

DISTRICT COUNCIL OF FRANKLIN HARBOUR

ANNUAL REPORT 2022/2023



Adopted:

SUMMARY OF COUNCIL'S STRATEGIC PLAN

Council's Vision for the Community

A proud, growing and unified community benefiting from a diverse and environmentally sustainable economic base.

Council's Mission

The District Council of Franklin Harbour will be recognised for its leadership, customer service, ethical behaviour, high staff satisfaction, contribution to community, continuous improvement, teamwork.

Council's Four Pillars of Strategic Focus

Community Welfare

Continue to maintain and improve community services

Economic Development

Actively promote economic growth and development

Natural and Built Environment

Maintain and improve infrastructure and environment

Governance and Organisation

Transparent and accountable decision making across Council

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Chief Executive Officer's Report



CHIEF EXECUTIVE OFFICERS REPORT



Shane Gill
Chief Executive Officer

This year followed on at high speed where the previous year finished, with work on finishing our foreshore redevelopment accelerating to ensure all works were well and truly completed by the time of the official opening on March 11, 2023.

There was a flurry of activity erecting shelters, shade sails, installing dining furniture and barbecues, garden borders and gutters were constructed, large areas of paving were laid, paths constructed, seating installed, both laying turf and spray seeding large areas of lawn, over 11,000sqm of sub-surface irrigation installed, and large areas of plants/trees were planted out. The final result has been a spectacular transformation of the Cowell Foreshore, something that both council and the community are very proud of.

The waterpark was commissioned in early October and without fanfare, yet the news soon spread and almost immediately the waterpark became incredibly busy, attracting locals and visitors alike. In its first summer of operation this facility attracted large numbers of visitors and there was a clear increase in the number of visitors to Cowell but also a change in the demographic that we attract, with families now visiting in large numbers.

On Saturday March 11, the Cowell Foreshore redevelopment was officially opened by the Federal member for Grey, Rowan Ramsey, and our very own Mayor Robert Walsh. This was a big day for Cowell, commencing with a large market in the afternoon and then a concert featuring Shannon Noll, Jo Page and Andy Seymour, and a fabulous fireworks display. It is estimated that around 5000 people attended this event. Council received a lot of positive feedback about this event, with many respondents suggesting that this should become a regular event.



The local government elections in November saw Mayor Walsh returned as Mayor, and we welcomed 3 very capable new elected members to the team. In November we also received final approval from Coastal Protection to commence construction of the Wetland in the area enclosed by the new road across the Foreshore (Jetty Road) This road has been a great success in diverting oyster punt traffic away from the recreational area of Thompson Drive. The initial works for the wetland area comprised a large amount of fill, shaping and contouring the area, and the installation of drainage infrastructure as per the engineering design. This work has now been completed and we will move on to irrigation and landscaping works. This area will take several years to establish but will certainly be a beautiful addition to our foreshore once fully established.

Housing has become a national issue in Australia, and Franklin Harbour is not immune to this with the supply of housing to rent or buy at record low levels. This is hindering the ability of our local economy to grow as it hampers the ability of businesses to bring in expertise and labour to expand their operations. It is also a significant impediment to maintaining essential services personnel such as teachers and health professionals.

With this in mind, we have progressed with the design of a 38 lot residential land development at the end of Farr Street in Cowell. We are now working through the approval process to get this project “shovel ready”.

Our unsealed road network has been dramatically improved over the past 12 months. In February 2022 we had \$7.1 million in Disaster Relief funding approved to allow us to repair/reinstate the 172kms of our unsealed road network that was damaged/destroyed by the rainfall event related to ex-tropical Cyclone Tiffany. Our own Road crew, and two contractor crews have been working tirelessly on this work over the past year with works 80% complete by the financial years end. We anticipate all of these works will be complete by November 2023.

This funding also included repairing some flood damage to the Cowell-Kimba Road, which has been completed. There is a much larger scope of work in progress on the Cowell – Kimba Road with a project to widen and reseal this road over a 5 year period. In late 2019 the Eyre Peninsula rail network ceased to operate, and the T-Ports transshipment port at Lucky Bay commenced operations. These two events combined to change the flow of Heavy transport on Eyre Peninsula, largely diverting heavy freight traffic off of DIT Roads onto council owned roads. No road on the Eyre Peninsula was more affected by this transition than the Cowell-Kimba Road, it is now a major freight route, something that it was neither designed nor constructed to be. Building and maintaining a major freight route is generally a state government responsibility and is going to be very challenging for a small regional council. We are now in year 3 of this project and anticipate a large amount of resealing work to be completed in late 2023.

After many years of uncertainty and a very limited doctors service in Cowell, SA Health have committed to taking over and running the Cowell Medical practice. This is very good news for our community, and very good news for our hospital.

All in all, I would say this has been yet another good year for the District Council of Franklin Harbour as we continue to operate in a sustainable manner as we grow and improve this wonderful part of the world.

Work Manager's Report



WORKS MANAGER'S REPORT



Darren Zechner
Works Manager

Council maintains a road network of 716km consisting of 638km of unsealed rural roads, 58km of sealed rural roads and 20km of sealed roads within townships. A program of Patrol Grading, rubble re-surfacing, patching and resealing has been developed to ensure the provision of this service within acceptable standards. Sealed roads in particular are expensive to repair if the sealed surface is not renewed periodically.

In addition to roads Council also, maintains parks and reserves in the district, operates 2 Community Wastewater Systems, a Waste Depot, 3 potable water supply schemes and an Aerodrome.

WORKS PROJECTS COMPLETED FOR THE 2022/23 YEAR

Flood Damage

In late January 2022 severe rainfall events associated with ex Cyclone Tiffany dumped in excess of 200mm of rain across a large part of our district, as a result, Council sustained heavy damage to over 170km of its road network.

In May 2022 Council received notification that the State Government had approved up to \$7.1M in funding to restore our roads to pre-flood condition.

Council engaged Poodra Springs Quarries, MacTrans and Candy Earthmoving to carry out restoration work, the program was continuous for the entire 2022-23 year.

Beach Road

Council received an extension from Special Local Roads Program to complete the final 3.3km of the project which was completed in March in 2023.

Cowell Kimba/Lucky Bay Road

There has been a sharp increase in Road Train and AB Triple movements on the Cowell Kimba Road and Lucky Bay Road transporting grain to the T-Ports bunker from farms and bunkers in Kimba. These roads were designed and constructed for commodity movements to and from farms and are not wide enough to support high volumes of multi combination freight traffic. This increase has caused accelerated road wear, particularly on the edges of the seal.

Council applied for and has received funding from the Special Local Roads Program to widen the seal, repair areas of failed pavements and apply re-seal over the entire 50km route. Work commenced in March 2023 and will be carried out over 5 years.

Foreshore Development

Council received approval to reclaim the area enclosed by Jetty Rd to create a Wetland to retain and improve the quality of stormwater runoff from the Town. Diggers Civil were engaged and assisted by Council staff and local contractors to construct the project.

It is a 3-pond system and will be landscaped and planted with native species along with walking paths footbridges and some lawn areas.

At the time of writing this report, base earthworks were complete and irrigation installation was underway.

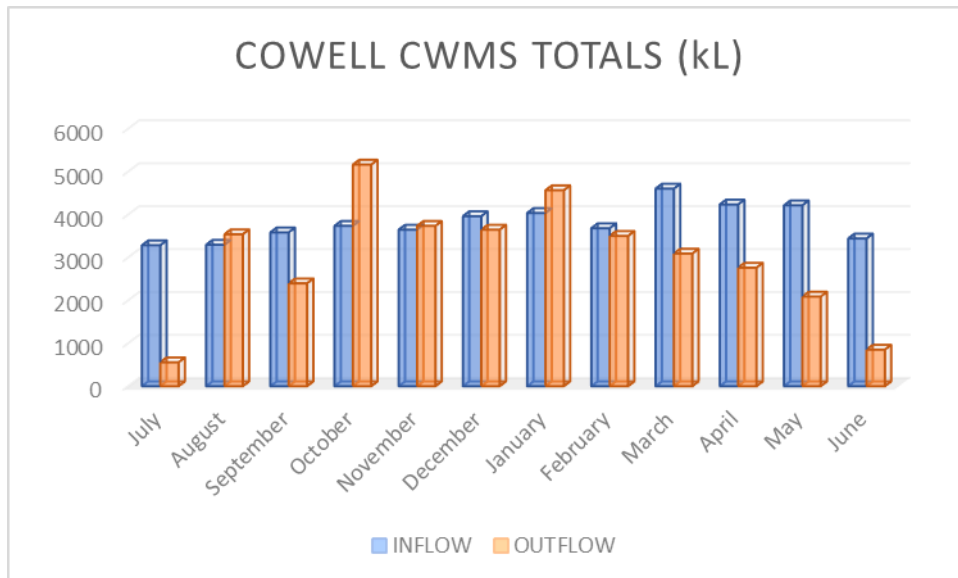


Cowell CWMS

Local plumbers are continuing to connect properties in Cowell to the CWMS. At the end of this financial year a total of 453 CONNECTIONS, approximately 82% were completed.

The scheme collected a total of 45.7ML of wastewater and treated it to meet the required health standards, 35.9ML was recycled for irrigation use on the Town Oval and foreshore lawns relieving demand on the potable supply.

Inflow and outflow statistics are represented by month below.



COMPLIANCE

This year we had 269 registered animals in the district. Council received two (2) dog attacks that were registered to the Dog and Cat Management Board, 7 animals were registered as deceased.

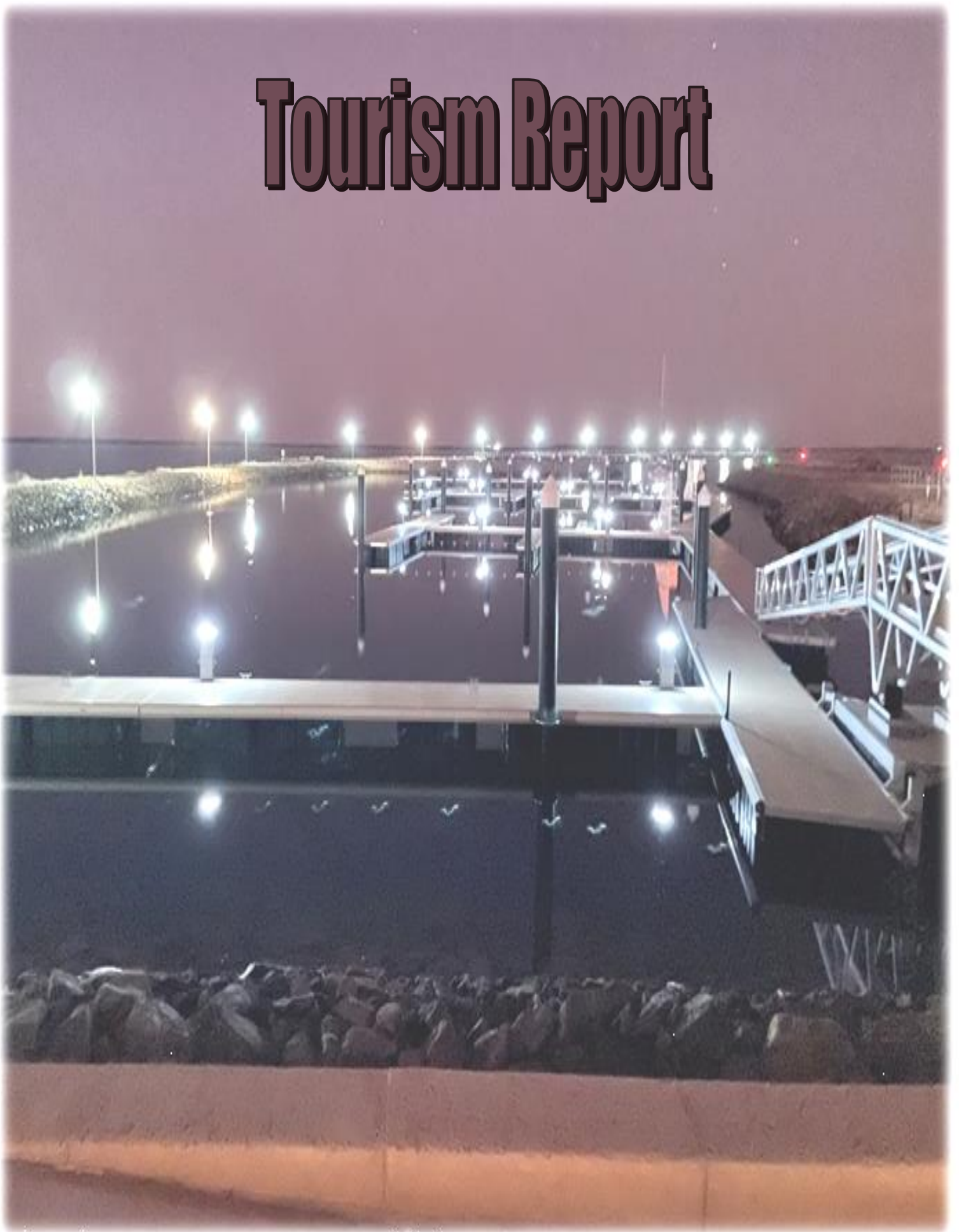
As from July 2018, it has been mandatory to de-sex any dog born from this date (with the exemption for working dogs or registered breeders) and all dogs and cats are to be microchipped. 82.8% of the total animals registered were microchipped and/or desexed.

