city of
Victor Harbor

Long Term Financial Plan

2026/27 to 2035/36



Acknowledgement of Country

The City of Victor Harbor acknowledges the Ramindjeri and Ngarrindjeri people as the Traditional Custodians of the land and surrounding waters where we live and work.

We acknowledge their deep connection to Country and pay our respects to Elders past, present and emerging.

This respect is extended to Aboriginal and Torres Strait Islander people across Australia.



Image: South Australian Tourism Commission

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The City of Victor Harbor's Long Term Financial Plan 2026/27 to 2035/36 was originally adopted on 5 February 2026.

In line with Council's practice of reviewing the Long Term Financial Plan following the adoption of each annual budget, the Plan was reviewed in November 2026. Minor amendments were made to reflect the accounting treatment of the Regional Community, Sport and Recreation Precinct and adjustments to the timing of the capital works program. These changes did not materially alter the overall financial position outlined in the Plan adopted in February 2026.

The updated Long Term Financial Plan 2026/27 to 2035/36 was adopted by Council at its Ordinary Meeting on 23 November 2026.



Introduction

The Long Term Financial Plan is the City of Victor Harbor's primary financial management tool. It assists council to manage community expectations, asset management needs and funding, while ensuring long term financial sustainability.

The Long Term Financial Plan is a key document within the City of Victor Harbor's strategic management framework and links together the council's strategic plan (Community Plan 2030), Asset Management Plans and the Annual Business Plan and Budget.

The Long Term Financial Plan is reviewed annually. The document is particularly important for Local Governments due to the high level of long-lasting assets relative to their income base. The Long Term Financial Plan guides council decisions on the mix and timing of operating activities and new assets, while supporting financial sustainability.

A council's long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services. To this end, this Long Term Financial Plan reflects council's strategy of:

- setting appropriate levels of debt;
- minimising rate increases;
- striving for intergenerational equity; and
- meeting the needs and aspirations of our community.

The plan is prepared on the basis of a number of assumptions that are outlined within this document. It forecasts estimated financials over a 10 year period and estimates of the key financial ratios used to measure financial sustainability and performance. These ratios are described in the following table:

Operating Surplus Ratio	Operating surplus as a percentage of operating income	**Is council raising enough income to cover day to day costs?**
Net Financial Liabilities Ratio	Net financial liabilities as a percentage of operating income	**At what level is council covering its borrowing liability?**
Asset Renewal Funding Ratio	Asset renewals as a percentage of expenditure in Asset Management Plans	**At what level is council managing its current assets?**

It is important to note that this plan is a high level strategic document. It does not include specific detail about individual works and services. This is addressed in the Annual Business Plan and Budget.

Legislation

The Local Government Act 1999 and Local Government (Financial Management) Regulations 2011 require councils to develop and adopt a Long Term Financial Plan that forms parts the council's strategic management plans.

Chapter 8, Part 1, Section 122 of the Local Government Act 1999 provides that:

(1a) A council must...develop and adopt—

a) long-term financial plan that relates to a period of at least 10 years and includes a funding plan that—

(i) outlines the council's approach to funding services and infrastructure of the council; and

(ii) sets out the council's projected total revenue for the period to which the long-term financial plan relates; and

(iii) outlines the intended sources of that total revenue (such as revenue from rates, grants and other fees and charges); and

b) an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by the council for a period of at least ten years.

(1b) The financial projections in a long-term financial plan adopted by a council must be consistent with those in the infrastructure and asset management plan adopted by the council.

Section 122 (4)(a)(i) requires council to review its Long Term Financial Plan on an annual basis. For the purposes of the review, council must take into account:

(4a) (a) in relation to a review under subsection (4)(a)(i) – a report from the chief executive officer on the sustainability of the council's long-term financial performance and position taking into account the provisions of the council's annual business plan and strategic management plans; and

(b) insofar as may be relevant – any other material prescribed by the regulations.

Part 2, Section 5 (1) and (2) of the Local Government (Financial Management) Regulations 2011 provide that the Long Term Financial Plan must include:

(c) a summary of proposed operating and capital investment activities presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances; and

(d) estimates and target ranges adopted by the council for each year of the long-term financial plan with respect to an operating surplus ratio, a net financial liabilities ratio and an asset renewal funding ratio presented consistent with the note in the Model Financial Statements entitled Financial Indicators.

The plan must also be accompanied by a statement which sets out –

(a) the purpose of the Long Term Financial Plan; and

(b) the basis, including key assumptions, on which it has been prepared; and

(c) the key conclusions which may be drawn from the estimates, proposals and other information in the plan.

This Long Term Financial Plan meets the requirements of both the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

Strategic Planning Framework

The council's strategic planning framework assists with strategic decision making and outlines how our plans deliver on our vision for Victor Harbor.

The following diagram outlines the City of Victor Harbor's strategic planning framework.



Strategic Context

The Community Plan 2030 centres around six broad aspirations that that outline what we want Victor Harbor to be like in the future.

These aspirations include:

We are a caring, connected and active community

We have a culture of innovation, collaboration and creativity

We manage growth and change responsibly

We protect our environment

We have services and infrastructure that meet our community's needs

We are a financially sustainable and well-governed organisation

Strong links between the Long Term Financial Plan and other strategic documents are vital in order to provide an accurate picture of council's financial sustainability and ability to meet its aspirations.

The Long Term Financial Plan provides a direct connection between the City of Victor Harbor's:

- Community Plan 2030;
- Asset Management Plans; and
- Annual Business Plans and Budgets.

This Long Term Financial Plan provides financial outcomes for the objectives outlined in council's Community Plan and associated Asset Management Plans, guides preparation of the Annual Business Plan and Budget each year and is underpinned by community consultation.





Image: Heidi Who

CEO's Statement of Financial Sustainability

The decisions Council makes today will shape what Victor Harbor can deliver for its community well into the future. That is why financial sustainability is about more than balancing budgets. It is about ensuring we have the capacity to maintain the infrastructure our community relies on, provide valued services, respond to changing needs and invest responsibly in Victor Harbor's future.

This is particularly important as our city enters a period of significant change. Victor Harbor's population has grown steadily over recent decades, increasing by 10% between 2016 and 2021. Further growth is expected, with South Australian Government planning identifying Victor Harbor as a future 'satellite city' and anticipating our population doubling with 13,500 additional dwellings by 2051, representing 54% of projected housing growth across the Fleurieu Peninsula.

We also serve a much larger population at different times of the year. As a popular coastal destination, Victor Harbor's population surges during peak summer periods, increasing demand on local infrastructure, facilities and services.

Planning for these pressures requires us to look beyond individual budgets and consider the longer-term implications of the decisions we make.

Council's Long Term Financial Plan provides that longer-term perspective. Looking ahead over ten years, it brings together our planned activities, anticipated financial resources and future commitments. It also allows Council to test the impact of decisions and changing circumstances before they become longer-term financial pressures.



Chris White
Chief Executive Officer

Our approach is centred on four key commitments:

- **Plan for the long term** by integrating our strategic and financial planning and considering the needs of both current and future communities.
- **Look after what we have** by investing appropriately in Council's significant portfolio of infrastructure and assets.
- **Share costs fairly across generations** by using borrowings responsibly where appropriate and managing debt within agreed benchmarks.
- **Make the best use of community resources** by regularly reviewing services and seeking efficiencies while maintaining effective service delivery.

The Long Term Financial Plan is reviewed each year in accordance with the Local Government Act 1999. This gives Council an important opportunity to respond to changing economic conditions, emerging priorities and new pressures while maintaining a clear view of our longer-term financial position.

Growth will bring change to Victor Harbor, but it also brings opportunity. Our challenge is to manage that change responsibly, ensuring the choices we make today strengthen our capacity to serve the community tomorrow.

Ultimately, financial sustainability gives Council the ability to do just that: protect what our community values, plan confidently for what lies ahead and leave a strong foundation for future generations.



Influences and Challenges

Key Influences

Fundamental to the preparation of the Long Term Financial Plan is the acknowledgement that there are a number of external influences that may impact its accuracy. These influences are described below:

1. Unforeseen economic changes such as:
    - Interest rate fluctuations
    - Localised economic growth – residential development and new businesess
    - Consumer Price Index (Adelaide)
    - Local Government Price Index
    - Changes in grant funding programs
    - Increases in construction and capital expenditure
2. Unforeseen political changes such as:
    - Changes to levies and their conditions
    - Changes in levels of legislative compliance, audits and reporting
    - Cost shifting from other levels of Government
    - Changes in National and International Policy / Political Agendas
3. Variable Environmental and Climate Conditions such as:
    - Climate change
    - Storms and coastal protection
    - Flooding, bushfire and drought

To minimise the impact of these influences, Council reviews and updates its Long Term Financial Plan annually using the most recent economic data and forecasts.

