

OUR PLAN FOR OUR PLACE

2019-20
ANNUAL BUSINESS PLAN

THIS YEAR'S BUDGET

For every \$1000 of municipal funds Council spends in 2019-20 we will allocate approximately:



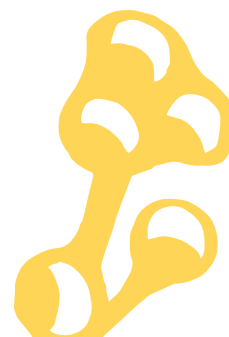
* Locations of symbols are illustrative only

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TRADITIONAL CUSTODIANS

We acknowledge the Kurna 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 Kurna people today.



WELCOME

On behalf of the City of Holdfast Bay, I am pleased to present The 2019–20 Annual Business Plan.

The City of Holdfast Bay remains committed to keeping rates as low as possible, while maintaining high quality services for residents, businesses and visitors.

This year we have planned a comprehensive program with no reduction to services. The rate increase has been capped to 2.7%, in line with the Local Government Price Index to December 2018. The 2.7% rate increase includes a 0.8 increase to cover the impact of the rising costs associated with waste and recycling due to China's refusal to accept certain rubbish and recycling. The State Government's recently announced 40% increase to the Solid Waste Levy will be absorbed into the budget, rather than increasing rates for the community.

All our financial indicators are positive. We predict a municipal operations surplus of \$252,000.

The Brighton Oval Masterplan is a \$13.7 million redevelopment of a major sporting and recreation facility in our city. Stage 1 of the masterplan commenced in 2018–19 with a \$6.7 million investment from council along with a \$2 million investment from the state government. The federal government recently announced a \$5million grant for the project, providing the opportunity to complete the whole of the Masterplan by mid 2021.

The Masterplan includes the construction of new club room facilities for the rugby, lacrosse, football and cricket clubs along with upgrades to community recreation facilities, upgraded spectator and public amenities, cricket training facilities and car parking. These brand new facilities will create significant economic, social and health benefits for the community.

The 2019–20 Annual Business Plan includes a broad range of other initiatives including:

- › **Progressing the Jetty Road Glenelg Masterplan with the construction of the Chapel Street Community Plaza (subject to grant funding)**
- › **Allocating an additional \$200,000 to accelerate the footpath improvement program, a 43% increase on the 18–19 capital budget**
- › **Glenelg Oval sporting complex Masterplan Stage 1: the redevelopment of the Holdfast Tennis Club**
- › **Wigley Reserve Playspace and Fitness Hub (subject to grant funding)**

- › **Remediation of the Buffalo site**
- › **Supporting new activations for Jetty Road Brighton including new signage and events.**

All new capital projects have been calculated on a three year rolling budget which will ensure that rates remain reasonable whilst we improve our City.

We also aim to continue to leverage federal and state grant funding wherever possible.

The Annual Business Plan also outlines the costs associated with maintaining our physical assets and services including:

Open space and coastal

- › **Increasing and sustaining our beach width**
- › **Managing and maintaining our coastal zones and foreshore**
- › **Improving Barton, Pine and Gilbertson Gullies**
- › **Continuing to deliver water sensitive urban design rain gardens**
- › **Continuing our stormwater infrastructure investment in Somerton Park, Brighton and North Brighton**
- › **Establishing a biodiversity corridor along the Sturt River**

Waste management

- › **Safe, efficient and sustainable service for removing, recycling and disposing of waste.**

We are also employing another inspector for patrols along the beach during daylight savings to regulate, enforce and educate. This will cover the Seacliff region and include hooded plover protection.



Amanda Wilson

Mayor
City of Holdfast Bay

OUR CITY

The City of Holdfast Bay is built on an ancient place—home to over 2,000 generations of Kaurna people who 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 almost 37,000 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



36,520

52.4% females
47.6% males

MEDIAN AGE

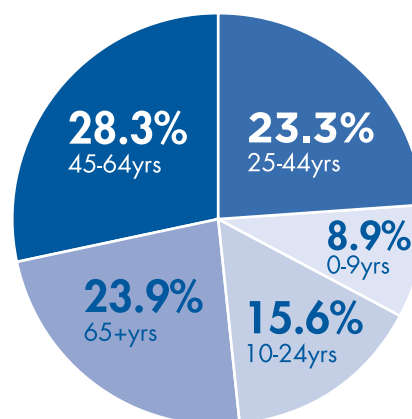


NEW RESIDENTS

1854 since 2006



AGE SEGMENTATION



Source: City of Holdfast Bay Remplan

SNAPSHOT

A prosperous community with above average mortgage debt levels



HIGH

- Average Income
- Education
- Housing Mortgages



LOW

- Unemployment

CULTURAL DIVERSITY

18% of residents were born overseas



HIGH DENSITY HOUSING MEDIAN

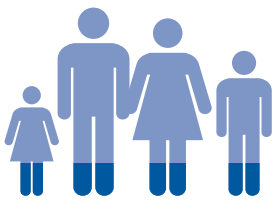
Compared to greater Adelaide

50.9%

of dwellings are medium to high density

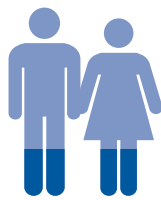


HOUSEHOLD TYPES



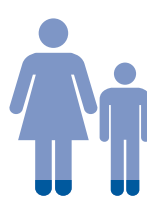
Couples with children

21.5%



Couples without children

26.4%



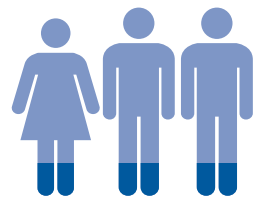
One parent families

7.5%



Lone person households

34.6%



Other

10%

LOWER VEHICLE USAGE

Households in Holdfast Bay have lower vehicle usage on average than greater Adelaide.



Source: City of Holdfast Bay Remplan



OUR VISION

Balancing our progress with our heritage, we lead in coastal management to deliver high-quality public spaces and services to build a welcoming, safe and active community where resident, visitor and business prosperity meet.

Our Place: 2030 Strategic Plan

To achieve this vision we have identified five focus areas, each of which are supported by key objectives:



COMMUNITY
A healthy, creative,
connected community

- › Building a healthy, active and resilient community
- › Celebrating culture and diversity
- › Providing welcoming, accessible facilities
- › Fostering an engaged, contributing community



ENVIRONMENT
A community connected
to our natural environment

- › Protecting biodiversity
- › Building an environmentally resilient city
- › Using resources efficiently
- › Fostering an environmentally connected community



ECONOMY
A diverse and resilient
local economy

- › Supporting and growing local business
- › Making it easier to do business
- › Harnessing emerging technology
- › Boosting our visitor economy



PLACEMAKING
An accessible, vibrant and
safe coastal city that
celebrates our past to build
for our future

- › Creating vibrant and safe places
- › Developing walkable, connected neighbourhoods
- › Building character and celebrating history
- › Housing a diverse population



CULTURE
An effective, customer-centred
organisation

- › Providing customer-centred services
- › Being financially accountable
- › Enabling high performance
- › Supporting excellent, efficient operations

QUALITY OF LIFE SURVEY RESULTS (2019)

HOW YOU RATED YOUR COUNCIL OUT OF 10

COMMUNITY



8.5
Providing library services



7.95
Providing sporting facilities



7.85
Delivering services for the elderly and people with a disability



8.0
Promoting programs and services that encourage an active lifestyle

PLACEMAKING



7.0
Maintaining roads and kerbing



7.2
Maintaining cycle networks



8.2
Providing a sense of safety in neighbourhoods

ENVIRONMENT



8.0
Maintaining beaches and coastal areas

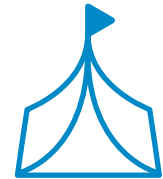


8.15
Providing adequate waste management services

ECONOMY



7.9
Encouraging a diverse range of businesses and services in the area



7.8
Supporting and promoting tourism and events

CULTURE



6.8
Quality of service provided by Council staff



7.1
Overall satisfaction with the quality of service and performance of the Council



Overall rating of Holdfast Bay as a place to live



8.2
Maintaining well laid out parks and reserves



7.7
Providing programs that foster social interaction and community wellbeing



8.8
Likelihood to recommend Holdfast Bay as a place to live



HIGHLIGHTS

Major projects

In 2019–20 council will fund and undertake a number of major projects to support the vision and objectives outlined in its strategic plan, *Our Place 2030*. These include:

› **Wigley Reserve Playspace and Fitness Hub**

Construction of the Wigley Reserve Playspace and Fitness Hub will commence in line with the preferred detailed concept design based on community engagement findings. This project will upgrade the current playground and fitness area into a destination playspace with opportunities for all ages and abilities. The upgrade of this playspace will activate a largely under utilised space turning it into an important community asset. Construction is subject to successful grant funding from the state government.

› **Glenelg Oval Sporting Complex Masterplan Stage 1**

The Glenelg Oval Sporting Masterplan was endorsed in July 2017. This stage focuses on the Holdfast Tennis Club, located on Williams Avenue, Glenelg East, which includes the demolition and development of the clubroom on site, installation of new lighting and fencing around eight courts. While the project did not receive the state/federal grant funding applied for in 2018–19, Council remains committed to completing stage 1 in 2019–20 and has allocated funds accordingly.

› **Brighton Oval Masterplan**

The Brighton Oval Masterplan is a \$13.7million redevelopment that commenced in 2018–19 with a \$2 million investment from the state government. The federal government recently announced a \$5million grant for the project, providing Council with the opportunity to complete the whole of the masterplan by mid 2021. The masterplan includes all new facilities including the construction of new club room facilities for the rugby, lacrosse, football and cricket clubs as a part of Stage 1. The federal funding means we can now proceed with stage 2 which includes upgrades to community recreation facilities, upgraded spectator and public amenities, cricket training facilities, car parking and safety upgrades to the adjacent roadway. These upgrades will benefit club members, residents and visitors using the facilities, with all enjoying access to the brand new facilities.

› **Glenelg Town Hall Restoration**

In 2017–18 Council engaged specialised heritage architects to undertake an assessment of the Glenelg Town Hall. This assessment identified a range of restoration works required to maintain this important, historic, state heritage listed building over a multi-year program. In 2019–20 we have allocated \$1 million to continue the repair works needed to ensure the building can be enjoyed for many years to come.

› **Jetty Road Glenelg and Environs Masterplan**

Funding has been allocated to progress the implementation of the Jetty Road Glenelg and Environs Masterplan, which was adopted in February 2018. In 2019–20, Council has allocated \$1.8 million to construct the Chapel Street Plaza project (which now includes upgrades to Hindmarsh Lane) and will apply to the State Government for funding the remaining \$1.8 million. In 2019–20 Council will progress the designs for Stage 2—Moseley Street to Colley Terrace.

› **The Buffalo Site**

Council is committed to finding a long-term purpose for the site the HMS Buffalo replica formerly occupied, that takes into account its historical value and responds to wishes of the community. In 2019-20 we will rehabilitate the site, making it safe for visitors to access, and develop a plan for its ongoing use and maintenance.



FINANCIAL OVERVIEW

Projections for the 2019–20 financial year indicate that council will be working with:

- › A consolidated operating surplus of \$72,000 (Alwyndor deficit of (\$180,000) and municipal operations surplus of \$252,000)
- › A consolidated operating income of \$67.69 million to cover operating expenditure of \$67.62 million
- › A 2.7 per cent increase in rate revenue (excluding separate rates and the Natural Resource Management Levy).

In the 2019–20 financial year we will invest \$80.74 million to provide services, implement programs and build and maintain essential assets. Our main areas of investment include:

- › \$57 million to provide services to our community
- › \$7.71 million to upgrade and maintain community assets
- › \$16.02 million for new capital infrastructure and service improvements.

FINANCIAL SUMMARY



2019–20 REVENUE \$71.58 MILLION

Council will receive \$71.58 million to provide services and infrastructure to the community.

