



22 May 2024

Contact for Apologies: General Manager
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File Ref: GOV9.14.041

Dear Board Member

NOTICE OF MEETING

Notice is hereby given pursuant to the Victor Harbor Horse Tram Authority Charter and Section 87(4) of the Local Government Act, 1999, as amended that a special meeting for the **Victor Harbor Horse Tram Authority** has been called for:

DATE: Wednesday, 22 May 2024
TIME: 3:00pm
PLACE: The Stables, 11 Canton Place, Victor Harbor

Please find enclosed a copy of the Agenda for the meeting.

Yours faithfully

Megan Whibley
General Manager
Victor Harbor Horse Tram Authority

Please be advised that filming, photography, and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.



Acknowledgement of Country

We acknowledge the traditional custodians of our beautiful lands and surrounding waters, the Ramindjeri and Ngarrindjeri people. As a community we recognise and respect their cultural connection with the land and waters.

1. Open Meeting/Welcome

2. Attendance

Nigel Catt (Chair)

Cr Carol Schofield AM (Deputy Chair)

Rachel Kennedy

Natasha Hunt

Megan Whibley (General Manager VHHTA)

Whitney Mainwaring (Minute Secretary - Consultant)

Karen Rokicinski (Director Corporate and Customer Service)

3. Apologies

Paul Brown

4. Minutes of Previous meeting

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5. Adjourned Item(s)

Nil

6. Reports for Receiving and Noting only

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7. Reports for Decision

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8. Presentation(s)

Nil

9. Discussion Items – No decision(s)

- 9.1 Official Opening of Stables
- 9.2 Horse Lease
- 9.3 Horse Update

10. Correspondence Received

Nil

11. Urgent Business without Notice

Nil

12. Confidential Item

- 12.1 CONFIDENTIAL ITEM - Staff Update

Next Meeting

Wednesday, 7 August 2024, 3pm – The Stables, 11 Canton Place, Victor Harbor

Meeting Close

Please be advised

- *That filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **Board Meeting Minutes – 24 April 2024**
Report Number **4.1**

RECOMMENDATION

That the minutes of the previous Victor Harbor Horse Tram Authority Board Meeting held Wednesday, 24 April 2024, be confirmed as a true and accurate record.

INFORMATION

Purpose

The purpose of this report is to present the Victor Harbor Horse Tram Authority minutes for the meeting held on 24 April 2024 for confirmation.

Background

A Board meeting of the Victor Harbor Horse Tram Authority was held on Wednesday, 24 April 2024.

Commentary

The minutes for the Victor Harbor Horse Tram Authority meeting held Wednesday, 24 April 2024 were distributed to Members.

A copy of the minutes are provided at Attachment A to this report.

RISK ASSESSMENT

Legal and Compliance – The minutes were prepared and distributed to members in line with legislation. This risk is assessed as **low**.

REFERENCES

Nil

BUDGET IMPLICATIONS

Excluding endorsed budgeted staff resources there are no budget implications in confirming the Victor Harbor Horse Tram Authority minutes.

No additional funds are required.

CONSULTATION

Victor Harbor Horse Tram Authority Board members

Victor Harbor Horse Tram Authority
 Board Meeting Agenda
 For meeting Wednesday, 24 April 2024
 Commencing at 3:00pm



Present

Nigel Catt (Chair)
 Paul Brown
 Natasha Hunt
 Cr Carol Schofield
 Rachel Kennedy

Karen Rokicinski (Director Corporate and Customer Services – CVH)
 Toni Carter (Executive Assistant Corporate and Customer Services – CVH) (Via Teams)

In Attendance

Megan Whibley (General Manager - VHHTA)
 Whitney Mainwaring (Minute Secretary - Consultant)

Commencement

The meeting commenced at 3.11pm

3. Apologies

4. Minutes of the Previous Meeting

4.1 Board Meeting Minutes Report – 13 March 2024 4

VHHTA434 Moved: Natasha Hunt
 Seconded: Paul Brown

That the minutes of the previous Victor Harbor Horse Tram Authority Board Meeting held Wednesday, 13 March 2024, be confirmed as a true and accurate record.

CARRIED

5. Adjourned Item(s)

Nil

6. Reports for Receiving and Noting only

6.1 Resolutions Register Report 9

VHHTA435

Moved: Cr Carol Schofield
 Seconded: Rachel Kennedy

Victor Harbor Horse Tram Authority
 Board Meeting Agenda
 For meeting Wednesday, 24 April 2024
 Commencing at 3:00pm



That the Victor Harbor Horse Tram Authority receive and note the Outstanding Resolutions Register report.

CARRIED

6.2 Update – Purchase of Asset 11

VHHTA436

Moved: Rachel Kennedy
 Seconded: Natasha Hunt

1. That the Victor Harbor Horse Tram Authority receive and note the update of the Purchase of Asset Report.

CARRIED

6.3 Euthanasia of Isabella 13

VHHTA 437

Moved: Cr Carol Schofield
 Seconded: Rachel Kennedy

1. That the Victor Harbor Horse Tram Authority receive and note the Euthanasia of Isabella Report.

CARRIED

7. Reports for Decision

7.1 Update – Asset Accounting Policy Report 15

VHHTA438

Moved: Natasha Hunt
 Seconded: Rachel Kennedy

1. That the Victor Harbor Horse Tram Authority Board **refer to the Victor Harbor Horse Tram Audit Committee** to receive and note the Asset Accounting Policy Report.
2. That the Victor Harbor Horse Tram Authority Board **refer to the Victor Harbor Horse Tram Audit Committee** to review and endorse the Asset Accounting Policy.

Victor Harbor Horse Tram Authority
 Board Meeting Agenda
 For meeting Wednesday, 24 April 2024
 Commencing at 3:00pm



7.2 March Budget Review 2023/24

24

VHHTA439

Moved: Natasha Hunt
 Seconded: Rachel Kennedy

1. That the Victor Harbor Horse Tram Authority **refer to the Victor Harbor Horse Tram Audit Committee** to;

- a. endorse the March Budget Review 2023/24 as presented at Attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$365,000, and
- b. provide the March Budget Review to Council.

8. Presentation(s)

Nil

9. Discussion Items – No decision(s)

- 9.1 **Official Opening Date – Stables Complex**
Discussion on logistics of the event including catering and other requirements.
- 9.2 **Land Prospects**
Discussion regarding potential land for future acquisition.
- 9.3 **Horses**
Discussion regarding horses current health and new horse arrival.
- 9.4 **Environmental Social Governance** requirements of board to be discussed at VHHTA Audit Committee.

10. Correspondence Received

VHHTA 440

Moved: Natasha Hunt
 Seconded: Carol Schofield

1. That the Victor Harbor Horse Tram Authority receive and note Correspondence Received:
 - Letter 7 March 2024
 - Letter 17 April 2024

Victor Harbor Horse Tram Authority
Board Meeting Agenda
For meeting Wednesday, 24 April 2024
Commencing at 3:00pm



11. Urgent Business without Notice

Nil

12. Confidential Reports

Nil

Next Meeting Date Change

VHHTA 441

Move: Natasha Hunt

Second: Rachel Kennedy

Victor Harbor Horse Tram Authority resolved to change the date of the next meeting from **Wednesday, 24 July 2024, 3pm** to **Wednesday, 7 August 2024, 3pm** – The Stables, 11 Canton Place, Victor Harbor.

CARRIED

Meeting Closed at 4.33pm

Please be advised`

- *That filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **Board Meeting Minutes – 8 May 2024**
Report Number **4.2**

RECOMMENDATION

That the minutes of the previous Victor Harbor Horse Tram Authority Board Meeting held via Circular Resolution on Wednesday, 8 May 2024, be confirmed as a true and accurate record.

