



DRAFT FOR PUBLIC CONSULTATION
ANNUAL BUSINESS PLAN
2018/19



ABOUT OUR PLAN

Section 123 of the *Local Government Act 1999* requires council to prepare an Annual Business Plan and Budget which provides a summary of council's long term objectives and the activities that council intends to undertake to achieve these objectives.

It also needs to provide an outline of how council plans to measure its performance against its objectives, and take into account the Long Term Financial Plan and Asset Management Plans.

The Act also requires the Annual Business Plan set out proposed operating and

capital expenditure, sources of revenue, the proposed rate structure, and the impact of the proposed rate structure on the community.





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MESSAGE FROM THE MAYOR

After years of hard work by both the community and council, Victor Harbor is sitting in a pleasing position as South Australia's premier coastal town.

However, we can't be complacent. Now more than ever, it's crucial for the council to show leadership and carefully plan for Victor Harbor's bright future.

This budget is about safeguarding council's sustainability, and making sure we are equipped to seize opportunities and overcome challenges that we may be faced with in the future.

The \$34.7 million budget aims to balance community needs against the rising costs of living by delivering a range of services and infrastructure projects while minimising rate increases.

The budget includes a capital works program worth \$7.4 million, and operating expenditure of \$27.3 million.

Major projects include the delivery of Stage 2 of the Victor Harbor Mainstreet Precinct Master Plan, upgrade of Victor Harbor's premier playground at George T Fisher Reserve, Stage 3 of the Waitpinga Road upgrade, Pine Avenue road reconstruction, commencement of works for the Adelaide Road Footpath and Crossing Master Plan, Stage 1 of the Petrel Avenue stormwater upgrade, and close to \$300,000 worth of new footpaths.

In 2018/19, the average rate increase across all categories will be 3.5%. This increase includes CPI, and a percentage increase to ensure the sustainable delivery of services to the community.

For residential ratepayers, this will result in an average increase of \$67 compared to last year.

While the budget forecasts an operating deficit of \$200,900, council will continue to work hard during the year to identify efficiencies and cost saving measures to bring this closer to a breakeven result.

The timely review of the City of Victor Harbor ten year Long Term Financial Plan in 2018/19 will also provide council with a framework to move back into a surplus position.

Mayor Graham Philp



2018/19 BUDGET AT A GLANCE

The 2018/19 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 objectives.

The key components of the 2018/19 Annual Business Plan are outlined in the table (right).

Key Planned Activities	<ul style="list-style-type: none"> 263 key planned activities have been identified to contribute towards achieving the Council's long term objectives
Capital Budget	<ul style="list-style-type: none"> \$7.4 million
Operating Budget	<ul style="list-style-type: none"> Expenditure of \$27.3 million resulting in an operating deficit of \$200,900
Loans	<ul style="list-style-type: none"> New loans of \$2 million (maximum)
Rates	<ul style="list-style-type: none"> Average rate increase of 3.5% across all categories Average residential rate increase of \$67
Rating Policy	<ul style="list-style-type: none"> Differential rates maintained at current levels Fixed charge increased to \$350 to raise approximately 20% of total rate revenue
Financial Sustainability	<ul style="list-style-type: none"> Operating surplus ratio of -0.7% compared to an estimated 1% surplus in the Long Term Financial Plan (LTFP) Net financial liabilities ratio of 41% compared to an estimated 56% in the LTFP Asset sustainability ratio of 89% compared to an estimated 100% in the LTFP

SIGNIFICANT ACTIVITIES AND PROJECTS



ADELAIDE ROAD CORRIDOR WORKS

Stage 1 of the Adelaide Road Footpath and Crossing Master Plan will see construction of new footpaths and a shared pathway



MORE NEW FOOTPATHS

New footpaths on Bond Ave, Broadway, High St, Pine Ave, Renown Ave, Riverview Road and Tabernacle Road



PROTECTING OUR PRECIOUS COASTLINE

The seawall adjacent the Victor Harbor Bowling Club will be repaired inline with council's Coast Management Study



A NEW NATURE PLAYGROUND

Victor Harbor's premier playground on the foreshore at George T Fisher Reserve will be upgraded



MAINSTREET UPGRADE CONTINUES

The Victor Harbor Mainstreet Precinct upgrade will continue with Stage 2 works set to transform Ocean Street's north



STORMWATER UPGRADES

Stormwater upgrades will be undertaken at Petrel Avenue in Encounter Bay and Shields Crescent in Encounter Bay



NEW MANAGEMENT MODEL FOR TRAM

A new management model is proposed for the Horse Drawn Tram service as a Section 42 Subsidiary



A NEW WAY TO REGISTER PETS

Council will support pet owners as dog and cat registration across the State is transitioned to Dogs and Cats Online



ROLL OUT NEW FOOD RATING SCHEME

The South Australian food rating scheme will be rolled out to all food businesses in the council area



FACILITATE COUNCIL ELECTIONS

Council will facilitate the 2018 council elections, promote community participation and provide the new council training



DELIVER & SUPPORT COMMUNITY EVENTS

Continue to add to the town's vibrancy through council's events program and support of community events

**THESE PAGES
HIGHLIGHT A
SELECTION OF
ACTIVITIES AND
PROJECTS THE CITY
OF VICTOR HARBOR
WILL UNDERTAKE IN
2018/19.**

**A DETAILED LISTING
IS AVAILABLE
FROM PAGE 11
OF THIS ANNUAL
BUSINESS PLAN.**

WHERE MONEY WILL BE SPENT

For every \$100 of operating expenditure	
Roads, footpaths, bridges and street lighting	\$24
Operations and administration	\$13
Tourism and economic development	\$12
Community services	\$11
Town planning and regulatory services	\$9
Coastal protection & environmental projects	\$8
Waste management	\$6
Parks, gardens and playgrounds	\$6
Library and cultural services	\$6
Sport and recreation facilities	\$5
	\$100





OUR VISION

Council has a vision for Victor Harbor to be “a city that offers opportunity and lifestyle”.

In developing the vision during 2016, the council made it clear that it wanted more than a statement but something bold and visionary. Council’s vision gives a nod to the value the community places on our enviable lifestyle and strong sense of community. It makes clear the need to embrace new ideas and technology to create opportunities, and also the importance of providing the right conditions for individuals and the community to prosper.

The vision also places an important focus on nurturing and growing an economy that provides individuals with the opportunity for material and financial security, and ensuring access to facilities and services required to achieve prosperity.

Central to the vision is a community where people are engaged, and empowered to make decisions and work together. It’s about making a great place an even better place to live, work and play.

Council has identified five broad objectives which outline what needs to be in place to achieve its vision.

- Healthy environments
- Attractive lifestyle and inclusive community
- Thriving local economy
- Services and infrastructure supporting the community
- An innovative Council empowering the community.

This Annual Business Plan sets out an action plan for 2018/19, and identifies what council will do in the coming year to help Victor Harbor be a city that offers opportunity and lifestyle.

ROLE OF COUNCIL

While council derives its principal powers from the Local Government Act, there are more than 50 Acts of Parliament which also assign roles and responsibilities to local government. Council's role within the community will vary depending on the nature of the service or activity.

LEAD	Provide leadership by setting directions to meet the current and future needs, usually through policies, strategies and plans
PLAN	Plan for the development and future requirements of the area
MANAGE	Manage community assets including buildings, facilities, public space, reserves and the natural environment
REGULATE	Undertake a regulatory role in response to specific legislation
COMMUNICATE	Act as an information provider including developing resources to enhance community understanding and inform decision making
ADVOCATE / INFLUENCE	Advocate, liaise and lobby on behalf of the community
INITIATE / FACILITATE	Bring together community groups and stakeholders to stimulate action and connect those with similar interests and goals
PROVIDE / RESPOND	Directly or indirectly provide a service or respond to a need for the community

KEY PLANNED ACTIVITIES

Council has identified 263 Key Planned Activities to be undertaken in 2018/19.

Key Planned Activities illustrate what council will focus on over the next 12 months to contribute towards achieving the five broad objectives identified in council's Community Plan 2036.

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 the council's objectives, ensure legislative requirements are met, and respond to community expectations.

The following pages outline council's ongoing activities, as well as its Key Planned Activities for 2018/19.

Key Planned Activities may not be listed under every strategy, and it is not intended that every activity of council is included.

INTERPRETING THIS PLAN

For example:

HEALTHY ENVIRONMENTS

OBJECTIVE

What needs to be in place to achieve our vision

1.1 Protect and rehabilitate the natural environment

APPROACH

How we plan to achieve our objectives

Implement the Victor Harbor Environmental Management Plan (1.1.1)

STRATEGY

What we plan to do over the next four years

- Implement initiatives in the Victor Harbor Environmental Management Plan 2010-2014
- Plan for a review of the Victor Harbor Environmental Management Plan in 2018/19

KEY PLANNED ACTIVITY

What we plan to do in the next 12 months

Individual Key Planned Activities can be identified as (1.1.1.1), (1.1.1.2) etc.



**EACH YEAR AROUND 3000 STUDENTS
ATTEND THE SA WHALE CENTRE'S
MARINE EDUCATION PROGRAMS**



HEALTHY ENVIRONMENTS

OUR GOAL

Our natural environment is protected and healthy. Our community can better manage the adverse impacts of climate change and take advantage of any opportunities that arise.

ONGOING ACTIVITIES

Animal and pest plant control; coastal protection; environmental management; foreshore maintenance; tree planting and maintenance.

KEY PLANNED ACTIVITIES

1.1 Protect and rehabilitate the natural environment

Implement the Victor Harbor Environmental Management Plan (1.1.1)

- Continue the Native Vegetation Council Revegetation Program in accordance with agreements with the Native Vegetation Management Unit, and the *Native Vegetation Act 1991*
- Review of the Victor Harbor Environmental Management Plan 2010-2014

Undertake pest plant and animal control programs (1.1.2)

- Provide a European Wasp management program
- Instigate the Rabbit /Fox Control Program as per council's Environmental Management Plan and the *Natural Resource Management Act 2004*

- Undertake the 2018/19 environmental weed control program as per council's environmental Management Plan and the *Natural Resource Management Act 2004*

Implement the Inman and Hindmarsh Rivers Estuarine Action Plans (1.1.3)

- Undertake coastal and estuarine biodiversity projects in partnership with Natural Resources Management (NRM), Department of Environment, Water and Natural Resources (DEWNR) and community groups as per the Southern Fleurieu Coastal Action Plan, Inman and Hindmarsh Rivers Estuarine Action Plans, and Environmental Management Plans



OUR COMMITMENT TO OUR COASTLINE

The City of Victor Harbor's Coast Management Study and Action Plan shows the council committing \$17.5 million over 30 years for coastal protection works.

