

OUR PLAN FOR OUR PLACE



**ANNUAL BUSINESS PLAN
2022–23**



OUR PLAN FOR OUR PLACE

AMENDMENTS TO 2022–23 DRAFT BUDGET FOLLOWING ENGAGEMENT

Section 123 (6a) of the *Local Government Act 1999* requires that any amendments to the Draft Annual Business Plan that was consulted on be explained in the adopted plan.

Since the publication of the draft budget as set out in the Draft Annual Business Plan, and following adoption of the SRWRA budget by the SRWRA Board on 6 June 2022, Council was notified:

- › SRWRA 2022–23 draft budget equity equating to \$101,250 being Council's 15% share of the SRWRA \$675,000 operating surplus. The draft budget had \$219,300.

The above variation totals \$118,050 in an equity movement and will impact Council's operating surplus reducing it from \$507,694 to \$389,644. The reduction will have no impact on Council's cash position and remaining financial indicators or measures.

There are also a number of changes to the draft 2022–23 Alwyndor budget as was published in the Draft Annual Business Plan. The overall change was an increase in the operating deficit from \$82,477 to \$281,415, combined with an increase in capital expenditure from \$411,458 to \$523,971. This resulted in a reduction in the Alwyndor funding surplus from \$1,027,604 to \$745,274. This has resulted in a consolidated operating surplus result of \$108,229.

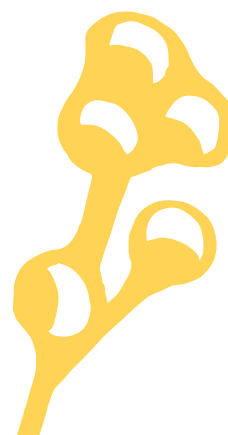
Other changes include the announcement of a grant to undertake stormwater works in the Tarlton Street Catchment in Somerton Park, and the announcement to implement an increased food organics and garden organics (FOGO) waste collection model throughout the city. Neither of these projects change the budget.

CONTENTS

WELCOME	4	CAPITAL PROJECTS	33
OUR VISION	5	NEW PROJECTS	33
OUR CITY	6	SUSTAINABILITY	34
OUR COMMUNITY	7	ACHIEVEMENTS	35
QUALITY OF LIFE SURVEY RESULTS	8	SERVICE DELIVERY	35
HIGHLIGHTS	9	CAPITAL PROJECTS	36
MUNICIPAL FINANCIAL SUMMARY	11	NEW PROJECTS	38
2022–23 OPERATING REVENUE	12	INNOVATION	40
2022–23 OPERATIONAL EXPENDITURE	14	ACHIEVEMENTS	41
2022–23 CAPITAL PROGRAM	16	PRIORITIES	41
OUR FINANCIAL GOVERNANCE	18	SERVICE DELIVERY	42
ENSURING FINANCIAL SUSTAINABILITY	19	NEW PROJECTS	43
FINANCIAL PRINCIPLES	19	CAPITAL PROJECTS	43
SIGNIFICANT INFLUENCES	20	DEVELOPING OUR ORGANISATION	44
BROAD TRENDS AND EMERGING ISSUES	20	FUNDING OUR CITY	46
THE 2022–23 OPERATING ENVIRONMENT	22	OPERATING RESULT	46
ACHIEVEMENTS, PRIORITIES AND SERVICE DELIVERY	25	OUR FINANCIAL STATEMENTS	46
ALWYNDOR AGED CARE	26	FINANCIAL MANAGEMENT	46
WELLBEING	28	FINANCIAL TARGETS	52
ACHIEVEMENTS	29	MEASURING OUR PERFORMANCE	55
PRIORITIES	29	FINANCIAL STATEMENTS – MUNICIPAL	56
SERVICE DELIVERY	29	FINANCIAL STATEMENTS – ALWYNDOR	62

TRADITIONAL CUSTODIANS

We acknowledge the Kaurna people as the traditional custodians of this land. We respect their spiritual relationship with the country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to the Kaurna people today.



WELCOME

On behalf of the City of Holdfast Bay, I'm pleased to present the *2022–23 Annual Business Plan*, outlining our program and budget for the upcoming financial year.

I'm very proud of the way in which we have navigated the difficulties faced during the past two years of the pandemic.

Our focus has been on the continued investment in our community and in projects that add to the vibrancy and appeal of this city we are so fortunate to call our home.

We have invested in improving our amenities, assets and facilities. Importantly we have invested in our services provided to and for the community, which has proven to be vital throughout the pandemic.

Knowing the importance of looking after our people, we will commit over \$1 million in 2022–23 towards our community development programs, services and events which aim to promote interaction and minimise social isolation and disadvantage.

This includes home support and our community transport service as well as our community centres, which provide opportunities for people of all ages and abilities to meet, mix and build meaningful connections through sporting, recreational and cultural activities.

We will also fund a number of major projects in 2022–23 which support the vision and objectives outlined in our recently-adopted strategic plan, *Our Holdfast 2050+*. The three focus areas in the plan are wellbeing, sustainability and innovation.

Major projects for 2022–23 include:

- › Jetty Road Glenelg Masterplan
- › Seacliff Amenities Building and Beach Access Redevelopment – \$1 million grant funding received
- › Glenelg *Disability Discrimination Act 1992* (DDA) compliant Beach Access — funded in 2021–22
- › Brighton Beachfront Holiday Park Stage 2 – \$845,000
- › Kingston Park Kiosk – funded in 2021–22
- › Glenelg Oval Masterplan Stages 3 and 4 – \$967,000 including grant funding (confirmed).

We are continuing our water sensitive urban design projects, remediating our three gullies and maintaining the city's prized beaches. In this coming financial year, we will continue to fund projects which improve our resilience to climate change, and form part of our wider five-year *Environment Strategy*.

We have already taken ownership of our first electric vehicle which fittingly is being used by our Environment team and have installed more than 100 solar panels on our council buildings.

We will also be rolling out a significant change in the collection of food and organic waste, with the staged expansion of weekly collection throughout the city. Following a successful trial of more than 1,000 households and overwhelming community support throughout the city, weekly green waste collections started in July for some suburbs, with the roll-out across the city to take place in coming months.

In 2022–23, there will be \$1.2 million allocated towards stormwater infrastructure in line with our *Stormwater Management Plan*.

There is \$3.63 million in the budget to allow work to continue on the renewal and upgrades of roads and kerbs, including DDA-compliant footpath ramps across the city.

With our state and national borders now open for travel, our focus on attracting tourists and holiday-makers to our city and major retail and entertainment precincts will be a priority.

This should provide a better level of certainty for our local small businesses. We will continue to support our business community in this evolving environment through our economic activation plan and tourism recovery plan.

For the purposes of this *Annual Business Plan*, the provisional rate increase will be 3.2% for residential property owners. This equates to a \$52 increase for the year based on the average property value in Holdfast Bay.



Amanda Wilson

Mayor
City of Holdfast Bay

OUR VISION

Protecting our heritage and beautiful coast, while creating a welcoming and healthy place for all in South Australia's most sustainable city.

Our Holdfast 2050+

To achieve this vision we have identified three focus areas:



WELLBEING

Good health and economic success in an environment and a community that supports wellbeing.



SUSTAINABILITY

A city, economy and community that is resilient and sustainable.



INNOVATION

A thriving economy and community that values life-long education, research, creativity and entrepreneurialism.



OUR CITY

Kaurna people lived sustainably and nurtured the land and waters for some 60,000 years as one of the world's longest living cultures.

The coastal environment with its fresh water lagoons and abundant food sources was used for millennia as a meeting place for cultural celebrations, ceremony and trade by Kaurna people, and continues to be a place of significant Kaurna cultural heritage.

In 1836, Colonel William Light arrived on the *Rapid* on a mission to survey the South Australian coast in search of a place for settlement. While the *Rapid* stood off-shore near the mouth of the Patawalonga, a storm blew in and the anchor held. Colonel Light consequently named the bay 'Holdfast Bay'.

The Province of South Australia was proclaimed at Pathawilyangga in 1836, which became the municipality of Glenelg in 1855. Wituwaringga became the municipality of Brighton in 1858.

The City of Holdfast Bay was formed in 1997 through the amalgamation of the City Councils of Glenelg and Brighton. Located just 11 kilometres from the Adelaide city centre and five minutes from Adelaide Airport, our city is now home to close to 38,000 people and one of the most celebrated places to live, work and visit in the Adelaide metropolitan area. It boasts a beautiful natural environment, high quality recreation and community facilities, superior health and education, health options, a vibrant tourism sector, thriving retail precincts and a small light industrial area.

OUR COMMUNITY

TOTAL POPULATION



37,784

52.4% females
47.6% males

MEDIAN AGE



VEHICLE USAGE

Private car is the most common travel method for journeys to work (80%). Public transport accounts for 8.5% and active travel (walking and cycling) 5%



SNAPSHOT



HIGH

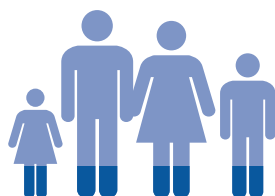
- Average Income
- Education
- Housing Mortgages



LOW

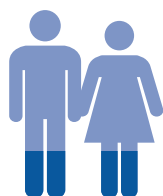
- Unemployment

HOUSEHOLD TYPES



Couples with children

22%



Couples without children

27%



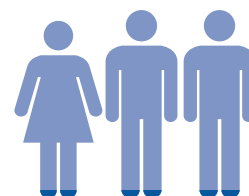
One parent families

8%



Lone person households

33%



Group households

4%

Source: ABS 2016

QUALITY OF LIFE SURVEY RESULTS (2021–22)

HOW YOU RATED YOUR COUNCIL OUT OF 10



COMMUNITY



8.6

Providing library services



8.1

Providing sporting facilities



7.5

Delivering services for the elderly and people with a disability



7.65

Providing programs and services that encourage an active lifestyle



7.5

Providing arts & cultural experiences



7.6

Providing programs that foster social interaction and community wellbeing



ENVIRONMENT



8.0

Maintaining beaches and coastal areas



8.0

Providing adequate waste management services



**Overall rating of
Holdfast Bay as
a place to live**



ECONOMY



8.1

Encouraging a diverse range of businesses and services in the area



7.6

Supporting and promoting tourism and events



CULTURE



6.8

Council provides good financial management and value for rates



6.9

Overall satisfaction with the quality of service and performance of the council



PLACEMAKING



8.7

Access to shops, services and open space



7.3

Maintaining roads and kerbing



7.2

Maintaining cycle networks



8.2

Maintaining well laid out parks and reserves



8.2

Providing a sense of safety in neighbourhoods



HIGHLIGHTS

Major projects

In 2022–23, council will fund and undertake a number of major projects to support the vision and objectives outlined in its strategic plan, *Our Holdfast 2050+*.

These include:

Jetty Road Glenelg Masterplan – \$450,000

Construction of the first stage of the Jetty Road Masterplan was completed in 2021 with a \$3.6 million upgrade of Chapel Street and Bouchee Walk (formerly Hindmarsh Lane).

Planning has now commenced towards the final design of the masterplan to continue the transformation of Jetty Road, Glenelg.

Seacliff Amenities Building and Beach Access Redevelopment (\$1 million grant funding received)

A new amenities building at Seacliff Beach, with continuous widened footpaths around the area, providing more circulation space to improve access to the amenities area and beach.

Kingston Park Kiosk

Funded in 2021–22 for delivery in 2022–23

The Kingston Park Kiosk is used by residents, caravan park customers and coastal pathway users. This project includes the design and construction of a new kiosk at Kingston Park near the Brighton Caravan Park to replace the existing kiosk which is past its end of life. This facility will be sensitive to its location and use construction materials suitable for coastal locations.

Glenelg Oval Masterplan – Stages 3 and 4 – \$967,000 including grant funding (confirmed)

In 2022 we will install a new scoreboard, re-locate cricket nets and associated infrastructure, improve spectator amenities and undertake consultation and design for the upgrade of Margaret Messenger Reserve.

Brighton Beachfront Holiday Park – Stage Two – \$845,000

As a key, income-generating council business, the Brighton Caravan Park helps to alleviate the rate burden on residents and private businesses. However, its infrastructure is rapidly ageing, compromising the future commercial success of the park. Council will replace timeworn facilities with new sites, cabins and administration buildings. This will create stronger visitor appeal, grow the commercial revenue of the caravan park and enhance the city's tourism activities.

Glenelg Disability Beach Access

Funded in 2021–22 for delivery in 2022–23

Council will construct a *Disability Discrimination Act 1992* (DDA) compliant ramp, beach matting and invest in beach wheelchairs for Glenelg beach and ocean to work towards accessibility for all.



To receive updates
or to share your views on
major projects register at
yourholdfast.com



FINANCIAL OVERVIEW

Projections for the 2022–23 financial year indicate that council will be working with:

- › A consolidated operating surplus of \$108,229 (Alwyndor deficit of \$281,415) and municipal operation surplus of \$389,644.
- › A consolidated operating income of \$79.1 million to cover consolidated operating expenditure of \$79 million.

In the 2022–23 financial year we will invest \$53.98 million in municipal operations to provide services, implement programs and build and maintain essential assets.

Our main areas of investment include:

- › \$38.81 million to provide services to our community
- › \$8.88 million to maintain community assets
- › \$6.29 million for new capital infrastructure and service improvements.

