



# *Annual Business Plan*

**2022/23**



## ***Acknowledgement of Country***

We acknowledge the traditional custodians of our beautiful lands and surrounding waters, the Ramindjeri and Ngarrindjeri people, and pay our respects to Elders past, present and emerging.

As a community we recognise and respect their cultural connection with the land and waters.

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Cover Photo: The award-winning Railway Plaza Precinct hosts the Victor Harbor Artisan Markets during WhaleFest



# ***Annual Business Plan and Budget Adoption***

The 2022/23 Annual Business Plan and Budget was adopted by the City of Victor Harbor on 13 July 2022.

## Introduction

Under Section 123 of the Local Government Act 1999, Council is required to have a budget for each financial year. The budget must be considered as a part of Council's Annual Business Plan.

Before Council adopts its Annual Business Plan it must prepare a draft plan and undertake public consultation of the document. Public consultation on this plan was undertaken from Thursday, 19 May 2022 until 5pm on Monday, 13 June 2022.

This Annual Business Plan shows how Council will allocate its budget and what services, programs and projects will be delivered in the coming year to achieve specific outcomes set by Council and the community.

The Annual Business Plan is a key component of Council's strategic planning framework (outlined in the diagram, right). It draws on various corporate plans including the Community Plan 2030, Asset Management Plans and Long Term Financial Plan.

The Annual Business Plan provides a summary of Council's long term aspirations for the City of Victor Harbor council area and the activities that will be undertaken in the coming year to help achieve them. It also sets out the budget, sources of revenue and rating policy, and shows how we intend to measure our performance.

This Annual Business Plan is divided into the following sections:

- Introduction (pages 5-7)
- About the City of Victor Harbor (pages 8-13)
- Delivering Council's Vision (pages 14-15)
- Financial Planning Process (pages 16-26)
- What We Will Do In 2022/23 (pages 27-42)
- Measuring Our Success (pages 44-47)
- 2022/23 Rating Policy (pages 48-57)

A budget summary table, Key Planned Activities and capital projects listing, and budgeted financial statements are also included as an attachment to this plan.

Diagram: Strategic Planning Framework



## Budget at a Glance

The 2022/23 Annual Business Plan shows how Council will allocate its budget and what services, programs and projects will be delivered during the year to contribute to achieving the community's long term aspirations.

The key components of the 2022/23 Annual Business Plan are outlined in the table (right), and explained in more detail throughout this document.



### Key Planned Activities

- 13 key planned activities have been identified to contribute towards achieving the Council's long term aspirations

### Capital Budget

- Capital Expenditure of \$16,950,300
- Capital Income of \$5,184,800
- **Net Capital Expenditure of \$11,765,500**

### Operating Budget

- Operating Expenditure of \$32,892,700
- Operating Income of \$31,800,000
- **Operating deficit of \$1,092,700**

### Rates

- Average rates payable increase of 4.7%

### Financial Sustainability

- Operating deficit ratio -3.4% is outside the Council's target range of a -2% to 2%
- Net financial liabilities ratio of 68% is below Council's proposed target maximum of 80%
- Asset renewal funding ratio of 159% is above Council's target range of 90% to 110%.

\* CPI for March 2022 is 4.7%

### Financial Sustainability

The City of Victor Harbor is committed to long term financial sustainability. However, the continuing impacts of Covid-19, material and contractor shortages, inflationary pressures, increasing community expectations and tourist visitation presents challenges for Council in 2022/23.

## Message from the Mayor and CEO



Victor Harbor is growing. Our stunning environment, proximity to Adelaide, coastal lifestyle and vibrant community continue to draw people to our region and reinforce the City of Victor Harbor as the southern hub of the Fleurieu Peninsula.

A flourishing arts and culture scene, growing calendar of festivals and events, and thriving business environment have also played a role in highlighting Victor Harbor's position on the map in recent years.

Our 2022/23 Annual Business Plan and Budget focuses on sustainable financial management and securing a strong future for Victor Harbor, while still ensuring we can deliver services and initiatives that our community needs today.

By investing in infrastructure upgrades and committing resources towards future planning, we can meet the needs of our expanding and diversifying community. Council's strategic planning and bold investments lead a ripple-effect, from multi-million-dollar private investments to families choosing our coastal city as the place to raise their family.

This plan is linked to our Community Plan 2030 and presents how Council will allocate financial resources over the next 12 months to ensure Victor Harbor remains a great place to live, work and visit.

The Budget forecasts a capital works program worth \$17 million, offset by grants and other revenue totaling \$5.2 million, and operating expenditure of \$32.9 million resulting in a deficit of \$1,092,700.

Some of the significant projects to be undertaken during 2022/23 include:

- Progressing our Regional Community, Sport and Recreation Precinct with the development of concept designs, business case, prudential reports and commencement of detailed designs
- Preparation of detailed technical designs for Stage 1 of the proposed Arts and Culture Centre, comprising the Victa Cinema component
- Completing the construction of a new stable and visitor centre complex for our beloved Horse Tram, which will eventually host VIP experiences and grow the Horse Tram's offering to tourists
- Continuing construction works for Stage 4 of our Mainstreet Precinct Upgrade
- Replacing missing channel markers leading into the Bluff Boat Ramp
- New public toilet facilities at the Bluff Boat Ramp and designs for public toilet facilities at Investigator Car Park
- Replacing the Council's Corporate Systems, which will future proof the organisation's business software.

We know that when we work together with our community, we can always achieve more. The Council remains committed to collaborating with our community and other stakeholders to ensure the best outcomes for the City of Victor Harbor. We look forward to working with you to deliver this plan.

**Moira Jenkins**  
Mayor

**Victoria MacKirdy**  
CEO

An aerial photograph of Victor Harbor, Australia, showing a mix of residential and commercial buildings, a large green park with a gazebo, and a busy road with traffic. The harbor and a prominent hill are visible in the background under a clear sky.

# *About the City of Victor Harbor*



## Our Community

The coastal City of Victor Harbor is located on South Australia's Fleurieu Peninsula, about 80 kilometres south of the Adelaide CBD. It is the largest population centre in the Fleurieu region.

Covering around 38,510 hectares with a population of 15,465<sup>1</sup>, the City of Victor Harbor offers a high standard of living with a lifestyle that is envied by many. The area boasts a striking, natural landscape where a rural vista wraps around the township and a world-class pristine coastline is anchored by Granite Island and The Bluff. The area's natural assets continually prove to be a large attraction for locals and visitors alike.

While Victor Harbor and its surrounds continue to grow, the pace of growth has slowed. Recent data forecasts our population will grow to 17,900 by 2031<sup>2</sup>. This growth has implications for the provision of services and infrastructure, as well as how we protect our environment, heritage, lifestyle and sense of community, all of which are highly valued and integral to the city's appeal. Population growth in neighbouring councils also impacts the City of Victor Harbor which has firmly established itself as the service centre for the southern Fleurieu Peninsula region.

The average age of people in Victor Harbor is 58 years, with children aged 0-14 making up 13% of the population, while 39% are aged over 65 years old<sup>3</sup>. In its planning, the Council carefully considers the type and level of services required to support its ageing population, balancing this with the needs of young families who are being drawn to the area by a combination of Victor Harbor's lifestyle attributes and increasing capital investments by the two public and two private schools in the city.

Being a coastal destination within close proximity of Adelaide, Victor Harbor is a favoured holiday destination and in the summer months the population doubles. Attracting 1.2 million visitors annually, tourism is seen as the significant contributor to the local economy with visitors injecting \$163 million each year.

Victor Harbor is very much a coastal community with some of South Australia's best surf beaches, coastal outlooks and mediterranean climate favouring outside living. In the cooler months, between May and October, Encounter Bay frequently welcomes Southern Right Whale mothers and calves frolicking within its safe waters.

Like other coastal lifestyle regions, the City of Victor Harbor has a high level of unoccupied private dwellings. In fact, around 40% of our ratepayers do not live in the Council area. This presents significant challenges around securing grant funding which is generally based on resident population, and doesn't take into consideration the seasonal influx of residents and the associated demand for services and supporting infrastructure.

Victor Harbor has a welcoming, friendly and family focused community, which is underpinned by a strong volunteer culture. While around one in three people within the City of Victor Harbor volunteer in some capacity, the Council is fortunate to have a dedicated team of around 500 volunteers who assist with the delivery of Council services, programs and initiatives. In terms of a dollar value, it is estimated that this contribution is worth more than \$1 million each year.

The City of Victor Harbor's economy is heavily reliant upon income derived from tourism, and the Council has been focusing on the development of other key industry sectors including agriculture, building and construction, health and community services and manufacturing.

<sup>1</sup>Australian Bureau of Statistics, [www.abs.gov.au](http://www.abs.gov.au), 2019

<sup>2</sup>SA Government Department of Planning and Infrastructure, 2019

<sup>3</sup>2016 Census, Australian Bureau of Statistics, [www.abs.gov.au](http://www.abs.gov.au), 2016

## Our Location

The City of Victor Harbor is located on the Fleurieu Peninsula, 80 kilometres south of Adelaide. Neighbouring councils include the District Council of Yankalilla to the west, and Alexandrina Council to the east.



## Your Elected Members



Dr Moira Jenkins  
**Mayor**



Brayden Mann  
**Councillor**



Bryan Littlely  
**Councillor**



Nick Hayles  
**Councillor**



Tim Glazbrook  
**Councillor**



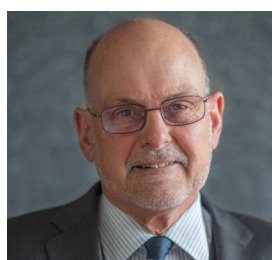
Dr Marilyn Henderson  
**Councillor**



Carol Schofield  
**Councillor**



David Kemp  
**Councillor**



Andrew Robertson  
**Councillor**

## Role of Council

Everything Council does helps to shape the future of Victor Harbor. We want to see Victor Harbor continue to be a place of choice to live, work, visit and invest in.

Like all councils in South Australia, the City of Victor Harbor is established and empowered by the SA Government under the Local Government Act 1999. In addition to this, there are more than 50 Acts of legislation that assign roles, responsibilities and powers to Local Government.

We have a responsibility to create an environment for residents and visitors that is safe, healthy and contributes to the quality of life of the broader community. This is achieved by:

- Preparing and implementing policies and procedures that ensure development of the area is directed to the overall wellbeing of the community and the environment.
- Providing the community with an acceptable level of physical, environmental and economic services.

The provision of services is one way we respond to the needs of our community. Some of these services are statutory (we must do them) and are undertaken on behalf of the SA Government. Others are discretionary (we are not required to do them) and we choose to provide them for our community.

The principal roles of a council are to provide for government and management of its area at the local level. This can be done by:

- Providing **leadership** by setting directions to meet current and future needs, usually through policy, strategies, plans and reviews.
- **Planning** for the development and future requirements of the area.
- **Managing** community assets including buildings, facilities, public space, reserves and the natural environment.
- Undertaking a **regulatory role** in response to specific legislation.

- Acting as an **information provider** including developing resources to promote an understanding of the community and inform decision making.
- **Liaison, advocacy and lobbying** on behalf of the community.
- Acting as an **initiator or facilitator** to stimulate community action or bring stakeholders together.
- Providing **developmental support** to enhance the capacity of the community to identify and respond to its own needs.
- Being a **direct provider** of services, facilities and infrastructure.
- Being an **indirect provider or part funder** of services, facilities and infrastructure.
- Acting as an **agent** by providing service on behalf of another party that funds the services.

Many of our community's needs are outside the direct responsibility of Council, or cannot be achieved by Council alone, and require the involvement of other levels of government.

The City of Victor Harbor works closely with the South Australian and Australian Governments to plan for services and infrastructure that support the community, and protect the natural environment.

We will continue to advocate on behalf of our community.

# Council is Part of Your Every Day

Most people are surprised when they learn about all of the things Council provides for the community. Have you thought about how your every day life is improved by the services provided by the City of Victor Harbor?

Below is a list of the things we do to make Victor Harbor a great place to live, work and play.

|  |  |   |   |  |
|--|--|---|---|--|
| <p><b>Infrastructure &amp; Asset Management</b></p> <p>Managing and maintaining roads, footpaths, bridges, bicycle paths, street furniture and cemetery</p>  | <p><b>Waste &amp; Recycling</b></p> <p>Kerbside waste collection, recycling depot, street cleaning and graffiti removal</p>                              | <p><b>Heritage</b></p> <p>Heritage advisory services and promotion of local heritage listed places</p>    | <p><b>Planning &amp; Development</b></p> <p>Urban planning, building assessments, development assessments</p>    | <p><b>Customer Service &amp; Information</b></p> <p>Responding to community requests, providing after hours call centre and community information</p>  |
| <p><b>Family, Youth &amp; Children's Services</b></p> <p>Family support services, youth development programs and events, and immunisation program</p>       | <p><b>Aged &amp; Disability Services</b></p> <p>Social support services and supporting planning for aged services</p>                                   | <p><b>Library Services</b></p> <p>Victor Harbor Library service, activities and events</p>   | <p><b>Tourism Marketing, Events &amp; Attractions</b></p> <p>Festivals and events, visitor services and attraction, Horse Drawn Tram and SA Whale Centre</p>  | <p><b>Economic Development</b></p> <p>Economic development strategy delivery, investment attraction and supporting agribusiness</p>                   |
| <p><b>Arts &amp; Cultural Activities</b></p> <p>Victa Cinema, Artisan Markets, public art, arts and culture centre planning, Coral Street Art Space</p>     | <p><b>Parks &amp; Recreation</b></p> <p>Maintaining parks, reserves, playgrounds, walking trails, street trees, aquatic centre, boating facilities</p>  | <p><b>Coastal Protection &amp; Environment</b></p> <p>Foreshore and estuary maintenance, vegetation management, pest animal and plant control</p>  | <p><b>Compliance &amp; Parking</b></p> <p>Dog and cat management, outdoor dining, nuisance and litter control, parking enforcement</p>                        | <p><b>Transport</b></p> <p>Community transport services, advocating for improved public transport</p>   |
| <p><b>Public Health</b></p> <p>Regulating food safety, waste water systems, water quality, sanitation, swimming pools/spas, vermin control</p>              | <p><b>Emergency Planning</b></p> <p>Regional bushfire management plan, local and zone emergency management plans</p>                                    | <p><b>Administration</b></p> <p>Records management, FOI requests, council and committees support, maintaining the electoral roll</p>               | <p><b>Corporate Services</b></p> <p>Financial and risk management, HR, organisational development, computers and telecommunications</p>                       | <p><b>Community Development</b></p> <p>Grant programs, community facilities and meeting places, advice, advocating on behalf of the community</p>     |

A blue-tinted photograph of a park scene. In the foreground, a fountain with multiple jets of water is active. In the middle ground, a wooden bench sits on a paved path, with several people sitting on it. In the background, there is a building with a blue awning that has the text 'www.victor.sa.gov.au' on it. The scene is surrounded by trees and greenery.

# *Delivering our vision*

## Links With Our Community Plan

Our Community Plan is our roadmap to make sure our regional city remains a place of choice to live, work, visit and invest in. It describes what we want Victor Harbor to be like in the future, and how we plan to achieve this.

The Community Plan guides our decision making and centres around six broad aspirations that outline what we want Victor Harbor to be like in the future.

The 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**

### **Strategic Planning and Resourcing**

Our Community Plan sets out a number of high level aspirations and priorities for our city. We plan and resource our work in a variety of ways to align it with that vision.

Actions to drive strategic progress are developed through a range of corporate plans and other methods as appropriate. These actions, activities, services and programs form the basis for the direction of our 2022/23 Annual Business Plan.

These in turn are enabled by a Long Term Financial Plan which provides certainty in our ability to meet ongoing costs of services and capital works.

### **Key Planned Activities**

Each year Council identifies a number of Key Planned Activities that set out what we will focus on in the coming year to help us achieve our aspirations for Victor Harbor.

In 2022/23 we have identified 13 Key Planned Activities. These are detailed on activity area budget pages 27-42, and a full list is provided on page 59.

As well as undertaking the identified Key Planned Activities, there are a number of ongoing activities that Council is responsible for. These ongoing activities also contribute towards achieving our objectives, ensuring legislative requirements are met, and respond to community expectations.



