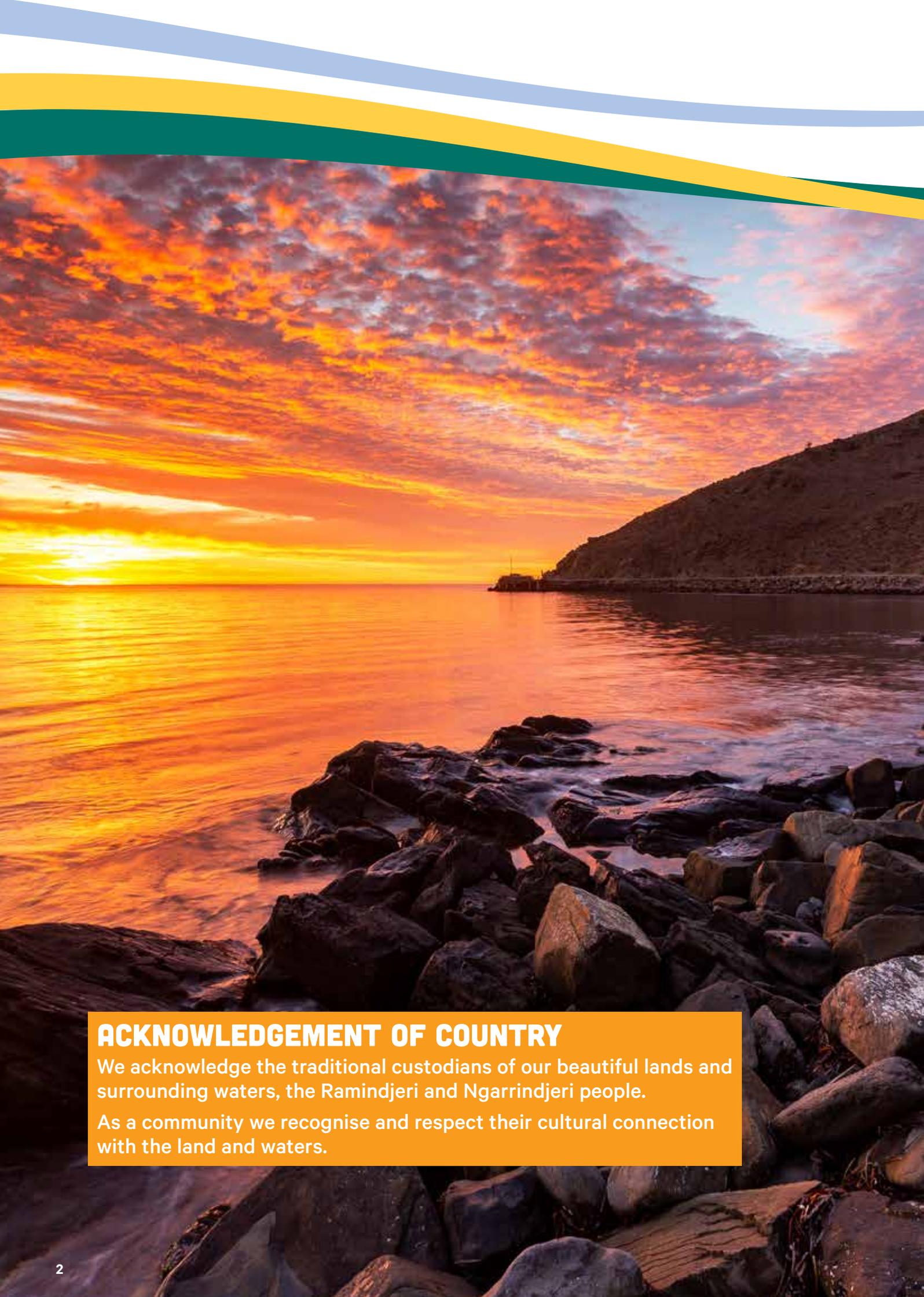


ANNUAL BUSINESS PLAN 2020/21





ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional custodians of our beautiful lands and surrounding waters, the Ramindjeri and Ngarrindjeri people.

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

CONTENTS

Budget At A Glance.....	4	Car Parking and Traffic Management.....	25
Message from the Mayor and CEO.....	5	Coastal Protection and Environment.....	26
Your Council.....	6	Waste Management.....	27
Our Location.....	7	Open Space and Recreation.....	28
Our Community.....	8	Plant and Depot.....	29
Role of Council.....	11	Tourism and Economic Development.....	30
About Our Plan.....	12	Business Activities.....	31
Our Community Plan.....	13	Town Planning.....	32
Financial Planning Process.....	14	Public Safety.....	33
Asset Management Plans.....	14	Library and Cultural Services.....	34
Long Term Financial Plan.....	14	Administration.....	35
Current Services.....	15	Corporate Services.....	36
New Initiatives.....	15	Our Measures of Success.....	38
Financial Sustainability.....	15	Key Planned Activities.....	38
Employee Levels.....	15	Levels of Service Delivery.....	38
Debt Levels.....	16	Budget Reviews.....	38
Subsidiaries.....	17	Annual Report.....	38
Budget Context.....	18	Key Financial Indicators.....	38
Funding Our Plan.....	20	2020/21 Rating Policy.....	40
Capital.....	20	Appendix 1 - 2020/21 Key Planned Activities.....	45
Operating.....	20	Appendix 2 - 2020/21 Budget Summary.....	47
What We Will Do In 2020/21.....	21	Appendix 3 - Financial Statements.....	50
Community Services.....	22		
Community Facilities.....	23		
Roads, Footpaths and Bridges.....	24		

The 2020/21 Annual Business Plan was adopted by the City of Victor Harbor on 3 August 2020.



BUDGET AT A GLANCE

The 2020/21 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 2020/21 Annual Business Plan are outlined in the table (right), and explained in more detail throughout this document.



KEY PLANNED ACTIVITIES

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

CAPITAL BUDGET

- \$14.9 million

OPERATING BUDGET

- Expenditure of \$29.7 million resulting in a deficit budget of \$871,900

LOANS

- New loans of \$6 million (maximum)

RATES

- No rate rise

FINANCIAL SUSTAINABILITY

- Operating surplus ratio -3.0% is below the Council's target range of a 0-3% surplus
- Net financial liabilities ratio of 59.2% is within Council's target range of 40% to 60%
- Asset renewal funding ratio of 113.8% is just above Council's target range of 90% to 110%, but within the rolling three year average of 100%

FINANCIAL SUSTAINABILITY

The City of Victor Harbor is committed to long term financial sustainability. While Council had planned for a rate rise in line with the Consumer Price Index (CPI) in its Long Term Financial Plan, the exceptional circumstances of developing a budget during a public health emergency prompted Council to consider rate relief for the community. As a result, a once off rate freeze on the differential rate and fixed charge has been adopted for 2020/21.

MESSAGE FROM THE MAYOR AND CEO



The 2020/21 Annual Business Plan and Budget has been prepared during challenging times. There is no doubt that the Coronavirus (COVID-19) pandemic has hit our community hard, and the full impact is yet to be realised.

The Council has varied roles in the COVID-19 response. Firstly to help manage the public health risk and keep our community safe, and also to respond to the economic impact and provide support to the local business community.

Following the SA Government's public health emergency declaration in March 2020, the City of Victor Harbor was quick to mobilise and put measures in place to support our community. There were three aspects to the response - community services, public health and business support.

The nature of the emergency meant that a number of measures were required to be implemented immediately, impacting the 2019/20 budget. This included fee waivers or discounts, deferral of payments, and \$225,000 for a business support grants program.

Our 2020/21 Annual Business Plan and Budget builds on these initial support measures. It has been our intention to balance the need for Council to continue its COVID-19 response, which includes navigating through the recovery phase, with the need to continue the delivery of essential services for our community.

The budget forecasts a capital works program worth \$14.9 million, our biggest yet, and operating expenditure of \$29.7 million resulting in a \$871,900 deficit.

To ease the financial burden on ratepayers, the Council has made the decision to maintain the fixed charge and differential rates at 2019/20 levels. This means if your property's capital value has not changed since 1 July 2019, your Council rates will not increase in 2020/21.

While measures to stop the spread of COVID-19 are beginning to be eased, there is still a threat of a further outbreak.

This uncertainty makes it extremely difficult to forecast Council's position at the end of 2020/21 and beyond. However, regular reviews during the financial year will assist us to manage this, adjusting for unknown expenses and seeking budget savings.

The City of Victor Harbor has been able to attract around \$4.5 million in grant funding for projects and activities in 2020/21. In some cases this has resulted in a number of projects being brought forward on the Council's work plan to take advantage of external contributions to reduce the burden on ratepayers.

Investing in infrastructure projects will assist us to stimulate the local economy and create jobs. A number of major projects will be undertaken during 2020/21 including the redevelopment of the Railway Terrace Precinct. The \$4.6 million project will see this iconic heritage and cultural tourism precinct transformed into an adaptable outdoor public space that is safe, welcoming and vibrant. The upgraded space will also provide a unique destination for visitors to explore.

Other significant infrastructure projects include placement of public toilets at The Bluff Boat Ramp, Franklin Parade shared pathway (from Kent Reserve to the Bluff Boat Ramp), safety improvements along Waggon Road, and the construction of new stables and amenities for the Horse Tram at Canton Place.

The Council is also continuing to support local business by providing \$100,000 to Business Victor Harbor to support the appointment of an Executive Officer to help it enhance its role and become a strong chamber of commerce for the local business community.

From the outset of the COVID-19 emergency, Council has made it clear that we are here to support our community. This notion has been the basis of our 2020/21 budget preparations. We're supporting you with no rate rise, investing in infrastructure as a catalyst for further economic stimulus, and continuing to deliver the essential services that meet our community's needs.