1. Alwyndor is a self funding operation of the City of Holdfast Bay.
For more information about Alwyndor see page 26.

MUNICIPAL FINANCIAL SUMMARY



2022–23 MUNICIPAL OPERATING REVENUE \$50.07 MILLION

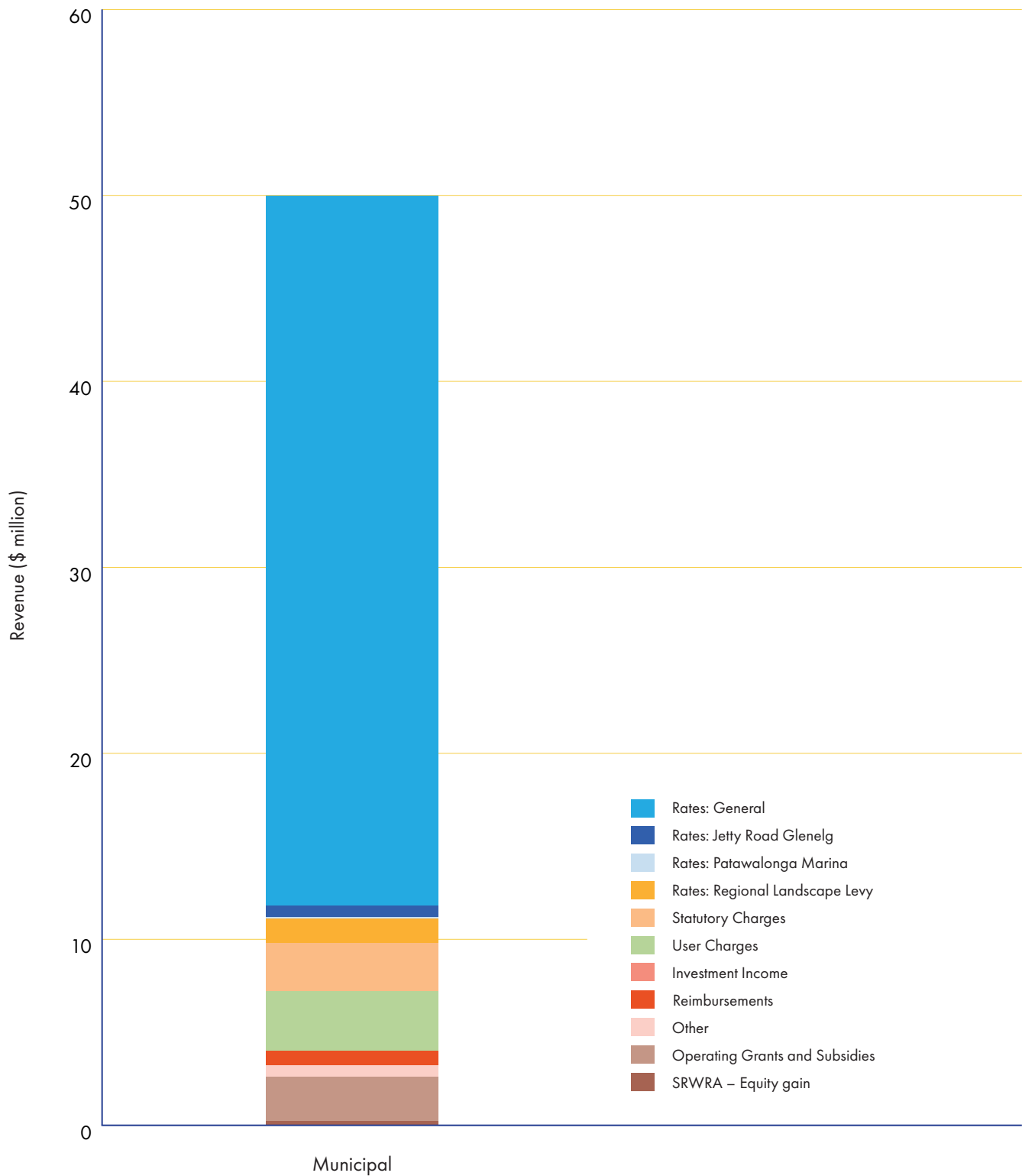
Council receives \$50.07 million (excluding Alwyndor) to provide services and infrastructure to the community.

MUNICIPAL OPERATING REVENUE

Rate Revenue	Million
Rates: General	\$38.35
Rates: Jetty Road Glenelg	\$0.62
Rates: Patawalonga Marina	\$0.08
Rates: Regional Landscape Levy ²	\$1.35
Total Rate Revenue	\$40.40
Operational Revenue	
Statutory Charges	\$2.58
User Charges (including but not limited to revenue from commercial operations)	\$3.19
Investment Income	\$0.02
Reimbursements	\$0.75
Other	\$0.65
Total Operational Revenue	\$7.19
External Revenue	
Operating Grants and Subsidies	\$2.38
SRWRA – Equity gain	\$0.10
Total External Revenue	\$2.48
TOTAL MUNICIPAL REVENUE	\$50.07

2. The *Landscape Levy* is a State Government tax imposed under the *Landscape South Australia Act 2019*. Local Governments are required under this legislation to collect the *Landscape Levy* and provide it directly to State Government who fund the activities of *Green Adelaide* and other regional Landscape Boards.

2022–23 MUNICIPAL OPERATING REVENUE



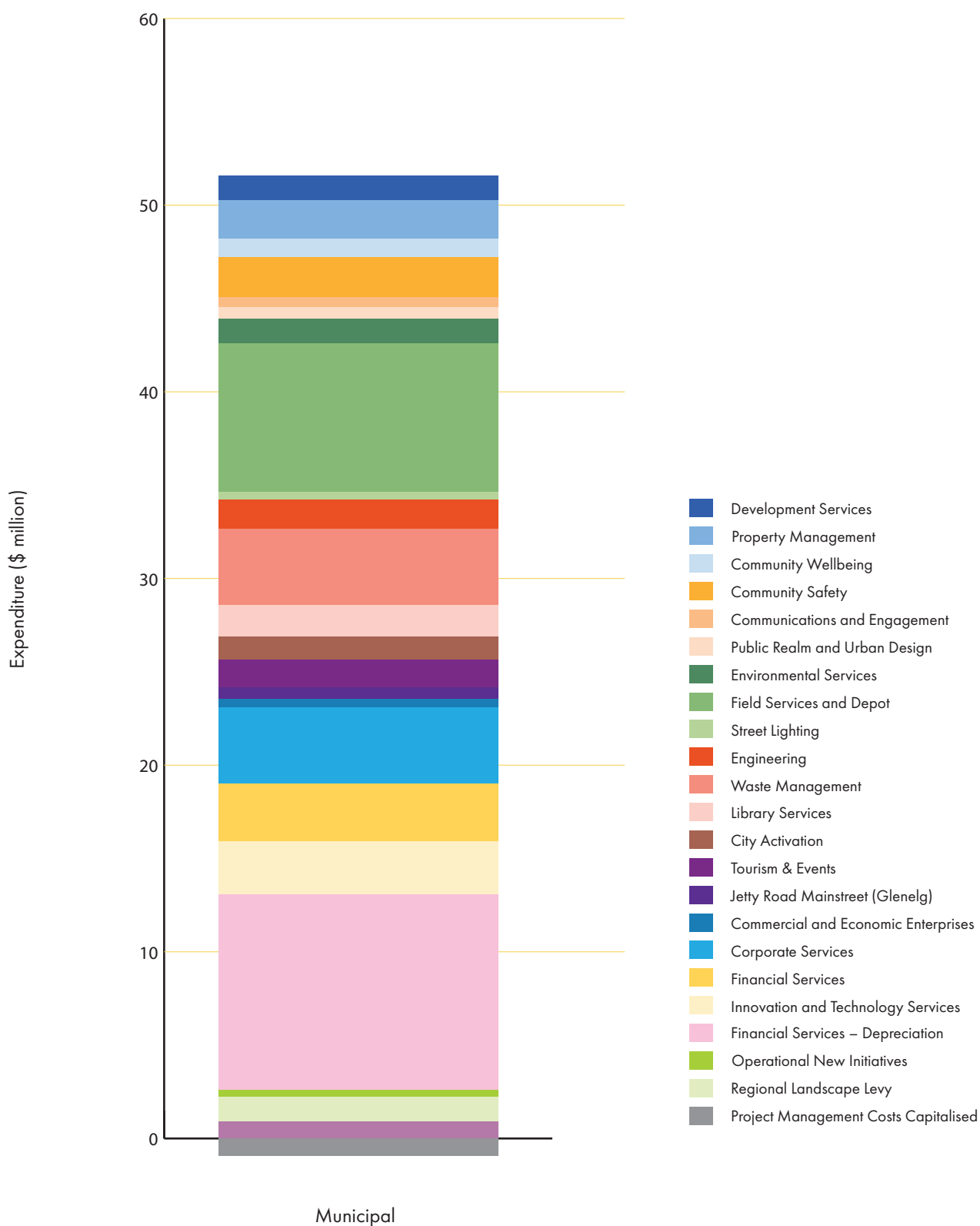
2022–23 MUNICIPAL OPERATIONAL EXPENDITURE \$49.68 MILLION

Council will spend \$49.68 million (excluding Alwyndor) to deliver services to the community.

MUNICIPAL OPERATIONAL EXPENDITURE

Services	Million
Development Services	\$1.30
Property Management	\$2.04
Community Wellbeing	\$1.01
Community Safety	\$2.12
Communications and Engagement	\$0.56
Public Realm and Urban Design	\$0.59
Environmental Services	\$1.36
Field Services and Depot	\$7.93
Street Lighting	\$0.44
Engineering	\$1.56
Waste Management	\$4.07
Library Services	\$1.69
City Activation	\$1.24
Tourism & Events	\$1.46
Jetty Road Mainstreet Glenelg	\$0.64
Commercial and Economic Enterprises	\$0.45
Corporate Services	\$4.10
Financial Services (includes finance charges and insurance costs)	\$3.05
Innovation and Technology Services	\$2.87
Total expenditure on services	\$38.48
Other Operational Expenditure	
Financial Services – Depreciation	\$10.47
Operational New Initiatives	\$0.35
Regional Landscape Levy	\$1.32
Project Management Costs Capitalised	(\$0.94)
Total expenditure on other operational	\$11.20
Total municipal operational expenditure	\$49.68

2022–23 MUNICIPAL OPERATIONAL EXPENDITURE



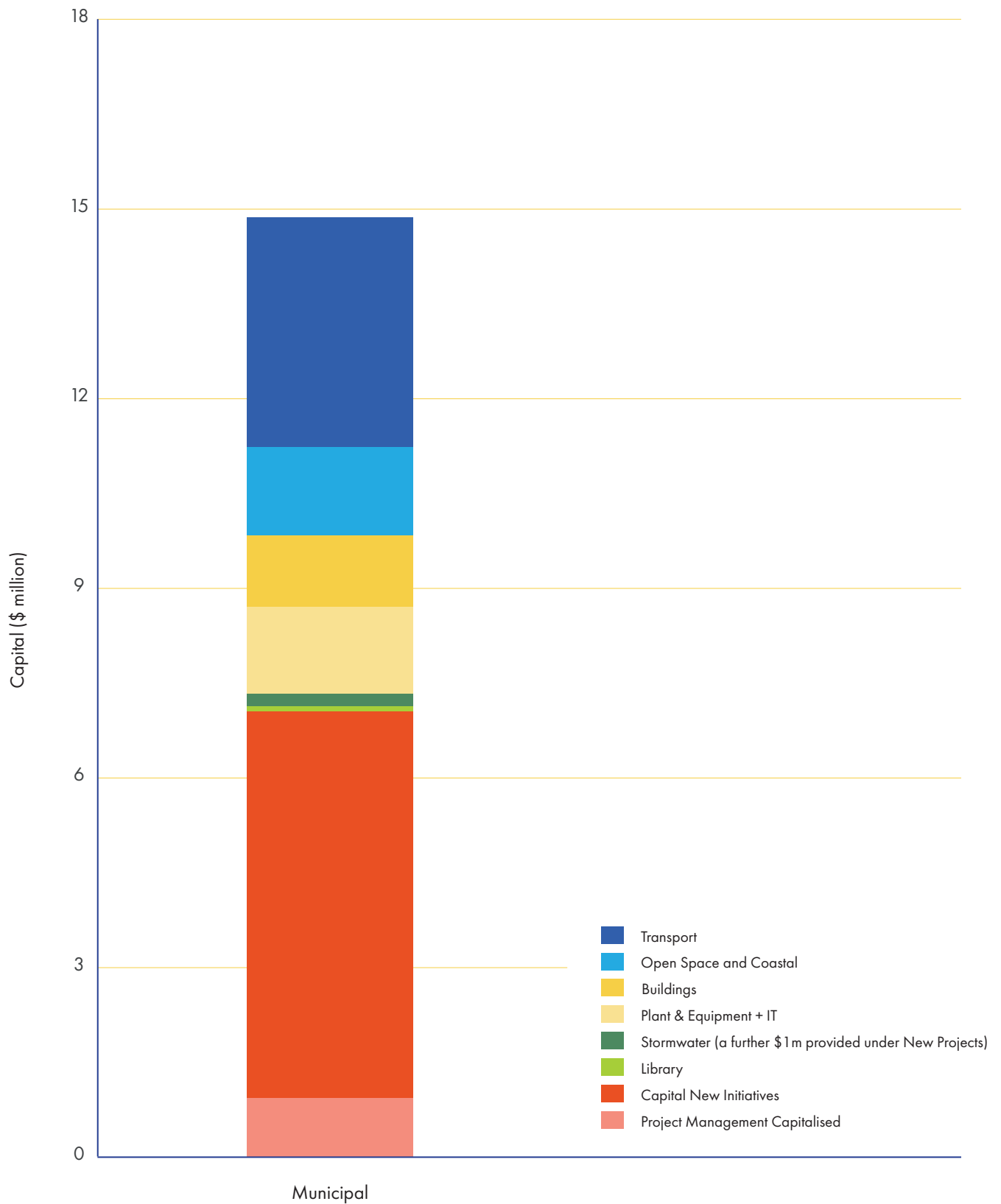
2022–23 MUNICIPAL CAPITAL PROGRAM \$14.81 MILLION

Council will spend \$14.81 million (excluding Alwyndor) on a capital program to update and maintain community assets in 2022–23.

MUNICIPAL CAPITAL PROGRAM

	Million
Transport	\$3.63
Open Space and Coastal	\$1.34
Buildings	\$1.30
Plant & Equipment + IT	\$1.37
Stormwater (a further \$1m provided under New Initiatives)	\$0.20
Library	\$0.09
Capital New Initiatives	\$5.94
Project Management Capitalised	\$0.94
TOTAL MUNICIPAL CAPITAL EXPENDITURE	\$14.81

2022–23 MUNICIPAL CAPITAL PROGRAM





OUR FINANCIAL GOVERNANCE

Council's long-term financial performance and position are sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

**CITY OF HOLDFAST BAY
LONG-TERM FINANCIAL PLAN**



ENSURING FINANCIAL SUSTAINABILITY

Policies and practices

Council adopts prudent financial governance policies and practices to enable the consistent delivery of cost-effective services to our community. Our policies and practices are based on three goals:

1. Program sustainability

To ensure we can continue to deliver our high-priority programs including service delivery and the renewal and replacement of our assets.