# *Developing our budget*



## Financial Planning Process

Council aims to meet the needs of the community whilst maintaining a financially sustainable position. Our financial planning process involves the integration of a number of approaches in order to deliver our objectives.

The annual financial planning process includes:

- Business planning undertaken by Council staff in relation to budget requirements, new initiatives and emerging expenditure trends.
- Development of the capital budget based on Asset Management Plans, emerging areas of concern and community feedback.
- Development of the draft operating budget based on the continuation of current services.
- Preparation of operating budget proposals that represent either new services or activities, or an increase to current service levels.
- Preparation of the Annual Business Plan incorporating the budget, key planned activities, significant projects and the rating policy.

The documents are presented to Elected Members in workshops (Information and Briefing Sessions) held over several months. The process also includes a period of public consultation and the consideration of feedback received.

This approach allows Council to make decisions on a budget that provides for community and organisational needs, effectively using rate revenue and ensuring intergenerational equity.

### Strategic Management Plans

Following the 2018 Local Government elections, the Council set out to undertake a review of all its strategic management plans, as required under the Local Government Act 1999. This process commenced with a review of the Community Plan, which was completed in August 2020.

Following this, Council commenced the review and redevelopment of its Long Term Financial Plan and Asset Management Plans, documents which provide high level guidance to the Community Plan.

These plans were adopted by Council in September 2021.

### Asset Management Plans

The City of Victor Harbor is responsible for the management, operation and maintenance of a diverse asset portfolio including some that are unique to Victor Harbor. Asset Management Plans have been developed for major assets categories as below:

- Bridge, Stormwater, Kerb and Channel
- Roads, Footpaths, Traffic Devices and Car Parks
- Land, Buildings and Open Space.

Our Asset Management Plans indicate the resources required for maintenance and renewal programs as well as opportunities for expenditure on new infrastructure. They allow Council to consider its strategic and legislative responsibilities whilst providing for the needs of our community.

The next review of the Asset Management Plans is programmed to commence after the adoption of the 2022/23 Annual Business Plan and Budget.

### Long Term Financial Plan

The Long Term Financial Plan is designed to provide high level financial information and direction over a ten year period and enables Council to plan for the long term financial sustainability of the organisation.

It is informed by the Council's Asset Management Plans and based on a number of assumptions, market trends and known information.

The next review of the Long Term Financial Plan is programmed to commence after the adoption of the 2022/23 Annual Business Plan and Budget.

## Current Services

The 2022/23 budget aims to maintain the current level of services both in terms of programs delivered but also maintenance and operations activities. The previous year's budget is used as a base and adjusted in line with actual expenditure, consumer price index and known increases where relevant.

In order to deliver the best value for money and provide for effective and efficient service delivery, Council also regularly undertakes service reviews. These reviews consider staffing levels, appropriate use of technology, procedural review and continuous improvement activities. Efficiencies and savings as a result of the service reviews are incorporated in the budget.

Any increase to current services that impacts overall expenditure requirements has been presented to Council as a new initiative through the budget bid process.

## New Initiatives

Each year, staff prepare budget bids for new or irregular initiatives that are not included in the maintenance of current services for Council's consideration. These bids may come from community feedback or requests, grant funding opportunities, activities identified by administration or provision of services previously supported by other levels of government.

Budget bids provide the purpose and outcomes expected from the inclusion of the activity, risk assessments, strategic linkages and costings.

## Financial Sustainability

To ensure long term financial sustainability, Council sets targets for Key Financial Indicators.

These indicators help with Council's decision making process as it strives to:

- Achieve and maintain a surplus position over the long term
- Manage borrowings and debt levels prudently
- Employ sound asset management principles
- Achieve intergenerational equity.

As a part of its Long Term Financial Plan review, Council endorsed new Key Financial Indicator targets. Council, as provided in the table below:

| Key Financial Indicator         | Target         |
|---------------------------------|----------------|
| Operating Surplus Ratio         | -2% to 2%*     |
| Net Financial Liabilities Ratio | Maximum of 80% |
| Asset Renewal Funding Ratio     | 90% to 110%**  |

\*To achieve a three year rolling average of 0%

\*\*To achieve a three year rolling average of 100%

The Annual Business Plan and Budget is measured against the indicators to assess how the current budget is performing against Council's long term financial goals, in line with budget deliberations and Audit Committee recommendations. More information on the Financial Indicators for 2022/23 is provided on page 46.

## Employees

This City of Victor Harbor is one of the city's major employers. Council employs 130 staff equalling 121.5 full time equivalents (FTE). This includes 85 full-time employees and 45 part-time employees.

Council provides opportunities for ten trainees sourced from third parties, with an additional Open Space Trainee included in the 2022/23 Budget.

Employee costs are impacted by a number of factors in 2022/23. There has been an overall increase in employee expenses due to:

- Council's Enterprise Bargaining Agreement and level increments
- Superannuation guarantee rising by 0.5%
- Workcover as a result of EBA, increment increases and the rise in superannuation. In addition, Council has previously budgeted for a reduction in the Workcover premium to recognise an annual rebate. This rebate is not guaranteed and not fixed and, as such, will now be recognised on receipt.
- Four fixed-term contract positions for the upgrade of Council's Corporate Software System.

These positions are recruited as fixed-term contracts for the duration of the project.

- A further 3.4 FTE increase in staff including:
  - 0.2 FTE - Administration Officer
  - 0.6 FTE - Depot and operations
  - 0.4 FTE - Biodiversity and conservation
  - 0.2 FTE - Festivals and events
  - 1.0 FTE - Development Officer
  - 1.0 FTE - Active Wellbeing Officer (subject to grant funding)

The increase in employee costs for the items above equates to approximately \$1,350,000.

It is also important to note that the Council is supported by around 500 volunteers who assist with activities such as visitor services, library, community services, graffiti removal programs, Coral Street Art Space, Southern Communities Transport Scheme, river and coastal protection initiatives.

### Debt Levels

Council has a fixed term loan balance of \$6,758,257 as at 30 June 2022. Included in the balance amount is a community loan to the Victor Harbor Bowling Club totaling \$131,742.

Council also has access to \$13 million Cash Advance Debenture facilities that work similar to a variable loan. This facility is used to manage cashflow requirements during the year. As at 30 June 2022, there was \$451,413 outstanding on Cash Advance Debentures.

Fixed term loan details as at 30 June 2022:

| Date of Loan | Principal Amount   | Interest Rate | Principal Outstanding | Maturity Date |
|--------------|--------------------|---------------|-----------------------|---------------|
| 15/05/2014   | \$230,000*         | 5.80%         | \$131,742             | 15/05/2029    |
| 15/06/2017   | \$2,500,000        | 4.40%         | \$1,840,095           | 15/07/2032    |
| 15/11/2021   | \$5,000,000        | 3.25%         | \$4,786,420           | 15/11/2031    |
| <b>Total</b> | <b>\$7,730,000</b> |               | <b>\$6,758,257</b>    |               |

\*community loan

After significant infrastructure construction including the Civic Centre and the Ring Road that resulted in borrowings of over \$15 million by 2011/12, Council made a commitment to reducing debt levels.

This placed Council in a favourable position to finance major capital works in the past few years, as well as significant expenditure requirements in Asset Management Plans over the next two to three years.

Total borrowings at the end of 2022/23 including both fixed term and cash advance debentures is forecast to be approximately \$14.8 million.

### Community Involvement

Each year Council consults with the community on a range of different issues and projects. The feedback obtained during these consultation initiatives is taken into consideration during the Council's annual business planning process.

The Council also seeks the community's feedback on the draft Annual Business Plan. Consultation on the draft 2022/23 Plan was undertaken from 19 May 2022 until 13 June 2022.

Members of the community were able to provide Council with their feedback by:

- completing a survey online at [www.yoursay.victor.sa.gov.au](http://www.yoursay.victor.sa.gov.au) or in hard copy;
- making a written submission and returning by email, post or hand delivering to the Civic Centre;
- attending a public meeting at the Civic Centre on Thursday, 9 June 2022 from 6.30pm to make an in-person representation.

The opportunity for the community to have input into the preparation of the Annual Business Plan was advertised in the Fleurieu Sun, Victor Viewpoint (Council's monthly e-newsletter), through social media channels, via a display in the Civic Centre, and by direct email.

Elected Members considered feedback from the community at a workshop held on 20 June 2022.

## Changes to Annual Business Plan

### Community feedback

The following table provides a high-level summary of feedback received during the consultation period:

| Topic   | Summary of comments   |
|---|---|
| <b>Overall support for the draft 2022/23 Annual Business Plan and Budget</b>        | Two respondents fully supported the Plan; ten respondents supported the Plan with changes; and eight respondents did not support the Plan.  |
| <b>Services and projects</b>  |   |
| <ul style="list-style-type: none"> <li>• <b>Tracks and trails</b></li> </ul>        | Appetite for more footpath upgrades and maintenance, including the Encounter Bikeway around Franklin Parade and in The Rise development.  |
| <ul style="list-style-type: none"> <li>• <b>Open spaces</b></li> </ul>              | Desire for funds to be allocated towards open spaces, such as the Bluff and Granite Island. Dredging of Bluff Boat Ramp, enhancing amenities on Granite Island, re-wilding the Bluff and providing toilets at the Bluff were all noted as areas where funding could be allocated. |
| <ul style="list-style-type: none"> <li>• <b>Roads and streetscaping</b></li> </ul>  | Comments relating to discontent with expenditure on Mainstreet Precinct Upgrades and streetscaping works, as well as safety concerns for Seagull Avenue.  |
| <ul style="list-style-type: none"> <li>• <b>Waste</b></li> </ul>                    | Requests to retain weekly general waste collection in peak summer period.   |
| <ul style="list-style-type: none"> <li>• <b>Sport and recreation</b></li> </ul>     | Inclination to spend less on sporting facilities and place major precinct developments on hold.   |
| <ul style="list-style-type: none"> <li>• <b>Arts, culture and events</b></li> </ul> | Support for outdoor cinemas, night markets and live music festivals. Concerns regarding need and cost for an Arts and Culture Centre, Bay Road Mosaic and Christmas decorations.  |
| <ul style="list-style-type: none"> <li>• <b>Heritage</b></li> </ul>                 | Comments noting a desire to illuminate significant heritage buildings and preserve historical assets.   |
| <ul style="list-style-type: none"> <li>• <b>Community organisations</b></li> </ul>  | Concerns relating to cost of Fleurieu FM bathroom replacement. Support for capital improvements to Carrickalinga House.   |
| <ul style="list-style-type: none"> <li>• <b>Environment</b></li> </ul>              | Requests for improved stormwater management, improved cat control, greater climate action and adaptation and more funding towards the Hindmarsh River Estuary.  |
| <ul style="list-style-type: none"> <li>• <b>Tourism</b></li> </ul>                  | Interest in improved amenities for visitors and provision of caravan, motorhome and camper parking.   |
| <ul style="list-style-type: none"> <li>• <b>General</b></li> </ul>                  | Desire to reduce Council services, focus on core business activities and improve efficiencies to avoid rate increases.  |
| <b>Financial management</b>   | Concerns with deficit and debt, losses at Fleurieu Regional Aquatic Centre, significant capital expenditure, and expenses associated with Administration and staff. Desire to benchmark against all councils, lower spending and seek opportunities to increase grant funding.    |
| <b>Rating</b>   | Concerns with a rate increase, particularly for low and fixed income earners and pensioners.  |

### Factors impacting budget deliberations

Currently, councils across South Australia are experiencing a range of unique challenges that are impacting ability to deliver capital projects and works in progress. These challenges include rapid and significant increases in capital costs (increasing from 50% to 100% on expected costings), lengthy delays in supply of materials and lack of available contractors. This significant cost increase is placing pressure on budgets for all councils.

## Amendments to Annual Business Plan

The draft 2022/23 Annual Business Plan and Budget has been updated in line with Council decisions, community feedback, changes to economic circumstances, updates to works in progress and budget workshop discussions since the commencement of public consultation. The following table summarises changes made since public consultation:

| <b>Capital</b>           | <b>Draft</b> | <b>Final</b> | <b>Change</b>    | <b>Reason for change</b>   |
|--------------------------|--------------|--------------|------------------|--|
| Bridges                  | 505,100      | 102,200      | (402,900)        | Lack of capacity - deferral of Memory Grove, Keen Road, Hutchinson Road and Pitkins Road including grant funding. Market escalation in relation to Day Road. |
| Car Parks                | 0            | 50,000       | 50,000           | Allowance for preliminary work to progress Development Application for McKinlay Street.  |
| Coastal Protection       | 225,000      | 297,500      | 72,500           | Market escalation.   |
| Community Transport      | 52,000       | 59,000       | 7,000            | Market escalation.   |
| Cultural Services        | 341,500      | 374,000      | 32,500           | Removal of Christmas decorations scheme. Market escalation.  |
| Elected Members          | 30,000       | 32,500       | 2,500            | Market escalation.   |
| Horse Tram               | 302,200      | 365,200      | 63,000           | Deferral of Hot Water System. Works in progress adjustment.  |
| Information Technology   | 1,064,200    | 1,699,200    | 635,000          | Works in progress adjustment.  |
| Kerbing and Footpaths    | 255,000      | 629,500      | 374,500          | Works in progress adjustment. Additional footpaths.  |
| Occupancy                | 215,000      | 112,200      | (102,800)        | Deferral of compactus relocation. Reduced scope for front counter works.   |
| Parks and Gardens        | 276,000      | 190,800      | (85,200)         | Deferral of Junior Pump Track. Market escalation.  |
| Plant and Machinery      | 686,100      | 532,800      | (153,300)        | Deferral of grader purchase. Inclusion of vac truck. Market escalation.  |
| Property and GIS         | 105,000      | 119,000      | 14,000           | Deferral of Fleurieu FM bathroom replacement. Market escalation.   |
| Public Conveniences      | 145,000      | 60,000       | (85,000)         | Works in progress adjustment. Reduced scope for Investigator (design only).  |
| Recreation Centre        | 900,000      | 385,000      | (515,000)        | Delayed commencement of detailed design (concept, business case and prudential report in operating).   |
| Sealed Roads             | 568,500      | 436,000      | (132,500)        | Deferral of Jagger Road. Inclusion of Waitpinga Road/ Range Road. Market escalation.   |
| Senior Citizens Building | 50,000       | 0            | (50,000)         | Deferral of stone work replacement.  |
| Stormwater Drainage      | 710,200      | 86,300       | (623,900)        | Deferral of Oakham Street, Giles Street and Yandra Terrace.  |
| Streetscaping            | 2,106,500    | 5,026,500    | 2,920,000        | Deferral of bus shelter. Works in progress adjustment for Mainstreet Stage Four Upgrade.   |
| Town Hall                | 15,000       | 0            | (15,000)         | Deferral of stone work replacement.  |
| Traffic Management       | 330,000      | 429,000      | 99,000           | Market escalation.   |
| Unsealed Roads           | 160,000      | 208,000      | 48,000           | Market escalation.   |
| Whale Centre             | 0            | 286,000      | 286,000          | Works in progress adjustment.  |
| <b>Total Change</b>      |              |              | <b>2,438,400</b> |  |

| <b>Operating</b>     | <b>Draft</b> | <b>Final</b> | <b>Change</b>  | <b>Reason for change</b>   |
|----------------------|--------------|--------------|----------------|--|
| Bridges              | 492,500      | 426,900      | (65,600)       | Removal of Bridge Assessments.   |
| Economic Development | 496,800      | 569,300      | 72,500         | Provision of Mainstreet Activation and Business Support Grants as per Council resolution.  |
| Sports Facilities    | 1,307,600    | 1,653,800    | 346,200        | Encounter Bay Football Club grant, Recreation Precinct Concept Design, Cultural Consultation, Business Plan and Sporting Masterplan. |
| Plant and Machinery  | 91,900       | 175,000      | 83,100         | Increased fuel and maintenance costs.  |
| Private Works        | 2,400        | 0            | (2,400)        | No activities programmed.  |
| Star Club            | 50,000       | 137,000      | 87,000         | New regional program (subject to grant funding) and extension of Game On Partnership.  |
| Various              | 0            | 27,500       | 27,500         | Minor increases across multiple activity areas due to market escalation, increased fuel and utility cost.                            |
| Revenue              | 26,053,800   | 26,159,000   | (105,200)      | Additional revenue from new properties.  |
| <b>Total Change</b>  |              |              | <b>443,100</b> |  |

## Subsidiaries

Council has a number of subsidiaries under Division 3, Section 42 and 43 of the Local Government Act 1999. A description of these subsidiaries and the Council's contribution in 2022/23 is outlined in the following pages.



