



2026 / 2027 Annual BUSINESS PLAN & BUDGET SUMMARY

KEY Overview

Council's focus for the 2026/2027 Annual Business Plan & Budget is to continue to strengthen and support the Southern Mallee community, economy and environment.

Some of the key projects and activities planned include:

- Major investment into our roads including re-sheeting approximately 42.5km
- Renewal of the Lameroo main street public toilets; and
- Significant investment into our community wastewater management systems and bores through numerous pump replacements.



PLANNED ACTIVITIES

- In addition to our regular service delivery, our strategic initiatives contribute towards achieving our long-term goals. These include:
 - 48 capital initiatives: \$4,499,471
 - 20 operating initiatives: \$153,000

CAPITAL BUDGET

- \$4,499,471 for capital expenditure on renewal of existing assets.

OPERATING BUDGET

- Operating revenues: \$11,334,000
- Operating expenditure: \$11,164,000
- Net operating surplus: \$170,000

OPERATING REVENUE

- General rates: \$5,537,000
- User charges: \$1,394,000
- Grants & subsidies: \$3,400,000
- Other income: \$1,003,000

OPERATING EXPENSES

- Employee costs - Council: \$2,679,000
- Employee costs - Childcare: \$1,114,000
- Finance Costs: \$154,000
- Depreciation: \$4,792,000
- Other costs: \$2,425,000



MAYOR'S *Message*

2026/27 Annual Business Plan and Budget, and for the first time this term we're presenting it to you with no leadership staff changes to report!!

Stability matters. It gives our community confidence both internally and externally, it helps elected members and the administration work together with a shared understanding. Ultimately, that leads to better outcomes for the community.

Our revised strategic documents and supporting policies, informed by data and much discussed, are now all but finalised. This information has been used by the administration, led by our CEO Jason, to develop this year's Business Plan and Budget.

These documents also set the groundwork for the revised 10-year long-term financial plan, which will be updated when the final piece is due next month. That long-term plan is the foundation for future budgets, which is why getting the data right is so important.

This year council is proposing a 9.6% rate increase.

We have aimed to strike a balance: between maintaining essential community infrastructure and services, while increasing funding for roads, both unsealed (rubble) and sealed (bitumen).

For the first time, the plan includes a 4% allocation toward developing a small amount of clay roads. Importantly, this year there is also a dedicated clay road policy that sets out the options and, most importantly, introduces a transparent application process. Anyone can make a request, and it will be assessed fairly and without bias.

The 9.6% also includes a 1% allocation toward building a modest cash surplus. Even a small contribution over time helps build some resilience. However, we also recognise that we shouldn't raise rates simply to put money aside, so the amount has been kept limited.

The asset condition reviews and re-valuations are now in and complete. The CEO has confidence in the numbers, and so do we. The depreciation figure which reflects the funding needed to maintain assets in line with asset management plans has increased by about \$1 million, bringing the total to \$4.7 million. The administration has also worked to ensure only asset values that align with the intended service levels are assessed, rather than letting high valuations be applied unchecked.

While we are investing more in infrastructure this year, we've also chosen to underspend by \$0.5 million. We have done this to limit the rate rise whilst we are in a higher-than-normal CPI environment. Whilst we have used 4.6% CPI, the true cost increases to council are often far beyond this, we are also mindful of the global volatility which directly affects many of councils' major inputs such as bitumen. That volatility could affect timing of some sealed road works if they're not cost effective, this may result in works timing changes throughout the year as it has done this year with where we do road works to limit fuel usage.

I encourage you to have your say. We look forward to hearing your views in writing or in person at the public consultation at council.

We are one Southern Mallee.

Cr Ron Valentine
Mayor

RATES *Overview*

\$126M or 8.5%

INCREASE IN OVERALL CAPITAL VALUE FOR THE REGION

1767

Properties Pay Rates



A general rate revenue increase of **9.6%** after mandatory rebates

HOW RATES REVENUE IS *Determined*

Rates revenue continues to be Council's main source of income to ensure we can fund the renewal and development of our infrastructure assets and maintain or improve our services to the community. The actual impact of the rate increase on individuals will vary depending on the capital valuation change for their property over the past year.