2. Rate stability

To ensure a reasonable degree of stability and predictability in the overall rates.

3. Intergenerational equity

To ensure a fair sharing of the distribution of resources and their attendant financial burden between current and future users of services and infrastructure.

FINANCIAL PRINCIPLES

The following key financial principles were adopted in the preparation of this plan:

› Presenting a balanced budget

We aim to fully fund the cost of services, including the depreciation of infrastructure and assets (ie wear and tear), in order to share the costs of services fairly between current and future users.

This is based on the understanding that insufficient funding would shift the costs burden of today's services on to future users in the form of higher rates or reduced services.

› Maintaining infrastructure and managing assets

We aim to maintain infrastructure (eg, buildings and bridges) and assets (eg, roads, kerbs, paving, machinery, trees, irrigation systems and playground equipment) to ensure the continued delivery of services to agreed standards. This involves developing and using long-term infrastructure and asset management plans to manage our asset portfolio efficiently, and continuing to invest in renewing and replacing our assets as they wear out.

› Providing predictable rates

We aim to provide our community with a reasonable degree of predictability for rates over the medium term. We will keep rate payers fully informed about future rates and the corresponding services provided.

› Prudent debt management

We aim to keep our debt as low as practicable. We borrow funds to invest in new long-term assets or to replace and renew existing assets and thereby spread that cost over the longer term, consistent with the typical long lives of assets.

SIGNIFICANT INFLUENCES

BROAD TRENDS AND EMERGING ISSUES

A range of global, national and state trends was considered when developing the 2022–23 *Annual Business Plan*.

Economic Impacts

For the 2022–23 financial year there are a number of interconnected elements that will impact the local economy, as well as the economic environment that the council operates within. These include the ongoing economic impact of COVID-19, inflation, and the Federal, State and local elections.

COVID-19

Despite ongoing mutations, vaccine booster rates are likely to build to such a rate that lockdowns will not be lengthy or large scale; COVID-19 treatments are likely to enter the market at a greater rate of supply and efficacy; and tourism, migration and student levels will begin to return to pre-pandemic levels towards 2023 or 2024.³

Hence the domestic trade environment should, slowly, begin to look, in some way, similar to a pre-pandemic environment. This should provide a better level of certainty for our local small businesses. We will continue to support our business community in this evolving environment through our *Economic Activation Plan* and *Tourism Recovery Plan*.

Economic Instability

During 2021 Australia recorded its strongest economic growth since 2007.

The 2021 growth has also provided a low unemployment rate, similarly, the lowest since 2008.

Australia's 2021 growth, however, was fuelled considerably by growth in Government spending.⁴ Though there was a spike in growth for both India and China, and indeed, the world economy through 2021; by the end of 2021, China and India's growth had fallen back to pandemic levels. Economic instability is also causing uncertainty, resulting in cost pressures, higher inflation and interest rates rises. Australian economic growth through 2022–23 is unlikely to be natural resources led.

Federal, State and local elections

Whilst an election during a pandemic in Australia has not occurred for 100 years it is rare for three levels of government to hold elections in one State in the same year. A significant contributor to current economic growth (and its resultant employment rates) has been driven by Government spending. The economic policies of the new governments will have a major impact on the economic environment of our community.

Environmental Sustainability

Council is taking steps to protect the natural environment, focusing on biodiversity and protecting our unique coastal environs. In response to climate change, we are reducing our reliance on fossil fuels by replacing council vehicles with electric and hybrid vehicles where possible and introducing renewable energy solutions in council buildings. We are continuing our water sensitive urban design projects, remediating our three gullies and maintaining the city's prized beaches. In this financial year, council continues implementation of its *Environment Strategy* to improve our resilience to climate change.

3. Deloitte Access Economics 17 January 2022

4. RBA Chart Pack Jan 2022

Waste Management

In November 2021 the Southern Materials Recovery Facility (SMRF) opened. The facility is able to process 60,000 tonnes of yellow bin recyclables every year. It is Australia's first major materials recycling facility designed to meet the Council of Australian Government's Export Ban requirements, to facilitate the processing and reuse of waste in Australia rather than being shipped overseas.

Located in Seaford Heights, the SMRF is a joint initiative of Australian recycling and resource recovery specialist Re.Group and the Southern Region Waste Recycling Authority (SRWRA), which is a joint subsidiary of three South Australian Councils – City of Holdfast Bay, City of Marion and City of Onkaparinga.

Meanwhile, in our ongoing efforts to divert waste from landfill, our food organics garden organics (FOGO) trial continues. Over 1,000 households have registered to participate in the program which introduces weekly FOGO bin collection and fortnightly general waste (landfill) collections. Audits within the pilot areas indicate that the diversion rate has increased from 58% to 76%. Following this success, the model will be extended across the city.

In addition to reducing waste sent to landfill, placing all your food and garden waste in the green FOGO bin provides our South Australian food growers with nutrient-rich soil, supports jobs in the circular economy and reduces greenhouse gas emissions.

In 2021 South Australia became the first state to ban single use straws and cutlery. In March of this year, expanded polystyrene cups, bowls, plates and containers were banned, as were oxo-degradable plastic products.



The State Government is currently reviewing the Container Deposit Scheme, considering 10 cent refunds for wine bottles. Presently, glass comprises around 9% per weight of an average South Australian recycling bin. In the pursuit of a circular economy, our strong local wine industry can support high recycling rates.

Emerging issues in waste management include the growth in textile waste associated with "fast fashion" and a lack of recycling options. Per capita average, each person disposes of 27kg of textiles per year, with only 15% of textiles diverted from landfill.

Likewise, electronic waste (e-waste) levels have surged to around 27 million tonnes in 2021, an additional 2 million tonnes on 2020. Only about 17% of e-waste is effectively recycled. It cannot be effectively processed via household bins and must be dropped into a specialist e-waste station.

THE 2022–23 OPERATING ENVIRONMENT

Operating Costs

The cost of living for Australian households, measured by the Consumer Price Index (CPI), has increased at the strongest rate since 2014, primarily driven by fuel prices, dwelling construction costs, supply constraints and flow on impacts across sectors. Over the 12 months to December 2021 Adelaide CPI rose 3.3% and 3.5% nationally. At a local government level, where the basket of goods is measured in Local Government Price Index (LGPI), the impact has been amplified due to a strong reliance on fuel, supply constraints on materials and construction trades to deliver renewal and maintenance works. Mindful of LGPI driven increases to the cost of delivering our ongoing services, Council has put together a prudent budget. This plan minimises the rate increase whilst meeting new legislative requirements and continuing to provide the high level of service our community expects.

The forecast for LGPI for 2022 had been 4%, however, higher than expected CPI increases is likely to see this rise to approximately 7% by the end of the year. For the purposes of this *Annual Business Plan*, however, the rates have been raised provisionally by 3.2% in line with the September LGPI. Council will endeavour to manage the increasing costs of service delivery through 2022–23 within the provisional rates increase whilst continuing to deliver the high quality services and amenities our community is accustomed to.

With the completion of several major new projects, depreciation on new assets has increased by \$725,000. This increase in depreciation is counterbalanced by the benefits that new and improved facilities provide to the community.

Construction delivery

The surge in government spending for major projects and housing redevelopment, combined with material supply issues, has increased the costs and reduced availability for the completion of building and road works.

Housing Industry

Growth in the housing industry outperformed expectations in 2021–22, with a 7% increase compared with the previous twelve months. Whilst further growth is expected in the first half of 2022–23, anticipated interest rate rises combined with building material supply shortages are expected to keep the overall rate of growth to around 3% due to residual factors including ongoing federal government stimulus measures.

Digital Transformation

As technology evolves and plays an increasing role in people's lives, service expectations change. Council must respond while protecting residents' privacy and security and meeting their expectations for personalisation, ease, convenience and multi-channel service delivery. To this end, council is implementing a multi-year, user-centred digital transformation program that will transform both the customer experience and our business processes.

Local Government Reforms

The *Statutes Amendment (Local Government Review) Act 2021* (Review Act) was proclaimed for commencement in September 2021. The Review Act introduced sweeping changes to local government elections and operations. The reforms are being introduced progressively, with further clarity about the specifics being provided through amendments to regulations as foreshadowed in the Review Act.



The reforms include a new conduct management framework for council members, provisions for independent advice to councils on a range of financial and governance matters, a more contemporary approach to public consultation, and a range of improvements aimed at improving transparency and efficiency.

Some of these amendments directly affect this document. These are as follows:

› **Community Engagement**

Across the Review Act specific requirements for consultation for this plan have been removed. However the Act retains the requirement to send a summary of the business plan with the first rates notice of the financial year.

The Review Act refers instead to a requirement for any consultation, including that for the *Annual Business Plan* to be conducted in accordance with the Council's consultation policy. This policy is available to view on our website.

The Act removes the requirement for the provision of the opportunity for community members to provide representations on the plan to Council. Deputations to Council are available for any Council meeting by application.

› **Annual Business Plan amendments**

After the consultation Council reviews the business plan prior to adoption. An explanation of significant changes made between the draft and adopted business plan must be provided in the published adopted plan.

There is also a new requirement for the document to include a comparison between proposed rates and revenue and previous years.

› **Funding**

The amendment provides clarity around the endorsement of borrowings, albeit this amount is already included in the financial statements that are endorsed by Council.

› **Timing**

The plan must now be adopted by 15 August, where before it was 31 August. The Council has, traditionally, made every endeavour to adopt its *Annual Business Plan* prior to 30 June.

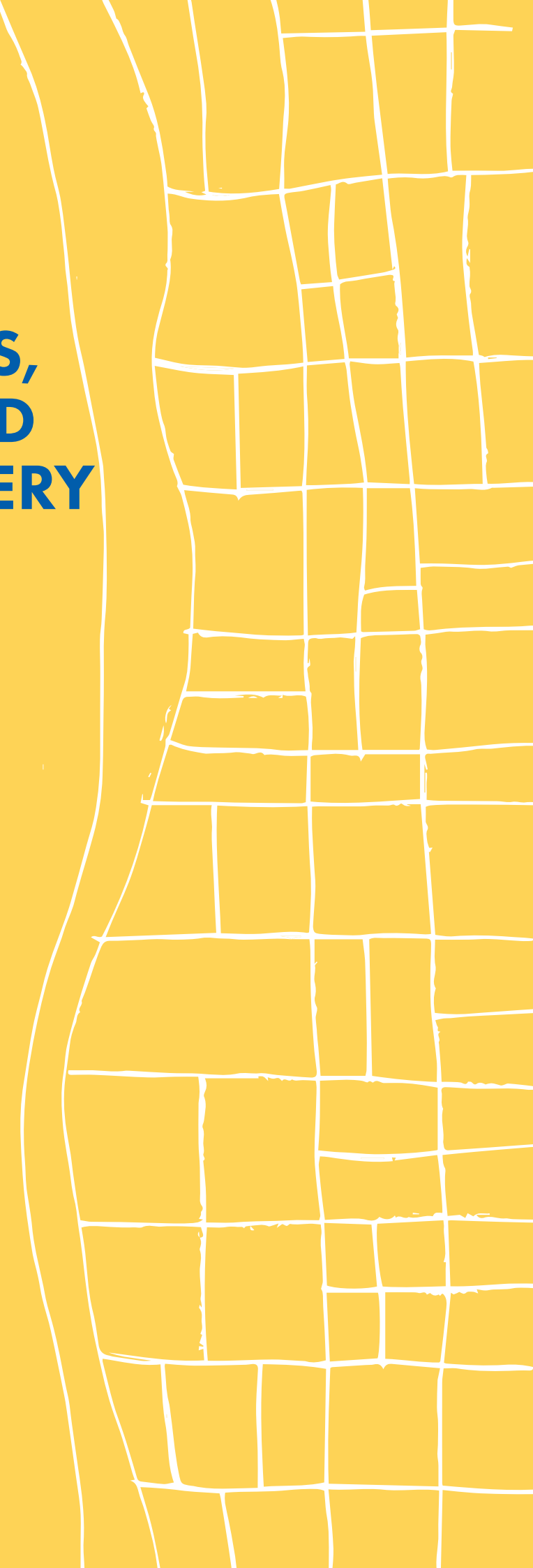
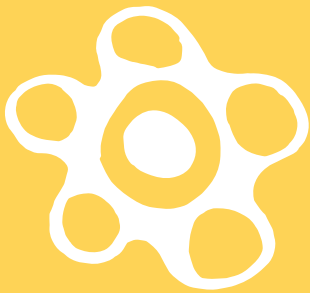
› **Style and Structure**

The amendment provides scope for the regulations to prescribe how the plan is presented (style, location and emphasis on matters) as well as the description/ explanation of matters in the plan. The Regulations have not been released as yet.

External Funding sources

Council's 2022–23 budget relies heavily on property rate revenue, forecasting rates to comprise 80.4% of revenue, excluding Alwyndor and the Landscape Levy. While the City of Holdfast Bay is a leader in South Australia for non-rate revenue, council continues to pursue options to reduce the community's rate burden by increasing revenue from other sources. This includes rent from leases, off-street car parking fees, income from the Brighton Beachfront Holiday Park and Partridge House and grant funding from the Federal Government and State Government.