### Victor Harbor Horse Tram Authority (Section 42)

| Council Contribution in 2022/23 |                  |
|---------------------------------|------------------|
| Operating                       | \$415,000        |
| Capital                         | \$365,200        |
| <b>Total</b>                    | <b>\$780,200</b> |

Established in 2018 by the City of Victor Harbor, this organisation is responsible for overseeing the operations, business development and marketing of the Horse Tram service to Granite Island. The operating budget allocation for this subsidiary is \$415,000 and is included in the Business Activities summary on page 37.

Under the Charter, the Victor Harbor Horse Tram Authority provides Council with recommendations for capital works each year as part of the budgeting process. Council has considered these recommendations and provided funding for a number of projects totalling \$568,200 offset by grant funding secured by the Authority of \$203,000. These projects include:

- Completion of new stables and visitor centre \$523,000
- Horses, fencing and equipment \$45,200.



### Southern and Hills Local Government Association (Section 43)

| Council Contribution in 2022/23 |          |
|---------------------------------|----------|
| Operating                       | \$21,900 |

This organisation undertakes regional coordination, representation and marketing on behalf of the member councils to improve the wellbeing of the region.

Member councils include City of Victor Harbor, Alexandrina Council, Kangaroo Island Council, District Council of Yankalilla, Mount Barker District Council and Adelaide Hills Council. The operating budget allocation for this subsidiary is \$21,900 and is included in the Administration summary on page 41.



**Fleurieu Regional Waste Authority  
(Section 43)**

| Council Contribution in 2022/23 |             |
|---------------------------------|-------------|
| <b>Operating</b>                | \$1,902,100 |

Established in 2010 by the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council, this organisation is responsible for the waste management function across the Fleurieu Peninsula and Kangaroo Island areas. The operating budget allocation for this subsidiary is \$1,902,100 and is included in the Waste Management summary on page 33.

Surpluses or losses incurred by the Fleurieu Regional Waste Authority after Council contributions are processed as either an increase or a reduction in Council's equity in the Authority. No budget allowance has been included with a breakeven position expected.



**Fleurieu Regional Aquatic Centre  
Authority (Section 43)**

| Council Contribution in 2022/23 |           |
|---------------------------------|-----------|
| <b>Operating</b>                | \$378,000 |
| <b>Reduction in equity</b>      | \$347,000 |
| <b>Total</b>                    | \$725,000 |

Established in 2015 by the City of Victor Harbor and Alexandrina Council, this organisation is responsible for the management of the Fleurieu Aquatic Centre. The operating budget allocation for this subsidiary is \$378,000.

Council originally contributed \$10.5 million to the construction of the Aquatic Centre and this is recognised in Council's Statement of Financial Position provided at Appendix 3 (Non-Current Assets - Equity Accounted Investments in Council Business). Surpluses or losses incurred by the Fleurieu Regional Aquatic Centre Authority after Council contributions are processed as either an increase or a reduction in Council's equity in the facility.

The budgeted loss for the Authority, and thus reduction in equity for 2022/23 is \$347,000. These amounts are included in Open Space and Recreation summary on page 34.

## Budget Context

Influences that have been considered as part of the budget preparation include:

- Inflationary pressures indicated by increases in both the Consumer Price Index (CPI) to 4.7% and Local Government Price Index (LGPI) to 4% as per the latest release.
- Ongoing impact of Covid-19 including materials and contractor supply shortages.
- Challenges in regards to recruitment and retention of staff with an opportunistic employment market.
- Ongoing impact of a rates freeze in 2020/21
- Implementation with appropriate level of funding for maintenance and renewal of infrastructure assets
- Appropriate use of debt as a means of funding new capital expenditure
- Adherence to agreed financial indicator targets as per the Long Term Financial Plan
- Appropriate use of grant funding to bring forward projects that would otherwise have been planned for future years
- Managing the impact of cost shifting from other levels of government
- Managing the impact of changes to process and systems from other levels of government
- Provision for increases in staffing costs due to Enterprise Bargaining Agreement
- Superannuation guarantee, workcover and fixed term contracts for corporate system replacement
- Impact of increases in waste costs due to China Sword and Government Levies.

### Property Valuations

The City of Victor Harbor sets its council rates based on capital valuation data provided by the Valuer-General.

Each year property values are reviewed by the Valuer-General based on market movements and recent sales trends. Council includes the new valuations in its rate modelling calculations to influence the required rate increase.

The valuation file received from the Valuer-General shows an average increase in market valuations of 21.78% for the City of Victor Harbor council area affecting around 70% in varying degrees dependent on the capital values provided.

This is reflective of the current material and supply shortages as well as the desirability of housing in a coastal regional area in close proximity to services.

Council's Rating Policy each year includes a rate capping allowance to ensure that residential and primary production properties are not affected by capital valuation increases by more than 15% of the previous year's amount payable. See the Rating Policy on page 47 for more detail.

### Growth

The Local Government Reform Act has provided a statutory definition of 'growth' for the purposes of rating information in that growth component 'may only relate to growth in the number of properties and must not relate to the growth in the value of rateable properties'.

Growth for 2022/23 as per this definition is 0.9%.



# Funding Our Plan

## Capital Budget

Capital expenditure of \$16,950,300 will be funded through grants, sale of replaced assets, reserves and loans.

Grants totaling \$4,792,000 have been included in the budget as well as \$392,800 for sale (trade-in) of plant and machinery.

Reserves and loan borrowings will be used to fund the remaining capital expenditure. Loan borrowings will be as per Council’s Treasury Management Policy, with cash advance debentures (similar to a variable loan/overdraft) used to minimise long term borrowings in accordance with cashflow requirements.

No new loan facilities are anticipated.

Council has been successful in a grant funding for:

- Stage 4 of the Mainstreet Precinct Upgrade, completion of the construction - \$3,300,000
- Bluff Boat Ramp Channel Markers - \$200,000
- Local Roads and Community Infrastructure Grant - \$711,500

The Victor Harbor Horse Tram Authority has also been successful in securing Building Better Region Funding of \$203,000 which will offset Council’s costs associated with completion of the new stable construction.

A further \$580,500 of grant applications are yet to be submitted.

## Operating Budget

Operating expenses of \$32,892,700 will be funded by revenue of \$31,800,000 resulting in a deficit budget of \$1,092,700. Council receives revenue from a number of sources with rate revenue representing over 80% of total revenue. Rate revenue including rebates, Regional Landscape levy, remissions and fines totals \$26,159,000.

Remaining revenue sources include:

- User pay charges which relate to fees imposed for use of Council services - \$2.0 million
- Statutory charges which apply to regulatory or compliance activities - \$0.5 million
- Grants and contributions from other levels of government and developers - \$2 million
- Other income such as donations, credit interest and reimbursements - \$1.1 million

The following table shows general revenue sources that are used to deliver Council services and offset the net expenses in the activities on pages 28 to 42 of this plan.

| Operating                    | Description  | Revenue             |
|------------------------------|--|---------------------|
| <b>General Rates</b>         | Rates, Regional Landscape Levy, Rebates, Remission and Fines | <b>\$26,159,000</b> |
| <b>Interest</b>              | Bank and Reserve Credit Interest                             | <b>\$11,200</b>     |
| <b>LG Grants Commission</b>  | General Purpose and Local Roads Grants                       | <b>\$630,000</b>    |
| <b>Total General Revenue</b> |  | <b>\$26,800,200</b> |



## ***Economic Development Differential***

Council collects differential rates on commercial and industrial properties at 30% and 15% above the base rate respectively. The amount above the base rate is transferred to a cash reserve and used to fund activities that assist in supporting economic development of the City.

Approximately \$374,000 will be raised in 2022/23. These funds will assist with the delivery of a portion of the Council's economic development initiatives.

The investments by the Council into the area of economic development have been informed by the City's Economic Development Strategy. The strategy focuses on stimulating growth in local jobs, businesses and investment.

The projects supported through the differential rates collected in this budget will include:

- Council's contribution to support regional organisations, including Regional Development Australia and Fleurieu Peninsula Tourism.
- Funds that support attracting and hosting a number of major events to the City, some examples include the Red Hot Summer Series concert, SA Viking Festival, Tour Down Under and the Sid James Victor Harbor Triathlon.
- A grant to Business Victor Harbor to support the appointment of an Executive Officer to deliver initiatives that support local businesses and to assist with the implementation of Council's Economic Development Strategy
- Implementation of the new Victor Harbor Destination Brand including digital marketing campaigns, brand signage and local business participation and use of the brand assets.

# *What we will do in 2022/23*

For purposes of annual business planning, Council splits its budget activity areas into 15 broad categories. Categories do not necessarily align with departments or sections of the Council's organisation structure.

A brief overview of each category is provided on the following pages, indicating what we do and how it helps to achieve the aspirations outlined in our Community Plan 2030.

The expenditure amounts shown in the capital and operating budget summary tables reflect the estimated full cost of providing each activity area for 2022/23 and include a proportion of internal service costs.

The following pages also outline identified Key Planned Activities (KPA) that the Council will undertake in the next 12 months. The icons next to each KPA illustrate the strategic aspirations the activity helps Council achieve.

A full budget summary table is available at Appendix 2. Each line within the table includes a page reference to the budget activity area summary page.

# Community Services



## Overview

Council supports a range of initiatives that aim to improve the quality of life, independence and wellbeing of residents by encouraging community participation, interaction and facilitating access to health, education and community services.

Council is actively involved in the planning, coordination, and development of community services, with many activities undertaken in partnership with community groups, agencies and neighbouring councils.

Activity areas include aged services, youth development, social inclusion initiatives, community transport, support for families and children, access and inclusion initiatives, volunteering and community grants programs.

Many of these programs rely on external funding.

## 2022/23 Budget Summary

| <b>Capital</b>               |                |                 |                   |
|------------------------------|----------------|-----------------|-------------------|
| <b>Activity area</b>         | <b>Revenue</b> | <b>Expenses</b> | <b>Net Result</b> |
| Aged Services                | 0              | 0               | 0                 |
| Caring Neighbourhood Program | 0              | 0               | 0                 |
| Community Assistance         | 0              | 0               | 0                 |
| Community Bus Service        | 0              | 0               | 0                 |
| Community Transport (SCOTS)  | 26,000         | 85,000          | (59,000)          |
| Fleurieu Families            | 0              | 0               | 0                 |
| Youth Development            | 0              | 0               | 0                 |
| <b>Total</b>                 | <b>26,000</b>  | <b>85,000</b>   | <b>(59,000)</b>   |

| <b>Operating</b>             |                  |                  |                   |
|------------------------------|------------------|------------------|-------------------|
| <b>Activity area</b>         | <b>Revenue</b>   | <b>Expenses</b>  | <b>Net result</b> |
| Aged Services                | 185,000          | 185,000          | 0                 |
| Caring Neighbourhood Program | 241,600          | 241,600          | 0                 |
| Community Assistance         | 600              | 801,500          | (800,900)         |
| Community Bus Service        | 16,000           | 70,800           | (54,800)          |
| Community Transport (SCOTS)  | 591,500          | 591,500          | 0                 |
| Fleurieu Families            | 314,300          | 314,300          | 0                 |
| Youth Development            | 161,600          | 161,600          | 0                 |
| <b>Total</b>                 | <b>1,510,600</b> | <b>2,366,300</b> | <b>(855,700)</b>  |

## Listening to our Youth Climate Council

As the impacts of climate change are continuing to be felt across the globe, local young people from Victor Harbor's three middle and senior schools have embraced the opportunity to learn more about the environment and join Victor Harbor's first ever Youth Climate Council.

In 2021/22, the Youth Climate Council was engaged and asked to develop initiatives and projects that could help to tackle the issue of climate change in our community.

Throughout 2022/23, the City of Victor Harbor will work closely with students to implement some of these actions - benefiting our environment and building a next generation of leaders.



Community



Innovation and Creativity



Growth



Environment



Services and Infrastructure



Governance

# Community Facilities



## Overview

Council provides a range of key community facilities that aim to encourage community participation and interaction. Activity areas include halls and community meeting places, such as the Town Hall, Recreation Centre and Old School Building Community Centre.

Council manages the Victor Harbor and Inman Valley Cemeteries with cemetery administration staff able to assist families to select the burial options for their loved ones.

Council also provides and maintains a number of public toilets including toilets accessible for people with disabilities, nappy services and sharps disposal service. A pump out station for recreation vehicles is also provided.

Council maintains spatial data to inform planning and operations, and supports the efficient use of its infrastructure assets through appropriate permits, licences and leases.

## 2022/23 Budget Summary

| Capital                    |               |                |                  |
|----------------------------|---------------|----------------|------------------|
| Activity area              | Revenue       | Expenses       | Net Result       |
| Cemetery                   | 0             | 35,000         | (35,000)         |
| Old School Building        | 0             | 0              | 0                |
| Property & GIS             | 0             | 119,000        | (119,000)        |
| Public Conveniences        | 70,000        | 130,000        | (60,000)         |
| Recreation Centre          | 0             | 385,000        | (385,000)        |
| Senior Citizens Facilities | 0             | 0              | 0                |
| Town Hall                  | 0             | 0              | 0                |
| <b>Total</b>               | <b>70,000</b> | <b>669,000</b> | <b>(599,000)</b> |

| Operating                  |                |                  |                    |
|----------------------------|----------------|------------------|--------------------|
| Activity area              | Revenue        | Expenses         | Net result         |
| Cemetery                   | 157,600        | 220,800          | (63,200)           |
| Old School Building        | 7,000          | 27,500           | (20,500)           |
| Property & GIS             | 139,200        | 810,200          | (671,000)          |
| Public Conveniences        | 0              | 273,600          | (273,600)          |
| Recreation Centre          | 111,300        | 323,900          | (212,600)          |
| Senior Citizens Facilities | 0              | 44,000           | (44,000)           |
| Town Hall                  | 10,000         | 118,500          | (108,500)          |
| <b>Total</b>               | <b>425,100</b> | <b>1,818,500</b> | <b>(1,393,400)</b> |

## Key Planned Activities for 2022/23

| Activity area       | Description   | Community Plan Links |
|---------------------|---|----------------------|
| <b>CAPITAL</b>      |   |                      |
| Recreation Centre   | <b>Regional Community, Sport and Recreation Precinct Design</b><br>Development of concept designs, business case, prudential reports and commencement of detailed designs. (\$430,000)^ |                      |
| Public Conveniences | <b>Bluff Boat Ramp Toilets</b><br>Construction of a new public ablution block to service the Bluff Boat Ramp area. (\$110,000)*   |                      |
| Public Conveniences | <b>Investigator Car Park Toilets</b><br>Designs for the Investigator Car Park public toilet facilities. (\$20,000)  |                      |

\*offset by grant funding

^ cost split between operating and capital

# Roads, Footpaths and Bridges



## Overview

Council develops and maintains local road, cycle and pedestrian networks, and works with the State and Federal Governments to improve local and regional transport networks and services.

Activities include the maintenance of sealed roads and bridges, shoulder maintenance of rural roads, maintenance and grading of unsealed roads, and the maintenance of footpaths, shared pathways, kerbing and kerb crossovers.

Council enhances scenic amenity by providing a street tree planting program, roadside and roundabout maintenance, and the provision and maintenance of street furniture.

The budget activity area, private works, includes expenses and income associated with the provision of crossover points for private residents and other private works.