Moira Jenkins
Mayor

Victoria MacKirdy
CEO

YOUR COUNCIL



Dr Moira Jenkins
MAYOR



Dr Marilyn Henderson
DEPUTY MAYOR



Brayden Mann
COUNCILLOR



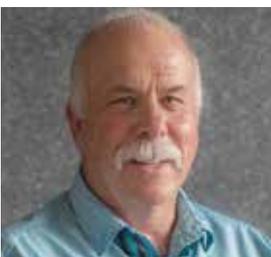
Bryan Littlely
COUNCILLOR



Nick Hayles
COUNCILLOR



Tim Glazbrook
COUNCILLOR



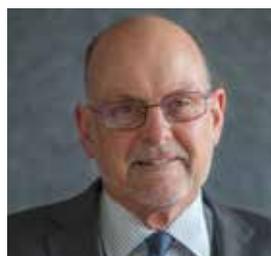
Peter Charles
COUNCILLOR



Carol Schofield AM
COUNCILLOR



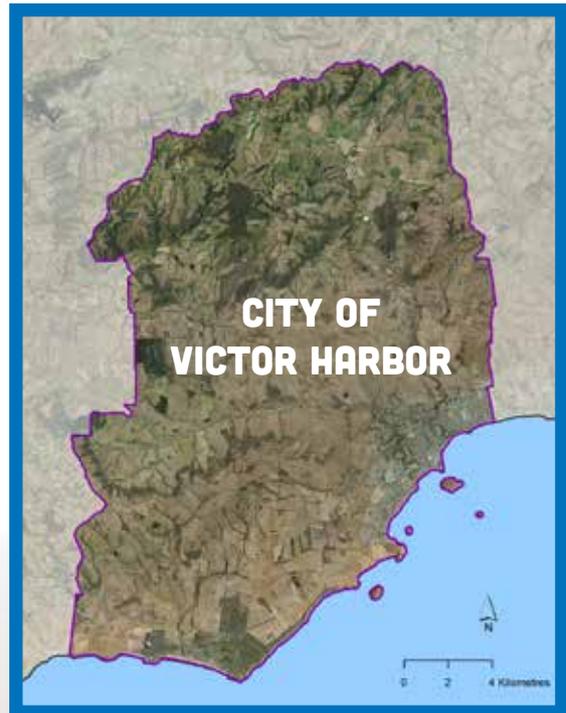
David Kemp
COUNCILLOR



Andrew Robertson
COUNCILLOR

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.



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 and serves as the major district centre for the southern Fleurieu Peninsula.

Covering around 38,510 hectares with a population of 15,465¹, 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 2031². 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 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 old³. 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. 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 focussed 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 focussing on the development of other key industry sectors including agriculture, building and construction, health and community services and manufacturing.

¹Australian Bureau of Statistics, www.abs.gov.au, 2019

²SA Government Department of Planning and Infrastructure, 2019

³2016 Census, Australian Bureau of Statistics, www.abs.gov.au, 2016





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.

INFRASTRUCTURE & ASSET MANAGEMENT

Managing and maintaining roads, footpaths, bridges, bicycle paths, street furniture and cemetery



WASTE & RECYCLING

Kerbside waste collection, recycling depot, street cleaning and graffiti removal



HERITAGE

Heritage advisory services and support for owners of heritage listed places



PLANNING & DEVELOPMENT

Urban planning, building assessments, development assessments



CUSTOMER SERVICE & INFORMATION

Responding to community requests, providing after hours call centre and community information



FAMILY, YOUTH & CHILDREN'S SERVICES

Family support services, youth development programs and events, and immunisation program



AGED & DISABILITY SERVICES

Social support services and supporting planning for aged services



LIBRARY SERVICES

Victor Harbor Library service, activities and events



TOURISM MARKETING, EVENTS & ATTRACTIONS

Festivals and events, visitor information, Horse Drawn Tram and SA Whale Centre



ECONOMIC DEVELOPMENT

Mainstreet Precinct, digital economy strategy, supporting agribusiness and renewable energy programs



ARTS & CULTURAL ACTIVITIES

Arts and culture development, public art, planning for an arts and culture centre



PARKS & RECREATION

Maintaining parks, reserves, playgrounds, walking trails, street trees, aquatic centre, boating facilities



COASTAL PROTECTION & ENVIRONMENT

Foreshore and estuary maintenance, vegetation management, pest animal and plant control



COMPLIANCE & PARKING

Dog and cat management, outdoor dining, nuisance and litter control, parking enforcement



TRANSPORT

Community transport services, advocating for improved public transport



PUBLIC HEALTH

Regulating food safety, waste water systems, water quality, sanitation, swimming pools/spas, vermin control



EMERGENCY PLANNING

Regional bush fire management plan, local and zone emergency management plans



ADMINISTRATION

Records management, FOI requests, council and committees support, maintaining the electoral roll



CORPORATE SERVICES

Financial and risk management, HR, organisational development, computers and telecommunications



COMMUNITY DEVELOPMENT

Grant programs, community facilities and meeting places, advice, advocating on behalf of the community



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 opportunity and lifestyle.

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 that the development of the area is directed to the overall well-being 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, 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.

ABOUT OUR ANNUAL BUSINESS PLAN

Our 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 Plan draws on various corporate plans, including the Community Plan, Asset Management Plans and Long Term Financial Plan. The City of Victor Harbor's Community Plan is being reviewed simultaneously with the development of this Annual Business Plan.

Our Annual Business Plan is prepared in accordance with Section 123 of the Local Government Act 1999. It provides a summary of Council's long term objectives and the activities that Council intends to undertake in the coming year to achieve them. It also sets out the budget, sources of revenue and rating policy, and shows how we intend to measure our performance.

HOW THE COMMUNITY IS INVOLVED IN PREPARING OUR PLAN

Gathering community input is an important part of the preparation of the Annual Business Plan.

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.

In addition to this, the City of Victor Harbor is required to consult with the community on its draft Annual Business Plan. Consultation on the draft plan commenced on Saturday, 13 June 2020 and concluded at 5pm on Monday, 13 July 2020.

Traditionally the Council is required to hold a public meeting to enable the community to ask questions and provide feedback on the draft Annual Business Plan and Budget. In order to meet COVID-19 restrictions around gatherings and social distancing, the Council changed the format of this meeting to a drop-in session, enabling members of the community to talk face-to-face with Elected Members and Council staff about their views on the proposed Annual Business Plan and Budget. This drop-in session was held on Thursday, 2 July 2020 at the City of Victor Harbor Civic Centre between 4.30pm and 6.30pm.

Other opportunities to provide feedback included:

- Reviewing the draft Annual Business Plan online and making submissions at www.yoursay.victor.sa.gov.au;
- Making a written submission by email to localgov@victor.sa.gov.au or by post to PO Box 11, Victor Harbor SA 5211.

Information about the draft 2020/21 Annual Business Plan and Budget was advertised in The Advertiser and The Times. The consultation was also promoted through Council's monthly e-newsletter Victor Viewpoint, shared a number of times on social media and a display in the Civic Centre during the consultation period.

The Council was presented with community feedback at a workshop on 20 July 2020 and took this feedback into account before adopting the final 2020/21 Annual Business Plan and Budget.

STRATEGIC 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

COMMUNITY PLAN REVIEW

The Local Government Act requires that community or strategic plans need to be reviewed within two years of a new Council being elected. The City of Victor Harbor finalised its Community Plan 2030 in line with the 2020/21 Annual Business Plan and Budgeting process.

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 2020/21 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 2020/21 we have identified 25 Key Planned Activities. These are detailed on activity area budget **pages 22-36**, and a full list is provided on **page 46**.

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.

FINANCIAL PLANNING PROCESS

Council aims to meet the needs of the community whilst providing for 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 (Designated Informal Gatherings) held over an eight month period. The process also includes a period of public consultation and the consideration of feedback received.

Key documents that provide inputs into the Annual Business Plan and Budget are provided below:



This approach allows Council to make decisions on the budget that provides for community and organisational needs, effective use of rate revenue and intergenerational equity.

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:

- Bridges
- Footpaths
- Open Space
- Kerbing, Traffic & Car Parks
- Buildings
- Stormwater
- Roads
- Other Infrastructure

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.

LONG TERM FINANCIAL PLAN

The Long Term Financial Plan is designed to provide high level financial information and direction over the next ten year period and enables Council to plan for the long term financial sustainability of the organisation. The 2019/20 Long Term Financial Plan was adopted by Council on 16 December 2019.

Both the Long Term Financial Plan and Asset Management Plans will be reviewed following the adoption of the annual budget in preparation for the following year's budget considerations.

CURRENT SERVICES

The 2020/21 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 administration 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 has set draft 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 / debt level prudently
- Employ sound asset management principles
- Achieve intergenerational equity.

Council's targets for the Key Financial Indicators are provided below:

KEY FINANCIAL INDICATOR	TARGET
Operating Surplus Ratio	0% to 3%
Net Financial Liabilities Ratio	40% to 60%
Asset Sustainability Ratio	90% to 110%*

*To achieve a three year rolling average of 100%

The Annual Budget is measured against these indicators to assess how the current budget is performing against Council's long term financial goals. Financial indicators for 2020/21 are provided on **page 38**.

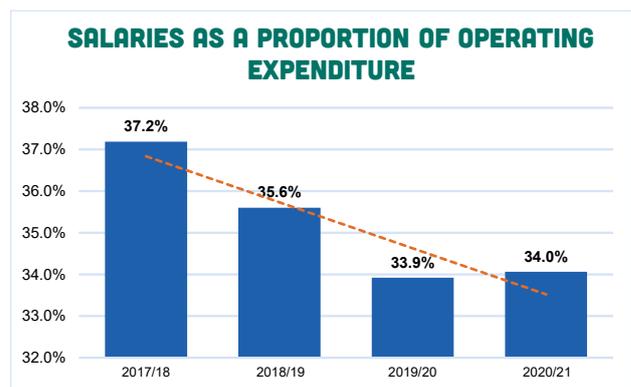
EMPLOYEE LEVELS

The 2020/21 budget provides for an increase of 1.4 Full-Time Equivalents (FTE) due to the provision of additional positions as follows:

- 0.4 FTE Environmental Projects Officer to provide for the implementation of the Council's Environmental Management Plan.
- 0.5FTE Communications Assistant to provide for increased community engagement levels.
- 0.5FTE Accountant to assist in budget preparation, reviews and business analysis.