Closing

In closing I would like to congratulate the small but dedicated team of outdoor and Depot staff for a very productive and safe year, many challenges were overcome to deliver a high-quality result on our Foreshore and recover from extensive floods in addition to delivering the essential services required by the community throughout the year.



Tourism Report



TOURISM OFFICER REPORT



Stacey Franklin
Tourism Officer

2022/2023 has been another busy year with tourists, I would be confident in saying that it has been the busiest year yet in Cowell.

The highlight of the year was the Foreshore Opening event, which saw thousands of people flock to Cowell to join in the festivities which included markets, and official opening of the foreshore area, live music with Shannon Noll being the headline act and the annual fireworks display. The weather was absolutely perfect for the event and we saw all accommodation and camping options booked out, we opened up the oval as an overflow camping area where we saw over 300 people stay to enjoy the night. This event was fully funded by Council and donations from community members and businesses and saw a huge economic benefit to the town – unlike anything we have seen before.



Camping nights in our district have significantly increased this financial year, up by 3,498 nights from previous year. It is difficult to gauge future nights in our area as we have had significant events impact stays (both positive and negative) for example COVID and floods. However we are planning to ensure camping remains sustainable and plan for growth, we have secured funding to upgrade Port Gibbon Campground and to create a new campground on Hogben Terrace in Port Gibbon. We are also working towards have online bookings for all campgrounds in our area.

Manager of Corporate Services Report



MANAGER CORPORATE SERVICES REPORT



Bernadette Clelland
Manager Corporate Services

ADMINISTRATION

2022/2023 was another busy year for the administration team with additional administration tasks due to the repairs to flood damaged roads and other infrastructure, the continued increase in popularity of our Eco Pods and managing council coastal campgrounds, some of which moved to online bookings. The completion of the Foreshore Redevelopment and the commencement of works for the Wetlands also added additional workloads to the team.

Employee Training

The health and wellbeing of our employees is important to Council and we offer a number of opportunities that may help people to make informed life and wellbeing choices. These included:

- Yearly health assessments - through the LGAWCS program employees are offered a health assessment
- Healthy Lifestyle Program – included healthy eating plan 10-week challenge through the LGAWCS program
- Skin Cancer Screenings – through the LGAWCS program
- Flu Vaccinations which are offered annually
- hearing tests through Minus 3dB

Human Resources

There were no industrial issues that affected the workplace in 2022/2023. Council has taken on a school-based Apprentice Mechanic, who is employed by the MTA Training Group. With the increased workloads created with the new Foreshore assets one of our casual employees was successful in being appointed to a permanent position. We thank all our staff for their continued support, hard work and dedication.

FINANCE

Rates, Income and Expenditure are fully reported in the Annual Financial Statements, which are included with this annual report. (Attachment 2)

Rates Rebates

Section 23(4) of the Local Government (Implementation) Act 1999, required Council to submit to the presiding members of both Houses of Parliament a report relevant to rate rebates for retirement villages and related matters.

During the 2022/2023 Financial Year, no applications for rebates of rates under Section 166(1) (h) of the Local Government Act 1999 were received.

2022/2023 Budget and Rates

The Council meeting held on 13th July 2022 adopted the 2022/2023 Budget and declared the rates for the new financial year.

The Budget included total Operating Revenue of \$4,191,000. Major capital expenditure items were Local Road and Footpath Construction - \$1,945,000, Wetlands - \$607,000 and Disaster Recovery \$1,701,000. Total rate revenue to be raised was budgeted at \$1,921,000.

DEVELOPMENT STATISTICS

During the 2022/2023 financial year there were 35 Development Applications lodged.

These included:

8 New dwellings

1 Domestic Extensions/Renovations/carports

13 Sheds

13 other Applications (swimming pools, commercial development, land division etc)

Total Developments: \$8,300,369

GOVERNANCE

Council structure

The District Council of Franklin Harbour has six elected members.

The term of the new Council commenced from November 2022, for a four year term.

The November 2022 Council meeting elected the following:-

Mayor:	Councillor Robert Walsh
Deputy Mayor:	Councillor Rachel Deer

The Elected Members of Council are:-

Mayor	Cr. Robert Walsh	Cowell	0429 862 922
Deputy Mayor	Cr. Rachel Deer	Cowell	0427 005 720
Councillors	Cr. Terry Rehn	Cowell	0428 292 239
	Cr. Robert Norris	Cowell	0401 282 457
	Cr. Sue Chase	Cowell	0429 704 600
	Cr. Kim Baum	Cowell	0418 488 731

The elected members determine Council policies and programmes, which are implemented by Council's Senior Managers and the workforce as per the decision-making structure represented in the Annual Information Statement.

The next periodical election is scheduled for November 2026.

Members' allowances

The following Members' Allowances have been determined for the term of the current Council:-

Mayor	\$28,768.00 - per annum (increasing by CPI annually)
Deputy Mayor	\$ 8,990.00 - per annum (increasing by CPI annually)
Councillors	\$ 7,192.00 - per annum (increasing by CPI annually)

Allowances are payable quarterly in arrears.

Training and development

Council members are provided with the opportunity to undertake Training and Development during their term of office. The majority of these opportunities are provided through the Local Government Association of SA. Other professional development opportunities are available, upon approval of Council.

Committee allowances

Audit Committee - Independent Audit Committee Member
\$500.00 per meeting

Council's Auditor, Ian McDonald FCA has been appointed for a period of five years, this term expires at the end of the 2025/2026 financial period.

Remuneration paid to Ian McDonald FCA for work performed for the financial year –

- Annual audit of the Council's financial statements - \$6,500.00 (GST exclusive)
- Other Remuneration – Interim Audit - \$6,500.00 (GST exclusive)

Senior Executive Officers' Remuneration

Council's Senior Executive Officers are as follows:-

Chief Executive Officer – SA Gill	Contract L.G. Superannuation scheme 10.5% of Salary Telephone/Internet Provision Subsidised House Rental Private Vehicle Use
Works Manager – DJ Zechner	MOA; Senior Officer Stream 3.3 + EBA LG Superannuation Scheme 9.3% of Salary Subsidised House Rental Telephone Provision Private Vehicle Use
Manager Corporate Services – BM Clelland	MOA, Senior Officer Stream 4.2 + EBA LG Superannuation Scheme 9.3% of Salary Telephone Provision

Registers

Council has compiled the following Registers in accordance with the provision of the Local Government Act 1999:-

Register of Public Roads
Register of Community Land and Management Plans
Register of Interests – Elected Members
Register of Allowances and Benefits
Register of Interests – Senior Staff
Register of Salaries
Register of By-Laws
Register of Hazardous Substances

Codes of practice

Council has adopted the following Codes of Practice in accordance with the Provisions of the Local Government Act 1999:-

Code of Conduct for Employees
Code of Conduct for Council Contractors

Code of Practice for Public Access to Council and Committee Meetings and access to Minutes and Documentation.

POLICY MANUAL

Council has adopted the following policies which form Council's Policy Manual:-

Governance

Acting Chief Executive Officer Policy
Behaviour Management Policy
Caretaker Policy
Cemetery Policy
Complaint Handling Policy
Elected Members Allowances and Support Policy
Employees Private Use of Council Plant
Expiation Waiving Policy
Fraud and Corruption Prevention Policy
Good Governance & Administrative Practice Policy
Induction for New Council's Policy
Internal Review of Council Decisions Policy and Procedure
Network Access and Acceptable Use Policy
Order Making Policy
Privacy Policy
Public Consultation Policy
Public Interest Disclosure Policy
Request for Service Policy
Road Naming (and Sale of Roads) Policy
Social Media Policy
Training and Development Policy
Tree Management Policy
Workplace Bullying Policy

Financial Management

Debt Management Policy
Financial Hardship Policy
Funding Policy
Grants Policy
Hardship Policy for Residential Customers and Minor and Intermediate Water Retailers
Internal Financial Controls Policy
Prudential Management Policy
Purchasing/Tendering/Contracting Policy
Rating Policy
Travel & Accommodation Policy
Treasury Management Policy

Strategic Management

Australia Day Awards Policy
Records Management Policy
Rural Roads Hierarchy and Service Levels Policy

Risk Management

Risk Management Policy & Framework
Installation of Pipeline under Council Road Policy
Temporary Placement of Portable Furniture Signage and Structures in Public Places Policy and Guidelines
Volunteer Management Policy & Procedure

Environmental Protection

Involvement in Emergency Response Operations in Support of CFS Policy

Fire Management – Burning Policy

SA CFS Grassland Fuel Curing and Greening Policy

Planning and Community Services

Community Bus Policy

Community Events Policy

Land Development Policy

Lucky Bay Water Supply Management Plan Policy

Mobile Food Vendor Policy

Signage Policy

Swimming Pool Inspection Policy

ESCOSA Charters

Customer Charter – Sewerage Services

Customer Charter – Water Services

Customer Complaints Policy

Work Health & Safety

Communication and Consultation Policy

WHS Administration Policy

Contractor Management Policy

WHS Emergency Management Policy

Hazard Management Policy

Hazardous Work Policy

Return to Work Policy

Drug & Alcohol Policy

Smoke Free Workplace Policy

These policies are reviewed regularly.



AUDIT COMMITTEE

The Audit Committee has been formally appointed pursuant to the requirements under the Local Government Act 1999 (the Act) and the Local Government (Financial Management) Regulations 2013.

The activities of the Audit Committee are governed by its terms of reference together with the Audit Committee work program.

This report provides a summary of activities undertaken by the Audit Committee during the year ending 30 June 2023.

Committee Membership and Meetings Attended

The Audit Committee met on four (5) occasions.

Member	Meetings Attended
R.J. Walsh (Chair)	5
D. M. Wagner	2
M. Pomeroy (Independent Member)	5

Activities

The table that follows represents the completed work program for the meetings held in the year ending 30 June 2023.

Activity	Meeting Date
Reviewed and discussed the draft Rural Roads Hierarchy and Service Levels Policy	Jul 22
Reviewed and discussed Strategic Management Plan 2021-2025, Asset Management Plan 2021-2030, Long Term Financial Plan 2021-2030	Jul 22
Reviewed and discussed 2021-22 Draft Annual Financial Statements	Oct 22
Developed a report on the Audit Committees achievements for 2021-22 to be included in the 2021-22 Annual Report of Council.	Oct 22
Management presented and discussed a report that compared financial information from the budget with the final audited 2021-22 Annual Financial Statements	Dec 22
Reviewed and provided advice to Council on budget amendments in Budget Review #1	Dec 22
Reviewed and discussed the Audit & Risk Committee Terms of Reference	Dec 22
Reviewed and discussed the Auditors Balance Date Management letter for the 2021-22 Audit as well as managements responses to the matters raised	Dec 22
Management presented and discussed a Schedule of Financial Policies to be reviewed and developed	Dec 22
Management presented information on what the purpose is of each report in the Strategic Financial Reporting Cycle, where it is legislatively mandated and which meeting's they can expect to see the relevant report at.	Dec 22
Reviewed and provided advice to Council on budget amendments in Budget Review #2	Mar 23
Reviewed and discussed Council's Public Consultation Policy	Mar 23

Reviewed and provided advice to Council in relation to Councils 2023-24 Draft Annual Business Plan & Budget	May 23
Reviewed and provided advice to Council on budget amendments in Budget Review #3	May 23
Reviewed and discussed the Auditors' Interim Audit Report 2022	May 23
Reviewed and discussed Council's Risk Management Policy, Risk Management Framework, Treasury Management Policy, Debt Management Policy, Funding Policy, Internal Financial Control Policy, Prudential Management Policy and the Purchasing, Tendering, Contracting Policy	May 23

STRATEGIC MANAGEMENT PLAN

In 2021-22 a major review was undertaken of the Strategic Management Plan which resulted in the updated Strategic Management Plan 2021 – 2025 being developed.

