

Councillor Noon - QoN - 2024/25 Draft Budget and Asset Renewal Requirements

Tuesday, 9 April 2024
Council

Council Member
Councillor Carmel Noon

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

QUESTION ON NOTICE

Councillor Carmel Noon will ask the following Question on Notice:

'In the preparation of the draft budget for the fiscal year 2024/25, can Council be presented with a budget that includes rate revenue, fees, and charges, with adjustments limited to CPI increases?

Additionally, advice is sought from the Administration concerning necessary increases in rate revenue to support projects within the Asset Management Plan, proposed AEDA and ACMA budgets, approved and proposed strategic and capital projects and proposed service changes?

Furthermore, can Administration advise Council what the expected average rate increase in other local government areas in South Australia for the upcoming fiscal year, based on current information received?'

REPLY

1. The financial summary of the draft 2024/25 budget presented to Council on 9 April 2024 includes a base budget which reflects a CPI increase (forecast at 3.25%). In addition, adjustments have been incorporated to reflect increased parking activity and expenses expected to increase by more than CPI.
2. The base budget factoring in a CPI increase, increases in strategic projects and service changes (including those in AEDA and ACMA), offset by identified savings and other opportunities, delivers a projected operating surplus of \$2.758m.
3. The additional surplus required to fund the proposed Asset Management Plans is \$4.582m and produces an operating surplus of \$7.340m with a required rate revenue increase of 6.68% (which includes the 3.25% CPI increase).
4. Informal advice from a number of Councils (provided in confidence) indicate expected rate increases for 2024/25 of between 3.75% and 9.21%, with an average of 6.21% across the sample.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5.5 hours.
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