Peninsula Roadside Vegetation Management Plan (1.1.4)

- Undertake roadside vegetation biodiversity projects in partnership with NRM, DEWNR and other groups as per the Southern Fleurieu Peninsula Roadside Vegetation Management Plan and Environmental Management Plan
- Implement the pine tree removal program as per the Tree Management Strategy

Implement actions from the Southern Fleurieu Coastal Action Plan (1.1.5)

- Undertake priority actions identified in the Southern Fleurieu Coastal Action Plan

Undertake coastal management works, including works in the Victor Harbor Coastal Management Study (1.1.6)

- Undertake priority coastal protection works identified in the Victor Harbor Coastal Management Study, including foreshore promenade seawall


rectification adjacent to the Victor Harbor Bowling Club

Support community groups involved in environmental projects (1.1.7)

- Support activities of the Inman River Catchment Landcare Group and Victor Harbor Coast Care
- Continue the Victor Harbor bush care program in partnership with Bush for Life volunteers and Trees for Life

Undertake initiatives that increase community understanding of local environmental issues (1.1.8)

- Undertake environmental education projects in partnership with the Adelaide and Mount Lofty Ranges NRM Board, Fleurieu Regional Waste Authority (FRWA), South Australian Whale Centre and other environmental groups



Work with neighbouring councils, other levels of government and the community to develop and implement regional natural resource management strategies (1.1.9)

- Continue to work with neighbouring councils, other levels of government and the community to develop, update and implement natural resource management strategies

Support initiatives that maintain air quality and reduce greenhouse gas emissions (1.1.10)

- Continue the renewable energy program (C-PREP3) in collaboration with the Southern and Hills Local Government Association to reduce energy costs and greenhouse gas emissions

1.2 Protect and enhance landscape and scenic amenity

Incorporate relevant findings of the Victor Harbor Landscape Amenity Report into the Victor Harbor Development Plan (1.2.1)

- Consider relevant findings in the Victor Harbor Landscape Amenity Report in order to protect and enhance landscape and scenic amenity

Implement council's Street Tree Planting Program (1.2.2)

- Undertake programmed tree maintenance as per the Tree Management Strategy
- Implement the Street Tree Planting Program in line with council's Tree Management Strategy and Streetscape Enhancement Program

Undertake revegetation and enhance the aesthetics of key public open spaces (1.2.3)

- Continue the urban forests program

1.3 Adapt to the impacts of climate change

With regional partners, support implementation of regional priority adaptation options identified in "Resilient Hills and Coasts", the Climate Change Adaptation Plan for the Adelaide Hills, Fleurieu Peninsula and Kangaroo Island with regional partners (1.3.1)

- Continue to work with regional partners to support implementation of priority regional adaptation options identified in "Resilient Hills and Coasts" Climate Change Adaptation Plan

Undertake sub-regional planning and action, based on the Regional Climate Change Adaptation Plan (1.3.2)

- Develop the Victor Harbor Climate Adaptation Plan based on the "Resilient Hills and Coasts" Climate Change Adaptation Plan



**EACH DAY A CARING NEIGHBOURHOOD
PROGRAM VOLUNTEER HELPS SOMEONE
THROUGH THEIR SUPPORT AND FRIENDSHIP**



ATTRACTIVE LIFESTYLE AND INCLUSIVE COMMUNITY

OUR GOAL

People feel connected to the community and enjoy living in Victor Harbor.

ONGOING ACTIVITIES

History recording & preservation; local history collection; monuments & plaques; public art works; community events; cultural services & events; library services; volunteer support & assistance; playgrounds; maintain and provide boat ramps; public conveniences; parks, gardens & reserves; sport and recreation facilities; building assessment & inspection; development assessment; land use planning; parking enforcement & control; abandoned vehicles; vermin eradication; dog & cat control & enforcement; livestock impounding; litter inspection and enforcement.

KEY PLANNED ACTIVITIES

2.1 Provide for sustainable development and residential amenity

Ensure that development is in accordance with council's Development Plan and the Development Act 1993 (2.1.1)

- Convene the Council Assessment Panel to determine development applications in accordance with relevant legislation, and provide advice to council on development policy matters
- Continue to improve development assessment help guides to reflect legislative changes and planning reforms

Prioritise and undertake Development Plan Amendments in accordance with council's Strategic Directions Report (2.1.2)

- Consider council's strategic planning priorities and potential resource implications in the context of the State's planning review and the implementation of the *PDI Act 2016*

Encourage property owners to enhance the Mainstreet Precinct and other business precincts (2.1.3)

- Provide a Mainstreet Façade Grants Program

Continue staged implementation of the Mainstreet Precinct Master Plan (2.1.4)

- Complete Mainstreet Precinct Master Plan Stage 2 works
- Complete the detailed design, documentation and specifications for the Mainstreet Precinct Master Plan Stage 3



ENCOURAGING DIGITAL ART

Victor Harbor's permanent digital art projector is one of only three in the State. Council will continue to deliver the digital art program in 2018/19.

Create safe open spaces and public areas through appropriate urban design (2.1.5)

- Consider and progress opportunities to create pedestrian walkways between Ocean Street and surrounding areas
- Replace and upgrade public security cameras

Plan for appropriate housing stock and diversity to meet current and projected needs (2.1.6)

- Incorporate the outcomes of the Residential Review into the new Residential Design Code for Victor Harbor (via changes associated with the roll out of the *PDI Act 2016*)

Plan for the staged release of residential land ahead of growth and in line with the provision of supporting services (2.1.7)

- Maintain the differential rate for vacant land use category to encourage infill development and contain our environmental footprint

Encourage responsible dog and cat ownership to reduce public and environmental nuisance caused by dogs and cats (2.1.8)

- Prepare a five year Dog and Cat Management Plan
- Undertake an audit of dog and cat registrations
- Transition dog and cat registrations to Dogs and Cats Online
- Provide public education regarding dog and cat management, Dogs and Cats Online, de-sexing and microchipping programs
- Undertake a feasibility study into the upgrade or relocation of the existing dog holding facility

Improve the amenity value of local areas by protecting individuals and communities from local nuisance and preventing littering (2.1.9)

- Implement the requirements of the *Local Nuisance and Litter Control Act 2016*

2.2 Protect and promote heritage

Identify areas of unique heritage character or built form and protect through the Development Plan (2.2.1)

- Initiate a heritage study that considers inter war buildings

- Develop the historic whaler's well feature including lighting and landscaping

Support property owners to maintain heritage listed items (2.2.2)

- Provide a Heritage Incentive Grant Scheme to support property owners to maintain local heritage listed items within the council area
- Provide a heritage advisory service for Local and State Heritage listed places

Identify and implement priority recommendations from the Railway Precinct Project (2.2.3)

- Hold an official opening celebration for the completed Railway Turntable redevelopment

Work with the local Aboriginal community to support the protection of Aboriginal heritage (2.2.4)

- Consider opportunities to develop an Indigenous cultural program

Work with the State Government for Granite Island to be maintained as a key cultural asset for residents and visitors (2.2.5)

- Work cooperatively with Granite Island stakeholders to ensure the sustainability of Granite Island as a key tourist attraction

2.3 Provide and maintain open space and recreation facilities

Provide and maintain a range of facilities to meet the needs of the whole community and encourage active recreation (2.3.1)

- Undertake priority actions in council's beach and reserves pedestrian access program
- Review council's open space asset data
- Replace/upgrade the boardwalk at the Hindmarsh River estuary
- In partnership with the Alexandrina Council support the operation of the Fleurieu Aquatic Centre through the Fleurieu Regional Aquatic Centre Authority
- Undertake council's 2018/19 street furniture replacement program
- Complete Stage 2 of the Bluff Boat Ramp holding area (subject to grant funding from the South Australian Boating Facilities Advisory Committee)

- Remove existing toilet and kiosk facilities and construct a new toilet facility as part of the redevelopment of the Victor Harbor Oval

Implement the recommendations in the Victor Harbor Recreation and Open Space Strategy to ensure sport and recreation facilities meet demand (2.3.2)

- Continue to plan for future open space development and upgrades in line with the Victor Harbor Recreation and Open Space Strategy 2017, Open Space Asset Management Plan and open space development and upgrade program

Implement council's open space development program (2.3.3)

- Undertake council's 2018/19 reserve furniture replacement plan
- Undertake the open space backflow / potable water program to meet legislative requirements

Undertake council's playground renewal and upgrade program (2.3.4)

- Undertake the upgrade of the George T Fisher playground and hold an official opening celebration
- Undertake an audit of playgrounds, skate park and BMX track

Undertake council's walking trails development program (2.3.5)

- Undertake council's 2018/19 walking trails development program
- Prepare walking trail promotional materials including a brochure and webpage

Implement the recommendations of the Victor Harbor Local Area Bicycle Plan (2.3.6)

- Undertake planned works identified in the Victor Harbor Local Area Bicycle Plan including a bike path on Mill Road

2.4 Encourage community participation and interaction

Plan for infrastructure and services to be accessible and inclusive of people of all ages and with varying needs and capabilities (2.4.1)

- Provide improved disability access by identifying and upgrading problem footpath areas
- Assist the development of the Victor Harbor RSL and Victor Harbor Football Club joint facility
- Review council's Disability Access Action Plan and prepare a Disability Access and Inclusion Plan to meet the requirements of the new Disability Access and Inclusion Bill

Support the development of strong and sustainable sporting clubs (2.4.2)

- Through the Star Club Field Officer program deliver improved support to local sporting clubs and enhanced support to council on a range of recreation and sport matters
- Provide a Recreation and Sport Small Grants Program

- Maintain engagement with Encounter Bay Recreation Grounds users in their future planning
- Continue to work with and provide support to clubs and recreation groups through liaison, grants for infrastructure and programs, loans through the Local Government Finance Authority, and guidance in best practice club and facility management

Encourage volunteering as a way for people to get involved in community life and share their skills and experiences (2.4.3)

- Support Southern Volunteering in the provision of volunteering information and referral services
- Provide regular 'Introduction to Volunteering' sessions for people interested in volunteering in the community



Encourage community initiatives that facilitate social interaction and connection with the community (2.4.4)

- Plan and host the biennial Positive Ageing Festival in collaboration with local community groups and organisations to promote health and wellbeing, support social connection, encourage opportunities for skill development and skills sharing, and foster community engagement
- Provide the Caring Neighbourhood Program and encourage other initiatives that support an inclusive environment for older citizens to develop connections within the community

Consistent with the Libraries of SA “Tomorrow’s Libraries - Future Directions” report, provide library services to meet current and future needs (2.4.5)

- Seek the community’s views on proposed library refurbishment concept
- Complete a review of the library’s radio-frequency identification system

- Implement the Tech Savvy Seniors Program in the Library

Encourage initiatives that maintain a vibrant intergeneration community (2.4.6)

- Support the Southern Fleurieu Youth Advisory Committee in providing opportunities for young people to plan, implement and participate in arts and cultural activities

2.5 Cultivate a vibrant community culture

Facilitate and support arts and cultural activities, festivals and events (2.5.1)

- Organise and stage a New Year’s Eve community celebration event
- Support local community celebrations during NAIDOC Week and Reconciliation Week
- Provide an Arts and Culture Community Grants program
- Partner with Country Arts SA in the delivery of arts and cultural programs in Victor Harbor

- Facilitate arts and cultural activities in line with the City Vibrancy Policy

Activate streets and public spaces to create places for creative and social activities (2.5.2)

- Support the Victor Harbor Artisan Markets as a platform for practicing and professional artists to show, sell and demonstrate their art
- Continue to deliver the digital art program

Provide public infrastructure that supports arts and cultural activities (2.5.3)

- Explore options for an Arts and Culture Centre in Victor Harbor



**EACH YEAR AGRIBUSINESS
CONTRIBUTES \$39.6 MILLION TO
THE VICTOR HARBOR ECONOMY**



THRIVING LOCAL ECONOMY

OUR GOAL

The economy is strong and employment is high.