There has been an overall increase in employee expenses due to Council's Enterprise Bargaining Agreement and level increments.

While FTE are planned to increase in 2020/21, the following graph demonstrates that FTE growth has not matched the increase in total operating expenditure. Council is mindful that careful consideration needs to be given to balancing the allocation of resources against activities and projects.



DEBT LEVELS

Council's has a fixed term loan balance of \$5,780,675 as at 30 June 2020. Included in the balance amount are community loans to the Encounter Bay Bowling Club and Victor Harbor Bowling Club totaling \$252,191.

Council also has access to a \$13 million Cash Advance Debenture facility that works similar to a variable loan. This facility is used to manage cashflow requirements during the year. As at 30 June 2020 there was \$1,090,000 outstanding on Cash Advance Debentures.

Fixed term loan details as at 30 June 2020:

DATE OF LOAN	PRINCIPAL AMOUNT	INTEREST RATE	PRINCIPAL OUTSTANDING	MATURITY DATE
15/03/2006	\$3,000,000	6.20%	\$1,305,065	15/03/2021
15/09/2006	\$3,200,000	6.75%	\$1,526,031	15/09/2021
15/04/2011	\$500,000*	6.70%	\$66,071	15/04/2021
15/06/2011	\$700,000	6.70%	\$92,500	15/06/2021
15/06/2012	\$2,000,000	5.05%	\$483,489	15/06/2022
15/06/2012	\$60,000*	5.05%	\$14,505	15/06/2022
15/05/2014	\$230,000*	5.80%	\$160,666	15/05/2029
15/05/2015	\$100,000*	4.15%	\$10,949	15/07/2020
15/06/2017	\$2,500,000	4.40%	\$2,121,398	15/07/2032
Total	\$12,290,000		\$5,780,675	

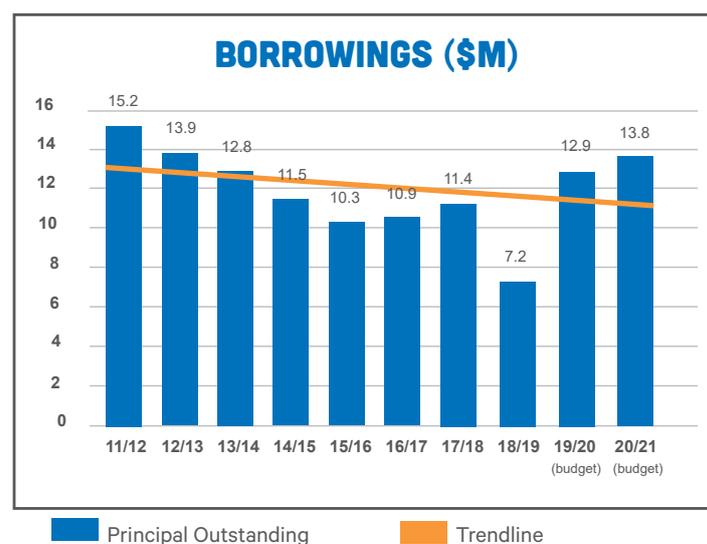
*community loans

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.

Four fixed terms loans will mature during 2020/21 with final repayments of \$1,474,586. New borrowings for 2020/21 are estimated at \$6 million.

Levels of debt at 30 June from 2011/12:



SUBSIDIARIES

Council has a number of subsidiaries under Division 3, Section 42 and 43 of the Local Government Act 1999 as follows:

Victor Harbor Horse Tram Authority (Section 42)

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 \$415,400 and is included in the Business Activities summary on **page 31**.

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 \$248,000.

These projects include stables, amenities and fencing at the Armstrong Road site as well as renovation works on one of the trams.

Southern and Hills Local Government Association (Section 43)

This organisation undertakes regional coordination, representation and marketing on behalf of the member councils to improve the well-being 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 \$14,900 and is included in the Organisational summary on **page 35**.

Fleurieu Regional Waste Authority (Section 43)

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 \$1,615,000 and is included in the Waste Management summary on **page 27**.

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)

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 \$373,300.

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 2020/21 is \$345,400. These amounts are included in Open Space and Recreation summary on **page 28**.

BUDGET CONTEXT

Our Annual Business Plan and Budget process ensures that the mix of services, programs and projects for the budget year meet the needs of our community and is balanced with our community's ability to pay rates.

COVID-19 RESPONSE

The 2020/21 Annual Business Plan and Budget has been prepared during challenging times as governments at all levels respond to the Coronavirus (COVID-19) pandemic. In March 2020, the SA Government declared a public health emergency. Managing the public health risk was a priority, and a range of measures were introduced to stop the spread of COVID-19 and keep communities safe. This included discouraging non-essential gatherings, and ensuring social distancing and good hygiene practices were followed.

COVID-19 hit communities right across the country hard, and Victor Harbor was not exempt from this hardship. Government restrictions seriously impacted a number of local businesses, particularly those in the tourism, food and hospitality, and direct service industries. Many were required to stand down staff or close their doors.

The economic impact of the pandemic has been significant, and we are still yet to understand the full extent. In setting the 2020/21 budget the Council's role remains two-fold, ensuring it remains in a position to respond to the impact of COVID-19 (including the recovery phase) at the same time as delivering essential services for its community.

While restrictions are beginning to be eased, the threat of a further COVID-19 outbreak remains and places some uncertainty on the future. This makes it extremely challenging to forecast Council's position at the end of 2020/21 and beyond.

The decision to present a deficit budget has not been taken lightly. Council has worked hard to find a balance between financial sustainability for the organisation and meeting the needs of the community.

The current and future needs of the community have been taken into account in terms of ability to pay as well as encouraging adaptation and recovery activities.

Council is committed to providing rating relief during this challenging time as well as providing support for local businesses that have been severely impacted by restrictions, closures and reduced trading opportunities.

In light of the COVID-19 emergency, the following measures have been included within this Annual Business Plan and Budget:

Rates

- **Rate Rise** - The Long Term Financial Plan allows for rate rises in line with CPI. In consideration of the financial impact of COVID-19, Council has maintained both the differential rate and the fixed charge at 2019/20 levels. Only properties that have increased in their capital valuation (as provided by the Valuer General) will incur an increase in rates payable.
- **Payment Arrangements** - All payment arrangements made with Council will not incur fines or interest over the period of the arrangement. Payments can be set up via direct debit at a weekly, fortnightly, monthly or quarterly frequency according to the needs of the ratepayer.
- **Due Date Extensions** - All due date extensions made with Council will not incur fines or interest for the period of the extension.
- **Bulk Waiver** - Fines and interest will not be incurred for all properties the period 1 July 2020 to 30 September 2020.
- **Rates Remissions** - An allowance for remissions of rates has been included in the budget additional to the provisions normally available. Ratepayers will still need to provide evidence of financial hardship but evidence criteria has been relaxed in light of COVID-19 restrictions.
- **Debt Collection** - Council has deferred external debt collection activities for existing accounts to 31 December 2020 and new accounts to 30 June 2020.

Procurement

- **Local Supply** - Council's procurement practices require a weighting ratio to be applied to the evaluation of quotes, contracts and tenders. The weighting ratio for local supply of goods and/or services has been doubled to 20%.
- **Projects** - Council has been fortunate to receive a number of grants that will allow infrastructure projects to be brought forward. This in combination with an increase in the weighting ratio for local content in procurement procedures will assist in local employment opportunities.

Business Support

- **Grants** – Council has endorsed the provision of a Business Support Grant Scheme in 2019/20 that carries into 2020/21. This allows for business to seek grants under three funding streams including Business Adaptation, Business Cashflow and Business Planning.
- **Fee Waivers** – Outdoor dining fees have been waived from 1 March 2020 to 31 August 2020 with a 50% discount applicable from 1 September 2020.
- **Partnerships** – Council will partner with Business Victor Harbor via the provision of a grant to support the appointment of an Executive Officer and delivery of Economic Development activities.

OTHER CONSIDERATIONS

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

- 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 and 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
- Potential impact of increases in waste costs due to China Sword and Government Levies

- Use of the Consumer Price Index which measures price movements of goods and services typically consumed by households (such as food, alcohol, clothing, household equipment and transport costs) instead of the Local Government Price Index which measures price movements of goods and services that are relevant for councils:
 - Employee costs
 - Waste management
 - Plant and equipment leasing
 - Legal and accounting services
 - Cleaning services
 - Printing, publishing and advertising
 - Road, footpath, kerbing, bridge and drainage materials.

Contingent Items

Council has received notification that five projects have been successful in securing grant funding.

These projects were contingent on funding in order to be included in the 2020/21 budget. These projects include:

- Stage two of the George T Fisher Playground upgrade
- Railway Plaza Upgrade
- Arts and Culture Facilitator
- Stormwater Master Plan
- Waggon Road safety improvements.



FUNDING OUR PLAN

CAPITAL BUDGET

Capital expenditure of \$14,874,600 will be funded through grants, sale of replaced assets, depreciation reserve and loans.

Grants totaling \$2,938,700 have been included in the budget as well as \$98,000 for sale (trade-in) of plant and machinery.

Depreciation 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. All loans will be sourced through the Local Government Finance Authority.

Significant grant funding includes:

- SA Government Open Space and Places for People Grant Program**
 Railway Plaza Upgrade, \$2.3 million
 George T Fisher Playground (Stage 2), \$100,000
- Australian Government Local Roads and Community Infrastructure Program**
 Whale Centre Lift and Air Conditioner \$355,800
- Australian Government Black Spot Program**
 Waggon Road Safety Improvements:
 Stage 1 (2020/21) \$88,100
 Stage 2 (2021/22) \$441,700

OPERATING BUDGET

Operating expenses of \$29,669,100 will be funded by revenue of \$28,797,200 resulting in a deficit budget of \$871,900. 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 \$23,483,000.