The Strategic Plan provides a focus for Council's operations, and provides the Vision, Goals and Objectives of our community.

Progress 2022/2023

Objectives

Progress 2022/2023

Goal 1 - Maximise the benefit to the community from improved community services

- | | | |
|------|---|---|
| 1.01 | Maintain a strong relationship with Eastern Eyre Health & Aged Care Inc and Country Health SA | <ul style="list-style-type: none"> • Liaise with Health Services regarding community needs – ongoing negotiations to attract a permanent full time doctors service |
|------|---|---|

Goal 2 – Economic Development – Actively promote economic growth and development

- | | | |
|------|--|--|
| 2.03 | Support the growth of the Aquaculture Industry | <ul style="list-style-type: none"> • Deepen/widen the channel to accommodate growth in numbers and size of vessels using boat ramp facilities |
| 2.05 | Development of seaside areas in a sustainable manner | <ul style="list-style-type: none"> • Establish shelter and camp facilities in strategic locations in and around Point Gibbon - commenced |

Goal 3 – Natural & Built Environment – Maintain and improve infrastructure & environment

- | | | |
|------|--|---|
| 3.02 | Cost effectively manages waste services | <ul style="list-style-type: none"> • Investigate options for new waste contractor – complete – Veolia appointed as waste contractor |
| 3.05 | Enhance the aesthetics of our township's environment | <ul style="list-style-type: none"> • Infill area encompassed by the new road (Foreshore area) as wetland/park area – commenced – ponds developed |

Goal 4 – Governance & Organisation – Transparent and accountable decision making across Council

- | | | |
|---------|--|---|
| 4.01.02 | Improve the image and profile of Council through effective communication | <ul style="list-style-type: none"> • monthly writeup in the Advocate, monthly newsletter and promotion of Council through its facebook page - complete |
|---------|--|---|

Goal for 2023/2024

Objectives

Goals for 2023/2024

Goal 1 - Community Welfare – Continue to maintain & improve community services

- | | | |
|------|---|---|
| 1.01 | Maintain a strong relationship with Eastern Eyre Health & Aged Care Inc and Country Health SA | <ul style="list-style-type: none">• Continue to liaise with Health Services regarding community needs – including improved medical services |
|------|---|---|

Goal 2 – Economic Development – Actively promote economic growth and development

- | | | |
|------|---|--|
| 2.03 | Support the growth of the Aquaculture Industry | <ul style="list-style-type: none">• Deepen/widen the channel to accommodate growth in numbers and size of vessels using boat ramp facilities |
| 2.05 | Development of seaside areas sustainable manner | <ul style="list-style-type: none">• Establish shelter and camp facilities in strategic locations in and around Point Gibbon• Have all camping bookings online |

Goal 3 – Natural & Built Environment – Maintain and improve infrastructure & environment

- | | | |
|------|--|---|
| 3.02 | Cost effectively manages waste services | <ul style="list-style-type: none">• Investigate options for new waste contractor |
| 3.05 | Enhance the aesthetics of our township's environment | <ul style="list-style-type: none">• Infill area encompassed by the new road (Foreshore area) as wetland/park area |

Goal 4 – Governance & Organisation – Transparent and accountable decision making across Council

- | | | |
|------|--|--|
| 4.01 | Improve the image and profile of Council through effective communication | <ul style="list-style-type: none">• monthly writeup in the Advocate, monthly newsletter and promotion of Council through its facebook page |
|------|--|--|

SUBSIDIARIES

Council has not established any Subsidiaries pursuant to Section 42 of the Local Government Act, 1999. Council currently is a member of the Eyre Peninsula Local Government Association (regional subsidiary) that falls within the provision of section 43 of the Local Government Act 1999. This regional subsidiary produces its own annual report. Clause 28 of schedule 2 of the Local Government Act 1999 provides that each constituent council must incorporate this annual report into its own annual report. This document can be found as attachment 3 to this report.

APPLICATION OF COMPETITION PRINCIPLES

During the 2022/2023 Financial Year, Council has not conducted any significant business activities.

CONFIDENTIALITY PROVISIONS

Pursuant to the provisions of Section 90 (2) of the Local Government Act 1999, a Council or Council Committee may order that the public be excluded from attendance at a meeting in order to receive, consider or discuss a matter confidentially. Section 91 (7) of the Local Government Act 1999 provides that a Council may keep a document or minutes of such consideration, review or discussion, confidential.

These provisions were used seven (6) times by Council during the 2022/2023 financial year.

ELECTOR REPRESENTATION

Council's representation quota (electors per member) is 153. The average representation quota for councils of a similar size and type is 147. Council undertook a complete review of Elector Representation and composition pursuant to Section 12(4) of the Local Government Act 1999 in 2021.

Regulation 11A of the [Local Government \(Transitional Provisions\) Regulations 2021](#) sets out a truncated Representation Review process for councils that completed a Representation Review after the 2018 elections but still need to make the change to a directly elected Mayor. Prior to the 2026 council election, Council is required to undertake this 'simplified' representation review process and prepare a report that addresses the change in the basis on which the principal member of the council is determined.

INTERNAL REVIEW OF COUNCIL DECISIONS

Pursuant to Section 270 of the Local Government Act 1999, Council has established procedures for the review of decisions of the Council, employees of the Council or other persons acting on behalf of the Council.

In accordance with Section 270(8) of the Act, Council reports that zero (0) applications for review of decisions was received for the 2022/2023 financial year.

INTERSTATE & INTERNATIONAL TRAVEL

There was no Interstate or International Travel taken by Elected Members or Council Staff for the 2022/2023 financial year.

GIFTS RECEIVED

Nil gifts of over \$50 - were received by staff or Council Members

CREDIT CARD USAGE

The Senior Management Team comprising the Chief Executive Officer, Works Manager and Manager Corporate Services have been provided with Credit Cards for work related purchases. The credit limit on the cards is:

- Card 1 - Chief Executive Officer \$5,000
- Card 2 - Works Manager \$2,000
- Card 3 - Manager Corporate Services \$2,000

A detailed report on Credit Card usage is provided to Council on a monthly basis.

Expenditure for 2022/2023 by Credit card is as follows:

Card 1	\$12,168.00
Card 2	\$ 6,668.00
Card 3	\$ 3,143.00

LEGAL COSTS

Total legal costs incurred for 2022/2023 - \$11,720.

Description	% of costs
Retainer	13%
Development Application	8%
PDI Act and Sub-delegations	2%
Debt Collection (recouped during process)	77%

COMMUNITY LAND MANAGEMENT PLANS

All land except roads held as at 1 January 2000 is classified as “community land” unless Council resolves to exclude it from that classification. The intention behind the legislation is that Council, in consultation with the community, should determine which land should or should not be classified as community land.

Where the land is under the care, control and management of a Council, but is not owned by the Council, the Council cannot resolve to exclude the land from classification as community land without the approval of the relevant Minister.

Management Plans are required for land that is, or is to be, occupied under a lease of licence of land that has been, or is to be, specifically modified or adapted for the benefit or enjoyment of the community. Such plans have to be prepared for land held as at 1 January 2000 by the 1 January 2005, and land acquired after 1 January 2000, as soon as practicable after the requirement for the plan arises.

A person must not use community land for a business purpose unless the use is approved by Council. The Council cannot approve the use of community land for a business purpose contrary to the provisions of the management plan.

As required under the Local Government (Implementation) Regulations 1999, Council completed a register of all Council and Community lands prior to 1 January 2003. The Community Land Register and Management Plan was developed in 2016 and updated in 2020.

FREEDOM OF INFORMATION

This information summary is published by the District Council of Franklin Harbour in accordance with the requirements of the Freedom of Information Act 1991.

Council welcomes enquiries under the Freedom of Information Act. During the 2021/2022 Financial Year, Council received two (2) requests under the Freedom of Information Act 1991.

Policy and Administrative Documents

The District Council of Franklin Harbour policies and administrative documents are listed separately in this Annual Report, and include:

- Ordinary Council Meeting Agendas
- Committee Minutes
- Council By-Laws
- Policy Manual
- Annual Financial Statements
- Development Plan
- Committee Agendas
- Budget Statements
- Ordinary Council Meeting Minutes
- Annual Report
- Assessment Book

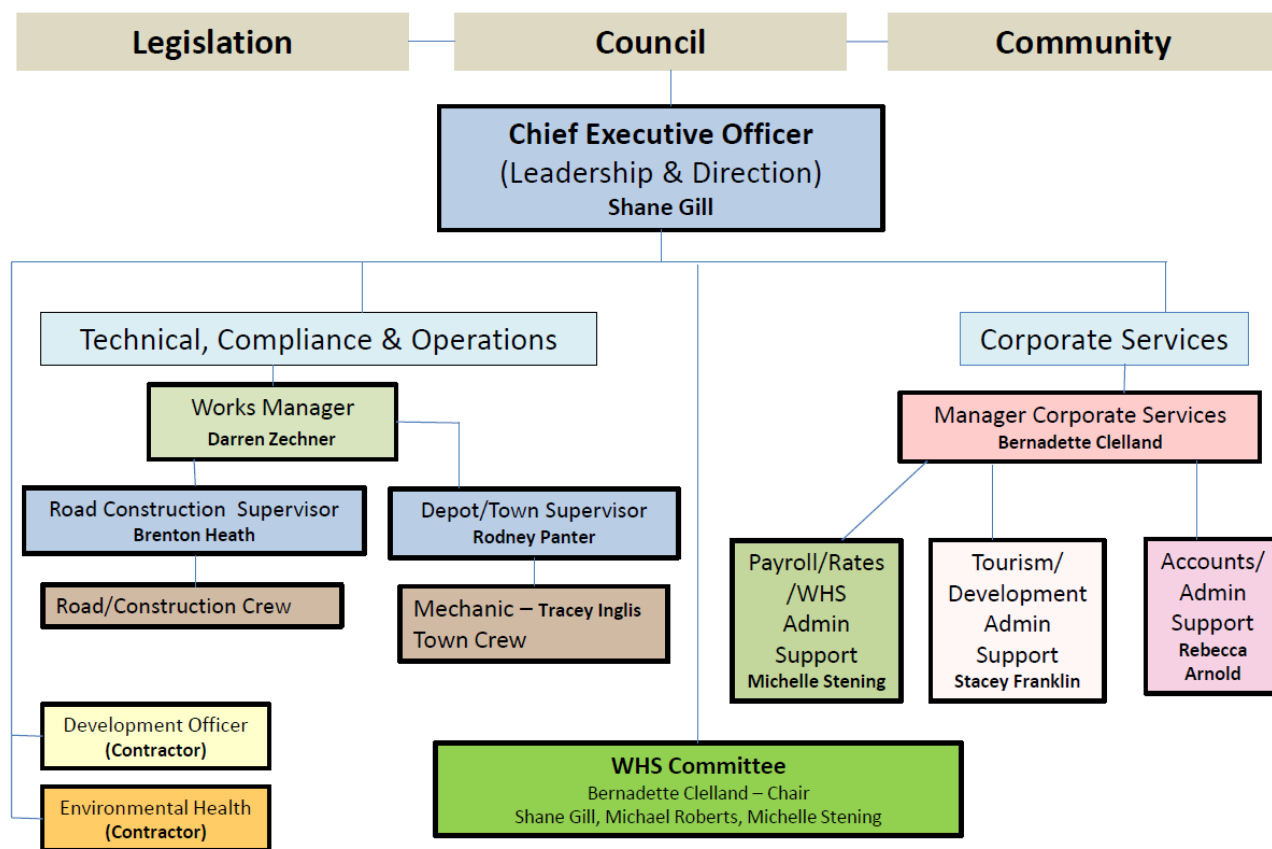
These documents are available for public inspection at the Council office between 9am and 5pm Monday to Friday. Members of the public may also purchase copies of these documents at the prescribed fee, from the Chief Executive Officer.

Freedom of Information enquiries or requests must be addressed to:

The Chief Executive Officer
District Council of Franklin Harbour
PO Box 71
COWELL SA 5602

ANNUAL INFORMATION STATEMENT

District Council of Franklin Harbour Organisational Structure



Z/Admin/Office & Staff/ Org Structure January 2021

Council's overall structure is set out in the above chart and is based around two departments. The Senior Management Team comprises the Chief Executive Officer, the Manager Corporate Services, and the Works Manager.

The Administration and Services Department has a staff of three (3), and is based in the Council Office, 6 Main Street, Cowell SA 5602. The Works Department has a staff of ten (10), and is based at the Council Depot, Schumann Road Cowell SA 5602.