INFORMATION

Purpose

The purpose of this report is to present the Victor Harbor Horse Tram Authority minutes for the meeting held on 8 May 2024 for confirmation.

Background

A Board meeting of the Victor Harbor Horse Tram Authority was held on Wednesday, 8 May 2024.

Commentary

The minutes for the Victor Harbor Horse Tram Authority meeting held Wednesday, 7 February 2024 were distributed to Members.

A copy of the minutes are provided at Attachment A to this report.

RISK ASSESSMENT

Legal and Compliance – The minutes were prepared and distributed to members in line with legislation. This risk is assessed as **low**.

REFERENCES

Nil

BUDGET IMPLICATIONS

Excluding endorsed budgeted staff resources there are no budget implications in confirming the Victor Harbor Horse Tram Authority minutes.

No additional funds are required.

CONSULTATION

Victor Harbor Horse Tram Authority Board members

Victor Harbor Horse Tram Authority
 Board Meeting Agenda
 For meeting Wednesday, 8 May 2024
 Commencing at 3:30pm (via circular resolution)



On behalf of the General Manager, the Administration Consultant emailed the agenda to the Victor Harbor Horse Tram Authority Board Members on Wednesday 8 May 2024.

The purpose of the Circular Resolution Agenda was to seek (via circular resolution) the Board's decision relating to the March Budget Review 2023/24 in order to provide this to Council by the due date.

Present

Nigel Catt (Chair) (via email)
 Paul Brown (via email)
 Natasha Hunt (via email)
 Rachel Kennedy (via email)

In Attendance

Megan Whibley (General Manager - VHHTA) (via email)
 Whitney Mainwaring (Minute Secretary - Consultant) (via email)

Commencement

At 3.30pm, Wednesday 8 May 2024, the General Manager contacted all Board Members by email. The listing below details the results of those contacts:

Confirmed (4)
 Board Members: Paul Brown, Rachel Kennedy, Nigel Catt, Natasha Hunt

Therefore, a quorum of at least 3 Board Members was achieved (via circular resolution)

3. Apologies

Cr Carol Schofield

4. Minutes of the Previous Meeting

Nil

5. Adjourned Item(s)

Nil

6. Reports for Receiving and Noting only

Nil

Victor Harbor Horse Tram Authority
 Board Meeting Agenda
 For meeting Wednesday, 8 May 2024
 Commencing at 3:30pm (via circular resolution)



7. Reports for Decision

7.1 Circular Resolution - March Budget Review Report

Paul Brown, Nigel Catt, Rachel Kennedy and Natasha Hunt attended the meeting via email, therefore a quorum was achieved (via circular resolution).

Paul Brown – voted in favour of the recommendation (via email)

Nigel Catt – voted in favour of the recommendation (via email)

Rachel Kennedy – voted in favour of the recommendation (via email)

Natasha Hunt - voted in favour of the recommendation (via email)

In accordance with the Victor Harbor Horse Tram Authority Code of Practice for Meeting procedures, if the majority of the Board Members vote in favour, the resolution/s will be a resolution of the Board and will be a valid and effective as if it had been passed at a meeting of the Board duly convened and held.

VHHTA442

1. That the Victor Harbor Horse Tram Authority;
 - a. endorse the March Budget Review 2023/24 as presented at Attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$365,000, and
 - b. provide the March Budget Review to Council.

CARRIED (via circular resolution)

8. Presentation(s)

Nil

9. Discussion Items – No decision(s)

Nil

10. Correspondence Received

Victor Harbor Horse Tram Authority
Board Meeting Agenda
For meeting Wednesday, 8 May 2024
Commencing at 3:30pm (via circular resolution)



11. Urgent Business without Notice

Nil

12. Confidential Reports

Nil

Next Meeting Date

Wednesday, 7 August 2024, 3pm – The Stables, 11 Canton Place, Victor Harbor.

Meeting Closed

Not applicable (meeting was conducted via circular resolution)

Meeting **Victor Harbor Horse Tram Authority**

Date **22 May 2024**

From **Megan Whibley**

Subject **Resolutions Register Report**

Report Number **6.1**

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the Outstanding Resolutions Register report.

INFORMATION

Purpose

The purpose of this report is to review the outstanding resolutions register and determine the best course of action for items where required.

Background

The General Manager is to maintain a register of outstanding resolutions and implement resolutions of the Board in a timely and efficient manner.

The outstanding resolutions report lists all the outstanding resolutions from previous Board meetings, with a progress note against each resolution. Completed items are removed from the register for the following Board meeting to ensure that the list remains a current working document of outstanding resolutions that require action.

Commentary

The current outstanding resolutions register is provided at attachment A.

RISK ASSESSMENT

Corporate Governance –The Board must manage its governance risk of implementing decisions of the Board and associated actions as well as undertake duties as required by the Local Government Act 1999 Section 99(1)(a) and the Charter within approved budgets and required time frames. This report provides a mechanism for the Board to monitor progress of resolutions, work and actions and to manage the associated governance risk. The risk is assessed as **low**.

Socio Political, Community Issues / Reputation – There may be some concern from Board members, Council and the broader community if resolutions are not actioned in a timely manner or if the current Board determines to resolve contrary to an earlier resolution. The risk is assessed as **medium**.

BUDGET IMPLICATIONS

There are no budget implications associated with the Board receiving and noting this report.

The majority of tasks on the outstanding resolutions register will be undertaken by the General Manager Horse Tram Authority as scheduled and without requirement for additional funds. Where additional funds are required to achieve items on the resolutions register, endorsement by the

Horse Tram Authority Board, or where applicable, budget bids to Council, will be applied to individual items as required.



Attachment A

VHHTA – Outstanding Resolutions Register – updated 22-May-24

Date	Minute Number	Resolution	Status/Update
<i>Intentionally Left blank</i>			
24 April 2024	Discussion Item 9.4	Environmental Social Governance requirements of VHHTA Board to be discussed at VHHTA Audit Committee for further advice	Complete - Discussed at Audit Committee meeting on 8 May 2024 with members finding no requirements of VHHTA Board at this time.
24 April 2024	VHHTA439	1. That the Victor Harbor Horse Tram Authority refer to the Victor Harbor Horse Tram Audit Committee to; <ol style="list-style-type: none"> a. endorse the March Budget Review 2023/24 as presented at Attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$365,000, and b. provide the March Budget Review to Council. 	Complete - Audit Committee endorsed the March Budget Review 2023/24 Report on 8 May 2024 and provided recommendation to VHHTA Board. VHHTA Board endorsed the March Budget Review Report on 8 May 2024 via Circular Resolution and provided report to Council.
24 April 2024	VHHTA438	1. That the Victor Harbor Horse Tram Authority Board refer to the Victor Harbor Horse Tram Audit Committee to receive and note the Asset Accounting Policy Report. 2. That the Victor Harbor Horse Tram Authority Board refer to the Victor Harbor Horse Tram Audit Committee to review and endorse the Asset Accounting Policy.	In progress - Audit Committee endorsed the Asset Accounting Policy Report on 8 May 2024 with updates and additions. To be endorsed by VHHTA Board.
13 Mar 2024	VHHTA433	1. That the Victor Harbor Horse Tram Authority Board receive and note the Draft Operating and Capital Budget 2024/25 report. 2. That the Victor Harbor Horse Tram Authority Board endorse the Draft Operating and Capital Budget 2025/25 and the accompanying financial statements as provided at attachment A to this report and provide it to Council.	In progress - Council endorsed the Operating and Capital Budget 2024/25 on 22 April 2024 for adoption by VHHTA Board.
13 Mar 2024	VHHTA432	1. That the Victor Harbor Horse Tram Authority Board receive and note the Draft Business Plan 2024-2027 Report. 2. That the Victor Harbor Horse Tram Authority Board endorse the Draft Business Plan 2024-2027 as	Complete - Council endorsed the Business Plan on 22 April 2024



