



Kingston District Council

ANNUAL BUSINESS PLAN SUMMARY 2023-2024



Message from the **MAYOR & CEO**

On behalf of Council Members and staff, we are proud to present to you our 2023-2024 Annual Business Plan.

The plan has been developed with consideration of the current economic environment and the consequent cost of living pressures on our community. Consequently, there is no change in service levels, including no increase in staffing full-time equivalent numbers, with the budget being determined based on the 2022-2023 operational expenditure plus known increases in electricity, insurance, and employee enterprise agreement costs only.

Council will seek to address an emerging environmental challenge this year, which has been born by the significant number of bores and their proximity to many residential housing allotments. A new Community Wastewater Management System (CWMS) is imperative for the future growth of Kingston and presents as the largest and most expensive infrastructure project ever delivered by the Council. We will start talking in earnest with our community about this important project early in the financial year.

With this in mind, we will remain focused on the immediate priorities in our Coastal Adaptation Strategy, with Stage 2 of the Wyomi Beach Rock Seawall number one on the list. The Council has secured \$1.953m from Coastal and Estuarine Risk Mitigation Program to undertake the \$2.6m project to construct 170m to the north and 175m to the south of the existing rock seawall.

Roads remain the highest capital expenditure cost, with some 68% of our \$1.77m renewal budget being for sealed and unsealed roads, mostly in the rural areas. With anticipated funding support of \$495k through the Special Local Roads Program, we are looking at resealing the entire length of the Cape Jaffa Road, which comes at a total cost of \$990k.

As this plan is being prepared, Council is in the midst of developing a new Strategic Plan which will set the recently elected council up for success during their term and beyond. In developing the Strategic Plan, the community was asked for feedback, and to rate some of the exciting projects that Council has recently endorsed. These include a new early learning centre on the grounds of the Kingston Community School, and of significant importance to our community, a business proposal submitted by the South Australian Recreational Fishers Association which aims at re-opening the Maria Creek Boat Launching Facility, which has been closed for the last four (4) years.

We look forward to delivering what we have promised and working with our community to achieve the vision for our community as detailed in Council's 2023-2024 Annual Business Plan.



JEFF POPE
Mayor



NAT TRAEGER
Chief Executive Officer

Looking back on 2022-2023

The past 12 months have been extremely busy and challenging for the Kingston District Council and we are very proud of the following key achievements in 2022-2023:

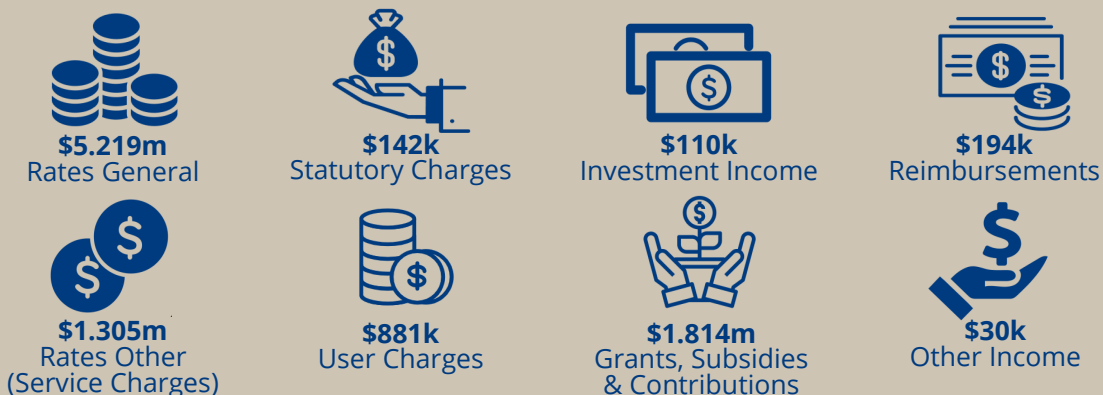
- Re-sheeted 6.6 km's of unsealed roads, as at May 2023, anticipated 20.5 km's to be completed by 30 June 2023
- New sealing works at Johnson Avenue entrance, Matheson Street
- Patrol graded over 1325 km's of unsealed roads
- Footpath renewal works; Charles Street, Arthur Street, East Terrace & Agnes Street, McFarlane Street, Young Street, MacDonnell Street
- Completed a further Wyomi Beach Sand nourishment campaign, with funding support from Coast Protection Board
- Main Street Entrance Beautification Project
- Airport (Stage 2) helicopter landing, extension and reseal of apron/taxiway (noting that due to contractor demands, the reseal component may not occur until 2023-2024)
- Cape Jaffa Road widening project
- Cape Jaffa irrigation upgrade
- Installation of an innovative digital kiosk at the Council Office which acts as 24/7 emergency, community & visitor information, with an interactive push of a button
- Partnership with volunteer community groups to deliver grass-roots Christmas decorations which were received with overwhelming positivity
- Support of community projects per the Community Assistance Program, with 12 community groups benefiting to deliver a range of event, equipment & facility, community health & well-being and club development projects
- Development of a new Strategic Plan
- Through our Kingston Early Learning Childcare Services Working Group (KELCS), secured \$5.3m in Federal and State Government funding for the development of an early learning centre on the grounds of the Kingston Community School
- Secured Coastal Estuarine Risk Mitigation Program funding of \$1.953m for the \$2.6m Wyomi Beach Rock Seawall extension project to be completed in 2023-2024
- Completion of a successful annual dredging campaign at the Cape Jaffa marina, with a review of dredging operations to be finalised in 2023-2024
- Hosting of community events including Fringe on Tour for a second year and the annual Mayoral Christmas Parade