ONGOING ACTIVITIES

Economic development; Horse Drawn Tram service; internet accessibility; South Australian Whale Centre; tourism promotion, servicing and development; event management; Visitor Information Centre.

KEY PLANNED ACTIVITIES

3.1 Support a competitive environment for business growth

Council regulations, procurement and operations support business growth and investment (3.1.1)

- Provide information to local businesses on council's procurement process and encourage local businesses to become prequalified contractors

Support and promote Victor Harbor as a year round tourist destination (3.1.2)

- Support the transition of the Horse Drawn Tram management to a Section 42 subsidiary
- Undertake structural maintenance of council's tourism website
- Undertake scheduled maintenance and renewal of the Victor Harbor Horse Tram including sleeper and rail renewal, and replacement of the Tram Barn roof

- Maintain a succession plan for horses delivering the Horse Drawn Tram service
- Implement a digital consumer marketing campaign

Finalise and commence implementation of council's Economic Development Strategy (3.1.3)

- Maintain the differential rating component of commercial and industrial land, with the proportion of differential rates above the base rate being used for the delivery of new and expanded economic development activities consistent with the Economic Development Strategy
- Prepare an Economic Development Policy – The Way We Do Business

Support events that enhance Victor Harbor's brand and improve business climate (3.1.4)

- Organise and stage the Whale Time Playtime Festival
- Organise and stage the Rock 'N' Roll Festival



REGION'S NUMBER ONE DESTINATION

Victor Harbor attracts around 1.2 million visitors each year. Collectively these visitors spend around \$163 million.¹

¹Source: Tourism Research Australia (www.tra.gov.au), 2016

- Organise and stage the South Australian Whale Season launch
- Consistent with council's Major Events Policy consider opportunities that encourage improved reputation and business climate

Support the Mainstreet Precinct as the commercial and community heart of Victor Harbor (3.1.5)

- Continue implementation of the Mainstreet Annual Business Plan
- Support the Business Victor Harbor Mainstreet Committee
- Coordinate the Victor Harbor Mainstreet Easter Hunt and Christmas events including Santa's Cave and street entertainment

Implement outcomes from the Economic and Tourism Development Service Review (3.1.6)

- Undertake a feasibility study into combining the SA Whale Centre and the Visitor Information Centre at the current Visitor Information Centre site, including but not limited to the feasibility of the expansion of the centre building for a marine interpretive centre

3.2 Promote a culture of innovation, creativity and collaboration

Support access for local businesses to training, information and funding assistance (3.2.1)

- Through regular newsletters and emails provide local businesses with information on training opportunities and funding assistance
- Deliver 2018 Victor Harbor Business Week in partnership with Business Victor Harbor to support business growth in the area
- Work with agencies such as the Commission for Small Business, Regional Development Australia, and the Department of State Development to design business support programs for local delivery
- Review the economic development content on council's website

Engage with the business community to inform Council's economic development activities (3.2.2)

- Undertake an annual survey of businesses in Victor Harbor

- Continue to implement the City of Victor Harbor Business Engagement Plan

Support business linkages through partnerships and collaboration (3.2.3)

- Participate in the Fleurieu Peninsula Tourism Board, Regional Tourism Plan and related activities
- Work with Regional Development Australia (Adelaide Hills, Fleurieu and Kangaroo Island) to support business linkages and regional economic development activities

Implement council's Digital Economy Strategy (3.2.4)

- Implement the 2018/19 Digital Economy Action Plan in accordance with the adopted Digital Economy Strategy

Support strategies that build business productivity and efficiencies (3.2.5)

- Provide corporate sponsorship for the 2018 Victor Harbor Business Awards

Support strategies that build local agribusiness industry (3.2.6)

- Implement priority actions 2018/19 Agribusiness Action Plan, informed by the City of Victor Harbor's Agribusiness Reference Group
- Provide a discounted differential rate for primary production land in recognition of the economic and social importance of primary production to the district

Build awareness of and encourage investment in higher education opportunities linked to Victor Harbor's assets (3.2.7)

- Continue to work with Victor Harbor TAFE to provide training opportunities that meet the expectations of the business community and local employers

3.3 Attract investment that expands the economy

Plan for adequate supply of appropriately zoned land to support business investment and growth (3.3.1)

- Initiate an 'Employment Lands' Review with outcomes considered for incorporation into planning policy via a future Development Plan Amendment and/or *PDI Act 2016* planning policy process

Develop and promote the strengths and opportunities of Victor Harbor as a great place to do business, live and visit (3.3.2)

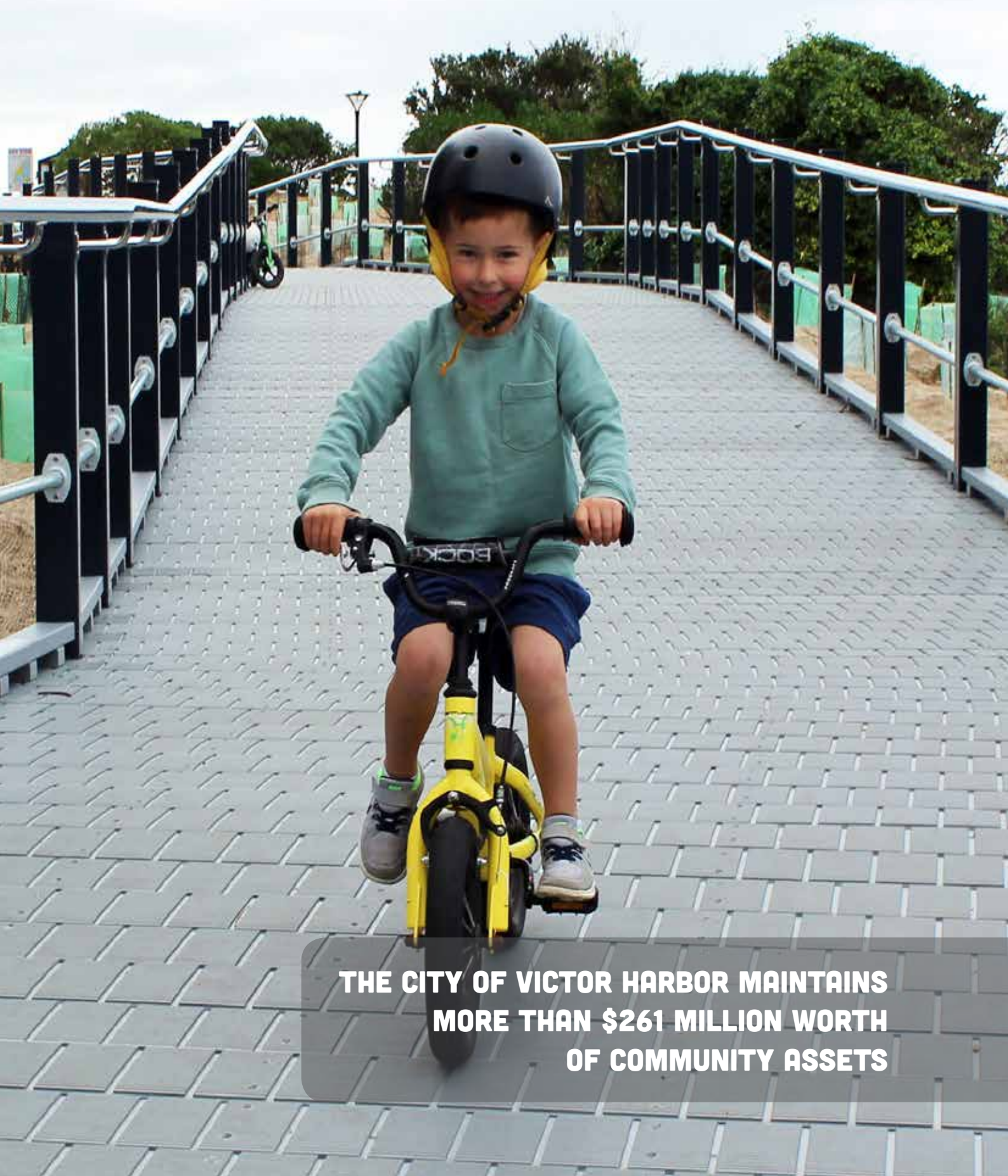
- Implement the 2018/19 Investment Attraction Action Plan
- Implement a Welcome China Strategy including cultural awareness training and investment prospectus

Develop and maintain public infrastructure to support business growth and investment (3.3.3)

- Maintain an RV Waste disposal system to attract motorhome visitors to Victor Harbor

Build on council's Place Branding Strategy (3.3.4)

- Continue to roll out council's Place Branding Strategy including promoting co-branding by local businesses



**THE CITY OF VICTOR HARBOR MAINTAINS
MORE THAN \$261 MILLION WORTH
OF COMMUNITY ASSETS**



SERVICES AND INFRASTRUCTURE SUPPORTING THE COMMUNITY

OUR GOAL

People feel safe and healthy, and are able to access the services they need.

ONGOING ACTIVITIES

Disaster management; community transport; bus shelters; construction & maintenance of bridges; construction & maintenance of car parks; construction & maintenance of footways & cycle tracks; construction and maintenance of roadway infrastructure; traffic control & statutory signage; septic tank approval & inspection; private works; street & public lighting; halls & community buildings; street signage; community services for aged, families, youth & disadvantaged; accessibility; waste management; drainage infrastructure; cemeteries; community & charitable donations; community grants; supported residential facilities licencing; street furnishing & sweeping; immunisation; health & preventative services; sharps/needle collection service; stormwater management.

KEY PLANNED ACTIVITIES

4.1 Facilitate access to health, education and community services

Work with the state and federal governments to plan for the health, education and community service needs of the whole community (4.1.1)

- Continue to work with State and Federal governments to maximise opportunities associated with policy and program reforms relating to health, education and community services

Advocate for other levels of government to respond to social health issues in the community (4.1.2)

- Advocate for local and regional needs of older people through contributing to consultations and submissions related to aged care policy reform and related issues
- Position programs funded by the Australian Government Department for Human Services under the

Commonwealth Home Support Program to maximise opportunities associated with the Commonwealth Aged Care Reforms

Encourage coordination and collaboration in the planning, development and provision of health, education and community services in the local area and region (4.1.3)

- Collaborate with other agencies and services to develop strategies that promote and facilitate coordinated services for young people and families with children
- Support the Southern Fleurieu and KI Positive Ageing Taskforce in order to encourage coordination of service delivery and collaboration of service providers, including services that respond to the needs of older people
- Work in partnership with key stakeholders to continue the Dementia Friendly Communities initiative in order to raise awareness of local dementia services, information and support



SUPPORTING OUR FAMILIES

The Fleurieu Families program delivers around 300 support sessions each year for local families. More than 3,000 individuals attend the sessions.

