note: Site Value will cease to be an option from 1 Sept 2023); or

Annual Value – a valuation of the rental potential of the property.

The Municipal Council of Roxby Downs adopts the Capital Valuation methodology for rating purposes in its area.

Notes

(p) Average per rateable property calculated as General Rates for category, including any fixed charge or minimum rate (if applicable) but excluding any separate rates, *divided* by number of rateable properties within that category in the relevant financial year.

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

(r) Where two or more adjoining properties have the same owner and are occupied by the same occupier, only one minimum rate is payable by the ratepayer.

APPENDIX 2 - CONSOLIDATED FINANCIAL STATEMENTS



Budgeted Statement of Comprehensive Income Budget 2023-2024

	2021/22	2022/23	2022/23	2023/24
	Audited Actual	Total Original Budget	Forecast	Budget
	\$	\$	\$	\$
INCOME				
Rates	5,543,825	5,799,615	5,798,610	6,242,343
Statutory charges	72,800	70,000	52,807	54,263
User charges	11,039,460	11,427,163	11,074,178	11,269,239
Grants, subsidies and contributions	747,036	669,441	323,911	167,564
Municipal Deficit Funding	600,000	600,000	600,000	600,000
Investment income	141,546	125,000	700,000	930,912
Reimbursements	3,027	10,617	70,617	9,650
Other income	59,209	58,882	67,275	55,852
Total Income	<u>18,206,902</u>	<u>18,760,718</u>	<u>18,687,398</u>	<u>19,329,823</u>
EXPENSES				
Employee costs (inc oncosts)	4,811,393	5,645,721	4,901,503	5,611,782
Materials, contracts & other expenses	8,452,749	10,165,038	9,435,035	10,185,800
Depreciation	3,250,184	3,211,168	3,021,900	3,112,017
Finance costs	2,863	-	779	1,348
Total Expenses	<u>16,517,189</u>	<u>19,021,927</u>	<u>17,359,217</u>	<u>18,910,947</u>
OPERATING SURPLUS / (DEFICIT)	<u>1,689,713</u>	<u>(261,209)</u>	<u>1,328,181</u>	<u>418,876</u>
Asset Disposal & Fair Value Adjustments	50,909	-	-	-
Amounts specifically received for new or upgraded assets	150,873	5,194,749	851,285	150,000
Physical resources received free of charge	271,723	-	-	-
NET SURPLUS/(DEFICIT) transferred to Equity Statement	<u>2,163,219</u>	<u>4,933,540</u>	<u>2,179,466</u>	<u>568,876</u>
Other Comprehensive Income				
Changes in revaluation surplus -IPPE	(4,150,000)	-	-	-
TOTAL COMPREHENSIVE INCOME	<u>(1,986,781)</u>	<u>4,933,540</u>	<u>2,179,466</u>	<u>568,876</u>

Budget Statement of Financial Position Budget 2023-2024

	2021/22	2022/23	2022/23	2023/24
	Audited Actual	Total Original Budget	Forecast	Budget
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash and cash equivalents	25,000,142	20,713,482	18,150,087	20,699,889
Trade & other receivables	2,638,884	2,397,286	2,638,884	2,716,748
Inventories	24,780	26,000	24,780	51,406
Total Current Assets	<u>27,663,806</u>	<u>23,136,767</u>	<u>20,813,751</u>	<u>23,468,043</u>
Non-current Assets				
Infrastructure, property, plant & equipment	108,538,018	114,868,203	116,545,638	115,276,560
Total Non-Current Assets	<u>108,538,018</u>	<u>114,868,203</u>	<u>116,545,638</u>	<u>115,276,560</u>
TOTAL ASSETS	<u>136,201,823</u>	<u>138,004,971</u>	<u>137,359,388</u>	<u>138,744,603</u>
LIABILITIES				
Current Liabilities				
Trade & other payables	3,675,519	3,237,456	2,664,835	3,408,803
Current Borrowings	17,143	16,744	17,143	18,620
Current Provisions	569,818	553,825	565,602	559,015
Total Current Liabilities	<u>4,262,480</u>	<u>3,808,025</u>	<u>3,247,580</u>	<u>3,986,438</u>
Non-current Liabilities				
Non-current Borrowings	18,315	52,857	18,315	76,840
Non-current Provisions	1,276,627	1,188,000	1,277,627	1,288,985
Total Non-current Liabilities	<u>1,294,942</u>	<u>1,240,857</u>	<u>1,295,942</u>	<u>1,365,824</u>
TOTAL LIABILITIES	<u>5,557,422</u>	<u>5,048,882</u>	<u>4,543,522</u>	<u>5,352,262</u>
NET ASSETS	<u>130,644,402</u>	<u>132,956,088</u>	<u>132,815,867</u>	<u>133,392,341</u>
EQUITY				
Accumulated Surplus	34,379,327	32,433,814	36,550,793	37,127,341
Asset Revaluation Reserves	96,265,075	100,522,275	96,265,074	96,265,000
Other Reserves	-	-	-	-
TOTAL EQUITY	<u>130,644,402</u>	<u>132,956,088</u>	<u>132,815,867</u>	<u>133,392,341</u>
	-	-	-	0