Funding the ANNUAL BUSINESS PLAN

In delivering services and programs contained within the Annual Business Plan, Council is targeting an operating surplus of **\$14,571** due to budgeted operating revenues of **\$9,694,864** and budgeted operating expenses of **\$9,680,293**. The Annual Business Plan outlines a total Capital Expenditure budget of **\$5,702,646**, which consists of **\$2,562,878** to renew existing assets and **\$3,139,768** to be spent on new assets.

WHERE WILL COUNCIL SOURCE FUNDS IN 2023-2024?



INFLUENCES, PRIORITIES & CHALLENGES

As this plan was being developed, the significant increase in Consumer Price Index (CPI) was a major influence, with the Adelaide March quarter being 7.9%. Council has therefore exercised constraint by increasing its general rates by less than CPI, being 6%.

- State government owned jetty, the long-term lease, its condition, and anticipated cost to repair
- Climate change & coastal adaptation
- Understanding the condition of our infrastructure assets and having appropriate infrastructure management plans
- Requirements to maintain and improve infrastructure assets to acceptable standards, including roads, footpaths, buildings, stormwater drainage and Community Wastewater Management Scheme (CWMS).
- Balancing community expectations with a small rate base and large marine & coastal issues
- Continuing to reduce the budgeted operating deficit budget in the short term and working towards a balanced budget which is consistent with the Long-Term Financial Plans and its underlying assumptions
- A new Community Wastewater Management System (CWMS) is imperative for the future growth of Kingston and presents as the largest and most expensive infrastructure project ever delivered by the Council
- Stage 2 Rock Seawall Extension Project at Wyomi Beach
- Resolution of the well documented childcare shortage for the Kingston community
- Council faces higher cost increases due to the capital-intensive nature of the goods and services purchased and fuel prices are significantly impacting operating costs
- Impact of Coronavirus and other economic/environment factors including the cost-of-living increase and product and service unavailability

Major PROJECTS 2023-2024



\$1.9m

Road Construction & Footpaths

Council will invest \$1.77m in resealing and re-sheeting of Council roads. This includes \$990k for resealing the entire length of Cape Jaffa Road with anticipated funding support of \$495k through the special local roads program.

A further \$132k will be spent on new and renewal of footpaths and kerbs.



\$2.6m

Stage 2 Wyomi Beach Rock Seawall

Council has secured \$1.953m from Coastal and Estuarine Risk Mitigation Program to undertake the \$2.6m project to construct 170m to the north and 175m to the south of the existing rock seawall.



RATES & CHARGES *Summary*

What are Rates?

Rates are levied as a tax on property in accordance with the provisions of the Local Government Act 1999. Rates are not a fee for service or user charge. For example, not all ratepayers use all services such as libraries, playgrounds, public conveniences and they are unlikely to travel on every walking track, local or rural road. Ratepayers contribute to the costs of all local government services, even if they do not use those services.