Remaining revenue sources include:

- User pay charges which relate to fees imposed for use of Council services (\$2m)
- Statutory charges which apply to regulatory or compliance activities (\$0.5m)
- Grants and contributions from other levels of government and developers (\$1.8m)
- Other income such as donations, credit interest and reimbursements (\$1m)

The following table shows general revenue sources that are used to deliver Council services and offset the net expenses in the activities on **pages 22 to 36** of this plan.

OPERATING	DESCRIPTION	REVENUE
General Rates	Rates, Regional Landscape Levy, Rebates, Remission and Fines	23,483,000
Interest	Bank and Reserve Credit Interest	36,000
LG Grants Commission	General Purpose and Local Roads Grants	600,000
Total General Revenue		24,119,000

DIFFERENTIAL RATES

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 activities.

In 2020/21 the funds will be used to fund economic development, events and culture officers (1.5FTE) and to support activities including but not limited to:

- Town maps and visitor guides
- Business forums and training

- Contribution to regional tourism and development bodies (Fleurieu Peninsula Tourism and Regional Development Australia)
- Mainstreet programs and engagement
- Events – New Year's Eve Celebrations, Artisan Markets, Rock n Roll Festival and Tour Down Under
- Festival and Events Grant Program
- Business Support Grant Program
- Business Victor Harbor Grant



WHAT WE WILL DO IN 2020/21

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 2020/21, 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



2020/21 BUDGET SUMMARY

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Aged Services	97,800	97,800	0
Caring Neighbourhood Program	231,700	231,700	0
Community Assistance	3,000	788,100	(785,100)
Community Bus Service	17,000	70,800	(53,800)
Community Transport	640,800	640,800	0
Fleurieu Families	312,400	312,400	0
Youth Development	139,500	139,500	0
Total	1,442,200	2,281,100	(838,900)

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.

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
OPERATING		
Aged Services	<p>Flourishing on the Fleurieu Festival</p> <p>The Festival is a biennial event that celebrates retirement and showcases the many organisations and community groups that people can get involved with. The Festival provides an opportunity for Council to help local groups promote the opportunities available for older people to connect with others (\$7,000)</p>	

INCREASED EXPENSES FOR REGIONAL PROGRAMS

The Fleurieu Region Community Services Advisory Committee was established to help improve the quality of life, independence and well-being of communities across the Fleurieu Region. It was established with the aim to support the three Fleurieu councils – City of Victor Harbor, Alexandrina Council and District Council of Yankalilla – with the planning, development and coordination of community services including the Caring Neighbourhood Program, Fleurieu Families, Youth Development, Positive Ageing Project and Star Club.

In December 2019 Alexandrina Council advised the City of Victor Harbor of its intent to withdraw from the Fleurieu Regional Community Services Advisory Committee and discontinue its funding support of all programs excluding the Positive Ageing Project and Star Club program from 30 June 2020. Note, the Southern Communities' Transport Scheme remains unaffected at this time.

As a part of its budgeting process the City of Victor Harbor has considered the implications of Alexandrina Council's withdrawal and is proposing to increase its own contribution to ensure the services continue for its community. This has resulted in an increase to the operating costs in the community services activity area in comparison with 2019/20.

COMMUNITY FACILITIES



OVERVIEW

Council provides a range of key community facilities that aims 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.

2020/21 BUDGET SUMMARY

ACTIVITY AREA	CAPITAL		
	REVENUE	EXPENSES	NET RESULT
Cemetery	0	30,000	(30,000)
Old School Building	0	0	0
Property & GIS	0	3,672,000	(3,672,000)
Public Conveniences	0	226,000	(226,000)
Recreation Centre	0	74,000	(74,000)
Senior Citizens Facilities	0	0	0
Town Hall	0	5,000	(5,000)
Total	0	4,007,000	(4,007,000)

ACTIVITY AREA	OPERATING		
	REVENUE	EXPENSES	NET RESULT
Cemetery	121,100	191,800	(70,700)
Old School Building	7,000	25,300	(18,300)
Property & GIS	125,100	691,600	(566,500)
Public Conveniences	0	286,000	(286,000)
Recreation Centre	104,700	301,900	(197,200)
Senior Citizens Facilities	0	46,100	(46,100)
Town Hall	19,200	78,400	(59,200)
Total	377,100	1,621,100	(1,244,000)

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
CAPITAL		
Public Conveniences	The Bluff Boat Ramp Public Toilets New public toilet facilities at The Bluff Boat Ramp (\$188,000)	

MORE PUBLIC TOILET UPGRADES

A common theme throughout the public consultation on the draft 2020/21 Annual Business Plan and Budget indicated that upgrading public toilet facilities across the Council area is important. In addition to installing new public toilets at The Bluff Boat Ramp, Council will commence upgrades of toilet facilities at the Victor Harbor Cemetery and Nangawooka Flora Reserve.



Community



Innovation and Creativity



Growth



Environment



Services and Infrastructure



Governance

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.

2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Bridges	0	98,000	(98,000)
Kerbing & Footpaths	0	877,500	(877,500)
Private Works	0	0	0
Sealed Roads	0	829,500	(829,500)
Streetscaping	2,308,700	6,260,900	(3,952,200)
Unsealed Roads	0	165,000	(165,000)
Total	2,308,700	8,230,900	(5,922,200)

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Bridges	0	491,200	(491,200)
Kerbing & Footpaths	0	750,800	(750,800)
Private Works	6,800	5,100	1,700
Sealed Roads	200,000	2,649,300	(2,449,300)
Streetscaping	8,000	503,500	(495,500)
Unsealed Roads	0	705,700	(705,700)
Total	214,800	5,105,600	(4,890,800)

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
CAPITAL		
Kerbing & Footpaths	Franklin Parade Shared Pathway The existing pathway along Franklin Parade, from Kent Reserve to the Bluff Boat Ramp will be resurfaced and where possible widened to 3.5 metres to make it safer for pedestrians and cyclists (\$245,000)	     
Streetscaping	Railway Plaza Upgrade The redevelopment of the Railway Plaza is marked to showcase Victor Harbor's heritage listed buildings and Moreton Bay fig trees within a vibrant, high-use and accessible community space that can transform to host major festivals and events alongside Warland Reserve. The development will also result in a much needed stormwater upgrade for the area (\$4,617,400*)	     

*offset by grants

CAR PARKING AND TRAFFIC MANAGEMENT



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 carparks 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.

2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Car Parking	0	71,000	(71,000)
Crime Prevention	0	58,000	(58,000)
Street Lighting	0	0	0
Traffic Management	88,100	148,100	(60,000)
Total	88,100	277,100	(189,000)

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Car Parking	115,700	161,600	(45,900)
Crime Prevention	0	57,400	(57,400)
Street Lighting	0	270,100	(270,100)
Traffic Management	0	339,600	(339,600)
Total	115,700	828,700	(713,000)

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
CAPITAL		
Car Parking	McKinlay Street Car Park Demolition of house and provision of additional off street parking (\$71,000)	
Crime Prevention	Webcam and CCTV at Bluff Boat Ramp To allow online access of boat ramp conditions and deter vandalism (\$58,000)	
Traffic Management	Waggon Road Safety Improvements This will be undertaken over two years. It involves shoulder construction, improved drainage, increasing the roadway at bends, improved signage, line marking, installation of guard rails and roadside vegetation removal (\$88,100*)	
Traffic Management	Pedestrian Refuge on Armstrong Road To improve safety for cyclists and pedestrians crossing Armstrong Road from Ewen Terrace to the Encounter Bay Recreation Grounds a median refuge will be installed (\$60,000)	

*offset by grants

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.

2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Coastal Protection	0	60,000	(60,000)
Environmental Projects	0	0	0
Stormwater Drainage	0	76,900	(76,900)
Total	0	136,900	(136,900)

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Coastal Protection	0	231,000	(231,000)
Environmental Projects	0	531,100	(531,100)
Stormwater Drainage	65,000	868,400	(803,400)
Total	65,000	1,630,500	(1,565,500)

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
CAPITAL		
Coastal Protection	Hayward Court Beach Access Completion of the beach access stairs at Hayward Court in Hayborough (\$60,000)	     
OPERATING		
Coastal Protection	Victor Harbor Coastal Management Study Review In 2013 the Victor Harbor Coastal Management Strategy was prepared in response to community concerns about the impact of storm damage of the section of the coast between Policeman Point and The Bluff Boat Ramp. A recommendation within the study was that it be reviewed after five years (\$60,000)	     
Stormwater Drainage	Urban Stormwater Master Plan Continue the development of the Urban Stormwater Master Plan by completing Stage 2 (\$130,000*)	     

*offset by grants



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

WASTE MANAGEMENT



2020/21 BUDGET SUMMARY

ACTIVITY AREA	OPERATING		
	REVENUE	EXPENSES	NET RESULT
Street Cleaning	0	126,400	(126,400)
Waste Collection*	500	1,682,800	(1,682,300)
Waste Disposal	0	303,600	(303,600)
Total	500	2,112,800	(2,112,300)

*Waste Collection includes \$1,615,000 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.

FORTNIGHTLY KERBSIDE WASTE COLLECTION

In 2019 the City of Victor Harbor joined its neighbouring councils in the war on waste and transitioned to fortnightly kerbside waste collection. The aim of the change in service was to reduce the amount of waste being sent to landfill and increase the rate of recycling and resource recovery.

Results provided by the Fleurieu Regional Waste Authority (FRWA) for the first nine months show that the introduction of fortnightly kerbside waste collection has been a great success. From 1 July 2019 to 31 March 2020, waste to landfill has reduced by 26%, and recyclables and green waste increased by 35% and 76% respectively. Overall, the City of Victor Harbor's kerbside diversion rate sits at 61% at the end of March 2020 – the highest of all Fleurieu councils.