Continuous Improvement and Efficiency Savings

Like all local councils, the City of Victor Harbor faces increasing pressure to deliver high-quality services that meet diverse community needs and rising expectations, all within a constrained budget. To navigate these challenges, a commitment to continuous improvement is essential. By embedding efficiency and innovation into our operations, we can enhance service delivery, optimise resources, and drive better outcomes for our community.

A key initiative in this effort is the implementation of a modern corporate system designed to transform Council's information technology landscape. This system will streamline processes, enhance productivity, and improve service delivery through a customer-centric, data-driven approach. Recognising the importance of maximising the benefits of this investment, Council has committed to a three year optimisation phase. This phase will ensure seamless integration across modules, fine-tune system functionality, and enhance reporting capabilities, further strengthening operational efficiency.



Complementing this initiative is a structured program of organisation-wide Service Level Reviews (SLRs). SLRs serve as a critical mechanism to assess and refine Council services, ensuring they are delivered efficiently, effectively, and in alignment with community needs and strategic priorities. By fostering financial sustainability, enhancing accountability and transparency, and promoting best practices, SLRs enable Council to identify potential cost savings, mitigate risks, and drive continuous performance improvements. Importantly, this process also encourages innovation, ensuring Council remains agile and responsive to evolving community expectations.

Through these initiatives, the City of Victor Harbor is reinforcing its commitment to responsible stewardship of resources with the ultimate goal of achieving savings and improving overall financial sustainability, while balancing service quality, efficiency, and community outcomes.

Community Expectations

Around 39% of council's community are welfare dependent. It is difficult for these people to pay higher levels of rates than inflation.

This demographic provides challenges to council in addressing needs such as footpaths, lighting and community services. These services and infrastructure can be additional to what council currently supplies with limited ability to raise additional funds from rating.

As a popular coastal destination, Victor Harbor experiences significant seasonal increases in population, alongside a high proportion of holiday homes and non-resident ratepayers. This creates a unique challenge for Council in providing services and infrastructure that meet the needs of both the permanent community and the many people who spend time in Victor Harbor throughout the year, within the resources available to a regional council.

Each year, Victor Harbor has forecast growth of 1%, being additional development, which contributes additional rating funds however increased population and ratepayers translate to the need for increased services and infrastructure.

Cost Shifting and Additional Compliance

The Long Term Financial Plan is based on information available at the time of preparation. The planning outcomes may be affected by external influences of which council has limited control, these include:

- Federal and State Government grant funding decisions
- Changing inflation, interest rates, insurance and electricity costs
- Legislative change and cost shifting, and
- Regulated fees and charges.

There continues to be an ongoing shift of service delivery responsibilities from other levels of government to local government. More recent examples include changes to dog and cat management and public nuisance and litter control.

Councils are also subject to the Local Government Rates Oversight Scheme which seeks to monitor and provide advice to councils particularly in regard to general rate increases, the quality and consistency of council information and longer term financial sustainability.

Amendments to the Local Government Act 1999 include the requirement for Councils to provide, once in every prescribed period, information relating to its Long Term Financial Plan and Asset Management Plans to the Essential Services Commission of South Australia (ESCOSA).

In the relevant financial year, Section 122 (1e) of the Act requires:

(1e) A council must, on or before 30 September in the relevant financial year for the council, provide to the designated authority all relevant information on the following matters (the relevant matters) in accordance with guidelines determined by the designated authority (if any):

(a) Material amendments made or proposed to be made to the council's long term financial plan and infrastructure and asset management plan and the council's reasons for these amendments;

(b) Revenue sources outlined in the funding plan (1a)(a);

(c) Any other matter prescribed by the regulations.

Costs incurred by ESCOSA in the oversight scheme are charged to council. In 2023/24, costs associated with the oversight scheme were $40,000.

Risk and Sensitivity

The risk inherent in a Long Term Financial Plan is that assumptions may not be realistic for the term of the plan.

The Long Term Financial Plan is updated annually, and assumptions are updated at that time. The assumptions that are most at risk are inflation and interest rates.

- **Inflation Risk** – If council continues to raise rates at the same overall rate of inflation as expenditure, then there is no inflation risk as income rises at the same rate as expenditure. If council raises rates below that of expenditure inflation, then the Operating Result will decline.
- **Interest Rate Risk** – Borrowings are utilised in line with Council's Treasury Management Policy which endeavours to provide the best outcome for interest rate expenses with a mixture of fixed and variable loans. Whilst the CAD rate has been used within the Plan for all new borrowings, Council will assess whether fixed term loans provide a better result as part of its annual review of borrowings and investments.

All assumptions within the plan need to be reviewed annually to ensure that any emerging risks to assumptions are identified and managed.

Basis of Preparation

The Long Term Financial Plan is reviewed each year to recognise any changes in assumptions and other adjustments including:

- **Base year adopted budget**
- **Previous year financial results**
- **Council resolutions**
- **Inflation (Consumer Price Index)**
- **Interest rates**
- **Enterprise Bargaining Agreements**
- **Service levels**
- **Legislative changes.**

Council's financial strategy is to manage the community's funds responsibly to continue to undertake current services that are provided to the community and manage council's current assets.

Council recognises the limited income situation for many households in the community and therefore seeks to minimise rate increases.

New services, upgraded assets and new assets will be provided as much as possible without moving outside of council's set financial targets. Grants and potential private/public partnerships will be sought to create new assets to ensure that council does not move outside of its financial targets or require significant increases of rates from its community.

Uniform Presentation of Finances

The Local Government (Financial Management) Regulations require councils summarise common financial information that may be easily compared to other similar councils within the annual financial statements. The format of the Uniform Presentation of Finances has been voluntarily agreed by all councils to be included in each Long Term Financial Plan.

The Uniform Presentation of Finances highlights operating surplus/(deficit) as a key measure of a council's financial performance. Where council requires increased cash flow for a particular year, you can expect to see a bracketed amount on the bottom line 'Annual Net Impact to Financing Activities' of each column.

Net borrowing at the end of a financial year will increase the Net Financial Liabilities ratio for that year. The Uniform Presentation of Finances is included within the Financial Statements provided in Appendix A (page 30).

Key Assumptions

The following assumptions underpin the outcomes of this Long Term Financial Plan:

- **Service Levels –** Current services and levels of service are maintained across the term of the plan. Changes to service due to major projects (Regional Community, Sport and Recreation Precinct) have been incorporated into the relevant years.
- **Indexation –** CPI increases have been included and applied to all relevant categories in line with RBA forecasts. CPI reduces from 4.9% in 2026/27 to 3.0% in 2027/28 and then to 2.5% across the remainder of the Plan as follows:

Year	CPI
Year 1 (26/27)	4.9%
Year 2 (27/28)	3.0%
Year 3 (28/29)	2.5%
Year 4 (29/30)	2.5%
Year 5 (30/31)	2.5%
Year 6 (31/32)	2.5%
Year 7 (32/33)	2.5%
Year 8 (33/34)	2.5%
Year 9 (34/35)	2.5%
Year 10 (35/36)	2.5%

- **Interest Expense –** Interest expenses on fixed term borrowings have been included based on repayment schedules with new borrowings calculated at the Cash Advance Debenture (CAD) rate of between 5.6% and 6.9% across the Plan at an average of 6.4%.

- **Interest Income –** Interest on cash deposits has been calculated at the CAD rate between 4.0% and 4.5% across the Plan at an average of 4.1%.
- **Rates –** Rate increases have been included in line with CPI, plus an index for financial sustainability in years one and two. An additional rate rise in years 2027/28 and 2028/29 has also been included due to the Regional Community, Sport and Recreation Precinct as follows:

Year	General Rate	Project Rate*	Total
Year 1 (26/27)	6.4%	-	**6.4%**
Year 2 (27/28)	4.0%	1.5%	**5.5%**
Year 3 (28/29)	2.5%	1.5%	**4.0%**
Year 4 (29/30)	2.5%	-	**2.5%**
Year 5 (30/31)	2.5%	-	**2.5%**
Year 6 (31/32)	2.5%	-	**2.5%**
Year 7 (32/33)	2.5%	-	**2.5%**
Year 8 (33/34)	2.5%	-	**2.5%**
Year 9 (34/35)	2.5%	-	**2.5%**
Year 10 (35/36)	2.5%	-	**2.5%**

*More information is provided within the Funding Plan from page 15.