- Complete a Collective Impact Plan to inform a regional approach to support for the wellbeing of children
- Trial the CADDY project which will aim to support people living with memory loss and/or early stage dementia to feel valued, maintain independence and stay connected to their community

Assist community groups in the provision of services to improve the wellbeing of people in the community (4.1.4)

- Provide a community grants program to assist community groups in the planning, coordination and provision of community services to improve the wellbeing of people within the Victor Harbor community

Implement the Southern and Hills Regional Public Health Plan (4.1.5)

- Commence the roll out of the South Australian Food Rating Scheme to all food business within the City of Victor Harbor
- Apply specific public health legislation relating to food safety, on site waste water management, manufactured water

systems, swimming pools/spas, disease prevention/control, pest and vermin control, sanitation, housing / accommodation, water quality, environmental management, contaminated land and emergency management

- Partner with the City of Onkaparinga in the delivery of a school based immunisation program
- Work with the Southern and Hills Local Government Association and SA Health in the operation of the Community Wellbeing Alliance to support implementation of the Regional Public Health Plan

Review demand for land suitable for future health, education and community services (4.1.6)

- Consider the demand for land suitable for future health, education and community services

4.2 Provide key community infrastructure

Plan the development of a new cemetery (4.2.1)

- Continue negotiations regarding a suitable location for a local / regional cemetery to meet future demand

- Continue development of the Victor Harbor cemetery

Provide halls and community meeting places responsive to community needs (4.2.2)

- Provide the Old School Building Community Centre as an affordable meeting space for local community groups
- Continue to provide community meeting spaces in the Library, Recreation Centre and Town Hall, and through the sub-hire arrangements with various council-leased facilities such as sporting grounds

Manage council's property portfolio to ensure efficient and effective use by the community (4.2.3)

- Ensure compliance with legislation in regard to council/community land to ensure local community interest is maintained, managed and protected
- Prepare and manage leases, licences, permits and agreements
- Manage dedicated land lease approvals for Crown Land
- Administer council land transfers, sales, gifting,

land exchanges, road opening and closing

- Develop and maintain Community Land Management Plans, register and community land revocations
- Plan for the restructure of Community Land Management Plans
- Further develop council roads opening and closing register
- Further develop the road register as defined by *Local Government Act 1999*
- Prepare the Community Land Revocation Process for existing road buffer (driveway exclusion reserves)
- Finalise review of joint community housing agreements

Provide high quality public realm infrastructure (4.2.4)

- Support the activities of the Town Pride Working Group and Encounter Lakes Beach Boys
- Continue the Encounter Lakes and Franklin Island water quality monitoring program
- Continue the staged implementation of the Mainstreet Precinct Master Plan
- Undertake Adelaide Road Corridor Project (Stage 1)

4.3 Create and maintain safe road and footpath networks

Commence implementation of Council's Town Centre Traffic Movement and Car Parking Strategy (4.3.1)

- Undertake Town Centre Traffic and Car Parking Strategy recommendations in accordance with the 10 Year Capital Works Program
- Amend the Development Plan provision for car parking in accordance with the Parking Spaces for Urban Places Car Parking Study via a Development Plan Amendment or incorporation into pending *PDI Act 2016* amendments
- Investigate opportunities for improved integration of carpark facilities in McKinlay Street

Regulate council's identified parking areas (4.3.2)

- Continue to review and enforce regulatory parking arrangements
- Review and establish private parking area compliance agreements with new and existing private parking areas

- Investigate the use of parking permits in the Central Business District
- Investigate the use of technology, including the combination of parking sensors, fixed cameras and electronic plate recognition technology to facilitate the management of council's parking strategy and mainstreet urban design projects

Maintain and implement council's 10 Year Capital Works Program for each asset class for both new projects and renewal (4.3.3)

- Complete bridge maintenance as identified from condition assessments and the associated Asset Management Plan
- Complete road maintenance as identified from condition assessments and the associated Asset Management Plan
- Complete kerb and channel maintenance and replacement as identified from condition assessments and the associated Asset Management Plan including road reseals and re-sheeting of unsealed roads

- Undertake Pine Avenue renewal (Stage 1)
- Undertake reconstruction of The Parkway (Riveview Road to Field Avenue)
- Complete Stage 3 of the Waitpinga Road reconstruction
- Purchase trailer mounted variable message signs for roadworks, events and emergencies
- Undertake repairs to Pearce Bridge, Waitpinga Road
- Undertake design work for redevelopment of the Victor Harbor Oval carpark
- Undertake road and stormwater design works for the construction of Martha Close road
- Undertake design work for Crozier Road/Torrens Street roundabout construction

Implement the Victor Harbor Pedestrian Strategy (4.3.4)

- Provide new footpaths on Bond Avenue, Brand Avenue, Broadway, High Street, Pine Avenue, Renown Avenue, Riverview Road, Tabernacle Road, and Peace Avenue

4.4 Advocate for improved local and regional transport networks and services

Lobby state and federal governments to improve local and regional road networks (4.4.1)

- Continue regular meetings with the Department for Planning, Transport and Infrastructure (DPTI) regarding the provision of improved local and regional networks
- Continue participation in the Southern and Hills LGA Roads Working Party

Lobby the state government to provide improved public transport (4.4.2)

- Advocate for improved regular passenger transport services between Victor Harbor, Goolwa and Adelaide

Support initiatives to assist transport disadvantaged people to access medical and other essential services (4.4.3)

- In partnership with Alexandrina Council provide the Southern Communities Transport Scheme (SCOTS) to assist transport disadvantaged people

Work with Regional Development Australia to implement the Electric Highway project to provide for sustainable energy and low carbon emissions travel options (4.4.4)

- Continue to work with Regional Development Australia to implement the Electric Highway project to provide for sustainable energy and low carbon emissions travel options
- Partner with Flinders University and Regional Development Australia for delivery of a trial electric pod vehicle service in Victor Harbor

4.5 Support improved Information Communication Technology services

Capitalise on council's fibre optic network (4.5.1)

- Consider expansion of council's fibre optic network as a part of future stages of the Mainstreet Precinct Upgrade Program

Continue implementation of council's Digital Action Plan (4.5.2)

- Work with NBN Co, the community, key business partners and neighbouring councils to maximise the potential of the NBN to deliver council services

4.6 Provide sustainable waste collection

Work with the Fleurieu Regional Waste Authority to provide a sustainable kerbside waste collection system (4.6.1)

- Work with the Fleurieu Regional Waste Authority to ensure efficient kerbside waste collection systems

Monitor and maintain the closed Victor Harbor landfill site in accordance with the Victor Harbor Landfill Environment Management Plan and EPA licence conditions (4.6.2)

- Monitor and maintain the closed Victor Harbor landfill site in accordance with the Victor Harbor Landfill Environmental Management Plan and EPA licence conditions



TRANSPORT SCHEME FOR DISADVANTAGED

The Southern Communities' Transport Scheme provides around 13,000 passenger trips for more than 1,500 and 1,000 carers who are transport disadvantaged.



FOOTPATHS AND SHARED PATHS

Council maintains over 43 kilometres of footpaths and almost 9 kilometres of shared pathways.

4.7 Provide stormwater infrastructure

Construct stormwater upgrades as identified in the Urban Stormwater Master Plan and Asset Management Plan (4.7.1)

- Undertake stormwater upgrade at Petrel Avenue and Shields Crescent
- Undertake investigative works for the development of flood plain mapping

Seek appropriate contributions from developers towards provision of new stormwater infrastructure (4.7.2)

- Consider development of a framework to inform appropriate developer contributions to storm water and other infrastructure

4.8 Plan for water and electricity security

Work with SA Power Networks to secure access to electricity that will allow for long term planning and development (4.8.1)

- Consider the local and regional implications of the State Government Energy Security Plan

Consider alternative sources and systems for both reducing energy demand and generating energy from renewable and sustainable sources (4.8.2)

- Continue to investigate and implement renewable energy options in open space including solar lighting at the Bluff Jetty
- Participate in the implementation of the Resilient Hills and Coast Community Energy Program



Work with SA Water to secure access to potable water that will allow for long term planning and development (4.8.3)

- Engage with SA Water to secure access to potable water that will allow for long term planning and development

Work with the State Government to secure long-term water security for the environment and agriculture through the sustainable management and use of local water resources (4.8.4)

- Through the Agribusiness Reference Group consider opportunities to enhance long-term water security for the environment and agriculture through the sustainable management and use of local water resources

Expand the Victor Harbor Recycled Water Plan (4.8.5)

- Continue to investigate and implement options for the expansion of the Victor Harbor Recycled Water Program

Consider opportunities for expanding the reuse of stormwater (4.8.6)

- Provide for water sensitive urban design and rainwater harvesting gardens in the Mainstreet Precinct Master Plan design

4.9 Facilitate capacity to deal with emergencies

In partnership with the Fleurieu Bushfire Management Committee develop and maintain a Regional Bushfire Management Plan (4.9.1)

- Continue to participate in the Fleurieu Bushfire Management Committee to develop and maintain a Regional Bushfire Management Plan

In partnership with the Adelaide Hills Fleurieu and Kangaroo Island Zone Emergency Committee maintain a Zone Management Plan (4.9.2)

- Utilising support from the Local Government Association of SA, commence the development of a Victor Harbor Emergency Management Plan that aligns with State and regional emergency management plans
- Continue to participate in the Adelaide Hills Fleurieu and Kangaroo Island Zone Emergency Committee in order to maintain a Zone Management Plan



**THE ANNUAL COMMUNITY FORUM IS AN
OPPORTUNITY FOR THE COMMUNITY TO
SHARE IDEAS AND RAISE CONCERNS**



AN INNOVATIVE COUNCIL EMPOWERING THE COMMUNITY

OUR GOAL

Council's financial and infrastructure assets are sustainably managed. People are active citizens and proud to be a part of the community.

ONGOING ACTIVITIES

Administration & finance; advocate on behalf of the community; asset management; civic functions; citizenship; community information; contract administration; council elections; council news & information; human resources activities; investment; industrial relations; local data & statistical collection; local governance; local services contact; maintainer of civic & community records; policy & by-law management; amusement & market licensor; property leases and rentals; provision & maintenance of plant & equipment resources; rate levying & collection; risk management; statutory fees & charges; strategic planning; training facilitator & provider; work health safety.