MUNICIPAL REVENUE

Rate Revenue

Rates: General	\$35.22 million
Rates: Jetty Road Mainstreet Separate Rate	\$0.578 million
Rates: Patawalonga Marina Separate Rate	\$0.072 million
Rates: NRM Levy	\$1.28 million
Total rate revenue	\$37.15 million

Operational Revenue

Statutory charges	\$2.298 million
User charges	\$4.138 million
Investment income	\$0.084 million
Reimbursements	\$0.712 million
Other	\$0.565 million
Total operational revenue	\$7.80 million

External Revenue

Proceeds from the disposal of assets	\$0.357 million
Operating grants and subsidies	\$2.88 million
Capital grants, subsidies and contributions	\$3.52 million
Share of profit - joint ventures	\$0.23 million
Total external revenue	\$7.0 million

TOTAL MUNICIPAL REVENUE

\$51.95 million

ALWYNDOR REVENUE

Operational Revenue

User charges	\$3.97 million
Investment income	\$0.49 million
Reimbursements	\$3.07 million
Other	\$1.75 million
Total operational revenue	\$9.29 million

External Revenue

Operational grants and subsidies	\$10.34 million
Total external revenue	\$10.34 million

TOTAL ALWYNDOR REVENUE

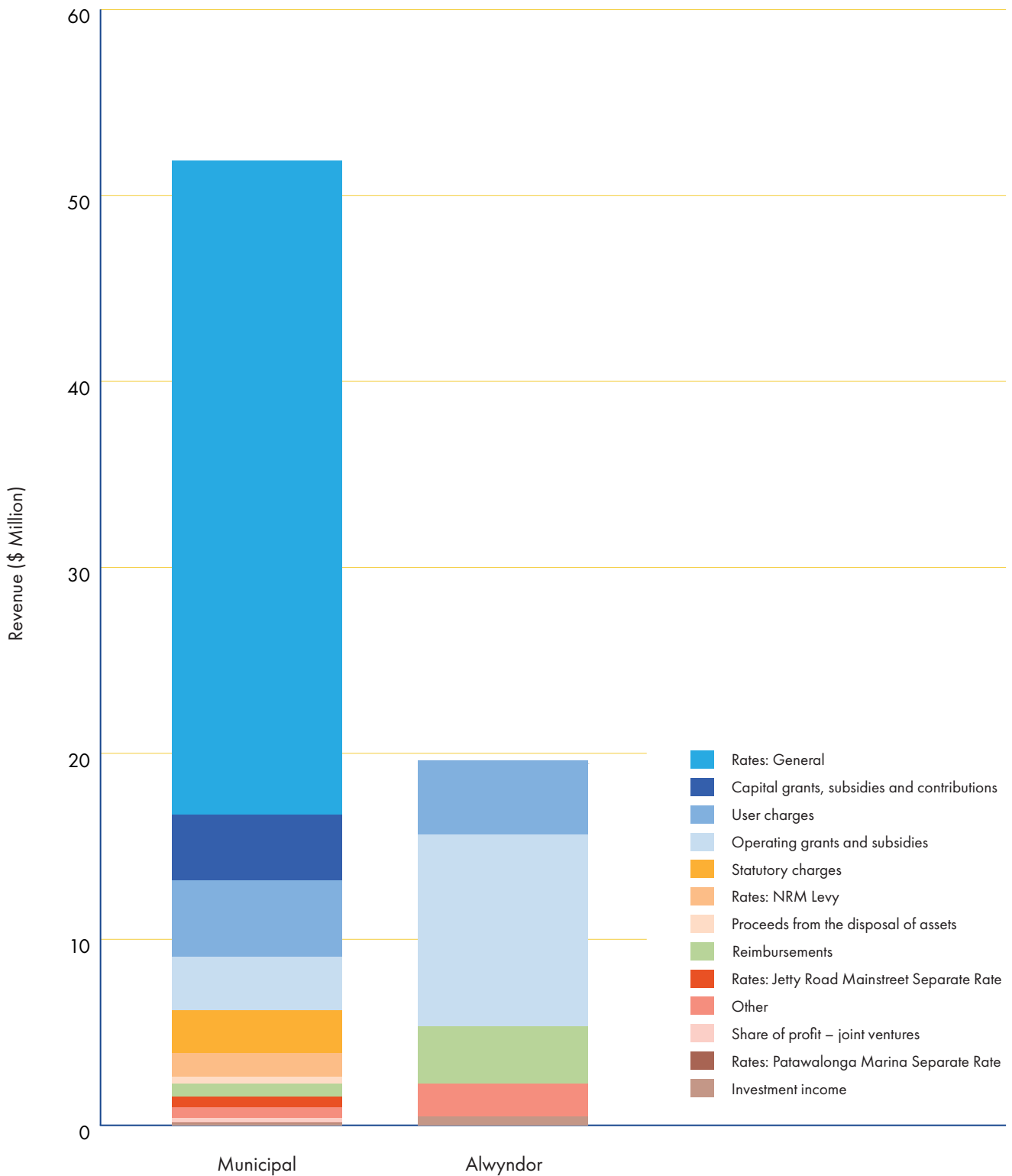
\$19.63 million

CONSOLIDATED REVENUE

TOTAL CONSOLIDATED REVENUE (INCLUDING CAPITAL & OPERATING REVENUE)

\$71.58 million

2019-20 REVENUE



2019–20 OPERATIONAL EXPENDITURE \$67.62 MILLION

Council will spend \$67.62 million to deliver services to the community.

MUNICIPAL OPERATIONAL EXPENDITURE

Services

Asset management	\$8.12 million
Corporate services	\$5.15 million
Open spaces and coastal assets	\$3.37 million
Waste management	\$3.94 million
Marketing and tourism	\$2.27 million
Regulatory services	\$1.97 million
Information and technology services	\$2.04 million
Library services	\$1.62 million
Community wellbeing	\$1.57 million
Development services	\$1.37 million
Commercial and economic enterprise	\$1.50 million
Community development	\$1.28 million
Financial services	\$1.18 million
Strategic planning and development policy	\$1.03 million
Total expenditure on services	\$36.41 million
Other operational expenditure	
Depreciation - municipal	\$9.29 million
NRM Levy	\$1.28 million
Operational new initiatives	\$0.83 million
Total expenditure on other operational	\$11.40 million
TOTAL MUNICIPAL OPERATIONAL EXPENDITURE	\$47.81 million

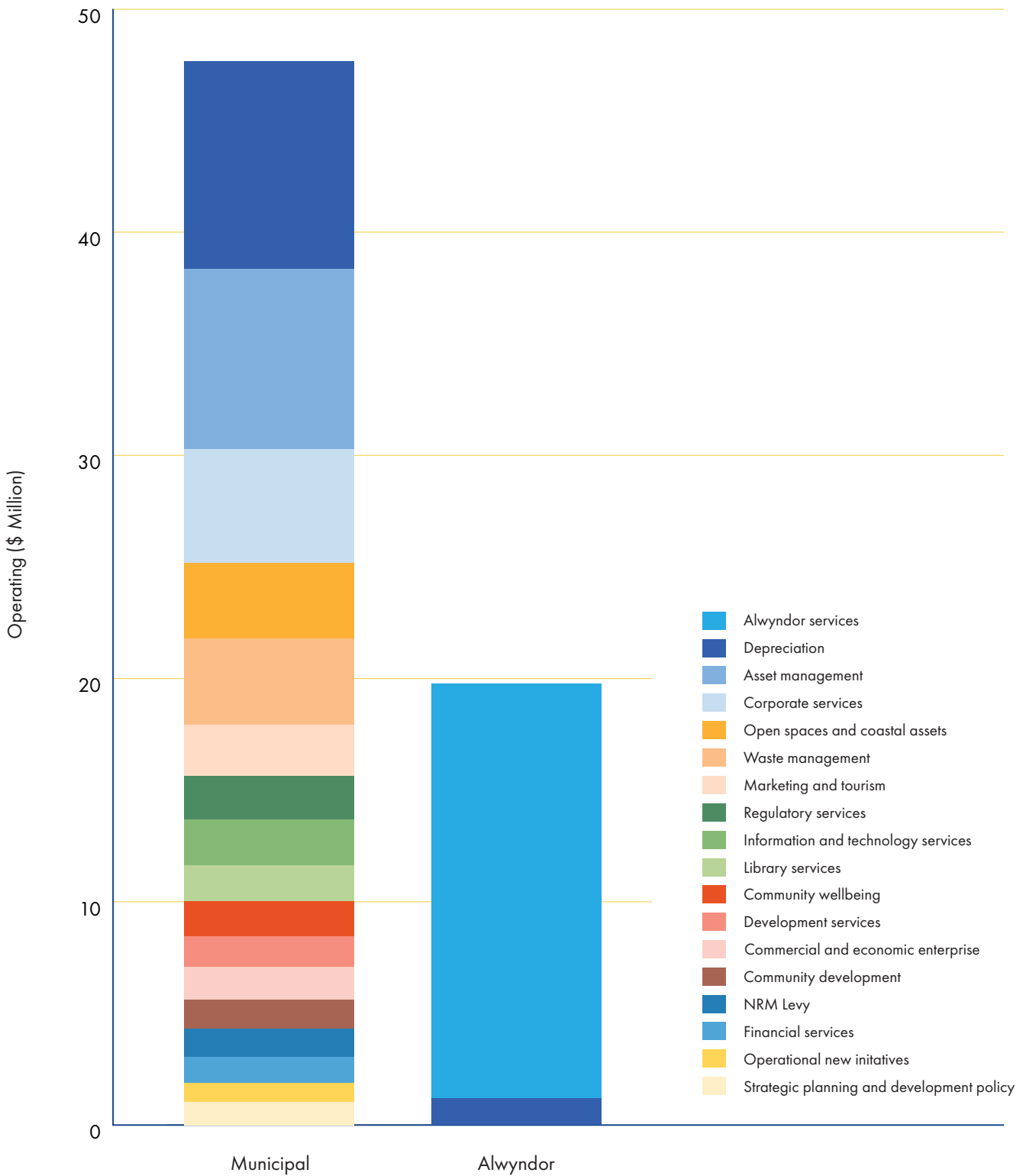
ALWYNDOR OPERATING EXPENDITURE

Alwyndor services	\$18.63 million
Total expenditure on services	\$18.63 million
Other operational expenditure	
Depreciation - Alwyndor	\$1.18 million
Total expenditure on other operational	\$1.18 million
TOTAL ALWYNDOR OPERATIONAL EXPENDITURE	\$19.81 million

CONSOLIDATED OPERATIONAL EXPENDITURE

TOTAL CONSOLIDATED OPERATIONAL EXPENDITURE	\$67.62 million
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2019-20 OPERATIONAL EXPENDITURE



2019–20 CAPITAL PROGRAM \$23.73 MILLION

Council will spend \$23.73 million on a capital program to update and maintain community assets in 2019–20.

MUNICIPAL CAPITAL PROGRAM

Capital new initiatives	\$16.02 million
Transport and access ¹	\$2.70 million
Buildings	\$0.87 million
Major plant and equipment replacement	\$1.23 million
Open space	\$0.73 million
Stormwater drainage	\$0.37 million
Library collection	\$0.09 million
Coastal	\$0.05 million
Project management capitalised ²	\$0.83 million
TOTAL MUNICIPAL CAPITAL EXPENDITURE	\$22.89 million

ALWYNDOR CAPITAL PROGRAM

Alwyndor asset renewal and replacement	\$0.84 million
TOTAL ALWYNDOR CAPITAL EXPENDITURE	\$0.84 million

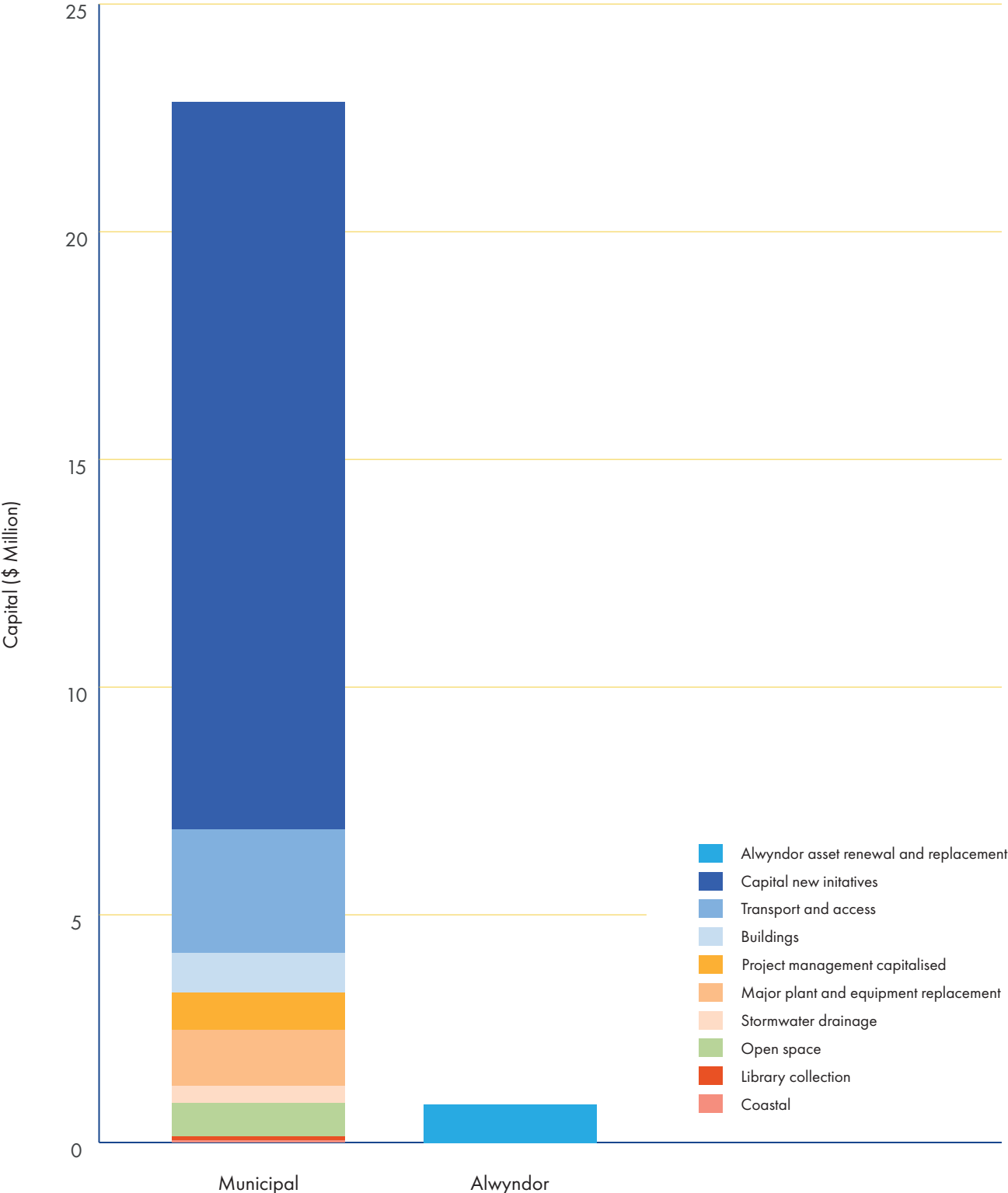
CONSOLIDATED CAPITAL PROGRAM

TOTAL CONSOLIDATED CAPITAL EXPENDITURE	\$23.73 million
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¹ to be subsidised by \$300,000 Commonwealth Government Funding through the Roads To Recovery Grant Program.