Attachment A

Date	Minute Number	Resolution	Status/Update
		provided at attachment A and provide the plan to Council with the minor formatting and the following changes: in reference to page 5 change to "Due to unforeseen horse husbandry and weather conditions".	
13 Dec 2023	VHHTA420	That the Victor Harbor Horse Tram Authority Board receive and note the Asset Management Proposal Report. That the Victor Harbor Horse Tram Authority Board recommend to Council to approve the sale of two Clydesdales, namely, Norman and Finniss.	In Progress
13 Dec 2023	Discussion Item 9.1	Board Member Remuneration	Tabled for future discussion
1 Dec 2020	VHHTA209	That the General Manager present a report to the Victor Harbor Horse Tram Authority Board prior to the setting of the 2021/2022 budget, that includes information on our training policy and our budget requirements for training, so as to provide direction for the Board.	Draft tabled at Board meeting 13 September 2022 – VHHTA Draft Staff and Development Policy requiring further development.
		<i>Intentionally Left Blank</i>	



Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **Audit Committee Public Minutes – 13 March 2024**
Report Number **6.2**

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the public minutes of the VHHTA Audit Committee meeting held 13 March 2024 at attachment A to this report.

INFORMATION

Purpose

The purpose of this report is to receive and note the minutes of the VHHTA Audit Committee meetings held on Wednesday, 13 March 2024.

Background

The Audit Committee minutes from the meeting held on Wednesday, 13 March 2024 were distributed to Members.

Commentary

During the meeting held Wednesday, 13 March 2024, the Audit Committee received the Draft Operating and Capital Budget and recommends to the VHHTA Board that it has been reviewed.

A copy of the 13 March 2024 Audit Committee minutes are provided at attachment A to this report.

RISK ASSESSMENT

Legal and Compliance – The minutes were prepared and distributed to members in line with legislative requirements. This risk is assessed as **low**.

REFERENCES

VHHTA Charter

The Local Government Act 1999

Local Government (Financial Management) Regulations 2011

BUDGET IMPLICATION

Excluding endorsed budgeted staff resources there are no budget implications in the preparation and receipt of this report.

No additional funds are required

CONSULTATION

VHHTA Audit Committee Members

Victor Harbor Horse Tram Authority
 Audit Committee Meeting Agenda
 For meeting Wednesday, 22 May 2024
 Commencing at 1.30pm



Present

John Morgan (Chair) (Via Teams)
 Paul Brown
 Laura Hodgson
 Nigel Catt
 Katherine Christ

In Attendance

Megan Whibley (General Manager VHHTA)
 Whitney Mainwaring (Minute Secretary - Consultant)

Commencement

The meeting commenced at 1:35pm

3. Apologies

4. Minutes of the Previous Meeting

4.1 Minutes – Victor Harbor Horse Tram Authority Audit Committee – 7 February 2024

AC066 Moved: Laura Hodgson
 Seconded: Nigel Catt

That the minutes of the previous Victor Harbor Horse Tram Authority Audit Committee meeting held Wednesday, 7 February 2024 be confirmed as a true and accurate record.

CARRIED

5. Adjourned Item(s)

Nil

6. Reports for Receiving and Noting only

6.1 Action List Report

10

AC067

Victor Harbor Horse Tram Authority
 Audit Committee Meeting Agenda
 For meeting Wednesday, 22 May 2024
 Commencing at 1.30pm



Moved: Nigel Catt
 Seconded: Katherine Christ

That the Audit Committee receive and note the Action List Report

CARRIED

6.2 Draft Operating and Capital Budget 2024/25 12

AC068

Moved: Paul Brown
 Seconded: Nigel Catt

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the Draft Operating and Capital Budget 2024/25 report.
2. That the Victor Harbor Horse Tram Authority Audit Committee advises the Victor Harbor Horse Tram Authority that it has reviewed the Draft Operating and Capital Budget 2024/25

CARRIED

6.3 Draft Business Plan 2024 – 2027 Report 35

AC069

Moved: Laura Hodgson
 Seconded: Katherine Christ

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the Draft Business Plan 2024 – 2027 Report with minor grammatical changes.

Meg left the meeting at 1.59pm

Meg returned to the meeting at 2.01pm

CARRIED

8. Presentation(s)

Nil

9. Discussion Items – No decision(s)

9.1 Self - Assessment Review

Victor Harbor Horse Tram Authority
Audit Committee Meeting Agenda
For meeting Wednesday, 22 May 2024
Commencing at 1.30pm



Self assessment sent on 7 February to be tabled at the next meeting. Have back by mid April ready for 8 May meeting.

10. Correspondence Received

Nil

11. Urgent Business without Notice

Nil

12. Confidential Reports

Nil

Next Meeting

Wednesday, 8 May 2024, 12.30pm – The Stables, 11 Canton Place, Victor Harbor

Meeting Close

2.11pm

Please be advised

- *That filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **Audit Committee Public Minutes – 8 May 2024**
Report Number **6.3**

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the public minutes of the Audit Committee meeting 8 May 2024 at attachment A to this report.

INFORMATION

Purpose

The purpose of this report is to receive and note the minutes of the Audit Committee meetings held on Wednesday, 8 May 2024.

Background

The Audit Committee minutes from the meeting held on Wednesday, 8 May 2024 were distributed to Members.

Commentary

During the meeting held Wednesday, 8 May 2024, the Audit Committee received the March Budget Review 2023/24 and recommends to the VHHTA Board that it has been reviewed.

A copy of the 8 May 2024 Audit Committee minutes are provided at attachment A to this report.

RISK ASSESSMENT

Legal and Compliance – The minutes were prepared and distributed to members in line with legislative requirements. This risk is assessed as **low**.

REFERENCES

VHHTA Charter

The Local Government Act 1999

Local Government (Financial Management) Regulations 2011

BUDGET IMPLICATION

Excluding endorsed budgeted staff resources there are no budget implications in the preparation and receipt of this report.

No additional funds are required

CONSULTATION

Audit Committee Members

Victor Harbor Horse Tram Authority
 Audit Committee Meeting Agenda
 For meeting Wednesday, 8 May 2024
 Commencing at 1.30pm



Present

John Morgan (Chair)
 Paul Brown (Via Teams)
 Laura Hodgson (Via Teams)
 Nigel Catt
 Katherine Christ (Via Teams)

In Attendance

Megan Whibley (General Manager VHHTA)
 Whitney Mainwaring (Minute Secretary - Consultant)

Commencement

The meeting commenced at 1:31pm

3. Apologies

Nil

4. Minutes of the Previous Meeting

4.1 Minutes – Victor Harbor Horse Tram Authority Audit Committee – 13 March 2024

AC070 Moved: Katherine Christ

Seconded: Laura Hodgson

That the minutes of the previous Victor Harbor Horse Tram Authority Audit Committee meeting held Wednesday 13 March 2024 be confirmed as a true and accurate record.

CARRIED

5. Adjourned Item(s)

Nil

6. Reports for Receiving and Noting only

6.1 Action List Report

10

AC071

Victor Harbor Horse Tram Authority
 Audit Committee Meeting Agenda
 For meeting Wednesday, 8 May 2024
 Commencing at 1.30pm



Moved: Nigel Catt
 Seconded: Paul Brown

That the Audit Committee receive and note the Action List Report.

CARRIED

6.2 March Budget Review 2023/24

12

AC072

Moved: Nigel Catt
 Seconded: Paul Brown

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the March Budget Review 2023/24 Report.

