



# CITY OF PORT LINCOLN

## ANNUAL BUSINESS PLAN

### 2008-2009

### ADOPTED 16<sup>TH</sup> JUNE 2008

**Port Lincoln**  
*Seafood Capital of Australia*

Level 1, Civic Centre  
60 Tasman Terrace  
PO Box 1787  
Port Lincoln SA 5606

Phone: 08 8682 3033  
Fax: 08 8682 6252  
Email: [plcc@plcc.sa.gov.au](mailto:plcc@plcc.sa.gov.au)  
Web: [www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)



MCS0448

## TABLE OF CONTENTS

1. INTRODUCTION .....	2
2. OUR HISTORY .....	2
3. OUR FUTURE .....	3
4. SIGNIFICANT INFLUENCES AND PRIORITIES .....	3
5. CONTINUING SERVICES .....	4
6. MEASURING PERFORMANCE & PROJECT PRIORITIES .....	5
6.1. Objectives for the Year 2008-2009.....	5
6.2. Achievements for the Year 2007-2008.....	7
7. FUNDING THE BUSINESS PLAN .....	8
8. IMPACT ON COUNCIL'S FINANCIAL POSITION .....	9
9. WHAT IT MEANS FOR RATES .....	9
9.1. Fixed Charge .....	10
9.2. Separate Rate - Parking Levy .....	10
9.3. New Service Charge - Kerbside Recycling.....	11
9.4. Natural Resources Management Levy .....	11
9.5. Payment of Rates .....	11
9.6. Discount for Early Payment of Rates.....	12
9.7. Rate Concessions .....	12
9.8. Remission and Postponement of Rates .....	12
9.9. Rebate of Rates.....	13
9.10. Impact on Ratepayers.....	13
APPENDIX A.....	14

---

## **1. INTRODUCTION**

The Annual Business Plan sets out the City of Port Lincoln's proposed services, programs and projects for 2008-2009. It aims to maintain efficient services for the community and continue progress towards the longer term objectives for the City of Port Lincoln as set out in the Strategic Plan 2007-2017. Specific objectives for the year are proposed consistent with Council's draft long term financial plan, to ensure the long term sustainability of the Council's financial performance and position.

## **2. OUR HISTORY**

The City of Port Lincoln is a Regional City which is experiencing substantial growth and economic activity. The City is located at the base of Eyre Peninsula, on one of the world's largest protected natural harbours, and the most picturesque areas of South Australia. The lifestyle opportunities of the area are without parallel.

The jewel in Port Lincoln's crown is sparkling blue Boston Bay, which stretches from the Port Lincoln National Park to Point Boston. The bay covers an area more than three and a half times the size of Sydney Harbour and is home to the biggest tuna fishing fleet in the southern hemisphere.

Port Lincoln has in recent times experienced a growth and building boom with some major new developments in the city.

Port Lincoln's population exceeds 14,000 and has approximately 8,000 rateable assessments covering 3,800 hectares with a site value of \$800 million.

The City of Port Lincoln was proclaimed a City on the 30th January 1971 and Council currently employs around 47 employees which includes the Library, Administration and outside work gangs.

The production of lambs, wool and beef – coupled with 50% of South Australia's total production of wheat, oats and barley – and having the deepest natural harbour and largest commercial fishing fleet in Australia makes Port Lincoln perhaps the nation's biggest combined agricultural and fishing centre. Facilities for both of these primary industries have been provided and are being continually upgraded, as the industries expand.

The fishing industry is divided into five major fisheries – tuna, prawns, lobster, shellfish and scale fish. Lincoln-based tuna boats ply the rough Southern Ocean waters west of Eyre Peninsula and may steam nearly to Esperance, chasing the bluefin tuna.

Tuna, suitable for the sashimi market in Japan, is now largely exported. Today tuna are caught gently by purse seine nets, towed slowly back to Port Lincoln and housed in tuna farms. Fish processing is Port Lincoln's main secondary industry. There are various other smaller industries.