## 2022/23 Budget Summary

| Activity area       | Capital          |                   |                    |
|---------------------|------------------|-------------------|--------------------|
|                     | Revenue          | Expenses          | Net Result         |
| Bridges             | 0                | 102,200           | (102,200)          |
| Kerbing & Footpaths | 107,500          | 737,000           | (629,500)          |
| Private Works       | 0                | 0                 | 0                  |
| Sealed Roads        | 911,500          | 1,347,500         | (436,000)          |
| Streetscaping       | 3,300,000        | 8,326,500         | (5,026,500)        |
| Unsealed Roads      |                  | 208,000           | (208,000)          |
| <b>Total</b>        | <b>4,319,000</b> | <b>10,721,200</b> | <b>(6,402,200)</b> |

| Activity area       | Operating      |                  |                    |
|---------------------|----------------|------------------|--------------------|
|                     | Revenue        | Expenses         | Net result         |
| Bridges             | 0              | 426,900          | (426,900)          |
| Kerbing & Footpaths | 0              | 888,600          | (888,600)          |
| Private Works       | 0              | 0                | 0                  |
| Sealed Roads        | 273,600        | 2,782,600        | (2,509,000)        |
| Streetscaping       | 9,000          | 503,500          | (494,500)          |
| Unsealed Roads      | 0              | 674,700          | (674,700)          |
| <b>Total</b>        | <b>282,600</b> | <b>5,276,300</b> | <b>(4,993,700)</b> |

## Key Planned Activities for 2022/23

| Activity area                  | Description   | Community Plan Links |
|--------------------------------|---|----------------------|
| <b>CAPITAL</b>                 |   |                      |
| <b>Kerbing &amp; Footpaths</b> | <b>Footpath Replacement</b><br>Four footpaths have been determined as part of a priority network requiring maintenance. Footpaths along Ozone Street, Harvey Avenue, Bay Road and Swain Road will be upgraded. (\$267,000)  |                      |
| <b>Streetscaping</b>           | <b>Mainstreet Precinct Upgrade Stage 4</b><br>Construction works for Stage 4, including the southern end of Ocean Street and Albert Place (\$8,146,500)*  |                      |
| <b>Sealed Roads</b>            | <b>Waitpinga/ Range Road Upgrade</b><br>These major arterial roads require significant maintenance. This project will see sections of deteriorating asphalt replaced where appropriate, as well as shoulder widening. This project is subject to grant funding. (\$711,500) |                      |

\*offset by grants

# Car Parking and Traffic Management



## 2022/23 Budget Summary

| <b>Capital</b>       |                |                 |                   |
|----------------------|----------------|-----------------|-------------------|
| <b>Activity area</b> | <b>Revenue</b> | <b>Expenses</b> | <b>Net Result</b> |
| Car Parking          | 0              | 50,000          | (50,000)          |
| Crime Prevention     | 0              | 10,000          | (10,000)          |
| Street Lighting      | 0              | 0               | 0                 |
| Traffic Management   | 0              | 429,000         | (429,000)         |
| <b>Total</b>         | <b>0</b>       | <b>489,000</b>  | <b>(489,000)</b>  |

| <b>Operating</b>     |                |                 |                   |
|----------------------|----------------|-----------------|-------------------|
| <b>Activity area</b> | <b>Revenue</b> | <b>Expenses</b> | <b>Net result</b> |
| Car Parking          | 152,200        | 178,900         | (26,700)          |
| Crime Prevention     | 0              | 58,700          | (58,700)          |
| Street Lighting      | 0              | 245,900         | (245,900)         |
| Traffic Management   | 0              | 418,500         | (418,500)         |
| <b>Total</b>         | <b>152,200</b> | <b>902,000</b>  | <b>(749,800)</b>  |

### Overview

Council maintains safe road and pedestrian networks through the provision of traffic management activities such as line marking, maintenance of road signs, and undertaking pedestrian, traffic and signage audits.

Council provides CCTV and street and public lighting infrastructure to enhance public safety.

Council develops and maintains a number of car parks with costs offset by car park fees, parking permits and boat launching fees.

Council makes provision for expenses resulting from vandalism and for graffiti removal.

### Digital parking tickets and infringements

There's room for improvement when it comes to car parking management in the City of Victor Harbor, which is why the Council is looking to introduce digital technologies that will enhance the experience for car park users and reduce demand on Council resources.

Following successful testing in dedicated zones within Victor Harbor's town centre, the change will see Council moving away from old ticketing machines and adopting a digital ticket purchasing system. As well as enabling time efficiencies, this would allow Council to alter parking prices for visitors and make parking cheaper for locals.

Additionally, the Council is investigating ways to digitise enforcement processes with technology that enables officers to quickly issue infringements using handheld devices.



# Coastal Protection and Environment



## Overview

Council aims to ensure that our natural environment is protected and healthy by undertaking a range of natural resource management initiatives including coastal and estuarine management works, roadside vegetation management, and providing support for community groups involved in environmental projects.

Council also aims to ensure our community can better manage the impacts of climate change by working closely with regional councils in the implementation of our regional climate change adaptation plan.

Council develops and maintains stormwater infrastructure to improve waterway and coastal water quality by removing pollutants from stormwater and improve flood mitigation.

Council is required by the State Government to collect a regional landscape levy.

## 2022/23 Budget Summary

| Capital                |                |                |                  |
|------------------------|----------------|----------------|------------------|
| Activity area          | Revenue        | Expenses       | Net Result       |
| Coastal Protection     | 200,000        | 497,500        | (297,500)        |
| Environmental Projects | 0              | 0              | 0                |
| Stormwater Drainage    | 0              | 86,300         | (86,300)         |
| <b>Total</b>           | <b>200,000</b> | <b>583,800</b> | <b>(383,800)</b> |

| Operating              |               |                  |                    |
|------------------------|---------------|------------------|--------------------|
| Activity area          | Revenue       | Expenses         | Net result         |
| Coastal Protection     | 0             | 232,000          | (232,000)          |
| Environmental Projects | 0             | 749,300          | (749,300)          |
| Stormwater Drainage    | 56,700        | 803,300          | (746,600)          |
| <b>Total</b>           | <b>56,700</b> | <b>1,784,600</b> | <b>(1,727,900)</b> |

## Key Planned Activities for 2022/23

| Activity area      | Description   | Community Plan Links |
|--------------------|---|----------------------|
| <b>OPERATING</b>   |   |                      |
| Coastal Protection | <b>Bluff Boat Ramp Channel Markers</b><br>Increased visitation to the Bluff Boat Ramp and heightened storm surges has resulted in more frequent damage to existing channel markers. This project will see the replacement of missing channel markers leading into the boat ramp. (\$400,000)* |                      |

\*offset by grant funding

## Climate change initiatives

From tree planting to carbon emissions auditing, the Council is implementing a range of new initiatives in 2022/23 to acknowledge and address the ongoing climate emergency.



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# Waste Management



## 2022/23 Budget Summary

| Activity area     | Operating    |                  | Net result         |
|-------------------|--------------|------------------|--------------------|
|                   | Revenue      | Expenses         |                    |
| Street Cleaning   | 0            | 126,600          | (126,600)          |
| Waste Collection* | 3,000        | 1,964,600        | (1,961,600)        |
| Waste Disposal    | 0            | 186,900          | (186,900)          |
| <b>Total</b>      | <b>3,000</b> | <b>2,278,100</b> | <b>(2,275,100)</b> |

\*Waste Collection includes \$1,902,100 for costs associated with the Fleurieu Regional Waste Authority (Section 43 Subsidiary).

### Overview

Council aims to provide a sustainable waste management system by working with the Fleurieu Region Waste Authority who are responsible for providing and operating waste management services on behalf of the four constituent councils.

This includes the operation of the region’s waste transfer stations and the provision of waste, recycling and green waste kerbside collection services, as well as public litter and event bin collections.

Council provides a street cleaning program and also monitors and maintains the closed Victor Harbor landfill site in accordance with the Victor Harbor Landfill Environmental Management Plan and Environmental Protection Agency licence conditions.



### Diverting waste from landfill and increasing community recycling

Waste to landfill is currently one of the Council’s largest contributors of greenhouse gasses.

Over the 2022/23 peak summer period (mid December to late January), the City of Victor Harbor and Fleurieu Regional Waste Authority will alter kerbside waste collection services to encourage greater recycling efforts in the community.

The change will see general waste collection occurring fortnightly (previously weekly) while co-mingled recycling and green organics collection will occur weekly (previously fortnightly).



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# Open Space and Recreation



## Overview

Council provides and maintains open space and recreation facilities that aim to meet the needs of the community and encourage active recreation.

Activities include the development and maintenance of playgrounds, ovals and sporting facilities, the provision of a recreation and sport small grants program, the development and maintenance of parks and reserves and revegetation of key public open spaces.

Council also maintains the Encounter Lakes waterway, develops and maintains walking trails, undertakes pest plant and animal control and pine tree removal programs.

Council contributes to the operation of the Fleurieu Region Aquatic Centre, and supports the development of strong and sustainable sporting clubs through initiatives such as the STARClub Field Officer Program.

## 2022/23 Budget Summary

| Activity area                                | Capital  |                |                  |
|--|----------|----------------|------------------|
|  | Revenue  | Expenses       | Net Result       |
| Sports                                       | 0        | 0              | 0                |
| Parks & Gardens                              | 0        | 190,800        | (190,800)        |
| Active Wellbeing Program (formerly STARClub) | 0        | 0              | 0                |
| <b>Total</b>                                 | <b>0</b> | <b>190,800</b> | <b>(190,800)</b> |

| Activity area                                | Operating     |                  |                    |
|--|---------------|------------------|--------------------|
|  | Revenue       | Expenses         | Net result         |
| Sports*                                      | 37,100        | 1,690,900        | (1,653,800)        |
| Parks & Gardens                              | 2,500         | 1,715,300        | (1,712,800)        |
| Active Wellbeing Program (formerly STARClub) | 22,800        | 159,800          | (137,000)          |
| <b>Total</b>                                 | <b>62,400</b> | <b>3,556,000</b> | <b>(3,503,600)</b> |

\*Sports includes \$378,000 for costs associated with the Fleurieu Regional Aquatic Centre Authority and an equity adjustment of \$347,000 (Section 43 subsidiary).

## Key Planned Activities for 2022/23

| Activity area            | Description   | Community Plan Links |
|--------------------------|---|----------------------|
| <b>OPERATING</b>         |   |                      |
| Active Wellbeing Program | <p><b>Active Wellbeing Program Establishment</b></p> <p>This program reflects a growing need to promote and facilitate active wellbeing in our community to benefit both physical and mental wellbeing. The aim of the program is to support and increase participation in passive and active recreation opportunities across our region. This project is subject to grant funding. (\$110,000)</p> |                      |

\*offset by grant funding



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# Plant and Depot



## Overview

Council maintains a depot for storage of plant and machinery and to support the activities of staff, including a workshop, office building and nursery.

Employment and related costs for infrastructure staff are included under the Indirect Works budget line. Provision is made for the replacement, repair and maintenance of plant and machinery.

## 2022/23 Budget Summary

| Capital             |                |                  |                  |
|---------------------|----------------|------------------|------------------|
| Activity area       | Revenue        | Expenses         | Net Result       |
| Depot               | 0              | 137,000          | (137,000)        |
| Indirect Works      | 0              | 0                | 0                |
| Plant and Machinery | 366,800        | 899,600          | (532,800)        |
| <b>Total</b>        | <b>366,800</b> | <b>1,036,600</b> | <b>(669,800)</b> |

| Operating            |               |                  |                    |
|----------------------|---------------|------------------|--------------------|
| Activity area        | Revenue       | Expenses         | Net result         |
| Depot                | 0             | 523,200          | (523,200)          |
| Indirect Works       | 66,000        | 1,749,800        | (1,683,800)        |
| Plant and Machinery* | 0             | 175,000          | (175,000)          |
| <b>Total</b>         | <b>66,000</b> | <b>2,448,000</b> | <b>(2,382,000)</b> |

\*Expenses offset by internal plant hire income and depreciation offsets



## Transitioning to a hybrid fleet

When it comes to climate change action, the City of Victor Harbor aims to lead the way to a more sustainable future.

To kick-start the transition to an environmentally-friendly fleet, the Council is looking to replace three Toyota Aurion petrol vehicles with three Toyota RAV4 hybrid vehicles.

Transitioning these three vehicles from petrol to hybrid will not only lower fuel consumption and therefore provide cost efficiencies, but it will also reduce the City of Victor Harbor's CO<sub>2</sub> emissions by approximately 18 tonnes over a five year period.



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# Tourism and Economic Development



## Overview

Council supports the local economy through a range of initiatives that encourage a competitive environment for business growth, promote innovation and collaboration, and attract investment in our city.

Activity areas include things such as delivery of Economic Development Strategy actions, Mainstreet activation programs, business support, and contribution to the activities of Regional Development Australia – Adelaide Hills, Fleurieu and Kangaroo Island.

Activity areas that support and promote Victor Harbor as a year round tourist destination include festivals and events, tourism marketing activities and provision of the Victor Harbor Visitor Centre which incorporates the South Australian Whale Centre.

## 2022/23 Budget Summary

| Activity area                | Capital  |                |                  |
|------------------------------|----------|----------------|------------------|
|                              | Revenue  | Expenses       | Net Result       |
| Economic Development         | 0        | 0              | 0                |
| Tourism Marketing            | 0        | 0              | 0                |
| Victor Harbor Visitor Centre | 0        | 14,000         | (14,000)         |
| Whale Centre                 | 0        | 286,000        | (286,000)        |
| <b>Total</b>                 | <b>0</b> | <b>300,000</b> | <b>(300,000)</b> |

| Activity area                | Operating      |                  |                    |
|------------------------------|----------------|------------------|--------------------|
|                              | Revenue        | Expenses         | Net result         |
| Economic Development         | 87,900         | 657,200          | (569,300)          |
| Tourism Marketing            | 15,600         | 361,100          | (345,500)          |
| Victor Harbor Visitor Centre | 209,500        | 826,500          | (617,000)          |
| Whale Centre                 | 0              | 0                | 0                  |
| <b>Total</b>                 | <b>313,000</b> | <b>1,844,800</b> | <b>(1,531,800)</b> |

## Key Planned Activities for 2022/23

| Activity area        | Description  | Community Plan Links |
|----------------------|--|----------------------|
| <b>OPERATING</b>     |  |                      |
| Economic Development | <b>Mainstreet Precinct Activation, Engagement and Business Revitalisation Grant Scheme</b><br>Encouraging increased foot traffic and activity in Victor Harbor's Mainstreet Precinct through a range of innovative activation activities. (\$85,000) |                      |

### A brand that positions Victor Harbor as a place to live, work, visit and invest

To grow awareness of Victor Harbor's recently launched new destination brand and drive increased levels of visitation to the Fleurieu Peninsula, the Council is investing in a range of tourism marketing initiatives.

Targeted online advertising and professional produced multimedia content will promote Victor Harbor as a great place to holiday, start a business and raise a family.



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# Business Activities



## Overview

Council undertakes business activities that build on Victor Harbor’s key environmental and cultural assets, and support and promote Victor Harbor as a year round tourist destination.

Council is the owner of the Beachfront Caravan Park which is leased to Australian Tourist Park Management who operate and manage the facility.

The Victor Harbor Horse Tram Authority is a subsidiary of Council and was established in October 2018 to oversee the operations, business development and marketing of the Victor Harbor’s iconic Horse Tram service.







## 2022/23 Budget Summary

| Capital       |                |                |                  |
|---------------|----------------|----------------|------------------|
| Activity area | Revenue        | Expenses       | Net Result       |
| Caravan Park  | 0              | 0              | 0                |
| Horse Tram    | 203,000        | 568,200        | (365,200)        |
| <b>Total</b>  | <b>203,000</b> | <b>568,200</b> | <b>(365,200)</b> |

| Operating     |                |                |                  |
|---------------|----------------|----------------|------------------|
| Activity area | Revenue        | Expenses       | Net result       |
| Caravan Park  | 271,100        | 69,000         | 202,100          |
| Horse Tram*   | 145,000        | 560,000        | (415,000)        |
| <b>Total</b>  | <b>416,100</b> | <b>629,000</b> | <b>(212,900)</b> |

\*Horse Tram includes \$415,000 for costs associated with the Victor Harbor Horse Tram Authority (Section 42 Subsidiary).

## Key Planned Activities for 2022/23

| Activity area    | Description  | Community Plan Links  |
|------------------|--|---|
| <b>OPERATING</b> |  |   |
| Horse Tram       | <b>Horse Tram Stables Project</b><br>Completion of the new stables and visitor centre complex, which will ultimately host VIP experiences and capitalise on the Horse Tram’s attraction for tourists. (\$523,000)* |       |

\*offset by grant funding

# Town Planning



## Overview

Council provides for sustainable development and residential amenity by assessing development applications in accordance with the Planning and Design Code. This applies to a range of development activities including land divisions, residential dwellings, sheds and carport, swimming pools, fences and retaining walls, jetties and pontoons, and commercial, industrial and retail developments.