- **Growth –** Growth in relation to new properties created through development and subdivisions has been included at 1% across the first five years of the plan, reducing to 0.5% for the remaining years. Growth does not affect the average rate rise.
- **Employee Costs –** Employee expenses have been indexed by 2.0% across the term of the plan.
- **New Assets –** An increase has been included for new assets as a result of additional depreciation (average of 2.3%) and maintenance (average of 0.5%) in the year after completion.
- **Capital Expenditure –** Expenditure on assets (renewal and new) has been drawn from Asset Management Plans and Capital Works Plans. Indexation has been applied in line with CPI.
- **Asset Revaluations –** Increases in depreciation expenses due to asset revaluations have been factored into the plan at 10% for each class of revalued assets in the relevant year. Revaluations are undertaken every four years with the 10% index equating to 2.5% in each year between revaluations.

Conclusions

The Long Term Financial Plan demonstrates that council has the capacity to:

- continue to provide existing services to the community;
- maintain and replace current assets at optimal replacement cycles;
- achieve and maintain an operating surplus on average across the Plan;
- undertake major projects in a planned and responsible manner;
- borrow for significant projects to ensure intergenerational equity principals; and
- operate within key financial indicator targets on average across the Plan.

Funding Plan

Council's Asset Management Plans provide for significant works over the 10 year period.

The Long Term Financial Plan allows for the funding of all the projects within the Asset Management Plans. Whilst changes may occur during the annual budget process, particular emphasis should be given to retaining the optimal timing for replacement of existing assets.

Council will continue to seek grant funding either at or above the levels included in the Long Term Financial Plan to minimise borrowings and thus impact on future rates.

Council is also open to private investment / partnerships to achieve positive outcomes for the community. Council has an Unsolicited Proposal Policy that allows for the consideration of projects that stimulate and encourage business investment and innovation within the council area. Both the policy and the guidelines are available at **www.victor.sa.gov.au** or can be viewed at the City of Victor Harbor Civic Centre (1 Bay Road, Victor Harbor).

Significant Project Impact

The Plan includes an additional rate rise component for the construction of a Regional Community, Sport and Recreation Precinct (The Precinct). This is due to an increase in borrowing expense and maintenance on the new facility. The impact for this component is an overall increase in rates of 3.0% across this Plan. The total increase for the Precinct, including years outside of this plan, is shown below:

Year	Project Rate Increase
Prior (24/25)	1.2%
Prior (25/26)	1.0%
Year 1 (26/27)	-
Year 2 (27/28)	1.5%
Year 3 (28/29)	1.5%
Total	**5.2%***

* Note: In 2024 public consultation was conducted on a total project rate increase of 5.5%.



The Precinct has been identified as the council's highest priority major infrastructure project over three surveys conducted by market research firm, newfocus. The community surveys used methodology to collect a representative sample of our population based on responses from 488 people in 2022, 533 in 2023 and 581 people in 2025.

In recognition of this the council has been working towards the delivery of this project, undertaking significant investigations and analysis to support its progression. This has included wide-ranging community and stakeholder consultation, concept design development, needs analysis, economic analysis and financial modelling.

After considering these investigations, towards the end of 2023 the council made the decision to explore partnership opportunities with experienced private sector development groups, operating partners and consortia as a way to balance the financial impact associated with the delivery of such a significant piece of community infrastructure.

A successful expression of interest campaign secured a proposal from a private developer that is aligned with council's vision and objectives for the project. Subsequently, council entered into commercial-in-confidence negotiations with the developer to progress commercial terms for the partnership that provide the best outcome for the broader community.

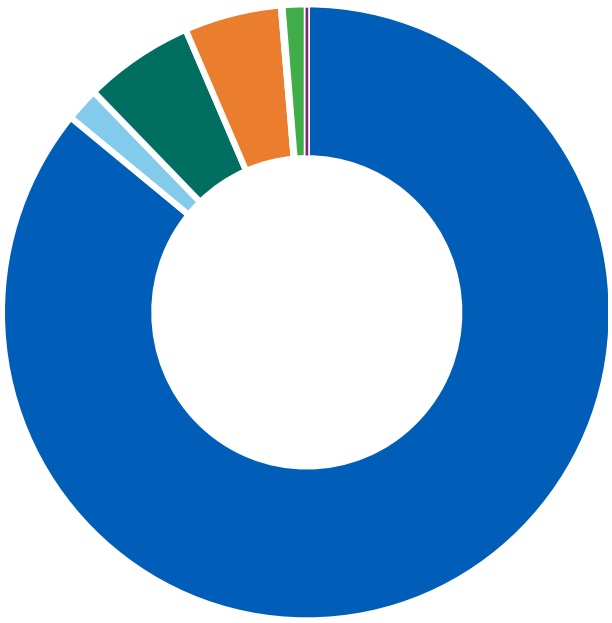
The Long Term Financial Plan provides a general provision for The Precinct, including an $11.7 million capital contribution ($15.7 million offset by $4 million grant funding) to the developer. Operational provisions including rate income, depreciation and community subsidies have also been included, pending a decision by Council on the method of delivery.

Revenue

Councils main source of operating revenue comes from rates, with rates making up an average of 85.9% of total revenue across the term of the plan.

User charges and grants make up the next significant portion at an average of 5.8% and 5.1% respectively of total revenue across the term of the plan.

Graph: Sources of Revenue – Operating



Total operating revenue across the ten years is $491,991,088 with individual years provided in the table below:

Year	Operating Revenue ('000)
Year 1 (26/27)	41,132
Year 2 (27/28)	43,515
Year 3 (28/29)	45,718
Year 4 (29/30)	47,315
Year 5 (30/31)	48,779
Year 6 (31/32)	50,166
Year 7 (32/33)	51,593
Year 8 (33/34)	53,063
Year 9 (34/35)	54,576
Year 10 (35/36)	56,134

The Long Term Financial Plan also includes capital grant revenue at a total of $52,011,887 over the ten years as follows:

Year	Capital Revenue ('000)
Year 1 (26/27)	3,112
Year 2 (27/28)	1,264
Year 3 (28/29)	7,299
Year 4 (29/30)	4,424
Year 5 (30/31)	2,462
Year 6 (31/32)	7,472
Year 7 (32/33)	10,255
Year 8 (33/34)	8,979
Year 9 (34/35)	4,077
Year 10 (35/36)	2,668

Grant funding has been included to offset the costs of the delivery of the Regional Community, Sport and Recreation Precinct and the Arts and Culture Centre noting that these projects are subject to grant funding.

Loan Borrowings

Council's Treasury Policy allows for a mix of fixed and variable borrowings in order to minimise net interest costs on average over the longer term and at the same time manage interest rate movement risks within acceptable limits. Council aims to have a variety of maturity dates on its fixed interest borrowings over the available maturity spectrum.

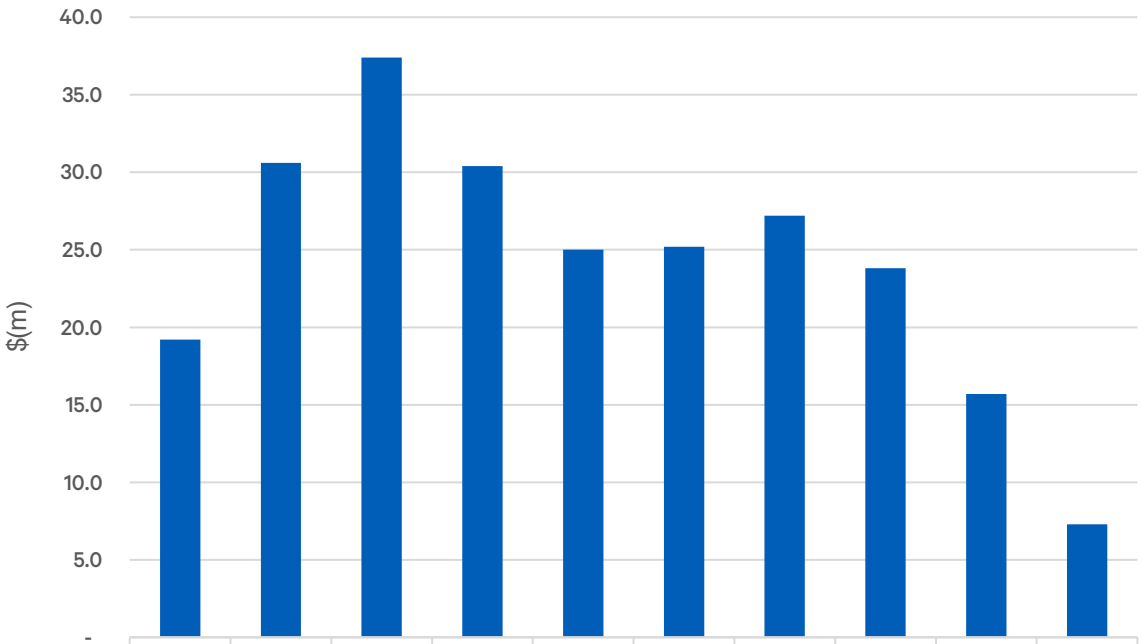
Council's target is to allow for not less than 30% of its gross debt in the form of fixed interest rate borrowings and that no more than 25% of these borrowings mature in any one year.