Council's functions are governed by the provisions of the Local Government Act, 1999, and are grouped as follows:-

ADMINISTRATION PUBLIC ORDER AND SAFETY HEALTH SOCIAL SECURITY AND WELFARE HOUSING AND COMMUNITY AMENITIES PROTECTION OF THE ENVIRONMENT N.E.C. SPORT AND RECREATION	FUEL AND ENERGY AGRICULTURAL SERVICES MINING, MANUFACTURING AND CONSTRUCTION TRANSPORT AND COMMUNICATION ECONOMIC AFFAIRS OTHER PURPOSES
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Council is involved in these functions to varying degrees, determined by Community demand and legislative requirements.

The Effect of Council's Functions on the Public

All of Council's functions have a direct impact on the residents of this district. Service provision functions such as road construction and maintenance, library services, and refuse collection have a direct effect on the users of those services. Legislative functions such as Building Control, Dog Control and Planning provisions also have an effect on all residents, but in a less obvious way.

The elected members of Council determine the policies and functions of Council within the provisions of the Local Government Act. The Senior Management team provides advice to the elected members and oversee the implementation of the policies and functions determined by Council, within the overall Budget adopted by Council.

Public Participation in Council Policy Development

Members of the public have access to the elected members of Council. There are six elected members who are elected for a four-year term. Councillors represent the whole of the district (i.e. no wards), and following each election they elect a Mayor from within their number.

Council holds regular monthly meetings scheduled for the second Wednesday of each month. Agenda notices are prepared during the week prior to the Council meeting, and members of the public may submit correspondence to Council for inclusion on the agenda, provided such correspondence is received no later than the Thursday prior to the Council meeting.

Submissions can be made direct to elected members on any issue, or can be presented by correspondence. In addition, deputations can address Council meetings by prior arrangement with elected members or the Chief Executive Officer. Council meetings are open to the public; however, some confidential matters may be discussed in camera. Members in the Public Gallery may address Council meetings at the discretion of the Mayor.

Council's Standing Committees meet as required:-

COMMITTEE

MEMBERSHIP

Audit Committee

Mayor Walsh, Mr Michael Pomeroy.

Franklin Harbour Boat Ramp Committee

Cr T Rehn, Mr M Brine, Mr M Jarvis, Mrs J Chopin, Mr D Bailey & Mr K Martens

Cowell Cottages Committee

Cr R Deer, Cr S Chase, Mr R Udy, Mr R Wiseman & Mrs S Piggott

DESCRIPTION OF THE KIND OF DOCUMENTS HELD BY COUNCIL

The District Council of Franklin Harbour holds the following kinds of documents:-

Hard Copy Files

A/ Policy and Administrative Documents

1. Ordinary Council Meeting Agendas - these summarise the business to be dealt with at each ordinary Council meeting.
2. Ordinary Council Meeting Minutes - these record the business and resolutions of each ordinary Council Meeting.
3. The Policy Manual - this records the general policies and delegated authorities of Council.
4. Council's Strategic Plan – provides a focus for Council's operations and provides the Vision, Goals and Objectives of our community.
5. Annual Business Plan and Budget - this is the annual Budget adopted for the current financial year as the basis for setting rates.

6. Annual Financial Statements - these record financial results and position of Council each financial year.
7. Council By-Laws - a record of By-Laws adopted by Council pursuant to the provisions of the Local Government Act.
8. The Annual Report - this is an annual report of Council's activities for the information of residents and other interested parties.
9. The Assessment Book - This details property ownership and valuation records.
10. The Development Plan - details Planning and Zoning policies which guide the Development Assessment Panel in development matters pursuant to the Development Act.

B/ General Correspondence

These are items of correspondence on a range of functional matters dealt with by Council.

Current documents are filed and stored in the Council Office or archive shed, earlier documents have been transferred to State Archives.

As General Correspondence items become out of date, they may be disposed of in accordance with State Records protocols.

C/ Computerised Information Files

1. Property Information files are held on Council's computer system.
2. Financial and Accounting Information - is processed and stored on Council's computer system.

This information is backed up on the cloud. This information is also available in hard copy.

2022/2023 Annual Business Plan



District Council of Franklin Harbour

ANNUAL BUSINESS PLAN AND BUDGET

2022-23

Adopted: 13 July 2022

Resolution #: 51/07/22

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1. Introduction

This draft Annual Business Plan (the Plan) outlines the District Council of Franklin Harbours' (Council) planned services, projects and major expenditures for the 2022-23 financial year.

The Plan aims to maintain efficient and desired services and facilities for the community, without imposing an unrealistic rate burden on ratepayers. The provision of services by Council is a reflection of both meeting Council's obligations under legislation and making policy choices on behalf of the community to achieve Council's longer-term goals. Council also has taken account of the current economic and seasonal conditions.

2. District Profile

Located on the eastern side of the Eyre Peninsula and bordering the Spencer Gulf, the District Council of Franklin Harbour is home to an estimated population of 1,350 people and covers an area of 2,767 square kilometres with 749 kilometres of roads. Cowell is the major centre in the district, which also comprises the holiday areas of Lucky Bay and Port Gibbon and the localities of Elbow Hill and Mitchellville.

3. Strategic Direction

Council will shortly commence updating its suite of strategic management plans. Among other things, the strategic management plan considered regional, state and national objectives and strategies relevant to the social, physical, environmental development and management of Council's area of responsibility. This plan identifies the strategic objectives and principal activities that have informed the goals, objectives, activities and services included in this Annual Business Plan.

Council's existing plan adopted the following vision and mission statements, believing it reflects Council's aspirations for the community.

VISION

A proud, growing and unified community benefiting from a diverse and environmentally sustainable economic base.

MISSION

The District Council of Franklin Harbour will provide our community with:

- **A high standard of essential services in a sustainable manner**
- **Representation of our needs to the wider population**
- **Stimulus for economic growth**
- **Sound management of our valuable natural environment**

STRATEGIC OBJECTIVES

Council's Strategic Management Plan is based on four 'pillars' or Strategic Focus Areas.

1. **Community wellbeing - maximise the benefit to the community from improved community services**
2. **Economic wellbeing - to foster a diverse and growing economic base that results in an increase in employment and population**
3. **Natural & built environment - maintain our high quality living environment**
4. **Governance & organisation - a professional, effective and customer oriented organisation playing the lead role in community development**

4. Significant Influences and Priorities

The 2022-23 financial year will be another busy period for Council on the back of a busy 12 months, during which a number of projects were delivered for the community. A comprehensive list of Council's achievements for the 2021-22 financial year can be found in Section 9.

A number of other significant factors have influenced the preparation of the Council's 2022-23 Annual Business Plan.

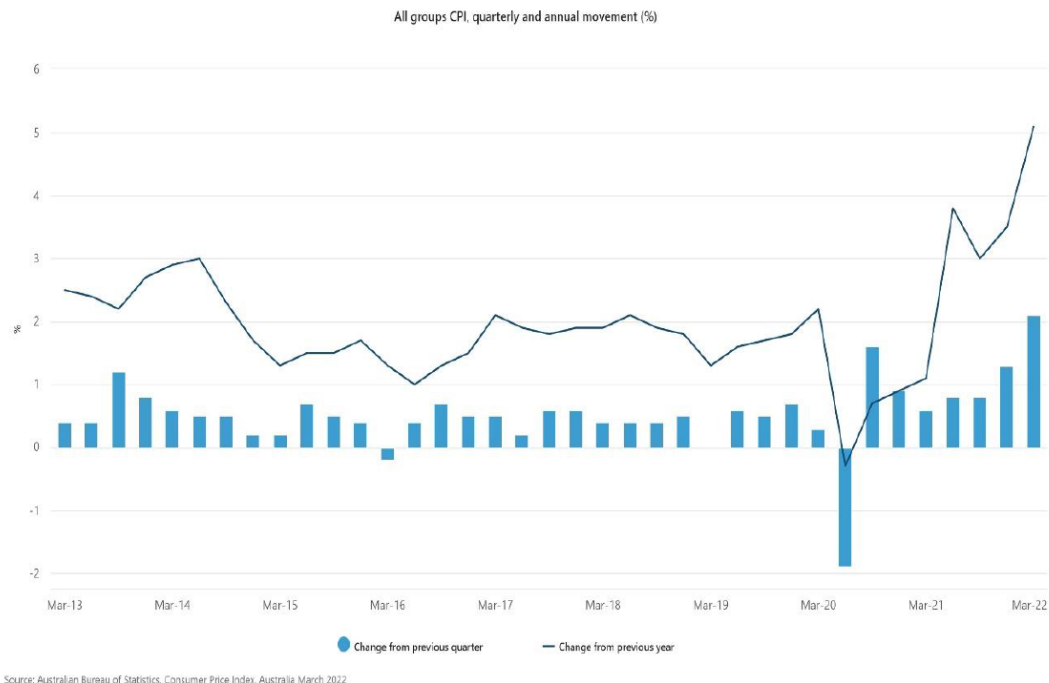
These include:

- The global Covid 19 pandemic
- Council's current financial position and Long Term Financial Management Strategy
- Requirements to maintain and improve infrastructure assets to sustainable standards
- Service delivery needs for the community
- State/Commonwealth grant funding not keeping pace with the increased costs
- Facilitating the future financial sustainability of Council by ensuring the financial operations remain within policy targets adopted for such purpose
- Provision of sufficiently qualified experienced and trained staff
- The need to establish sound Strategic Plans and policies to achieve long term sustainability

Impact of Inflation on the Annual Budget and Rate Setting Process

The 2022-23 financial year is the first year in a long time where current and forecast future inflation has been a material influence on the budget and rate setting process. The most recent Australian Bureau of Statistics Consumer Price Index figures from March 2022 measure inflation at 5.1% over the preceding twelve months.

The following graph demonstrates that since March 2015 inflation has on average been less than 2%. It can also be seen that inflation is spiking due to two main worldwide influences being the supply chain issues resulting from the Covid-19 pandemic as well as the impact on fuel prices due to the sanctions imposed on Russia in retaliation to Russia's invasion of Ukraine.



Management have reviewed Council's operating expenditure and identified reductions where possible without impacting on the range and level of Council services provided to the community. It has become clear from this review that many expenses (for example fuel and transportation costs) have increased by more than 5.1% and are expected to continue to increase over the 2022-23 financial year. From this analysis it may well be that cpi is not a relevant yardstick to measure the likely increase in costs expected to be incurred across the next financial year.

A simple way of looking at inflation is to think of it as the purchasing power of a dollar. i.e. How much can a dollar buy today when compared to how much a dollar could buy a year ago. Consider the following hypothetical situation:

- The provision of a service costs \$100 on the 31 March 2021
- Inflation between 31 March 2022 & 31 March 2023 is 5%

Question: What would it cost to provide the same level of service on the 31 March 2023?

Answer: \$105

Another way of looking at this scenario is to conclude that \$100 could only purchase \$95 worth of services on 31 March 2023 when compared to how much \$100 would have purchased a year earlier.

Based on the above example if inflation were to be 7.1% (instead of 5.1%) across the 2022-23 financial year, then Council would not be increasing rate revenue in real terms as the cost of providing services would be 2% greater than budgeted for. Further to this if the real cost increases relevant to the local government were in the vicinity of 9% then in real terms rate revenue would be decreased by 2%.

Council can only set their rates once, in June of each year, whereas suppliers can increase their prices throughout the year in line with inflation.

5. Continuing Services

All councils have basic responsibilities under the Local Government Act 1999 and other relevant legislation.

These include:

- Regulatory activities, e.g. maintaining the voters roll and supporting the elected council
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area
- Management of basic infrastructure including roads, footpaths, parks, public open space, community wastewater
- Street lighting and storm-water drainage
- Street cleaning, rubbish collection, recycling and waste management
- Development planning and control, including building safety assessment
- Various environmental health services.

In response to community needs the Council also provides and or supports further services and programs including:

- Libraries
- Community venues such as public halls and sporting grounds
- Economic development
- Tourist and historical venues, museum and sites
- Parks and gardens.

The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue for services and projects of benefit to the district.