KEY PLANNED ACTIVITIES

5.1 Cultivate and demonstrate community leadership

Decision making is transparent, and complies with legislative and policy requirements (5.1.1)

- Maintain live streaming of council meetings and audio recording
- Promote informal gatherings of council not covered by Section 90 of the Local Government Act
- Provide council and committee agendas and minutes on council's website
- Respond to Freedom of Information requests and Section 270 Reviews of Council decisions

Take a leadership role in advocating on behalf of the community (5.1.2)

- Take a leadership role in advocating for issues of community concern as they arise

Build leadership within the community (5.1.3)

- Support the Southern Fleurieu Youth Advisory Committee as a means of developing young leaders
- Support the participation of local young people in leadership opportunities such as the United Nations Youth SA Conference, and YMCA SA Youth Parliament
- Encourage community representation on council advisory committees
- Support staff membership of relevant professional associations
- Accept opportunities to present to community groups
- Facilitate the 2018 council elections



OUR VOLUNTEERS ARE PRICELESS

There are over 460 volunteers who assist with the delivery of council services, programs and initiatives each year.

Establish and maintain strategic regional, state and national relationships and partnerships (5.1.4)

- Participate in the Southern and Hills Local Government Association, Regional Development Australia (Hills Fleurieu and KI), Fleurieu Peninsula Tourism, and the Fleurieu Regional Waste Authority
- Continue to provide a range of community service programs in partnership with neighbouring councils
- Continue involvement in the Australian Coastal Councils Association

Support Elected Members to fulfil their role as the governing body of council (5.1.5)

- Continue to provide Elected Members with information through weekly updates and informal gatherings
- Provide Elected Members with corporate support (administration, record keeping and IT)
- Replace Elected Member notebook computers
- Prepare and deliver an induction program and relevant training to the new council

5.2 Encourage active citizenship and community pride

Recognise and celebrate the council and community's achievements (5.2.1)

- Provide a series of Australia Day Awards which recognise the achievements of the community

Recognise the contributions of volunteers (5.2.2)

- Recognise the contribution of volunteers involved in council programs and as members of council advisory committees
- Provide a Volunteer Week Small Grants Program to assist community groups to recognise the contribution of their volunteers during National Volunteer Week



Maintain high quality public infrastructure, streetscapes, parks and open spaces (5.2.3)

- Implement council's Asset Management Plans which detail information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner

Engage with the broader community to seek their views and expectations (5.2.4)

- Grow community subscription to Council's e-newsletter, Victor Viewpoint
- Hold two community forums, including one as a part of Council's annual business plan and budget consultation
- Commence development of a community engagement framework and review council's Public Consultation Policy
- Promote and encourage community participation in the 2018 council elections

Council strategies, plans and other information are easily accessible to the community (5.2.5)

- Review the structure of council's corporate website for consistency and better user experience

5.3 Provide effective and efficient levels of service delivery

Support continuous improvement, innovation and excellence in service delivery (5.3.1)

- Maintain the House of Assembly Roll from the State Electoral Commission
- Maintain the council's Supplementary Voters Roll
- Implement priority outcomes from the Customer Service Review
- Prioritise and begin implementing actions from the library service review
- Monitor the impacts of the amended *Dog and Cat Management Act* and *Local Nuisance and Litter Control Act* on the Health and Regulatory Services section of council

Promote the range and availability of services provided by council (5.3.2)

- Continue to maintain and update council's website to promote the range and availability of services provided by council

Apply appropriate technology systems that enhance service delivery and efficiency (5.3.3)

- Maintain existing ICT Services
- Replace the disaster recovery battery back-up

Develop business processes to enhance service delivery and efficiency including improved cross-department collaboration (5.3.4)

- Increase awareness of Market Place software to support procurement
- Increase uptake of VendorPanel across the organisation to support effective procurement processes
- Improve communication and collaboration across departments through increased project role clarity

Develop an outcomes based accountability methodology to council programs and services (5.3.5)

- Further investigate and implement improved evidence based performance evaluation and productivity tools to more effectively measure the outcomes of community service projects

5.4 Operate in a strategically planned environment

Collect and analyse information that enables Council to respond to developing needs and opportunities (5.4.1)

- Maintain annual subscription to .id information products including profile.id and atlas.id with full community access via council's website

Encourage long term thinking and planning across the organisation (5.4.2)

- Review and update council's Long Term Financial Plan in line with council's Asset Management Plans, 2017/18 actuals and 2018/19 adopted budget

Business plans, budgets and decision making are directly related to achieving council's vision and long term objectives (5.4.3)

- Facilitate budgeting and financial planning to assist council in decision making and delivery of the Community Plan and Annual Business Plan, concurrently meeting council's legislated financial management obligations
- Continue to develop approaches to provide stronger links between council reports and key strategic documents

Develop and maintain policies and procedures that are consistent with Council's long term objectives (5.4.4)

- Develop procedures including BPAY VIEW, SAILIS reports, and electoral roll maintenance
- Work with Elected Members in development of policies, and to address gaps in Council's policy structure to meet our strategic objectives
- Review council's Procurement Policy and develop procurement procedures

- Review council's Caretaker Policy to reflect legislative updates, and conduct necessary training for elected members and staff

5.5 Sustainably manage council's financial infrastructure assets

Manage council's assets to improve financial sustainability (5.5.1)

- Manage council's assets in accordance with the Long Term Financial Plan and adopted Asset Management Plans
- Undertake full re-valuations including condition assessments for asset classes identified in the City of Victor Harbor revaluation schedule
- Maintain assessment record for non-rateable assessments and those eligible for mandatory or discretionary rate rebates
- Review and reconcile all non-rateable land
- Progress development of the Building Asset Management Plan and MyData implementation

Encourage an effective and transparent internal control environment (5.5.2)

- Ensure council's financial internal controls and legislative compliance is being adhered to and rectify any deficiencies

Maintain council's spatial data to inform council planning and operations (5.5.3)

- Further development of council's GIS (Spatial) Data Plan, including identification for the potential rollout of ESRI site licencing, GIS Servers and Cloud data systems.
- Maintain GIS/spatial systems within Synergy-Soft, ArcMap and ArcReader
- Provide and assist other staff with access and use of GIS/spatial systems
- Deliver updated aerial ortho imagery to council every two years

Manage revenue streams to ensure sufficient cash flow to meet council objectives (5.5.4)

- Continue debt recovery procedures to recover rate arrears efficiently and effectively

5.6 Provide organisational sustainability

Assess opportunities within an effective risk management framework (5.6.1)

- Complete review of the Corporate Risk Register in consultation with key stakeholders
- Develop and provide risk management training for staff
- Ensure risk management is embedded and considered across all activities within council
- Provide quarterly reports to the Audit Committee on performance of risk management
- Review departmental risk registers and provide quarterly progress reports to the Senior Management Team

Provide a safe and healthy workplace (5.6.2)

- Provide training for staff on SkyTrust online hazard and incident reporting
- Provide the LGA Workers Compensation Scheme Healthy Lifestyle Program



ENGAGING WITH OUR COMMUNITY

Council's consultation hub - yoursay.victor.sa.gov.au - had more than 4,700 visits in 2017.

- Undertake a self-audit of documented Work Health Safety and Risk Management processes to meet legislative objectives under the South Australian *Work Health Safety Act 2012*
- Implement council's Work Health and Safety and Injury Management Plan 2018/2020
- Provide regular reporting to council's Senior Management Team, and Work Health and Safety Committee on implementation of the Work Health and Safety and Injury Management Plan 2018/2020

Develop an adaptable, skilled and satisfied workforce (5.6.3)

- Undertake annual employee professional development reviews
- Further develop electronic staff training database with linkages to WHS, personal and professional development and specific job requirements
- Develop and implement a 2018/19 employee training program

Implement council's Records Management Plan (5.6.4)

- Restructure local computer drives to align with the new file structure
- Assess council's records management system for GDS21 compliance



OUR MEASURES OF SUCCESS

The following methods will be used to measure the performance of council against its objectives.

COMPLETION OF 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.

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.

See page 49 for further information on financial indicators.

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 where appropriate.

STRATEGIC INDICATORS

As a part of the development of the City of Victor Harbor Community Plan 2036, council identified desired outcomes and indicators of success for each objective. These indicators will show how effective Council has been in making a difference in order to achieve its vision.

It is not intended that the indicators reflect a complete picture of every aspect of every objective. Rather, they reflect a trend towards a desired outcome and a desired direction.

Council will report on performance against those indicators for which data is available.





**STAGE 2 OF THE MAINSTREET PRECINCT
UPGRADE IS PART FUNDED THROUGH THE SA
GOVERNMENT PLACES FOR PEOPLE PROGRAM**



2018/19 BUDGET OVERVIEW

The 2018/19 budget allows for net capital expenditure of \$6,442,100 and an operating deficit of \$200,900.

The budget has been prepared to facilitate the continuation of existing services whilst minimising the impact of rate increases on the community.

Expense calculations have been based on the Consumer Price Index (CPI) where relevant.

The average rate increase across all categories is included at 3.5% (or \$90). This increase includes both CPI and a percentage increase to provide for financial sustainability.

The average residential rate increase is \$67.

Proposals contained within the budget reflect requirements of the Long Term Financial Plan, Asset Management Plans and additional proposals as determined by council.

Major projects seek to maximise opportunities including grant funding from Federal and State governments.

Council will continue to seek efficiencies and savings through service reviews, procurement processes, and process improvements to ensure the effective use of public money.

Loan borrowings will be in accordance with council's Treasury Management Policy, with cash flow requirements covered through Cash Advance Debentures with the Local Government Finance Authority.

The budget assumes that council will continue to be supported by a large group of community volunteers in areas such as parks and gardens, environmental management, visitor information services, community transport, library services, community services, committee participation, recreation and tourism activities.

The 2018/19 budget includes contributions to the following Section 43 subsidiaries:

- Fleurieu Regional Waste Authority – \$1,308,900
- Fleurieu Regional Aquatic Centre Authority – \$690,000
- Southern and Hills Local Government Association – \$12,500



FUNDING OUR PLAN

CAPITAL BUDGET

Capital expenditure of \$7,462,100 will be funded through grants and sale of replaced assets of \$1,020,000, resulting in net capital expenditure of \$6,442,100 which will be funded through a combination of depreciation allowance and loan borrowings.

Capital Grants (\$0.9 million)

Council receives contributions from developers to fund future asset construction, as well as grants and other income for major projects.

These funds are applied to new and replacement assets in accordance with the Long Term Financial Plan and Asset Management Plans.

Capital Sales (\$0.1 million)

Replaced or surplus assets are sold in accordance with council's Sale and Disposal of Land and Other Assets Policy and applied to funding new or replacement assets in accordance with the Long Term Financial Plan, Asset Management Plan and Council's Light Fleet, Plant and Heavy Vehicles Changeover Replacement Policy.