Budget Statement of Cash Flows Budget 2023-2024

	2021/22	2022/23	2022/23	2023/24
	Audited Actual	Total Original Budget	Forecast	Budget
	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates - general & other	5,536,284	5,799,615	5,798,611	6,221,159
Fees & other charges	72,653	70,000	52,807	54,097
User charges	11,654,421	11,427,163	11,074,178	11,241,068
Grants utilised for operating purposes	1,354,036	1,269,441	923,911	843,022
Investment receipts	141,546	125,000	700,000	919,066
Reimbursements	3,027	10,617	70,617	14,379
Other revenues	0	58,882	67,275	57,157
Payments				
Employee costs	(5,024,245)	(5,645,721)	(4,901,504)	(5,601,412)
Materials, contracts & other expenses	(9,046,739)	(10,165,038)	(9,435,036)	(9,734,832)
Finance payments	(2,863)	-	(779)	(1,348)
Net Cash provided by (or used in) Operating Activities	<u>4,688,119</u>	<u>2,949,959</u>	<u>4,350,080</u>	<u>4,012,355</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Amounts specifically for new or upgraded assets	643,993	5,194,749	(166,615)	150,000
Sale of replaced assets	50,909	75,000	75,000	15,000
Other Investing Activity Receipts	3,200,000	-	-	-
Payments				
Expenditure on renewal/replacement of assets	(1,314,389)	(3,685,061)	(3,044,341)	(2,252,405)
Expenditure on new/upgraded assets	(332,000)	(6,824,930)	(8,064,179)	(4,297,159)
Net Cash provided by (or used in) Investing Activities	<u>2,248,513</u>	<u>(5,240,242)</u>	<u>(11,200,135)</u>	<u>(6,384,564)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments				
Repayments of bonds and deposits	(2,500)	-	-	-
Repayment of finance lease liabilities	(17,143)	-	-	(22,477)
Net Cash provided by (or used in) Financing Activities	<u>(19,643)</u>	<u>-</u>	<u>-</u>	<u>(22,477)</u>
NET INCREASE (DECREASE) IN CASH HELD	<u>6,916,989</u>	<u>(2,290,283)</u>	<u>(6,850,055)</u>	<u>(2,394,685)</u>
Cash & cash equivalents at beginning of period	18,083,153	23,003,765	25,000,142	23,094,574
Cash & cash equivalents at end of period	<u>25,000,142</u>	<u>20,713,482</u>	<u>18,150,087</u>	<u>20,699,889</u>
	-	0	-	-(0)