The reduction in waste to landfill and increase in green waste also highlights the success of FRWA's community education program around food waste, and how to maximise the use of the green waste bins. In the lead-up to the new kerbside collection changes, more than 500 City of Victor Harbor residents and school children attended an information session, compost workshop or school workshop; supporting the unprecedented resident readiness and the initial success of fortnightly collection implementation of all Fleurieu Regional Waste Authority councils.

Education initiatives will continue to be rolled out during 2020/21.

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.

2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Outdoor Sports**	0	56,000	(56,000)
Parks & Gardens	100,000	411,000	(311,000)
STARClub	0	0	0
Total	100,000	467,000	(367,000)

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Outdoor Sports**	36,500	1,153,300	(1,116,800)
Parks & Gardens	9,600	1,570,800	(1,561,200)
STARClub	158,400	158,400	0
Total	204,500	2,882,500	(2,678,000)

*Outdoor Sports includes \$373,300 for costs associated with the Fleurieu Regional Aquatic Centre Authority and an equity adjustment of \$345,400 (Section 43 Subsidiary).

KEY PLANNED ACTIVITIES FOR 2019/20

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
CAPITAL		
Outdoor Sports	Southern Fleurieu Sport and Recreation Precinct Completion of feasibility study and preliminary designs (\$25,000) and commencement of detailed designs (\$28,000)	
Outdoor Sports	Floating Pontoon for Swimmers Placement of a floating pontoon for swimmers off the beach. Location to be determined following public consultation but possibilities include Bridge Terrace or Kent Reserve (\$28,000)	
Parks and Gardens	Kent Reserve Gym Equipment Installation of new outdoor gym equipment at Kent Reserve (\$55,000)	
Parks and Gardens	Junior Scooter Park Design Investigate suitable location and undertake design for a scooter park targeted at small children (\$10,500)	
Parks and Gardens	George T Fisher Playground Stage 2 Detailed design was undertaken in 2019/20. The design includes slides, a climbing wall, a cave tunnel, sensory play items and additional tables and seating (\$224,000*)	
OPERATING		
Outdoor Sports	Mountain Bike Strategy Development of a plan to set the strategic direction for the development of mountain bike trails and networks within the Council area. (\$25,000)	

*offset by grants



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

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.

2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Depot	0	121,500	(121,500)
Indirect Works	0	0	0
Plant and Machinery	98,000	369,000	(271,000)
Total	98,000	490,500	(392,500)

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Depot	0	241,200	(241,200)
Indirect Works	2,000	1,510,700	(1,508,700)
Plant and Machinery	0	79,000	(79,000)
Total	2,000	1,830,900	(1,828,900)

PLANT AND EQUIPMENT REPLACEMENT

Plant and equipment is replaced in line with Council's Light Fleet, Plant and Heavy Vehicles Changeover / Replacement Policy which provides for optimum replacement timing.

Optimum replacement timing is based on reducing downtime and repair expenses whilst maximising trade-in revenue and spreading capital costs.

The Policy provides the appropriate changeover cycle for each category of plant. However in light of the high capital budget in 2020/21 a number of replacements have been deferred.

Three vehicles, two trucks and a woodchipper are planned for replacement in 2020/21 at a net cost of \$271,000.



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.

Activity areas include things such as main street programs, Business Week, Agribusiness Action Plan, Digital Economy Action Plan 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 such as New Year’s Eve, Tour Down Under and Rock and Roll Festival, support for the Rotary Art Show and Christmas Pageant, and the provision of the Visitor Information Centre which provides a wide range of information and advice on what to see and do in Victor Harbor and the Fleurieu Peninsula.

2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Economic Development	0	0	0
Tourism Marketing	0	0	0
Visitor Information Centre	0	18,000	(18,000)
Total	0	18,000	(18,000)

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Economic Development	77,400	467,300	(389,900)
Tourism Marketing	37,100	336,400	(299,300)
Visitor Information Centre	681,100	1,068,900	(387,800)
Total	795,600	1,872,600	(1,077,000)

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
OPERATING		
Economic Development	Business Victor Harbor Partnership To assist Business Victor Harbor enhance its ability to support the local business community, Council will provide funding to enable the appointment of an Executive Officer (\$100,000)	
Economic Development	Victor Harbor Place Brand Implementation and Investment Attraction Project This project involves the continuation of a three stage review of the place brand to grow adoption and participation by both businesses and the community. It will involve web and social media platform, stakeholder workshops, brand ambassadors and promotional materials (\$60,000*)	
Tourism	Events and Festivals Council continues its commitment to facilitating a number of events and festivals that contribute to economic development, tourism and community engagement. These include the New Year’s Eve celebrations (\$38,000), Tour Down Under (\$42,000) and a Festival and Events Grant Program (\$30,000)	

*offset by grant funding



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

TOWN PLANNING



OVERVIEW

Council provides for sustainable development and residential amenity by ensuring that development is in accordance with Council’s Development Plan and the Development Act, including areas such as 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 and heritage incentive grants program.

2020/21 BUDGET SUMMARY

ACTIVITY AREA	OPERATING		
	REVENUE	EXPENSES	NET RESULT
Town Planning	143,900	1,275,700	(1,131,800)
Total	143,900	1,275,700	(1,131,800)



NEW PLANNING SYSTEM IMPLEMENTATION

South Australia’s planning system is undergoing its biggest reform in more than 20 years. In 2016, the SA Government passed the Planning, Development and Infrastructure (PDI) Act 2016 to replace the Development Act 1993. The new Act provides the basis for the overhaul of the State’s planning system and will affect how development policy is formed, how development applications will be assessed, and how the community is consulted through the planning process.

The SA Government is rolling out the PDI in a number of stages with some aspects already in operation, and others still to be switched on. One of the most significant aspects to be implemented during 2020/21 is the new Planning and Design Code, which is essentially the new ‘rule book’ for all development in the Council area (and South Australia). The Code will assign new development rules and zoning throughout the Council area and will replace the City of Victor Harbor’s current Development Plan.

The City of Victor Harbor is a part of Phase Three of the implementation process with the new planning system set to go live in September 2020. Considerable resources in terms of staff time will be required to administer the implementation phase, and this will be a significant project for the Council’s Planning Department during 2020/21.



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

PUBLIC SAFETY



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.

2020/21 BUDGET SUMMARY

ACTIVITY AREA	CAPITAL		
	REVENUE	EXPENSES	NET RESULT
Building Control	0	0	0
Cat Control	0	0	0
Dog Control	0	18,000	(18,000)
Fire Prevention	0	0	0
Health Inspection	0	0	0
Local Nuisance & Litter	0	0	0
Other Regulatory Services	0	0	0
Parking Control	0	0	0
Total	0	18,000	(18,000)

ACTIVITY AREA	OPERATING		
	REVENUE	EXPENSES	NET RESULT
Building Control	68,300	424,300	(356,000)
Cat Control	12,000	26,500	(14,500)
Dog Control	121,700	130,200	(8,500)
Fire Prevention	7,200	86,800	(79,600)
Health Inspection	13,200	157,500	(144,300)
Local Nuisance & Litter	500	119,300	(118,800)
Other Regulatory Services	5,200	64,800	(59,600)
Parking Control	85,300	168,800	(83,500)
Total	313,400	1,178,200	(864,800)

ADDITIONAL SUPPORT TO RESPOND TO COVID-19

There is no doubt that COVID-19 has changed the way we all go about our daily lives. Gathering in smaller groups, social distancing and washing hands regularly is now a part of our new normal. The Council has many important roles to play in response to the pandemic, one of these focussing around keeping our community safe.

The Council's Public Safety Team has been visible on the ground helping the community adjust to changing restrictions, and will continue to provide this important support into 2020/21.

This support will range from assisting SA Police monitor gatherings in public places, providing advice to local businesses and community groups in relation to social distancing, density and hygiene requirements.



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 a local history programs.

2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Cultural Services	25,000	220,200	(195,200)
Library	61,100	114,000	(52,900)
Total	86,100	334,200	(248,100)

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Cultural Services	155,000	288,300	(133,300)
Library	69,900	1,225,000	(1,155,100)
Total	224,900	1,513,300	(1,288,400)

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
CAPITAL		
Library	Library Wall Extensions Feedback received during consultation on Library Services was overwhelming in regards to significant noise issues. The Community Meeting Room, IT Room and staff administration rooms have no internal ceiling which add to the overall noise level as well as causing heating and cooling challenges. The walls on these rooms will be extended to the ceiling to provide a sound barrier and reduce transference of noise to the main library space (\$32,000)	
OPERATING		
Cultural Services	Arts and Culture Precinct Council is committed to increasing its focus on art and cultural activities. This will be achieved by progressing detailed design for an Arts and Culture Precinct incorporating the existing Town Hall and Coral Street Art Space (\$100,000), and undertaking some repairs to the Victa Cinema (\$80,000)	



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

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, rate modelling and rate billing processes, debt collection and maintaining of assessment records, House of Assembly Roll and Council's Supplementary Roll.

Council provides cash and inkind 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.

2020/21 BUDGET SUMMARY

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Customer Service	0	519,700	(519,700)
Elected Members	0	378,700	(378,700)
Loan Interest	7,800	513,400	(505,600)
Organisational*	96,400	2,563,700	(2,467,300)
Rates Administration	78,000	411,400	(333,400)
Total	182,200	4,386,900	(4,204,700)

*Organisational includes \$14,900 for costs associated with the Southern and Hills Local Government Association (Section 43 Subsidiary).

KEY PLANNED ACTIVITIES FOR 2020/21

ACTIVITY AREA	DESCRIPTION	COMMUNITY PLAN LINKS
OPERATING		
Rates Administration	Rating Review Council will conduct a rating review against legislative provisions to provide assess the best rating structure to provide equitable distribution and balanced application of taxation principles. This will allow for public consultation on a range of options to ensure that the system adequately addresses the need for fairness and administrative efficiency (\$20,000)	

PLANNING FOR A BRIGHT FUTURE

There is no doubt that Victor Harbor's future is bright and robust planning is required to achieve the best results for our community. In 2020/21 planning will continue for a number of strategic initiatives including pursuing a Regional Study Hub, multi-purpose boating facilities, community services review and workforce planning.