CARRIED

AC073

Moved: Laura Hodgson
 Seconded: Paul Brown

2. That the Victor Harbor Horse Tram Authority Audit Committee advises the Victor Harbor Horse Tram Authority that it has reviewed the March Budget Review Report and is satisfied the current position of the Authority aligns with the 2023/24 Budget.

CARRIED

6.3 VHHTA Audit Committee Self-Assessment Review Report

22

AC074

Moved: Nigel Catt
 Seconded: Katherine Christ

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the VHHTA Audit Committee Self-Assessment Review Report.

CARRIED

7. Reports for Decision



7.1 Asset Accounting Policy Report

29

AC075

Moved: Laura Hodgson
 Seconded: Katherine Christ

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the Asset Accounting Policy Report.

AC076

Moved: Paul Brown
 Seconded: Nigel Catt

2. That the Victor Harbor Horse Tram Authority Audit Committee recommend the Asset Accounting Policy including suggested amendments as discussed to the Victor Harbor Horse Tram Authority for endorsement.

CARRIED

7.2 Appointment of Audit Committee Deputy Chairperson

38

AC077

Moved: Nigel Catt
 Seconded: Paul Brown

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the Appointment of Audit Committee Deputy Chairperson Report.

CARRIED

AC078

Moved: Paul Brown
 Seconded: Katherine Christ

2. That the Victor Harbor Horse Tram Authority Audit Committee recommend to the VHHTA Board the appointment of Independent Member **Laura Hodgson** as Deputy Chairperson, for the term of 2 years as specified at 5.1 of the Victor Harbor Horse Tram Authority Audit Committee Terms of Reference.

CARRIED

Victor Harbor Horse Tram Authority
 Audit Committee Meeting Agenda
 For meeting Wednesday, 8 May 2024
 Commencing at 1.30pm



8. Presentation(s)

Nil

9. Discussion Items – No decision(s)

- 9.1 **Stables Complex Official Opening Details**
 Details of Official Opening given to Audit Committee Members
- 9.2 **Environmental Social Governance requirements of VHHTA Board**
 Research local government ESG obligations, including new policies and legislation is being enacted.

10. Correspondence Received

Nil

11. Urgent Business without Notice

Nil

12. Confidential Reports

Nil

Next Meeting

Wednesday, 25 September 2024, 12.30pm – The Stables, 11 Canton Place, Victor Harbor

Meeting Close

2.20pm

Please be advised

- *That filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **Asset Accounting Policy Report**
Report Number **7.1**

RECOMMENDATION

- 1. That the Victor Harbor Horse Tram Authority Board receive and note the Asset Accounting Policy Report.**
- 2. That the Victor Harbor Horse Tram Authority Board endorse the Asset Accounting Policy.**

INFORMATION

Purpose

The purpose of this report is to provide the Asset Accounting Policy of the VHHTA to the VHHTA Board for endorsement.

Background

The Board is the Authority's governing body and has the responsibility for the administration of the affairs of the Authority ensuring that the Authority acts in accordance with the Charter and all relevant legislation including the Local Government Act 1999. With reference to the Charter – Sub Clause 2.2 – Specific Functions of the Board:

In administering the affairs of the Authority, the Board must ensure:

2.2.1 That the authority observes all plans, targets, structures, systems and practices required or applied to the Authority by the Council;

2.7.2 The Authority must, in consultation with the Council, prepare and adopt, and thereafter keep under review as required by legislation, policies on:

2.7.2.1 governance;

2.7.2.2 contracts and tenders (to conform to Section 49 of the Act);

2.7.2.3 human resource management;

2.7.2.4 work, health and safety;

2.7.2.5 protection of the environment;

2.7.2.6 any other matters relevant to the operation of the Victor Harbor Horse Tram and the Authority;
and

2.7.2.7 the Board must ensure that code of conduct and Authority policies are complied with in the operation of the Authority.

Commentary

The VHHTA still continues to use and refer to the policies of the City of Victor Harbor.

The Asset Accounting Policy was reviewed by the VHHTA Audit Committee at its 8 May 2024 Meeting and resolved the following:

7.1 Asset Accounting Policy Report 29

AC075

Moved: Laura Hodgson
Seconded: Katherine Christ

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the Asset Accounting Policy Report.

AC076

Moved: Paul Brown
Seconded: Nigel Catt

2. That the Victor Harbor Horse Tram Authority Audit Committee recommend the Asset Accounting Policy including suggested amendments as discussed to the Victor Harbor Horse Tram Authority for endorsement.

CARRIED

The Asset Accounting Policy has been prepared with the VHHTA Audit Committees updates for the Boards consideration and endorsement.

A policy framework has been developed to ensure adopted policies of the Board are monitored and reviewed as required.

RISK ASSESSMENT

Legal and Compliance – The review of Policies ensures that they are reviewed and updated for effective control and guidance for the VHHTA. This risk is assessed as **low**.

Governance – The recommendation meets the requirements of the Charter and legislation. The risk has been assessed as **low**.

REFERENCES

The Local Government Act 1999
The VHHTA Charter

BUDGET IMPLICATIONS

Excluding endorsed budgeted staff resources there are no budget implications in the VHHTA Board reviewing and updating VHHTA policies and procedures.

No additional funds are required.

Asset Accounting Policy



Policy

Policy Name	Asset Accounting Policy
Policy/File Number	ED4.12.012
Review Frequency	Every Three Years
Attachments	nil

1. Purpose

The purpose of this Policy is to ensure the Authority's non-current assets are recognised and accounted for in accordance with *Australian Accounting Standards* and the *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*, Australian Accounting Standards, interpretations, guidelines and relevant South Australian Legislation.

2. Scope

This Policy applies to the acquisition and accounting treatment of the Authority's non-current assets, to ensure they are managed in an efficient and financially responsible manner, and that financial information related to non-current assets are presented accurately and consistently.

3. Policy Statement (Summary)

The Victor Harbor Horse Tram Authority has an obligation to ensure that existing assets are managed efficiently, and that decisions regarding the acquisition of new assets and the sale and maintenance of current assets are undertaken in an open and transparent manner.

The Authority's non-current assets shall be recognised, capitalised and revalued in accordance with the Australian Accounting Standards and this Policy.

4. Legislation and Compliance

The Victor Harbor Horse Tram Authority is subject to the *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*, and relevant Australian Accounting Standards.

5. Definitions

Accumulated Depreciation means the total of all the annual depreciation that has been applied to the asset since the asset has been used by the entity.

Asset means a resource controlled by the entity as a result of past events and from which

Asset Accounting Policy

future economic benefits are expected to flow to the entity. The three elements of an asset are:

- future economic benefits (goods and services provided by the asset)
- control by the entity (ability of entity to benefit from future economic benefits)
- occurrence of a past event (asset must be in existence)

Residual Value (where applicable) of an asset is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Carrying Amount means the amount at which an asset is recognised after deducting any accumulated depreciation and accumulated impairment losses.

Depreciation means the systematic allocation of the depreciable amount of an asset over its useful life.

Depreciable Amount means the cost of an asset or other amount substituted for cost, less its residual value.

Fair Value means the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Impairment Loss means the amount by which the carrying amount of an asset exceeds its recoverable amount.

Maintenance means recurrent operating expenditure such as repairs, fuel, power, materials, labour, overheads and general services. It includes both reactive maintenance and planned maintenance programs and non-capitalised minor equipment purchases.

Property, Plant and Equipment are tangible items that:

- (a) are held for the use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) are expected to be used during more than one period

Right-of-Use Assets means an asset that represents a lessee's right to use an underlying asset for the lease term.

Useful Life means the period for which an asset is expected to be available for use by an entity or the number of production or similar units expected to be obtained from the asset by an entity.

6. Policy Content

AASB 116 requires that a distinction be made between expenditure that is consumed immediately in operations (or within one financial year) and expenditure on physical assets that will provide service over more than one financial year. This distinction is a critical component in the determination of financial sustainability of a Council subsidiary.