---

Port Lincoln is host to various festivals and events throughout the year which keeps a national focus on our town. They include Tunarama which celebrates the City's association with the sea and the tuna fishing industry, the Adelaide to Port Lincoln Yacht Race, the Lincoln Cup horse racing week, the Zonta Club Long Lunch and the Mortlock Shield Football Carnival.

### **3. OUR FUTURE**

*Summary of Strategic Direction from the City of Port Lincoln Strategic Plan*

To meet Council's core functions, service levels and community expectations Council has resolved to set annual budgets from the strategic plan that are responsible and achievable and are substantiated by long term asset and financial planning.

Over the ten years of the strategic plan council has budgeted to return an Operational Surplus each year, maintain a capital asset replacement and construction program of 35% of revenue and has foreshadowed that no borrowings will be required over the life of the plan.

To meet the communities expectations while recognizing the communities capacity to fund improved levels of service, Council will strive to meet its strategic performance targets by maintaining its current staff to population ratio, continuous review of program efficiency, core asset consolidation and improvement programs and maximizing supporting grants from the State and Federal Governments.

### **4. SIGNIFICANT INFLUENCES AND PRIORITIES**

A number of significant factors have influenced the preparation of the City of Port Lincoln Annual Business Plan 2008-2009. These include:

- Cost increases – The increase in the Consumer Price Index (CPI) for Adelaide was 2.7% for the year ended 31 December 2007 however councils typically face higher cost increases due to the higher capital intensive nature of the goods and services purchased. The Local Government Price Index which measures the increase in costs to Local Government was 3.5% for the year ended 30 September 2007.
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, storm water drainage, street scaping, and the cities open space areas.
- Service and infrastructure needs for a growing population
- New fees/charges imposed by other levels of government ie EPA

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

- The Annual Business Plan, in line with Councils Strategic Plan 2007-2017, will result in the total revenue raised through general rates increasing by no more than **4 %** above the 2007-2008 rate revenue

- Total operating expenses to be held where possible, within levels of the previous financial years and adjusted by the estimated Local Government Price Index.

The City of Port Lincoln's priorities for 2008-2009 include:

- continuation of the proposed programs for road constructions and reseals, footpaths, and playgrounds within the city
- further development and construction at the Ravendale Sporting Facility
- continued rollout of the water re-use scheme
- CBD Upgrades

## 5. CONTINUING SERVICES

Local Government have responsibilities under the Local Government Act 1999 and other legislation. These include:

- Regulatory activities, eg 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 and Dog & Cat Management

In response to the communities needs, the City of Port Lincoln also provides further services and programs including;

- Library services
- Cemetery
- Civic and Community Halls
- Immunization programs
- Recycling
- Tourist facilities

The City of Port Lincoln are a progressive organisation who strive for Best Practice Customer Service and Satisfaction and to be responsive to the communities changing needs. Feedback from the community is sought through surveys, online responses, and discussions to check levels of satisfaction and areas which need improvement.

Further information on Council's services can be found on the website [www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)

## 6. MEASURING PERFORMANCE & PROJECT PRIORITIES

### 6.1. Objectives for the Year 2008-2009

The major projects and capital works planned for the 2008-2009 financial year and the Annual Business Plan have been prepared to deliver the following Council objectives for the year as identified in the Strategic Plan 2007-2017.