² Project management capitalised is the amount of operational funding for design and project management work that is capitalised, and therefore attributed to the capital budget.

2019-20 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 the maintenance of our high-priority programs including the renewal and replacement of infrastructure
- 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 cost 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 were considered when developing the 2019-20 Annual Business Plan, including:

Waste management - China Sword

China's Green Sword policy is a ruling introduced by the Chinese government in 2017 to reduce the volume and contamination levels of recyclable materials it imports for reprocessing.

China has banned 24 types of recyclables (ceasing of import licenses) across both industrial and household categories. Those most relevant to local recycling services are household plastics and waste paper recycling. Banned plastics include scrap PET, scrap polyethylene, scrap PVC and scrap polystyrene.

Paper and cardboard waste types are still imported but must meet a lower contamination level of 0.5 per cent (down from the previous level of 1.5 per cent). Council has provisioned \$383,000 in the 2019-20 budget to account for the impact of this policy.

Economic vitality

Turbulence in financial markets has increased in recent times, reflecting concerns around the outlook for major economies, as well as risks related to the US-China trade dispute, Brexit and the Italian-European Commission budget dispute. Equity and commodity markets have exhibited considerable volatility and this, together with a slowdown in global growth in the December quarter, has contributed to doubts around the strength of the global economy.

However, the South Australian tourism economy has continued to exceed growth expectations, with the value of tourism to South Australia soaring to an all time high of \$6.9 million. The City of Holdfast Bay is perfectly positioned to benefit from this growth, with our premium

offering, and award winning tourism campaign. Council continues to invest in the economic vitality of our City through the implementation of the Economic Activation Plan, supporting and growing local business, making it easier to do business, boosting our visitor economy and harnessing emerging technology.

Health, wellbeing and aging

Today's modern society reportedly results in a range of lifestyle challenges for individuals, including an increasingly sedentary lifestyle, longer working hours and higher obesity rates, which are associated with a number of chronic health conditions and increasing social isolation. South Australia has a higher population of people aged over 55 than the rest of Australia, and the median age of City of Holdfast Bay residents is 46, which is significantly older than surrounding council areas. As time passes, the portion of those aged over 65 will increase. To address these issues, council is committed to providing facilities and services that promote healthy, active lifestyles, community wellbeing, opportunities for social engagement and healthy ageing.

Environmental sustainability

In response to climate change, council is taking steps to protect the natural environment, with a focus on biodiversity and protecting our unique coastal environs. We are committed to reducing our reliance on fossil fuels, replacing streetlighting with LED lights, and conducting an energy audit of Council buildings. We are continuing our water sensitive urban design projects, remediating three gullies and maintaining our precious beaches. In 2019-20 council will develop an Environmental Strategy to provide a holistic approach and prioritise resources to tackle the impact of climate change.

THE 2019–20 BUSINESS ENVIRONMENT

The following factors are expected to influence the business environment in 2019–20:

Operating and utility costs

Just like households, councils are subject a number of costs, which they have a limited ability to control. The Environment Protection Authority Landfill Levy is one such cost. Whilst the Council's budget includes the expected 3% increase to the Levy, the State Government recently announced a 40% increase. This unexpected additional increase has not been passed on to the community in increased rates, but will be absorbed into the budget.

Depreciation on new assets has increased by \$255,000. This increase in depreciation is offset by the benefits that new and improved facilities provide to the community.

While the costs of providing assets and services differs from council to council according to the needs and expectations of their respective communities, we use the Local Government Price Index (LGPI) as a benchmark for monitoring the cost of services we provide. This is similar to the Consumer Price Index (CPI), but monitors price changes in goods and materials that are specifically relevant to local government. The annual LGPI for the December 2018 quarter was 2.7 per cent and council has capped its rate increase accordingly.

Housing industry

The housing industry has remained steady over the past few years. Housing building approvals were up from the previous year and this growth is expected to continue into 2019–20. For this reason, we have prepared the 2019–20 *Annual Business Plan* based on an estimated growth of 0.5 per cent.

Economic and planning system reforms

The Government of South Australia has continued to progress a range of reforms to South Australia's planning and development system, to implement the *Planning, Development and Infrastructure Act 2016* and modernise the system.

While some of the government's reform agenda has been delivered, the remaining reforms are likely to continue to impact Council's business and financial operations in the area of local planning. Likely impacts include:

- › A reduction in Council's influence in the assessment of development applications, particularly for large-scale or high-value projects with an investment value of over \$5 million, and all development exceeding 4-storeys in height within Glenelg, combined with further deregulation of planning assessment through private certification
- › Increased costs to Council to fund infrastructure that is currently provided by the government or private sector, and the potential for reduced infrastructure funding at the local metropolitan level in favour of regional projects
- › Increased costs to Council to manage an expanded building inspection regime, required to monitor and regulate the anticipated rise in non-conforming developments that will be approved independent of Council
- › Improvements to our information technology systems and cost-shifting from the Government of South Australia to service a central online planning portal and e-planning system.

We will monitor the impact of the government's reform package on our business operations as details emerge.

Likewise, the impact of the 2019 Federal Government Elections will require close monitoring.

Aged care industry transformation

With the average age of the South Australian population rising, the demand for aged care services is increasing at a rapid rate. As the 'baby boomer' generation begins to enter the aged care market, expectations of the variety and levels of service are also increasing. Correspondingly the cost of funding aged care services is rising at what the federal government describes as an 'unsustainable rate'. As a result, the government has made significant changes to funding arrangements, targeted at promoting greater consumer choice, income testing so those that can afford it contribute to the cost of their care, and encouraging providers to become more efficient and innovative.

One of the most significant changes in the past 18 months is funding for home care packages now being provided directly to consumers, giving greater choice and control of the type of care received and of the provider delivering the care. This has resulted in a more competitive and open market for services, requiring providers to become more focused on the specific needs of each consumer.

On 1 July 2016 changes were made to the Aged Care Funding Instrument (ACFI) which applies to funding residential aged care services. Further changes are expected with a new funding tool currently under review. Combined with funding level freezes in 2017 and 2018, these changes are designed to slow the 'unsustainable' growth in aged care costs to the federal government. This, combined with the changing expectations of consumers, will create both challenges and opportunities for aged care service providers into the future.

Council community wellbeing program

Council continues to administer the grant-funded Commonwealth Home Support Program (CHSP), which offers older people subsidised basic maintenance and support services to enhance independence, promote social inclusion and support wellness. In October 2018, the federal government announced \$100 million in growth funding over 2 years to a select number of existing CHSP service providers. The City of Holdfast Bay has so far secured additional grant funding for domestic assistance and for home modifications.

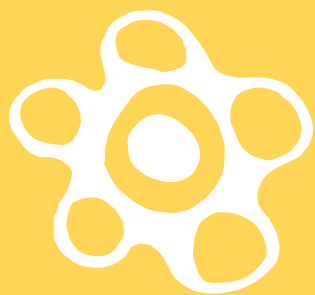
The National Disability Insurance Scheme (NDIS) continues to roll out across South Australia. Holdfast Bay residents have been transitioning into the new scheme since June 2018 and continue to do so. The City of Holdfast Bay remains committed to continuity of care for all residents currently receiving support services through the SA-HACC program until the NDIS is fully in place. We will also continue to provide services to those people who do not meet the eligibility for the NDIS and are not already receiving similar support through other specialist disability providers.

External funding sources

Council's 2019–20 budget relies significantly on property rate revenue. Rates make up 77 per cent of our revenue, excluding Alwyndor and the NRM Levy. While Holdfast Bay is a leader in South Australia for non-rate revenue, we are still seeking to reduce this rate burden by increasing revenue from other sources, such as rent from commercial leases, off-street car parks, income from the Brighton Caravan Park and Partridge House and grant funding from the Commonwealth and State Governments.

Reductions in Commonwealth and state government funding levels have had a flow-on effect, reducing the grants available to local government. This affects our ability to undertake certain projects within desired timeframes, and may influence our ability to commence some projects this year.

ACHIEVEMENTS, PRIORITIES AND SERVICE DELIVERY





COMMUNITY

A healthy, creative, connected community.

In 2019–20 council will allocate \$35.65 million to building a healthy, active and resilient community; celebrating culture and diversity; providing welcoming, accessible facilities; and fostering an engaged, contributing community.



ACHIEVEMENTS

In 2018–19 council delivered many projects and services that supported the goal of building a strong community—creating a place with a quality lifestyle, for every generation, that celebrates culture and is safe and secure. We:

- › Upgraded playground equipment at Bindara Reserve and Susan Grace Benny Reserve
- › Undertook important maintenance works at Brighton Surf Life Saving Club
- › Installed shade sails at the Glenelg Oval
- › Extended Brighton Library opening hours to six days a week increasing patronage by over 16,500 visitors (31 per cent)
- › Developed an Arts and Culture Strategy
- › Developed the Holdfast Bay Community Centre Masterplan
- › Installed automated defibrillators in Council buildings
- › Completed cemetery improvements including new ashes memorial sites and design extension of burial areas. A full audit of the cemeteries was also completed allowing updated cemetery maps and records to be made available online
- › Undertook preparatory designs for important restoration work at the Glenelg Town Hall
- › Commenced stage 1 construction of the Brighton Oval Sporting Complex Masterplan which will include three new buildings for tenant clubs, additional public amenities including accessible toilets and enhanced spectator facilities. Council secured \$2million in state government funding for this stage of the implementation
- › Created detailed designs for Wigley Reserve Playspace and Fitness Hub
- › Constructed a playspace at Kauri Parade Sports and Community Centre
- › Prepared concept plans and design options for the Glenelg Town Hall Museum and Gallery
- › Developed a Disability Access and Inclusion Strategy and Action Plan.

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

OUR PRIORITIES

In 2019–20 council will continue to deliver projects that build a healthy, creative, connected community, including:

- › Continuing restoration work at the Glenelg Town Hall
- › Implementing phase one of the new Arts and Culture Strategy
- › Commencing implementation of the Access and Inclusion Strategy
- › Undertaking an update on our Social Needs and Community Infrastructure Planning and Analysis Report
- › Upgrading the Wigley Playspace and Fitness Hub (subject to grant funding)
- › Completing stage 1 and commencing stage 2 of the Brighton Oval Masterplan
- › Undertaking construction of stage 1 of the Glenelg Oval Sporting Complex Masterplan, focusing on the Holdfast Tennis Club.

SERVICE DELIVERY \$25.07 MILLION

Alwyndor Aged Care – \$18.63 million

Council will support the City’s ageing community by providing appropriate assets, services and programs including the high-quality residential and out-patient services through Alwyndor Aged Care. Operated by Council, Alwyndor is fully funded by the Commonwealth and state governments and Alwyndor resident and client contributions.

Alwyndor Aged Care’s services include 134 residential accommodation beds, respite care, 10 transitional care beds, hospitality services, rehabilitation and support services, plus various community service in home packages (including consumer directed care and community options program).

Community wellbeing – \$1.57 million

Community programs and activities promote wellbeing and resilience, help people to remain in their homes, and provide choices that enhance people’s quality of life. We will deliver this through:

- › **Commonwealth Home Support Program (CHSP)**
A range of services including, but not limited to social support, domestic assistance and basic home maintenance for eligible residents who are frail and elderly or have a disability, and their carers .
- › **Home and Community Care program**
Providing basic support services to people under 65 years who live with disability and are not eligible for services through the NDIS or other specialist disability support services.
- › **Community transport**
A kerb-to-kerb community bus service with routes from home to local shopping centres and facilities for eligible residents.
- › Commencing implementation of our Access and Inclusion Strategy.

Community development – \$1.28 million

Our community development programs, services and events aim to promote interaction and minimise social isolation and disadvantage. This includes providing places, infrastructure and funding support 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:

- › Sports and recreation, including local sporting clubs and recreational planning and development
- › Community development programs, including community gardens and community and youth sponsorship grants
- › Arts, youth and cultural activities
- › Volunteer services
- › Community centres, including the Holdfast Bay Community Centre, Glenelg Community Centre, Glenelg North Community Centre, Brighton Community Centre and Partridge House
- › Aboriginal reconciliation, through consultation and engagement.

Library services – \$1.62 million

We will provide accessible and progressive library services that meet our community’s informational and recreational reading needs while fostering a love of lifelong learning. This year, we will continue to develop events, programs, services and activities through our two branches at Brighton and Glenelg.



Regulatory services – \$1.97 million

It is recognised that the community’s health and safety is affected by many fields of regulatory activity. Council will use new approaches to respond to public health and safety threats to deal with a range of existing and emerging issues, whilst addressing the traditional ‘sanitary’ concerns of public health practice.