Asset Accounting Policy

6.1 Recognition of an Asset

An asset is recognised in the statement of financial position when it is probable that future economic benefits will flow to the entity and the asset has a cost or value that can be measured reliably.

An asset that qualifies for recognition will be initially recorded at cost at the date of acquisition, including costs directly attributable to bringing the asset to the location and condition ready for operation.

Where an asset is acquired at no cost, at significantly less than fair value, the cost is determined as the fair value of the asset/s at the date of acquisition.

Assets with an economic life in excess of one year will be capitalised where the cost of acquisition exceeds materiality thresholds set by the Authority for each type of asset.

No capitalisation threshold is applied to the acquisition of land or interests in land.

6.2 Material Levels for Capitalisation

Material levels for capitalisation of assets are:

Asset type	Material level
Software	\$50,000
Buildings	\$10,000
Infrastructure	\$10,000
Major Plant and Equipment	\$5,000
Minor Plant and Equipment	\$1,000
IT and Office Equipment	\$1,000
Furniture and Fittings	\$1,000
Other	\$1,000

6.2.1 Individual Assets

Individual assets not meeting threshold limits may be capitalised as a group asset, if the total value of the items exceeds threshold levels (eg 200 chairs).

Additionally, where there is expenditure on individual assets that falls below the materiality threshold for that asset class, but operate together as a network or asset group, that total expenditure can be capitalised, for example a computer network, bulk furniture or stormwater pumps.

Asset Accounting Policy

6.2.2 Intangible Assets

Intangible assets, such as software, will be recognised subject to AASB138. Research will be recognised as an expense when it is incurred.

Development activities including configuration, coding, installation and testing will be capitalised where it can be demonstrated that the asset meets the criteria within AASB138.

Generally, software costs will be recognised as follows:

- Research, investigations, feasibility, evaluation etc will be expensed as the costs are incurred.
- Materials, services and internal resources consumed in the development of the software including external / third party fees, software purchase costs, data conversion, migration and testing will be recognised as having probable future economic benefits and thus be capitalised.
- Any software purchased via Cloud Computing Arrangements (software as a service) are not intangible assets as they are regarded as service contracts and expensed accordingly.

6.3 Asset Classes

AASB 116 requires assets to be classified into classes. The Authority has nominated the following financial classes of assets:

Category	Financial Class	Assets Included
Buildings & Structures	Buildings	Internal and external structure, roof, internal and external finishes and building services
Infrastructure	Tram Line	Horse tram line
Plant and Equipment	Plant and Equipment	Major plant and equipment Minor plant and equipment IT and office equipment
Furniture and Fittings / Other	Furniture and Fittings	Office Furniture

6.4 Asset Depreciation

Other than land and excluded assets under section 6.1, all recognised infrastructure, property, plant and equipment assets will be systematically depreciated over their useful lives in a manner that reflects the consumption of the service potential embodied in those assets. Residual values (where applicable) are based on the estimated value of an asset at the end of its useful life.

Asset Accounting Policy

6.4.1 Depreciation

Depreciation is recognised on a straight-line basis. Depreciation rates may be varied for specific assets where asset quality, environmental and/or operational conditions require other than standardised treatment.

6.4.2 Useful Lives and Residual Values

Useful lives and residual values for each class of asset are reviewed as part of the annual asset revaluation process and are included in the Asset Register which is updated following adoption of the annual financial statements each year.

Category	Class	Useful Life (Years)	Average Annual Depreciation Rates (%)
Buildings & Structures	Buildings	10 - 100	1 – 10
Infrastructure	Horse Tram Line	10 - 100	1 – 10
Plant and Equipment	Plant and Equipment	2 – 20	5 – 50
Furniture and Fittings / Other	Furniture and Fittings	5 – 10	10 – 20

6.5 Asset Impairment

Impairment is the decline in the future economic benefits or service potential of an asset, over and above the use reflected through depreciation (e.g. an asset is damaged in a natural disaster and the carrying value is no longer valid).

AASB 136 requires assessment at each reporting date whether assets under its control may be impaired. External indicators for impairment could be as a result of significant adverse changes in the technological, market, economic or legal environment. Internal indicators for impairment could include obsolescence or physical damage of an asset.

Indicators may provide evidence that an asset is of no benefit to the community or that plans to replace or dispose of the asset will require the re-assessment of its useful life. If any such indication exists, the Authority shall estimate the recoverable amount of the asset.

Impairment loss shall be recognised when the recoverable amount of an asset is less than its carrying amount. An impairment loss is recognised in the Income Statement, unless the asset is carried at a revalued amount, when it is to be treated in the same way as a revaluation decrement against the same asset. An impairment loss can be reversed in subsequent years.

6.6 Measurement after recognition

AASB 116 requires revaluations to be undertaken with sufficient regularity to ensure that the carrying amount of an asset does not differ materially from that which would be determined using fair value at the reporting date and for the entire class of asset to

Asset Accounting Policy

be revalued simultaneously.

Determining the frequency of valuations depends on striking a balance between having relevant and timely information, and the cost of obtaining such information. It is appropriate to provide for periodic comprehensive revaluations with interim revaluations based on specific indices.

AASB 116 requires that comprehensive revaluations every three to five years may be sufficient for non-current assets that experience only insignificant changes in fair value. It also provides that a class of assets may be revalued on a rolling basis provided revaluation of the class of assets is completed within a short period and revaluations are kept up to date.

The Authority will undertake comprehensive valuations to ensure the carrying amount of an asset does not differ materially from that which would be determined using fair value.

The Authority intends to conduct comprehensive revaluations, and where possible, liaise with Council to leverage their valuations to reduce costs, on the following basis:

- Buildings to be revalued by external valuers at intervals of no more than four years;
- Infrastructure to be revalued by internal staff and signed off by an external valuer at intervals of no more than four years;
- Plant, equipment, furniture and fittings assets are not to be subject to revaluation, as they have relatively short useful lives. The Authority will hold these assets at historical cost.

6.7 Leases

In accordance with AASB16 Leases, all leases will be capitalised by recognising a Right of Use asset together with a liability for the present value of the lease obligation.

Depreciation will be calculated on the Right of Use asset and interest will be calculated on the lease liability.

The value of the Right to Use asset and the lease liability will include non-cancellable lease payments and payments for option periods which the Authority is reasonably certain to exercise.

Exceptions to the capitalisation rule are short-term leases with a period of 12 months or less, and low value underlying assets such as personal computers, small items of office furniture and telephones.

6.8 Asset Sale or Disposal

The disposal or sale of assets must be performed in accordance with the *Disposal of*

Asset Accounting Policy

Land and Other Assets Policy.

6.9 Disclosure Requirements

The disclosure requirements shall be in accordance with AASB 116 - Property, Plant and Equipment.

6.10 Portable and Attractive Assets

The Authority will record portable and attractive assets such as televisions in the asset register at \$0 for control purposes.

6.11 Stock Takes

The Authority will perform stock takes of assets at regular intervals.

7. Risk Management

Recorded fixed asset acquisitions that do not represent fixed assets acquired by the Authority may result in misstatement in the management report and financial statements. Inaccuracies in the input and/or processing of asset acquisition details or amounts may lead to the asset being incorrectly reflected in the general ledger. Asset acquisitions that are not recorded may understate the value of fixed assets and depreciation, and may lead to assets being lost or misappropriated.

8. Implementation/Delegations

The General Manager is delegated authority to implement this Policy.

9. Related Documents

Asset Management Plans
Long Term Financial Plan
Disposal of Land and Other Assets
Procurement Policy

10. Availability of Policy

This Policy is available on the Victor Harbor Horse Tram website at www.horsedrawntram.com.au. It may also be inspected or purchased at the Principal Office of the City of Victor Harbor, 1 Bay Road, Victor Harbor.