Council aims to create safe open spaces and public areas through good urban design and plan for appropriately zoned land to meet current and projected needs.

Council aims to identify and protect unique heritage character or built form, and supports property owners to maintain heritage listed items by providing a heritage advisory service.

## 2022/23 Budget Summary

| Activity area | Operating      |                  | Net result         |
|---------------|----------------|------------------|--------------------|
|               | Revenue        | Expenses         |                    |
| Town Planning | 219,000        | 1,417,300        | (1,198,300)        |
| <b>Total</b>  | <b>219,000</b> | <b>1,417,300</b> | <b>(1,198,300)</b> |

### Urban Growth Management Strategy

Victor Harbor is a growing regional hub. To ensure that Council's strategic planning is addressing the current and emerging issues associated with our region, a revised Urban Growth Management Strategy is required.

The last review of this document was completed in 2013. Much has changed over the ten years since adoption of the 2013 strategy, and an updated vision will help to guide Council's future decision making and governance direction.

A myriad of factors need to be considered in the development of a new management strategy including climate change and adaptation, public health, new Census data releases, amendments to the Planning and Design Code and other changes to world affairs.

### Researching and protecting local heritage

The Council has previously commissioned a number of heritage surveys and established a formalised list of local heritage places, however the important inter-war period appears to be under represented, despite the influence it still has on the character of Victor Harbor and its surrounds.

By conducting a heritage survey on inter-war buildings, the Council can determine whether any meet the criteria to be formally listed as Local Heritage Places.



# Public Safety



## 2022/23 Budget Summary

| Activity area             | Operating      |                  | Net result       |
|---------------------------|----------------|------------------|------------------|
|                           | Revenue        | Expenses         |                  |
| Building Control          | 90,000         | 458,900          | (368,900)        |
| Cat Control               | 20,600         | 26,300           | (5,700)          |
| Dog Control               | 125,700        | 155,000          | (29,300)         |
| Fire Prevention           | 9,000          | 93,500           | (84,500)         |
| Health Inspection         | 28,000         | 144,900          | (116,900)        |
| Local Nuisance & Litter   | 500            | 131,500          | (131,000)        |
| Other Regulatory Services | 4,000          | 65,100           | (61,100)         |
| Parking Control           | 82,000         | 170,900          | (88,900)         |
| <b>Total</b>              | <b>359,800</b> | <b>1,246,100</b> | <b>(886,300)</b> |

### Overview

Council undertakes a number of regulatory functions to support the public health, safety and residential amenity of the community.

Activity areas include ensuring compliance with the minimum standards that apply to building and construction work, encouraging responsible dog and cat ownership, fire prevention, licencing of supported residential facilities, inspections of food premises, septic tank inspections, water quality testing, medical waste disposal, European Wasp control, immunisation programs and impounding livestock.

Council supports the amenity value of local areas through implementing the Local Nuisance and Litter Control Act and regulating Council parking areas.

### Promoting responsible pet ownership

With more than 3,000 dogs and almost 1,000 cats registered within the City of Victor Harbor, Council's role in dog and cat management has never been more important.

In 2020/21, Council officers responded to 69 reports of dogs wandering at large, 22 reports of dogs with harassing behaviour, 35 reports of barking dogs and 37 reports of cat nuisance.

In addition to administering 50 cat cage hire agreements, the Council also delivered a successful cat trapping program for feral cats within the community.

Council are continuing to deliver objectives and actions outlined in the Dog and Cat Management Plan 2019–2024, with a vision to improve education within the community and reduce or deter nuisance behaviour.



# Library and Cultural Services



## Overview

Council cultivates a vibrant community culture by facilitating and supporting arts and cultural activities, festivals and events, activating streets and public spaces, and providing infrastructure that supports arts and cultural activities.

Activity areas include arts and culture community grants, artisan markets, digital art program and planning for a new Arts and Culture Centre.

Council provides a library service including various programs and events, a home delivery service, services for the visually impaired, outreach services, early childhood programs, school holiday programs, and local history programs.

## 2022/23 Budget Summary

| Capital           |          |                |                  |
|-------------------|----------|----------------|------------------|
| Activity area     | Revenue  | Expenses       | Net Result       |
| Cultural Services | 0        | 374,000        | (374,000)        |
| Library           | 0        | 32,000         | (32,000)         |
| Victa Cinema      | 0        | 8,000          | (8,000)          |
| <b>Total</b>      | <b>0</b> | <b>414,000</b> | <b>(414,000)</b> |

| Operating         |                |                  |                    |
|-------------------|----------------|------------------|--------------------|
| Activity area     | Revenue        | Expenses         | Net result         |
| Cultural Services | 100,000        | 302,600          | (202,600)          |
| Library           | 132,000        | 1,277,600        | (1,145,600)        |
| Victa Cinema      | 720,600        | 754,200          | (33,600)           |
| <b>Total</b>      | <b>952,600</b> | <b>2,334,400</b> | <b>(1,381,800)</b> |

## Key Planned Activities for 2022/23

| Activity area     | Description   | Community Plan Links |
|-------------------|---|----------------------|
| <b>CAPITAL</b>    |   |                      |
| Cultural Services | <b>Arts and Culture Centre Design</b><br>Preparation of detailed technical design and specification documentation for Stage 1 of the proposed Arts and Culture Centre, comprising the Victa Cinema component. (\$370,000) |                      |



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# Administration



## Overview

Council aims to operate in a strategically planned environment, provide effective and efficient levels of service delivery and ensure governance and legislative compliance. Activity areas include customer service, rates and maintaining of assessment records, House of Assembly Roll and Council's Supplementary Roll.

Council provides cash and in-kind contributions to assist community groups to respond to local needs, engages with the boarder community, and recognises and celebrates community achievements.

Council maintains regional, state and national relationships and partnerships through membership of groups such as the Local Government Association (LGA) of SA, Southern and Hill LGA and Coastal Councils group. Elected members are supported to fulfil their role as the governing body of Council. This category includes interest payments on loans.

## 2022/23 Budget Summary

| Capital              |          |               |                 |
|----------------------|----------|---------------|-----------------|
| Activity area        | Revenue  | Expenses      | Net Result      |
| Customer Service     | 0        | 0             | 0               |
| Elected Members      | 0        | 32,500        | (32,500)        |
| Loan Interest        | 0        | 0             | 0               |
| Organisational*      | 0        | 0             | 0               |
| Rates Administration | 0        | 0             | 0               |
| <b>Total</b>         | <b>0</b> | <b>32,500</b> | <b>(32,500)</b> |

| Operating            |                |                  |                    |
|----------------------|----------------|------------------|--------------------|
| Activity area        | Revenue        | Expenses         | Net result         |
| Customer Service     | 0              | 574,000          | (574,000)          |
| Elected Members      | 0              | 550,800          | (550,800)          |
| Loan Interest        | 10,800         | 338,800          | (328,000)          |
| Organisational*      | 49,700         | 3,022,300        | (2,972,600)        |
| Rates Administration | 90,700         | 465,900          | (375,200)          |
| <b>Total</b>         | <b>151,200</b> | <b>4,951,800</b> | <b>(4,800,600)</b> |

\*Organisational includes \$21,900 for costs associated with Southern and Hills Local Government Association (Section 43 subsidiary).

## Key Planned Activities for 2022/23

| Activity area    | Description   | Community Plan Links |
|------------------|---|----------------------|
| <b>OPERATING</b> |   |                      |
| Elected Members  | <b>Local Government Elections</b><br>Facilitating the 2022 Local Government Election with the coordination of voter enrolment, nominations to be on Council, voting and induction of a new Council. (\$160,000) | ● ● ● ● ●            |

## Advancing positive relationships with Ramindjeri and Ngarrindjeri peoples

Following endorsement of the 2021/22 Reconciliation Action Plan by both the Council and Reconciliation Australia, the City of Victor Harbor will commence implementation of the Plan.

This is the first Reconciliation Action Plan created by the City of Victor Harbor, with an intention to develop further plans in subsequent years which will further grow and stretch the Council's reconciliation efforts.

# Corporate Services



## 2022/23 Budget Summary

| Activity area          | Capital  |                  |                    |
|------------------------|----------|------------------|--------------------|
|                        | Revenue  | Expenses         | Net Result         |
| Accounting             | 0        | 0                | 0                  |
| Communication          | 0        | 48,800           | (48,800)           |
| Human Services         | 0        | 0                | 0                  |
| Information Technology | 0        | 1,699,200        | (1,699,200)        |
| Occupancy (Office)     | 0        | 112,200          | (112,200)          |
| Payroll                | 0        | 0                | 0                  |
| Records                | 0        | 0                | 0                  |
| <b>Total</b>           | <b>0</b> | <b>1,860,200</b> | <b>(1,860,200)</b> |

### Overview

Council maintains the Victor Harbor Civic Centre and provides a range of corporate services to support efficient and effective levels of service delivery.

Council undertakes annual and long term financial planning, various accounting functions, payroll services, management of incoming and outgoing records in accordance with the State Records Act, and information technology and communication services.

Council aims to provide a safe and healthy workplace and develop an adaptable, skilled and satisfied workforce.

Corporate Service costs are distributed across activity areas as FCA, or Full Cost Allocation.

| Activity area           | Operating     |                  |                    |
|-------------------------|---------------|------------------|--------------------|
|                         | Revenue       | Expenses         | Net result         |
| Accounting*             | 0             | 845,500          | (845,500)          |
| Communication*          | 0             | 92,700           | (92,700)           |
| Human Services*         | 0             | 530,300          | (530,300)          |
| Information Technology* | 24,000        | 867,300          | (843,300)          |
| Occupancy (Office)*     | 5,000         | 494,400          | (489,400)          |
| Payroll*                | 0             | 140,700          | (140,700)          |
| Records*                | 500           | 319,200          | (318,700)          |
| <b>Total</b>            | <b>29,500</b> | <b>3,290,100</b> | <b>(3,260,600)</b> |

\*These figures are provided for information to show the costs associated with corporate service delivery. The amounts in the above activity areas are distributed throughout all other activities (full cost attribution) resulting in a net zero to corporate services.

### Key Planned Activities for 2022/23

| ACTIVITY AREA          | DESCRIPTION   | STRATEGIC PLAN LINKS |
|------------------------|---|----------------------|
| <b>OPERATING</b>       |   |                      |
| Information Technology | <p><b>Corporate Systems Replacement</b></p> <p>Council's software system, which is used for day-to-day organisational activities, has been in use for 20 years and no longer meets the organisation's needs. This project involves replacing and future-proofing the Council's business software. The project is in its second year of three, with a focus in 2022/23 on configuration and implementation of the new system. (\$1,907,400)^</p> |                      |

(\*cost split between operating and capital budget)



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Photo: 2022 Fringe Festival in Victor Harbor

# *Measuring our success*





## ***Our Measures of Success***

The City of Victor Harbor measures and monitors its performance on a regular basis to ensure delivery of Community Plan 2030 outcomes as well as the delivery of services and projects. There are a number of ways in which we do this, as outlined below.

### ***Key Planned Activities***

Council will undertake a mid-year and end of year review of its progress towards completing Key Planned Activities. Council's performance target is to substantially complete at least 90% of the listed Key Planned Activities. In 2022/23, 13 Key Planned Activities have been identified. The activities are outlined in the budget activity area pages of this plan (pages 28-42), and provided in full on page 59.

### ***Levels of Service Delivery***

Council will report on the levels of service it provides to the community, including comparisons with levels of service in previous years when appropriate. Council also monitors customer requests, complaints and other feedback.

### ***Strategic Indicators***

As a part of the development of the Community Plan 2030, Council identified desired outcomes and indicators of success for each aspirations. These indicators will show how effective Council has been in making a difference in order to achieve its vision.

### ***Budget Reviews***

Council undertakes three regular budget reviews throughout the year. The mid-year review involves a thorough review of all budget items, and the final review identifies any major changes to predict the end of year result. A number of service areas undertake monthly reviews and reporting of financial performance.

### ***Annual Report with Audited Financial Statements***

Council will report on its performance in its Annual Report. Annual Reports are available to the community and are provided to the State Government for tabling as the official annual record of the past year's activities and performance of Council.

# Our Measures of Success

## Key Financial Indicators

Key financial indicators provide a robust assessment of financial performance and sustainability. They provide a measurement and monitoring guide to assist in Council's decision making.

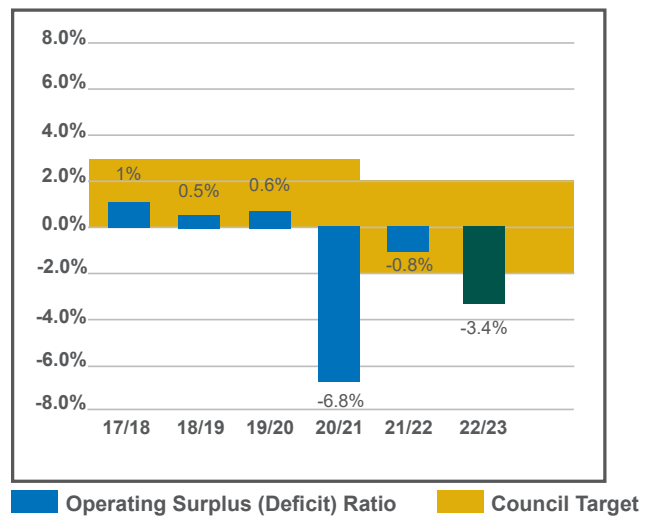
New targets were endorsed with the adoption of the Long Term Financial Plan in September 2021.

Estimates and commentary is provided on the following pages in regards to these ratios.



## Operating Surplus (Deficit) Ratio

This ratio expresses the operating surplus (\$) as a percentage of total operating revenue. A positive ratio indicates that all operating expenses are being fully funded by operating revenue and current ratepayers are meeting the costs of the services that they are using. Council has had positive ratios since 2010/11 excluding a -6.8% ratio in 2020/21 due to the recognition of an asbestos rectification liability incurred by the Fleurieu Regional Waste Authority (FRWA). The 2021/22 budget forecast a -0.8% ratio as demonstrated in the graph below:



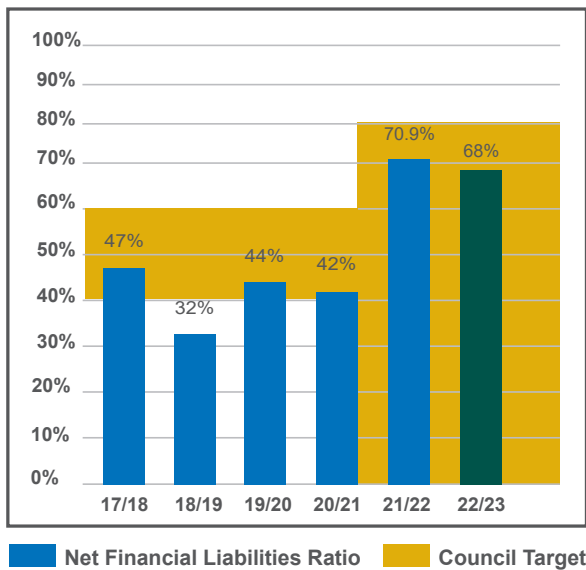
An operating deficit ratio of -3.4% is projected in 2022/23 which is outside Council's target of between -2% and 2%.

Due to the FRWA liability recognised in 2021/22, Council will fall short of meeting the rolling three year average target of 0% across the 2020/21 to 2022/23 financial years, with a ratio of -3.7% projected.

### Net Financial Liabilities Ratio

This ratio expresses total liabilities less financial assets as a percentage of total operating revenue. The ratio indicates whether Council can meet its financial liabilities for the year from operating revenue. A higher ratio may indicate higher levels of debt whilst a lower ratio indicates stronger capacity to meet financial obligations.