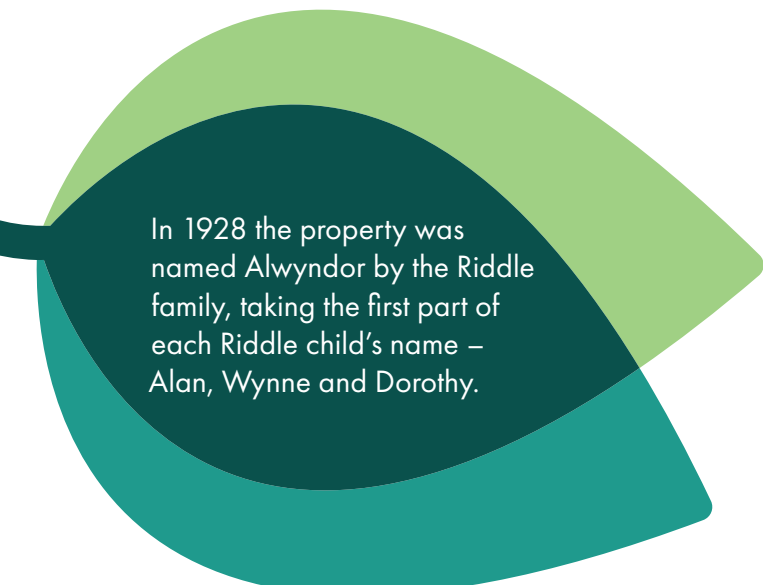
ACHIEVEMENTS, PRIORITIES AND SERVICE DELIVERY



ALWYNDOR AGED CARE

ALWYNDOR AND THE CITY OF HOLDFAST BAY

Alwyndor began as the family home of the Riddles, built on Dunrobin Road, Hove, in 1901. Dorothy Cheater (nee Riddle), the youngest child, cared for her parents at Alwyndor until they died in 1942 and then converted Alwyndor into a convalescent and rest home for returning World War II servicemen and the aged. Dorothy married widower Stephen Cheater who created a beautiful garden for her at Alwyndor. In 1976 the then Brighton Council bought part of the landholding to build a hostel, nursing home and rehabilitation centre. Dorothy later donated the remaining land via the Dorothy Cheater Trust. The Trust binds the council (or others) to the ongoing provision of aged care accommodation and services in perpetuity on the parcel of land. As one of South Australia's few local government-owned aged care facilities, it is proudly regarded by council as an important part of what local government can do for its community.



In 1928 the property was named Alwyndor by the Riddle family, taking the first part of each Riddle child's name – Alan, Wynne and Dorothy.

AGED CARE INDUSTRY TRANSFORMATION

Aged Care industry transformation is ongoing in 2022–23. The implementation of the Royal Commission into Aged Care, Quality and Safety following the Australian Government response and acceptance of 124 of the recommendations has influenced the development of our 2022–23 budget. This includes preparedness for reform of residential care funding, support at home service model reform and increased compliance and reporting.

SERVICE DELIVERY

Alwyndor Aged Care – \$29.3 million

Alwyndor provides integrated service offerings for all ages — providing a continuum of care in an inclusive and vibrant community.

Alwyndor provides 144 residential care beds for permanent, respite and transitional care. Residential services include a café, hairdresser and gym, as well as access to podiatry, speech therapy, physiotherapy and dental services. A day respite service commenced in April 2020.

The Alwyndor Community Connections team works with people in their own homes, offering a suite of services including gardening, maintenance, cleaning, shopping and laundry through to complex personal and clinical care:

- › Commonwealth Home Support Program
- › Home Care Packages
- › Department of Veterans Affairs
- › Private health refunds



- › Medicare bulk billing (via GP referral for service packages)
- › National Disability Insurance Scheme.

In 2022–23 we will also:

- › Implement the Tovertafel interactive activity table designed to promote social, cognitive, and physical stimulation especially for residents with dementia
- › Continue environmental initiatives to minimise our carbon emissions over the next 5 years
- › Implement a *Client Portal* for community services offerings—this will give our clients and families real time visibility of their services
- › Commence outdoor gym groups and one:one training sessions on our new outdoor gym in the residential gardens
- › Implement self-check in and scanning at reception
- › Introduce a new and improved service model for catering in residential care, which will include upgraded kitchenettes and new contemporary menus, all managed by our own staff in our own kitchen.

Alwyndor Asset Renewal and Replacement – \$0.52 million

Alwyndor will allocate \$0.52 million to fund asset renewal and replacement works, including plant and equipment replacement.



WELLBEING

Good health and economic success in an environment and a community that supports wellbeing.

OBJECTIVES: 2020 – 2030

- › Apply the principles of universal design and social inclusion to all Council activities
- › Assist the city's mainstreet precincts in becoming dementia-friendly
- › Increase participation rates in community engagements across all age groups, particularly under-represented demographics such as children and young people by using methods that are appealing and appropriate
- › Support businesses to operate in mixed use neighbourhoods to improve local access to goods and services and reduce supply transport distances
- › Establish community hubs that integrate community support, recreational, and commercial services in multi-purposes spaces that include frequently excluded demographics such as children and young people, people with disabilities, Aboriginal and Torres Strait Island people and people from culturally and linguistically diverse backgrounds

MEASURES

- All project plans and policies address universal design and social inclusion
- The number of businesses recognised as dementia-friendly increases year on year
- The number of participants in formal engagements increases year on year
- The proportion of mixed-use developments increases
- Utilisation of council owned buildings increases



ACHIEVEMENTS

In 2021–22, we delivered many projects that build good health and economic success in an environment and a community that supports wellbeing. Some of these include:

- › Commencing the Glenelg Oval redevelopment Stage 3 and 4 (Year 1 of 3)
- › Undertaking reserve improvements program for north east Brighton
- › Maintaining our open spaces, playgrounds and community buildings
- › Completing the construction of the Chapel Street and Bouchee Walk (formerly Hindmarsh Lane) redevelopment as part of the Jetty Road Glenelg and Environs Masterplan.

Please visit www.holdfast.sa.gov.au for a full list of achievements.

PRIORITIES

In 2022–23, council will continue to deliver projects that build good health and economic success in an environment and a community that supports wellbeing. Some of these include:

- › Continuing the construction of Stages 3 and 4 of the Glenelg Oval Masterplan
- › Providing access to Glenelg Beach and ocean with an accessible ramp, mat and beach wheelchairs
- › Constructing a new amenities building at Seacliff and improving access to the beach and surrounds.

SERVICE DELIVERY (excluding Alwyndor)

Development Services – \$1.3 million

Council's development assessment, development advice and building compliance services work to recognise opportunities while protecting the character and amenity of our suburbs. In 2020–21, we processed 1,063 development applications and approved 205 new dwellings with a construction value of \$131 million.

Council will continue with a grant scheme to support the conservation of our city's heritage premises and the character of our retail precincts. Aimed at encouraging people who own heritage listed and retail precinct properties to invest in maintaining, restoring, and preserving them, the grants replaced a previous rates rebate for heritage listed properties.

Property Management – \$2.04 million

We will manage and maintain community assets and infrastructure in an environmentally and financially sustainable way. This includes maintaining our community and civic buildings, CCTV, and signage.

Community Wellbeing – \$1.01 million

Council provides activities that promote wellbeing and resilience and enable people to remain at home with an enhanced quality of life, including social support and a kerb to kerb community transport service.

Our community development programs, services and events aim to promote interaction and minimise social isolation and disadvantage. This includes providing places, infrastructure and funding for people of all ages and abilities to meet, mix and build constructive connections by participating in a wide range of sporting, recreational and cultural activities. This year, council will continue to support:

- › Community development programs, including youth programs, community gardens and community and youth sponsorship grants
- › Volunteer services
- › Community centres, including the Holdfast Bay Community Centre, Glenelg Community Centre, Glenelg North Community Centre, Brighton Community Centre and Partridge House.

Community Safety – \$2.12 million

Council recognises that the community's health and safety are affected by many fields of regulatory activity. We will use contemporary approaches to respond to public health and safety threats to deal with a range of existing and emerging issues, including:

- › Supporting our community to minimise their environmental and local nuisance impacts
- › Encouraging responsible dog and cat ownership
- › Supporting food businesses to achieve high standards of food safety and hygiene

- › Working collaboratively with supported residential care facilities to ensure that they meet the required standards of care and accommodation and that residents' rights are protected
- › Effective delivery of an immunisation program
- › Responding to and mitigating public health risks
- › Delivering education and compliance activities and responding to customer requests
- › Encouraging and supporting businesses to provide outdoor dining and display goods to support the economy and improve the ambience of our streetscapes
- › Monitoring public safety and security to ensure that our community can safely move around the city's public places and spaces
- › Improving road safety and access to adequate parking for residents and visitors.

Communications and Engagement – \$0.56 million

We are committed to clear and open communication with our community. We provide many ways for people to get in contact, including telephone, mail, email, social media and via our websites and the my holdfast app. People can directly engage with Council staff at the Brighton Civic Centre and in our libraries. Information is provided on our website (holdfast.sa.gov.au) and through a range of Council publications. Council's quarterly magazine, *Our Place*, features the latest Council news, project updates and upcoming events. It is distributed to all ratepayers with a digital copy shared via social media and emailed to subscribers.





CAPITAL PROJECTS

Council replaces assets that are at the end of life, undertakes maintenance to extend assets and also builds new assets for the community.

Open Space and Coastal Renewal – \$1.4 million

A broad program of renewal works is planned for the city's reserves and playgrounds including Paringa Park Reserve, Fordham Reserve, and Dover Square. We will also replace seating, pathways, irrigation, signage in various locations across the city and undertake important works at the Patawalonga Lock.

Community Buildings – \$364,047

In 2022–23 Council will undertake repairs and maintenance at the Holdfast Bay Bowling Club, Broadway Kiosk, Glenelg Town Hall, Helmsdale Tennis Clubrooms, Glenelg Foreshore Toilets, Seacliff Youth Centre, Brighton Table Tennis, Bowker Street Clubrooms, Glenelg Rotunda, Somerton Bowls Club.

NEW PROJECTS

Glenelg Oval Masterplan Stages 3 and 4 – \$967,000 including grant funding

In 2022 we will install a new scoreboard, re-locate cricket nets and associated infrastructure, improve spectator amenity and undertake consultation and design for the upgrade of Margaret Messenger Reserve.

Jetty Road Glenelg Masterplan – \$450,000

Construction of the first stage of the Jetty Road Masterplan was completed in 2021 with a \$3.6 million upgrade of Chapel Street and Bouchee Walk (formerly Hindmarsh Lane).

Planning has now commenced towards the final design of the masterplan to continue the transformation of Jetty Road, Glenelg.

Glenelg Disability Beach Access Funded in 2021–22 for delivery in 2022–23

Council will construct a *Disability Discrimination Act 1992* (DDA) compliant ramp, beach matting and invest in beach wheelchairs for Glenelg beach and ocean to work towards accessibility for all.

Seacliff Amenities Building and Beach Access Redevelopment (\$1 million grant funding received)

A new amenities building at Seacliff Beach, with continuous widened footpaths around the area, providing more circulation space to improve access to the amenities area and beach.

Audit of beach showers and taps – \$15,000

Undertake an audit of the showers and taps at the beach access points along the Esplanade. The audit will determine if showers are practicable at more access points along the Esplanade.

Helmsdale Tennis Courts – \$15,000

Resurfacing of the two Northern Courts, with a financial contribution from the Club.

Paringa Play space – \$50,000

An upgrade of the play space.



SUSTAINABILITY

A city, economy and community that is resilient and sustainable.

OBJECTIVES: 2020 – 2030

- › Become a carbon-neutral council by 2030
- › Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature and improving walkability to support healthy ageing
- › Support the creation of safer places by improving the public realm and collaborating with transport providers to increase transport options
- › Support mixed use neighbourhood development while honouring heritage values to encourage walking and cycling and support healthy ageing
- › Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kaurua people as well as innovation

MEASURES

- Emissions from Council operations decrease each year or are offset
- Number of kilometres of street prioritised for active transport increases, measured every five years
- Programs supporting community safety are developed and implemented
- Walkability score increases in all Holdfast Bay suburbs, measured using a 'citizen science' approach every three years
- Number of community gardening spaces increases each year



ACHIEVEMENTS

In 2021–22, council delivered projects and services that supported the goal of developing a city, economy and community that is resilient and sustainable.

Activities included:

- › *Environment Strategy* implementation:
 - » Undertaking a street tree audit (Year 1 of 2)
 - » Development of a *Carbon Neutral Plan* and climate governance risk assessment
 - » Implementing the Gullies Masterplans
 - » Weekly Food Organics Green Organics (FOGO) pilot – Phase 2
 - » Continuing to implement stormwater management activities
- › Continuing to repair and replace the city's roads, footpaths and kerbs in accordance with our *Asset Management Plan*
- › Accelerating our bus stop and kerb ramp improvement program in accordance with *Disability Discrimination Act* (DDA) standards
- › Developing a concept design for the Seacliff Amenities Building and Beach Access Redevelopment
- › Continuing the Brighton Beachfront Holiday Park upgrade.

SERVICE DELIVERY

Public Realm and Urban Design – \$0.59 million

Council is committed to developing and maintaining high quality urban and open spaces through public realm and open space master planning, project management and delivery including:

- › Sports and recreation facility planning and activation
- › Playspace renewals and redevelopments including planning and consultation
- › Urban design projects such as main street master planning and project delivery
- › Securing grant funding for major projects through State and Federal Government grant programs
- › Sport and Recreation club development.

Environmental Services – \$1.36 million

Council's *Environment Strategy 2020–25* is a detailed roadmap of initiatives, which will guide our decision making until 2025 and beyond. The strategy incorporates five themes:

- 1. Climate change**
- 2. Managing our coast**
- 3. Managing our biodiversity and protecting our trees**
- 4. Sustainable resources**
- 5. Working together**

A number of projects and initiatives from the *Environment Strategy* are included in this *Annual Business Plan* as detailed in New Projects.

Field Services – \$7.93 million

Council will manage and maintain the community's open spaces in an environmentally and financially sustainable manner for the benefit of residents and the wider community.

We will achieve this by:

- › Managing our open spaces and reserves
- › Planning and implementing environmental management programs
- › Planting and caring for trees in our streets and reserves
- › Cleaning and maintaining our streets and foreshore
- › Maintaining the North Brighton and St Jude's cemeteries
- › Providing well-planned and well-maintained street lighting
- › Managing and maintaining our coastal zones and foreshore
- › Maintaining gross pollutant traps to ensure that pollutants do not enter our waterways.