11. Document History

Version	Document	Action	Date
1.0	Approved version	Victor Harbor Horse Tram Authority endorsement VHHTA	22/05/2024

Meeting	Victor Harbor Horse Tram Authority
Date	22 May 2024
From	Megan Whibley
Subject	General Manager Annual Performance Review 2024
Report Number	7.2

RECOMMENDATION

- 1. That the Victor Harbor Horse Tram Authority receive and note the General Manager Annual Performance Review 2024 report.**
- 2. That the Victor Harbor Horse Tram Authority endorse the General Manager Annual Performance Review 2024 Report.**

INFORMATION

Purpose

The purpose of this report is for the VHHTA Board to endorse the annual performance review of the General Manager.

Background

In accordance with the General Manager employment contract, the Board must conduct an annual performance review of the incumbent. Further, the Victor Harbor Horse Tram Authority Charter (the Charter) at section 2.3.3 requires the Board to monitor, oversee and measure the performance of the General Manager.

Commentary

The General Manager commenced her role with the Victor Harbor Horse Tram Authority (VHHTA) on 3 June 2019. A performance review has been undertaken by the VHHTA Board annually, with the last review endorsed on 8 September 2023.

The following process was used by the Board when assessing the General Managers performance;

The review was undertaken by Nigel Catt (VHHTA Chairperson) and Rachel Kennedy (Independent VHHTA Board Member).

General Manager Performance Reviews are to occur annually in accordance with the General Manager's employee contract, with a report of outcomes and recommendations provided to the VHHTA Board for their endorsement.

Review overview:

- Assessment of performance against General Manager KPIs and Position Description for the 12-month period.
- Opportunity for input of performance by City of Victor Harbor and other Board members through a process determined by the review panel
- Recommending of new KPIs for the next 12 months

- Report of performance review outcomes and recommendations to be prepared and provided for consideration and endorsement by Board at the 22 May 2024 VHHTA Board meeting.

The General Manager Performance Review 2024 is provided as attachment A to this report.

RISK ASSESSMENT

Corporate Governance – The Board have a responsibility in accordance with the Charter to manage the performance of the General Manager, and to conduct the annual performance review. The risk is assessed as *low*.

REFERENCES

Victor Harbor Horse Tram General Manager Employment Contract
Victor Harbor Horse Tram Authority Enterprise Bargaining Agreement
VHHTA Charter

BUDGET IMPLICATIONS

There are no Budget Implications associated with the board receiving and endorsing the General Manager Annual Performance Review report.

General Manager Key Performance Indicators						
Task	Measure	Possible Future Measure	Status	Achievement notes	Plans for Future Year	
Financial KPIs				Great overall results, fiscally well managed	Continue to grow as per business plan	
Finance - Management	Be cost efficient with operational expenditure / Manage budget	Year on year financial s (Actual/budget)		Achieved		Set up new VIP reporting
	Be cost efficient with capital purchasing	Year on year financial s	Year on year financial s	Achieved		Aim for finanfcal targets for new business and its finances
	Maximise tram income (when operational)	Year on year financial s	% and \$ reliance on council	Achieved		
	Spend on agreed budget items	Year on year financial s	% of budget spent	Achieved	Well managed including for set up for new behind scene No excess funds to match; still managing existing grant (due completiong Sept)	Look at spoonsorship and donations and opportunities over coming year
	Apply for grants / other sources of funding			Ongoing		
Finance - reporting & processes	Meet necessary reporting requirements (timely and accurate) - Council, Board and other requirements		Deadlines met	Achieved Achieved	Good systems in place for future Successfully engaged Local Gov IQ Service agreement delivered with council	
Operational KPIs						
Merchandise	Mechandise - purchase stock, sell at margin and review products as needed	\$ sales / meet or exceed budget	\$ sales / meet or exceed budget	Achieved	Exceeding budgets New set up in place	
HR				Achieved	Great pipeline of junior staff built for expanded capacity Loosing 5 in July but looking to be in a good place	Review of Enterprise Agreement for Horse Tram Staff for 2025
	Manage staff / culture of operations	Staff Satisfaction		Achieved	Tight knit team, not formally reviewed. Discussion of option for 360 formal review moving forward	Engaged Dan to help develop this and inductions. He is doing interviews with staff
	Manage WHS and Risk + ensure compliant with any requirements for VHHTA	Reporting key incidents to board	Systematise and reporting on incidents Ensure Board aware of near misses/incidents and track across time	Achieved	Skytrust working. Solid induction in place	
WH&S				Achieved	System working well	
Operational	Weekly telephone/zoom meeting with Chair Manage board - meetings, charter requirements,	Occur weekly As required in Charter / Schedule	Occur weekly As required in Charter / Schedule	Achieved Achieved	Board procedures and review in progress	To continue
	Maintain and build relationships with : Staff	2-4 weekly	2-4 weekly	Achieved & ongoing		

Communication / Stakeholder engagement	City of Victor Harbor	ongoing	ongoing	Achieved & ongoing	Great having Karen back, Time to schedule catch up with CEP and Moira	
	DEW new café			Achieved & ongoing	Coleen is manager - good relationship	
	Whale Centre/Visitor centre	Ongoing	Ongoing	Achieved & ongoing		
	Fleurieu Tourism	Six monthly	Six monthly	Achieved as required	Just launched winter get away with them	
	South Australian Tourism Commission Board	Bi Annual	Bi Annual	Achieved	Invite	Invite them to Vip, ask Paul
	Liaise with DIT , DIPTI and other departments related to Granite Is	ongoing		Achieved	Great relationships demonstrated by gaining timber etc. Thanks them at opening.	
	Liaise with general public and public inquiries / Community liaison	ongoing		Achieved	Probus clubs, rotary visits etc	
	Increase with the Behind the scenes business start up					Review behind scenes / get input
	General public				Report by Laura incorporated public feedback and results published	March/April next year or set up for all visitors (ongoing constructive)
	Marketing / Adg					
	Review and implement strategic plan including calender updates	Plan achieved as reported in annual report		Achieved & ongoing	Launch of behind the scenes with Cosi (2 June)	
	Manage board action list	Action list up to date and progressed	Action list up to date and progressed	Achieved & ongoing		Aim for some interviews e.g. SA with Cosi,

Priorities

Capital / Assets KPIs				Great having future facing capital budget in place (10 year)		
Capital works	Develop and implement new stable and gazing facilities			Achieved & ongoing	Tram upgrades - upgrading breaks	Capital 10 year asset plan in place. Working well
Asset Mgt.	New capital budget implemented			Achieved		
	Ensure assets are maintained	State of assets				
	Following capital budget plan - 10 year plan					
Operational	Complete Service Level Agreement with City of Victor Harbor	Charter update June,SLA by Dec 2020	Charter update June,SLA by Dec 2020	Achieved		
	charter update, GM Contract, Section 42 sub committee review			Achieved	Charter updated and with council to progress	
Operational	Monthly track monitoring	Report to board as needed		Achieved		
RISK STRATEGY	DETAIL AND FORMALISE RISK STRATEGY WITH Board			Achieved	Met with local govt with insurance	

Planning for future				
Develop business model for Behind scenes / VIP			achieved but ongoing	
Secure land for horses / future operations			Achieved but ongoing	Need to fix bridge to allow linking of the 3 sites
Develop skills - own and team	Training budget spent / courses attended	Training budget spent / courses attended	Achieved but ongoing	With new facilities, food safety training etc may be needed.
Refurbish office - plan, budget and action			Achieved	
Set up new facility			Achieved	

Maybe media training over the next 12 months



Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **Final Adoption - Capital and Operating Budget 2024/25**
Report Number **7.3**

RECOMMENDATION

- 1. That the Victor Harbor Horse Tram Authority receive and note the Final Adoption - Capital and Operating Budget 2024/25 report.**
- 2. That the Victor Harbor Horse Tram Authority:**
 - a) adopt the 2024/25 Operating Budget in the accompanying financial statements as provided at Attachment A to this report, detailing an unchanged Council contribution of \$365,000 (operating deficit) and consistent with the approval given by the Council at their meeting on 22 April 2024; and**
 - b) adopt the 2024/25 Capital Budget as presented in this report, consistent with the approval given by the Council at their meeting on 22 April 2024; and**
 - c) provide a copy of the adopted budget to Council, as required by section 5.4 of the VHHTA Charter**

INFORMATION

Purpose

The purpose of this report is for the VHHTA Board to adopt the VHHTA Capital and Operating Budget for 2024/25, in accordance with 5.2 of the Victor Harbor Horse Tram Authority (VHHTA) Charter.