6. **Capital Expenditure – Work Program 2022-23**

Item	Budget 2022-23 \$,000	Comment
Renewal / Replacement		
Buildings	50	
Resealing		
Jetty Rd	32	
Jetty Rd – Boat Parking Area	18	
Brooks Drive-widen and reseal	50	
Resheeting		
Wilton	81	
Mitchellville	105	
Plant & Equipment		
JCB Fastrac Tractor	105	
Ingersol Rand Vibe Roller	14	
Hilux D-Cab (WM) (P122)	48	
Other		
Jetty Rd – Parking Area	30	
CWMS	10	
Disaster Recovery Program	1,701	Initial estimate, will be updated throughout the year
Total Replacement Assets	2,244	
New / Upgraded		
Local Road and Community Infrastructure Program (round 3)	607	
Cowell Kimba Road	1,185	Year 2 of a 5 year program funded by SLRP
Beach Rd	474	Carried over from 2021-22
Total New / Upgraded	2,266	
Total Capital Expenditure	4,510	

7. Financial Sustainability/Financial Performance Measures

All Councils pursuant to the Local Government Act 1999 are required to develop and maintain Long Term Financial Management Plans and Asset Management Plans to ensure sound strategic planning principles to assist with decision making are in place.

Council is committed to ensuring its long term financial sustainability. Council's financial sustainability is dependent on ensuring that, on average over time, its expenses are at least matched by its revenue. In addition, capital expenditure on existing infrastructure and other assets should be optimised in accordance with the Infrastructure and Asset Management Plan so as to minimise whole-of-life-cycle costs of assets.

7.1 Operating Surplus Ratio (OSR)

"Is Council covering its operating expenditure and depreciation charge from its operating revenue?"

The operating surplus ratio expresses the operating surplus / (deficit) as a percentage of total operating revenue. A result of greater than 0% would indicate that Council is covering its operating expenditure and depreciation charge from its operating revenue.

The operating surplus ratio from the proposed budgeted activity for the year is of 0%. This result arises because operating income is budgeted to be the same as operating expenditure for the year.

7.2 Asset Renewal Funding Ratio (ARFR)

"Is Council replacing its assets at the same rate the assets are wearing out?"

The Asset Renewal Funding Ratio indicates whether the Council is renewing or replacing existing non-financial assets at the same rate as its overall stock of assets is wearing out.

The ratio is calculated by measuring capital expenditure on renewal and replacement of assets relative to Council's Asset Management Plan.

A result in the range of 90% to 110% would indicate that Council is replacing its assets in a timely manner. The asset renewal funding ratio for the 2022-23 is 100% which indicates that sufficient funds have been allocated to replace assets in the 2022-23 financial year.

7.3 Net Financial Liabilities (NFL) and Net Financial Liabilities Ratio

"Does Council have a manageable level of debt and other liabilities when considering its available revenue and other cash reserves?"

Net financial liabilities is a comprehensive measure of the indebtedness of the Council as it includes items such as employee long-service leave entitlements and other amounts payable as well as taking account of the level of Council's available cash and investments. Specifically, net financial liabilities equal total liabilities less financial assets, where financial assets for this purpose includes cash, cash equivalents, trade and other receivables, and other financial assets, but excludes equity held in Council businesses, inventories and land held for resale.

The following table sets the budget estimates as of 30 June 2023:

Calculation of Net Financial Liabilities Ratio	\$,000
Trade & Other Payables	142
Borrowings	5,762
Provisions	2,640
Total Liabilities	8,544
Less Financial Assets:	
Cash & Cash Equivalents	0
Trade & Other Receivables	303
Total Financial Assets	303
Equals: Net financial liabilities (NFL)	8,241
Operating Income (Opinc)	4,523
Net Financial Liabilities Ratio (NFL divide Opinc)	182%

Net financial liabilities are forecast to be \$8.2M as of 30 June 2023. There are some significant identifiable components included in this forecast being CWMS borrowings of approximately \$2.5M as well as lease liabilities of \$2.3M in relation to the Cowell cottages. The CWMS loan has an income stream that steadily repays this over a number of years whilst the lease liabilities have identifiable assets that need to be considered. The adjusted Net financial liabilities of \$3.4M whilst high are still at a manageable level, when divided by operating revenue an adjusted NFLR of 75% is achieved which is well within the benchmark range the local government sector likes to operate in.

7.4 Overall Assessment of Council's Financial Sustainability

The operating surplus ratio indicates that Council is covering its operating (i.e. non-capital) costs from the operating revenue that is available for the twelve months that this plan relates to.

The result of 100% in the asset renewal funding ratio indicates that sufficient funds have been allocated in this plan to renew Council's existing assets as identified in Council's asset data base.

When considering the analysis of the NFLR although it is outside of the industry average on the surface, the adjusted ratio of 75% is not. Council's long term financial plan contains a financial strategy (refer section 11) that steadily allows Council to reduce borrowings over time without impacting on services provided to the community.

Accordingly it can be seen that this Annual Business Plan & Budget is financially sustainable.

8. Non-Financial Performance Measures – 2022-23

In addition to the legislative performance measures, Council is required to develop non-financial performance measures.

The strategy reference refers to the strategic objectives identified in Council's Strategic Management Plan

Community Wellbeing

- Continue to advocate for full-time provision of medical services to be provided in the Community (Strategy 1.01)
- Maintain a strong relationship with Eyre Peninsula Far North Health Network and SA Health (Strategy 1.01)

Economic Wellbeing

- Continue with progressing the Foreshore Development to enhance the towns attractiveness and livability, attract new residents, and to provide a foundation for future business opportunities and investment in the local economy (Strategy 2.01) – Area enclosed by Second Street extension to be filled and landscaped, including a wetland
- Establish shelter and camp facilities in strategic locations along the coast (Strategy 2.01) – Enhancements to Port Gibbon caravan park / Eco-Eyre
- Ensure that Council has adequate land available to enable the town to grow and attract new residents (Strategy 2.06) – Progress to approval stage the Farr Street land parcel subdivision
- Establish food hall or fast food at new foreshore site (Strategy 2.08) – Commercial Building at Foreshore to be tenanted.

Natural & Built up Environment

- Provide high quality footpaths and Roads (Strategy 3.06) – upgrade Cowell-Kimba Road - SLRP grant funding
- Provide high quality footpaths and roads (Strategy 3.06) – Repair / Rebuild Flood damaged road network

Governance & Organisation

- Ensure the ongoing review of Council's Strategic Plans (Strategy 4.01) – Update the Cowell Master Plan
- Host EPLGA Conference in 2023
- Host Official Foreshore/Marina opening event later in 2022

9. 2021-22 Annual Business Plan Achievements

Community Wellbeing

- Continue to advocate for full-time provision of medical services to be provided in the Community (Strategy 1.01) - ongoing
- Maintain a strong relationship with Eyre Peninsula Far North Health Network and SA Health (Strategy 1.01) - ongoing

Economic Wellbeing

- Continue with progressing the Foreshore Development to enhance the towns attractiveness and livability, attract new residents, and to provide a foundation for future business opportunities and investment in the local economy (Strategy 2.01) – Commercial Building, Waterpark, Basketball Court, Paving and Landscaping Complete
- Provide appropriate infrastructure for economic development (Strategy 2.06) – Construction of the Commercial Building (Foreshore Development) - Complete

Natural & built Environment

- Enhance the aesthetics of our township's environment (Strategy 3.05) – Tree planting program - Commenced
- Re-sheet sections of Cowell-Mangalo Road (Strategy 3.06) – Completed
- Re-sheet sections of Wilton Road and Schultz Road (Strategy 3.06) – carried forward to 2022-23
- Seal the final 3.8km of Beach Road – SLRP grant funding (Strategy 3.06) Construction commenced – carried forward to 2022-23

Governance & Organisation

- Ensure the ongoing review of Council's Strategic Plan (Strategy 4.01.02) – Commenced
- Provide Monthly newsletter and maintain regular updates on website and Facebook (Strategy 4.02) – investigating with neighboring councils to produce a local area newspaper which will incorporate Council news - Complete

Drought Community Program Projects

- Upgrade to Lions Park – Bouncy Pillow, Shade, Landscaping - Complete

10. Grant Funding

Council will receive the following grant funding in 2022-23:

- Financial Assistance Grants, both General Purpose and Local Roads Grants (sourced from Federal Government)
 - Council has complete discretion as to expenditure of funds received.
- Specific Purpose Grants (State and Federal Governments)
 - Which are to be spent on specific projects or programs.
- Special Local Roads Program (Federal Government)
- Roads to Recovery Grants (Federal Government)
 - While funds received are to be spent on road projects, Council has complete discretion on whether funding is applied towards maintaining, renewing or upgrading roads
- Capital Grants are amounts received by Council specifically to be used for capital purposes

Operating Grants	Amount \$,000
Local Roads (Grants Commission)	258
General Purpose (Grants Commission)	1,055
Supplementary Local Roads (Grants Commission)	113
Roads to Recovery	229
Other	138
Total Operating Grant Funding	1,793
Capital Grants	
Local Road and Community Infrastructure Program (Round 3)	607
Special Local Roads Program	1,034
Total Capital Grant Funding	1,641

11. Funding the Business Plan

The Council's long-term financial sustainability is dependent on ensuring that, on average over time, its expenses are less than its revenue, as outlined in the LTFP.

The following is an extract of Councils financial strategy as outlined in the Long Term Financial Plan 2021-30 that was adopted in June 2021.

The LTFP is based on Councils current operating service levels as well as projected capital renewal expenditure obtained from Councils Asset Management Plan.

- *Community Wastewater Management Schemes ("CWMS") charges are set at an appropriate level to ensure whole of life costs are recovered.*

There are currently two types of charges designed to achieve this being:

- *A service charge of \$150 per unit per annum*
- *A capital charge of \$367 per unit per annum*

The capital charge is aimed at recouping the original construction cost of the Cowell CWMS and is being used to repay the debt incurred at the time of construction.

The service charge is aimed at recouping the whole of life costs of running and renewing the Cowell CWMS as it wears out. In 2018-19 the service charge was reduced from \$442 per unit per annum to \$150 in recognition of the out of pocket expenses being incurred by rate payers required to enable them to connect to the mains. The intention was for this to be a short term arrangement with the service charge to be reinstated to the previous level in due course.

Council have discussed this matter at length and feel that a phasing in strategy needs to be employed to return the service charge to the level required to recoup the whole of life costs of the Cowell CWMS. The Local Government Act requires this to happen. If the service charge were not increased to the previous level, then this would mean the shortfall in revenue required to cover the whole of life costs of the CWMS would be covered most likely from general rate revenue which would be seen as unfair to those ratepayers who do not receive the benefits of the CWMS.

Accordingly, the long term financial plan has been prepared on the understanding that the service charge will be increased by \$50 per annum plus CPI for each year within the five year period commencing 30 June 2023 and ending 30 June 2028.

- *Additional revenue is included in the LTFP because of several initiatives that are outlined in the following table:*

	2023-24	2024-25	2025-26
Rate increase due to growth	10,000	10,000	10,000
Marina rent/berth sales	24,000	30,000	36,000
Marina Café rent	15,000	15,000	15,000
Port Gibbon Cabins x2	51,840	54,432	57,154
Camping fees	25,000	25,000	25,000
Additional camping Point Gibbon/ Rangeview	15,000	17,500	20,000
Per Annum	140,840	151,932	163,154

These estimates are believed to be conservative with the possibility existing that even larger revenue streams may eventuate once the foreshore redevelopment project is completed.

- *Waste management user charges are set at an appropriate level to ensure the full cost of providing these services is recovered from those who benefit from the service.*
- *Council will continue to review service delivery to the community to identify any further opportunities to reduce operating costs due to increased operating efficiencies. This will be an ongoing objective for management to ensure the maximum benefit to the community per dollar of rates.*
- *Council will not undertake any further construction of upgraded or new assets over the next 10 years unless additional revenue is identified that will fund such upgrades. By committing to this strategy, Council will be able to allocate resources to replacing existing assets in a timely manner as well as minimising any increases in operating costs associated with additional assets. Should an upgrade program be agreed to, then a complete re-work of the LTFP will be undertaken to confirm Council will remain in a financially sustainable position after the completion of these works.*
- *Grant revenue will be targeted in a strategic manner. This means that grant revenue to build new assets would only be pursued and accepted if the new assets were deemed to have strategic significance, particularly, if additional funding was to be contributed by Council. Where an operating grant is sought and additional Council funds are required to be contributed, then careful consideration will be given to long-run benefits and costs. This will ensure activities that may better fit Council's strategic objectives are not being delayed in lieu of the activity being funded by the grant.*
- *The LTFP will be revised as part of the Annual Business Planning process each year.*

Council's revenue in 2022-23 includes \$1.9M proposed to be raised from general and other rates which has been increased by March cpi of 5.1% plus 2%. Readers are referred to section 4 of this plan for further information as to why such an increase was believed to be necessary. In real terms it is more than likely rate revenue will decrease due to operational and capital costs increasing by more than 7.1% throughout the 2022-23 financial year.