Street Lighting – \$0.44 million

Council partners with SA Power Networks to deliver street lighting for our community. Over the past three years Council has been replacing the 2,550 street lights with energy efficient LED lights across the City of Holdfast Bay.

The new lights being installed are up to 82% more energy efficient than existing mercury vapour lamps, require less maintenance and generate a warm to white light similar to existing lighting (around 4,000 Kelvin).

LED lighting is a much improved light than the old technology and the changeover will lower councils' greenhouse gas emissions by approximately 517 tonnes a year.

The removed old street lights will be recycled responsibly to prevent heavy metals (i.e. mercury) and other hazardous substances entering landfill.

Engineering – \$1.56 million

Council is committed to a high level of amenity and safety with our street, footpath and kerb renewal and maintenance program. We continue to work with the Stormwater Management Authority in the development and implementation of a stormwater management plan. Our team monitors, assesses, and treats the evolving traffic management issues in our city.

Waste management – \$4.07 million

Council partners with the cities of Marion and Onkaparinga to provide waste management services through the Southern Regional Waste Authority. In addition to these services, council supplies food organics and garden organics kitchen caddies, including compostable bags to residents. Council also provides free presentations and workshops to promote recycling and ethical waste management practices for residents, community groups and schools.

CAPITAL PROJECTS \$533,000

Flood Management – \$200,000

Renewal of the city's stormwater drainage to protect against flooding. In 2022–23, we have allocated \$200,000 to renew stormwater infrastructure in line with our *Asset Management Plan*. Major stormwater management projects are listed under New Projects.

Roads – Including Kerb and Water Table Reconstruction – \$3.63 million

Council's *Asset Management Plan* allows for the systematic repair and replacement of the city's streets, kerbs and water table. In 2022–23, we have allocated \$3.63 million to renew and upgrade roads and kerbs.



NEW PROJECTS

Stormwater Upgrades – \$1,000,000

In June 2022, Council accepted a grant of \$2.927 million through the Australian Government's Preparing Australian Communities—Local Stream Program as a 50% contribution towards the construction of underground stormwater drainage, stormwater outlet and gross pollutant trap to significantly reduce property flooding in the Tarlton Street Catchment in Somerton Park.

Brighton Beachfront Holiday Park Stage 2 – \$845,000

As a key, income-generating council business, the Brighton Beachfront Holiday Park helps to alleviate the rate burden on residents and private businesses. Its infrastructure is rapidly ageing, compromising the future commercial success of the park. Council will replace timeworn facilities with new sites, cabins and administration buildings. This will create stronger visitor appeal, grow the commercial revenue of the caravan park and enhance the city's tourism activities.

Sturt River Linear Park – \$50,000

Concept development and engagement is being undertaken in 2021–22. In 2022–23 we will develop a detailed design to improve amenity and access.

Gully Masterplans – \$300,000

As important biodiversity sites for our city, we will continue to rejuvenate and improve access to our three gullies.

Depot cleaning compound – \$120,000

In order to continue to maintain a high standard of cleanliness in the popular Jetty Road Glenelg precinct, a compound to keep cleaning machines and implements close to Moseley Square will be constructed.

Accelerated Footpath Program – \$300,000

For the fourth consecutive year the Council is funding an accelerated program to ensure safety and amenity in our footpaths across the city.

CCTV network – \$60,000

This stage of the program will maintain exterior CCTV systems at council properties which include Brighton Civic, Brighton Libraries, Glenelg Town Hall and surrounds, Kauri Community, Glenelg Community Centres, and Glenelg North Community Centre (Stage 1).

Wigley Reserve lighting – \$30,000

We will install lighting in Wigley Reserve to improve amenity.

Kingston Park Kiosk

Funded in 2021–22 for delivery in 2022–23

The Kingston Park Kiosk is used by residents, caravan park customers and coastal pathway users. This project includes the design and construction of a new kiosk at Kingston Park near the Brighton Beachfront Holiday Park to replace the existing kiosk which is past its end of life. This facility will be sensitive to its location and use construction materials suitable for coastal locations.

Urban Forest maintenance – \$40,000

Additional watering is required to ensure the ambitious program of tree planting across the city is successful.

Stormwater Data Collection (pit and pipe survey) – \$120,000

A significant amount of council's stormwater assets are buried, making it difficult to assess their condition. This three year project is for data collection to provide current and accurate stormwater asset inventory to inform asset decision making. Year 1 of 3 involves engaging a specialist to survey and collect data on council's pit and pipe network.

Resilient Asset Management Project (RAMP) – \$59,000

The City of Holdfast Bay is contributing to a multi-year collaborative project being undertaken by the four Resilient South councils (Holdfast Bay, Marion, Mitcham and Onkaparinga). The RAMP is piloting the integration of climate risk data into our asset management processes to improve our ability to maintain service standards in the face of increased climate risk and identify opportunities to fund climate-resilient approaches.

Electric Vehicle Transition Plan – \$20,000

A priority action from council's *Environmental Strategy 2020–2025* and *Climate Neutral Plan* is to transition the Council fleet to low/zero net carbon. A detailed plan will be developed that provides a timeline and estimated costs to transition council's fleet to non-fossil fuel vehicles such as electric vehicles. The plan will also incorporate details and estimated costs of associated infrastructure required including charging stations and systems.

Gordon Street/Augusta Street Roundabout – \$45,000

Provision of landscaping for the Gordon Street/Augusta Street Roundabout.

Open Space/Greening Investigation for the Diagonal Road, Brighton Road, Oaklands Road triangle – \$20,000

With limited green space in this area of the city, an investigation will be undertaken to discover options for increasing green space with traditional and/or non-traditional solutions.

Greening the Brighton/Hove Rail Corridor – \$35,000

The Brighton/Hove Rail Corridor greening is a volunteer led project with Council in-kind support. Council will investigate the level of interest in forming a volunteer resident's group for the Brighton and Hove rail corridor area. Options for forming and supporting a potential group will be explored with interested residents. Support actions from council include assistance with initial vegetation removal and weed control and the provision of native plants.

Food Organics and Garden Organics – \$250,000

Since September 2020, more than 1,000 Holdfast Bay households have participated in a pilot partially funded by Green Industries SA where weekly food organics and garden organics (FOGO), fortnightly landfill and fortnightly recycling became the default bin collection service. This collection model proved very popular with participants and a subsequent survey in October 2021 found that 96% of residents wanted to continue the arrangement. Respondents to the draft annual business plan also expressed support for extending the arrangement to the rest of the city. From July 2022, a staged roll out of this collection model will commence. This will assist Council in reaching the State Government's 70% landfill diversion target for municipal waste by 2030.



INNOVATION

A thriving economy and community that values life-long education, research, creativity and entrepreneurialism.

OBJECTIVES: 2020 – 2030

- › Facilitate growth in the number of home-based businesses where practical to reduce transit distances
- › Maximise the value of public buildings, including libraries, to support innovation by creating co-working spaces and technology/prototyping/maker spaces and hubs
- › Partner to establish an innovator/entrepreneur in residence program that includes local schools and encourages life-long learning across the population
- › Partner to develop a centre of excellence in hospice care and dying well
- › Partner to facilitate the provision of technology infrastructure to support creative and emerging industries, including mobility as a service, start-ups and other entrepreneurial activities

MEASURES

- The number of home-based businesses increases as reported via Census data
- Utilisation of Council buildings increases
- Program participation rates trend upwards
- Amount of support attracted is sufficient to establish a centre
- Number of start-ups, creative and technology-related businesses in the city increases

ACHIEVEMENTS

In 2021–22, council delivered projects and services that supported the goal of developing a thriving economy and community that values life-long education, research, creativity and entrepreneurialism. Activities included:

- › Business initiatives such as a business concierge, small business advisory service and the development of an online business directory
- › Progression of the *Economic Activation Plan* to support economic development and encourage investment in future growth industries
- › Implementing the *Tourism Recovery Plan* to help regenerate the local tourism economy
- › Hosting events within COVID-Safe requirements in order to attract attendees to the city
- › Implementing the organisation's Enterprise Technology Roadmap
- › Continuing to implement our Enterprise Technology 2020–2023 Roadmap, which identifies projects to deliver people, process and technology improvements that enable the realisation of key business objectives for council
- › Undertaking a representation review, to consider council's composition and the division of the council area into wards
- › A review of council's strategic plan and adoption of *Our Holdfast 2050+*
- › Introduced click and collect library access for contactless pick up of library materials.

PRIORITIES

In 2022–23, we will continue to support the Holdfast Bay economy, welcome tourism and attract a variety of events to our city. Our focus for the coming financial year includes:

- › Review and update our *Economic Development Plan* to ensure relevance to changing business conditions
- › Continuing the digital transformation program that will transform both the customer experience and our business processes
- › Hosting more than 250 events to attract attendees including: New Year's Eve; street parties; off-peak and shoulder season activations; Christmas celebration; Moseley Beach Club; and the Mix 102.3 Giant Ferris wheel
- › Ensuring continued access to mentoring through the Southern Adelaide Business Advisory Service
- › Continuing to support and facilitate the Jetty Road Glenelg Mainstreet Committee
- › Implementing the *Tourism Recovery Plan* to help regenerate the local tourism economy
- › Supporting our community to reconnect and participate in community programs and events at our libraries to reach over 180,000 visits and engaging 9,000 participants in programs.

SERVICE DELIVERY

Library Services – \$1.69 million

The City of Holdfast Bay provides accessible and progressive library services that meet our community's informational and recreational reading needs while fostering a love of lifelong learning. In 2022–23, we will:

- › Continue to deliver events, programs, services and activities through our two branches at Brighton and Glenelg
- › Engage with the community to develop the *Future Libraries Strategy*.

Tourism and Events \$1.46 million

Developing an environment that supports the future viability of local businesses and creates opportunities to enhance the city's tourism offering.

Our visitor and business services include:

- › Planning, implementing and supporting a wide range of community events to increase visitation and length of stay
- › Providing targeted tourism and marketing services aligned with community desires and needs.

Jetty Road Mainstreet Glenelg

A separate rate is levied on Jetty Road Glenelg properties to fund the promotion of the precinct as a vibrant shopping, leisure and recreational area with year-round appeal to residents and visitors; and to oversee the economic development of the precinct by encouraging further retail investment in the precinct.

City Activation \$1.24 million

In July 2018, council endorsed the *Economic Activation Plan 2018–2023*, focusing on five strategic directions. These strategic directions form the basis of a five-year action plan for the delivery of collaborative economic development programs and initiatives, resulting in ongoing economic prosperity for the city:

- › Business capacity building
- › Investment attraction and growth
- › Innovation and digital evolution
- › Regional collaboration.
- › Adelaide's premier seaside destination

As well as a business concierge service, the economic development program delivers services that facilitate business capacity building, investment attraction and growth, innovation and digital evolution, and regional collaboration.

Council will continue to develop an environment that assists the future viability of local businesses and creates opportunities to attract innovative industries.

Our Activation program celebrates our culture by:

- › Supporting artists, creative industries and cultural production through implementation of the *Creative Holdfast Arts and Culture Strategy 2019–2024*
- › Engaging the public with local history and Kaurua heritage through a range of exhibitions and programs
- › Preserving and stabilising the Holdfast history collection while developing opportunities to make it more accessible to the community.

Commercial and Economic Enterprises – \$0.45 million

Council operates a number of commercial enterprises and commercial leases to reduce reliance on non-rates revenue. These include but are not limited to Brighton Beachfront Holiday Park and Partridge House.

Corporate Services – \$4.1 million

Council delivers services to the community in a responsible, transparent way that meets legislative requirements and provides the best value for money. The broad business areas providing corporate services include:



- › Customer service
- › Strategy and Governance
- › Human resources
- › Risk management
- › Work health and safety
- › Elected member and CEO support.

Financial Services – \$3.06 million

We ensure council remains financially sustainable and accountable by providing sound financial management, including rating, investment and treasury management, grants administration, insurance, financial charges and auditing services.

Innovation and Technology Services – \$2.87 million

Up-to-date information and technology services enable the delivery of effective and efficient services to the community and provide a range of easy options for customers to contact and do business with council.

NEW PROJECTS

Business Transformation – \$750,000

As technology evolves and plays an increasing role in people's lives, service expectations change. Council must respond while protecting residents'

privacy and security and meeting their expectations for personalisation, ease, convenience and multi-channel service delivery. To this end, council is implementing a multi-year, user-centred digital transformation program that will transform both the customer experience and our business processes.

CAPITAL PROJECTS

Plant and Equipment Replacement – \$1.32 million

To meet our operational needs and enable the safe, effective delivery of services, we have allocated \$1.32 million to maintain and replace major plant and equipment.

Information Technology Equipment Replacement – \$56,454

An allocation of \$56,454 will be used to replace back-up infrastructure and continue our transition to a mobile workforce.

Library Collection and Improvements – \$85,340

In 2022–23, \$85,340 has been allocated to maintain our library collection to ensure that materials are current, accessible, and meet the community's cultural and informational needs.



DEVELOPING OUR ORGANISATION

We will serve the community through services and programs that meet and exceed its needs by doing things right the first time and doing them well; by having the right people with the right skills; and by managing our resources to meet the expectations of our community.

**CITY OF HOLDFAST BAY
LONG-TERM FINANCIAL PLAN**





ARISE

We will serve the community through services and programs that meet and exceed its needs by doing things right the first time and doing them well; by having the right people with the right skills; and managing our resources to meet our community's expectations.

Council is committed to a set of core values (ARISE):

- › **A**chievement
- › **R**espect
- › **I**nnovation
- › **S**implicity
- › **E**ngagement

The objectives for each area of our business aim to provide the best value to the community.

Finance

We will develop and maintain a long-term financial position that ensures our financial health and sustainability.

Assets

We will drive a systematic approach to the development, maintenance and replacement of our assets and ensure that these assets meet the needs of our community.

People

We will attract and maintain the right mix of people with the skills and experience to deliver our services and achieve our goals.

Systems and Processes

We will ensure that our organisation is appropriately governed, operates in a planned environment and continually works to improve services and programs.

Service Delivery

We will maintain and improve our service delivery, quality, efficiency and cost-effectiveness.