Background

The VHHTA Charter indicates the following:

5. BUDGETS

5.1 The Authority must before 31 March of each year prepare and submit a draft Budget to the Council for the ensuing financial year (or, if appropriate, part financial year) in accordance with the Act for approval by the Council.

5.2 The Authority must adopt after 31 May and within six (6) weeks of approval of the draft Budget by the Council in each year, a Budget in accordance with the Act for the ensuing financial year consistent with the approval given by the Council pursuant to clause 5.1.

The VHHTA then reviewed the draft Capital Funding Plan, and made minor refinements as recommended to the draft Budget approved by the Council.

The VHHTA 2024/25 Operating and Capital Budget is presented to the VHHTA Board for final adoption.

The Operating Budget and Capital Budget 2024/25 are provided within this report, with accompanying Financial Statements 2024/25 provided at attachment A.

2024/25 Draft Operating Budget

The table below provides a summary of the draft budgeted expenses for 2024/25:

Description		Amount
Employee costs	Salaries, superannuation & Workcover	\$991,400
Office and Administration costs	Travel, stationary, printing and communication Insurance & utilities	\$135,700
Maintenance	Building and equipment maintenance	\$41,900
Horse care	Feed, farrier and vet fees	\$110,000
Marketing	Advertising, promotions and souvenir purchases	\$83,900
Depreciation	Capital Asset Depreciation	\$74,500
Other Expenses	Committee costs, Consultants and Professional services, FBT, volunteer and staff amenities	\$160,000
Equipment Hire	Building and equipment hire	\$17,700
Corporate Support	IT, finance, records and administration	\$81,400
Total		\$1,696,500

The table below provides a summary of the draft budgeted income for 2024/25:

Description		Amount
Ticket Sales	Casual and group bookings	\$836,000
Other Income	Souvenir sales	\$166,600
	Behind the Scenes	\$217,900
	DIT Boom Gate Contract	\$45,000
	Council contribution	\$365,000
	Interest and other income/donations/sponsorship	\$51,000
Total		\$1,681,500

Key Financial Indicators	2021/22 Actual	2022/23 Actual	2023/24 Current Budget	2024/25 Draft Budget
Own Source Revenue	52.5%	64%	68%	78%

Capital Budget

The Victor Harbor Horse Tram Capital funding plan on the following page shows predicted the VHHTA capital spend for the next five-year period. This has been integrated into the operating budget for incorporating repayments. This plan includes assets which will be needed in the future and shows the timing for the renewal and replacement of current assets.

Interest on the borrowings has been increased to 4% annually. This will need monitoring and possible adjustment. This current financial year interest was set to 5%.

Capital 5-Year funding Plan

Funding plan	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
CAPITAL NEW - Description						
IT equipment	\$5,000					
Tools	\$6,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Tractor/mower/slasher						
Gater						
Work vehicle						
Second float						
Harness Equipment	\$10,000		\$5,000		\$5,000	
Equissage						
Horse Exercise machine/walker	\$25,000					
TOTAL – Capital New	\$46,000	\$2,500	\$7,500	\$2,500	\$7,500	\$2,500
CAPITAL REPLACEMENT- Description						
Float	\$25,000					\$25,000
Second Float				\$25,000		
Work Vehicle		\$53,000			\$53,000	
harness Equipment		\$5,000		\$5,000		\$5,000
Spray unit			\$3,000			
Gater					\$15,000	
Work Ute				\$50,000		
Tractor/mower/slasher						\$35,000
Tools	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
IT Equipment		\$6,000		\$6,000		\$6,000
Total - Capital Replacement	\$27,500	\$66,500	\$5,500	\$88,500	\$70,500	\$73,500
TOTAL CAPITAL EXPENDITURE	\$73,500	\$69,000	\$13,000	\$91,000	\$78,000	\$76,000
Less: Income from sale of assets/tradeins	-\$15,000	-\$45,000		-\$50,000	-\$53,000	-\$15,000
TOTAL CAPITAL TO BE FUNDED	\$58,500	\$24,000	\$13,000	\$41,000	\$25,000	\$61,000
Opening balance from borrowings previous year	\$75,796	\$91,946	\$80,497	\$54,798	\$48,899	\$40,949
New Borrowings	\$58,500	\$24,000	\$13,000	\$41,000	\$25,000	\$61,000
Interest	\$6,715	\$4,638	\$3,740	\$3,832	\$2,956	\$4,078
Repayments	-\$49,064	-\$40,087	-\$42,439	-\$50,731	-\$35,906	-\$35,528
Closing Balance	\$91,946	\$80,497	\$54,798	\$48,899	\$40,949	\$70,499

RISK ASSESSMENT

The risks associated with the recommendation have been assessed as follows:

Corporate Governance - The VHHTA Charter outlines a process whereby the Board endorses a draft budget that is then approved by Council, before final adoption by the Board. This report finalises this process in accordance with the Charter. The risk is assessed as *low*.

Financial Management – The budgets presented for adoption by the Board have been previously endorsed by the Board for presentation to Council and then approved by the Council. The risk is assessed as *low*.

REFERENCES

VHHTA Budget 2023/24
Victor Harbor Horse Tram Authority Charter

BUDGET IMPLICATIONS

Endorsement by the VHHTA Board and approval by CVH of the Capital and Operating Budget 2024/25 will impact as detailed in the Budget at attachment A, with an operating deficit (contribution amount from CVH) of \$365,000.

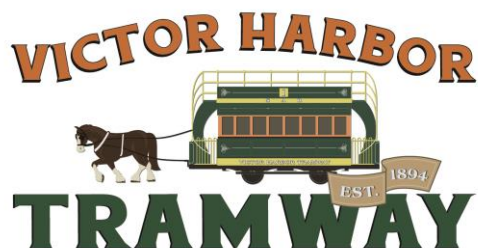
No additional funds are required.