See Councils Strategic Plan 2007-2017 for full details

[www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)

Objectives for 2008-2009	Description	Measure
<b>RECREATION &amp; OPEN SPACE</b>	<u>Ravendale Table Tennis Clubrooms Extension and Gymnastics Club Carpark</u>  <u>Playground Program Highview Drive</u>  <u>Parnkalla Trail Improvements to trail</u>	improved facilities for regional sport by extending Table Tennis facilities and upgrading Gymnastic Club carpark  continued implementation of the Playground program for improvement of overall standard and positive feedback from users  Increased number of multi use trails
<b>CITY IMAGE</b>	<u>City Entrances Lincoln Highway Aleppo Pine eradication</u>  <u>CBD Upgrade Hallett Place - kerbing and paving</u>	welcoming entrances improve 'first impressions', community pride in our city and 'tourist friendly'  improvements to streetscapes in CBD will enhance the image of the City
<b>INFRASTRUCTURE &amp; DEVELOPMENT</b>	<u>Corporate Plans</u> The City of Port Lincoln's long-term financial plan and Asset Management Plans will be adopted during 2008-2009 for the management and development of Council's major assets and infrastructure.  <u>Storm water Drainage Upgrades to Luke Street &amp; Shaen Street (work in progress 07-08)</u>	Infrastructure and Council Assets rated satisfactory by community and LGMLS  Strategic Plan reviewed inline with LTFF  Stormwater management plan implemented - city wide review undertaken

<b>Objectives for 2008-2009</b>	<b>Description</b>	<b>Measure</b>
<b>INFRASTRUCTURE &amp; DEVELOPMENT cont</b>	<p><u>Footpath Program</u> Appendix A</p> <p><u>Road Program</u> Constructions as identified in the Strategic Plan 2007-2017, including;</p> <p>Flinders Highway - between Happy Valley Road and Winter Hill</p> <p><u>Reseals</u> Reseal Program</p>	<p>Community satisfaction</p> <p>Progressive implementation of 10 year capital works programs as identified in the Strategic Plan 2007-2017</p>
<b>TRANSPORT NETWORK</b>	<p><u>Bicycle Network</u> Flinders Highway</p>	<p>Improved safety for use of bicycle network by community</p>
<b>THE ENVIRONMENT</b>	<p><u>Water Re-use Scheme</u> extension of pipework to Centenary Oval</p> <p><u>Resource Recovery Centre - Infrastructure expansion (Recycling Shed)</u></p>	<p>Water Resources - Reduction of water usage by the extension of the recycled waste water scheme to Centenary Oval</p> <p>Increased participation rates in waste minimisation by the introduction of kerbside recycling bins</p>
<b>COMMUNITY PROJECTS</b>	<p><u>Public Conveniences</u> North Shields Cemetery</p>	<p>additional and improved public conveniences for the community and visitors</p>

## 6.2. Achievements for the Year 2007-2008

Objectives for 2007-2008	Description & % Complete as at March 2008	Measure & Target by 30 <sup>th</sup> June 2008
	<b>90%</b>	<b>100%</b>
<b>RECREATION &amp; OPEN SPACE</b>	Ravendale <i>comments: Terraced seating installed and shade covering to spectator area</i>	installation of carpark lighting for safer community provision of pathways and seating for spectators comfort
	<b>40%</b>	<b>100%</b>
	Playgrounds	Train Playground Puckridge Park Dickens Park
	<b>80%</b>	<b>100%</b>
<b>CITY IMAGE</b>	Entrances to the City <i>comments: now a joint venture between City of Port Lincoln, Rotary and District Council of LEP</i>	design and construction of welcoming entrances improve 'first impressions' community pride in our city and 'tourist friendly'
	<b>20%</b>	<b>25%</b>
<b>INFRASTRUCTURE AND DEVELOPMENT</b>	Asset Management Plans <i>comments: ongoing for adoption by Nov 2009</i>	Infrastructure and Council Assets rated satisfactory by community and LGMLS
	<b>75%</b>	<b>80%</b>
	Foreshore Redevelopment <i>comments: program reduced due to unsuccessful funding application</i>	redevelopment of foreshore meets the needs of the local community and visitors alike
	<b>50%</b>	<b>100%</b>
	Roads Programs <i>comments: Road Reseal program to be completed</i>	community satisfaction
	<b>60%</b>	<b>100%</b>
	Footpath Program	community satisfaction
	<b>100%</b>	<b>100%</b>
<b>TRANSPORT NETWORK</b>	Carparking <i>comments: Second General Inspector employed</i>	improved carparking facilities new CBD Parking Plan implemented