This will be achieved by:

- › Supporting our community to minimise their environmental and local nuisance impacts
- › Supporting responsible dog and cat ownership
- › Supporting food businesses achieve high standards of food safety and hygiene
- › Working collaboratively with residential care facilities to ensure that standards of care and accommodation for residents with a disability or mental health illness are met and that the rights of residents are protected
- › Effective delivery of an immunisation program
- › Improving community awareness of the risks of exposure to notifiable conditions
- › Delivering education, compliance and enforcement activities whilst ensuring a timely response to customer requests
- › Encouraging and supporting businesses to provide outdoor dining and display of goods to support the economy and improve the ambience of the streetscape
- › 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 accessibility through the provision of adequate parking for residents and visitors.

CAPITAL PROJECTS \$1.24 MILLION

Open space and playground renewal \$237,180

As part of our open space management plans, \$237,180 has been allocated to repairing or upgrading infrastructure in our reserves and playgrounds including replacing the much loved and used trampolines at Glenelg Foreshore Playspace, a variety of irrigation and fencing, picnic settings, bins and park benches. Also see ‘New Projects’ for a range of playground upgrades.

Public reserve lighting - \$141,240

Public lighting helps to keep the City’s reserves safe.

Sporting and community clubrooms and facilities – \$698,000

In 2019–20 council will repair and maintain a number of sporting and community facilities. This includes replacing tennis court surfaces at several locations, and maintenance works at Holdfast Bay Community Centre, Partridge House, Ringwood Community Centre, Seacliff Youth Centre, Brighton Table Tennis Clubrooms, Brighton Croquet Clubrooms, Brighton Bowling Club, Brighton Seacliff Yacht Club, Brighton Tennis Club and Glenelg North Community Centre.

Library collection and improvements – \$160,340

In 2019–20 \$85,340 has been allocated to maintain our library collection to ensure that materials are current, accessible and meet the cultural and informational needs of the community. We will continue to maintain our two important community libraries including external works at Glenelg and Brighton. See page 30 for information on a new mobile digital hub.

NEW PROJECTS \$9.34 MILLION

Glenelg Town Hall – \$1 million

In 2017–18 council engaged specialised heritage architects to undertake an assessment of the Glenelg Town Hall, which identified that a range of restoration works are required. In 2019–20 \$1 million has been allocated to continue these important works at the state heritage listed building.

Glenelg Oval Sporting Complex Masterplan implementation – stage 1 (Holdfast Tennis Club) – \$889,949

In 2019–20 construction of stage 1 of the Glenelg Oval Sporting Masterplan will commence. Stage 1 of this multi-year project focuses on the Holdfast Tennis Club, which includes the demolition and development of the clubroom on site, installation of new lighting and fencing around the courts. Council was unsuccessful in attracting grant funding in 2018–19 and will pursue the project in the upcoming year as a fully Council funded proposition, should external funding not be obtained.

Brighton Oval Masterplan – \$6,056,670

Stage 1 of the Brighton Oval Masterplan will be complete in 2019–20 comprising the construction of new club room facilities for the rugby, lacrosse, football and cricket clubs. Construction of stage 2 of the Masterplan will commence which includes upgrades to community recreation facilities, upgraded spectator and public amenities, cricket training facilities, car parking and safety upgrades to adjacent roadway.

Wigley Reserve Playspace and Fitness Hub – \$1 million

Council will commence construction of the Wigley Reserve Playspace and Fitness Hub in line with the preferred detailed concept design based on community engagement findings. This project will upgrade the current playground and fitness area into a destination playspace with opportunities for all ages and abilities. The upgrade of this playspace will activate a largely under utilised space turning it into an important community asset. (Construction is subject to successful grant funding).

Disability Access and Inclusion Strategy and Action Plan implementation – \$24,000

Introduced in 2017, *The Disability Bill 2017* requires that all state authorities and Councils prepare a disability access and inclusion plan. The implementation of Disability Access and Inclusion Strategy and Action Plan will include an audit of Council's facilities and aspects of its operations to provide a prioritised action plan to address the requirements of the bill.

Advanced Pump Track – \$71,810

In response to a request from local residents, Council will investigate options for the construction of an advanced pump track suited to senior and experienced riders at a site on Cedar Avenue.

Kingston Park Masterplan – \$100,000

Council will review the Kingstone Park Masterplan and implement stage 1.

Investing in our partnership with the Kurna Nation – \$35,000

We will continue to work with Kurna, other aboriginal groups and state government to promote projects and opportunities of cultural significance across the City, to promote a greater understanding of the Kurna people's cultural heritage and spiritual beliefs.

Social Needs and Community Infrastructure Planning and Analysis Report – \$40,800

This report describes the alignment between community infrastructure and current and projected social needs. The last assessment was conducted in 2012 and an update is required.

Library mobile digital hub – \$10,000

To ensure our libraries become hubs of knowledge, creativity and innovation, Council is investing \$10,000 in a mobile digital hub to showcase digital technologies to the community, including schools, community centres and service clubs. Various technologies will be covered, such as 3D printing, basic coding and robotics, drones, augmented and virtual reality.

Wattle Reserve multi-use court upgrade – \$34,000

Council will upgrade current 3:3 basketball court into a multi-use netball and basketball court with separate rings and regulation goal ring/three point shooting lines.

Dulcie Perry Reserve Playspace Redevelopment – \$82,500

A redevelopment of the Dulcie Perry Playspace will see an extension of the play zone around the existing modular play equipment and slide to include a 4 way rocker/seesaw and the existing (or new) swing set.





ENVIRONMENT

A community connected to our natural environment.

In 2019–20 council will allocate \$10.62 million to protecting biodiversity; building an environmentally resilient city; using resources efficiently; and fostering an environmentally connected community.



ACHIEVEMENTS

In 2018–19 council delivered many projects and services that supported the goal of creating a place that values its natural environment and manages its environmental impacts. Activities included:

- › Commencement of a multi-year LED streetlight conversion program
- › Improvements to and conservation of Barton, Gilbertson and Pine Gullies
- › Upgrades to stormwater infrastructure, including key sites in Somerton Park, Brighton and North Brighton
- › Upgrades to stormwater drainage at Glenelg East and a number of stormwater pits across the City
- › Improved public safety and conservation of our coastal dunes at Glenelg and Seacliff
- › Installation of two additional sand groynes at Brighton to reduce sand erosion
- › Implementation of Water Sensitive Urban Design projects through stormwater integration in areas of Glenelg, Seacliff and Glenelg South
- › A Biodiversity Corridor along the Sturt River including design and installation of interpretive signs in a trail throughout the City's conservation sites
- › Tours of our conservation sites.

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

PRIORITIES

In 2019–20 council will continue to deliver projects that support a more sustainable environment and an environmentally connected community, including:

- › Additional Water Sensitive Urban Design rain gardens
- › Continued improvement and conservation of our natural gullies
- › Further upgrades of stormwater infrastructure, including key sites in Somerton Park, Brighton and North Brighton
- › Establishing a biodiversity corridor along the Sturt River
- › Installing additional bins along the esplanade at Brighton
- › Installing additional dog bag dispensers
- › Continuing our program to improve household waste reduction.

SERVICE DELIVERY \$7.31 MILLION

Open space and coastal assets – \$3.37 million

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

We will support this aim by:

- › Managing our open spaces and reserves
- › Planning and implementing environmental management programs
- › Planting and caring for trees in our streets and reserves
- › Cleaning our streets and foreshore
- › Maintaining the North Brighton and St Jude's cemeteries
- › Providing well-planned, well-maintained and appropriate street lighting
- › Managing and maintaining our coastal zones and foreshore.

Waste management – \$3.94 million

Council will purchase additional kitchen organic baskets and compostable bags and continue an educational campaign to assist with landfill diversion.

CAPITAL PROJECTS \$412,200

Flood management – \$367,000

Upgrading the City's stormwater drainage improves our capacity to protect against flooding. In 2019-20 we have allocated \$367,000 to continue with stormwater improvements in line with our Stormwater Management Plan. This includes remedial work on the Harrow Road Headwall and replacement of the Marine Parade Outfall, as well as works on a broad range of other pipes and pits.

Coastal works – \$45,200

To improve public safety and conservation of the coastal dunes, we have allocated \$45,200 to install coastal fencing including Marlborough Street and Wheatland Street. The drinking fountain at Whyte Street will be replaced and repairs to Glenelg Jetty undertaken.

NEW PROJECTS \$2.9 MILLION

Plan development of beach width increase – \$10,000

Our beaches are consistently rated as our most valuable asset in terms of quality of life and visitation. Council will develop a comprehensive plan to increase and sustain beach width.

Energy audit and program – \$35,000

An audit of current energy use within the council and its buildings will identify opportunities to reduce energy use and implement alternative/renewable energy sources.

Street light conversion to LED – \$40,000

To reduce both environmental impact and operating costs council will continue to convert street lights from fluorescent lighting to more energy efficient LED lighting.

Sand bag groyne installation at Brighton beach – stage 2 – \$50,000

Council understands that coastal protection is important the community. In conjunction with the Coastal Protection Board, we will install a further two sandbag groynes at Brighton to reduce sand erosion.

Water Sensitive Urban Design – \$300,000

Water Sensitive Urban Design (WSUD) is a landscape design approach that integrates stormwater into urban design to mitigate against flooding, improve amenity, replenish groundwater and improve the quality of stormwater entering the marine environment.

Dog bag dispensers – \$30,750

Council will replace existing dog bag dispensers with compostable bag compatible models and install an additional 6 dispensers in various locations across Holdfast Bay.

Develop an environmental strategy – \$60,000

Council will develop an environmental strategy to address the issue of climate change at a local level and respond to emerging challenges such as reducing single use plastics.

Continuing to support the Food 2 Green program – \$20,000

Community uptake of the Food 2 Green program will be supported through the purchase of additional, compostable bags, increased promotion, bin inspections and a door knocking campaign.

Tree canopy – \$40,000

A budget of \$40,000 has been allocated for activities such as planting new trees and protecting existing trees to increase the urban forest.



Improve coastal dunes biodiversity – \$40,000

Biodiversity baseline data was collected in 2018 to help refine priorities for improvement of biodiversity such as removal of weeds, pests and planting of new native plants.

Stormwater Management Plan implementation – \$2 million

We have allocated \$1 million in 2019-20 and will apply for a further \$1 million in grant funding to continue improvements to our stormwater infrastructure across the City.

Improvements to Barton Gully, Gilbertson Gully and Pine Gully – \$200,000

In 2019–20 we will allocate \$200,000 to implement the second stage of the Gully Masterplans, which focus on stormwater flow, path remediation and vegetation improvements.

Additional inspector patrols along the foreshore area – \$32,000

We will provide additional patrols along the foreshore area for 6 months (24 weeks) from September to February covering the plover breeding and peak season. Patrols will regulate, enforce and educate in relation to parking, protecting native flora and fauna and responsible dog ownership. This is the first year of a three year trial.

Additional bins for Brighton Esplanade – \$1,800

Council will install additional bins to accommodate the popular covered seating areas along the esplanade at Brighton.

Gross pollutant trap cleaning – \$40,000

To improve the efficacy of our stormwater systems, additional cleaning over and above the programmed cleaning of gross pollutant traps will be undertaken.



ECONOMY

A diverse and resilient local economy.

In 2019–20 council will allocate \$4.22 million to supporting and growing local business; making it easier to do business; harnessing emerging technology; and boosting our visitor economy.



ACHIEVEMENTS

In 2018–19, council delivered projects and services that supported the goal of delivering economic prosperity—creating a place to do business, that welcomes visitors and provides value for money. Activities included:

- › Increasing support to local businesses through initiatives including a business concierge, visiting business advisory service and improved interface for businesses on our website
- › Progressing the Economic Activation Plan, towards a five year horizon in supporting local economic development and investing in future growth industries
- › Dedicating a resource to economic development and business support in Holdfast Bay
- › Continuing the business start-up support scheme, which provides support to small businesses and start-ups to locate and/or expand in our City to increase job opportunities or invest in export opportunities
- › Continuing to increase the income and occupancy of the Brighton caravan park. (As a key business asset, the park's income reduces the rate burden for our community)
- › Providing a digital support program for local businesses to entering or expanding an online presence
- › Upgrading our carpark facilities, replacing nine ticket machines in Glenelg with credit card enabled machines and introducing a new parking management system
- › Hosting more than 250 events, attracting over 500,000 event attendees. These events included New Year's Eve, TDU Street Party and Race Start, TDU People's Challenge, Christmas Pageant, Adelaide Fashion Festival Street Party, Moseley Beach Club, Winter Wonderland and the Skyline Ferris Wheel
- › Hosting the largest Lifesaving World Championships ever conducted, with over 7,000 registered participants which included 4,400 competing athletes from 45 nations.

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

PRIORITIES

In 2019–20 we will continue to support the Holdfast Bay economy, welcome tourism and attract a variety of events to our city. Our focus for 2019–20 includes:

- › Providing a digital support program to assist local businesses to support and assist businesses entering or expanding an online presence
- › Continuing to support small business start ups with small business development grants
- › Attracting a broad range of events to the City, through upgrading our event infrastructure, continuing to resource a busy and professional events team and introducing an event attraction fund
- › Progressing the objectives in our economic activation plan.