Rates are a tax based on the value of property; those with higher valued properties pay more than those with lower valued property. Rates are the principal source of income for Council and represent approximately 67.29% of Councils total operating revenue.

How are Rates Determined?

To determine the amount of rates to be raised, Council takes into consideration the objectives outlined in its Community Plan and Long Term Financial Plan, the current economic climate, specific issues faced by its community, the need to maintain and improve community infrastructure assets and the long-term financial sustainability of the Council.

The rate revenue Council needs to collect for the 2023-2024 year to meet its strategic and long-term objectives is \$5,257,969. This is 6% more than the rates raised in 2022-2023. The actual impact of rate increases on individuals will vary depending on the land use category for their property and any changes in valuation to those properties over the past year.

How are Rates Calculated?

General rates are calculated by multiplying the rate in the dollar (set by Council) by the capital value of your property (as determined by the Valuer-General of South Australia). Council utilises Differential Rating which allows the application of different rates in the dollar for different land use codes (LUC), in order to achieve its strategic rating objectives and the equitable distribution of rates across the ratepayer base.

To raise the required amount to achieve Council's budget and Community Plan objectives, and to counterbalance the valuation increase across the Council area of 32.29%, the rate in the dollar for 2023-2024 will reduce across all LUC's. In addition, Council will reduce the Primary Production differential from 70% in 2022-2023 to 63% in 2023-2024, to minimise the impact of significant and ongoing valuation increases in this LUC.

The following table sets out the Differential LUC's and the rates in the dollar for the 2023-2024 year.

LAND USE CODE	DIFFERENTIAL BASE RATE	RATE IN DOLLAR
Residential	100%	0.260401
Commercial	95%	0.247381
Industrial	95%	0.247381
Primary Production	63%	0.164053
Vacant Land	135%	0.351541
Other	100%	0.260401
Marina Berth	100%	0.260401

The rating methodology for 2023-2024 results in 87% of all properties receiving a moderate change in general rates (0.1% to 10%) when compared to rates raised in 2022-2023. A small percentage of ratepayers (4.5%) will experience general rate increases over 12%. These ratepayers can utilise Council's rate capping provisions to determine their eligibility for a rate capping rebate on their 2023-2024 rates.

Service Charges

Service charges are levied on those properties where Community Wastewater Management System (CWMS) or Mobile Garbage Bin Services are provided or made available. Service Charges for 2023-2024 are:

CWMS

- \$337.00 per unit on each vacant allotment
- \$511.30 per unit on each occupied allotment

Mobile Garbage Bin

- \$266 for each service which shall consist of a 240 litre and 140 litre mobile garbage bin service provided to the property.

Regional Landscape Levy

Council is required to collect the Regional Landscape Levy on behalf of the Limestone Coast Landscape Board. The following levies are applicable for 2023-24:

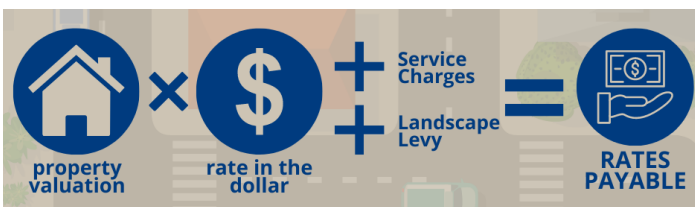
- \$86.00 for Residential, Vacant & Other
- \$131.20 for Commercial
- \$210.00 for Industrial
- \$375.00 for Primary Production

Rate Capping Rebate

Council continues to offer a rebate of general rates (rate capping), where the increase in general rates levied exceeds the 2022-2023 general rates levied on that property by more than 12%. Details about the application process will be contained in a letter that will be sent directly to ratepayers who may eligible for a rate capping rebate.

Difficulty Paying Rates

Ratepayers who are experiencing difficulty in paying rates are encouraged to contact the Rates Team to discuss payment options. All enquires are treated in confidence and considered on a case by case basis.



Contact us

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The full Annual Business Plan and Budget documents can be obtained from the Council office or on our website.