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

CORPORATE SERVICES



2020/21 BUDGET SUMMARY

CAPITAL			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT
Accounting	0	0	0
Communication	0	5,000	(5,000)
Human Services	0	0	0
Information Technology	0	202,000	(202,000)
Occupancy (Office)	0	36,000	(36,000)
Payroll	0	0	0
Records	0	0	0
Total	0	243,000	(243,000)

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.

OPERATING			
ACTIVITY AREA	REVENUE	EXPENSES	NET RESULT*
Accounting*	0	773,400	(773,400)
Communication*	0	90,900	(90,900)
Human Services*	0	380,700	(380,700)
Information Technology*	2,000	737,800	(735,800)
Occupancy (Office)*	22,000	703,600	(681,600)
Payroll*	0	128,700	(128,700)
Records*	500	297,500	(297,000)
Total	24,500	3,112,600	(3,088,100)

*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.

HARNESSING TECHNOLOGY TO GAIN EFFICIENCIES

Council's software system has been in use for over 20 years and no longer meets the needs of the organisation.

A review of the organisation's software requirements is timely as the current software provider is releasing a new product and will no longer be servicing the current platform. Council will undertake this review in 2020/21 which will include a review of internal processes and investigation of opportunities.

Results of the review will be presented to Council for consideration and possible inclusion in future budgets for implementation.

The goal is to increase organisational capacity through efficiency savings, process improvements and increased customer engagement.



Community



Innovation and Creativity



Growth



Environment



Services and Infrastructure



Governance



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 2020/21, 25 Key Planned Activities have been identified. The activities are outlined in the budget activity area pages of this plan (pages 22-36).

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.

KEY FINANCIAL INDICATORS

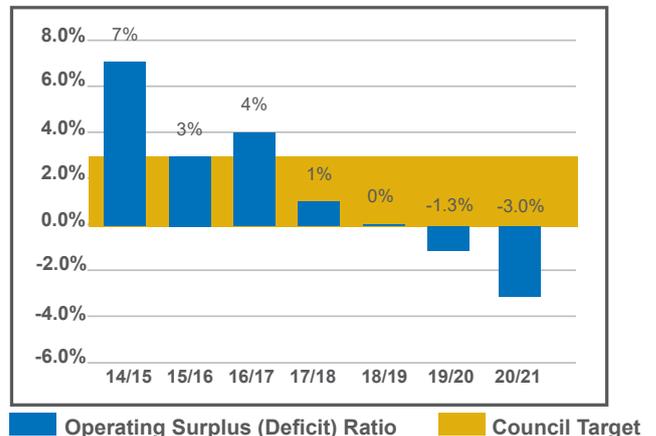
Key financial indicators provide a robust assessment of financial performance and sustainability. Council is required, as part of the budget process, to estimate Council's operating surplus ratio, net financial liabilities ratio and asset sustainability ratio.

Two of the three key financial indicators for 2020/21 do not meet Council's targets as set out in the Long Term Financial Plan. Council has chosen to consider a deficit budget in the interests of reducing the impact of COVID-19 on the community by maintaining 2019/20 rating levels. A significant increase in capital expenditure, due to existing asset replacements as well as brought forward projects to attract grant funding will require additional loans. Budget preparation has been undertaken in a challenging and unpredictable environment and budget reviews will be utilised to adjust for unknown expenses and seek budget savings.

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 2011/12 with a current forecast of a deficit ratio of 1.3% for 2019/20 as demonstrated in the graph below:

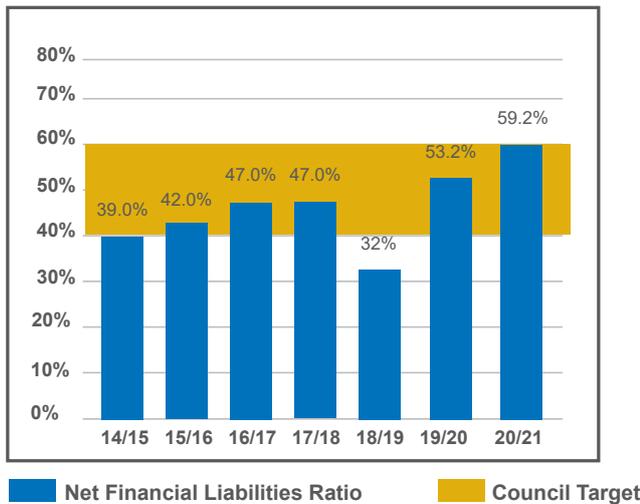


An Operating Deficit Ratio of -3.0% is projected in 2020/21 which is below Council's target of between 0% and 3% as identified in the Long Term Financial Plan.

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 followed by an increase to 53.2% in 2019/20 as demonstrated in the graph below:



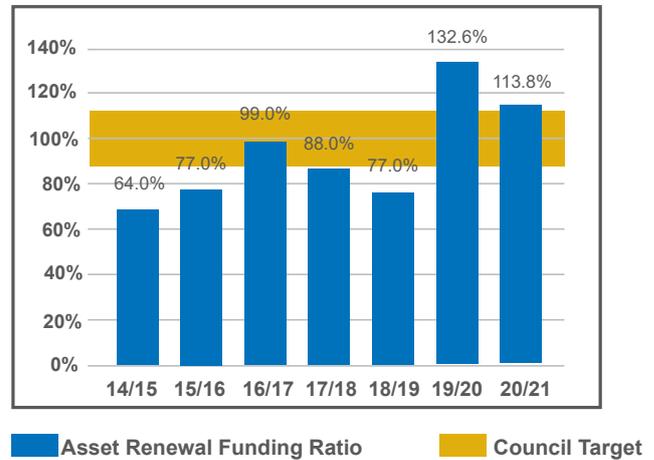
A Net Financial Liabilities Ratio of 59.2% is projected for 2020/21 which is within Council's target range of 40% to 60% as identified in the Long Term Financial Plan

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. It is expected that Council will meet the rolling three year target across the 2018/19 to 2020/21 financial years with an average ratio of 107.8% projected.



Expenditure on capital renewal projects in 2020/21 is estimated at 113.8% which is slightly over council's target range of 90% to 110% but will meet the rolling three year average.

2020/21 RATING POLICY

OVERVIEW

In response to the global COVID-19 pandemic and the financial impact this may have on a large number of ratepayers, Council has maintained the fixed charge and differential rates at 2019/20 levels. Properties that have no change to the capital value (as provided by the Valuer General) in 2020/21 will pay the same amount of rates as in 2019/20.

METHOD USED TO VALUE LAND

Councils may adopt one of three valuation methodologies to value properties in its area, including:

- **Capital Value:** The value of the land and all of the 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 buildings and other improvements.
- **Annual Value:** A valuation of the rental potential of the property.

The City of Victor Harbor has decided to use Capital Value 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.

ADOPTION OF VALUES

The City of Victor Harbor has adopted the valuations made by the Valuer General as provided to the Council. Capital valuations for 2020/21 total \$4,429,236,440 of which \$4,293,483,861 is rateable.

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:

1. 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;
2. 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
- **Email:** Send your objection, including any attachments to 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.

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.

BUSINESS IMPACT STATEMENT

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

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.

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 will maintain the same fixed charge on rateable properties of \$390 from the previous 2019/20 financial year. The fixed charge will recover approximately 15% of rate revenue with the remaining from differential rating.

DIFFERENTIAL GENERAL RATES

The Council has imposed differential general rates based on the land use categories as permitted under the Local Government (General) Regulations. 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. Council will maintain the same differential rates for each land use category from the previous 2019/20 financial year.

Council has previously identified that its business rating structure has been deficient in raising the necessary revenue to offset related costs and has maintained the differential rating component on Commercial and Industrial Land Use categories.

The proportion of differential rates above the base rate, anticipated to be about \$380,000, 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 20**.

Council has continued to recognise the economic and social importance of primary production to the district and therefore the need to support its long term viability by providing a discount differential of -10% to the base rate for primary production land.

Council also 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. Council has maintained the differential rate to be applied to the vacant land use category at 50% more than the base rate.

The 2020/21 land use categories, the respective differential general rates to apply and approximate revenue to be raised will be as shown in the table below. The revenue figure includes both the fixed charge and differential rates net of rebates, and excludes the Regional Landscape levy.

CATEGORY	FIXED CHARGE	CENTS IN THE \$	BASE DIFFERENTIAL	REVENUE (APPROX)
Residential	\$390	0.4349	Base rate	\$18.13 million
Commercial Shop	\$390	0.5654	Base + 30%	\$0.95 million
Commercial Office	\$390	0.5654	Base + 30%	\$0.15 million
Commercial Other	\$390	0.5654	Base + 30%	\$0.70 million
Industry Light	\$390	0.5001	Base + 15%	\$0.05 million
Industry Other	\$390	0.5001	Base + 15%	\$0.05 million
Primary Production	\$390	0.3914	Base - 10%	\$1.71 million
Vacant Land	\$390	0.6524	Base + 50%	\$1.27 million
Other	\$390	0.4349	Base rate	\$0.10 million
TOTAL				\$23.11 million

SEPARATE RATE – 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 total amount will be payable to the Hills and Fleurieu Landscape Board less the amount prescribed under the Landscape South Australia Act 2019 for establishment and collection costs.