SERVICE DELIVERY \$3.77 MILLION

Tourism and business marketing services – \$2.27 million

Council will continue to develop an environment that assists the future viability of local businesses and creates opportunities to attract innovative industries. Our visitor and business services include:

- › Planning, implementing and supporting a wide range of community events to increase visitation and length of stay
- › Actively consulting and communicating with our community through our community engagement program
- › Preserving and stabilising the Holdfast history collection while developing opportunities to make it more accessible to the community
- › Providing targeted tourism and marketing services aligned with community desires and needs
- › Developing city-wide commercial and economic opportunities
- › Providing a voice for business and property owners in the Glenelg precinct through the Jetty Road Mainstreet Committee.

Commercial and economic enterprises – \$1.50 million

We will ensure that our commercial activities, commercial leases, and the Brighton Caravan Park provide the best possible return on the community's investment.

CAPITAL PROJECTS \$26,000

Car parking – \$26,000

In 2019–20 we have allocated \$26,000 for upgrades to carparking facilities and maintenance in the Partridge Street carpark.

NEW PROJECTS \$424,456

Economic Activation Plan

Economic prosperity is a core pillar of Council's 'Our Place 2030' Strategic Plan to ensure 'A diverse and resilient local economy'.

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 in the following key areas:

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

Small business development grants – \$50,000

The business grant program assists new and existing businesses in Holdfast Bay to innovate.

The program aims to provide a level of ongoing benefit to the City through increased employment, potential export opportunities and increased participation by the local community.

The initiative seeks to support new and existing businesses that:

- › Demonstrate innovation, creativity and sustainable practices
- › Increase employment and export opportunities
- › Demonstrate exemplar business practices

It is intended to encourage collaboration to increase partnerships and business engagement across the city and encourage new businesses to locate in Holdfast Bay.

Western Adelaide Alliance – \$10,000

The four western Adelaide councils are currently positioned well and are demonstrating growth that is leading the state. The Western Adelaide Alliance has the opportunity to continue this growth and partner with business to further capitalise on the economic prosperity for the region, with the end result being increased economic output for each member council.

Project initiatives include:

- › Development of a western regional economic development strategy (activation plan)
- › Continuation of current initiatives in tourism, transport, business development, health and defence
- › Extending the scope of projects to include waste management, business capacity building, smart cities and infrastructure.

Southern Business Advisory Service – \$10,000

The Southern Business Advisory Service, currently funded by cities of Marion and Onkaparinga and state government, operates within the four southern council areas. A new funding bid is required in 2019–20 and the current funding bodies have requested both Holdfast Bay and Mitcham councils contribute to the program.

Circular economy audit – \$20,000

Somerton Park Industry Precinct is an important element of our local economy as the only light industrial precinct within Holdfast Bay. In 2019–20 we will undertake a circular economy audit to understand what opportunities and challenges might exist for the precinct to minimise waste and make the most of resources.

Digital training – \$20,000

The Digital Training and Support Program will continue to assist small businesses to align online activities with business goals, increasing their knowledge and capacity to improve bottom line results in a constantly changing environment.

New signage for Jetty Road Brighton – \$25,000

Council will install street banners to improve the visibility of Jetty Road Brighton, helping to increase the vibrancy for this popular mainstreet.



Major events support and attraction

Open space electricity supply – \$150,000

Council will upgrade and install new electrical distribution services to support public functions and events in the Moseley Square and foreshore area.

Event investment and attraction fund – \$50,000

This fund will allow council to develop, attract and support targeted events aligning with a new events strategy and 3 year business plan.

Event Support – position continuation – \$79,456

Funding has been allocated to continue the employment of an event support officer to support and grow our annual events calendar.

Support for Jetty Road Brighton Winter Solstice Activation – \$10,000

Council will support local traders to create a winter activation at time of the solstice (June 21–22). Following a Nordic theme, the event will feature teepees, fire drums and pine trees and incorporate family activities and acoustic music performances. Local business will be engaged to provide instore and on-street activation helping to create a street party atmosphere. The event will also recognise the strip's relationship with sculpture and involve local charities.



PLACEMAKING

An accessible, vibrant and safe coastal city that celebrates our past to build for our future.

In 2019–20 council will allocate \$17.02 million to creating vibrant and safe places; developing walkable, connected neighbourhoods; building character and celebrating history; and housing a diverse population.



ACHIEVEMENTS

In 2018–19, council delivered a broad range of projects and services that supported the goal of enhancing city design and function, creating a place that is well planned, providing choice and enhancing life. Activities included:

- › Progressing the Jetty Road Glenelg and Environs Masterplan with detailed design for the Chapel Street plaza and coast sections
- › Constructing the Minda Dunes section of the coastal walking trail—the last section of the Coast Park walking trail for our city. This was assisted by \$4.35 million of funding from the Government of South Australia.

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

PRIORITIES

In 2019–20 we will continue to build a well-planned, accessible and safe city by:

- › Progressing the Jetty Road Glenelg and Environs Masterplan with construction of the Chapel Street plaza (subject to external funding)
- › Improving the amenity of the Buffalo site
- › Improving a number of locations around the City by installing traffic control devices
- › Implementing an accelerated footpath improvement program
- › Upgrading the Seacliff public toilets
- › Improving safety at Parkinson Reserve
- › Installing a pedestrian crossing at Angus Neill Reserve, Seacliff
- › Creating a new civic place with place making and landscaping around the Brighton Civic Centre.

SERVICE DELIVERY \$10.52 MILLION

Asset management – \$8.12 million

We will continue to manage and maintain community assets and infrastructure in an environmentally and financially sustainable way. This includes maintaining our playgrounds, street furniture, footpaths, roads, kerbs, water table, stormwater drainage system and buildings, controlling traffic and implementing ‘Roads to Recovery’ projects.

Development services – \$1.37 million

Council’s development assessment, development advice and building compliance services work to recognise opportunities while protecting the character and amenity of our suburbs. This year, we will continue to provide advice and make decisions about how to achieve an attractive and sustainable environment through well-planned buildings and places that reflect the way residents like to live, including supporting heritage property owners via our Heritage and Shopfront Character Grant Scheme to assist with maintenance and restoration.

Strategic planning and policy – \$1.03 million

We will deliver robust and comprehensive policies and strategies to guide future development, enhance our built environment and improve the function of our City.

CAPITAL PROJECTS \$2.77 MILLION

Roads (including kerb and water table reconstruction) – \$2.49 million

Council’s *Asset Management Plan* allows for the systematic repair and replacement of the city’s streets, kerbs and water table. In 2019–20, we have allocated \$1.33 million to renewing and upgrading roads; and \$1.16 million to renewing kerbs and water table.

Footpaths – \$152,841

The *Asset Management Plan* allocates \$152,841 in 2019–20 for maintaining footpaths to ensure they are safe. In addition to this we've included an accelerated program as part of the new projects outlined below.

Bus stops – \$30,000

As part of a three-year program, we will continue to upgrade bus shelters to comply with the requirements of the *Disability Discrimination Act 1992*.

Public toilets – \$38,000

Well maintained and well-located public toilet facilities are an important aspect of providing a liveable City. In 2019–20 council has allocated \$38,000 to undertake works at a number of public toilets across the City.

Signage – \$56,100

To support our goal of providing an attractive City that welcomes visitors and encourages tourism, we have allocated funding of \$56,100 to improve signage in reserves and throughout the suburbs.

NEW PROJECTS \$3.73 MILLION

Jetty Road Glenelg and Environs Masterplan – phase 1 construction – \$2.55 million

Council will commence construction of the Chapel Street public plaza (subject to receiving external funding).

Buffalo site amenity improvements – \$300,000

Council is committed to finding a long-term purpose for the site the HMS Buffalo replica formerly occupied, that takes into account its historical value and responds to wishes of the community. In 2019–20 we will rehabilitate the site, making it safe for visitors to access, and develop a plan for its ongoing use and maintenance.

Traffic control studies and devices – \$140,000

This project will improve a number of locations by installing traffic control devices, complementing the traffic studies undertaken.

Accelerated footpath improvement program – \$200,000

Council has allocated an additional \$200,000 to accelerate the footpath improvement program.

Seacliff public toilets upgrade – \$15,000

The toilets located on the Esplanade at Seacliff are close to reaching the end of their serviceable life and plans for their replacement need to be developed. The proposed upgraded facility would provide increased capacity and improved accessibility and would include additional public amenities such as beach showers and drinking facilities, complementing the new surf lifesaving infrastructure.

Brighton Civic Centre – \$250,000

Civic centres have long been an important meeting and gathering place for communities. This project will transform the Brighton Civic Centre landscape into a lovely place for casual meetings, create opportunities for small markets, and improve the biodiversity of the area, as well as greening a dry urban space.

Pedestrian crossing Angus Neill Reserve – \$200,000

We will improve safety for pedestrians crossing the esplanade to and from this popular playspace and reserve.

Parkinson Reserve safety improvements – \$35,000

Additional lighting and CCTV coverage will be installed on the western pathway and playspace to reduce illegal and antisocial behaviour.

Gladstone Road Footpath – \$40,000

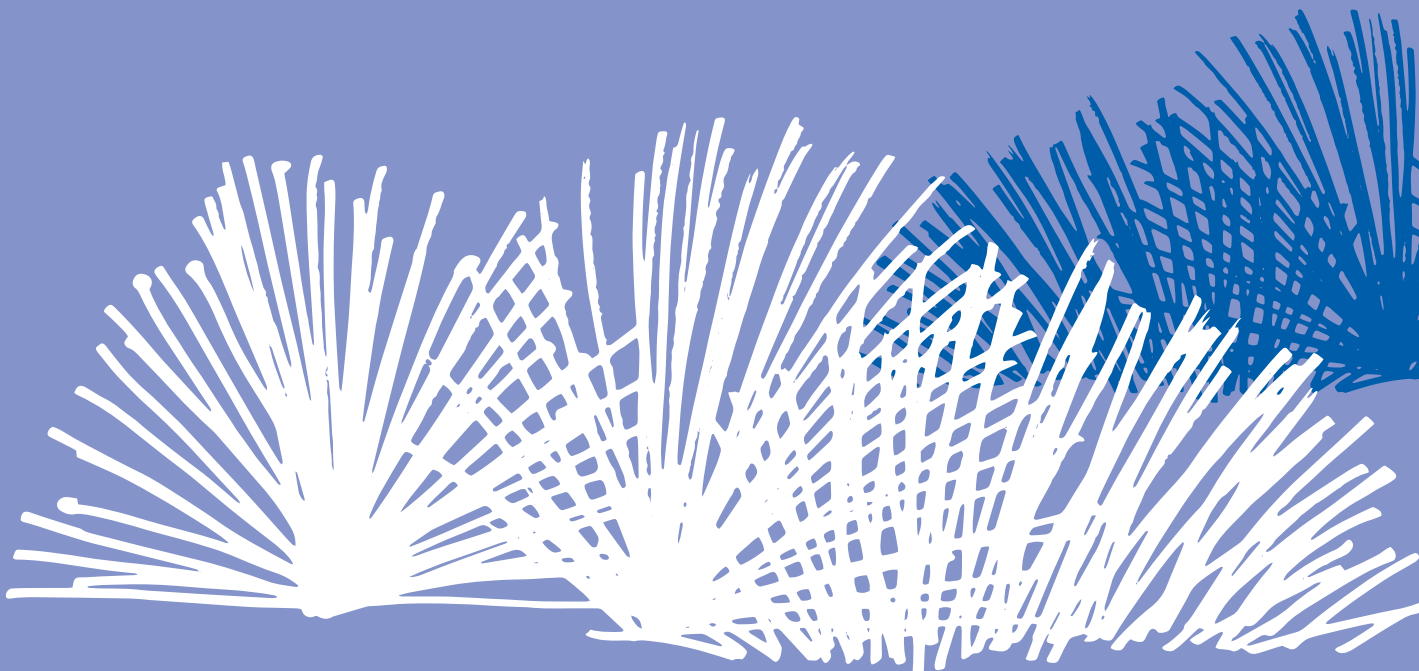
We will establish a new footpath on the southern side of the Gladstone Road between Walsh Street and the Esplanade.



CULTURE

An effective, customer-centred organisation.

In 2019–20, council will allocate \$11.27 million to providing customer-centred services; being financially accountable; enabling high performance; and supporting excellent, efficient operations.



ACHIEVEMENTS

In 2018–19, council progressed a number of projects to improve service delivery and efficiency, including:

- › A multi-year business transformation program to provide more intuitive, innovative and efficient operations, making it easier for the community to access information, interact with Council and lodge documents. In 2018/19 we completed the implementation of new payment software, development application software and budgeting software, for improved efficiency and convenience
- › A school based trainee program, which gives the opportunity to local students to get support in gaining a qualification as well as workplace experience
- › A comprehensive condition assessment of Council buildings
- › Implementation of an online grant application and assessment system to make it easier for community members to apply for grants.

During 2018–19 council also:

- › Resolved over 48,000 incoming calls via our customer service team
- › Continued the responsible management of operational and capital expenditure, allowing us to reduce our debts
- › Held the local government election for Holdfast Bay
- › Continued our commitment to leadership development
- › Received a Local Government Information Technology SA (LGITSA) Award for Excellence in Information Management.

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

PRIORITIES

In 2019–20 we will continue to provide an effective customer-centred, responsible organisation by:

- › Continuing the transformation of our information technology system to make it easier for our community to access information and transact with us
- › Developing a customer service strategy which will provide an holistic approach to creating high quality customer service
- › Providing grant to support an Aboriginal traineeship program at the Visitor Information Centre which will strengthen community connections and sustainability as well as improving visitor centre staff's understanding of indigenous culture.