There is little forecast growth expected for the region. Accordingly, no increases to rates revenue have been factored in for growth.

Other sources of proposed revenue for the Council are:

- User charges and commercial revenue
- Statutory charges set by State Government
- Grants
- Other revenue

12. Uniform Presentation of Finances

The Uniform Presentation of Finances together with the results of the Key Financial Indicators provides a summarised report that focuses on Council's finances at a strategic level.

Readers are strongly encouraged to take the time to comprehend how this report is structured and what the implications of the various lines of this report are for the Key Financial Indicator calculations. Definitions and examples of the key components of this report are included in the glossary at the end of this document.

The Uniform Presentation of Finances report highlights the operating surplus/ (deficit) measure which is considered the most critical indicator of a Council's financial performance.

The last line, or rather the result of this report, is the movement in Net Financial Liabilities (Net Lending/Borrowing) for the year based on Council's planned capital and operating budgets for that year.

Achieving a zero result on the net lending/(borrowing) measure in any one year essentially means that the Council has met all of its expenditure (both operating and capital) from the current year's income (with income including amounts received specifically for new/upgraded assets).

UNIFORM PRESENTATION OF FINANCES	Forecast 2021-22 \$000	Budget 2022-23 \$000
Operating Revenue	4,191	4,523
less Operating Expense	(4,124)	(4,517)
Operating Surplus / (Deficit) before Capital Amounts	67	6
less Disaster Recovery Program - Net Impact	841	1,410
Operating Surplus / (Deficit) before Capital Amounts (Including impact of DRP)	908	1,416
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	1,781	2,245
less Depreciation, Amortisation & Impairment	(1,157)	(1,279)
less Proceeds from Sale of Replaced Assets	(242)	(39)
Net Outlays on Existing Assets	382	926
less Net Outlays on New & Upgraded Assets		
Capital Expenditure on New & Upgraded Assets	5,699	2,266
less Amounts specifically for new or upgraded Assets	(4,095)	(1,641)
less Proceeds from Sale of Surplus Assets	0	0
Net Outlays on New & Upgraded Assets	1,603	625
Net Lending/ (Borrowing) for Financial year	(1,078)	(136)

The result of (\$136k) indicates that Council is spending slightly more than it is receiving when considering Council budget in aggregate.

A full explanation of the components to the above Uniform Presentation of Finances is contained in Appendix A.

13. Rating Arrangements 2022-23

Method used to value land

The Council may adopt one of three valuation methodologies to value the properties in its area. They are:

- Capital Value – the value of the land and all improvements on the land
- Site Value – the value of the land and any improvements which permanently affect the amenity of use of the land, such as drainage works, but excluding the value of buildings and other improvements.
- Annual Value – a valuation of the rental potential of the property.

The District Council of Franklin Harbour uses capital value as the basis for valuing land within its Council area. Council considers that this method of valuing land provides the fairest method of distributing the rate burden across all ratepayers on the following basis:

- The equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth.
- Property value is a relatively good indicator of wealth and capital value provides a fair indicator of overall property value.
- The distribution of property values throughout the Council area is such that some ratepayers will pay more and some less depending on fluctuations of property value.

Rating information for 2022-23

In setting its rates for the 2022-23 financial year the Council considered the following:

- The current economic climate and relevant factors such as inflation and interest rates.
- The specific issues faced by our community, which are the effects of seasonal variations for the farming community.
- The need to continue to replace and upgrade infrastructure assets that include both plant and machinery and our road network.
- The objective of attracting and continuing to attract and support business activity to generate economic development.
- Council's strategic plan and the meeting of those objectives.
- The budget for the 2022-23 financial year and the long-term financial plans.
- Householders, businesses and primary producers.
- The broad principal of achieving equity in the distribution of rates.
- Minimising the level of general rates required by levying fees and charges for goods and services where that is possible.
- Setting fees and charges to recover the full cost of operating or providing the services of goods, with provision for concessions to those members of the community unable to readily meet the full cost.
- Taking into account changes to Council valuations by the Valuer-General.
- Submissions made during the Public Consultation process.

Adoption of valuations

The Council has considered the valuations made by the Valuer-General effective as at 26 June 2022. If a ratepayer is dissatisfied with the valuation made by the Valuer-General then the ratepayer may object to the Valuer-General in writing, within 60 days of receiving notification of the valuation, explaining the basis for the objection to State Valuation Office, GPO Box 1354, ADELAIDE SA 5001 or email lsgobjections@sa.gov.au.

Business impact statement

The Council has considered the impact of rates on all businesses in the Council area, and in particular primary production. Council has also considered the equity of the distribution of the rate burden between ratepayers; Council's policy on facilitating local economic development; current local, state and national economic conditions; changes in the valuation of business and primary production properties; and specific Council projects for the coming year and specific infrastructure maintenance issues.

Council's Revenue Raising Powers

All land within a Council area, except for land specifically exempt (e.g. Crown Land, Council occupied land and other land prescribed in the Local Government Act 1999 – refer Section 147 of the Act), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through a general rate, which applies to all rateable properties, or through differential general rates, which apply to classes of properties. In addition, Council can raise separate rates, for specific areas of the Council or services rates or charges for specific services. Council also raises revenue through fees and charges, which are set giving consideration to the cost of the service provided and any equity issues. The list of applicable fees and charges is available at the Council Office, 6 Main Street Cowell.

Differential rates

In accordance with the provisions of Section 153 of the Local Government Act 1999 Council has decided to impose differential general rates on the following properties, based on land use and zoning.

	ABP 2021-22 \$,000	ABP 2022-23 \$,000	\$,000 increase	% increase
Residential	555	595	39	7.1%
Commercial - Shop	11	12	1	7.1%
Commercial - Other	28	30	2	7.1%
Industry - Light	9	9	1	7.1%
Industry - Other	33	36	2	7.1%
Commercial (Bulk Handling) Zone	53	56	4	7.1%
Primary Production	554	593	39	7.1%
Vacant Land & Other	115	123	8	7.1%
Total Expected revenue from General Rates (excluding rebates and remissions that are not discretionary rebates or remissions)	1,357	1,453	96	7.1%

The use or zoning of the land is used as the factor to levy differential rates. If a ratepayer believes that a particular property has been wrongly identified by the Council as to its use or zoning, then they may object to the Council within 21 days of being notified.

It is important to note that the lodgement of an objection does not change the due date for payment of rates.

Fixed charge

Council over the past few years have adopted a fixed charge as a part of its rating policy. The fixed charge for the 2022-23 will be \$419 an increase of 7% from the 2021-22 fixed charge.

Service Charges

Community Waste Water Management Scheme

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2023, in respect of the prescribed service of effluent waste disposal, on all land to which the Council provides or makes available the services as follows:

- CWMS Port Gibbon Maintenance Fee \$460
- CWMS Cowell Maintenance Fee \$210
- CWMS Cowell Capital Fee \$393

Port Gibbon Water Supply Charge

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2023, in respect of the prescribed service of water supply, on all land to which the Council provides or makes available the Port Gibbon Water Supply as follows:

- Port Gibbon Water Supply \$289

Lucky Bay Water Supply Charge

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2023, in respect of the prescribed service of water supply, on all land to which the Council provides or makes available the Lucky Bay Water Supply as follows:

- Lucky Bay Water Supply \$289

Kerbside Bin Collection

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2023, in respect of the prescribed service of one (1) kerbside bin collection, on all land to which the Council provides or makes available the service as follows:

- Kerbside Bin Collection (140L Bin) \$278
- Kerbside Bin Collection (240L Bin) \$331

Additional Bin Collections

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2023, in respect of the prescribed service of additional kerbside bin collections, on all those that utilize the service as follows:

- Additional Bin Collections \$214.00/bin

Recycle Bin Collection

Pursuant to Section 155 of the Local Government Act 1999, the Council proposes to adopt an annual service charge for the financial year ending 30 June 2023, in respect of the prescribed service of recycle bin collections, on all properties that utilize the service as follows:

- Recycle Bin Collection \$128.00

Rebates

Section 159 to 166 of the Local Government Act, 1999 pertain to the Rebate of Rates.

Council is required to provide statutory rebates to schools, churches, hospitals, and Commonwealth / State Government land under Section 159 to 165 of the Local Government Act, 1999.

Late payment of rates

The Local Government Act provides that Councils impose a fine of 2% on any instalment unpaid after the due date. At the expiration of each full month from the due date, interest is charged at the prescribed percentage of the total in arrears and unpaid rates. This does not include interest from previous months.

Council issues a final notice for payment of rates when rates are overdue, i.e. unpaid by the due date. Should rates remain unpaid more than 21 days after the issue of the final notice, then the Council may refer the debt to a debt collection agency for collection. The debt collection agency charges collection fees that are recoverable from the ratepayer.

When Council receives a payment in respect of overdue rates Council applies the money received as follows:

First - to satisfy any costs awarded in connection with court proceedings.

Second – to satisfy any interest costs.

Third – in payment of any fines imposed.

Fourth – in payment of rates, in chronological order (starting with the oldest account first).

Regional Landscape Levy

The Regional Landscape Levy is a State Government initiative under the Landscape South Australia Act 2019.

The Levy provides additional funding to help take care of natural resources such as water, soil, animal and plant control sustainably developing and protecting natural resources for the benefit of communities and future generations living in the Franklin Harbour region.

Council levies an amount against each rateable property to collect the amount determined by the State Government.

For 2022-23 Council's annual contribution to the Eyre Peninsula Landscape Board is \$98,353.

Postponement of rates for seniors

Section 182A of the Local Government Act 1999, that allows eligible Senior Ratepayers to postpone a proportion of their council rates each financial year commencing 2007/2008, provides for a threshold amount of rates that cannot be postponed. The threshold is set at \$500.00 annually. The outstanding rates will attract interest (i.e. the scheme is non-concessional) and will remain a charge on the property until the property is sold or that person no longer lives on the property or becomes ineligible to continue the postponement.

Payment of rates

Payment of rates will be by four instalments due September 2022, December 2022, March 2023, and June 2023.

Payment can be made at the Council Office, 6 Main Street, Cowell during normal office hours 9.00 am to 5.00 pm Monday to Friday, by cash, cheque or most credit cards, or can be made by post to PO Box 71, Cowell SA 5602 by cheque or money order payable to the District Council of Franklin Harbour. Payments may also be made by direct Bank Transfer.

Sale of land for non-payment of rates

The Local Government Act 1999 provides that Council may sell any property where the Rates have been in arrears for three years or more.

The council is required to notify the owner of the land of its intention to sell the land. Provide the owner with details of the outstanding amounts and advise the owner of its intention to sell the land if payment is not received within one month.

Except in extraordinary circumstances or approval has been granted for postponement of Rates, the Council enforces the sale of land for non-payment of Rates.

Difficulty in paying rates

Rates are payable in full or by four separate quarterly instalments. However, Section 182 of the Local Government Act 1999 permits the Council on the application of a Ratepayer to partially or wholly remit Rates or to postpone Rates on the basis of hardship.

If any ratepayer is experiencing financial difficulties and would like to discuss an alternative agreeable payment plan this flexibility is also available.

Contact the District Council of Franklin Harbour on 8629 2019 for a confidential discussion.

APPENDIX A – EXPLANATION OF UNIFORM PRESENTATION OF FINANCES

(example only for explanation purposes – left blank intentionally)

UNIFORM PRESENTATION OF FINANCES	2021-22 Forecast \$'000	2022-23 Budget \$'000
Income		
less Expenses		
Operating Surplus/(Deficit)	-	-
Less: Net Outlays on Existing Assets		
Capital Expenditure on Renewal/Replacement of Existing Assets		
less Depreciation, Amortisation and Impairment Expenses		
less Proceeds from Sale of Replaced Assets		
Net Outlays on Existing Assets	-	-
Less: Net Outlays on New and Upgraded Assets		
Capital Expenditure on New/Upgraded Assets		
less Amounts received specifically for New/Upgraded Assets		
less Proceeds from Sale of Surplus Assets		
Net Outlays on New and Upgraded Assets	-	-
Net Lending/(Borrowing) for Financial Year	-	-

Explanation/Examples of Components of Uniform Presentation of Finances

Operating Revenue and Expenditure: Represent the totals from the relevant lines of the Statement of Comprehensive Income (operating statement) for the year being reported on.

Capital Expenditure on renewal and replacement of Existing Assets: e.g. Roads reseals, replacement tractor, building renovations, replacement computer hardware.

Proceeds from sale of replaced assets: e.g. trade in value of a tractor or motor vehicle being replaced.

Capital Expenditure on New and Upgraded Assets: e.g. constructing a new building, constructing a new catchment pond, purchasing a piece of machinery that was not previously on hand.