Statement of Changes In Equity Budget 2023-2024

	Accumulated Surplus \$	Asset Revaluation Reserves \$	TOTAL EQUITY \$
2022/23 TOTAL ORIGINAL BUDGET			
Balance at end of previous reporting period	27,500,274	100,522,275	128,022,548
Net Surplus/(Deficit) for Year	4,933,540		4,933,540
Other Comprehensive Income			
Gain (loss) on revaluation of infrastructure, property, plant & equipment		-	-
Transfers between reserves			
Balance at end of period	<u>32,433,814</u>	<u>100,522,275</u>	<u>132,956,088</u>
2022/23 TOTAL CURRENT BUDGET			
Balance at end of previous reporting period	34,379,327	96,265,075	130,644,402
Net Surplus/(Deficit) for Year	5,642,055	-	5,642,055
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant & equipment		-	-
Transfers between reserves			
Balance at end of period	<u>40,021,382</u>	<u>96,265,075</u>	<u>136,286,457</u>
2022/23 FORECAST			
Balance at end of previous reporting period	34,379,327	96,265,075	130,644,402
Net Surplus/(Deficit) for Year	2,179,466	-	2,179,466
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant & equipment		-	-
Transfers between reserves			
Balance at end of period	<u>36,558,793</u>	<u>96,265,074</u>	<u>132,823,868</u>
2023/24 DRAFT BUDGET			
Balance at end of previous reporting period	36,558,465	96,265,000	132,823,465
Net Surplus/(Deficit) for Year	568,876		568,876
Other Comprehensive Income			
Gain on revaluation of infrastructure, property, plant & equipment			-
Transfers between reserves			
Balance at end of period	<u>37,127,341</u>	<u>96,265,000</u>	<u>133,392,341</u>

**Budget Uniform Presentation of Finances
Budget 2023-2024**

	2021/22	2022/23	2022/23	2023/24
	Audited Actual	Total Original Budget	Forecast	Draft Budget
	\$	\$	\$	\$
Income	18,208,902	18,760,718	18,687,398	19,329,823
less Expenses	16,517,189	19,021,927	17,359,217	18,910,947
Operating Surplus / (Deficit)	<u>1,691,713</u>	<u>(261,209)</u>	<u>1,328,181</u>	<u>418,876</u>
Net Outlays on Existing Assets				
Capital Expenditure on renewal and replacement of Existing Assets	(1,314,389)	(3,685,061)	(2,974,341)	(1,223,957)
Depreciation, Amortisation and Impairment	3,250,184	3,211,168	3,021,900	3,112,017
Proceeds from Sale of Replaced Assets	50,909	-	(75,000)	(15,000)
	<u>1,986,704</u>	<u>(473,893)</u>	<u>(27,441)</u>	<u>1,873,060</u>
Net Outlays on New and Upgraded Assets				
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(332,000)	(6,824,930)	(8,064,179)	(530,000)
Amounts received specifically for New and Upgraded Assets	150,873	5,194,749	851,285	150,000
Proceeds from Sale of Surplus Assets	(181,127)	(1,630,181)	(7,212,894)	(380,000)
	<u>3,497,291</u>	<u>(2,365,283)</u>	<u>(5,912,154)</u>	<u>1,911,936</u>
Net Lending / (Borrowing) for Financial Year	<u>3,497,291</u>	<u>(2,365,283)</u>	<u>(5,912,154)</u>	<u>1,911,936</u>

Budget Financial Indicators Budget 2023-2024

	2021/22	2022/23	2022/23	2023/24
	Audited Actual	Total Original Budget	Forecast	Draft Budget
	\$	\$	\$	\$
OPERATING SURPLUS RATIO	9.29%	-1.39%	7.11%	2.17%
Operating Surplus	1,691,713	(261,209)	1,328,181	418,876
Total Operating Income	18,208,902	18,760,718	18,687,398	19,329,823
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>				
UNDERLYING OPERATING SURPLUS RATIO	7.39%	-1.39%	7.11%	2.17%
Operating Surplus	1,345,713	(261,209)	1,328,181	418,876
Total Operating Income	18,208,902	18,760,718	18,687,398	19,329,823
<i>This ratio expresses the normalised operating surplus as a percentage of total operating revenue.</i>				
NET FINANCIAL LIABILITIES RATIO	-121.28%	-96.28%	-86.93%	-93.45%
Net Financial Liabilities	(22,081,604)	(18,061,885)	(16,245,449)	(18,064,375)
Total Operating Income	18,208,902	18,760,718	18,687,398	19,329,823
<i>Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.</i>				
ASSET RENEWAL FUNDING RATIO	123.15%	289.71%	100.00%	100.00%
Net Asset Renewals	1,263,480	3,685,061	3,044,341	1,223,957
Infrastructure & Asset Management Plan required expenditure	1,026,000	1,272,000	3,044,341	1,223,957
<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>				