Depreciation (\$6.3 million)

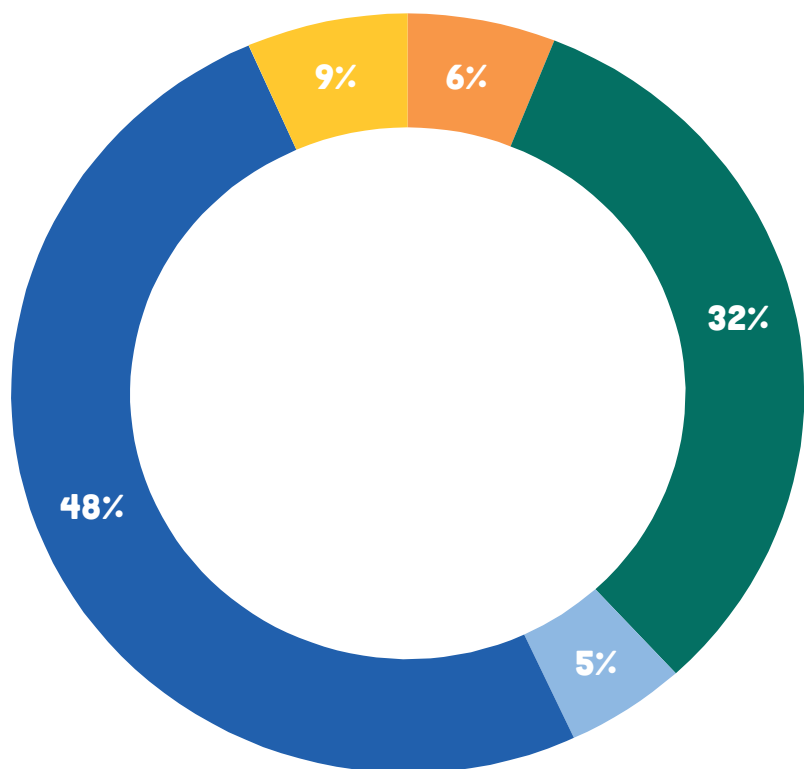
Depreciation raised through operating expenses will be used to fund replacement assets in accordance with the Long Term Financial Plan.

Loans

Borrowings will be in line with council's Treasury Management Policy and will be assessed throughout the financial year dependent on cash flow requirements. Cash advance debentures, which operate on a variable interest rate, will be utilised rather than fixed term loans to ensure long term borrowings are minimised.

CAPITAL EXPENSE BREAKDOWN BY CATEGORY

The graph (right) shows net capital expenditure by activity areas of Council.



Business Undertakings

Environment

Recreation

Transport, Plant and Depot

Council Administration, Regulatory Services, Community Services, Culture and Economic Development



FUNDING OUR PLAN

OPERATING BUDGET

Operating expenses of \$27,267,300 will be funded by revenue of \$27,066,400 resulting in an operating deficit of \$200,900.

Council's long term financial sustainability is dependent on ensuring that, on average over time, its operating expenses are less than or equal to its revenue. The council's operating income consists of the following elements.

Rates (\$21.8 million)

Rates are set by the council in accordance with the Rating Policy. The major components are:

- General Rates (\$21.6 million)
- Natural Resource Management Levy (\$0.4 million)
- Rebates and Remissions (-\$0.2 million)

User Pay Charges (\$2.6 million)

Fees and charges are set by the council and include:

- Horse Drawn Tram fares
- South Australian Whale Centre fees, sales and tours
- Town Hall hire fees
- Victor Harbor Recreation Centre hire fees
- Cemetery fees
- Foreshore car parking fees
- Beachfront Holiday Park lease fees
- Boat launching fees
- Community transport contributions
- Visitor Information Centre souvenir and booking service sales
- Lease and licence fees

Revenues received are used to assist to maintain and upgrade Council's facilities, or offset the cost of providing these services.

Statutory Charges (\$0.5 million)

Fees and charges are set by the State Government through legislation and collected by the council for regulatory functions such as:

- Development application lodgement and assessment fee
- Dog and cat registration, expiation and impounding
- Parking expiation
- Septic tank fees
- Property search fees
- Local nuisance and litter expiation.

Revenues received are used to assist to offset the cost of providing these services.

Grants and Partnerships (\$1.3 million)

Council seeks to attract grant funding for identified project priorities from other levels of government, sometimes in partnership with other parties.

Operating grants are received from the SA Local Government Grants Commission and are also expected for the following activities:

- Community Service projects
- Library services
- Tourism events
- Environmental projects
- Streetscaping projects
- Road construction
- Recreation and sporting projects.

Other Revenue (\$0.9 million)

Council receives revenue from a range of other sources such as:

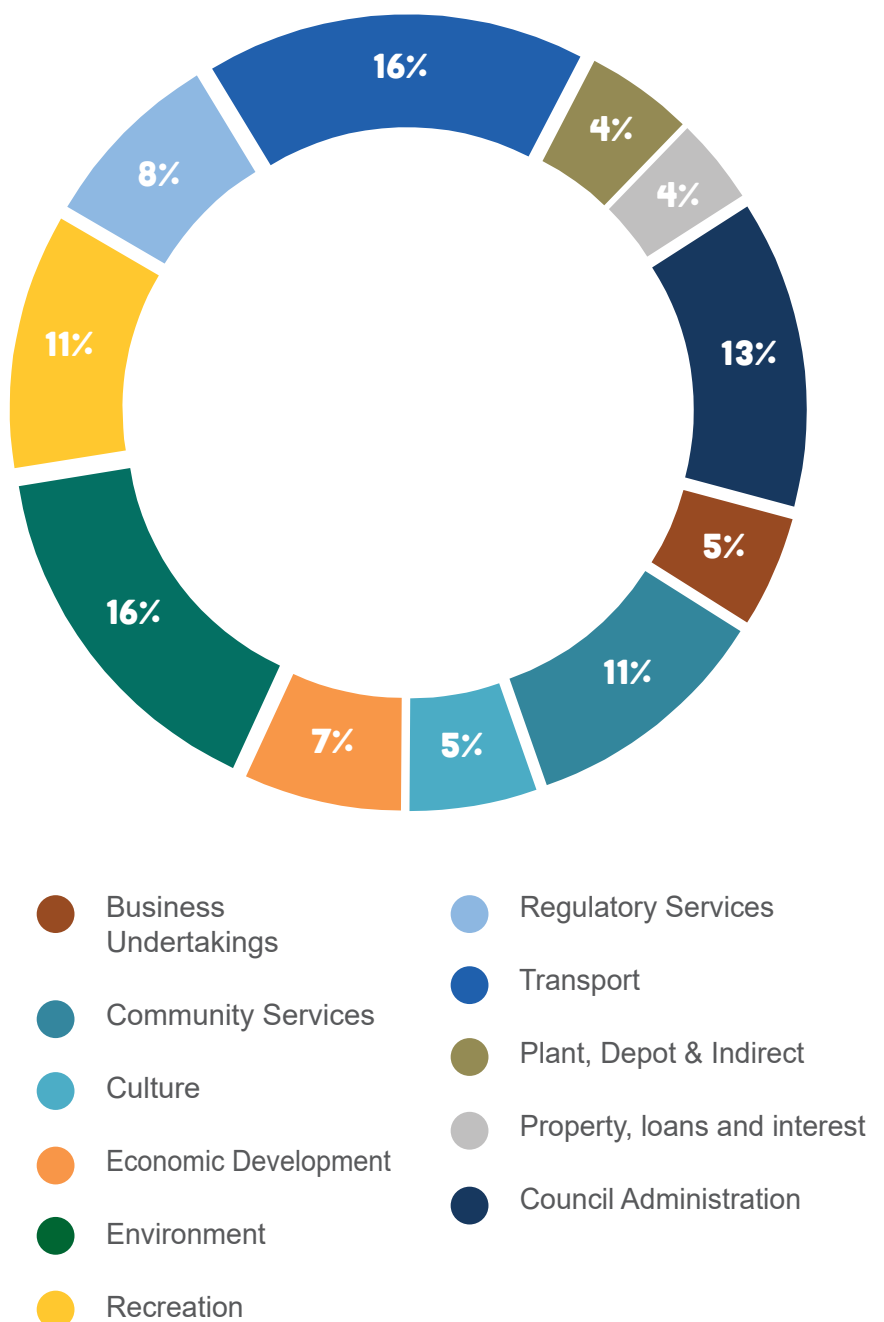
- Investment income
- Donations and sponsorships
- Reimbursements from the community, government and other councils.

OPERATING EXPENSE BREAKDOWN BY CATEGORY

The graph (right) shows the revenue that is expended on the various activity areas of Council.

Information on the program areas included within each activity area are provided in the budget summary table on page 48.

Budgeted financial statements are provided in **Attachment 1**.