Amounts specifically for new or upgraded Assets: e.g. Capital grants to partly fund a new CWMS, funds received to build new footpaths that did not previously exist.

Proceeds from Sale of Surplus Assets: Proceeds from the sale of a council building that was no longer required, sale of surplus land.

New/Upgraded vs Renewal/Replacement of Assets

The following definitions have been obtained from the South Australian Local Government Model Financial Statements (see <http://www.lga.sa.gov.au/site/page.cfm?u=769#e4291>).

A *new asset* is additional to Council's previous asset complement (e.g. roads constructed as part of a Council-owned subdivision are new assets. Similarly laying footpaths in areas where they did not previously exist are also new assets).

An *upgraded asset* replaces a previously existing asset with enhanced capability or functionality.

Renewal or replacement of an asset occurs where a previously existing asset is replaced without enhancement of the service capability except where this is incidental and unavoidable.

It is possible for capital expenditure to be a *combination of renewal as well as upgrade*. This is particularly prevalent in this Council region due to the increased volume of B-double traffic experienced in recent times. This has required existing roads to be rebuilt to higher standards (e.g. the replacement of a road that was initially was a 6 metre wide sheeted surface with an 8 metre width sheeted surface can be considered part replacement and part upgrade).

The important point to understand is that if Council is not able to replace its existing assets in a timely manner then new assets should not be built unless essential. By building new assets Council is effectively building new liabilities as the assets usually don't generate revenue (e.g. roads), cannot be sold, and will need to be maintained and eventually replaced.

APPENDIX B - STATUTORY STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME	Forecast 2021-22 \$,000	Budget 2022-23 \$,000	Mvmt \$,000
INCOME			
Rates - General & Other	1,775	1,921	146
Statutory Charges	31	30	(1)
User Charges	716	685	(31)
Grants & Subsidies	1,618	1,793	175
Investment Income	2	2	0
Reimbursements	5	10	5
Other Revenues	45	82	38
Total Operating Income	4,191	4,523	332
EXPENDITURE			
Employee Costs	1,149	1,176	27
Materials, Contracts & Other Expenses	1,629	1,861	232
Depreciation	1,157	1,279	122
Finance Charges	189	200	12
Total Operating Expenditure	4,124	4,517	392
OPERATING SURPLUS/(DEFICIT)	67	6	(61)
Disaster Recovery Program - Net Impact	841	1,410	569
Capital Grants	716	1,034	317
Amounts Recieved Specifically for New Assets	3,379	607	(2,772)
NET SURPLUS / (DEFICIT) transferred to Equity Statement	5,003	3,056	(1,947)

STATEMENT OF FINANCIAL POSITION	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
ASSETS		
CURRENT ASSETS		
Cash & Cash Equivalents	0	0
Trade & Other Receivables	303	303
Inventories	46	46
Total Current Assets	349	349
NON-CURRENT ASSETS		
Infrastructure, Property, Plant & Equipment	47,365	50,557
Total Non-Current Assets	47,365	50,557
TOTAL ASSETS	47,714	50,906
LIABILITIES		
CURRENT LIABILITIES		
Trade & Other Payables	142	142
Borrowings	340	353
Short Term Provisions	664	664
Total Current Liabilities	1,146	1,159
NON-CURRENT LIABILITIES		
Long Term Borrowings	5,287	5,409
Long Term Provisions	1,976	1,976
Total Non-Current Liabilities	7,263	7,385
TOTAL LIABILITIES	8,409	8,544
NET ASSETS	39,306	42,362
EQUITY		
Accumulated Surplus	31,597	34,653
Asset Revaluation Reserve	7,674	7,674
Other Reserves	35	35
TOTAL EQUITY	39,306	42,362

STATEMENT OF CASH FLOWS	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Operating Receipts	3,333	4,521
Investment Receipts	2	2
Payments		
Operating Payments to Suppliers & Employees	2,778	3,037
Finance Payments	189	200
Net Cash provided by (or used in) Operating Activities	369	1,286
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Grants Specifically for new or upgraded assets	4,095	3,050
Sale of replaced Assets	242	39
Sale of surplus Assets	0	0
Payments		
Expenditure on renewal/replaced assets	1,781	2,245
Expenditure on new/upgraded assets	5,699	2,266
Net cash provided by (used in) Investing Activities	(3,143)	(1,421)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings	1,625	475
Payments		
Repayment of Borrowings	658	340
Net Cash Provided by (Used in) Financing Activities	966	135
Net Increase / (Decrease) in Cash	(1,808)	0
Cash and Cash Equivalents at start of reporting period	1,808	0
Cash & Cash Equivalents at the end of the reporting period	0	0

STATEMENT OF CHANGES IN EQUITY	Forecast 2021-22 \$,000	Budget 2022-23 \$,000
ACCUMULATED SURPLUS		
Balance at end of previous reporting period	26,594	31,597
Net Result for Year	5,003	3,056
Transfer from Reserves	0	0
Transfer to Other Reserves	0	0
Balance at end of period	31,597	34,653
ASSET REVALUATION RESERVE		
Balance at end of previous reporting period	7,674	7,674
Revaluation of Property Plant & Equipment	0	0
Balance at end of period	7,674	7,674
OTHER RESERVES		
Balance at end of previous reporting period	35	35
Transfers from Accumulated Surplus	0	0
Transfers to Accumulated Surplus	0	0
Balance at end of period	35	35
TOTAL EQUITY AT END OF REPORTING PERIOD	39,306	42,362

2022/2023 Financial Statements





District Council of Franklin Harbour

General Purpose Financial Reports for the year ended 30 June 2023

District Council of Franklin Harbour
General Purpose Financial Reports
for the year ended 30 June 2023

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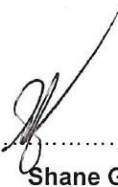
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District Council of Franklin Harbour
Annual Financial Statements
for the year ended 30 June 2023

CERTIFICATION OF FINANCIAL STATEMENTS

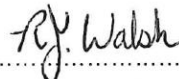
We have been authorised by the Council to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2023 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.



Shane Gill

CHIEF EXECUTIVE OFFICER



Robert Walsh

MAYOR/COUNCILLOR

Date: 11/10/2023

District Council of Franklin Harbour
Statement of Comprehensive Income
for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
INCOME			
Rates	2	1,916,638	1,777,410
Statutory charges	2	36,936	35,776
User charges	2	743,793	740,664
Grants, subsidies and contributions - Capital	2	2,640,373	-
Grants, subsidies and contributions - Operating	2	4,829,596	3,225,727
Investment income	2	21,438	2,414
Reimbursements	2	10,264	3,366
Other income	2	98,615	80,536
Total Income		10,297,653	5,865,893
EXPENSES			
Employee costs	3	1,515,830	1,370,119
Materials, contracts & other expenses	3	4,211,492	2,646,141
Depreciation, amortisation & impairment	3	1,533,863	1,401,429
Finance costs	3	208,208	184,428
Total Expenses		7,469,392	5,602,116
OPERATING SURPLUS / (DEFICIT)		2,828,261	263,778
Asset disposal & fair value adjustments	4	17,376	14,744
Amounts received specifically for new or upgraded assets	2	2,297,379	3,351,035
NET SURPLUS / (DEFICIT) transferred to Equity Statement		5,143,015	3,629,557
Other Comprehensive Income			
Impairment (expense) / recoupments offset to asset revaluation reserve	8	-	(211,725)
Total Other Comprehensive Income		-	(211,725)
TOTAL COMPREHENSIVE INCOME		5,143,015	3,417,832

District Council of Franklin Harbour
Statement of Financial Position
as at 30 June 2023

ASSETS	Notes	2023 \$	2022 \$
Current Assets			
Cash and cash equivalents	5	1,807,929	865,458
Trade & other receivables	5	943,455	1,329,761
Inventories	5	27,725	28,856
Total Current Assets		<u>2,779,109</u>	<u>2,224,075</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	49,150,812	45,292,714
Total Non-current Assets		<u>49,150,812</u>	<u>45,292,714</u>
Total Assets		<u>51,929,921</u>	<u>47,516,790</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	466,544	1,946,716
Borrowings	7	353,388	339,591
Provisions	7	722,070	691,118
Total Current Liabilities		<u>1,542,002</u>	<u>2,977,424</u>
Non-current Liabilities			
Borrowings	7	5,520,864	4,835,134
Provisions	7	2,003,396	1,983,588
Total Non-current Liabilities		<u>7,524,260</u>	<u>6,818,722</u>
Total Liabilities		<u>9,066,262</u>	<u>9,796,146</u>
NET ASSETS		<u>42,863,659</u>	<u>37,720,644</u>
EQUITY			
Accumulated surplus		35,366,720	30,223,705
Asset revaluation reserves	8	7,461,804	7,461,804
Other reserves	8	35,135	35,135
TOTAL EQUITY		<u>42,863,659</u>	<u>37,720,644</u>

District Council of Franklin Harbour
Statement of Changes in Equity
for the year ended 30 June 2023

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
2023	Notes	\$	\$	\$	\$
Balance at end of previous reporting period		30,223,705	7,461,804	35,135	37,720,644
Net Surplus / (Deficit) for Year		5,143,015			5,143,015
Balance at end of period	9	35,366,720	7,461,804	35,135	42,863,659

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
2022	Notes	\$	\$	\$	\$
Balance at end of previous reporting period		26,594,148	7,673,529	35,135	34,302,812
Net Surplus / (Deficit) for Year		3,629,557			3,629,557
Other Comprehensive Income					
Impairment (expense) / recoupments offset to asset revaluation reserve			(211,725)		(211,725)
Balance at end of period	9	30,223,705	7,461,804	35,135	37,720,644

District Council of Franklin Harbour
Statement of Cash Flows
for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
Rates - general & other		1,933,512	1,775,502
Fees & other charges		40,630	37,565
User charges		26,052	685,463
Investment receipts		21,438	3,880
Grants utilised for operating purposes		4,826,457	3,225,727
Reimbursements		11,290	3,534
Other revenues		956,632	836,150
<i>Payments:</i>			
Employee costs		(1,454,287)	(1,328,462)
Materials, contracts & other expenses		(5,499,904)	(3,299,234)
Finance payments		(182,043)	(300,417)
Net Cash provided by (or used in) Operating Activities		<u>679,777</u>	<u>1,639,709</u>
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		2,297,379	3,351,035
Grants utilised for capital purposes		2,640,373	-
Sale of replaced assets		29,091	179,025
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(4,669,454)	(1,233,395)
Expenditure on new/upgraded assets		(734,222)	(4,552,236)
Net Cash provided by (or used in) Investing Activities		<u>(436,833)</u>	<u>(2,255,572)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	(326,345)
<i>Payments:</i>			
Repayments of borrowings		699,527	-
Net Cash provided by (or used in) Financing Activities		<u>699,527</u>	<u>(326,345)</u>
Net Increase (Decrease) in cash held		<u>942,471</u>	<u>(942,208)</u>
 Cash & cash equivalents at beginning of period	9	<u>865,458</u>	<u>1,807,666</u>
Cash & cash equivalents at end of period	9	<u>1,807,929</u>	<u>865,458</u>

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board. Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011 dated (insert date).

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

2 The Local Government Reporting Entity

The District Council of Franklin Harbour is incorporated under the SA Local Government Act 1999 and has its principal place of business at 6 Main Street, COWELL SA 5602. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

3.1 Revenue

The Council recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when Council enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

In recent years, the payment of untied grants (financial assistance grants/ local roads/ supplementary grants) has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation		Difference
2017-18	1,352,830	1,232,838	+	119,992
2018-19	1,321,832	1,231,049	+	90,783
2019-20	1,271,455	1,233,364	+	38,091
2020-21	1,211,571	1,236,430	-	24,859
2021-22	1,643,952	1,268,128	+	375,824
2022-23	1,960,319	1,380,888	+	579,431

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 12 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

3.2 Construction Contract Revenue

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

Cash assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

4.2 Other Financial Instruments

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments also form part of Note 11.

5 Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

5.2 Other Real Estate held for resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

7 Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts (other than grants) received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Borrowings

Borrowings are initially recognised at fair value net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates and is recorded as part of "Payables". Interest free loans are initially recognised at fair value with any difference between fair value and proceeds recognised in the profit and loss. The loan is subsequently measured at amortised cost with interest being recognised using the effective interest rate method.

9 Provisions

9.1 Employee Benefits

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on-costs) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Weighted average discount rate	4.25% (2022, 3.65%)
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No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

Superannuation:

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 14.