Council's Net Financial Liability Ratio has fluctuated over the past ten years in line with major capital expenditure with a low of 32% in 2018/19. The 2021/22 budget forecast a ratio of 70.9% as demonstrated in the graph below:



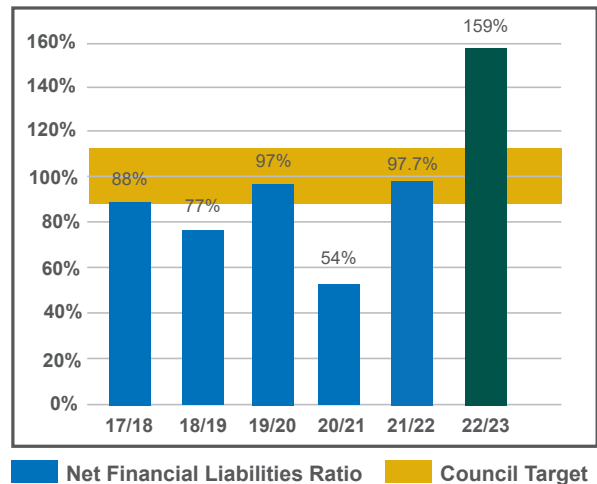
A Net Financial Liabilities Ratio of 68% is projected for 2022/23 which is below Council's maximum target of 80%.

Loan requirements will be assessed in the third quarter budget review to minimise loan borrowings. Cash Advance Debentures will be utilised to assist with cashflow.

### Asset Renewal Funding Ratio

This ratio is based on expenditure on capital renewal (replacement) as a percentage of planned projects detailed in Council's Asset Management Plans. The ratio indicates whether assets are being renewed in line with Asset Management Plans with a ratio of 100% indicating the budget fully funds infrastructure requirements.

Whilst Council intends to fully budget for works required in the Asset Management Plans, the target range of 90% to 110% has been set to achieve an approximate 100% rolling average over a three year period. This allows for changing priorities and delays in completion of projects. The 2021/22 budget forecast a ratio of 97.7% as demonstrated in the graph below:



Expenditure on capital renewal projects in 2022/23 will provide an estimated ratio of 159%. which is outside Council's target range of 90% to 110%.

It is expected that Council will meet the rolling three year target across the 2020/21 to 2022/23 financial years with an average ratio of 103% projected.

# *Rating Policy*





# 2022/23 Rating Policy

## Overview

Rating levels are influenced by a number of factors. This includes not only operational requirements for delivery of existing services, but also the impact of previous year's capital expenditure in terms of interest payments on borrowings and depreciation on new assets.

The Statutes Amendment (Local Government Review) Act 2021 introduced a number of changes to the way councils must report in Annual Business Plans, including new requirements for rating information. The following incorporates these changes.

## Business Impact Statement

Council considers the impact of rates on all businesses in the Council area, including primary production. In considering the impact, the Council assesses the following matters:

- Feedback received as a part of the consultation process on the draft Annual Business Plan
- Those elements of the Council's strategic management plan relating to business development which includes:
  - the development and management of tourism to capitalise on the strengths of the region;
  - achieving effective development with respect to economic activity and employment;
  - identifying new areas of land suitable for industry and business development;
  - supporting existing businesses, whilst attracting appropriate new businesses to the region.
- The equity of the distribution of the rate burden between classes of ratepayers which is primarily based on the equity principle of taxation, where ratepayers of similar wealth pay similar taxes, and ratepayers of greater wealth pay more tax

than ratepayers of lesser wealth. The rates are differentiated on the basis of land use. The rate in the dollar that is set for these land use categories has some regard to the services provided by the Council and used by the ratepayers who reside within these areas.

- Council's policy of facilitating local economic development, which is to encourage and assist in the provision and development of industry, commerce, training, strategic planning and coordination within the council area.
- Information from the Australian Bureau of Statistics and other data sources.
- Current local, state and national economic conditions and expected changes during the next financial year.
- Changes in the valuation of commercial and industrial properties from the previous financial year.
- Specific infrastructure maintenance issues that will significantly benefit businesses and primary producers will include the continuation of Town Centre Master Plan initiatives, CBD traffic infrastructure upgrades and the rural roads re-sheeting and re-sealing programs. Other projects include the vegetation clearance program for the trimming of trees on rural roads, the rural and urban storm water drainage programs and public car parking initiatives.
- The profile of businesses including size, range, type and level of employment provided. Victor Harbor has a broad cross section of employment by industry with the largest employment sectors being health care and social assistance, retail trade, construction, accommodation and food services, and education and training. Places of employment range from sole owner/operators through to large national companies employing many people.

## Adoption of Values

Each year, the Valuer General values property as part of the annual General Valuation. This involves sales analysis and research so that values reflect the market as at the date of valuation. The City of Victor Harbor adopts valuations made by the Valuer General as provided to the Council. The property valuations are used to calculate each rateable property's contribution to the required rate revenue total.

Councils may adopt different valuation methodologies including:

- **Capital Value:** The value of the land and all improvements on the land.
- **Site Value:** The value of the land and any improvements which affect the amenity of use of the land such as drainage works but excluding the value of the buildings and other improvements
- **Annual Value** – a valuation of the rental potential of the land

The Statutes Amendment (Local Government Review) Act 2021 will remove the ability to use site value as of 1 September 2023.

The City of Victor Harbor uses Capital Values provided by the Valuer General as the basis for valuing land and all of the improvements on the land within the Council area.

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 equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth.

- Property value is a relatively good indicator of wealth, and capital value, which closely approximates the market value of a property, provides the best indicator of overall property value.
- The distribution of property values throughout the council area is such that, in percentage terms, few residential ratepayers will pay significantly more than the average rate per property.

Proposed capital valuations have increased by over 20% across the council area with over 70% affected by an increase greater than 15%.

Capital valuations as at 10 July 2022 for 2022/23 total \$5,593,123,160 of which \$5,440,810,156 is rateable.

## Notional Values

Certain properties may be eligible for a notional value, where the property is the principal place of residence of a ratepayer, under the Valuation of Land Act 1971.

This relates to some primary production land or where there is State heritage recognition.

A notional value is generally less than the capital value and this will result in reduced rates. Application for a notional value must be made to the Office of the Valuer General.

## Valuation Objections

If a ratepayer is dissatisfied with the valuation made by the Valuer General, then the ratepayer may object to the valuation in writing, served personally or by post on the Valuer-General, within 60 days after the date of service of the 1st quarter notice.

Please note:

- if you have previously received a notice or notices under the Local Government Act 1999 referring to the valuation and informing you of a 60 day objection period, the objection period is 60 days after service of the first such notice;
- you may not object to the valuation if the Valuer-General has already considered an objection by you to that valuation.

The Valuer-General may extend the 60 day objection period where it be shown there is reasonable cause to do so by a person entitled to make an objection to a valuation.

A written objection to valuation must set out the full and detailed grounds for objection and further information and objection packs (including a reply-paid envelope) are available on request by calling Land Services SA on 1300 653 346.

You can email, fax or post your written objection to the Office of the Valuer-General or electronically submit your objection using an online form.

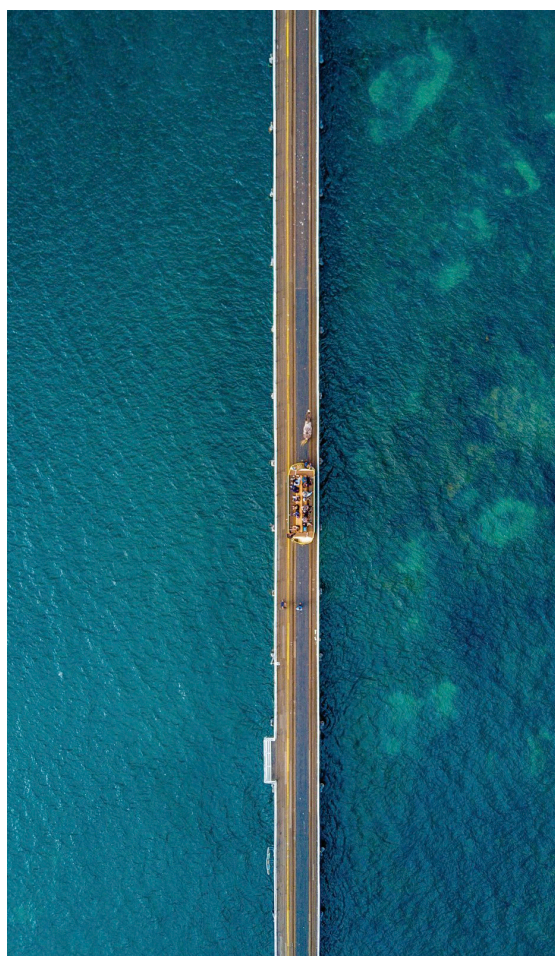
- **Online:** Complete the online form at [www.sa.gov.au/landservices](http://www.sa.gov.au/landservices)
- **Email:** Send your objection, including any attachments to [lsgobjections@sa.gov.au](mailto:lsgobjections@sa.gov.au)
- **Post to:** GPO Box 1354, Adelaide 5001
- **Fax:** 08 8115 5709
- **In Person:** 101 Grenfell Street, Adelaide.

Council has no role in this process. It is important to note that the lodgement of an objection does not change the due date for the payment of Council rates.

## Rating Structure

Council has adopted a two tiered rating structure comprising of a fixed charge component and differential rates, set according to land use categories that are applied to the capital value of the property.

Council's Rating Structure is provided in the summarised tables on page 50, with more information on subsequent pages.



### Statement on Expected Rates Revenue

|  | 2021/22<br>(as adopted) | 2022/23<br>(estimated) |     | Change      |
|--|-------------------------|------------------------|-----|-------------|
| <b>GENERAL RATES</b>   |                         |                        |     |             |
| General Rates (existing properties)  | \$24,197,875            | \$25,702,435           | (A) |             |
| General Rates (new properties)   | \$371,652               | \$272,657              | (B) |             |
| <b>General Rates (GROSS)</b>   | <b>\$24,569,527</b>     | <b>\$25,975,092</b>    | (C) |             |
| Less: Mandatory Rebates  | (\$252,961)             | (\$250,472)            | (D) |             |
| <b>General Rates (NET) (E)=(C)-(D)</b>   | <b>\$24,316,566</b>     | <b>\$25,724,620</b>    | (E) | <b>5.8%</b> |
| Less: Discretionary Rebates  | (\$30,419)              | (\$28,784)             | (F) |             |
| <b>Total Rates Revenue (H)=(E)+(G)</b>   | <b>\$24,286,147</b>     | <b>\$25,695,836</b>    | (G) | <b>5.8%</b> |
| <small>(excluding Regional Landscape Levy and minus Mandatory and Discretionary Rebates)</small>   |                         |                        |     |             |
| <b>OTHER RATES</b>   |                         |                        |     |             |
| Regional Landscape Levy  | \$409,290               | \$454,232              | (H) |             |
| <b>Growth in number of rateable properties</b>   |                         |                        |     |             |
| Number of rateable properties  | 10,994                  | 11,097                 | (I) | <b>0.9%</b> |
|  | (Actual)                | (Estimate)             |     |             |
| <small>* 'Growth' is defined in the regulations as where new properties have been created which has added ratepayers to council's ratepayer base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents.</small> |                         |                        |     |             |
| <b>Average General Rates per rateable property</b>   |                         |                        |     |             |
| Average per rateable property (J)=(C)/(I)  | \$2,235                 | \$2,341                | (J) | <b>4.7%</b> |

### DIFFERENTIAL RATES (K)

| Land Use            | Total expected revenue |              |        | Number of rateable properties |         | Average per rateable property |         |         | Cents in the \$ |
|---------------------|------------------------|--------------|--------|-------------------------------|---------|-------------------------------|---------|---------|-----------------|
|                     | 2021/22                | 2022/23      | Change | 2021/22                       | 2022/23 | 2021/22                       | 2022/23 | Change  | 2022/23         |
| Residential         | \$19,028,658           | \$20,888,207 | 10%    | 8968                          | 9173    | \$2,122                       | \$2,277 | \$155   | 0.003831        |
| Commercial - Shop   | \$942,199              | \$947,430    | 1%     | 220                           | 235     | \$4,283                       | \$4,032 | -\$251  | 0.004980        |
| Commercial - Office | \$158,021              | \$143,023    | -9%    | 57                            | 55      | \$2,772                       | \$2,600 | -\$172  | 0.004980        |
| Commercial - Other  | \$686,242              | \$700,978    | 2%     | 175                           | 187     | \$3,921                       | \$3,749 | -\$172  | 0.004980        |
| Industry - Light    | \$62,081               | \$76,656     | 23%    | 42                            | 52      | \$1,478                       | \$1,474 | -\$4    | 0.004406        |
| Industry - Other    | \$52,269               | \$44,854     | -14%   | 29                            | 24      | \$1,802                       | \$1,869 | \$67    | 0.004406        |
| Primary Production  | \$1,918,554            | \$1,773,473  | -8%    | 622                           | 598     | \$3,084                       | \$2,966 | -\$119  | 0.003448        |
| Vacant Land         | \$1,343,997            | \$1,189,720  | -11%   | 825                           | 718     | \$1,629                       | \$1,657 | \$28    | 0.005747        |
| Other               | \$94,125               | \$210,751    | 124%   | 56                            | 55      | \$1,681                       | \$3,832 | \$2,151 | 0.003831        |
| <b>FIXED CHARGE</b> |                        |              |        |                               |         |                               |         |         |                 |
| Fixed Charge        | Total expected revenue |              |        | Charge or rate                |         |                               | Change  |         |                 |
|                     | 2021/22                | 2022/23      | Change | 2021/22                       | 2022/23 | Change                        |         |         |                 |
|                     | \$4,346,000            | \$4,801,084  | 10.5%  | \$400                         | \$421   | (L)                           | \$21    |         |                 |

### **A** General Rates (Existing Properties)

Councils use property valuations to calculate each rateable property's contribution to the required rate revenue total. Councils do not automatically receive more money because property values increase but this may alter how rates are apportioned (or divided) across each ratepayer (i.e. some people may pay more or less rates, this is dependent on the change in value of their property relative to the overall valuation changes across the council area).

### **B** General Rates (New properties)

The number of properties increased by 103 during the 2021/22 financial year resulting in a projected rate revenue increase of \$272,657.

### **C** General Rates (GROSS)

Rate revenue for both existing and new properties is projected to increase in 2022/23 by \$1,405,565.

### **D** Mandatory Rebates

The Local Government Act requires councils to provide a rebate to qualifying properties under a number of categories. The rates which are foregone via Mandatory Rebates are redistributed across the ratepayer base (i.e. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).

The total of Mandatory Rebates projected for 2022/23 is \$250,472. Categories and properties affected within the Council area are provided here:

| Mandatory Category   | Rebate | Property | Rebate (\$) |
|----------------------|--------|----------|-------------|
| Health Services      | 100%   | 1        | \$819       |
| Religious Purposes   | 100%   | 15       | \$43,377    |
| Community Services   | 75%    | 119      | \$150,091   |
| Educational Purposes | 75%    | 3        | \$56,185    |

### **E** General Rates (NET)

Rate revenue for existing and new properties less mandatory rebates is projected to increase in 2022/23 by \$1,408,054 (5.8%).

### **F** Discretionary Rebates

Council may provide a rebate of rates or service charges in a number of circumstances as per Section 166 of the Local Government Act 1999. The rates which are foregone via Discretionary Rebates are redistributed across the ratepayer base (i.e. all other ratepayers are subsidising the rates contribution for those properties who receive the rebate).

The total of Discretionary Rebates projected for 2022/23 total \$28,784 with categories and properties affected within the Council area provided below:

| Discretionary Category  | Rebate | Property | Rebate (\$) |
|-------------------------|--------|----------|-------------|
| Community Services      | 100%   | 11       | \$7,938     |
| Community Services      | 75%    | 7        | \$16,418    |
| Historical Preservation | 100%   | 3        | \$3,198     |
| Business Support        | 100%   | 2        | \$978       |
| Business Support        | 50%    | 1        | \$252       |

### **G** Total Rates Revenue

Total Rates Revenue including mandatory and discretionary rebates is projected to increase by just under \$1,409,689 (5.8%).

### **H** Other Rates (Regional Landscape Levy)

The Regional Landscape Levy, previously known as the Natural Resources Management (NRM) Levy, is a State Tax. Councils are required under the Landscape South Australia Act 2019 to collect the levy on all rateable properties on behalf of the State Government. The levy is not retained by Council.