FUNDING OUR CITY

OPERATING RESULT

In 2022–23, council is proposing an extensive program of municipal services and projects. To achieve this, we expect to raise \$50.07 million in operating income and spend \$49.68 million in operating expenditure. The funds come from a variety of sources. While our income is predominantly from rates, it also includes grants from the state and Commonwealth governments and income from statutory and user charges. In 2022–23, 80% of the revenue to fund municipal operations will come from rates.

Council has budgeted for a consolidated operating surplus of \$108,229 (Alwyndor deficit of \$281,415) and municipal operations surplus of \$389,644 in 2022–23, composed of a consolidated operating income of \$79.1 million to cover consolidated operating expenditure of \$79 million.

OUR FINANCIAL STATEMENTS

We have included a summary of our projected financial statements for the 2022–23 financial year in this document. The consolidated financial statements incorporate our municipal operations and Alwyndor Aged Care – a self-funded component of our service delivery.

A net sum of \$39.04 million (excluding the Landscape Levy) will be raised from rates in 2022–23.

Council owns infrastructure and assets (such as roads, drains, footpaths and buildings) with a current value of approximately \$372 million (excluding land). These assets deteriorate over time through wear and tear and must be replaced or renewed at appropriate intervals to prolong their useful lives and continue delivering services to the community. We are mindful of the impact on ratepayers and committed to developing options that ease the rate burden by increasing other revenue sources.

FINANCIAL MANAGEMENT

Council's financial principles include a commitment to prudent debt management. Our treasury policy recognises the use of borrowings to spread the investment in community assets over time, supporting the principle of intergenerational equity. Any funds that are not immediately required to meet approved expenditure or minimum liquidity are applied to reduce existing borrowings or defer the timing of new borrowings, or are invested in interest-bearing deposits. We regularly consider the financial environment, prevailing interest rates and the life of community assets, to ascertain a treasury position that provides an optimum balance of long- and short-term loans, and fixed and floating interest rates.

The Holdfast Bay community has high service expectations because of its coastal proximity and tourism focus, amongst other factors. The *2022–23 Annual Business Plan* forecasts a projected borrowing requirement of \$2.96 million to fund the proposed program of capital works and projects. The current financial environment allows borrowing at low, fixed, long-term interest rates. We believe it is prudent to borrow to renew and replace infrastructure and assets for the community's benefit as outlined in our *Long-Term Financial Plan* and *Asset Management Plan*, which aim to deliver high service levels at low overall life-cycle cost. Running down the value of assets or not replacing them is short-sighted and can lead to a lack of community and business confidence and increased expenditure in future years.

Council's Risk Management Policy and Audit Committee provide strategic and operational risk management guidance. This is done holistically, having regard for all aspects of financial and risk management. Guided by our *Long-Term Financial Plan*, our financial management takes a long-term view that ensures we maintain a sustainable financial and asset management position.



Rate Comparisons

Comparing our rates with those of other councils is a complex issue. Each council has different characteristics (such as size, demographics, residential base and growth) and provides either different services or similar services at different standards. Councils provide a broad range and level of services to the community. Although some of these are statutory requirements, the majority are determined by the expectations of local ratepayers. The cost of providing and maintaining services is spread across the community in the form of rates. Council determines a rate in the dollar based on the amount of revenue required to meet the ongoing cost of providing services to the community for the coming year.

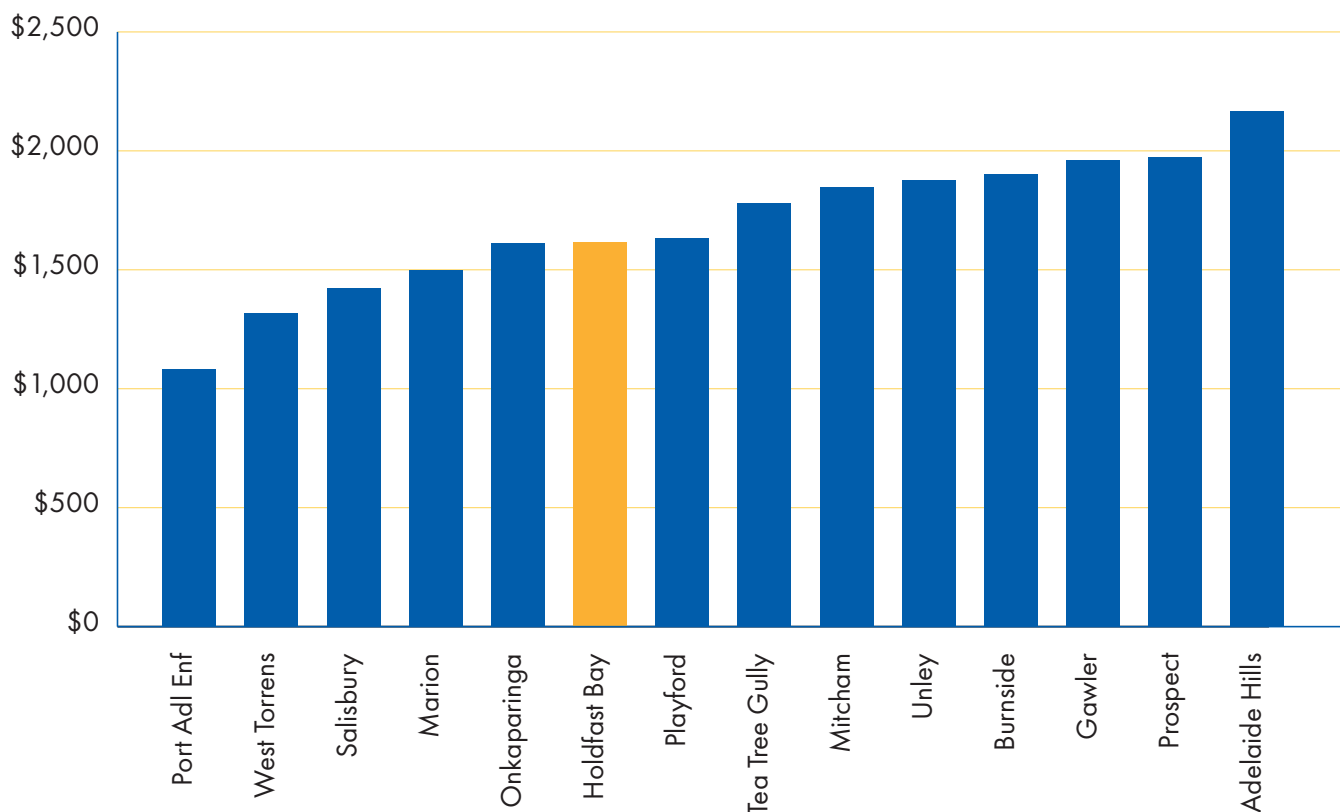
The cost of rates that property owners pay is determined by multiplying a property's value by the rate in the dollar.

For example, if the property value is \$500,000, and the rate in the dollar is 0.004474 cents, the rates payable will be \$1,224.

For 2022–23 the proposed revenue from rates is \$39,042,770 compared to \$37,722,630 for 2021–22. This is a 3.5% change in total proposed revenue from rates compared to previous year. This comprises the increase in rates plus new development.

The charts on the following page show a comparison of the average residential rate for Adelaide metropolitan councils for 2020–21. The average (mean) residential rate for the City of Holdfast Bay in 2021–22 was \$1,617. This represented a rate of 0.002431 cents in the dollar. We delivered the program of services and projects outlined in the *2020–21 Annual Business Plan*, with a residential rate that compared favourably to other South Australian council areas.

2021–22 Average (mean) residential rate comparison (\$)



What Will You Pay in Rates?

The amount you pay is determined by your property's valuation and how we apportion rates across the community. We endeavour to apportion rates across the community in an equitable fashion. Property valuation modelling has yet to be provided. However, based on the average (mean) for residential property value for 2021–22, the rate increase for the average (mean) residential premises will be \$52 per year or \$13 per quarter. This is \$1 per week.

The average (mean) increase for other land use categories is outlined below:

Land Use Category 2022–23 Change

Commercial – Shop	-\$200
Commercial – Office	-\$109
Commercial – Other	-\$188
Industry – Light	-\$169
Industry – Other	\$79
Vacant Land	-\$160
Other	-\$1,485

Rating Policy

Section 147 of the *Local Government Act 1999* provides council with the power to rate all land within the City of Holdfast Bay—except for land specifically exempted, such as Crown land and land occupied by council. We continually review our rating policy to ensure that it is fair and equitable. Our current rating policy is available at the Brighton Civic Centre and can be downloaded at holdfast.sa.gov.au

Land Valuation Method

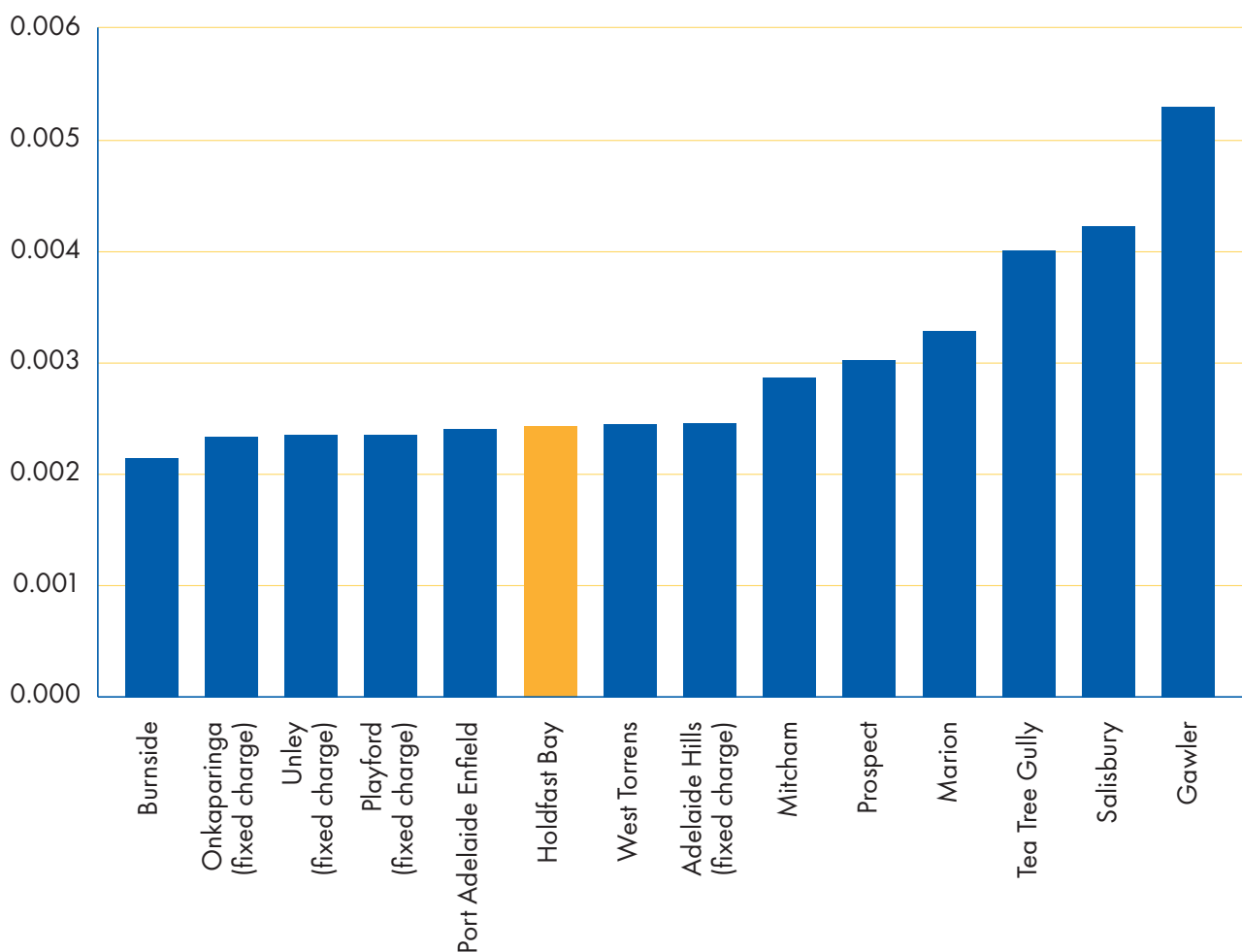
Council uses the capital value determined by the State Valuation Office as the basis for valuing land and calculating rates, as we feel this method provides the fairest and most efficient method of distributing the rate burden across all ratepayers. If you are dissatisfied with your valuation, you can object to the State Valuation Office in writing within 60 days of receiving the notice of valuation, explaining why you object. The Valuer General may extend the 60-day objection period where it is shown there is reasonable cause to do so.