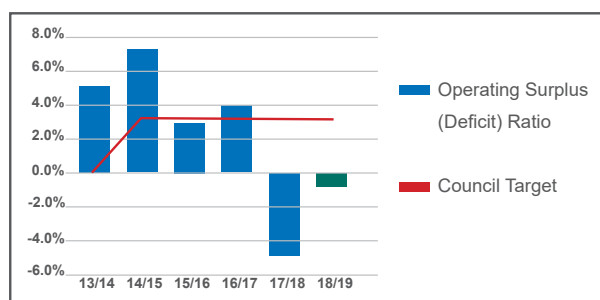
BUDGET SUMMARY

PROGRAM	CAPITAL			OPERATING			TOTAL BUDGET		
	REVENUE	EXPENSES	RESULT	REVENUE	EXPENSES	RESULT	REVENUE	EXPENSES	RESULT
AGED SERVICES	0	0	0	-83,300	102,400	19,100	-83,300	102,400	19,100
YOUTH DEVELOPMENT	0	0	0	-129,500	137,300	7,800	-129,500	137,300	7,800
COMMUNITY ASSISTANCE	0	0	0	-6,000	536,100	530,100	-6,000	536,100	530,100
COMMUNITY BUS SERVICES	0	0	0	-13,500	69,600	56,100	-13,500	69,600	56,100
FLEURIEU FAMILIES	0	0	0	-275,100	318,100	43,000	-275,100	318,100	43,000
CARING NEIGHBOURHOOD PROJECT	0	0	0	-180,400	212,900	32,500	-180,400	212,900	32,500
OLD SCHOOL BUILDING	0	0	0	-7,000	52,100	45,100	-7,000	52,100	45,100
COMMUNITY TRANSPORT - HACC	0	0	0	-94,300	94,300	0	-94,300	94,300	0
COMMUNITY TRANSPORT - SCOTS	0	0	0	-461,300	465,500	4,200	-461,300	465,500	4,200
SENIOR CITIZENS FACILITIES	0	9,800	9,800	0	43,400	43,400	0	53,200	53,200
STAR CLUB	0	0	0	-144,800	150,500	5,700	-144,800	150,500	5,700
CARAVAN PARK	0	0	0	-248,100	84,400	-163,700	-248,100	84,400	-163,700
OCCUPANCY (OFFICE)	0	15,000	15,000	-20,300	20,300	0	-20,300	35,300	15,000
ORGANISATIONAL	0	0	0	-162,800	2,255,100	2,092,300	-162,800	2,255,100	2,092,300
ACCOUNTING	0	0	0	-9,700	9,700	0	-9,700	9,700	0
GENERAL RATES	0	0	0	-21,801,200	0	-21,801,200	-21,801,200	0	-21,801,200
INTEREST	0	0	0	-38,000	0	-38,000	-38,000	0	-38,000
LG GRANTS COMMISSION	0	0	0	-570,000	0	-570,000	-570,000	0	-570,000
LOANS	0	0	0	-36,000	460,000	424,000	-36,000	460,000	424,000
PROPERTY & GIS	0	0	0	-92,500	548,900	456,400	-92,500	548,900	456,400
RATES ADMINISTRATION	0	0	0	-26,700	412,800	386,100	-26,700	412,800	386,100
ELECTED MEMBERS	0	0	0	-1,000	458,900	457,900	-1,000	458,900	457,900
CUSTOMER SERVICE	0	0	0	-50,000	415,300	365,300	-50,000	415,300	365,300
HUMAN SERVICES	0	0	0	0	0	0	0	0	0
PAYROLL	0	0	0	0	0	0	0	0	0
RECREATION CENTRE	0	2,000	2,000	-106,300	288,600	182,300	-106,300	290,600	184,300
TOWN HALL	0	100,000	100,000	-19,200	79,300	60,100	-19,200	179,300	160,100
COMMUNICATION	0	2,000	2,000	0	0	0	0	2,000	2,000
INFORMATION TECHNOLOGY	0	71,100	71,100	-1,000	1,000	0	-1,000	72,100	71,100
LIBRARY	-60,000	86,000	26,000	-69,400	1,229,400	1,160,000	-129,400	1,315,400	1,186,000
RECORDS	0	0	0	-300	300	0	-300	300	0
BRIDGES	0	40,000	40,000	0	337,800	337,800	0	377,800	377,800
CAR PARKING	0	100,000	100,000	-107,000	139,300	32,300	-107,000	239,300	132,300
CEMETERY	0	35,000	35,000	-103,000	217,800	114,800	-103,000	252,800	149,800
COASTAL PROTECTION	0	165,000	165,000	0	204,100	204,100	0	369,100	369,100
CRIME PREVENTION	0	22,600	22,600	0	86,500	86,500	0	109,100	109,100
DEPOT	0	131,000	131,000	0	317,400	317,400	0	448,400	448,400
OTHER ENVIRONMENTAL PROJECTS	0	0	0	0	572,600	572,600	0	572,600	572,600
INDIRECT WORKS	0	0	0	-2,900	909,200	906,300	-2,900	909,200	906,300
KERBING & FOOTPATHS	0	897,000	897,000	0	665,400	665,400	0	1,562,400	1,562,400
OUTDOOR SPORTS	-39,000	79,600	40,600	-33,700	1,096,700	1,063,000	-72,700	1,176,300	1,103,600
PARKS & GARDENS	-220,000	523,600	303,600	-14,100	1,605,200	1,591,100	-234,100	2,128,800	1,894,700
PLANT & MACHINERY	-101,000	622,500	521,500	0	32,300	32,300	-101,000	654,800	553,800
PRIVATE WORKS	0	0	0	-10,000	10,000	0	-10,000	10,000	0
PUBLIC CONVENIENCES	0	172,100	172,100	0	275,300	275,300	0	447,400	447,400
SEALED ROADS	-600,000	1,981,000	1,381,000	-190,000	2,258,700	2,068,700	-790,000	4,239,700	3,449,700
STORMWATER DRAINAGE	0	635,000	635,000	0	756,200	756,200	0	1,391,200	1,391,200
STREET CLEANING	0	0	0	0	131,100	131,100	0	131,100	131,100
STREET LIGHTING	0	0	0	0	318,800	318,800	0	318,800	318,800
STREETSCAPING	0	1,210,500	1,210,500	-14,000	605,200	591,200	-14,000	1,815,700	1,801,700
TRAFFIC MANAGEMENT	0	15,000	15,000	0	347,500	347,500	0	362,500	362,500
UNSEALED ROADS	0	140,000	140,000	0	759,300	759,300	0	899,300	899,300
WASTE COLLECTION	0	0	0	-10,000	1,377,700	1,367,700	-10,000	1,377,700	1,367,700
WASTE DISPOSAL	0	0	0	0	306,300	306,300	0	306,300	306,300
CULTURAL SERVICES	0	0	0	-90,400	196,000	105,600	-90,400	196,000	105,600
ECONOMIC DEVELOPMENT	0	0	0	-80,200	447,200	367,000	-80,200	447,200	367,000
HORSE TRAM	0	329,300	329,300	-406,900	742,200	335,300	-406,900	1,071,500	664,600
TOURISM MARKETING	0	10,000	10,000	-41,100	373,700	332,600	-41,100	383,700	342,600
VISITOR INFORMATION CENTRE	0	19,000	19,000	-657,700	1,029,100	371,400	-657,700	1,048,100	390,400
WHALE CENTRE	0	48,000	48,000	-187,500	467,800	280,300	-187,500	515,800	328,300
BUILDING CONTROL	0	0	0	-69,000	329,600	260,600	-69,000	329,600	260,600
TOWN PLANNING	0	0	0	-128,800	1,116,200	987,400	-128,800	1,116,200	987,400
CAT CONTROL	0	0	0	-12,500	58,200	45,700	-12,500	58,200	45,700
DOG CONTROL	0	0	0	-96,600	102,300	5,700	-96,600	102,300	5,700
FIRE PREVENTION	0	0	0	-10,100	76,900	66,800	-10,100	76,900	66,800
HEALTH INSPECTION	0	0	0	-12,400	189,700	177,300	-12,400	189,700	177,300
HEALTH SERVICES	0	0	0	0	6,000	6,000	0	6,000	6,000
LOCAL NUISANCE & LITTER	0	0	0	-800	111,800	111,000	-800	111,800	111,000
OTHER REGULATORY SERVICES	0	0	0	-7,000	64,300	57,300	-7,000	64,300	57,300
PARKING CONTROL	0	0	0	-133,000	179,700	46,700	-133,000	179,700	46,700
TOTALS	-1,020,000	7,462,100	6,442,100	-27,066,400	27,267,300	200,900	-28,086,400	34,729,400	6,643,000

KEY FINANCIAL INDICATORS

Key Financial Indicators provide a robust assessment of financial performance and sustainability. The following graphs show the three key financial indicators, with previous year's results, forecasts for 2017/18 and 2018/19, as well as council targets.

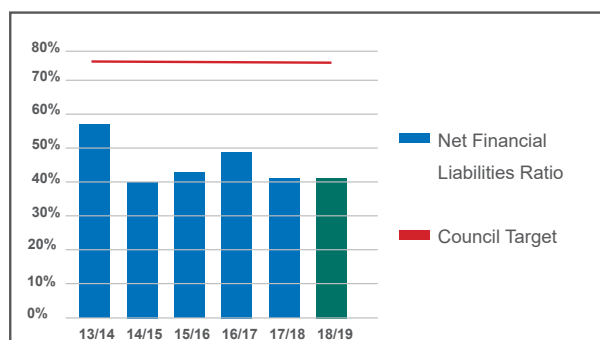
OPERATING SURPLUS (DEFICIT) RATIO



This ratio expresses the operating surplus (deficit) ratio as a percentage of general and other rates. A positive ratio indicates that all operating expenses are being fully funded by operating revenue.

An Operating Deficit Ratio of -0.7% is projected in 2018/19. This is below the Long Term Financial Plan estimate of 1%. The projected ratio indicates that expenses are not being covered by income.

NET FINANCIAL LIABILITIES RATIO



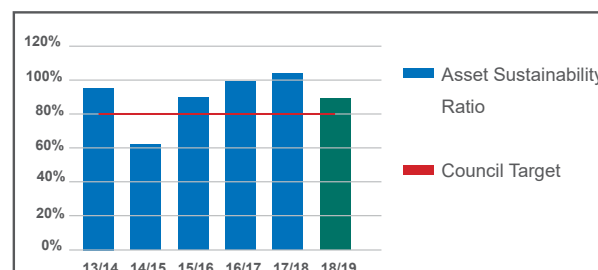
This ratio expresses total liabilities less financial assets as a percentage of total operating revenue.

The Net Financial Liabilities Ratio indicates the percentage of debt in comparison to operating revenue. A high ratio may indicate significant funding requirements for major projects.

A Net Financial Liability Ratio of 41% is projected for 2018/19. This is below the Long Term Financial Plan Estimate of 56% and well below Council's maximum target of 75%.

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 SUSTAINABILITY RATIO



This ratio is based on expenditure on capital renewal (replacement) as a percentage of planned projects detailed in council's Asset Management Plans.

Expenditure on capital renewal projects in 2018/19 is estimated at 89%. This is below the amount forecast in Asset Management Plans and the Long Term Financial Plan.

Council's minimum target of 80% has been met. Of the \$7.4 million expenditure forecast for 2018/19, over 35% is programmed on new (or upgraded) works including Stage 2 of the Mainstreet Upgrade, Petrel Avenue stormwater, Waitpinga Road reconstruction and new footpaths.

The high percentage of new works planned for 2018/19 has reduced available expenditure and capacity for renewal works.



WHAT IT MEANS FOR RATES

Rates are a tax levied on properties according to their capital value. Property valuations are determined by the Valuer General.

The rates which a property owner pays are primarily calculated by multiplying the property valuation by a rate in the dollar.

To determine the rate in the dollar council must identify, through its budget deliberations, what services will be provided and what works need to be carried out, and then calculate the cost of those works and services.

Once council has determined its budget requirement it then estimates the revenue it will receive from fees and charges, grants and loans. The shortfall of revenue will come from property rates.

The council sets a fixed charge and range of rates to calculate the amount an individual property owner will pay based on the property valuation that has been supplied to the council by the Valuer General.

RATES AND VALUATION SUMMARY

Council has received Capital Valuations from the Valuer General totalling \$4,131,014,100 of which \$4,000,152,865 is rateable.

Council has adopted a two tiered rating structure comprising of fixed charge component and several differential rates according to categories of land use.

Commercial, industrial and vacant properties will have a higher differential rate applied than the base residential rate, while primary production properties will pay a lower rate.

Rate capping is available, on application, to provide relief for residential ratepayers, where valuations have caused substantial rate increases under certain conditions.

Growth from subdivision activity and property improvements totals 2%.

In total, Council is proposing that ratepayers will pay an average rate increase across all land use categories of approximately 3.5% more on average than last year. The average residential rate increase is \$67.



2018/19 RATING POLICY

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

Council has adopted the valuations made by the Valuer General as provided to the council.