The total amount will be payable to the Hills and Fleurieu Landscape Board is \$454,232, with Council able to recover the amount prescribed under the Landscape South Australia Act 2019 for establishment and collection costs of \$5,521.

The rate collected is based on the capital value of all rateable properties as \$0.000084 cents in the dollar.

## **I Growth**

Growth is defined in the new regulations to be where new properties have been created which has added ratepayers to council's base. Growth can also increase the need and expenditure related to infrastructure, services and programs which support these properties and residents. An additional 103 properties (0.9%) were created in 2021/22.

## **J Average Rates Payable**

Averages are based on the total of all rateable properties and are not necessarily indicative of either the rate or change in rates that all ratepayers will experience.

**Average Rates Payable will increase by \$106 (4.7%) in 2022/23.**

## **K Differential Rates**

Council uses a differential rating system, using Land Codes as permitted under the Local Government (General) Regulations as the factor for application.

In applying differential general rates, Council has considered and is satisfied that the rating system addresses the issue of consistency and comparability across all Council areas, particularly as it relates to the various sectors of the business and wider community.

The differential rates have regard to the range of services provided, the standard of those services, whether there are any specific budget expenses which may be unique to or benefit a specific land use and new initiatives which may target a specific sector or sectors.

In 2022/23 Council will reduce the differential rate in the dollar for each land use category due to the significant increase in capital values to provide an average rate increase of 4.7%.

The average per rateable property is calculated as General Rates for the category, including any fixed charge but excluding any separate rates, divided by number of rateable properties within that category in the relevant financial year.

Commercial and Industrial properties will continue to attract a differential rate at 30% and 15% above the residential rate respectively. The proportion of differential rates above the base rate, anticipated to be about \$374,000, will be deposited into a fund and used exclusively for the purpose of delivering new and expanded promotional and economic development initiatives, consistent with the Economic Development Strategy. Further information in relation to this is provided on page 26.

Primary Production properties will continue to attract a differential rate discount of 10% below the residential rate. Council recognises the economic and social importance of primary production to the district and therefore the need to support its long term viability.

Vacant Land properties will continue to attract a differential rate at 50% above the residential rate. Council considers that vacant land creates a significant holding cost relating to constructed infrastructure and costs to administer the land, and seeks to encourage development and consolidation of these properties. The importance of encouraging infill development to contain our environmental footprint is also recognised.



## **L** Fixed Charge

Council has imposed a fixed charge on properties in its area to establish a minimum base payment for each assessable property. Where two or more adjoining properties have the same owner and occupier, or where there is a single farm enterprise comprising more than one property, only one fixed charge is payable by the ratepayer.

Council cannot raise more than 50% of its general rate revenue from the fixed charge component. In 2022/23 Council proposes to raise 18% of its general rate revenue by way of a fixed charge. This revenue is included in the General Rates (GROSS) figure at **C**.

In 2022/23 Council will increase the fixed charge from \$400 in 2021/22 to \$421 per property.

## **Rebates (Rate Capping)**

Council will provide relief against what would otherwise amount to substantial change in rates payable by the ratepayer due to substantive changes in valuation or changes to the basis of rating.

Council will apply rate capping to general rates for the 2022/23 financial year and will grant to the principal ratepayer of an assessment where the residential property is the owner's principal place of residence a rebate of the amount by which the general rate amount payable exceeds the 2021/22 general rate payable by 15%.

The rebate would not apply where:

- the property has been acquired by the ratepayer or has become their principal place of residence after 1 January 2021;
- the increase in general rate payable is due in whole or in part to an increase in valuation of the property attributable to improvements.

To access the rebate the principal ratepayer must make personal application to Council, providing supporting documents where necessary and stating the grounds on which the rebate is being sought.

## ***Rates Postponement (State Seniors Card Holders)***

Section 182A of the Local Government Act 1999 provides for postponement of rates on the principal place of residence for seniors. Application can be made by seniors who hold a current senior's card and meet the criteria. The amount which can be postponed is any amount greater than \$500 (\$125 per quarter).

In accordance with Section 182A (12), interest will accrue on the postponed balances at a rate which is 1% above the cash advance debenture rate. The accrued debt is payable on disposal or sale of the property.

Application forms and more information may be obtained by contacting Council on 8551 0500.

## ***Remission and Postponement of Rates***

Section 182 of the Local Government Act 1999 permits a Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship.

Where a ratepayer is suffering hardship in paying rates they are invited to contact Council on 8551 0500.

Council treats such enquiries confidentially.

## ***Payment of Rates***

One single payment is due on **8 September 2022**, or by quarterly instalment payments due on the following dates:

- 1st instalment – **8 September 2022**
- 2nd instalment – **8 December 2022**
- 3rd instalment – **8 March 2023**
- 4th instalment – **8 June 2023**

Rates will be accepted as follows:

- By **BPAY**, using a telephone or internet banking system that has this facility, and ensuring that council's biller code number 918532 and the customer reference number are used;
- online at **www.victor.sa.gov.au**;
- by phoning **1300 276 468** and using VISA or Mastercard;
- by **post**, with all cheques or money orders made payable to the City of Victor Harbor and sent to PO Box 11, Victor Harbor SA 5211;
- by **Direct Debit** from your nominated bank account (forms are available on Council's website at [www.victor.sa.gov.au](http://www.victor.sa.gov.au) or by contacting Council on 8551 0500);
- in **person at the Council Civic Centre** at 1 Bay Road, Victor Harbor. Payments of cash, cheque or money order and credit cards are acceptable and EFTPOS facilities are also available;
- at any **Australia Post branch** upon presentation of the original Council rate notice.

Any ratepayer who may, or is likely to, experience difficulty with meeting the quarterly instalment payments should contact Council on 8551 0500 to discuss a payment arrangement.





Photo: Encounter Bikeway

Appendix 1

# *Delivering our vision*

2022/23 Key Planned Activities and  
Capital Works Projects



## 2022/23 Key Planned Activities

### Regional Community, Sport and Recreation Precinct Design

Progressing our Regional Community, Sport and Recreation Precinct with the development of concept designs, business case, prudential reports and commencement of detailed designs. (\$430,000)

### Arts and Culture Centre Design - Stage 1

Preparation of detailed technical design and specification documentation for Stage 1 of the proposed Arts and Culture Centre, comprising the Victa Cinema component. The design will reflect existing concept design aspirations and achieve DDA and building code compliance. (\$370,000)

### Horse Tram Stables Project

Completion of the new stables and visitor centre complex, which will ultimately host VIP experiences and capitalise on the Horse Tram's attraction for tourists. (\$523,000)\*

### Bluff Boat Ramp Toilets

Construction of a new public ablution block to service the Bluff Boat Ramp area, which is considered to be a high-traffic zone in Encounter Bay. (\$110,000)\*

### Investigator Car Park Toilets

Designs for the Investigator Car Park public toilet facilities which service visitors to the Dump Beach and Hayborough area. (\$20,000)

### Mainstreet Precinct Upgrade - Stage 4

Continuation and completion of construction works for Stage 4 of the Mainstreet Precinct Upgrade, encompassing the southern end of Ocean Street and intersection with Albert Place. Streetscape upgrades are set to revitalise the area, often referred to as Victor Harbor's southern tourism hub. (\$8,146,500)\*

### Corporate Systems Replacement

Replacing and future-proofing the Council's business software used for day-to-day organisational activities. This project is in its second year of three, with a focus in 2022/23 on configuration and implementation of the new system. (\$1,907,400)

### Bluff Boat Ramp Channel Markers

Increased visitation to the Bluff Boat Ramp and heightened storm surges has resulted in more frequent damage to existing channel markers. This project will see the replacement of missing channel markers leading into the boat ramp. (\$400,000)\*

### Local Government Elections

Facilitating the 2022 Local Government Election by coordinating voter enrolment, nominations to be on Council, voting and induction of a new Council. (\$160,000)

### Active Wellbeing Program Establishment

This program reflects a growing need to promote and facilitate active wellbeing in our community to benefit both physical and mental wellbeing. The aim of the program is to support and increase participation in passive and active recreation opportunities across our region. This project is subject to grant funding. (\$110,000)

### Waitpinga/ Range Road Upgrade

These major arterial roads require significant maintenance. This project will see sections of deteriorating asphalt replaced where appropriate, as well as shoulder widening. This project is subject to grant funding. (\$711,500)

### Footpath Replacement Program

Four footpaths have been determined as part of a priority network requiring maintenance. Footpaths along Ozone Street, Harvey Avenue, Bay Road and Swain Road will be upgraded. (\$267,000)

### Mainstreet Precinct Activation and Business Revitalisation Grant Scheme

Encouraging increased foot traffic and activity in Victor Harbor's Mainstreet Precinct through a range of innovative activation activities. (\$85,000)

(\*off-set by grant funding)

(^cost split between operating and

## Capital Works Projects

The following highlights some projects included in the 2022/23 capital budget:

| Activity Area: Bridges  |           |
|-------------------------|-----------|
| Project                 | Cost      |
| Day Road Bridge upgrade | \$102,200 |

| Activity Area: Crime Prevention |          |
|---------------------------------|----------|
| Project                         | Cost     |
| CCTV Replacement                | \$10,000 |

| Activity Area: Coastal Protection |           |
|-----------------------------------|-----------|
| Project                           | Cost      |
| Bluff Boat Ramp channel markers   | \$400,000 |

| Activity Area: Cultural Services                  |           |
|---|-----------|
| Project   | Cost      |
| Arts and Culture Centre detailed design - Stage 1 | \$370,000 |
| Bay Road public art mosaic                        | \$4,000   |

| Activity Area: Horse Tram                     |           |
|---|-----------|
| Project                                       | Cost      |
| Completion of new visitor centre construction | \$523,000 |
| Horse purchase                                | \$20,000  |
| Fencing                                       | \$20,000  |
| Barn panel lift door                          | \$5,200   |

| Activity Area: Information Technology   |             |
|---|-------------|
| Project                                 | Cost        |
| Corporate Systems Replacement (Year 2)* | \$1,391,500 |

| Activity Area: Parks and Gardens      |          |
|---------------------------------------|----------|
| Project                               | Cost     |
| Tuck Reserve playground upgrade       | \$20,800 |
| Wallage Reserve playground completion | \$10,000 |

| Activity Area: Car Parks                         |          |
|--|----------|
| Project  | Cost     |
| McKinlay Street Car Park Development Application | \$50,000 |

| Activity Area: Kerbing and Footpaths |           |
|--------------------------------------|-----------|
| Project                              | Cost      |
| Footpath replacement                 | \$267,000 |

| Activity Area: Recreation Centre                   |           |
|--|-----------|
| Project  | Cost      |
| Regional Community, Sport and Recreation Precinct* | \$430,000 |

| Activity Area: Library |          |
|------------------------|----------|
| Project                | Cost     |
| Shelving replacement   | \$20,000 |

| Activity Area: Public Conveniences   |           |
|--------------------------------------|-----------|
| Project                              | Cost      |
| Bluff Boat Ramp Toilets              | \$110,000 |
| Investigator Car Park Toilets design | \$20,000  |

| Activity Area: Streetscaping                     |             |
|--|-------------|
| Project  | Cost        |
| Mainstreet Precinct Upgrade Stage 4 construction | \$8,146,500 |

| Activity Area: Sealed Roads        |           |
|------------------------------------|-----------|
| Project                            | Cost      |
| Waitpinga Road/ Range Road upgrade | \$711,500 |

| Activity Area: Traffic Management  |           |
|------------------------------------|-----------|
| Project                            | Cost      |
| Waggon Road surface replacement    | \$325,000 |
| Port Elliot Road pedestrian refuge | \$45,500  |

| Activity Area: Whale Centre |           |
|-----------------------------|-----------|
| Project                     | Cost      |
| Railway Goods Shed          | \$286,000 |

\*Additional costs in operating



Appendix 2

# *2022/23 Budget Summary*

## 2022/23 BUDGET SUMMARY TABLE

| PROGRAM                      | Page Ref | CAPITAL |           |             | OPERATING  |           |             |
|------------------------------|----------|---------|-----------|-------------|------------|-----------|-------------|
|                              |          | REVENUE | EXPENSES  | RESULT      | REVENUE    | EXPENSES  | RESULT      |
| Accounting*                  | 42       |         |           | 0           | 0          | 845,500   | (845,500)   |
| Aged Services                | 28       |         |           | 0           | 185,000    | 185,000   | 0           |
| Bridges                      | 30       |         | 102,200   | (102,200)   | 0          | 426,900   | (426,900)   |
| Building Control             | 39       |         |           | 0           | 90,000     | 458,900   | (368,900)   |
| Car Parking                  | 31       |         | 50,000    | (50,000)    | 152,200    | 178,900   | (26,700)    |
| Caravan Park                 | 37       |         |           | 0           | 271,100    | 69,000    | 202,100     |
| Caring Neighbourhood Project | 28       |         |           | 0           | 241,600    | 241,600   | 0           |
| Cat Control                  | 39       |         |           | 0           | 20,600     | 26,300    | (5,700)     |
| Cemetery                     | 29       |         | 35,000    | (35,000)    | 157,600    | 220,800   | (63,200)    |
| Coastal Protection           | 32       | 200,000 | 497,500   | (297,500)   | 0          | 232,000   | (232,000)   |
| Communication*               | 42       |         | 48,800    | (48,800)    | 0          | 92,700    | (92,700)    |
| Community Assistance         | 28       |         |           | 0           | 600        | 801,500   | (800,900)   |
| Community Bus Services       | 28       |         |           | 0           | 16,000     | 70,800    | (54,800)    |
| Community Transport - SCOTS  | 28       | 26,000  | 85,000    | (59,000)    | 591,500    | 591,500   | 0           |
| Crime Prevention             | 28       |         | 10,000    | (10,000)    | 0          | 58,700    | (58,700)    |
| Cultural Services            | 31       |         | 374,000   | (374,000)   | 100,000    | 302,600   | (202,600)   |
| Customer Service             | 40       |         |           | 0           | 0          | 574,000   | (574,000)   |
| Depot                        | 41       |         | 137,000   | (137,000)   | 0          | 523,200   | (523,200)   |
| Dog Control                  | 35       |         |           | 0           | 125,700    | 155,000   | (29,300)    |
| Economic Development         | 39       |         |           | 0           | 87,900     | 657,200   | (569,300)   |
| Elected Members              | 36       |         | 32,500    | (32,500)    | 0          | 550,800   | (550,800)   |
| Environmental Projects       | 41       |         |           | 0           | 0          | 749,300   | (749,300)   |
| Fire Prevention              | 32       |         |           | 0           | 9,000      | 93,500    | (84,500)    |
| Fleurieu Families            | 39       |         |           | 0           | 314,300    | 314,300   | 0           |
| General Rates                | 28       |         |           | 0           | 26,159,000 | 0         | 26,159,000  |
| Health Inspection            | -        |         |           | 0           | 28,000     | 144,900   | (116,900)   |
| Horse Tram                   | 39       | 203,000 | 568,200   | (365,200)   | 145,000    | 560,000   | (415,000)   |
| Human Services*              | 37       |         |           | 0           | 0          | 530,300   | (530,300)   |
| Indirect Works               | 42       |         |           | 0           | 66,000     | 1,749,800 | (1,683,800) |
| Information Technology*      | 35       |         | 1,699,200 | (1,699,200) | 24,000     | 867,300   | (843,300)   |
| Interest                     | 42       |         |           | 0           | 11,200     | 0         | 11,200      |
| Kerbing & Footpaths          | 41       | 107,500 | 737,000   | (629,500)   | 0          | 888,600   | (888,600)   |
| LG Grants Commission         | 30       |         |           | 0           | 630,000    | 0         | 630,000     |
| Library                      | -        |         | 32,000    | (32,000)    | 132,000    | 1,277,600 | (1,145,600) |
| Loan Interest                | 40       |         |           | 0           | 10,800     | 338,800   | (328,000)   |
| Local Nuisance & Litter      | -        |         |           | 0           | 500        | 131,500   | (131,000)   |
| Occupancy (Office)*          | 39       |         | 112,200   | (112,200)   | 5,000      | 494,400   | (489,400)   |
| Old School Building          | 42       |         |           | 0           | 7,000      | 27,500    | (20,500)    |