The Regional Landscape Levy will be collected from the previous NRM Levy boundary area for the 2020/21 financial year as part of the transition to the new Regional Landscape Board areas. The rate will be based on the capital value of all rateable properties as follows:

- Rateable properties located within the area of the Council and of the previous Adelaide and Mount Lofty Ranges Natural Resources Management Board:
 - \$0.009519 cents in the dollar to raise a total of \$401,342
- Rateable properties located within the area of the Council and of the previous SA Murray Darling Basin Natural Resources Management Board:
 - \$0.020813 cents in the dollar to raise a total of \$3,419

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 2020/21 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 2019/20 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 2019;

- the increase in general rate payable is due in whole or in part to an increase in valuation of the property attributable to improvements;
- the increase in general rate payable is due in whole or in part to an increase in valuation of the property attributable to a change in the zoning of the land under the Development Act 1993.

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 seniors 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 inquiries confidentially.

REBATE OF RATES

The Local Government Act requires councils to rebate the rates payable on some land. Specific provisions are made for land used for health services, community services, religious purposes, public cemeteries, the Royal Zoological Society and educational institutions.

Discretionary rebates may be applied by the Council under Section 166 of the Act.

PAYMENT OF RATES

One single payment is due on **30 September 2020**, or by quarterly instalment payments due on the following dates:

- 1st instalment – **30 September 2020**
- 2nd instalment – **8 December 2020**
- 3rd instalment – **8 March 2021**
- 4th instalment – **8 June 2021**

Rates will be accepted as follows:

- By **BPAY** or **BPAY VIEW**, 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 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.

APPENDIX 1

DELIVERING OUR VISION

2020/21 KEY PLANNED ACTIVITIES

2020/21 KEY PLANNED ACTIVITIES

Flourishing on the Fleurieu Festival

The Festival is a biennial event that celebrates retirement and showcases the many organisations and community groups that people can get involved with. The Festival provides an opportunity for Council to help local groups promote the opportunities available for older people to connect with others (\$7,000)

The Bluff Boat Ramp Public Toilets

New public toilet facilities at The Bluff Boat Ramp (\$188,000)

Franklin Parade Shared Pathway

The existing pathway along Franklin Parade, from Kent Reserve to the Bluff Boat Ramp will be resurfaced and where possible widened to 3.5 metres to make it safer for pedestrians and cyclists (\$245,000)

Railway Plaza Upgrade

The redevelopment of the Railway Plaza is marked to showcase Victor Harbor's heritage listed buildings and Moreton Bay fig trees within a vibrant, high-use and accessible community space that can transform to host major festivals and events alongside Warland Reserve. The development will also result in a much needed stormwater upgrade for the precinct (\$4,617,400*)

McKinlay Street Car Park

Demolition of house and provision of additional off street parking (\$71,000)

Webcam and CCTV at The Bluff Boat Ramp

To allow online access of boat ramp conditions and deter vandalism (\$58,000)

Waggon Road Safety Improvements

This project will be undertaken over two years. It involves shoulder construction, improved drainage, increasing the roadway at bends, improved signage, line marking, installation of guard rails and roadside vegetation removal (\$88,100*)

Pedestrian Refuge on Armstrong Road

To improve safety for cyclists and pedestrians crossing Armstrong Road from Ewen Terrace to the Encounter Bay Recreation Group a median refuge will be installed (\$60,000)

Hayward Court Beach Access

Completion of the beach access stairs at Hayward Court in Hayborough (\$60,000)

Coastal Management Study Review

The Victor Harbor Coastal Management Study was prepared in 2013 in response to community concerns about the impact of storm damage of the section of the coast between Policeman Point and The Bluff Boat Ramp. It was recommended the study be reviewed after five years (\$60,000)

Urban Stormwater Master Plan

Continue to the development of the Urban Stormwater Master Plan by completing Stage 2 (\$130,000*)

Southern Fleurieu Sport and Recreation Precinct

Completion of feasibility study and preliminary designs (\$25,000) and commencement of detailed designs (\$28,000)

Floating Pontoon for Swimmers

Placement of a floating pontoon for swimmers off the beach. Location to be determined following public consultation but possibilities include Bridge Terrace or Kent Reserve (\$28,000)

Kent Reserve Gym Equipment

Installation of new outdoor gym equipment at Kent Reserve (\$55,000)

Junior Scooter Park Design

Investigate suitable location and undertake design for a scooter park targeted at small children (\$10,500)

George T Fisher Playground Stage 2

Detailed design was undertaken in 2019/20. The design includes slides, a climbing wall, a cave tunnel, sensory play items and additional tables and seating (\$224,000*)

Mountain Bike Strategy

Development of a plan to set the strategic direction for the development of mountain bike trails and networks within the Council area. This plan (\$25,000)

Business Victor Harbor Partnership

To assist Business Victor Harbor enhance its ability to support the local business community, Council will provide funding to enable the appointment of an Executive Officer (\$100,000)

Victor Harbor Place Brand Implementation and Investment Attraction Project

This project involves the continuation of a three stage review of the place brand to grow adoption and participation by both businesses and the community. It will involve web and social media platform, stakeholder workshops, brand ambassadors and promotional materials (\$60,000*)

Events and Festivals

Council continues its commitment to facilitating a number of events and festivals that contribute to economic development, tourism and community engagement. These include the New Year's Eve celebrations (\$38,000), Tour Down Under (\$42,000) and a Festival and Events Grant Program (\$30,000)

Horse Stables and Staff Amenities

Construction of a facility at Canton Place to provide stables, staff amenities, storage and wash down areas for use by the Victor Harbor Horse Tram Authority. This will improve stabling conditions and ability to care for sick or injured horses including veterinary services (\$203,000)

SA Whale Centre Lift and Air Conditioning

Installation of a lift within the SA Whale Centre to provide access for all, as well as installation of air conditioning (\$300,000*)

Library Wall Extensions

Feedback received during consultation on Library Services was overwhelming in regards to significant noise issues. The Community Meeting Room, IT Room and staff administration rooms have no internal ceiling which add to the overall noise level as well as causing heating and cooling challenges. The walls on these rooms will be extended to the ceiling to provide a sound barrier and reduce transference of noise to the main library space (\$32,000)

Arts and Culture Precinct

Council is committed to increasing its focus on art and cultural activities. This will be achieved by progressing detailed design for an Arts and Culture Precinct incorporating the existing Town Hall and Coral Street Art Space (\$100,000), and undertaking some repairs to the Victoria Cinema (\$80,000*)

Rating Review

Council will conduct a rating review against legislative provisions to provide assess the best rating structure to provide equitable distribution and balanced application of taxation principles. This will allow for public consultation on a range of options to ensure that the system adequately addresses the need for fairness and administrative efficiency (\$20,000)

(*off-set by grant funding)

A gravel path winds through a lush green park. The path is flanked by tall grasses and various trees, including a prominent tree with light-colored bark on the right. The scene is bathed in warm, golden light, suggesting a late afternoon or early morning setting. The overall atmosphere is peaceful and natural.

APPENDIX 2

2020 / 21 BUDGET SUMMARY

2020/21 BUDGET SUMMARY TABLE

PROGRAM	Page Ref	CAPITAL			OPERATING		
		REVENUE	EXPENSES	RESULT	REVENUE	EXPENSES	RESULT
Accounting*	36	0	0	0	0	773,400	(773,400)
Aged Services	22	0	0	0	97,800	97,800	0
Bridges	24	0	98,000	(98,000)	0	491,200	(491,200)
Building Control	33	0	0	0	68,300	424,300	(356,000)
Car Parking	25	0	71,000	(71,000)	115,700	161,600	(45,900)
Caravan Park	31	0	100,000	(100,000)	256,400	82,900	173,500
Caring Neighbourhood Project	22	0	0	0	231,700	231,700	0
Cat Control	33	0	0	0	12,000	26,500	(14,500)
Cemetery	23	0	30,000	(30,000)	121,100	191,800	(70,700)
Coastal Protection	26	0	60,000	(60,000)	0	231,000	(231,000)
Communication*	36	0	5,000	(5,000)	0	90,900	(90,900)
Community Assistance	22	0	0	0	3,000	788,100	(785,100)
Community Bus Services	22	0	0	0	17,000	70,800	(53,800)
Community Transport - HACC	22	0	0	0	93,100	89,100	4,000
Community Transport - SCOTS	22	0	0	0	547,700	551,700	(4,000)
Crime Prevention	25	0	58,000	(58,000)	0	57,400	(57,400)
Cultural Services	34	25,000	220,200	(195,200)	155,000	288,300	(133,300)
Customer Service	35	0	0	0	0	519,700	(519,700)
Depot	29	0	121,500	(121,500)	0	241,200	(241,200)
Dog Control	33	0	18,000	(18,000)	121,700	130,200	(8,500)
Economic Development	30	0	0	0	77,400	467,300	(389,900)
Elected Members	35	0	0	0	0	378,700	(378,700)
Environmental Projects	26	0	0	0	0	531,100	(531,100)
Fire Prevention	33	0	0	0	7,200	86,800	(79,600)
Fleurieu Families	22	0	0	0	312,400	312,400	0
General Rates	-	0	0	0	23,483,000	0	23,483,000
Health Inspection	33	0	0	0	13,200	157,500	(144,300)
Horse Tram	31	0	248,000	(248,000)	138,900	554,300	(415,400)
Human Services*	36	0	0	0	0	380,700	(380,700)
Indirect Works	29	0	0	0	2,000	1,510,700	(1,508,700)
Information Technology*	36	0	202,000	(202,000)	2,000	737,800	(735,800)
Interest	35	0	0	0	36,000	0	36,000
Kerbing & Footpaths	24	0	877,500	(877,500)	0	750,800	(750,800)
LG Grants Commission	-	0	0	0	600,000	0	600,000
Library	34	61,100	114,000	(52,900)	69,900	1,225,000	(1,155,100)
Loan Interest	-	0	0	0	7,800	513,400	(505,600)
Local Nuisance & Litter	33	0	0	0	500	119,300	(118,800)
Occupancy (Office)*	36	0	36,000	(36,000)	22,000	703,600	(681,600)