Objectives for 2007-2008	Description & % Complete as at March 2008	Measure & Target by 30 <sup>th</sup> June 2008
	<b>100%</b>	<b>100%</b>
<b>THE ENVIRONMENT</b>	Waste Management <i>comments: introduction of new Recycling Service to be introduced 2008-09</i>	undertake review of waste disposal and recycling facilities – waste minimisation strategies for the city
	<b>0%</b>	<b>20%</b>
<b>COMMUNITY PROJECTS</b>	Kennel Facility <i>comments: plans for facility being developed – rebudget for 2008-09</i>	improved kennel facilities for Council and RSPCA
	<b>50%</b>	<b>100%</b>
	Public Conveniences <i>comments: Happy Valley Cemetery</i>	additional and improved public conveniences for the community and visitors

## 7. FUNDING THE BUSINESS PLAN

Consistent with the City of Port Lincoln’s Strategic Plan 2007-2017, a small operating surplus, after Depreciation Add Backs, and Capital Expenditure and Revenue is being targeted in 2008-2009. The operating surplus measures the difference between operating revenue and expenses for the period. The City of Port Lincoln’s long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue.

<b>Financial Indicator 2</b>	
<b>Operating Surplus Ratio</b>	
2004-2005	14%
2005-2006	8%
2006-2007	8%
2007-2008	0% (estimated based on Budget)

The revenue in 2008-2009 includes a proposed **\$7,030,982** to be raised from general rates.

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

**User Pay charges set by Council** – these comprise charges for the council’s fee based facility – mainly Resource Recovery Centre

**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.

**Error! Not a valid link.Error! Not a valid link.**

## **8. IMPACT ON COUNCIL'S FINANCIAL POSITION**

It has been identified that the planned capital expenditure for 2008-2009 can be met from committed reserve funds and operational revenue, without undertaking any borrowings. Accordingly the level of Council's net financial liabilities is expected to decrease for the 2008-2009 financial year.

Net financial liabilities are a key indicator of the City of Port Lincoln's financial position. It measures Total Liabilities less Financial Assets (ie what the Council owes to others less money the Council has or is owed).

Council's targeted level indicator is between 20% and 35%

## **9. WHAT IT MEANS FOR RATES**

The City of Port Lincoln has decided to continue to use **site value** as the basis for valuing land within the council area for the 2008-2009 financial year. The Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- The fairness principle of taxation which suggests that individuals should make similar contributions to the cost of providing local government services as they in turn receive similar benefits, in terms of those services provided;
- The efficiency principle, which generally assumes large swings in the value of property, is less likely under the site valuation method.

Within the budget a total general rate income is anticipated to amount to \$7,030,982. This is a 4% increase (\$270,135) on the total rate receipts from 2007-2008.

Due to the increase in the valuation based on land values across the City the proposed rates in the dollar are;

Fringe Area                      0.5197 cents in the dollar down from 0.5546 in 2007-2008

City Area                              0.5775 cents in the dollar down from 0.6163 in 2007-2008

Parking Levy	0.0300 cents in the dollar down from 0.0311 cents in 2007-2008
Fixed Charge	\$290.00 being an increase of \$10.00 from 2007-2008
Recycling Charge	\$35.00 per assessment new service charge for 2008-2009
NRM Levy	\$42.00 fixed charge per assessment up from \$37.70 in 2007-2008

### **9.1. Fixed Charge**

The Council has elected to impose a fixed charge system, rather than a minimum rate, which tends to distort the equity principles of taxation. The fixed charge will be declared at \$290 and will be levied uniformly on all non-contiguous assessments. 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 same owner occupies and owns them. The reasons for imposing a fixed charge are:

- The Council considers it appropriate that all rateable properties make a contribution to the cost of administering the Council's activities
- The Council considers it appropriate that all rateable properties make a contribution to the cost of creating and maintaining the physical infrastructure that supports each property
- The fixed charge system has a lesser proportionate impact on lower income earners than a minimum rate system
- The fixed charge system is more readily understandable than a minimum rate system

### **9.2. Separate Rate - Parking Levy**

Pursuant to Section 154, Council proposes to declare a separate rate varying according to the use of the land in respect of all rateable land in the Port Lincoln City Centre, for the purpose of maintaining off street parking spaces. The areas to which the parking levy is applicable are as delineated in the Port Lincoln Development Plan, except land which has been attributed a land use of residential, as:

- Area 1 Port Lincoln Centre Retail Core
- Area 2 Lincoln Place
- Area 3 Boston

**9.3. *New Service Charge – Kerbside Recycling***

A new service charge pursuant to Section 155 of the Local Government Act 1999 is proposed for the Kerbside Recycling Service that Council will introduce in the 2008-2009 financial year. The Recycling Annual Service Charge of \$35.00 is based on the nature of the service in respect of all land within the area of the City of Port Lincoln to which it provides the Recycling Service (ie: excludes vacant land and marina berths) and proposes to raise \$258,720. The service charge is being implemented to recover costs associated with the handling of recyclable materials which for the 2008-2009 financial year has been budgeted at \$280,000.

**9.4. *Natural Resources Management Levy***

The City area falls within the Eyre Peninsula Natural Resources Management Board area and as such the City Council is required pursuant to the Natural Resources Management Act 2004, to raise funds by way of a fixed charge levy to assist in funding the operations of the Board. The fixed charge is imposed as a separate rate upon all properties within the area of the Board.

The City Council is required to collect this revenue and pay the amount collected to the Board. It does not retain this revenue or determine how the revenue is spent, nor does it determine the amount of the levy to be collected. The amount of the levy per property is set by the total amount of funds Council are required to raise for the Eyre Peninsula Natural Resource Management Board (EPNRM). For the 2008-2009 financial year the levy is proposed at \$42.00.

Any queries regarding the NRM Levy should be raised with the Eyre Peninsula Natural Resource Management Board – telephone 8682 7555 or website [www.epnrm.sa.gov.au](http://www.epnrm.sa.gov.au)

**9.5. *Payment of Rates***

Payment of rates for the year ending 30th June 2009 are proposed to be in quarterly payments on the first Friday of each quarter being 5th September 2008, 5th December 2008, 6th March 2009 and 5th June 2009. A quarterly rates notice will be sent to ratepayers at least 30 days prior to each due date. A ratepayer may also pay their rates in a single instalment due by the 5th September 2008.

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

- BPAY service using the telephone or Internet. BPAY is available 24 hours a day, 7 days a week. Contact your Bank or financial institution for further details.
- Payment through the mail by posting a cheque with the ‘tear off’ remittance advice to the City of Port Lincoln

- Payment in person at Council's Offices, Level 1 Civic Centre, 60 Tasman Terrace, Port Lincoln. Cheque, cash and EFTPOS facilities are available
- Payment via Council Website – 'Council Services' Tab, select Property Search Requests and Online Transactions - [www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)

#### **9.6. *Discount for Early Payment of Rates***

Council are proposing to offer a 2% discount for payment of rates received in full on or before Friday the 22nd August 2008. This discount is not applicable to the NRM Levy or the Recycling Service Charge.

#### **9.7. *Rate Concessions***

The State Government, in providing equity across SA in this area, funds a range of concessions on Council rates. The concessions are administered by various State Agencies who determine eligibility and pay the concession directly to Council on behalf of the ratepayer. Concessions are available only on the principal place of residence.

Ratepayers who believe they are entitled to a concession should not withhold payment of rates pending assessment of an application by the State Government as penalties apply to overdue rates. A refund will be paid to an eligible person if council is advised that a concession applies and the rates have already been paid.

To improve services for concession customers in 2008-2009 the Department for Families and Communities (DFC) are implementing a range of initiatives.