SERVICE DELIVERY \$8.37 MILLION

Corporate services – \$5.15 million

Council to deliver services to the community in an accountable, transparent way that meets legislative requirements and provides the best value for money. The broad business areas delivering corporate services include:

- › Customer service
- › Governance and policy
- › Human resources
- › Risk management
- › Work health and safety
- › Elected member and CEO support
- › Records management
- › Corporate communications.

Financial and rating services – \$1.18 million

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

Information and technology services – \$2.04 million

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

CAPITAL PROJECTS \$2.44 MILLION

Plant and equipment replacement – \$1.23 million

To meet our operational needs and enable safe, effective delivery of services, we have allocated \$1.23 million to maintain and replace major plant and equipment.

Alwyndor asset renewal and replacement – \$844,063

Alwyndor will allocate \$844,063 to fund asset renewal and replacement works, including plant and equipment replacement.

Capital building works – \$363,868

In 2018–19, \$363,868 has been allocated to renew council buildings to ensure that they continue to provide safe and comfortable facilities.

NEW PROJECTS \$463,500

Customer Service Strategy 2019–2021 – \$56,000

Customer service has traditionally been seen as the exclusive remit of the customer service team. This proposal aims to establish a wholistic approach and develop a high-quality customer service culture across Council. Customer service champions will be embedded throughout the organisation to support the implementation of new systems and processes designed to provide dynamic, responsive service to internal and external customers alike.

Aboriginal Traineeship Grant – \$7,500

Council will contribute \$7,500 to support an adult Aboriginal trainee at the visitor centre.

Business Transformation – \$350,000

The continued upgrade of our core systems will enable the delivery of transactional services through a customer portal.

Asset Management Plan Update – \$50,000

Council has a statutory requirement to update its Asset Management Plan within 2 years of each Council election.



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**



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 current service delivery, quality, efficiency and cost effectiveness.



FUNDING OUR CITY

OPERATING RESULT

In 2019–20 council is proposing an extensive program of services and projects. To achieve this we expect to raise \$48.06 million in operating income and spend \$47.81 million in operating expenditure (excluding Alwyndor). 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, as well as income from statutory and user charges. In 2019–20, 77 per cent of the revenue to fund municipal operations will come from rates.

Council has budgeted for a consolidated operating surplus of \$72,000 in 2019–20, composed of an operating deficit for Alwyndor of \$180,000 and an operating surplus of \$252,000 for our municipal activities.

OUR FINANCIAL STATEMENTS

We have included a summary of our projected financial statements for the 2019–20 financial year in this document. The consolidated financial statements incorporate both our municipal operations and Alwyndor Aged Care, which is a self-funded component of our service delivery.

A net sum of \$35.87 million (excluding NRM Levy) will be raised from rates in 2019–20.

Council owns infrastructure and assets (such as roads, drains, footpaths and buildings) with a current value of approximately \$369 million (excluding land). These assets deteriorate over time through wear and tear, and must be replaced or renewed at appropriate intervals in order to prolong their useful lives and continue delivering services to their community. We are mindful of the impact on ratepayers and committed to developing options that ease the rate burden by increasing other sources of revenue.



FINANCIAL MANAGEMENT

Council's financial principles include a commitment to prudent debt management. Our treasury policy recognizes the use of borrowings to spread the investment in community assets over time, in support of 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 2019–20 Annual Business Plan is forecasting a projected borrowing requirement of \$10 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 benefit of the community 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 framework and Audit Committee provide strategic and operational risk management guidance. This is done holistically, having regard for all aspects of financial and overall 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.

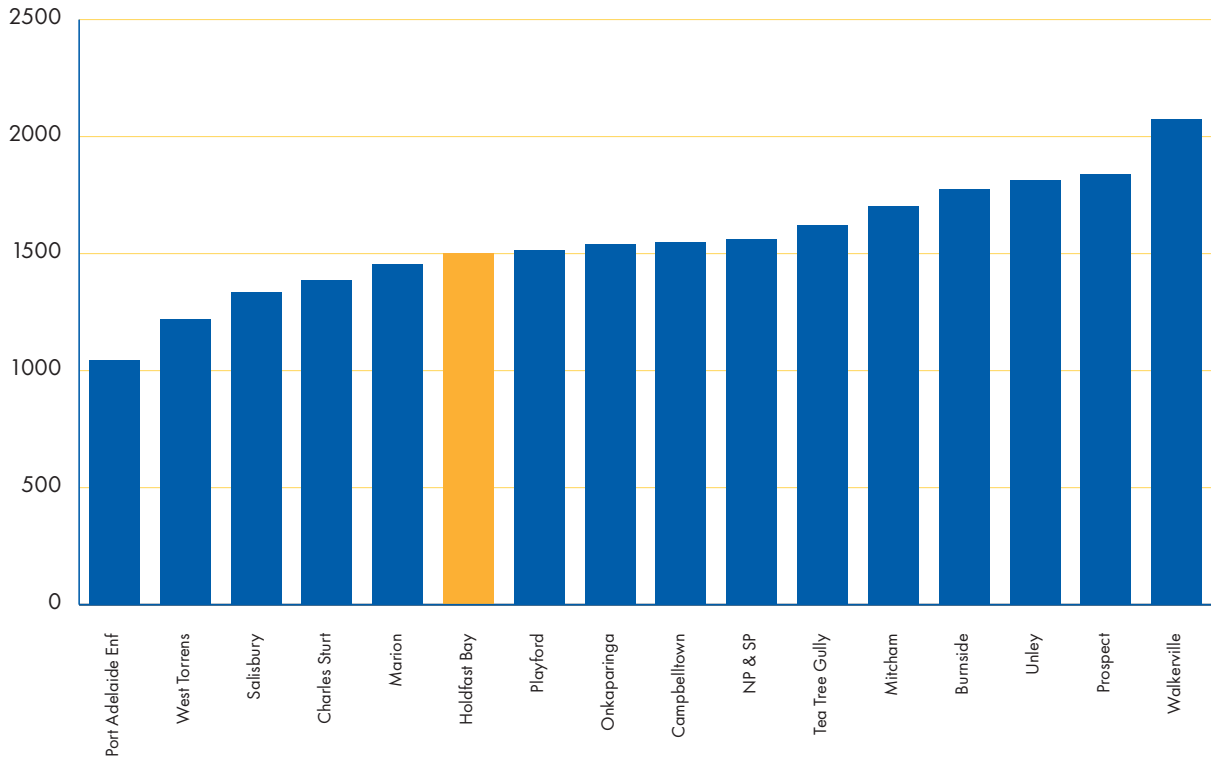
Rate comparisons

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 and, although some of these are statutory requirements, the majority are determined by the expectations of local rate payers. 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 that will be required to meet the ongoing cost of providing services to the community for the coming year.

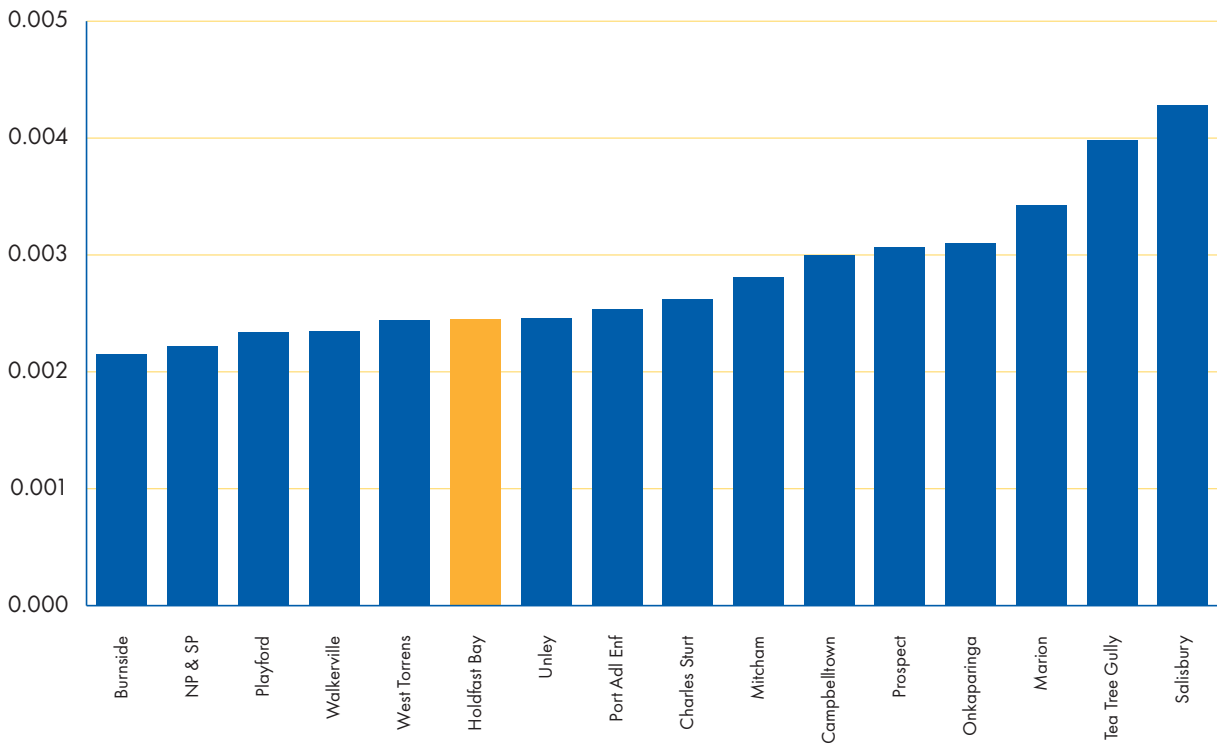
The amount of rates you paid is determined by multiplying a property's value by the rate in the dollar. For example, if the property value is \$500,000 and the rate in the dollar is 0.004474 cents, the rates payable will be \$1,224.

The charts on the following page show a comparison of the average residential rate for Adelaide metropolitan councils for 2018–19. The average (mean) residential rate for the City of Holdfast Bay in 2018–19 was \$1,500. This represented a rate of 0.0024474 cents in the dollar. We were able to deliver the program of services and projects outlined in the 2018–19 Annual Business Plan, with a residential rate that compares favourably to other South Australian council areas.

2018–19 Average (mean) residential rate comparison (\$'s)



2018–19 Residential rate-in-the-dollar comparison (cents)



What will you pay in rates?

The amount you pay is determined by the valuation of your property and the way we apportion rates across the community. We endeavour to apportion rates across the community in an equitable fashion. Based on property valuations for 2019–20, the rate increase for the average (mean) residential premises will be approximately \$29 or \$7.25 per quarter. This is the equivalent of 56 cents per week.

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, adopted in June 2019, 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.

Residential rates

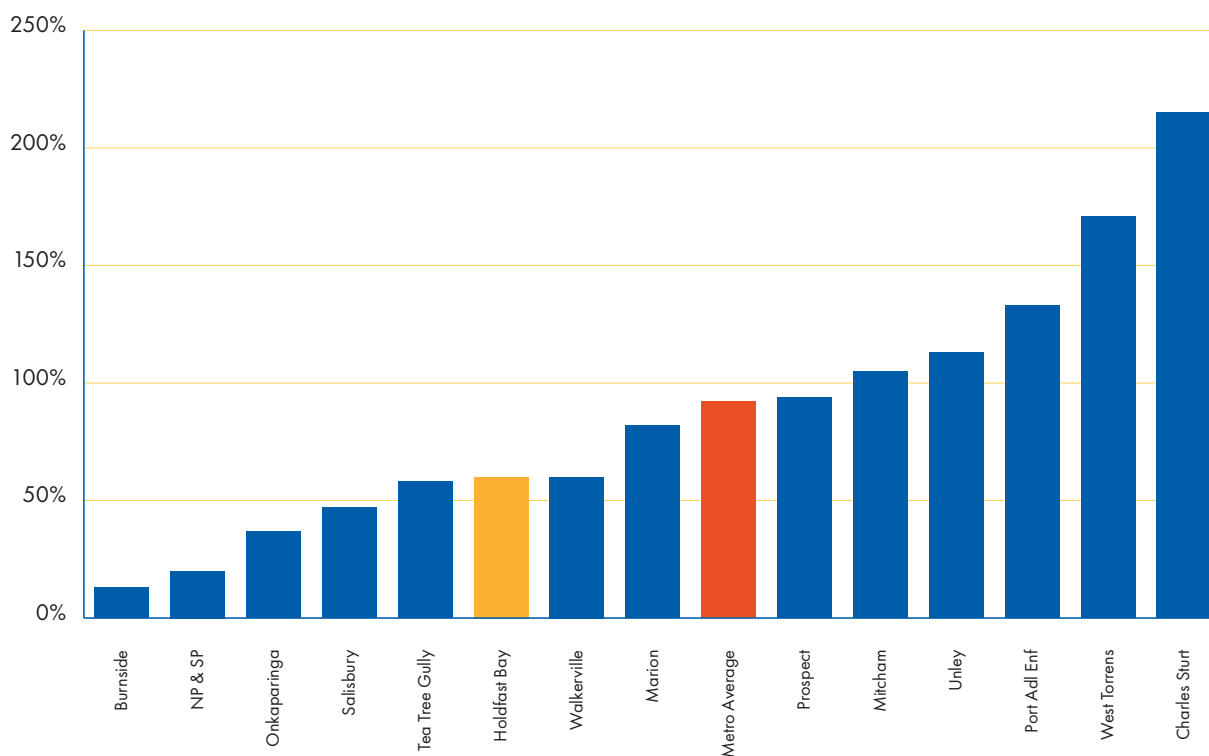
Our 2019–20 *Annual Business Plan* and financial statements have been based on a rate revenue increase of 2.7 per cent, excluding new building construction and separate rates. The average (mean) value of properties in the City of Holdfast Bay for 2019–20 is \$630,090, with an average (mean) rate of \$1529.