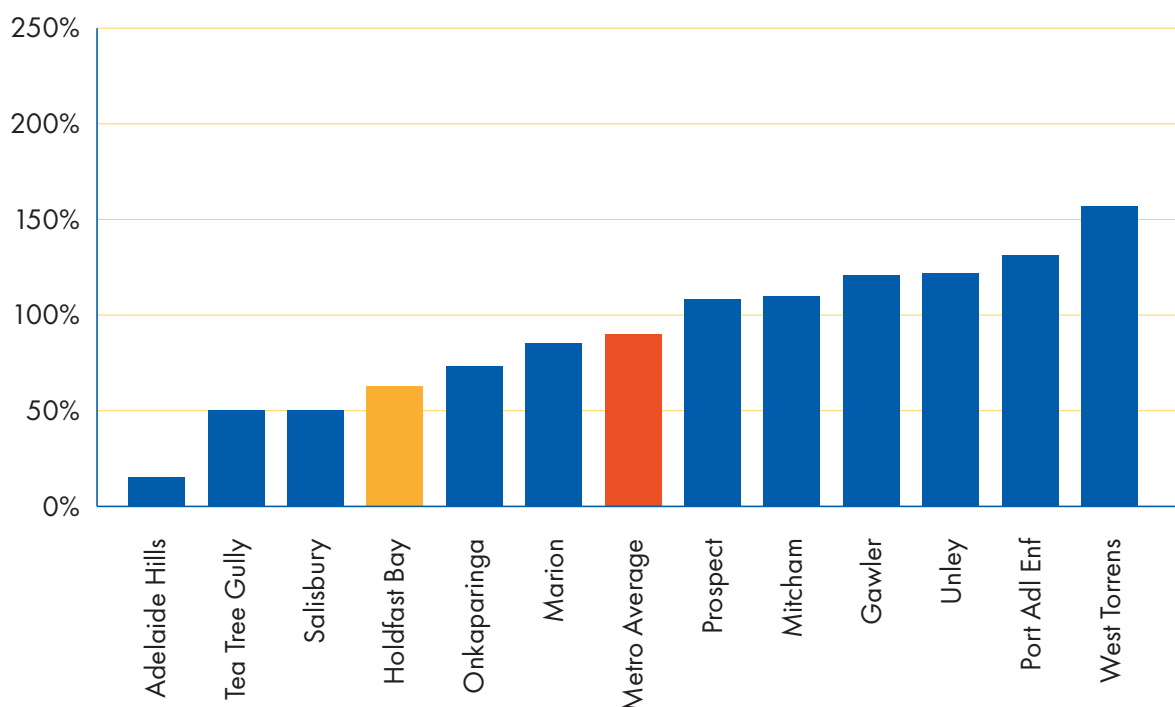
2021–22 Residential rate-in-the-dollar comparison (cents)

Some councils charge a “fixed charge”, an amount levied against all rateable properties. A rate in the dollar based on property value is then charged on top of the fixed charge.

Hence, the rate in the dollar for those councils with a fixed charge does not provide a comparison to the rates payable for Holdfast Bay residents.



2021–22 Metropolitan differential rate premium comparison



Residential Rates

The 2022–23 *Annual Business Plan* and financial statements are based on a rate revenue increase of 3.2%, excluding new building construction and separate rates. The average (mean) value of properties in the City of Holdfast Bay in 2022–23 is \$821,073, with an average (mean) rate of \$1,669.

A differential premium of 62% above the residential rate was applied, equating to 12% of total rate revenue (\$4.73 million) being paid by this sector. This premium compares favourably with the 2021–22 metropolitan average of 90%.

In 2022–23 the rate revenue from commercial, industrial and vacant properties will be 12% of our overall general rate.

Industrial, Commercial Property and Vacant Land Rates

Council applies a differential rate to industrial, commercial properties and vacant land. This applies a premium based on the principle that industrial and commercial properties place a greater burden on infrastructure and achieve direct benefits from council parking and health regulations, events, tourism, etc. For vacant land, the differential rate provides an incentive to encourage property development.

Separate Rate

Council levies two separate rates on specific ratepayers to provide funding for activities and services related to those ratepayers. They are as follows:

1. The Jetty Road Mainstreet Separate Rate is applied to properties within the Jetty Road Mainstreet precinct to promote and enhance business viability and trade. Revenue from this separate rate is expected to raise \$617,630 in 2022–23, representing an increase of 3.2% on the rate levied in 2021–22.

2. The Patawalonga Marina Separate Rate is applied to properties within the basin of the Patawalonga, bounded by the high-water mark and comprised of marina berths. This separate rate provides funding for the ongoing maintenance of the Patawalonga Lock. Because the lock is also widely used by the general public, this rate is adjusted by 50%. The Patawalonga Marina Separate Rate for 2022–23 is expected to raise \$77,140. We will continue to calculate this rate using this method, adjusting slightly to account for the actual maintenance costs incurred each year because it offers the greatest level of certainty for ratepayers.

Landscape Levy

Formerly called the Natural Resource Management (NRM) Levy, councils are required under the *Landscape South Australia Act 2019* to collect the Landscape Levy on behalf of the state government. For 2022–23 the Landscape Levy for properties in the City of Holdfast Bay will increase by \$30,000 to \$1.35 million.

Rebates

Council is required to provide mandatory rebates under Sections 160 to 165 of the *Local Government Act 1999* for properties:

- › Predominantly used for service delivery or administration by a hospital or health centre (section 160).
- › Predominantly used for service delivery or administration by a community service organisation (section 161).
- › Containing a church or other building used for public worship or used solely for religious purposes (section 162).
- › Being used for the purpose of a public cemetery (section 163).
- › Occupied by a government school under a lease or licence or a non-government school being used for educational purposes (section 165).

In addition, council may provide discretionary rebates under Section 166 where:

- › The rebate is desirable for the purpose of securing the proper development of the area or assisting or supporting a business.
- › The land is being used for educational purposes, agricultural, horticultural or floricultural exhibitions, a hospital or health centre, to provide facilities or services for children or young people, to provide accommodation for the aged or disabled, for a residential aged care facility or a day therapy centre, or by an organisation which, in the opinion of council, provides a benefit or service to the local community.
- › The rebate relates to common property or land vested in a community corporation over which the public has a free and unrestricted right of access and enjoyment.
- › The rebate is considered by council to be appropriate to provide relief against what would otherwise amount to a substantial charge in rates payable due to a change in the basis of valuation.

Minimum rate

We impose a minimum amount payable by way of rates. The minimum rate for 2022–23 will be \$1,079.

Rate relief

Support is available for people experiencing difficulty in paying their rates. For further information, please contact our Customer Service team on 8229 9999. A residential rate cap is applied to provide relief to ratepayers who own properties that have been subject to increases in valuations that are deemed excessive. In 2022–23, council determined that residential ratepayers could apply for a reduction in their rates where they could demonstrate an increase in their annual rate bill in excess of 6%. Council offers a range of hardship provisions. Visit holdfast.sa.gov.au or contact us on 8229 9999 to find out more.

FINANCIAL TARGETS

1. **To achieve an operating ratio of 0–10% over a five-year period.**
2. **To achieve a net financial liabilities ratio of less than 75%.**
3. **To improve council's asset sustainability ratio to be within the range of 90–110% over a five-year period.**

1. To achieve an operating ratio of 0–10% over a five-year period

In 2022–23, council will raise \$39.04 million in rate revenue (including separate rates and but excluding the Landscape Levy), and this will yield an operating surplus ratio of 1%. Currently, our operating ratio measure over the five years from 2014–2015 to mid-2020 is 3%. The operating ratio is the operating result expressed as a percentage of total operating revenue. The operating result is the difference between recurrent income and recurrent operating expenditure.

Recurrent income is made up of revenue received each year in the ordinary course of activities, such as rate revenue, user and statutory charges and operating grants, but excluding capital grants. Recurrent operating expenditure is incurred in the ordinary course of providing services, including a charge for depreciation of infrastructure and assets. Depreciation can be regarded as the cost of wear and tear. The operating result is expressed as a surplus (where income exceeds expenditure) or a deficit (where expenditure exceeds income).

While we strive to maintain a balanced budget or small surplus each year, we recognise that current cost movements, particularly in areas where we have little control, will increase the possibility of an operational deficit being

forecast in future years. An operating deficit indicates that the cost of services provided is not being adequately funded, and current users are not paying enough for the use of services and infrastructure. Continued operational deficits would indicate that we were not able to maintain a financially sustainable outcome into the future. As a result, we continue to review our revenue and expenditure to supply services that are efficient and effective in meeting the needs of the community.

Council is committed to a balanced budget or modest operating surplus. To achieve this, we continuously review the services provided to the community and our business processes to provide the most cost-effective and efficient service delivery. In 2022–23, we will continue to monitor and review council's operations to ensure that we can continue to meet the community's expectations in a financially sustainable way.

2. To achieve a net financial liabilities ratio of less than 75%

Council must manage expectations and requirements of capital investment and renewal on an ongoing basis. While annual and ten year budget management are mandated by the *Local Government Act 1999*, there is also a need for mid-range forecasting and prioritisation of the project pipeline. To this end, Council is currently in the process of establishing a prioritisation framework. The framework will enable more nuanced budgeting and the management of budget capacity over the medium term.

Council's current ceiling for the net financial liabilities ratio is 75%. The net liabilities ratio is a measure of the size of our net financial liabilities (which is what we owe others, minus what others owe us) as a percentage of total operating revenue.



However, it is acceptable to exceed this ceiling from time to time, particularly when low interest rates offer the opportunity to develop infrastructure and facilities that will provide long-term benefit to the community. In 2022–23, the net financial liabilities ratio is forecast to decrease from 75% to 72% (excluding Alwyndor Aged Care).

An additional, and arguably more relevant, indicator of council's ability to manage and service debt is its interest cover ratio which is measured by calculating our net financial interest as a percentage of the overall operating revenue. Council has set a ceiling of 5% for this ratio. A ratio of 5% indicates that, for every \$100 of revenue, \$5 is spent on net interest payments. In 2022–23, our interest

cover ratio is forecast to be 1.6% (excluding Alwyndor Aged Care). Our net financial liabilities and interest cover ratio indicate that council remains in a strong and sustainable financial position to manage its debt levels.

3. To improve Council's asset sustainability ratio to be within the range of 90–110% over a five-year period

The asset sustainability ratio measures the level of capital expenditure on the renewal and replacement of existing infrastructure and assets. It is measured against the level proposed in the *Asset Management Plan*. For 2022–23 this is forecast to be 100%.



MEASURING OUR PERFORMANCE

Council appoints an Audit Committee, which includes three independent members with relevant qualifications and experience, to provide advice and recommendations on financial and governance matters.

Performance is measured using:

- › A range of financial reports, including monthly financial statements, budget updates, four annual comprehensive budget reviews and the presentation of audited financial statements as required under the *Local Government Act 1999*.
- › Strategic plan measures, which gauge how we are working towards achieving the strategic objectives outlined in *Our Place 2050+*. The measures are listed beside their objectives at the introduction to each of the focus areas within this document.
- › Corporate measures, which track internal operations that aim to improve the way we deliver services.

STRATEGIC PLAN MEASURES

In addition to outlining council's vision and direction, *Our Place 2050+* identifies the measures used to monitor and assess performance. These measures are expressed as key performance indicators. This underlines our obligation to be accountable, assuring our community that we are properly managing steady progress towards achieving the objectives defined in *Our Place 2050+*, and building a high level of trust that we will deliver these objectives.

CORPORATE MEASURES

Corporate measures are reported on a quarterly basis to track the health of the organisation and its fitness and ability to deliver the objectives expressed in *Our Place 2050+*. These include:

- › Capital works – progress on the capital works program.
- › Annual business plan – progress on achieving projects in the *Annual Business Plan*.
- › Financial management – reviewing the budget position.
- › Workplace health and safety – reviewing health and safety compliance and key performance indicators.
- › Human resources – reviewing internal resources and training.
- › External grants – reviewing the position of current grants and grant applications.

The background of the entire page is a solid yellow color. Overlaid on this are several white, hand-drawn style wavy lines. These lines form organic, flowing shapes that resemble topographical map contour lines or perhaps stylized waves. There are three main clusters of these lines: a large one on the left side, a smaller one in the top right corner, and another in the bottom right corner. The lines vary in thickness and curvature, giving the background a textured, artistic feel.

FINANCIAL STATEMENTS – MUNICIPAL

CITY OF HOLDFAST BAY
PROJECTED INCOME STATEMENT- MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$	REVENUES	\$
37,049,400	Rates - General	38,348,000
598,480	Rates - Jetty Road Glenelg	617,630
74,750	Rates - Patawalonga Marina	77,140
1,321,600	Rates - Regional Landscape Levy	1,351,000
2,210,235	Statutory Charges	2,582,060
3,150,444	User Charges	3,191,115
2,029,238	Operating Grants & Subsidies	2,381,546
35,800	Investment Income	20,000
598,970	Reimbursements	749,070
542,407	Other	650,410
160,000	Net Equity Gain - Joint Ventures	101,250
<u>47,771,324</u>	TOTAL REVENUES	<u>50,069,221</u>
	EXPENSES	
18,437,099	Employee Costs	19,105,389
19,111,960	Materials, contracts and other expenses	19,861,358
839,520	Finance Charges	834,830
9,743,000	Depreciation	10,468,000
(928,097)	Less full cost attribution	(944,000)
460,380	New Initiatives - Operating	354,000
<u>47,663,862</u>	TOTAL EXPENSES	<u>49,679,577</u>
<u>107,462</u>	Operating Surplus/(Deficit) - Before Capital Revenue	<u>389,644</u>
878,828	Amounts specifically for new or upgraded assets	1,483,500
<u>986,290</u>	NET SURPLUS/(DEFICIT)	<u>1,873,144</u>

CITY OF HOLDFAST BAY
PROJECTED INCOME STATEMENT- MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$	REVENUES	\$
37,049,400	Rates - General	38,348,000
598,480	Rates - Jetty Road Glenelg	617,630
74,750	Rates - Patawalonga Marina	77,140
1,321,600	Rates - Regional Landscape Levy	1,351,000
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542,407	Other	650,410
160,000	Net Equity Gain - Joint Ventures	101,250
<u>47,771,324</u>	TOTAL REVENUES	<u>50,069,221</u>
	EXPENSES	
18,437,099	Employee Costs	19,105,389
19,111,960	Materials, contracts and other expenses	19,861,358
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(928,097)	Less full cost attribution	(944,000)
460,380	New Initiatives - Operating	354,000
<u>47,663,862</u>	TOTAL EXPENSES	<u>49,679,577</u>
<u>107,462</u>	Operating Surplus/(Deficit) - Before Capital Revenue	<u>389,644</u>
878,828	Amounts specifically for new or upgraded assets	1,483,500
<u>986,290</u>	NET SURPLUS/(DEFICIT)	<u>1,873,144</u>