SUMMARY BY BUSINESS UNIT

	Municipal Total				Roxby Power				Roxby Water				Total			
	2021/22	2022/23	2022/23	2023/24	2021/22	2022/23	2022/23	2023/24	2021/22	2022/23	2022/23	2023/24	2021/22	2022/23	2022/23	2023/24
	Audited Actual	Original Budget	Forecast	Draft Budget	Audited Actual	Original Budget	Forecast	Draft Budget	Audited Actual	Original Budget	Forecast	Draft Budget	Audited Actual	Original Budget	Forecast	Draft Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
INCOME																
Rates	5,543,825	5,799,615	5,798,611	6,242,343	-	-	-	-	-	-	-	-	5,543,825	5,799,615	5,798,611	6,242,343
Statutory charges	72,800	70,000	52,807	54,263	-	-	-	-	-	-	-	-	72,800	70,000	52,807	54,263
User charges	1,434,074	1,402,883	1,490,678	1,685,739	4,772,956	5,036,500	4,771,500	4,771,500	4,832,429	4,987,780	4,812,000	4,812,000	11,039,459	11,427,163	11,074,178	11,269,239
Municipal Deficit Funding	600,000	600,000	600,000	600,000	-	-	-	-	-	-	-	-	600,000	600,000	600,000	600,000
Grants, subsidies and contributions	747,036	669,441	323,911	167,564	-	-	-	-	-	-	-	-	747,036	669,441	323,911	167,564
Investment income	141,546	125,000	700,000	930,912	-	-	-	-	-	-	-	-	141,546	125,000	700,000	930,912
Reimbursements	3,027	10,617	70,617	9,650	-	-	-	-	-	-	-	-	3,027	10,617	70,617	9,650
Other income	59,209	58,882	67,275	55,853	-	-	-	-	-	-	-	-	59,209	58,882	67,275	55,853
Total Income	8,601,517	8,736,438	9,103,899	9,746,324	4,772,956	5,036,500	4,771,500	4,771,500	4,832,429	4,987,780	4,812,000	4,812,000	18,206,902	18,760,718	18,687,399	19,329,824
DIRECT EXPENSES																
Employee costs (inc oncosts)	4,458,074	5,153,533	4,615,365	5,029,519	249,798	262,291	187,267	322,246	103,522	229,897	98,872	260,017	4,811,394	5,645,721	4,901,504	5,611,782
Materials, contracts & other expenses	5,225,203	6,274,685	6,154,189	6,838,459	1,900,263	1,870,313	1,756,758	1,757,158	1,327,283	2,020,040	1,524,089	1,590,183	8,452,749	10,165,038	9,435,036	10,185,800
Depreciation	1,862,131	1,842,700	1,636,200	1,684,746	808,075	795,868	804,200	828,326	579,977	572,600	581,500	598,945	3,250,183	3,211,168	3,021,900	3,112,017
Finance costs	2,863	-	779	1,348	-	-	-	-	-	-	-	-	2,863	-	779	1,348
Total Direct Expenses	11,548,271	13,270,918	12,406,533	13,554,072	2,958,136	2,928,472	2,748,225	2,907,730	2,010,782	2,822,537	2,204,461	2,449,145	16,517,189	19,021,927	17,359,219	18,910,947
INTERNAL CHARGES																
Dividend	(1,050,000)	(1,050,000)	(1,050,000)	(1,050,000)	-	-	-	-	1,050,000	1,050,000	1,050,000	1,050,000	-	-	-	-
Overheads	(1,982,369)	(1,860,000)	(1,860,000)	(1,307,840)	975,281	890,000	890,000	717,352	1,007,088	970,000	970,000	590,488	-	-	-	-
Total Internal Charges	(3,032,369)	(2,910,000)	(2,910,000)	(2,357,840)	975,281	890,000	890,000	717,352	2,057,088	2,020,000	2,020,000	1,640,488	-	-	-	-
OPERATING SURPLUS / (DEFICIT)	85,615	(1,624,480)	(392,634)	(1,449,909)	839,539	1,218,028	1,133,275	1,146,418	764,559	145,243	587,539	722,367	1,689,713	(261,209)	1,328,180	418,876