All loans are held with the Local Government Finance Authority (LGFA).

Council's capital works program, as well as the Regional Community, Sport and Recreation Precinct, require significant borrowings in years two and five, peaking at total borrowings of $37.4 million in 28/29. Operating surpluses in the following years allows for the repayment of debt with a balance of $7.3 million outstanding at the end of the Plan.

The following graph shows the net borrowing level in each year indicated in the Long Term Financial Plan including both fixed term borrowings and variable loans (Cash Advance Debentures).

Graph: Total Borrowings



	Year 1 26/27	Year 2 27/28	Year 3 28/29	Year 4 29/30	Year 5 30/31	Year 6 31/32	Year 7 32/33	Year 8 33/34	Year 9 34/35	Year 10 35/36
Forecast	19.2	30.6	37.4	30.4	25.0	25.2	27.2	23.8	15.7	7.3



Measuring Our Performance

Financial Indicators

Key Financial Indicators provide a robust, ready assessment of financial performance and sustainability. They need to be interpreted in the context of a council's operating environment and can provide trend data, both historic and projected, that may assist in decision making and reviewing financial performance.

The Local Government (Financial Management) Regulations 2011 require a council to use three specific indicators and the Local Government Act 1999 requires a council to state the measures that will be used to monitor and assess the performance of the council.

Key Financial Indicator	Target
Operating Surplus Ratio	0% to 3%
Net Financial Liabilities Ratio	Maximum of 90%
Asset Renewal Funding Ratio	90% to 110% (rolling three year average of 100%)

The following pages outline each of the Key Financial Indicators and the estimates over the life of this plan.

Operating Surplus Ratio

This ratio expresses the operating surplus (deficit) expressed as a percentage of operating income. A positive ratio indicates the percentage of total income available to fund capital expenditure over and above the level of depreciation, or the ability to reduce the level of net financial liabilities. It is calculated as:

$$\frac{\text{Operating Surplus/(Deficit)}}{\text{Total Operating Revenue}}$$

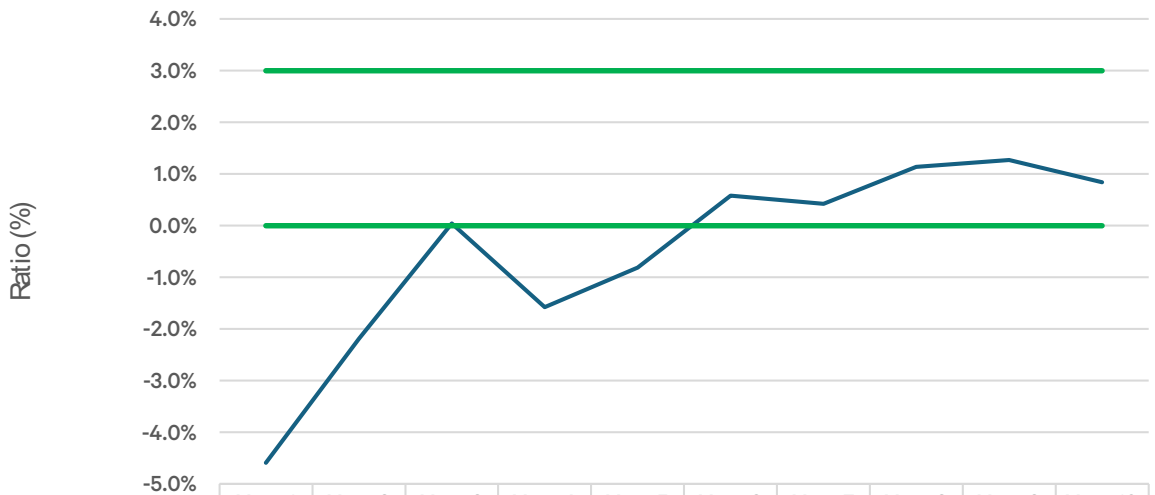
Council has set the target for the Operating Surplus Ratio between 0% and 3% in any individual year.

The Operating Surplus Ratio returns to surplus and meets the annual target from year six (31/32). Deficit ratios are expected in years one to five due to ongoing impacts of lower than CPI rate rises during Covid 19, increased utility costs and increased depreciation as a result of escalating capital construction costs.

The additional rate index for financial sustainability as well as the index for the Regional Community Sport and Recreation Precinct have been included to assist council to move back into a operating surplus and this a financial sustainable position in the medium term.

The graph below shows the ratio result in each year as well as the minimum and maximum targets.

Graph: Operating Surplus Ratio



	Year 1 26/27	Year 2 27/28	Year 3 28/29	Year 4 29/30	Year 5 30/31	Year 6 31/32	Year 7 32/33	Year 8 33/34	Year 9 34/35	Year 10 35/36
Forecast	-4.6%	-2.2%	0.0%	-1.6%	-0.8%	0.6%	0.4%	1.1%	1.3%	0.8%
Target (Min)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Target (Max)	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%

Net Financial Liabilities Ratio

This ratio represents the amount of money owed to others by council less cash held or invested at a financial institution. The amounts owed include employee entitlements such as long service leave and other amounts payable. The ratio measures the net amount owed at the end of a financial year compared with income for the year.

$$\frac{\text{Net Financial Liabilities (NFL)}}{\text{Total Operating Revenue}}$$

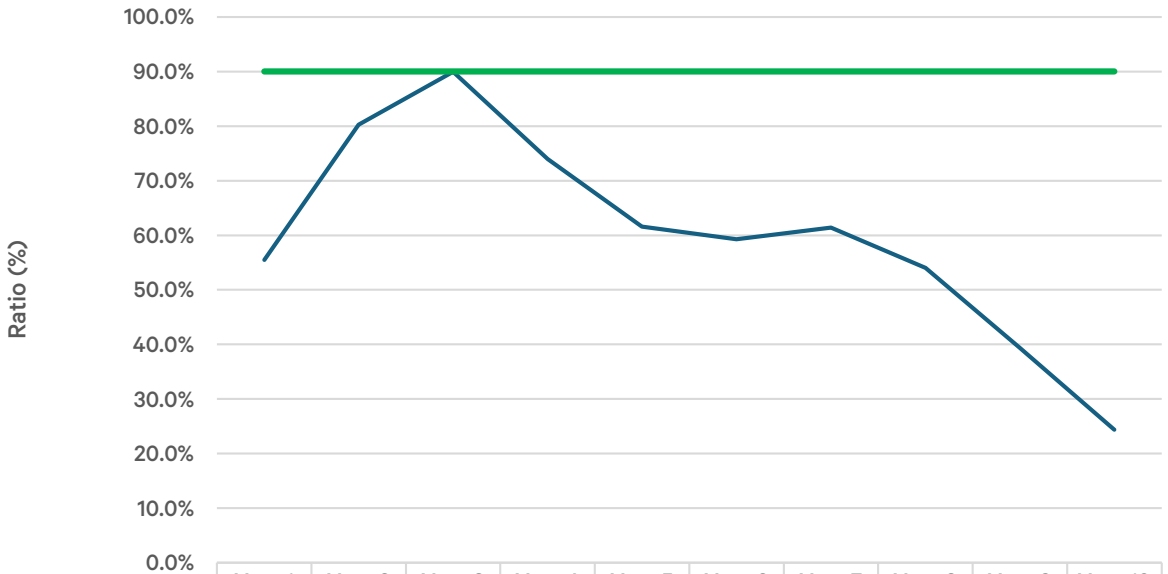
Council has set the target for the Net Financial Liabilities Ratio at a maximum of 90%.

The Net Financial Liabilities Ratio stays below the maximum target set by Council across all years in the plan.

The upward lift in years two to four is due to new loans required for capital works and the construction of the Regional Community, Sport and Recreation Precinct.