PROGRAM	Page Ref	CAPITAL			OPERATING		
		REVENUE	EXPENSES	RESULT	REVENUE	EXPENSES	RESULT
Old School Building	23	0	0	0	7,000	25,300	(18,300)
Organisational**	35	0	0	0	96,400	2,563,700	(2,467,300)
Other Regulatory Services	33	0	0	0	5,200	64,800	(59,600)
Outdoor Sports**	28	0	56,000	(56,000)	36,500	1,153,300	(1,116,800)
Parking Control	33	0	0	0	85,300	168,800	(83,500)
Parks & Gardens	28	100,000	411,000	(311,000)	9,600	1,570,800	(1,561,200)
Payroll*	36	0	0	0	0	128,700	(128,700)
Plant & Machinery	29	98,000	369,000	(271,000)	0	79,000	(79,000)
Private Works	24	0	0	0	6,800	5,100	1,700
Property & GIS	23	0	3,672,000	(3,672,000)	125,100	691,600	(566,500)
Public Conveniences	23	0	226,000	(226,000)	0	286,000	(286,000)
Rates Administration	35	0	0	0	78,000	411,400	(333,400)
Records*	36	0	0	0	500	297,500	(297,000)
Recreation Centre	23	0	74,000	(74,000)	104,700	301,900	(197,200)
Sealed Roads	24	0	829,500	(829,500)	200,000	2,649,300	(2,449,300)
Senior Citizens Facilities	23	0	0	0	0	46,100	(46,100)
Star Club	28	0	0	0	158,400	158,400	0
Stormwater Drainage	26	0	76,900	(76,900)	65,000	868,400	(803,400)
Street Cleaning	27	0	0	0	0	126,400	(126,400)
Street Lighting	25	0	0	0	0	270,100	(270,100)
Streetscaping	24	2,308,700	6,260,900	(3,952,200)	8,000	503,500	(495,500)
Tourism Marketing	30	0	0	0	37,100	336,400	(299,300)
Town Hall	23	0	5,000	(5,000)	19,200	78,400	(59,200)
Town Planning	32	0	0	0	143,900	1,275,700	(1,131,800)
Traffic Management	25	88,100	148,100	(60,000)	0	339,600	(339,600)
Unsealed Roads	24	0	165,000	(165,000)	0	705,700	(705,700)
Visitor Information Centre	30	0	18,000	(18,000)	681,100	1,068,900	(387,800)
Waste Collection**	27	0	0	0	500	1,682,800	(1,682,300)
Waste Disposal	27	0	0	0	0	303,600	(303,600)
Whale Centre	31	355,800	304,000	51,800	176,600	487,500	(310,900)
Youth Development	22	0	0	0	139,500	139,500	0
*Adjustment for Corporate Costs distributed in activity areas (FCA)	-	0	0	0	0	(3,088,100)	3,088,100
Totals		3,036,700	14,874,600	(11,837,900)	28,797,200	29,669,100	(871,900)

APPENDIX 3

FINANCIAL STATEMENTS

VICTA CIN

UNIFORM PRESENTATION OF FINANCES

FOR YEAR ENDING 30 JUNE 2021

	2019/20 DECEMBER BUDGET \$'000	2020/21 LTFP BUDGET \$'000	2020/21 PROPOSED BUDGET \$'000
Operating Revenues	28,129	28,711	28,797
<i>less</i> Operating Expenses	(28,485)	(28,408)	(29,669)
Operating Surplus / (Deficit)	(357)	303	(872)
Net Outlays on Existing Assets			
Capital Expenditure on Renewal/Replacement of Existing Assets	(5,581)	(4,333)	(4,932)
<i>add back</i> Depreciation, Amortisation and Impairment	6,894	7,027	7,278
<i>add back</i> Proceeds from Sale of Replaced Assets	182	211	90
Subtotal	1,495	2,905	2,436
Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	(7,666)	(3,991)	(9,943)
<i>add back</i> Amounts received specifically for new/upgraded assets	534	1,500	2,939
<i>add back</i> Proceeds from Sale of Surplus Assets	14	0	8
Subtotal	(7,118)	(2,491)	(6,996)
NET LENDING / (BORROWING) FOR FINANCIAL YEAR	(5,980)	717	(5,432)

FINANCIAL INDICATORS

Operating Surplus Ratio

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

(TARGET = 0% to 3%)

-1.3% **1.0%** **-3.0%**

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 = 40% to 60%)

53.2% **40.0%** **59.2%**

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%)

132.6% **98.0%** **113.8%**

STATEMENT OF COMPREHENSIVE INCOME

FOR YEAR ENDING 30 JUNE 2021

	2019/20 DECEMBER BUDGET \$'000	2020/21 PROPOSED BUDGET \$'000
OPERATING INCOME		
Rates	23,074	23,483
Statutory charges	478	451
User charges	1,969	1,973
Grants, subsidies and contributions	1,535	1,857
Investment income	77	56
Reimbursements	869	796
Other revenues	117	181
Net Gain - Equity Accounted Council Business	10	0
Total Income	28,129	28,797
OPERATING EXPENSES		
Employee costs	9,658	10,102
Materials, contracts and other expenses	11,171	11,434
Finance costs	420	513
Depreciation, amortisation and impairment	6,894	7,278
Net loss - Equity Accounted Council Business	342	342
Total Expenses	28,485	29,669
	(357)	(872)
OPERATING SURPLUS / (DEFICIT)		
Asset Disposal and fair value adjustments	(1,000)	(1,000)
Amounts specifically for new or upgraded assets	534	2,939
Physical resources received free of charge	1,000	1,000
NET SURPLUS / (DEFICIT)	177	2,067
Other Comprehensive Income		
<i>Amounts which will not be reclassified subsequently to operating result</i>		
Changes in Revaluation Surplus - I,PP & E	734	408
Impairment / Recoupment Offset to Asset Revaluation Reserve	-	-
Total Other Comprehensive Income	734	408
Total Comprehensive Income	911	2,474

STATEMENT OF FINANCIAL POSITION

FOR YEAR ENDING 30 JUNE 2021

	2019/20 DECEMBER BUDGET \$'000	2020/21 PROPOSED BUDGET \$'000
ASSETS		
Current Assets		
Cash and Cash Equivalents	184	52
Trade and Other Receivables	746	290
Inventories	250	250
Total Current Assets	1,180	592
Non-Current Assets		
Financial Assets	104	370
Equity Accounted Investments in Council Business	9,749	9,407
Infrastructure, Property, Plant and Equipment	275,000	280,500
Other Non-Current Assets	1,000	1,000
Total Non-Current Assets	285,853	291,277
TOTAL ASSETS	287,033	291,869
LIABILITIES		
Current Liabilities		
Trade and Other Payables	1,097	2,495
Borrowings	2,184	2,142
Provisions	700	700
Total Current Liabilities	3,981	5,337
Non-Current Liabilities		
Borrowings	10,685	11,692
Provisions	400	400
Total Non-Current Liabilities	11,085	12,092
TOTAL LIABILITIES	15,066	17,429
NET ASSETS	271,966	274,440
EQUITY		
Accumulated Surplus	67,198	69,249
Asset Revaluation Reserve	204,163	204,571
Other Reserves	605	621
TOTAL EQUITY	271,966	274,440

STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDING 30 JUNE 2021

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
	\$'000	\$'000	\$'000	\$'000
2019/20 DECEMBER BUDGET				
Balance at end of previous reporting period	67,021	203,429	605	271,055
a) Net Surplus / (Deficit) for Year	177	-	-	177
b) Other Comprehensive Income				
Gain (Loss) on Revaluation of I,PP&E	-	734	-	734
I,PP&E Impairment / recoupments Offset to ARR	-	0	-	0
Total Comprehensive Income	177	734	-	911
c) Transfers between Reserves	(16)	-	16	-
Balance at end of period	67,182	204,163	621	271,966

2020/21 Proposed Budget

Balance at end of previous reporting period	67,182	204,163	621	271,966
a) Net Surplus / (Deficit) for Year	2,067	-	-	2,067
b) Other Comprehensive Income				
Gain (Loss) on Revaluation of I,PP&E	-	408	-	408
I,PP&E Impairment / recoupments Offset to ARR	-	-	-	0
Total Comprehensive Income	2,067	408	-	2,474
c) Transfers between Reserves	-	-	-	-
Balance at end of period	69,249	204,571	621	274,440

CASHFLOW STATEMENT

FOR YEAR ENDING 30 JUNE 2021

	2019/20 DECEMBER BUDGET \$'000	2020/21 PROPOSED BUDGET \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Operating Receipts	29,093	28,746
Investment Receipts	77	56
Payments		
Operating Payments to Suppliers and Employees	(20,849)	(20,185)
Finance Payments	(420)	(513)
Net cash provided by (or used in) operating activities	7,901	8,104
CASHFLOWS FROM INVESTING ACTIVITIES		
Receipts		
Amounts Received Specifically for New or Upgraded Assets	534	2,939
Sale of replaced assets	182	90
Sale of surplus assets	14	8
Repayments of loans by community groups	712	48
Payments		
Expenditure on renewal/replacement of assets	(5,581)	(4,932)
Expenditure on new/upgraded assets	(7,666)	(9,943)
Loans made to community groups	0	0
Net cash provided by (or used in) investing activities	(11,805)	(11,790)
CASHFLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from borrowings	4,500	6,000
Proceeds from Bonds & Deposits	0	0
Payments		
Repayments of borrowings	(956)	(2,446)
Net cash provided by (or used in) financing activities	3,544	3,554
NET INCREASE (DECREASE) IN CASH HELD	(360)	(132)
Cash & cash equivalents at beginning of period	544	184
CASH & CASH EQUIVALENTS AT END OF PERIOD	184	52

city of
Victor Harbor



STAY IN TOUCH

PO Box 11
Victor Harbor SA 5211

Ph. (08) 8551 0500
Fax. (08) 8551 0501

Email: localgov@victor.sa.gov.au
www.victor.sa.gov.au



**Looking for information
from your Council?**
Visit us 24/7 at
www.victor.sa.gov.au