APPENDIX 3 - COMMUNITY CONSULTATION

Pursuant to the provisions of Section 123 of the *Local Government Act 1999*, each Local Government Authority is required to develop an Annual Business Plan and Budget for each financial year. Council will authorise the release of the Annual Business Plan and Budget FY 2023/2024 for a period of community consultation between 9:00am Wednesday 1 June 2023 and 6:30pm Wednesday 21 June 2023.

During the public consultation period the Draft Annual Business Plan and Budget 2023/2024 was:

- published on Council’s website roxbydowns.sa.gov.au; and
- available in hard copy format from the following venues:
 - Council Office at 6 Richardson Place
 - Community Library
 - Roxby Link

Council welcomed community feedback on the draft version of the Annual Business Plan and Budget 2023/24 before its adoption.

Community Discussions

Residents and ratepayers were provided with the opportunity to make verbal submissions, discuss the Annual Business Plan and Budget and ask questions at 3 (three) in-person sessions.

These were held on:

- Tuesday 6 June 2023 at 10:00am at the Roxby Downs Community Hub on Richardson Place.
- Thursday 8 June 2023 at 10:30am at Dunes Café on Richardson Place.
- Thursday 8 June 2023 at 4:30pm at the Community Library.

Facebook Presentation

A Facebook presentation provided an overview of the proposed Draft Annual Business Plan and Budget 2023/2024. Members of the public were invited to make representations and ask questions after the release of the presentation video.

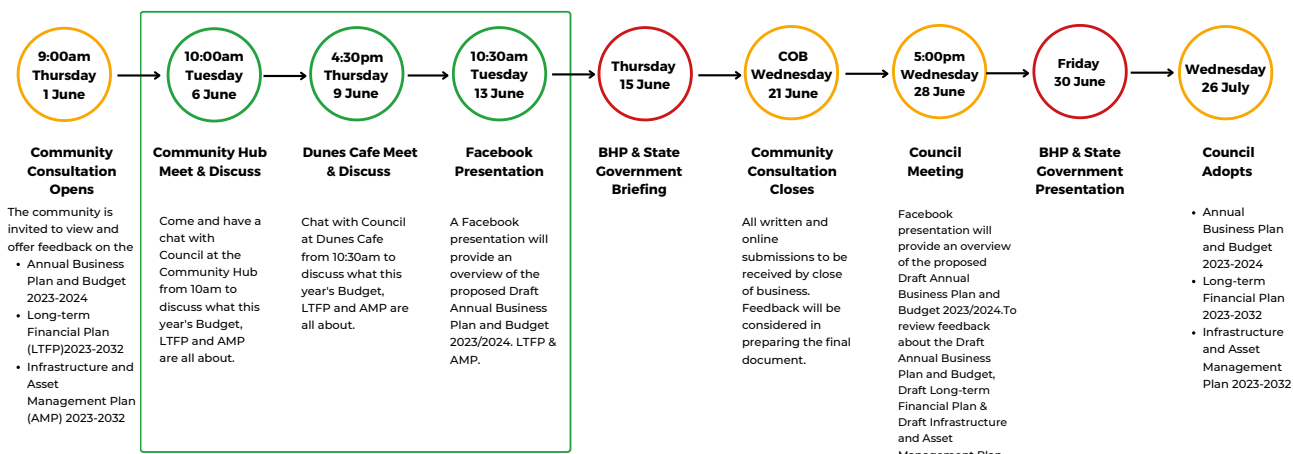
This was released on Wednesday 14 June 2023 at 4:30pm

Written Feedback

Written submissions were invited from residents and ratepayers until 6:30pm on Monday 26 June 2023.

Council Meeting

Residents and ratepayers were invited to discuss their responses at the June Council meeting, held on Wednesday 28 June 2023 for a period of 1 hour from 4:30pm in the Council Boardroom on Richardson Place.



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