Ratepayers can obtain further information about Council Rate concessions by:

- Telephoning the DFC Concessions Hotline on 1800 307 758
- Emailing [concessions@dfc.sa.gov.au](mailto:concessions@dfc.sa.gov.au)
- Visiting the website: [www.sa.gov.au/concessions](http://www.sa.gov.au/concessions) where application forms may be downloaded

#### **9.8. *Remission and Postponement of Rates***

Where a ratepayer is suffering hardship in paying rates, they may apply under Section 182 and 182A of the Local Government Act 1999 to partially or wholly remit rates or to postpone rates

In accessing each confidential application Council will give consideration to the following:

- Previous documented Council decisions
- The ratepayer's ability to pay
- The financial circumstances of the applicant where extreme hardship can be demonstrated.

### **9.9. *Rebate of Rates***

The Local Government Act requires Councils to rebate the rates payable on some land. Specific provisions are made pursuant to Section 160 to 165 for land used for health services, community services, religious purposes, public cemeteries, and educational institutions. This rebate is not applicable to rateable properties owned or managed by community groups holding a licence pursuant to the Liquor Licencing Act 1997.

As per Section 166 and policy 7.63.8 Council also provides some rebates of rates to developers as incentives to encourage continuing building activity and land development in the City. These are in relation to developments in excess of \$1,000,000 being eligible for concession up to 50% of the rate paid in the year following completion. Also subdivision development including strata and community title developments can be eligible for up to 50% rate rebate on unsold new allotments.

### **9.10. *Impact on Ratepayers***

The City of Port Lincoln has experienced significant growth in property values in recent years, from 267 million in June 2002 to over 800 million at June 2007. This represents a 30% increase in 2002-2003, a further 54% increase in 2003-2004 and then an average of around 17% over the past few years.

Council staff undertake Rates Modelling, based on the total amount of rates revenue Council proposes to raise, applied over the number of assessments, and with varied Fixed Charges.

Council consider, and adopt as part of the budget process, the model which they believe is fair and equitable to the majority of residents, to apply differential rates based on the locality (fringe/other) in which the rateable property is situated and described within the City of Port Lincoln Development Plan:

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

Property valuations will increase or decrease if the land use of the property has changed or if there has been any development on the property, including significant renovations.

**APPENDIX A**

**FOOTPATH PROGRAM**

<b>ROAD NAME</b>	<b>FROM</b>	<b>TO</b>	<b>TOTAL (\$)</b>
Anne Street	Verran Terrace	Coronation Place	\$6,768.00
Ballie Drive	Marine Avenue	Sleaford Terrace	\$45,190.50
Coronation Place	Puckridge Place	Anne St	\$14,382.00
Feltus Street	Coronation Place	Follett Street	\$20,445.00
Freeman Ave	Marine Avenue	New West Road	\$15,276.00
Holroyd Avenue	Telfer Street	Tennant Street	\$16,074.00
Luke Street	St Andrews Terrace	Matthew Place	\$16,920.00
Luke Street	Matthew Place	Dublin Street	\$15,651.00
Matthew Place	Verran Terrace	Stevenson Street	\$44,838.00
Telfer Street	Kiama Avenue	Sleaford Terrace	\$29,257.50
Tennant Street	Mortlock Terrace	Second Avenue	\$27,072.00
Tennant Street	Second Avenue	Holroyd Avenue	\$28,764.00
Tennant Street	Holroyd Avenue	W BDY Not No 86	\$5,076.00
Verran Terrace	Follet Street	Sth BDY House No 85	\$33,840.00
Verran Terrace	S BDY House No 85	N BDY House No 73	\$12,972.00
Verran Terrace	N BDY House No 73	St Andrews Terrace	\$56,541.00
Windsor Avenue	Proper Bay Road	Ravendale Comp Carpark Ent	\$30,000.00
		<b>TOTALS</b>	<b>\$419,067.00</b>