| PROGRAM   | Page Ref | CAPITAL          |                   |                     | OPERATING         |                   |                    |
|---|----------|------------------|-------------------|---------------------|-------------------|-------------------|--------------------|
|   |          | REVENUE          | EXPENSES          | RESULT              | REVENUE           | EXPENSES          | RESULT             |
| Organisational**  | 29       |                  |                   | 0                   | 49,700            | 3,022,300         | (2,972,600)        |
| Other Regulatory Services   | 41       |                  |                   | 0                   | 4,000             | 65,100            | (61,100)           |
| Outdoor Sports**  | 39       |                  |                   | 0                   | 37,100            | 1,690,900         | (1,653,800)        |
| Parking Control   | 34       |                  |                   | 0                   | 82,000            | 170,900           | (88,900)           |
| Parks & Gardens   | 39       |                  | 190,800           | (190,800)           | 2,500             | 1,715,300         | (1,712,800)        |
| Payroll*  | 34       |                  |                   | 0                   | 0                 | 140,700           | (140,700)          |
| Plant & Machinery   | 42       | 366,800          | 899,600           | (532,800)           | 0                 | 175,000           | (175,000)          |
| Private Works   | 35       |                  |                   | 0                   | 0                 | 0                 | 0                  |
| Property & GIS  | 30       |                  | 119,000           | (119,000)           | 139,200           | 810,200           | (671,000)          |
| Public Conveniences   | 29       | 70,000           | 130,000           | (60,000)            | 0                 | 273,600           | (273,600)          |
| Rates Administration  | 29       |                  |                   | 0                   | 90,700            | 465,900           | (375,200)          |
| Records*  | 41       |                  |                   | 0                   | 500               | 319,200           | (318,700)          |
| Recreation Centre   | 42       |                  | 385,000           | (385,000)           | 111,300           | 323,900           | (212,600)          |
| Sealed Roads  | 29       | 911,500          | 1,347,500         | (436,000)           | 273,600           | 2,782,600         | (2,509,000)        |
| Senior Citizens Facilities  | 30       |                  |                   | 0                   | 0                 | 44,000            | (44,000)           |
| Star Club   | 29       |                  |                   | 0                   | 22,800            | 159,800           | (137,000)          |
| Stormwater Drainage   | 34       |                  | 86,300            | (86,300)            | 56,700            | 803,300           | (746,600)          |
| Street Cleaning   | 32       |                  |                   | 0                   | 0                 | 126,600           | (126,600)          |
| Street Lighting   | 33       |                  |                   | 0                   | 0                 | 245,900           | (245,900)          |
| Streetscaping   | 31       | 3,300,000        | 8,326,500         | (5,026,500)         | 9,000             | 503,500           | (494,500)          |
| Tourism Marketing   | 30       |                  |                   | 0                   | 15,600            | 361,100           | (345,500)          |
| Town Hall   | 36       |                  |                   | 0                   | 10,000            | 118,500           | (108,500)          |
| Town Planning   | 29       |                  |                   | 0                   | 219,000           | 1,417,300         | (1,198,300)        |
| Traffic Management  | 38       |                  | 429,000           | (429,000)           | 0                 | 418,500           | (418,500)          |
| Unsealed Roads  | 31       |                  | 208,000           | (208,000)           | 0                 | 674,700           | (674,700)          |
| Victa Cinema  | 30       |                  | 8,000             | (8,000)             | 720,600           | 754,200           | (33,600)           |
| Victor Harbor Visitor Centre  | 40       |                  | 14,000            | (14,000)            | 209,500           | 826,500           | (617,000)          |
| Waste Collection**  | 36       |                  |                   | 0                   | 3,000             | 1,964,600         | (1,961,600)        |
| Waste Disposal  | 33       |                  |                   | 0                   | 0                 | 186,900           | (186,900)          |
| Whale Centre  | 36       |                  | 286,000           | (286,000)           | 0                 | 0                 | 0                  |
| Youth Development   | 33       |                  |                   | 0                   | 161,600           | 161,600           | 0                  |
| *Adjustment for Corporate Costs distributed in activity areas (FCA) | -        |                  |                   | 0                   | 0                 | (3,260,600)       | 3,260,600          |
|   |          | <b>5,184,800</b> | <b>16,950,300</b> | <b>(11,765,500)</b> | <b>31,800,000</b> | <b>32,892,700</b> | <b>(1,092,700)</b> |

Appendix 3

# *Financial Statements*



## Uniform Presentation of Finances

For year ending 30 June 2023

|   | 2020/21<br>ACTUAL<br>\$'000 | 2021/22<br>ORIGINAL<br>BUDGET<br>\$'000 | 2022/23<br>ADOPTED<br>BUDGET<br>\$'000 |
|---|-----------------------------|---|--|
| Operating Revenues  | 29,940                      | 30,337                                  | 31,799                                 |
| <i>less</i> Operating Expenses  | (31,971)                    | (30,568)                                | (32,892)                               |
| <b>Operating Surplus / (Deficit)</b>                                  | <b>(2,031)</b>              | <b>(231)</b>                            | <b>(1,093)</b>                         |
| <b>Net Outlays on Existing Assets</b>                                 |                             |   |  |
| Capital Expenditure on Renewal/Replacement of Existing Assets         | (2,332)                     | (6,785)                                 | (9,492)                                |
| <i>add back</i> Depreciation, Amortisation and Impairment             | 7,421                       | 7,725                                   | 7,588                                  |
| <i>add back</i> Proceeds from Sale of Replaced Assets                 | 29                          | 247                                     | 383                                    |
| <b>Subtotal</b>   | <b>5,118</b>                | <b>1,187</b>                            | <b>(1,521)</b>                         |
| <b>Net Outlays on New and Upgraded Assets</b>                         |                             |   |  |
| Capital Expenditure on New and Upgraded Assets                        | (8,144)                     | (8,208)                                 | (7,459)                                |
| <i>add back</i> Amounts received specifically for new/upgraded assets | 1,949                       | 1,526                                   | 4,792                                  |
| <i>add back</i> Proceeds from Sale of Surplus Assets                  | 0                           | 0                                       | 10                                     |
| <b>Subtotal</b>   | <b>(6,195)</b>              | <b>(6,682)</b>                          | <b>(2,657)</b>                         |
| <b>NET LENDING / (BORROWING) FOR FINANCIAL YEAR</b>                   | <b>(3,108)</b>              | <b>(5,726)</b>                          | <b>(5,271)</b>                         |

### FINANCIAL INDICATORS

#### Operating Surplus Ratio

*Operating Surplus Ratio* expresses the operating surplus or deficit, as a percentage of total operating revenue.

**TARGET = (2%) to 2%**

-6.8%      -0.8%      -3.4%

#### Net Financial Liabilities Ratio

*Net Financial Liabilities* are defined as total liabilities less financial assets (excluding equity accounted investments in Council Business). These are expressed as a percentage of total operating revenue.

**TARGET = Maximum of 80%**

42.0%      70.9%      68.0%

#### Asset Renewal Funding Ratio

*Net asset renewals expenditure* is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

**TARGET = 90% to 110%**

54.0%      97.7%      159.0%

## Statement of Comprehensive Income

For year ending 30 June 2023

|  | 2020/21<br>ACTUAL<br>\$'000 | 2021/22<br>ORIGINAL<br>BUDGET<br>\$'000 | 2022/23<br>ADOPTED<br>BUDGET<br>\$'000 |
|--|-----------------------------|---|--|
| <b>OPERATING INCOME</b>  |                             |   |  |
| Rates  | 23,569                      | 24,666                                  | 26,159                                 |
| Statutory charges  | 645                         | 545                                     | 550                                    |
| User charges   | 2,196                       | 2,172                                   | 2,037                                  |
| Grants, subsidies and contributions  | 2,526                       | 2,002                                   | 1,932                                  |
| Investment income  | 52                          | 48                                      | 23                                     |
| Reimbursements   | 888                         | 707                                     | 842                                    |
| Other revenues   | 64                          | 197                                     | 256                                    |
| Net Gain - Equity Accounted Council Business                                   | 0                           | 0                                       | 0                                      |
| <b>Total Income</b>  | <b>29,940</b>               | <b>30,337</b>                           | <b>31,799</b>                          |
| <b>OPERATING EXPENSES</b>  |                             |   |  |
| Employee costs   | 9,905                       | 10,453                                  | 11,309                                 |
| Materials, contracts and other expenses  | 10,454                      | 11,734                                  | 13,299                                 |
| Finance costs  | 393                         | 309                                     | 349                                    |
| Depreciation, amortisation and impairment                                      | 7,421                       | 7,725                                   | 7,588                                  |
| Net loss - Equity Accounted Council Business                                   | 3,798                       | 347                                     | 347                                    |
| <b>Total Expenses</b>  | <b>31,971</b>               | <b>30,568</b>                           | <b>32,892</b>                          |
| <b>OPERATING SURPLUS / (DEFICIT)</b>   | <b>(2,031)</b>              | <b>(231)</b>                            | <b>(1,093)</b>                         |
| Asset Disposal and fair value adjustments                                      | (1,057)                     | (1,000)                                 | (1,000)                                |
| Amounts specifically for new or upgraded assets                                | 1,949                       | 1,526                                   | 4,792                                  |
| Physical resources received free of charge                                     | 483                         | 1,000                                   | 1,000                                  |
| <b>NET SURPLUS / (DEFICIT)</b>   | <b>(656)</b>                | <b>1,295</b>                            | <b>3,699</b>                           |
| <b>Other Comprehensive Income</b>  |                             |   |  |
| <i>Amounts which will not be reclassified subsequently to operating result</i> |                             |   |  |
| Changes in Revaluation Surplus - I,PP & E                                      | 29,599                      | 4,915                                   | 6,710                                  |
| Impairment / Recoupment Offset to Asset Revaluation Reserve                    | -                           | -                                       | -                                      |
| <b>Total Other Comprehensive Income</b>  | <b>29,599</b>               | <b>4,915</b>                            | <b>6,710</b>                           |
| <b>Total Comprehensive Income</b>  | <b>28,943</b>               | <b>6,210</b>                            | <b>10,409</b>                          |

## Statement of Financial Position

For year ending 30 June 2023

|  | 2020/21<br>ACTUAL<br>\$'000 | 2021/22<br>ORIGINAL<br>BUDGET<br>\$'000 | 2022/23<br>ADOPTED<br>BUDGET<br>\$'000 |
|--|-----------------------------|---|--|
| <b>ASSETS</b>                                    |                             |   |  |
| <b>Current Assets</b>                            |                             |   |  |
| Cash and Cash Equivalents                        | 1,863                       | 4                                       | 234                                    |
| Trade and Other Receivables                      | 1,407                       | 1,084                                   | 1,322                                  |
| Inventories                                      | 336                         | 376                                     | 376                                    |
| <b>Total Current Assets</b>                      | <b>3,606</b>                | <b>1,464</b>                            | <b>1,932</b>                           |
| <b>Non-Current Assets</b>                        |                             |   |  |
| Financial Assets                                 | 211                         | 256                                     | 157                                    |
| Equity Accounted Investments in Council Business | 6,325                       | 9,440                                   | 5,631                                  |
| Infrastructure, Property, Plant and Equipment    | 304,535                     | 296,700                                 | 335,000                                |
| Other Non-Current Assets                         | 4,782                       | 1,000                                   | 1,000                                  |
| <b>Total Non-Current Assets</b>                  | <b>315,853</b>              | <b>307,396</b>                          | <b>341,788</b>                         |
| <b>TOTAL ASSETS</b>                              | <b>319,459</b>              | <b>308,861</b>                          | <b>343,720</b>                         |
| <b>LIABILITIES</b>                               |                             |   |  |
| <b>Current Liabilities</b>                       |                             |   |  |
| Trade and Other Payables                         | 3,490                       | 4,432                                   | 5,955                                  |
| Borrowings                                       | 1,830                       | 330                                     | 650                                    |
| Provisions                                       | 2,326                       | 2,365                                   | 2,326                                  |
| <b>Total Current Liabilities</b>                 | <b>7,646</b>                | <b>7,127</b>                            | <b>8,931</b>                           |
| <b>Non-Current Liabilities</b>                   |                             |   |  |
| Borrowings                                       | 8,255                       | 15,264                                  | 14,106                                 |
| Provisions                                       | 292                         | 456                                     | 292                                    |
| <b>Total Non-Current Liabilities</b>             | <b>8,547</b>                | <b>15,720</b>                           | <b>14,398</b>                          |
| <b>TOTAL LIABILITIES</b>                         | <b>16,193</b>               | <b>22,847</b>                           | <b>23,329</b>                          |
| <b>NET ASSETS</b>                                | <b>303,266</b>              | <b>286,014</b>                          | <b>320,391</b>                         |
| <b>EQUITY</b>                                    |                             |   |  |
| Accumulated Surplus                              | 67,536                      | 70,820                                  | 73,764                                 |
| Asset Revaluation Reserve                        | 234,791                     | 214,316                                 | 245,688                                |
| Other Reserves                                   | 939                         | 878                                     | 939                                    |
| <b>TOTAL EQUITY</b>                              | <b>303,266</b>              | <b>286,014</b>                          | <b>320,391</b>                         |

## Cashflow Statement

For year ending 30 June 2023

|   | 2020/21<br>ACTUAL<br>\$'000 | 2021/22<br>ORIGINAL<br>BUDGET<br>\$'000 | 2022/23<br>ADOPTED<br>BUDGET<br>\$'000 |
|---|-----------------------------|---|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   |                             |   |  |
| <b>Receipts</b>   |                             |   |  |
| Operating Receipts  | 29,790                      | 30,291                                  | 31,966                                 |
| Investment Receipts   | 52                          | 48                                      | 23                                     |
| <b>Payments</b>   |                             |   |  |
| Operating Payments to Suppliers and Employees                 | (23,930)                    | (20,908)                                | (23,178)                               |
| Finance Payments  | (411)                       | (309)                                   | (349)                                  |
| <b>Net cash provided by (or used in) operating activities</b> | <b>5,501</b>                | <b>9,122</b>                            | <b>8,462</b>                           |
| <b>CASHFLOWS FROM INVESTING ACTIVITIES</b>                    |                             |   |  |
| <b>Receipts</b>   |                             |   |  |
| Amounts Received Specifically for New or Upgraded Assets      | 1,949                       | 1,526                                   | 4,792                                  |
| Sale of replaced assets                                       | 29                          | 247                                     | 383                                    |
| Sale of surplus assets  | 0                           | 0                                       | 10                                     |
| Repayments of loans by community groups                       | 162                         | 27                                      | 27                                     |
| <b>Payments</b>   |                             |   |  |
| Expenditure on renewal/replacement of assets                  | (2,332)                     | (6,785)                                 | (9,492)                                |
| Expenditure on new/upgraded assets                            | (8,144)                     | (8,208)                                 | (7,459)                                |
| Loans made to community groups                                | 0                           | 0                                       | 0                                      |
| <b>Net cash provided by (or used in) investing activities</b> | <b>(8,336)</b>              | <b>(13,193)</b>                         | <b>(11,739)</b>                        |
| <b>CASHFLOWS FROM FINANCING ACTIVITIES</b>                    |                             |   |  |
| <b>Receipts</b>   |                             |   |  |
| Proceeds from borrowings                                      | 4,943                       | 5,500                                   | 3,715                                  |
| Proceeds from Bonds & Deposits                                | 83                          | 0                                       | 0                                      |
| <b>Payments</b>   |                             |   |  |
| Repayments of borrowings                                      | (2,063)                     | (1,746)                                 | (616)                                  |
| Repayment of Finance Lease Liabilities                        | (81)                        | 0                                       | (20)                                   |
| <b>Net cash provided by (or used in) financing activities</b> | <b>2,882</b>                | <b>3,754</b>                            | <b>3,079</b>                           |
| <b>NET INCREASE (DECREASE) IN CASH HELD</b>                   | <b>47</b>                   | <b>(317)</b>                            | <b>(198)</b>                           |
| Cash & cash equivalents at beginning of period                | 1,816                       | 321                                     | 431                                    |
| <b>CASH &amp; CASH EQUIVALENTS AT END OF PERIOD</b>           | <b>1,863</b>                | <b>4</b>                                | <b>234</b>                             |



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city of  
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