Council looks at its plans for the year ahead and the costs involved in delivering our services, projects and activities. It also considers the current economic climate and challenges in the community and any income we expect to receive from grants or other sources. This allows us to work out how much income we will need to raise through rates. Rates are calculated by, multiplying the property's capital valuation (as determined by the South Australian Valuer-General), by a rate in the dollar.

In 2026/2027, the following differential rates apply:

Land Use Description	Rate in \$ 2026/2027
Residential	0.00340419
Commercial - Shop	0.00340419
Commercial - Office	0.00340419
Commercial - Other	0.00340419
Industry - Light	0.00340419
Industry - Other	0.00340419
Primary Production	0.00340419
Vacant Land	0.00680838
Other	0.00340419
Employment Bulk Handling	0.01361676



| PAYMENT OF RATES

The Council has resolved that the payment of all rates will be in four equal or approximately equal instalments due on:

SEPTEMBER 2026							DECEMBER 2026							MARCH 2027							JUNE 2027						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5			1	2	3	4	5		1	2	3	4	5	6			1	2	3	4	5
6	7	8	9	10	11	12	6	7	8	9	10	11	12	7	8	9	10	11	12	13	6	7	8	9	10	11	12
13	14	15	16	17	18	19	13	14	15	16	17	18	19	14	15	16	17	18	19	20	13	14	15	16	17	18	19
20	21	22	23	24	25	26	20	21	22	23	24	25	26	21	22	23	24	25	26	27	20	21	22	23	24	25	26
27	28	29	30				27	28	29	30	31			28	29	30	31				27	28	29	30			

SERVICE *Charges*



COMMUNITY WASTEWATER MANAGEMENT SYSTEM (CWMS) SERVICE CHARGES:

Council provides CWMS to properties in the townships of Lameroo, Parilla and Pinnaroo. The costs of operating and maintaining this service and providing for the future replacement of the assets used in providing the service are recovered through this service charge.

\$775 FOR EACH OCCUPIED ALLOTMENT. \$375 FOR EACH VACANT ALLOTMENT.



WASTE COLLECTION SERVICE CHARGES:

For the purpose of meeting the costs associated with the collection and disposal of domestic and other garbage, Council has a mobile garbage bin service charge on all serviced properties. Where the service is provided to non-rateable properties, a service charge is to be levied against the land.

\$400 KERBSIDE WASTE COLLECTION & RECYCLING CHARGE. ADDITIONAL COLLECTIONS \$290 PER BIN.



REGIONAL LANDSCAPE LEVY

Council is required to collect a regional landscape levy on all rateable properties within its district. Council is operating as a revenue collector for the Murraylands and Riverland Landscape Board in this regard and does not retain this revenue nor determine how the revenue is spent. Council will impose a separate rate against rateable properties based on the capital value of the land to collect this levy and forward it to the Murraylands and Riverland Landscape Board.

\$228,752 TO BE COLLECTED FOR REGIONAL LANDSCAPE LEVY.

CAPITAL EXPENDITURE PROGRAM HIGHLIGHTS



BUILDING
\$570,000



INFORMATION & COMMUNICATION TECHNOLOGY
\$200,000



TRANSPORT INFRASTRUCTURE
\$3,374,471



FLEET MANAGEMENT & PLANT REPLACEMENT
\$355,000



COMMUNITY WASTEWATER MANAGEMENT SYSTEM
\$125,000



The 2026/2027 Annual Business Plan and Budget outlines our planned programs, activities and goals for the upcoming financial year. This document is a summary of the Annual Business Plan and Budget. The full version can be accessed in hardcopy from our principal office in Pinnaroo or online from our website (www.southernmallee.sa.gov.au).