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.

In 2019–20 a differential premium of 55 per cent above the residential rate has been applied, equating to 13.8 per cent of total rate revenue (\$4.92 million) being paid by this sector. This premium compares favourably with the 2018–19 metropolitan average of 92 per cent as shown on the following page.

2018–19 Metropolitan differential rate premium comparison



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, which 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 \$578,088 in 2019–20, which represents an increase of 2.4 per cent on the rate levied in 2018–19.
2. The Patawalonga Marina Separate Rate, which is applied to properties that are 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 per cent. The Patawalonga Marina Separate Rate for 2019–20 is expected to raise \$71,750. We will continue to calculate this rate using this method, adjusting slightly to account for the actual maintenance costs incurred each year, as it offers the greatest level of certainty for ratepayers.

Natural Resource Management levy

The Natural Resource Management (NRM) Levy is collected on behalf of the Government of South Australia's Adelaide and Mount Lofty Ranges Resource Management Board. In 2019–20 the NRM Levy for properties in the City of Holdfast Bay will increase by \$26,000 to \$1.28 million. This represents a 2 per cent increase to the rate levied in 2018–19.

Rebates

Council is required to provide mandatory rebates under Sections 160 to 165 of the *Local Government Act 1999* in relation to 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

Council imposes a minimum amount payable by way of rates. For 2019–20 the minimum rate is \$1,002.

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 2019–20 Council has determined that residents can apply for a reduction in their rates where they can demonstrate an increase in their annual rate bill in excess of 6 per cent.

FINANCIAL TARGETS

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

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

In 2019–20 council will raise \$35.87 million in rate revenue (including separate rates and but excluding the NRM levy) and this will yield an operating surplus ratio of 0.5 per cent. Currently our operating ratio measure over the five-year period from 2014-2015 to mid 2019 is 1.8 per cent. 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 are 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 constantly undertake reviews of the services provided to the community, and our business processes, to provide the most cost-effective and efficient service delivery. In 2019–20, 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 per cent**

Council’s current ceiling for the net financial liabilities ratio is 75 per cent. 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 from time to time it is acceptable to exceed this ceiling, particularly when low interest rates offer the opportunity to develop infrastructure and facilities that will provide long-term benefit to the community. In 2019–20 the net financial liabilities ratio is forecast to increase from 49 per cent to 60 per cent (excluding Alwyndor Aged Care). The ratio is expected to decline in subsequent years as our fixed-term debt is reduced.

An additional, and arguably more relevant, indicator of Council’s ability to manage and service debt is its interest cover ratio. It is measured by calculating our net financial interest as a percentage of the overall operating revenue. Council has set a ceiling of 5 per cent for this ratio. A ratio of 5 per cent indicates that, for every \$100 of revenue, \$5 is spent on net interest payments. In 2019–20 our interest cover ratio is forecast to be 1.2 per cent (excluding Alwyndor Aged Care). Our net financial liabilities and interest cover ratio indicates 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 per cent 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 2019-20 this is forecast to be 127 per cent due to increased building and equipment renewal requirements.



MEASURING OUR PERFORMANCE

Council has appointed 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 against the following:

- › 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 measure how we are working towards achieving the strategic objectives outlined in *Our Place 2030*
- › 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 2030* 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 promised in *Our Place*, 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 2030*. These include:

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

REPORTING CURRENT PERFORMANCE

Council will report on progress towards the objectives outlined in our strategic plan in our 2019–20 Annual Report.

Table of measures and targets



COMMUNITY

MEASURE	TARGET
Increase resident wellbeing	5% increase
Deliver wellbeing and resilience workshops	2 per annum
Achieve high community satisfaction with playgrounds and open space	70% satisfaction
Complete sporting and community hubs	2 completed
Attract new community initiatives through our community donations program	3 per annum
Achieve high community satisfaction with our range and quality of services and programs	70% satisfaction
Engage people in culture and heritage, Aboriginal cultural programs, events and activities	200 people per annum
Increase the number of people accessing our community centres and libraries	5% increase per annum
Achieve high community satisfaction with our community facilities including, libraries, services and programs	70% satisfaction
Increase the number of opportunities for volunteering	5% increase per annum
Increase the online engagement with our "YourView" website to better represent our City's population	10% sample of the population of the city
Establish and maintain successful partnerships with Flinders University, Adelaide University, SAHMRI, local schools, community groups and centres, Alwyndor, local government partners and other relevant bodies	Establish and maintain partnerships



ENVIRONMENT

MEASURE	TARGET
Increase native flora (species and population) in natural areas	10% increase
Increase native fauna habitats in natural areas	10% increase
Increase the tree canopy within the City	10% increase
Increase the width of our recreational beaches and maintain the dune systems	10% increase
Reduce heat island areas	10% reduction
Reduce flash floods within the City for rain events less than 20mm	0 flash floods
Reduce Council's greenhouse emissions	12% reduction
Divert more waste from landfill	10% increase
Reduce stormwater discharge to the ocean	30% reduction
Increase the number of environmental volunteering opportunities	50% increase



ECONOMY

MEASURE	TARGET
Achieve high satisfaction from businesses in Council's support for business	70% satisfaction
Achieve high satisfaction from businesses in doing business with Council	70% satisfaction
Develop and begin implementing a digital economy strategy	Plan developed and begin implementation by 1 July
Increase number of properties with access to high-speed internet	100% of properties
Increase number of visitors to the area (by 2022)	15% increase





PLACEMAKING

MEASURE	TARGET
Achieve high level of community satisfaction with the quality and feel of our major main street precincts	70% satisfaction
Achieve high level of community satisfaction with walkability and access to local shops, services, public transport and open space	70% satisfaction
Increase the number of people travelling to local destinations via active travel options	20% increase
Achieve high level of community satisfaction with the design of new buildings and their contribution to local character	70% satisfaction
Increase the proportion of non-detached dwelling types (the “missing middle”) in our City	10% increase



CULTURE

MEASURE	TARGET
Deliver all our new projects identified in the Annual Business Plan	100% completion
Achieve a high level of internal satisfaction with culture brand	90% satisfaction
Achieve a high score in our annual leadership survey	80% score
Achieve a high level of community satisfaction with Council’s services	70% satisfaction
Increase the number of customer services available through a digital platform in addition to other service channels	100% of services
Achieve annual financial targets	<ul style="list-style-type: none"> › Operating result ≥ 0 › Operating ratio ≥ 0 › Net financial liabilities ratio $\leq 75\%$ › Interest cover ratio $\leq 5\%$
Achieve a high level of community satisfaction with Council providing good financial management and value for the rate dollar	70% satisfaction
Reduce our reliance on rate revenue	< 70% revenue from rates
Be benchmarked as one of the top five metropolitan councils in operating efficiency	> or equal to 5
Achieve a high level of community satisfaction on Council’s performance	70% satisfaction
Receive recognition for our efforts through prestigious awards of excellence	3 per annum

The background is a solid yellow color with white, hand-drawn style contour lines that resemble a topographic map. The lines are irregular and wavy, creating a sense of depth and movement. They are distributed across the page, with some areas having more closely spaced lines and others having more widely spaced lines.

FINANCIAL STATEMENTS – MUNICIPAL

CITY OF HOLDFAST BAY
BUDGET FUNDING STATEMENT - MUNICIPAL FUNDS

<u>Municipal</u> <u>18/19 Original</u> <u>BUDGET</u> \$		<u>Municipal</u> <u>19/20</u> <u>BUDGET</u> \$
34,199,000	Rates - General	35,222,300
564,539	Rates - Jetty Road Glenelg	578,088
70,000	Rates - Patawalonga Marina	71,750
1,254,308	Rates - NRM Levy	1,280,500
2,246,405	Statutory Charges	2,298,430
4,034,965	User Charges	4,137,639
3,014,246	Operating Grants & Subsidies	2,884,766
42,400	Investment Income	84,400
682,370	Reimbursements	711,795
511,975	Other	564,661
230,000	Net Equity Gain - Joint Ventures	230,000
46,850,208	Operating Revenue	48,064,329
17,561,902	Employee Costs	18,205,071
18,882,016	Materials, contracts and other expenses	19,660,240
761,230	Finance Charges	661,643
9,033,000	Depreciation	9,288,000
(815,987)	Less full cost attribution - % admin costs capitalised	(832,307)
1,155,971	New Initiatives - Operating	829,306
46,578,132	Less Operating Expenditure	47,811,953
272,076	= Operating Surplus/(Deficit)	252,376
9,033,000	Depreciation	9,288,000
17,240	Other non-cash provisions	22,185
9,050,240	Plus Non-Cash items in Operating Surplus/Deficit	9,310,185
9,322,316	= Funds Generated from Operating Activities	9,562,561
9,584,707	Capital (External Contributions)	3,524,000
1,202,000	Proceeds from disposal of assets	357,250
10,786,707	Plus funds sourced from Capital Activities	3,881,250
(4,782,700)	Capital Expenditure-Asset Renewal and Replacement	(6,035,588)
(815,987)	Capital Expenditure-Full Cost Attribution	(832,307)
(16,958,904)	New Initiatives - Capital (Gross Expenditure)	(16,022,679)
(22,557,591)	Less total capital expenditure	(22,890,574)
208,431	Plus: Repayments of loan principal by sporting groups	202,966
208,431	Plus/(less) funds provided (used) by Investing Activities	202,966
(2,240,137)	= FUNDING SURPLUS/(REQUIREMENT)	(9,243,797)
Funded by:		
-	Increase/(Decrease) in cash and cash equivalents	
(3,380,697)	Less: Proceeds from new borrowings	(10,190,397)
1,140,560	Plus: Principal repayments of borrowings	946,600
(2,240,137)		(9,243,797)

CITY OF HOLDFAST BAY
PROJECTED INCOME STATEMENT- MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Municipal</u> <u>18/19 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>19/20</u> <u>BUDGET</u>
\$	REVENUES	\$
34,199,000	Rates - General	35,222,300
564,539	Rates - Jetty Road Glenelg	578,088
70,000	Rates - Patawalonga Marina	71,750
1,254,308	Rates - NRM Levy	1,280,500
2,246,405	Statutory Charges	2,298,430
4,034,965	User Charges	4,137,639
3,014,246	Operating Grants & Subsidies	2,884,766
42,400	Investment Income	84,400
682,370	Reimbursements	711,795
511,975	Other	564,661
230,000	Net Equity Gain - Joint Ventures	230,000
46,850,208	TOTAL REVENUES	48,064,329
	EXPENSES	
17,561,902	Employee Costs	18,205,071
18,882,016	Materials, contracts and other expenses	19,660,240
761,230	Finance Charges	661,643
9,033,000	Depreciation	9,288,000
(815,987)	Less full cost attribution	(832,307)
1,155,971	New Initiatives - Operating	829,306
46,578,132	TOTAL EXPENSES	47,811,953
272,076	Operating Surplus/(Deficit) - Before Capital Revenue	252,376
9,584,707	Amounts specifically for new or upgraded assets	3,524,000
9,856,783	NET SURPLUS/(DEFICIT)	3,776,376

CITY OF HOLDFAST BAY
PROJECTED BALANCE SHEET - MUNICIPAL FUNDS
AS AT 30TH JUNE 2020

<u>Municipal</u> <u>18/19 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>19/20</u> <u>BUDGET</u>
\$		\$
	CURRENT ASSETS	
593,154	Cash and cash equivalents	(306,714)
2,351,000	Trade and Other Receivables	2,093,034
9,000	Inventory	10,000
2,953,154	TOTAL CURRENT ASSETS	1,796,320
	NON-CURRENT ASSETS	
1,276,772	Financial Assets	1,287,569
3,215,000	Equity accounted investments-Council businesses	3,072,000
710,964,809	Land, Infrastructure, Property, Plant & Equipment	713,402,899
715,456,581	TOTAL NON-CURRENT ASSETS	717,762,468
718,409,735	TOTAL ASSETS	719,558,788
	CURRENT LIABILITIES	
4,363,000	Trade and Other Payables	3,721,000
1,036,804	Borrowings	1,130,000
2,808,200	Short-term Provisions	2,837,425
8,208,004	TOTAL CURRENT LIABILITIES	7,688,425
	NON-CURRENT LIABILITIES	
18,129,137	Long-term Borrowings	24,407,131
641,240	Long-term Provisions	311,000
18,770,377	TOTAL NON-CURRENT LIABILITIES	24,718,131
26,978,381	TOTAL LIABILITIES	32,406,556
691,431,354	NET ASSETS	687,152,232
	EQUITY	
174,956,354	Accumulated Surplus	179,916,232
516,439,000	Asset Revaluation Reserve	507,236,000
36,000	Other Reserves	-
691,431,354	TOTAL EQUITY	687,152,232