CONSULTATION

VHHTA Board Members
SMP Chartered Accountants
City of Victor Harbor Administration
Victor Harbor Horse Tram Authority General Manager
IgiQ



	23/24 Budget	Draft Budget
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF COMPREHENSIVE INCOME		
for the year ended 30 June 2024		
	Revised 2 \$'000	FY25 \$'000
INCOME		
Ticket & Bookings Sales	798	836
Council Contribution	365	365
Other income	317	480
Total Income	1,480	1,681
EXPENSES		
Employee Costs	866	991
Materials, Contracts and Other Expenses	700	631
Depreciation, amortisation & impairment	67	74
	1,633	1,696
OPERATING SURPLUS / (DEFICIT)	(153)	(15)
Asset disposal & fair value adjustments	-	15
NET SURPLUS / (DEFICIT)	(153)	-



	Budget	Draft Budget
VICTOR HARBOR HORSE TRAM AUTHORITY	Revised 2	FY25
FINANCIAL INDICATORS	\$'000	\$'000
for the year ended 30 June 2024		
Operating Surplus Ratio <i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>	-10.3%	-0.9%
Net Financial Liabilities <i>Net Financial Liabilities are defined as total liabilities less financial assets.</i>	186	184
Net Financial Liabilities Ratio <i>being total liabilities less financial assets (excluding equity accounted investments in Authority business), divided by total operating revenue</i>	12.6%	10.9%
Asset Management Plan forecast project spend for rei	(5)	27
Asset Renewal Funding Ratio <i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i> <i>The ideal ratio is 100%, where VHHTA is spending the amount required each year to renew and replace existing assets so they continue to operate optimally to meet the organisations objectives.</i>	100%	100%
Own Source Funding	68%	78%



	Budget	Draft Budget
	Revised 2 \$'000	FY25 \$'000
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF FINANCIAL POSITION		
for the year ended 30 June 2024		
ASSETS		
Current Assets		
Cash and cash equivalents	7	(9)
Trade & Other Receivables	18	18
Inventories	-	-
Total Current Assets	25	9
Non-Current Assets		
Infrastructure, Property, Plant & Equipment	200	198
Total Non-Current Assets	200	198
TOTAL ASSETS	225	207
LIABILITIES		
Current Liabilities		
Trade & Other Payables	10	10
Short-term Provisions	32	32
Short-term Borrowings	35	19
Total Current Liabilities	77	61
Non-Current Liabilities		
Long-term Provisions	40	40
Long-term Borrowings	94	92
Total Non-Current Liabilities	134	132
TOTAL LIABILITIES	211	193
NET ASSETS	14	14
EQUITY		
Accumulated Surplus	14	14
TOTAL EQUITY	14	14



	Budget	Draft Budget
	Revised 2	FY25
	\$'000	\$'000
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF CASH FLOWS		
for the year ended 30 June 2024		
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Operating receipts	1,479	1,681
Investment receipts	-	-
Payments		
Operating payments to suppliers & employees	(1,544)	(1,614)
Finance payments	(9)	(8)
Net Cash provided by (or used in) Operating Activities	(74)	59
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Grants specifically for new or upgraded assets	-	-
Sale of Assets	-	15
Payments		
Capital Expenditure on renewal/replacement of assets	5	(27)
Capital Expenditure on new/upgraded assets	(55)	(46)
Net Cash provided by (or used in) Investing Activities	(50)	(58)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings	55	59
Payments		
Repayment of Borrowings	(85)	(76)
Net Cash used in Financing Activities	(30)	(17)
NET INCREASE (DECREASE) IN CASH HELD	(154)	(16)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	161	7
CASH & CASH EQUIVALENTS AT END OF PERIOD	7	(9)



	Budget	Draft Budget
	Revised 2	FY25
	\$'000	\$'000
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF FINANCIAL POSITION		
for the year ended 30 June 2024		
ASSETS		
Current Assets		
Cash and cash equivalents	7	(9)
Trade & Other Receivables	18	18
Inventories	-	-
Total Current Assets	25	9
Non-Current Assets		
Infrastructure, Property, Plant & Equipment	200	198
Total Non-Current Assets	200	198
TOTAL ASSETS	225	207
LIABILITIES		
Current Liabilities		
Trade & Other Payables	10	10
Short-term Provisions	32	32
Short-term Borrowings	35	19
Total Current Liabilities	77	61
Non-Current Liabilities		
Long-term Provisions	40	40
Long-term Borrowings	94	92
Total Non-Current Liabilities	134	132
TOTAL LIABILITIES	211	193
NET ASSETS	14	14
EQUITY		
Accumulated Surplus	14	14
TOTAL EQUITY	14	14

Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **Appointment of Audit Committee Deputy Chairperson Report**
Report Number **7.4**

RECOMMENDATION

- 1. That the Victor Harbor Horse Tram Authority receive and note the Appointment of Audit Committee Deputy Chairperson Report**
- 2. That the Victor Harbor Horse Tram Authority recommends to Council that Laura Hodgson be appointed as the Deputy Chairperson to the Victor Harbor Horse Tram Authority Audit Committee for a term of two years.**

INFORMATION

Purpose

The purpose of this report is for the members of the Authority consider and recommend to Council that independent VHHTA Audit Committee Member, Laura Hodgson, be appointed as Deputy Chairperson to the Victor Harbor Horse Tram Audit Committee for a period of two years.

Background

The Terms of Reference of the VHHTA Audit Committee states the following:-

5. APPOINTMENT OF OFFICE BEARERS

5.1 Council shall appoint a Chairperson and Deputy Chairperson and the term of office shall be two (2) years.

5.2 The Chairperson and Deputy Chairperson must not be a Council Member or Employee of the Council.

On 26 June 2023 Council reappointed the independent member, Laura Hodgson, to the VHHTA Audit Committee for a second term of two years, from 26 July 2023 to 26 July 2025.

Following the departure of the former Deputy Chairperson, who did not seek renewal for another term on the VHHTA Audit Committee, there arised a vacancy for the position of Deputy Chairperson.

Commentary

On 8 May 2024, the VHHTA Audit Committee nominated Laura Hodgson as a Deputy Chairperson to the VHHTA Audit Committee:

7.2 Appointment of Audit Committee Deputy Chairperson 38

AC076

Moved: Nigel Catt
Seconded: Paul Brown

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the Appointment of Audit Committee Deputy Chairperson Report.

CARRIED

AC077

Moved: Paul Brown
Seconded: Katherine Christ

2. That the Victor Harbor Horse Tram Authority Audit Committee recommend to the VHHTA Board the appointment of Independent Member **Laura Hodgson** as Deputy Chairperson, for the term of 2 years as specified at 5.1 of the Victor Harbor Horse Tram Authority Audit Committee Terms of Reference.

CARRIED

Sitting Fee

The sitting fee is nil, according to the Terms of Reference, however travel expenses will be offered.

RISK ASSESSMENT

Risks associated with the recommendation have been assessed as follows:

Legal and Compliance - The recommendation meets the requirements of the Charter, the VHHTA Audit Committee Terms of Reference and relevant legislation. This risk is assessed as **low**.

Financial – Financial management of the Authority is highly regulated by the requirements of the Charter and legislation. The risk is assessed as **low**.

REFERENCES

Victor Harbor Horse Tram Authority Charter
The Local Government Act 1999
Local Government Financial Management Regulations 2011
Victor Harbor Horse Tram Audit Committee Terms of Reference

BUDGET IMPLICATIONS

As Committee members are paid no sitting fees, there are no budget implications in the Board recommending members for reappointment to Council.

CONSULTATION

Victor Harbor Horse Tram Authority Audit Committee



Meeting **Victor Harbor Horse Tram Authority**
Date **22 May 2024**
From **Megan Whibley**
Subject **CONFIDENTIAL – Staff Update**
Report Number **12.1**

RECOMMENDATION

- 1. That pursuant to section 90(2) of the Local Government Act 1999, the Council orders that all members of the public, except Megan Whibley (VHHTA General Manager) and Whitney Mainwaring (Consultant - Minute Secretary) be excluded from attendance at the meeting for Agenda Item 12.1 – CONFIDENTIAL – Staff Update, that the VHHTA is satisfied that, pursuant to Section 90(3)(a) of the Act information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead).**

- 2. That having considered the Agenda Item 12.1 – CONFIDENTIAL – Staff Update in confidence under Section 90(2) and (3)(a) of the *Local Government Act 1999*, the VHHTA:**
 - i. delegates to the General Manager the power to revoke, in whole or in part, the order made in paragraph 1 of this resolution, pursuant to section 91 (9) (c) of the Act; and**
 - ii. the public be readmitted to the meeting.**