CITY OF HOLDFAST BAY
PROJECTED BALANCE SHEET - MUNICIPAL FUNDS
AS AT 30TH JUNE 2023

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	CURRENT ASSETS	
865,000	Cash and cash equivalents	443,183
3,039,000	Trade and Other Receivables	2,422,226
10,000	Inventory	-
3,914,000	TOTAL CURRENT ASSETS	2,865,409
	NON-CURRENT ASSETS	
706,700	Financial Assets	632,816
3,387,000	Equity accounted investments-Council businesses	3,414,876
708,858,814	Land, Infrastructure, Property, Plant & Equipment	718,138,802
712,952,514	TOTAL NON-CURRENT ASSETS	722,186,494
716,866,514	TOTAL ASSETS	725,051,903
	CURRENT LIABILITIES	
5,431,374	Trade and Other Payables	5,866,943
1,338,040	Borrowings	1,379,000
3,134,000	Short-term Provisions	3,277,750
9,903,414	TOTAL CURRENT LIABILITIES	10,523,693
	NON-CURRENT LIABILITIES	
30,316,534	Long-term Borrowings	28,879,136
313,000	Long-term Provisions	291,538
30,629,534	TOTAL NON-CURRENT LIABILITIES	29,170,674
40,532,948	TOTAL LIABILITIES	39,694,367
676,333,566	NET ASSETS	685,357,536
	EQUITY	
181,330,566	Accumulated Surplus	184,787,536
495,003,000	Asset Revaluation Reserve	500,570,000
676,333,566	TOTAL EQUITY	685,357,536

CITY OF HOLDFAST BAY
PROJECTED STATEMENT OF CHANGES IN EQUITY - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	ACCUMULATED SURPLUS	
180,344,276	Balance at beginning of period	182,914,392
986,290	Net Surplus/(Deficit)	1,873,144
181,330,566	Balance at end of period	184,787,536
495,003,000	ASSET REVALUATION RESERVE	500,570,000
495,003,000	TOTAL RESERVES CLOSING BALANCE	500,570,000
676,333,566	TOTAL EQUITY	685,357,536

CITY OF HOLDFAST BAY
PROJECTED BUDGETED STATEMENT OF CASH FLOWS - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
(OUTFLOWS)		(OUTFLOWS)
	CASH FLOWS FROM OPERATING ACTIVITIES	
	<u>Receipts</u>	
47,611,324	Operating Receipts	50,187,271
	<u>Payments</u>	
(36,818,968)	Operating payments to suppliers and employees	(38,328,950)
(839,520)	Finance Payments	(834,830)
<u>9,952,836</u>	NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>11,023,491</u>
	CASH FLOWS FROM INVESTING ACTIVITIES	
	<u>Receipts</u>	
878,828	Grants specifically for new or upgraded assets	1,483,500
528,000	Sale of replaced assets	474,250
247,000	Repayments of loans (principal) by community groups	253,000
	<u>Payments</u>	
(9,421,907)	Expenditure on renewal/replacement of assets	(8,877,700)
(6,431,166)	Expenditure on new/upgraded assets	(5,937,000)
<u>(14,199,245)</u>	NET CASH (USED IN) INVESTING ACTIVITIES	<u>(12,603,950)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES	
	<u>Receipts</u>	
5,584,449	Proceeds from Borrowings - External	2,959,459
	<u>Payments</u>	
(1,338,040)	Repayments of Borrowings - External	(1,379,000)
<u>4,246,409</u>	NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>1,580,459</u>
-	NET INCREASE (DECREASE) IN CASH HELD	-
865,000	CASH AND CASH EQUIVALENTS AT BEGINNING OF	443,183
	REPORTING PERIOD	
<u>865,000</u>	CASH AND CASH EQUIVALENTS AT END OF	<u>443,183</u>
	REPORTING PERIOD	

RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2023

986,290	SURPLUS FROM INCOME STATEMENT	1,873,144
	NON-CASH ITEMS IN INCOME STATEMENT	
9,743,000	Depreciation	10,468,000
102,374	Movements in provisions	165,847
<u>9,845,374</u>	TOTAL NON-CASH ITEMS	<u>10,633,847</u>
	CASH ITEMS NOT IN INCOME STATEMENT	
(15,853,073)	Capital Expenditure	(14,814,700)
(1,338,040)	Loan Repayments - External	(1,379,000)
5,584,449	Proceeds from Borrowings - External	2,959,459
247,000	Repayments of loans (principal) by community groups	253,000
528,000	Proceeds from Disposal of Assets	474,250
<u>(10,831,664)</u>	TOTAL CASH ITEMS	<u>(12,506,991)</u>
	NET INCREASE/(DECREASE)	
-	IN CASH AND CASH EQUIVALENTS	-

CITY OF HOLDFAST BAY
PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
47,771,324	Operating Revenues	50,069,221
(47,663,862)	less Operating Expenses	(49,679,577)
107,462	Operating Surplus/(Deficit) before Capital Amounts	389,644
	Less net outlays on Existing Assets	
9,421,907	Capital Expenditure on renewal & replacement of existing assets	8,877,700
(9,743,000)	Less Depreciation	(10,468,000)
(321,093)		(1,590,300)
	Less outlays on New and Upgraded Assets	
6,431,166	Capital Expenditure on new & upgraded assets	5,937,000
(878,828)	Less amounts received for new & upgraded assets	(1,483,500)
5,552,338		4,453,500
(5,123,783)	Net lending/(borrowing) for financial year	(2,473,556)

PROJECTED FINANCIAL INDICATORS - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Municipal</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS	
\$107,462		\$389,644
	OPERATING SURPLUS RATIO	
	(Operating surplus/(deficit) before capital amounts as % of total operating revenue)	
0.22%		0.78%
	NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)	
\$35,922,248		\$36,196,142
	NET FINANCIAL LIABILITIES RATIO	
	(Total liabilities less financial assets as % of total operating revenue)	
75%		72%
	INTEREST COVER RATIO	
	(Net interest expense as % of total operating revenue less investment income)	
1.7%		1.6%
	ASSET SUSTAINABILITY RATIO	
	(Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of asset management plan)	
100%		100%



FINANCIAL STATEMENTS – ALWYNDOR

CITY OF HOLDFAST BAY
PROJECTED FINANCIAL STATEMENTS
BUDGET FUNDING STATEMENT - ALWYNDOR FUNDS

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
5,434,677	User Charges	5,575,565
12,471,644	Operating Grants & Subsidies	13,653,029
165,389	Investment Income	445,000
3,268,337	Reimbursements	5,360,638
2,722,190	Other	3,992,579
<u>24,062,237</u>	Operating Revenue	<u>29,026,811</u>
16,551,105	Employee Costs - Salaries & Wages	20,916,284
6,512,201	Materials, contracts and other expenses	6,966,053
60,000	Finance Charges	68,000
1,232,123	Depreciation	1,357,889
<u>24,355,429</u>	Less Operating Expenditure	<u>29,308,226</u>
<u>(293,192)</u>	= Operating Surplus/(Deficit)	<u>(281,415)</u>
1,232,123	Depreciation	1,357,889
170,739	Other non-cash provisions	192,771
<u>1,402,862</u>	Plus Non-Cash items in Operating Surplus/Deficit	<u>1,550,660</u>
<u>1,109,670</u>	= Funds Generated from Operating Activities	<u>1,269,245</u>
<u>(632,500)</u>	Capital Expenditure-Asset Renewal and Replacement	<u>(523,971)</u>
<u>(632,500)</u>	Less total capital expenditure	<u>(523,971)</u>
<u>477,170</u>	= FUNDING SURPLUS	<u>745,274</u>
Funded by:		
477,170	Increase/(Decrease) in cash and cash equivalents	745,274
<u>477,170</u>		<u>745,274</u>

CITY OF HOLDFAST BAY
PROJECTED INCOME STATEMENT - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
REVENUES		
5,434,677	User Charges	5,575,565
12,471,644	Operating Grants & Subsidies	13,653,029
165,389	Investment Income	445,000
3,268,337	Reimbursements	5,360,638
2,722,190	Other	3,992,579
<u>24,062,237</u>	TOTAL REVENUES	<u>29,026,811</u>
EXPENSES		
16,551,105	Employee Costs	20,916,284
6,512,201	Materials, contracts and other expenses	6,966,053
60,000	Finance Charges	68,000
1,232,123	Depreciation	1,357,889
<u>24,355,429</u>	TOTAL EXPENSES	<u>29,308,226</u>
<u>(293,192)</u>	Operating Surplus/(Deficit) - Before Capital Revenue	<u>(281,415)</u>
<u>(293,192)</u>	NET SURPLUS/(DEFICIT)	<u>(281,415)</u>

CITY OF HOLDFAST BAY
PROJECTED BALANCE SHEET - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	CURRENT ASSETS	
3,000,000	Cash and cash equivalents	3,200,000
1,450,211	Trade and Other Receivables	1,425,102
<u>4,450,211</u>	TOTAL CURRENT ASSETS	<u>4,625,102</u>
	NON-CURRENT ASSETS	
19,650,508	Financial Assets	17,034,904
37,645,528	Land, Infrastructure, Property, Plant & Equipment	36,576,260
<u>57,296,036</u>	TOTAL NON-CURRENT ASSETS	<u>53,611,164</u>
<u>61,746,248</u>	TOTAL ASSETS	<u>58,236,266</u>
	CURRENT LIABILITIES	
37,680,492	Trade and Other Payables	35,108,377
1,641,089	Short-term Provisions	1,803,574
<u>39,321,581</u>	TOTAL CURRENT LIABILITIES	<u>36,911,951</u>
	NON-CURRENT LIABILITIES	
131,911	Long-term Provisions	240,202
<u>131,911</u>	TOTAL NON-CURRENT LIABILITIES	<u>240,202</u>
<u>39,453,492</u>	TOTAL LIABILITIES	<u>37,152,153</u>
<u>22,292,756</u>	NET ASSETS	<u>21,084,113</u>
	EQUITY	
6,807,745	Accumulated Surplus	5,599,102
9,070,657	Asset Revaluation Reserve	9,070,657
6,414,354	Other Reserves	6,414,354
<u>22,292,756</u>	TOTAL EQUITY	<u>21,084,113</u>

CITY OF HOLDFAST BAY
PROJECTED STATEMENT OF CHANGES IN EQUITY - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
	ACCUMULATED SURPLUS	
7,100,937	Balance at beginning of period	5,880,517
(293,192)	Net Surplus/(Deficit)	(281,415)
<u>6,807,745</u>	Balance at end of period	<u>5,599,102</u>
9,070,657	ASSET REVALUATION RESERVE	9,070,657
6,414,354	ALWYNDOR RESERVES	6,414,354
<u>15,485,011</u>	TOTAL RESERVES CLOSING BALANCE	<u>15,485,011</u>
<u>22,292,756</u>	TOTAL EQUITY	<u>21,084,113</u>

CITY OF HOLDFAST BAY
PROJECTED BUDGETED STATEMENT OF CASH FLOWS - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u>
\$		\$
(OUTFLOWS)		(OUTFLOWS)
	CASH FLOWS FROM OPERATING ACTIVITIES	
	<u>Receipts</u>	
24,043,397	Operating Receipts	29,026,811
	<u>Payments</u>	
(22,971,059)	Operating payments to suppliers and employees	(27,689,566)
(60,000)	Finance Payments	(68,000)
<u>1,012,338</u>	NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,269,245</u>
	CASH FLOWS FROM INVESTING ACTIVITIES	
	<u>Receipts</u>	
(17,304,284)	Net Purchase of Investment Securities	(709,832)
	<u>Payments</u>	
(480,000)	Expenditure on renewal/replacement of assets	(403,971)
(152,500)	Expenditure on new/upgraded assets	(120,000)
<u>(17,936,784)</u>	NET CASH (USED IN) INVESTING ACTIVITIES	<u>(1,233,803)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES	
	<u>Receipts</u>	
1,223,774	Proceeds from Aged Care Facility Deposits	339,213
<u>1,223,774</u>	NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>339,213</u>
(15,700,672)	NET INCREASE (DECREASE) IN CASH HELD	374,655
18,700,672	CASH AND CASH EQUIVALENTS AT BEGINNING OF	2,825,345
	REPORTING PERIOD	
	CASH AND CASH EQUIVALENTS AT END OF	
<u>3,000,000</u>	REPORTING PERIOD	<u>3,200,000</u>

RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2023

(293,192)	SURPLUS/(DEFICIT) FROM INCOME STATEMENT	(281,415)
	NON-CASH ITEMS IN INCOME STATEMENT	
1,232,123	Depreciation	1,357,889
170,739	Increase (decrease) in provisions - nett	192,771
<u>1,402,862</u>	TOTAL NON-CASH ITEMS	<u>1,550,660</u>
	CASH ITEMS NOT IN INCOME STATEMENT	
(632,500)	Capital Expenditure	(523,971)
-	- Loan Repayments - External	-
1,223,774	Proceeds from Aged Care Facility Deposits	339,213
(17,304,284)	Net Purchase of Investment Securities	(709,832)
<u>(16,713,010)</u>	TOTAL CASH ITEMS	<u>(894,590)</u>
	NET INCREASE/(DECREASE)	
<u>(15,603,340)</u>	IN CASH AND CASH EQUIVALENTS	<u>374,655</u>

CITY OF HOLDFAST BAY
PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
24,062,237	Operating Revenues	29,026,811
(24,355,429)	less Operating Expenses	(29,308,226)
<u>(293,192)</u>	Operating Surplus/(Deficit) before Capital Amounts	<u>(281,415)</u>
Less net outlays on Existing Assets		
480,000	Capital Expenditure on renewal & replacement of existing assets	403,971
(1,232,123)	Less Depreciation	(1,357,889)
<u>(752,123)</u>		<u>(953,918)</u>
Less outlays on New and Upgraded Assets		
152,500	Capital Expenditure on new & upgraded assets	120,000
<u>306,431</u>	Net lending/(borrowing) for financial year	<u>552,503</u>

PROJECTED FINANCIAL INDICATORS - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2023

<u>Alwyndor</u> <u>21/22 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>22/23</u> <u>BUDGET</u> \$
	OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS	
-\$293,192		-\$281,415
	OPERATING SURPLUS RATIO (Operating surplus/(deficit) before capital amounts as % of general revenue)	
-1.2%		-1.0%
	NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)	
\$15,352,773		\$15,492,147
	NET FINANCIAL LIABILITIES RATIO (Total liabilities less financial assets as % of total operating revenue)	
64%		53%
	INTEREST COVER RATIO (Net interest expense as % of total operating revenue less investment income)	
0.3%		0.2%
	ASSET SUSTAINABILITY RATIO (Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of depreciation expense)	
39%		30%





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