If a ratepayer is dissatisfied with the valuation made by the Valuer General then the ratepayer may object to the Valuer General in writing, within 60 days of receiving the rate notice. The ratepayer must explain the basis for the objection provided they have not:


- Previously received a notice of this valuation under the Local Government Act, in which case the objection period is 60 days from the receipt of the first rate notice, or
- Previously had an objection considered by the Valuer General for the current year. The address of the Office of the Valuer General is:
 - State Valuation Office
GPO Box 1354
ADELAIDE SA 5001
 - Telephone: 1300 653 345
 - Email: lsgobjections@sa.gov.au

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:

- Council consultation with Business Victor Harbor (formerly Victor Harbor and District Business Association).
- 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. While the present economic climate has been influenced by the effects of the global financial crisis of 2008 and beyond, the prospect is good for a continuation of relatively low interest rates and steady inflation rates in the near future.
- 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.

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 has 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 \$360,000, 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.

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 2018/19 land use categories, the respective differential general rates to apply and approximate revenue to be raised will be as shown in the table on page 54.



Land Use Category	Cents in the \$	Base differential	Revenue
Residential	0.4349	Base rate	\$16.8 million
Commercial Shop	0.5654	Base + 30%	\$0.8 million
Commercial Office	0.5654	Base + 30%	\$0.1 million
Commercial Other	0.5654	Base + 30%	\$0.7 million
Industrial Light	0.5001	Base + 15%	\$0.1 million
Industrial Other	0.5001	Base + 15%	\$0.1 million
Primary Production	0.3914	Base - 10%	\$1.5 million
Vacant Land	0.6524	Base + 50%	\$1.3 million
Other	0.4349	Base rate	\$0.2 million

In determining the rates in the dollar for council rates, the City of Victor Harbor has considered the likely rate of inflation for the next 12 months, increased insurance, power and water costs on council properties, greater expectations of council in water and natural resource management issues, increasing waste management requirements, impacts of growth and development, expanded legislative responsibilities and the continuing decline of general purpose grants and other external funding opportunities.


FIXED CHARGE

Council may impose a fixed charge on every property in its area, provided that it has not also imposed a minimum rate. 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 increase the fixed charge on rateable properties in line with the rate increase at 3.5% from \$335 to \$350.

The main reason for imposing a fixed charge is to establish a minimum base payment for each assessable property within the council area. In determining the fixed charge amount, council has decided to recover 20% of its total rate revenue through this method, with the remaining 80% of rate revenue to be funded via differential rating.

SEPARATE RATE – NATURAL RESOURCES MANAGEMENT LEVY

The State Government requires council to impose a separate rate pursuant to Section 95 of the Natural Resources Management Act 2004 and Section 154 of the Local Government Act 1999. The total amounts will be payable to regional boards less the amount prescribed under the Natural Resources Act for establishment and collection costs.



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 Adelaide and Mount Lofty Ranges Natural Resources Management Board:
 - \$0.010135 cents in the dollar to raise a total of \$398,671
- Rateable properties located within the area of the Council and of the SA Murray Darling Basin Natural Resources Management Board:
 - \$0.025940 cents in the dollar to raise a total of \$3,898

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 2018/19 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 2017/18 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 2017;

- 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 the Rates and Assessment Officer on 8551 0500.

REMISSION AND POSTPONEMENT OF RATES

Section 182 of the Local Government Act 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 the Rates and Assessment Officer 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 **7 September 2018**, or by quarterly instalment payments due on the following dates:

- 1st instalment – 7 September 2018
- 2nd instalment – 7 December 2018
- 3rd instalment – 7 March 2019
- 4th instalment – 7 June 2019

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;
- 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.

The image features a pelican standing on a sandy beach at sunset. The sun is low on the horizon, creating a warm, golden glow across the sky and reflecting on the wet sand. The pelican is white with dark feathers on its wings and back, and it has a long, pointed beak. It is facing left. The background shows the ocean with gentle waves. At the top of the image, there are three decorative, wavy lines in blue, teal, and yellow. The text "ATTACHMENT 1: FINANCIAL STATEMENTS" is centered in the upper half of the image in a bold, white, sans-serif font.

ATTACHMENT 1: FINANCIAL STATEMENTS

UNIFORM PRESENTATION OF FINANCES

FOR YEAR ENDING 30 JUNE 2019

	2016/17 FINANCIAL STATEMENTS \$'000	2017/18 DECEMBER REVIEW \$'000	2018/19 PROPOSED BUDGET \$'000
Operating Revenues	26,359	25,567	27,066
/ess Operating Expenses	25,366	26,808	27,267
Operating Surplus / (Deficit) before Capital Amounts	993	(1,241)	(201)
Less Net Outlays on Existing Assets			
Capital Expenditure on Renewal/Replacement of Existing Assets	5,829	3,671	4,831
/ess Depreciation, Amortisation and Impairment	(6,224)	(6,215)	(6,281)
/ess Proceeds from Sale of Replaced Assets	(206)	(131)	(101)
	(601)	(2,675)	(1,551)
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets	6,139	3,809	2,632
/ess Proceeds from Sale of Surplus Assets	0	0	0
/ess Amounts received specifically for new/upgraded assets	(2,704)	(1,011)	(919)
	3,435	2,798	1,713
NET LENDING / (BORROWING) FOR FINANCIAL YEAR	(1,841)	(1,364)	(362)

FINANCIAL INDICATORS

Operating Surplus Ratio

This ratio expresses the operating surplus or deficit, as a percentage of total operating revenue.
(TARGET = 3%)

4.0% -4.8% -0.7%

Net Financial Liabilities Ratio

New 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 = < 75%)

47.0% 41.0% 41.1%

Asset Sustainability 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 = 80%)

99.0% 105.4% 89.0%

STATEMENT OF COMPREHENSIVE INCOME

FOR YEAR ENDING 30 JUNE 2019

	2016/17 FINANCIAL STATEMENTS \$'000	2017/18 DECEMBER REVIEW \$'000	2018/19 PROPOSED BUDGET \$'000
OPERATING INCOME			
Rates	19,935	20,754	21,801
Statutory charges	441	433	478
User charges	2,453	2,264	2,589
Grants, subsidies and contributions	2,530	1,227	1,309
Investment income	112	124	89
Reimbursements	782	715	742
Other revenues	90	40	48
Net Gain - Equity Accounted Council Business	16	10	10
Total Income	26,359	25,567	27,066
OPERATING EXPENSES			
Employee costs	9,111	9,842	10,170
Materials, contracts and other expenses	9,474	10,254	10,356
Finance costs	557	497	460
Depreciation, amortisation and impairment	6,224	6,215	6,281
Total Expenses	25,366	26,808	27,267
OPERATING SURPLUS / (DEFICIT)	993	(1,241)	(201)
Asset Disposal and fair value adjustments	(1,221)	(1,000)	(1,000)
Amounts specifically for new or upgraded assets	2,704	1,011	919
Physical resources received free of charge	0	1,000	1,000
	1,483	1,011	919
NET SURPLUS / (DEFICIT)	2,476	(230)	718

STATEMENT OF FINANCIAL POSITION

FOR YEAR ENDING 30 JUNE 2019

	2016/17 FINANCIAL STATEMENTS \$'000	2017/18 DECEMBER REVIEW \$'000	2018/19 PROPOSED BUDGET \$'000
ASSETS			
Current Assets			
Cash and Cash Equivalents	1,590	449	38
Trade and Other Receivables	3,843	1,278	1,353
Inventories	318	256	256
Total Current Assets	5,751	1,984	1,647
Non-Current Assets			
Financial Assets	594	845	845
Equity Accounted Investments in Council Business	10,752	254	254
Infrastructure, Property, Plant and Equipment	258,486	270,800	272,000
Other Non-Current Assets	258	200	200
Total Non-Current Assets	270,090	271,899	273,099
TOTAL ASSETS	275,841	273,883	274,746
LIABILITIES			
Current Liabilities			
Trade and Other Payables	4,435	2,681	2,727
Borrowings	912	1,299	955
Provisions	2,186	700	700
Total Current Liabilities	7,533	4,680	4,382
Non-Current Liabilities			
Borrowings	10,039	6,191	8,281
Provisions	819	700	700
Total Non-Current Liabilities	10,858	6,891	8,981
TOTAL LIABILITIES	18,391	11,571	13,363
NET ASSETS	257,450	262,312	261,383
EQUITY			
Accumulated Surplus	63,995	60,471	61,189
Asset Revaluation Reserve	192,244	192,612	198,165
Other Reserves	1,211	2,029	2,029
TOTAL EQUITY	257,450	255,112	261,383

STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDING 30 JUNE 2019

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
16/17 FINANCIAL STATEMENTS	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	61,327	189,534	1,403	252,264
Net Surplus / (Deficit) for Year	2,476	-	-	2,476
Gain on revaluation of infrastructure, property, plant & equipment	-	2,710	-	2,710
Transfers between Reserves	192	-	(192)	-
Balance at end of period	63,995	192,244	1,211	257,450

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
17/18 DECEMBER REVIEW	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	61,327	189,534	1,403	252,264
Net Surplus / (Deficit) for Year	(230)	-	-	-230
Gain on revaluation of infrastructure, property, plant & equipment	-	886	-	886
Transfers between Reserves	(626)	-	626	-
Balance at end of period	60,471	190,420	2,029	252,920

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
18/19 PROPOSED BUDGET	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period	60,471	190,420	2,029	252,920
Net Surplus / (Deficit) for Year	718	-	-	718
Gain on revaluation of infrastructure, property, plant & equipment	-	7,745	-	7,745
Transfers between Reserves	-	-	-	-
Balance at end of period	61,189	198,165	2,029	261,383

CASHFLOW STATEMENT

FOR YEAR ENDING 30 JUNE 2019

	2016/17 FINANCIAL STATEMENTS \$'000	2017/18 DECEMBER REVIEW \$'000	2018/19 PROPOSED BUDGET \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating Receipts	26,587	24,467	25,962
Investment Receipts	112	124	89
Payments			
Operating Payments to Suppliers and Employees	(18,679)	(22,605)	(23,045)
Finance Payments	(591)	(497)	(460)
Net cash provided by (or used in) operating activities	7,429	1,489	2,546
CASHFLOWS FROM INVESTING ACTIVITIES			
Receipts			
Grants specifically for new or upgraded assets	2,704	1,011	919
Sale of replaced assets	206	131	101
Sale of surplus assets	0	0	0
Repayments of loans by community groups	132	142	151
Payments			
Expenditure on renewal/replacement of assets	(5,829)	(3,671)	(4,831)
Expenditure on new/upgraded assets	(6,139)	(3,809)	(2,632)
Loans made to community groups		0	0
Net cash provided by (or used in) investing activities	(8,926)	(6,196)	(6,291)
CASHFLOWS FROM FINANCING ACTIVITIES			
Receipts			
Proceeds from borrowings	4,800	2,800	4,300
Payments			
Repayments of borrowings	(4,221)	(951)	(966)
Net cash provided by (or used in) financing activities	579	1,849	3,334
NET INCREASE (DECREASE) IN CASH HELD	(918)	(2,859)	(411)
Cash & cash equivalents at beginning of period	2,508	3,308	449
CASH & CASH EQUIVALENTS AT END OF PERIOD	1,590	449	38

city of
Victor Harbor



STAY IN TOUCH

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