CITY OF HOLDFAST BAY
PROJECTED STATEMENT OF CHANGES IN EQUITY - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Municipal</u> <u>18/19 Original</u> <u>BUDGET</u>		<u>Municipal</u> <u>19/20</u> <u>BUDGET</u>
\$		\$
	ACCUMULATED SURPLUS	
165,099,571	Balance at beginning of period	176,139,856
9,856,783	Net Surplus/(Deficit)	3,776,376
174,956,354	Balance at end of period	179,916,232
516,439,000	ASSET REVALUATION RESERVE	507,236,000
36,000	MUNICIPAL RESERVES	-
516,475,000	TOTAL RESERVES CLOSING BALANCE	507,236,000
691,431,354	TOTAL EQUITY	687,152,232

CITY OF HOLDFAST BAY
PROJECTED BUDGETED STATEMENT OF CASH FLOWS - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Municipal</u> <u>18/19 Original</u> <u>BUDGET</u> \$ (OUTFLOWS)		<u>Municipal</u> <u>19/20</u> <u>BUDGET</u> \$ (OUTFLOWS)
	CASH FLOWS FROM OPERATING ACTIVITIES	
	<u>Receipts</u>	
46,620,208	Operating Receipts	48,064,329
	<u>Payments</u>	
(36,536,662)	Operating payments to suppliers and employees	(37,840,125)
(761,230)	Finance Payments	(661,643)
9,322,316	NET CASH PROVIDED BY OPERATING ACTIVITIES	9,562,561
	CASH FLOWS FROM INVESTING ACTIVITIES	
	<u>Receipts</u>	
9,584,707	Grants specifically for new or upgraded assets	3,524,000
202,000	Sale of replaced assets	357,250
1,000,000	Sale of surplus assets	-
208,431	Repayments of loans (principal) by community groups	202,966
	<u>Payments</u>	
(5,103,933)	Expenditure on renewal/replacement of assets	(6,867,895)
(17,453,658)	Expenditure on new/upgraded assets	(16,022,679)
(11,562,453)	NET CASH (USED IN) INVESTING ACTIVITIES	(18,806,358)
	CASH FLOWS FROM FINANCING ACTIVITIES	
	<u>Receipts</u>	
3,380,697	Proceeds from Borrowings - External	10,190,397
	<u>Payments</u>	
(1,140,560)	Repayments of Borrowings - External	(946,600)
2,240,137	NET CASH PROVIDED BY FINANCING ACTIVITIES	9,243,797
	- NET INCREASE (DECREASE) IN CASH HELD	-
593,154	CASH AND CASH EQUIVALENTS AT BEGINNING OF	(306,714)
	REPORTING PERIOD	
	CASH AND CASH EQUIVALENTS AT END OF	
593,154	REPORTING PERIOD	(306,714)

RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2020

9,856,783	SURPLUS FROM INCOME STATEMENT	3,776,376
	NON-CASH ITEMS IN INCOME STATEMENT	
9,033,000	Depreciation	9,288,000
17,240	Movements in provisions	22,185
9,050,240	TOTAL NON-CASH ITEMS	9,310,185
	CASH ITEMS NOT IN INCOME STATEMENT	
(22,557,591)	Capital Expenditure	(22,890,574)
(1,140,560)	Loan Repayments - External	(946,600)
3,380,697	Proceeds from Borrowings - External	10,190,397
208,431	Repayments of loans (principal) by community groups	202,966
1,202,000	Proceeds from Disposal of Assets	357,250
(18,907,023)	TOTAL CASH ITEMS	(13,086,561)
	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 2020

<u>Municipal</u> <u>18/19 Original</u> <u>BUDGET</u> \$		<u>Municipal</u> <u>19/20</u> <u>BUDGET</u> \$
46,850,208	Operating Revenues	48,064,329
<u>(46,578,132)</u>	less Operating Expenses	<u>(47,811,953)</u>
272,076	Operating Surplus/(Deficit) before Capital Amounts	252,376
Less net outlays on Existing Assets		
5,103,933	Capital Expenditure on renewal & replacement of existing assets	6,867,895
<u>(9,033,000)</u>	Less Depreciation	<u>(9,288,000)</u>
(3,929,067)		(2,420,105)
Less outlays on New and Upgraded Assets		
17,453,658	Capital Expenditure on new & upgraded assets	16,022,679
<u>(9,584,707)</u>	Less amounts received for for new & upgraded assets	<u>(3,524,000)</u>
7,868,951		12,498,679
<u>(3,667,808)</u>	Net lending/(borrowing) for financial year	<u>(9,826,198)</u>

PROJECTED FINANCIAL INDICATORS - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Municipal</u> <u>18/19 Original</u> <u>BUDGET</u> \$		<u>Municipal</u> <u>19/20</u> <u>BUDGET</u> \$
\$272,076	OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS	\$252,376
0.6%	OPERATING SURPLUS RATIO (Operating surplus/(deficit) before capital amounts as % of total operating revenue)	0.5%
\$22,757,455	NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)	\$29,025,953
49%	NET FINANCIAL LIABILITIES RATIO (Total liabilities less financial assets as % of total operating revenue)	60%
1.6%	INTEREST COVER RATIO (Net interest expense as % of total operating revenue less investment income)	1.2%
98%	ASSET SUSTAINABILITY RATIO (Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of asset management plan)	127%



**FINANCIAL STATEMENTS
– ALWYNDOR**

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

<u>Alwyndor</u> <u>18/19 Original</u> <u>BUDGET</u> \$		<u>Alwyndor</u> <u>19/20</u> <u>BUDGET</u> \$
3,723,292	User Charges	3,970,562
10,224,308	Operating Grants & Subsidies	10,339,428
423,861	Investment Income	490,650
3,144,828	Reimbursements	3,073,592
1,934,069	Other	1,753,378
<u>19,450,358</u>	Operating Revenue	<u>19,627,610</u>
14,039,400	Employee Costs - Salaries & Wages	13,915,273
4,248,011	Materials, contracts and other expenses	4,590,834
70,000	Finance Charges	125,000
906,639	Depreciation	1,176,579
<u>19,264,050</u>	Less Operating Expenditure	<u>19,807,686</u>
<u>186,308</u>	= Operating Surplus/(Deficit)	<u>(180,076)</u>
906,639	Depreciation	1,176,579
127,250	Other non-cash provisions	128,097
<u>1,033,889</u>	Plus Non-Cash items in Operating Surplus/Deficit	<u>1,304,676</u>
<u>1,220,197</u>	= Funds Generated from Operating Activities	<u>1,124,600</u>
(889,190)	Capital Expenditure-Asset Renewal and Replacement	(844,063)
(889,190)	Less total capital expenditure	(844,063)
<u>331,007</u>	= FUNDING SURPLUS	<u>280,537</u>
Funded by:		
<u>331,007</u>	Increase/(Decrease) in cash and cash equivalents	<u>280,537</u>
<u>331,007</u>		<u>280,537</u>

CITY OF HOLDFAST BAY
PROJECTED INCOME STATEMENT - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Alwyndor</u> <u>18/19 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>19/20</u> <u>BUDGET</u>
\$	REVENUES	\$
3,723,292	User Charges	3,970,562
10,224,308	Operating Grants & Subsidies	10,339,428
423,862	Investment Income	490,650
3,144,828	Reimbursements	3,073,592
1,934,068	Other	1,753,378
<u>19,450,358</u>	TOTAL REVENUES	<u>19,627,610</u>
	EXPENSES	
14,039,400	Employee Costs	13,915,273
4,248,011	Materials, contracts and other expenses	4,590,834
70,000	Finance Charges	125,000
906,639	Depreciation	1,176,579
<u>19,264,050</u>	TOTAL EXPENSES	<u>19,807,686</u>
<u>186,308</u>	Operating Surplus/(Deficit) - Before Capital Revenue	<u>(180,076)</u>
<u>186,308</u>	NET SURPLUS/(DEFICIT)	<u>(180,076)</u>



CITY OF HOLDFAST BAY
PROJECTED BALANCE SHEET - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Alwyndor</u>		<u>Alwyndor</u>
<u>18/19 Original</u>		<u>19/20</u>
<u>BUDGET</u>		<u>BUDGET</u>
\$		\$
	CURRENT ASSETS	
18,103,399	Cash and cash equivalents	20,775,333
2,697,564	Trade and Other Receivables	765,559
20,800,963	TOTAL CURRENT ASSETS	21,540,892
	NON-CURRENT ASSETS	
40,369,224	Land, Infrastructure, Property, Plant & Equipment	39,562,753
40,369,224	TOTAL NON-CURRENT ASSETS	39,562,753
61,170,187	TOTAL ASSETS	61,103,645
	CURRENT LIABILITIES	
33,392,245	Trade and Other Payables	34,829,344
1,541,577	Short-term Provisions	1,760,092
34,933,822	TOTAL CURRENT LIABILITIES	36,589,436
	NON-CURRENT LIABILITIES	
162,370	Long-term Provisions	128,440
162,370	TOTAL NON-CURRENT LIABILITIES	128,440
35,096,192	TOTAL LIABILITIES	36,717,876
26,073,995	NET ASSETS	24,385,769
	EQUITY	
10,588,985	Accumulated Surplus	8,900,758
9,070,656	Asset Revaluation Reserve	9,070,657
6,414,354	Other Reserves	6,414,354
26,073,995	TOTAL EQUITY	24,385,769

CITY OF HOLDFAST BAY
PROJECTED STATEMENT OF CHANGES IN EQUITY - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Alwyndor</u>		<u>Alwyndor</u>
<u>18/19 Original</u>		<u>19/20</u>
<u>BUDGET</u>		<u>BUDGET</u>
\$		\$
	ACCUMULATED SURPLUS	
10,402,677	Balance at beginning of period	9,080,834
186,308	Net Surplus/(Deficit)	(180,076)
-	Transfers from reserves	-
10,588,985	Balance at end of period	8,900,758
9,070,656	ASSET REVALUATION RESERVE	9,070,657
6,414,354	ALWYNDOR RESERVES	6,414,354
15,485,010	TOTAL RESERVES CLOSING BALANCE	15,485,011
26,073,995	TOTAL EQUITY	24,385,769

CITY OF HOLDFAST BAY
PROJECTED BUDGETED STATEMENT OF CASH FLOWS - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Alwyndor</u> <u>18/19 Original</u> <u>BUDGET</u> \$ (OUTFLOWS)	<u>Alwyndor</u> <u>19/20</u> <u>BUDGET</u> \$ (OUTFLOWS)
CASH FLOWS FROM OPERATING ACTIVITIES	
<u>Receipts</u>	
19,450,358	Operating Receipts
	19,627,610
<u>Payments</u>	
(18,160,161)	Operating payments to suppliers and employees
(70,000)	Finance Payments
<u>1,220,197</u>	<u>(125,000)</u>
	<u>1,124,600</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	
CASH FLOWS FROM INVESTING ACTIVITIES	
<u>Payments</u>	
(889,190)	Expenditure on renewal/replacement of assets
<u>(889,190)</u>	<u>(844,063)</u>
	<u>(844,063)</u>
331,007	NET INCREASE (DECREASE) IN CASH HELD
	280,537
17,772,392	CASH AND CASH EQUIVALENTS AT BEGINNING OF
	REPORTING PERIOD
	20,494,796
<u>18,103,399</u>	CASH AND CASH EQUIVALENTS AT END OF
	REPORTING PERIOD
	<u>20,775,333</u>

RECONCILIATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2020

186,308	SURPLUS/(DEFICIT) FROM INCOME STATEMENT	(180,076)
	NON-CASH ITEMS IN INCOME STATEMENT	
906,639	Depreciation	1,176,579
127,250	Increase (decrease) in provisions - nett	128,097
<u>1,033,889</u>	TOTAL NON-CASH ITEMS	<u>1,304,676</u>
CASH ITEMS NOT IN INCOME STATEMENT		
(889,190)	Capital Expenditure	(844,063)
<u>(889,190)</u>	TOTAL CASH ITEMS	<u>(844,063)</u>
<u>331,007</u>	NET INCREASE/(DECREASE)	
	IN CASH AND CASH EQUIVALENTS	<u>280,537</u>



CITY OF HOLDFAST BAY
PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Alwyndor</u> <u>18/19 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>19/20</u> <u>BUDGET</u>
\$		\$
19,450,358	Operating Revenues	19,627,610
(19,264,050)	less Operating Expenses	(19,807,686)
186,308	Operating Surplus/(Deficit) before Capital Amounts	(180,076)
	Less net outlays on Existing Assets	
889,190	Capital Expenditure on renewal & replacement of existing assets	844,063
(906,639)	Less Depreciation	(1,176,579)
(17,449)		(332,516)
203,757	Net lending/(borrowing) for financial year	152,440

PROJECTED FINANCIAL INDICATORS - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2020

<u>Alwyndor</u> <u>18/19 Original</u> <u>BUDGET</u>		<u>Alwyndor</u> <u>19/20</u> <u>BUDGET</u>
\$		\$
	OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS	
\$186,308		-\$180,076
	OPERATING SURPLUS RATIO	
	(Operating surplus/(deficit) before capital amounts as % of general revenue)	
1.0%		-0.9%
	NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)	
\$14,295,229		\$15,176,984
	NET FINANCIAL LIABILITIES RATIO	
	(Total liabilities less financial assets as % of total operating revenue)	
73%		77%
	INTEREST COVER RATIO	
	(Net interest expense as % of total operating revenue less investment income)	
0.4%		0.7%
	ASSET SUSTAINABILITY RATIO	
	(Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of depreciation expense)	
98%		72%



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