The graph below shows the ratio result in each year as well as the maximum target.

Graph: Net Financial Liabilities Ratio



	Year 1 26/27	Year 2 27/28	Year 3 28/29	Year 4 29/30	Year 5 30/31	Year 6 31/32	Year 7 32/33	Year 8 33/34	Year 9 34/35	Year 10 35/36
Forecast	55.5%	80.2%	89.9%	73.9%	61.6%	59.3%	61.4%	54.0%	39.4%	24.4%
Target (Max)	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%

Asset Renewal Funding Ratio

The asset funding ratio is whether Council is renewing or replacing existing infrastructure assets at the level required of its Asset Management Plans to ensure that council's assets remain at their current condition level. It is calculated as:

$$\frac{\text{Asset Renewals}}{\text{Asset Management Plan required expenditure}}$$

Council has set the target for the Asset Renewal Funding Ratio between 90% to 110% in any individual year with a rolling average over three years of 100%.

Council intends to fully budget for works required in the Asset Management Plans, as such the ratio achieves the target set by council.

Graph: Asset Renewal Funding Ratio



	Year 1 26/27	Year 2 27/28	Year 3 28/29	Year 4 29/30	Year 5 30/31	Year 6 31/32	Year 7 32/33	Year 8 33/34	Year 9 34/35	Year 10 35/36
Forecast	157.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Target (Min)	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Target (Max)	110%	110%	110%	110%	110%	110%	110%	110%	110%	110%



Image: City of Victor Harbor

Capital Works Program

Asset Management Plans

Asset Management Plans play an important part in planning for the renewal and replacement of existing assets. The Asset Management Plans provide information in regards to the value, useful life, age and condition of existing assets. The aim of the Asset Management Plans is to provide the optimal replacement time for each asset thus minimising maintenance expenditure and disruption of service delivery.

Asset Management Plans include expenditure of present value. Indexation is applied in the Long Term Financial Plan in line with CPI forecasts as detailed in the following tables.

Renewal or Replacement of Existing Assets

Renewal and replacement of existing assets has been fully funded in the Long Term Financial Plan in line with Asset Management Plan (AMP) projections as below:

Asset Category	Year 1 2026/27 (000's)	Year 2 2027/28 (000's)	Year 3 2028/29 (000's)	Year 4 2029/30 (000's)	Year 5 2030/31 (000's)	Year 6 2031/32 (000's)	Year 7 2032/33 (000's)	Year 8 2033/34 (000's)	Year 9 2034/35 (000's)	Year 10 2035/36 (000's)
Bridges, Stormwater, Kerb and Channel	567	1,217	371	2,516	2,516	444	1,465	1,480	1,480	444
Roads, Footpaths, Car Parks and Traffic Devices	2,878	1,774	3,640	2,332	1,653	1,654	2,141	2,634	1,629	1,629
Land, Buildings and Open Space	1,754	1,174	784	944	1,501	6,031	6,031	3,496	507	404
Other Assets	1,413	1,053	678	869	1,222	1,230	1,296	685	527	544
Asset Management Plans Total	**6,612**	**5,218**	**5,473**	**6,661**	**6,892**	**9,359**	**10,933**	**8,295**	**4,143**	**3,021**
Indexation	-	**145**	**294**	**534**	**739**	**1,261**	**1,783**	**1,594**	**919**	**763**
Long Term Financial Plan Total	**6,612**	**5,363**	**5,767**	**7,195**	**7,631**	**10,620**	**12,716**	**9,889**	**5,062**	**3,784**

Expenditure on renewal and replacement assets will be generally funded through a combination of revenues as follows:

- Proceeds from sale of replaced or surplus assets;
- Grant funding from other levels of Government or industry bodies;
- Borrowings.

Over the ten years, total capital expenditure on renewal or replacement of assets is $75 million.

New or Upgraded Assets

Asset Management Plans include new and upgrade projects that have been identified by council, community or administration. These projects represent opportunities for activation of public spaces, increases in infrastructure capacity due to growth, new initiatives and investment attraction activities. The Asset Management Plans detail the preferred timing for delivery of each project.

New and upgraded assets have been fully funded in the Long Term Financial Plan in line with the Asset Management Plan projections as detailed below:

Asset Category	Year 1 2026/27 (000's)	Year 2 2027/28 (000's)	Year 3 2028/29 (000's)	Year 4 2029/30 (000's)	Year 5 2030/31 (000's)	Year 6 2031/32 (000's)	Year 7 2032/33 (000's)	Year 8 2033/34 (000's)	Year 9 2034/35 (000's)	Year 10 2035/36 (000's)
Bridges, Stormwater, Kerb and Channel	946	2,710	10,726	4,342	1,169	767	2,839	659	659	1,248
Roads, Footpaths, Car Parks and Traffic Devices	2,748	3,886	6,974	548	614	949	1,431	1,707	2,582	1,036
Land, Buildings and Open Space*	9,173	12,091	2,677	629	1,491	8,699	8,618	7,738	3,278	3,842
Other Assets	429	174	117	17	7	130	8	7	7	7
Asset Management Plans Total	**13,296**	**18,861**	**20,494**	**5,536**	**3,281**	**10,545**	**12,896**	**10,111**	**6,526**	**6,133**
Indexation	-	**529**	**1,100**	**445**	**351**	**1,420**	**2,103**	**1,943**	**1,449**	**1,549**
Long Term Financial Plan Total	**13,296**	**19,390**	**21,594**	**5,981**	**3,632**	**11,965**	**14,999**	**12,054**	**7,975**	**7,682**

*Includes Regional Community, Sport and Recreation Precinct

Expenditure on new and upgraded assets will be generally funded through a combination of revenues as follows:

- Grant funding from other levels of Government or industry bodies;
- Borrowings;
- Private investment / partnership.

Over the ten years, total capital expenditure on new or upgraded assets is $119 million.



Image: Outside Ideas

Significant Projects

The following information provides details on the significant projects included in the Long Term Financial Plan:

Regional Community, Sport and Recreation Precinct

The Regional Community, Sport and Recreation Precinct (the Precinct) aims to provide a place for people of all ages to connect through sport, recreation or social activities. Located at Lot 202 Armstrong Road, Victor Harbor and neighbouring the Encounter Bay Recreation Grounds, the project will see the delivery of a multi-purpose recreation facility that sits within a community focussed Precinct incorporating a childcare centre, allied health facility and hospitality offering. The project is being progressed through a public private partnership with South Australian developer, Accord Property, with a $15.7 million capital contribution required from Council, inclusive of $4 million grant funding. the table below shows the planned timing of the project, subject to securing of grant funding, further Council decisions, indexation and the Annual Business Plan process.

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
Cost ('000)	4,500	11,200	-	-	-	-	-	-	-	-	15,700

Victor Harbor Mainstreet Precinct Master Plan

The Victor Harbor Mainstreet Precinct Master Plan continues to be implemented. The Plan is to revitalise the Precinct to create a visually inviting and safe place with an emphasis on water sensitive urban design, accessibility and integrated public spaces. Stages 5 and 6 are included within the Council's Asset Management Plans with construction a combination of new and renewal. The table below shows the planned timing of the project, subject to indexation and the Annual Business Plan process:

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
Cost ('000)	15	516	1,907	-	-	-	619	1,856	-	-	4,913

Arts and Culture Centre

Recognising the cultural and economic value of arts and cultural activity, the Council have been working on plans for the development of an Arts and Culture Centre incorporating the Victor Harbor Town Hall, Coral Street Art Space and Victa Cinema. The Council consider an Arts and Culture Centre to be an integral part of its aspiration to cultivate arts and cultural activity, and position Victor Harbor as a regional arts and cultural destination. It is working towards delivering a centre that incorporates all art forms providing local artists, groups and the broader community with a place to meet, work, exhibit, collaborate and learn. This project is included with the Council's Asset Management Plans for construction commencing in Year 6 (2031/32). The table below shows the planned timing of the project, subject to 50% grant funding, indexation and the Annual Business Plan process:

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
Cost ('000)	705	-	-	-	-	10,310	10,310	10,310	-	-	31,635

Foreshore Upgrades

As identified in the 2006 Town Centre Master Plan, Victor Harbor's greatest asset is the foreshore environment and the link to Granite Island. However, connections between these key elements have been lost due to competing features, blocked vistas and a lack of "place" identity. The new causeway to Granite Island will require works where it joins with the mainland and provides an opportunity to develop a master plan for this iconic area before undertaking construction works to enhance this highly valued space. This project is included within the Council's Asset Management Plans with construction a combination of new and renewal. The table below shows the planned timing of the project subject to 50% grant funding, indexation and the Annual Business Plan process:

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
Cost ('000)	-	-	-	-	495	3,093	3,093	-	-	-	6,681

Coastal Protection

Victor Harbor's stunning coastline is highly valued by our community and a significant feature of our landscape. Council acknowledges the importance of protecting and preserving our natural and built assets along our coast. To this end, funds have been allocated for coastal protection works over the course of this plan (as outlined within our Asset Management Plans). Works will be guided by findings of the 2022 Victor Harbor Coastal Adaptation Study and Strategy and a detailed implementation plan is currently being prepared to prioritise future actions. The table below outlines where funds are planned to be spent (noting that two further years are planned post 2035/36), subject to 50% grant funding, indexation and the Annual Business Plan process:

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
Cost ('000)	20	-	1,980	-	-	-	-	-	1,547	1,547	5,094

Stormwater Projects

Council is responsible for the care and maintenance of the local public stormwater network, while property owners are responsible for all infrastructure related to the drainage of private property. Guided by the recommendation of the Victor Harbor Watercourses Floodplain Mapping Study and Urban Stormwater Masterplan, a number of stormwater upgrades will be undertaken over the next 10 years including on Fell St, Acraman St, Tabernacle Rd, Seaview Rd, Crozier Rd and Yandra Tce. The investment in this essential infrastructure equates to $30.5 million spread over the life of the plan, as identified below, and subject to indexation and the Annual Business Plan process:

Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	
Cost ('000)	120	2,158	10,578	6,267	3,093	619	3,712	1,547	1,547	900	30,541


Image: Base Civil

Other Projects

Council is investigating and/or developing master plans for a number of projects that are either not yet included or subject to amendment in the Asset Management Plans and Long Term Financial Plan.

These projects may still need feasibility studies and business cases to assess viability.

Subject to Council approval, these projects may be included in the Asset Management Plans and Long Term Financial Plan annual reviews as information becomes available:

- Library redevelopment
- Multi-purpose boating facilities
- Coastal Management Study actions
- Urban Growth Management Strategy actions
- The Bluff Master Plan projects
- Mountain Bike Strategy actions

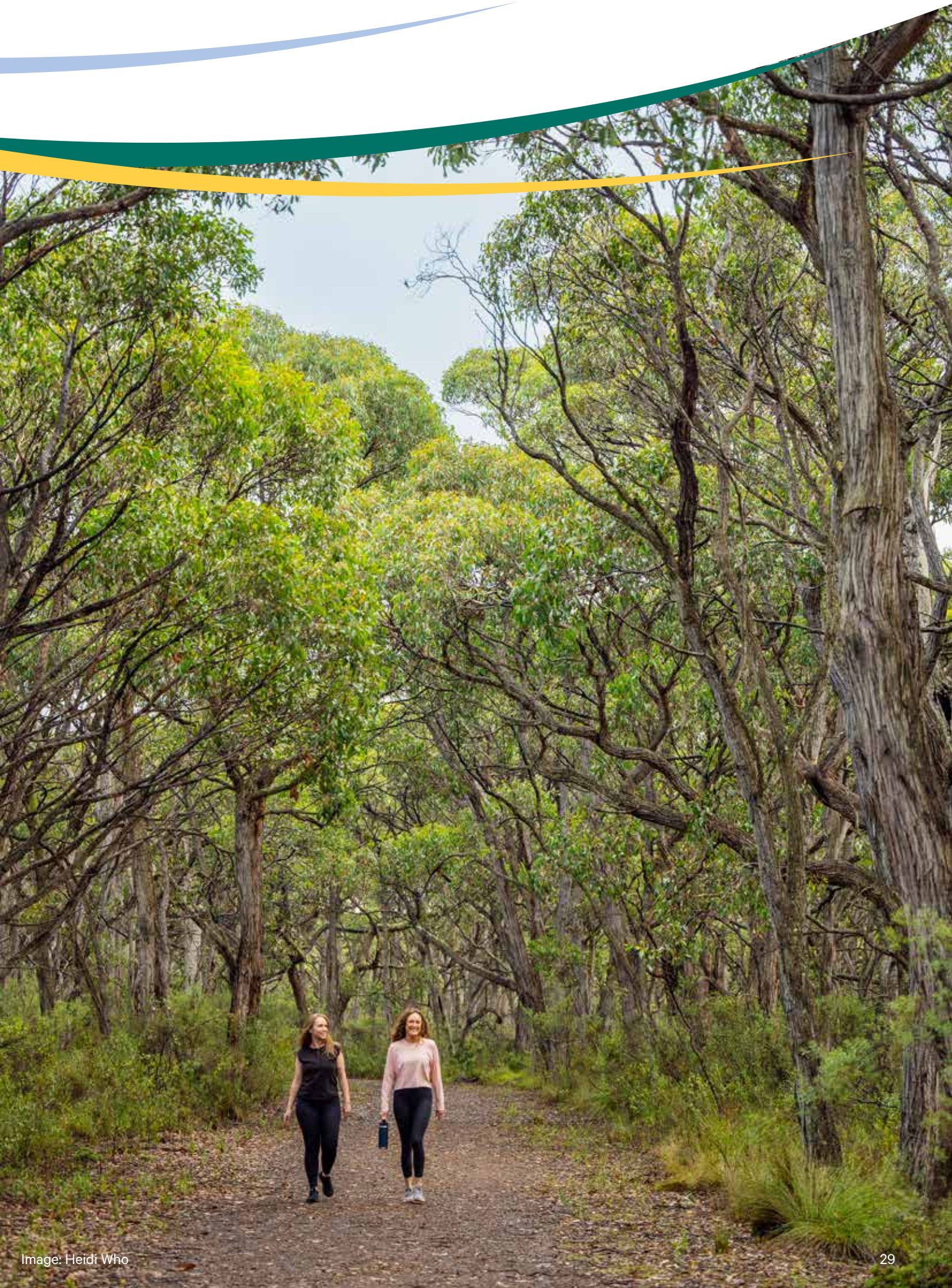


Image: Heidi Who



Appendix 1

Financial Statements

City of Victor Harbor
10 Year Financial Plan for the Years ending 30 June 2036
UNIFORM PRESENTATION OF FINANCES - 26/27 REVIEW

Scenario: 2026/27 to 2035/36	2026/27 $	2027/28 $	2028/29 $	2029/30 $	2030/31 $	2031/32 $	2032/33 $	2033/34 $	2034/35 $	2035/36 $
					Projected Years					
Income										
Rates	34,923,000	37,161,726	39,132,088	40,493,418	41,900,069	43,150,859	44,439,066	45,765,808	47,132,241	48,539,550
Statutory Charges	780,500	803,916	824,013	844,614	865,729	887,372	909,557	932,296	955,603	979,493
User Charges	2,570,500	2,647,615	2,713,805	2,781,651	2,794,492	2,864,354	2,935,963	3,009,362	3,084,596	3,161,711
Grants, Subsidies and Contributions - operating	2,404,500	2,434,950	2,461,086	2,487,876	2,515,336	2,543,481	2,572,331	2,601,902	2,632,212	2,663,280
Investment Income	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100
Reimbursements	345,100	355,453	364,339	373,448	361,284	370,316	379,574	389,063	398,790	408,760
Other Income	68,700	70,761	183,051	294,077	301,429	308,965	316,689	324,606	332,721	341,039
Total Income	**41,132,401**	**43,514,520**	**45,718,484**	**47,315,184**	**48,778,439**	**50,165,448**	**51,593,279**	**53,063,137**	**54,576,263**	**56,133,933**
Expenses										
Employee Costs	15,243,200	15,491,374	15,170,162	15,473,566	15,783,037	16,098,698	16,420,672	16,749,085	17,084,067	17,716,748
Materials, Contracts & Other Expenses	15,053,760	15,269,077	15,913,600	17,278,437	17,727,980	18,190,173	18,701,056	18,853,370	19,885,724	21,399,894
Depreciation, Amortisation & Impairment	12,118,796	12,346,348	12,745,848	13,352,871	13,968,353	14,022,333	14,586,682	15,277,216	15,748,157	15,927,172
Finance Costs	335,099	1,130,528	1,678,968	1,727,844	1,463,965	1,335,367	1,439,385	1,350,832	937,924	386,317
Net loss - Equity Accounted Council Businesses	270,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000
Total Expenses	**43,020,854**	**44,467,327**	**45,738,578**	**48,062,717**	**49,173,336**	**49,876,571**	**51,377,795**	**52,460,504**	**53,885,872**	**55,660,132**
Operating Surplus / (Deficit)	**(1,888,453)**	**(952,806)**	**(20,094)**	**(747,534)**	**(394,898)**	**288,878**	**215,485**	**602,634**	**690,391**	**473,801**
Net Outlays on Existing Assets										
Capital Expenditure on Renewal and Replacement of Existing Assets	(6,612,300)	(5,363,487)	(5,767,216)	(7,195,027)	(7,631,183)	(10,619,614)	(12,715,688)	(9,889,484)	(5,061,762)	(3,783,732)
Finance Lease payments for Right of Use Assets	(22,008)	(22,008)	(22,008)	(22,008)	(22,008)	(22,008)	(22,008)	(22,008)	(22,008)	(20,185)
add back Depreciation, Amortisation and Impairment	12,118,796	12,346,348	12,745,848	13,352,871	13,968,353	14,022,333	14,586,682	15,277,216	15,748,157	15,927,172
add back Proceeds from Sale of Replaced Assets	286,000	66,820	68,491	2,581,162	138,380	195,172	205,867	95,373	119,216	120,000
Total Net Outlays on Existing Assets	**5,770,488**	**7,027,673**	**7,025,115**	**8,716,998**	**6,453,542**	**3,575,883**	**2,054,853**	**5,461,097**	**10,783,603**	**12,243,255**
Net Outlays on New and Upgraded Assets										
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(13,296,200)	(19,389,519)	(21,594,212)	(5,980,519)	(3,631,878)	(11,964,824)	(14,999,527)	(12,053,979)	(7,974,936)	(7,681,944)
add back Amounts Received Specifically for New and Upgraded Assets	3,112,036	1,264,048	7,298,512	4,423,710	2,461,944	7,472,011	10,254,733	8,979,194	4,077,227	2,668,470
Total Net Outlays on New and Upgraded Assets	**(10,184,164)**	**(18,125,471)**	**(14,295,700)**	**(1,556,809)**	**(1,169,934)**	**(4,492,813)**	**(4,744,794)**	**(3,074,785)**	**(3,897,709)**	**(5,013,474)**
Annual Net Impact to Financing Activities (surplus / (deficit))	**(6,302,130)**	**(12,050,604)**	**(7,290,679)**	**6,412,656**	**4,888,711**	**(628,052)**	**(2,474,455)**	**2,988,946**	**7,576,285**	**7,703,582**

City of Victor Harbor
10 Year Financial Plan for the Years ending 30 June 2036
STATEMENT OF COMPREHENSIVE INCOME - 26/27 REVIEW

Scenario: 2026/27 to 2035/36	**Projected Years**									
	2026/27	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**	**2035/36**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Income										
Rates	34,923,000	37,161,726	39,132,088	40,493,418	41,900,069	43,150,859	44,439,066	45,765,808	47,132,241	48,539,550
Statutory Charges	780,500	803,916	824,013	844,614	865,729	887,372	909,557	932,296	955,603	979,493
User Charges	2,570,500	2,647,615	2,713,805	2,781,651	2,794,492	2,864,354	2,935,963	3,009,362	3,084,596	3,161,711
Grants, Subsidies and Contributions - operating	2,404,500	2,434,950	2,461,086	2,487,876	2,515,336	2,543,481	2,572,331	2,601,902	2,632,212	2,663,280
Investment Income	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100
Reimbursements	345,100	355,453	364,339	373,448	361,284	370,316	379,574	389,063	398,790	408,760
Other Income	68,700	70,761	183,051	294,077	301,429	308,965	316,689	324,606	332,721	341,039
Total Income	**41,132,401**	**43,514,520**	**45,718,484**	**47,315,184**	**48,778,439**	**50,165,448**	**51,593,279**	**53,063,137**	**54,576,263**	**56,133,933**
Expenses										
Employee Costs	15,243,200	15,491,374	15,170,162	15,473,566	15,783,037	16,098,698	16,420,672	16,749,085	17,084,067	17,716,748
Materials, Contracts & Other Expenses	15,053,760	15,269,077	15,913,600	17,278,437	17,727,980	18,190,173	18,701,056	18,853,370	19,885,724	21,399,894
Depreciation, Amortisation & Impairment	12,118,796	12,346,348	12,745,848	13,352,871	13,968,353	14,022,333	14,586,682	15,277,216	15,748,157	15,927,172
Finance Costs	335,099	1,130,528	1,678,968	1,727,844	1,463,965	1,335,367	1,439,385	1,350,832	937,924	386,317
Net loss - Equity Accounted Council Businesses	270,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000	230,000
Total Expenses	**43,020,854**	**44,467,327**	**45,738,578**	**48,062,717**	**49,173,336**	**49,876,571**	**51,377,795**	**52,460,504**	**53,885,872**	**55,660,132**
Operating Surplus / (Deficit)	**(1,888,453)**	**(952,806)**	**(20,094)**	**(747,534)**	**(394,898)**	**288,878**	**215,485**	**602,634**	**690,391**	**473,801**
Asset Disposal & Fair Value Adjustments	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Amounts Received Specifically for New or Upgraded Assets	3,383,500	979,224	8,147,735	3,923,254	2,265,565	8,171,684	10,534,666	8,770,161	3,446,563	2,563,905
Physical Resources Received Free of Charge	3,000,000	11,300,000	1,000,000	7,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Net Surplus / (Deficit)	**3,495,047**	**10,326,418**	**8,127,641**	**9,175,720**	**1,870,667**	**8,460,562**	**10,750,151**	**9,372,795**	**4,136,954**	**3,037,706**
Other Comprehensive Income										
Amounts which will not be reclassified subsequently to operating result										
Changes in Revaluation Surplus - I,PP&E	1,960,963	11,692,490	8,079,253	19,837,359	1,985,617	12,466,599	10,335,499	18,300,052	1,914,609	1,664,813
Total Other Comprehensive Income	**1,960,963**	**11,692,490**	**8,079,253**	**19,837,359**	**1,985,617**	**12,466,599**	**10,335,499**	**18,300,052**	**1,914,609**	**1,664,813**
Total Comprehensive Income	**5,456,010**	**22,018,908**	**16,206,894**	**29,013,079**	**3,856,284**	**20,927,160**	**21,085,650**	**27,672,847**	**6,051,563**	**4,702,519**

City of Victor Harbor
10 Year Financial Plan for the Years ending 30 June 2036
STATEMENT OF FINANCIAL POSITION - 26/27 REVIEW
Scenario: 2026/27 to 2035/36

	Projected Years									
	2026/27	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**	**2035/36**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
ASSETS										
Current Assets										
Cash & Cash Equivalents	779,182	499,999	500,000	500,000	500,001	500,000	500,000	500,000	500,000	500,000
Trade & Other Receivables	2,263,123	2,066,168	3,005,161	2,581,532	2,441,356	3,198,160	3,537,194	3,385,285	2,821,947	2,791,110
Inventories	324,304	328,943	342,828	372,230	381,915	391,872	402,878	406,159	428,399	461,019
Total Current Assets	3,366,609	2,895,110	3,847,989	3,453,763	3,323,272	4,090,032	4,440,072	4,291,444	3,750,347	3,752,129
Non-Current Assets										
Financial Assets	358,000	358,000	358,000	358,000	358,000	358,000	358,000	358,000	358,000	358,000
Equity Accounted Investments in Council Businesses	10,210,000	9,980,000	9,750,000	9,520,000	9,290,000	9,060,000	8,830,000	8,600,000	8,370,000	8,140,000
Infrastructure, Property, Plant & Equipment	438,629,467	472,961,795	495,588,137	518,667,009	517,808,953	538,642,485	561,900,650	586,771,576	585,855,510	582,938,827
Other Non-Current Assets	5,260,000	5,260,000	5,260,000	5,260,000	5,260,000	5,260,000	5,260,000	5,260,000	5,260,000	5,260,000
Total Non-Current Assets	454,457,467	488,559,795	510,956,137	533,805,009	532,716,953	553,320,485	576,348,650	600,989,576	599,843,510	596,696,827
TOTAL ASSETS	**457,824,077**	**491,454,905**	**514,804,126**	**537,258,772**	**536,040,225**	**557,410,517**	**580,788,722**	**605,281,020**	**603,593,857**	**600,448,956**
LIABILITIES										
Current Liabilities										
Trade & Other Payables	4,395,145	4,480,523	4,652,802	4,993,233	5,120,230	5,249,864	5,395,702	5,458,418	5,727,707	6,114,987
Borrowings	738,319	765,263	769,719	797,346	530,998	19,605	20,271	20,961	19,851	-
Provisions	2,459,671	2,582,821	2,708,435	2,836,561	2,967,250	3,100,553	3,236,521	3,375,209	3,516,671	3,660,961
Total Current Liabilities	7,593,134	7,828,607	8,130,956	8,627,140	8,618,479	8,370,021	8,652,494	8,854,588	9,264,229	9,775,948
Non-Current Liabilities										
Cash Advance Debenture	15,483,397	27,619,739	35,223,959	28,961,102	24,420,232	25,125,613	27,150,039	23,782,310	15,647,627	7,282,197
Borrowings	2,944,014	2,178,750	1,409,031	611,686	80,688	61,084	40,812	19,851	-	-
Provisions	205,984	211,354	216,830	222,417	228,114	233,926	239,854	245,901	252,069	258,360
Total Non-Current Liabilities	18,633,395	30,009,843	36,849,821	29,795,204	24,729,034	25,420,623	27,430,705	24,048,063	15,899,696	7,540,557
TOTAL LIABILITIES	**26,226,530**	**37,838,450**	**44,980,777**	**38,422,344**	**33,347,513**	**33,790,645**	**36,083,200**	**32,902,651**	**25,163,925**	**17,316,505**
Net Assets	**431,597,547**	**453,616,454**	**469,823,349**	**498,836,428**	**502,692,712**	**523,619,872**	**544,705,522**	**572,378,369**	**578,429,932**	**583,132,451**
EQUITY										
Accumulated Surplus	81,305,584	91,632,002	99,759,643	108,935,363	110,806,030	119,266,592	130,016,743	139,389,537	143,526,491	146,564,197
Asset Revaluation Reserves	349,130,963	360,823,453	368,902,706	388,740,065	390,725,682	403,192,281	413,527,780	431,827,832	433,742,441	435,407,254
Other Reserves	1,161,000	1,161,000	1,161,000	1,161,000	1,161,000	1,161,000	1,161,000	1,161,000	1,161,000	1,161,000
Total Equity	**431,597,547**	**453,616,454**	**469,823,349**	**498,836,428**	**502,692,712**	**523,619,872**	**544,705,522**	**572,378,369**	**578,429,932**	**583,132,451**

City of Victor Harbor
10 Year Financial Plan for the Years ending 30 June 2036
STATEMENT OF CHANGES IN EQUITY - 26/27 REVIEW
Scenario: 2026/27 to 2035/36

	Projected Years									
	2026/27	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**	**2035/36**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Opening Balance	426,141,537	431,597,547	453,616,454	469,823,349	498,836,428	502,692,712	523,619,872	544,705,522	572,378,369	578,429,932
Net Surplus / (Deficit) for Year	3,495,047	10,326,418	8,127,641	9,175,720	1,870,667	8,460,562	10,750,151	9,372,795	4,136,954	3,037,706
Other Comprehensive Income										
- Gain (Loss) on Revaluation of I,PP&E	1,960,963	11,692,490	8,079,253	19,837,359	1,985,617	12,466,599	10,335,499	18,300,052	1,914,609	1,664,813
Other Comprehensive Income	1,960,963	11,692,490	8,079,253	19,837,359	1,985,617	12,466,599	10,335,499	18,300,052	1,914,609	1,664,813
Total Comprehensive Income	5,456,010	22,018,908	16,206,894	29,013,079	3,856,284	20,927,160	21,085,650	27,672,847	6,051,563	4,702,519
Equity - Balance at end of the reporting period	**431,597,547**	**453,616,454**	**469,823,349**	**498,836,428**	**502,692,712**	**523,619,872**	**544,705,522**	**572,378,369**	**578,429,932**	**583,132,451**

City of Victor Harbor
10 Year Financial Plan for the Years ending 30 June 2036
STATEMENT OF CASH FLOWS - 26/27 REVIEW
Scenario: 2026/27 to 2035/36

	Projected Years									
	2026/27	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**2034/35**	**2035/36**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Cash Flows from Operating Activities										
Receipts:										
Rates Receipts	34,882,926	37,124,668	39,099,473	40,470,884	41,876,785	43,130,155	44,417,742	45,743,847	47,109,622	48,516,255
Statutory Charges	773,730	802,183	822,526	843,089	864,167	885,771	907,915	930,613	953,878	977,725
User Charges	2,541,606	2,641,909	2,708,908	2,776,631	2,793,542	2,859,185	2,930,664	3,003,931	3,079,029	3,156,005
Grants, Subsidies and Contributions (operating purpose)	2,413,786	2,431,358	2,457,944	2,484,729	2,512,093	2,540,109	2,568,898	2,598,410	2,628,655	2,659,605
Investment Receipts	40,110	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100	40,100
Reimbursements	341,601	354,700	363,693	372,785	362,169	369,659	378,901	388,373	398,082	408,034
Other	76,992	70,608	174,742	285,862	300,885	308,407	316,117	324,020	332,121	340,424
Payments:										
Payments to Employees	(15,102,768)	(15,358,820)	(15,043,897)	(15,334,952)	(15,641,651)	(15,954,484)	(16,273,574)	(16,599,045)	(16,931,026)	(17,556,117)
Payments for Materials, Contracts & Other Expenses	(14,930,264)	(15,225,468)	(15,783,063)	(17,002,014)	(17,636,934)	(18,096,564)	(18,597,585)	(18,822,522)	(19,676,639)	(21,093,226)
Finance Payments	(340,675)	(1,136,307)	(1,684,958)	(1,733,865)	(1,470,203)	(1,339,467)	(1,439,385)	(1,350,832)	(937,924)	(386,317)
Net Cash provided (or used in) Operating Activities	10,697,044	11,744,931	13,155,469	13,203,250	14,000,954	14,742,871	15,249,794	16,256,896	16,995,899	17,062,488
Cash Flows from Investing Activities										
Receipts:										
Amounts Received Specifically for New/Upgraded Assets	3,112,036	1,264,048	7,298,512	4,423,710	2,461,944	7,472,011	10,254,733	8,979,194	4,077,227	2,668,470
Sale of Replaced Assets	286,000	66,820	68,491	2,581,162	138,380	195,172	205,867	95,373	119,216	120,000
Sale of Surplus Assets	-	-	-	-	-	-	-	-	-	-
Payments:										
Expenditure on Renewal/Replacement of Assets	(6,612,300)	(5,363,487)	(5,767,216)	(7,195,027)	(7,631,183)	(10,619,614)	(12,715,688)	(9,889,484)	(5,061,762)	(3,783,732)
Expenditure on New/Upgraded Assets	(13,296,200)	(19,389,519)	(21,594,212)	(5,980,519)	(3,631,878)	(11,964,824)	(14,999,527)	(12,053,979)	(7,974,936)	(7,681,944)
Net Cash provided (or used in) Investing Activities	(16,510,464)	(23,422,138)	(19,994,425)	(6,170,674)	(8,662,737)	(14,917,255)	(17,254,615)	(12,868,896)	(8,840,255)	(8,677,206)
Cash Flows from Financing Activities										
Receipts:										
Repayments of Borrowings	(696,310)	(721,734)	(748,114)	(751,986)	(779,010)	(512,039)	-	-	-	-
Repayment of Principal Portion of Lease Liabilities	(16,039)	(16,585)	(17,149)	(17,733)	(18,336)	(18,960)	(19,605)	(20,271)	(20,961)	(19,851)
Net Cash Flow provided (used in) Financing Activities	(712,349)	(738,319)	(765,263)	(769,719)	(797,346)	(530,998)	(19,605)	(20,271)	(20,961)	(19,851)
Net Increase/(Decrease) in Cash & Cash Equivalents	(6,525,769)	(12,415,525)	(7,604,219)	6,262,857	4,540,871	(705,382)	(2,024,426)	3,367,729	8,134,683	8,365,430
plus: Cash & Cash Equivalents - beginning of year	(8,178,446)	(14,704,215)	(27,119,740)	(34,723,959)	(28,461,102)	(23,920,231)	(24,625,613)	(26,650,039)	(23,282,310)	(15,147,627)
Cash & Cash Equivalents - end of the year	**(14,704,215)**	**(27,119,740)**	**(34,723,959)**	**(28,461,102)**	**(23,920,231)**	**(24,625,613)**	**(26,650,039)**	**(23,282,310)**	**(15,147,627)**	**(6,782,197)**

city of Victor Harbor

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