9.2 Provisions for reinstatement, restoration, rehabilitation.

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

9.3 Cowell Cottages Lease Liability

15 of the Cowell Cottages are occupied under a licence to occupy. In the event the tenants vacate the premises, the licenses are repayable by Council. A provision has been included in Note 7.

10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

11 New and amended standards and interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been *Please refer to Appendix A of MFS for a listing of all new accounting standards. To determine relevant standards for inclusion in this note.*

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME

	Notes	2023 \$	2022 \$
RATES REVENUES			
<u>General Rates</u>		1,464,583	1,372,871
Less: Discretionary rebates, remissions & write offs		(16,635)	(15,612)
		<u>1,447,948</u>	<u>1,357,259</u>
<u>Other Rates</u> (including service charges)			
Landscape levy		99,664	95,690
Community wastewater management systems		363,083	318,935
		<u>462,747</u>	<u>414,624</u>
<u>Other Charges</u>			
Penalties for late payment		5,943	5,527
		<u>5,943</u>	<u>5,527</u>
Less: Discretionary rebates, remissions & write offs			-
		<u>1,916,638</u>	<u>1,777,410</u>
STATUTORY CHARGES			
Development Act fees		24,591	19,125
Town planning fees			3,500
Health & Septic Tank Inspection fees			349
Animal registration fees & fines		5,908	6,503
Other licences, fees, & fines		6,437	6,299
		<u>36,936</u>	<u>35,776</u>
USER CHARGES			
Cemetery/crematoria fees		5,482	9,400
Hall & equipment hire		6,530	6,170
Camping Fees		73,902	45,373
Shack Area Fees		118,189	116,957
Rubbish Disposal Fees		236,044	222,174
Boat Ramp Fees		36,336	20,259
Cowell Cottages		127,504	112,990
Coolanie Water Fees		60,064	86,616
Standpipe Water Use		-	10,962
Other User Charges		79,742	109,762
		<u>743,793</u>	<u>740,664</u>

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME (con't)

	Notes	2023 \$	2022 \$
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		21,394	2,353
Banks & other		44	61
		<u>21,438</u>	<u>2,414</u>
REIMBURSEMENTS			
Private works		9,064	3,236
Other		1,200	130
		<u>10,264</u>	<u>3,366</u>
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		56,362	-
Sundry		42,253	80,536
		<u>98,615</u>	<u>80,536</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
<i>Amounts received specifically for new or upgraded assets</i>		2,297,379	3,351,035
 <i>Other grants, subsidies and contributions - Capital</i>			
Roads to Recovery		221,461	
Disaster Recovery Funding		2,418,912	
		<u>2,640,373</u>	-
 <i>Other grants, subsidies and contributions - Operating</i>			
Untied - Financial Assistance Grant		1,960,319	1,703,502
Disaster Recovery Funding		2,727,709	909,564
Roads to Recovery		-	332,192
Library & Communications		3,427	3,540
Sundry		138,141	276,929
		<u>4,829,596</u>	<u>3,225,727</u>
		<u>9,767,348</u>	<u>6,576,762</u>

The functions to which these grants relate are shown in Note 10.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME (con't)

Sources of grants	Notes	2023	2022
		\$	\$
<i>Commonwealth government</i>		2,518,840	3,683,227
<i>State government</i>		7,248,508	2,893,535
<i>Other</i>		-	-
		<u>9,767,348</u>	<u>6,576,762</u>

Individually Significant Item

Additional FAGs grant payment - June 2023	579,431	-
Disaster Recovery Funding spent on Capital	2,418,912	-
Additional FAGs grant payment - June 2022		375,824

Conditions over grants & contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

<i>Unexpended at the close of the previous reporting period</i>	742,866	371,433
<i>Less: expended during the current period from revenues recognised in previous reporting periods:</i>		
<i>LGCIP (x2)</i>	<u>441,536</u>	<u>371,433</u>
<i>Subtotal</i>	<u>441,536</u>	<u>371,433</u>
<i>Unexpended at the close of this reporting period</i>	<u>1,184,402</u>	<u>742,866</u>
 <i>Net increase / (decrease) in assets subject to conditions in the current reporting period</i>	 <u><u>441,536</u></u>	 <u><u>371,433</u></u>

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE

	Notes	2023 \$	2022 \$
EMPLOYEE COSTS			
Salaries and Wages		1,434,662	1,387,291
Employee leave expense		161,082	95,830
Superannuation - defined contribution plan contributions	14	111,406	102,474
Superannuation - defined benefit plan contributions	14	38,652	36,000
Workers' Compensation Insurance		36,304	31,892
Less: Capitalised and distributed costs		<u>(266,276)</u>	<u>(283,367)</u>
Total Operating Employee Costs		<u>1,515,830</u>	<u>1,370,119</u>
Total Number of Employees		17	17
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		13,000	14,000
Elected members' expenses		80,165	69,707
Election expenses		8,104	400
Subtotal - Prescribed Expenses		<u>101,269</u>	<u>84,108</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		7,932,972	5,850,839
Energy		292,845	272,445
Patrol Grading		54,938	114,001
Plant Maintenance		129,267	299,946
Rubbish Disposal		95,757	109,232
Legal Expenses		11,720	12,181
Levies paid to government - Landscape levy		98,353	94,719
Parts, accessories & consumables		117,079	46,914
Professional services		33,889	47,636
Other Capital		480,801	1,773,571
Less: Capitalised and Distributed Costs		<u>(5,137,399)</u>	<u>(6,059,452)</u>
Subtotal - Other Materials, Contracts & Expenses		<u>4,110,223</u>	<u>2,562,033</u>
		<u>4,211,492</u>	<u>2,646,141</u>

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE con't

	Notes	2023 \$	2022 \$
INDIVIDUALLY SIGNIFICANT ITEMS			
<i>Insert Description</i>			
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		290,799	285,661
CWMS		147,337	147,337
Other Community Assets		332,108	228,033
Office Equipment, Furniture		6,822	6,822
Plant, Machinery, Equipment		188,668	185,553
Sealed Roads		328,436	308,329
Unsealed Roads		167,212	378,937
Kerb & Gutter		43,792	43,792
Footpath		24,401	24,401
Stormwater		2,140	2,140
Bridges		2,148	2,148
		<u>1,533,863</u>	<u>1,613,154</u>
Less: Impairment expense offset to asset revaluation reserve	6		(211,725)
		<u>1,533,863</u>	<u>1,401,429</u>
FINANCE COSTS			
Interest on Loans		208,208	184,428
		<u>208,208</u>	<u>184,428</u>

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

		2023	2022
	Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		29,091	179,025
Less: Carrying amount of assets sold		11,715	164,281
Gain (Loss) on disposal		17,376	14,744
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		17,376	14,744

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 5 - CURRENT ASSETS

	Notes	2023 \$	2022 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		80,651	126,435
Deposits at Call		1,723,180	727,454
Short Term Deposits & Bills, etc		4,098	11,569
		<u>1,807,929</u>	<u>865,458</u>
TRADE & OTHER RECEIVABLES			
Rates - General & Other		178,252	195,126
Debtors - general		591,340	937,011
Other levels of Government		3,139	-
GST Recoupment		116,167	133,862
Prepayments		54,557	63,762
		<u>943,455</u>	<u>1,329,761</u>
INVENTORIES			
Stores & Materials		27,725	28,856
		<u>27,725</u>	<u>28,856</u>

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	Fair Value Level	2022				2023			
		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
		\$				\$			
Land	2	1,797,999	431,590	-	2,229,589	1,797,999	431,590	-	2,229,589
Buildings & Other Structures	3	15,639,069	864,590	(11,244,443)	5,259,216	15,673,508	864,590	(11,535,243)	5,002,856
CWMS	3	10,789,535	-	(821,811)	9,967,725	10,789,536	-	(969,148)	9,820,388
Other Community Assets	3	2,763,888	10,738,851	(1,335,394)	12,167,345	3,498,112	10,738,851	(1,667,502)	12,569,460
Office Equipment, Furniture		399,373	-	(365,733)	33,640	-	399,371	(372,556)	26,818
Plant, Machinery, Equipment		-	3,981,470	(1,920,491)	2,060,981	-	3,992,988	(2,078,331)	1,914,657
Sealed Roads	3	13,312,325	547,012	(3,908,205)	9,951,135	15,466,291	547,012	(4,236,641)	11,776,660
Unsealed Roads	3	4,537,573	179,868	(3,567,096)	1,150,345	4,537,573	2,606,862	(3,734,308)	3,410,127
Kerb & Gutter	3	2,199,700	-	(721,333)	1,478,367	2,199,700	-	(765,125)	1,434,575
Footpath	3	1,100,420	-	(376,050)	724,370	1,100,420	-	(400,451)	699,969
Stormwater	3	554,624	-	(387,713)	166,911	554,624	-	(389,853)	164,771
Bridges	3	180,000	-	(76,910)	103,090	180,000	-	(79,057)	100,942
Total IPP&E		53,274,506	16,743,382	(24,725,179)	45,292,714	55,797,763	19,581,263	(26,228,214)	49,150,812
Comparatives		53,018,230	11,729,273	(23,462,983)	41,284,519	53,274,506	16,743,382	(24,725,179)	45,292,714

This Note continues on the following pages.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Carrying Amounts Movement During the Year										2023 \$
	\$										
	2022 \$	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount	
Carrying Amount	New / Upgrade	Renewals	In				Out				
Land	2,229,589	-	-	-	-	-	-	-	-	-	2,229,589
Buildings & Other Structures	5,259,216	-	34,440	-	(290,799)	-	-	-	-	-	5,002,856
CWMS	9,967,725	-	-	-	(147,337)	-	-	-	-	-	9,820,388
Other Community Assets	12,167,345	734,222	-	-	(332,108)	-	-	-	-	-	12,569,460
Office Equipment, Furniture	33,640	-	-	-	(6,822)	-	-	-	-	-	26,818
Plant, Machinery, Equipment	2,060,981	-	54,059	(11,715)	(188,668)	-	-	-	-	-	1,914,657
Sealed Roads	9,951,135	-	2,153,960	-	(328,436)	-	-	-	-	-	11,776,660
Unsealed Roads	1,150,345	-	2,426,994	-	(167,212)	-	-	-	-	-	3,410,127
Kerb & Gutter	1,478,367	-	-	-	(43,792)	-	-	-	-	-	1,434,575
Footpath	724,370	-	-	-	(24,401)	-	-	-	-	-	699,969
Stormwater	166,911	-	-	-	(2,140)	-	-	-	-	-	164,771
Bridges	103,090	-	-	-	(2,148)	-	-	-	-	-	100,942
Total IPP&E	45,292,715	734,222	4,669,453	(11,715)	(1,533,863)	-	-	-	-	-	49,150,812
Comparatives	41,284,519	4,552,236	1,233,395	(164,281)	(1,401,429)	-	-	-	(211,725)	-	45,292,714

This note continues on the following pages.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

Accounting procedure: Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 *Fair Value Measurement*: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, fair value is taken to be the current replacement cost.

Highest and best use: For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

Fair value hierarchy level 2 valuations: Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of land: Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets: There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Transfers between fair value hierarchy levels (Please delete the following paragraphs if not relevant to your Council)

In the course of revaluing (*name the asset classes*), the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

During the course of the year, a parcel of land previously held for operational purposes was designated as community land under the Local Government Act 1993. The change in designation introduced a new, unobservable input, being the restrictive processes involved in the future disposal of the land and necessitated the transfer of its valuation from fair value hierarchy level 2 to level 3, and the adjustment of the valuation. The transfer took effect at the date of designation as community land.

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	1,000
Other Plant & Equipment	1,000
Buildings - new construction/extensions	9,000
Park & Playground Furniture & Equipment	2,000
Road construction & reconstruction	9,000
Paving & footpaths, Kerb & Gutter	2,000
Drains & Culverts	5,000
Reticulation extensions	5,000
Sidelines & household connections	5,000
Artworks	5,000

Estimated Useful Lives: Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment

Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years

Building & Other Structures

Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains & Culverts	80 to 100 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC Other	70 to 80 years
Other Assets	
Library Books	10 to 15 years
Artworks	indefinite
Right-of-use assets (refer Note 17)	2 to 3 years

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 2020 at current replacement cost. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually and depreciated over the estimated remaining life of the relevant asset.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Buildings & Other Structures

Buildings and other structures were revalued as at 30 June 2020 by Martin Burns, of Liquid Pacific.

Infrastructure

Transportation assets were valued by Council officers at depreciated current replacement cost during the reporting period ended 30 June 2021, based on actual costs incurred during the reporting periods ended 30 June 2020 and 2021. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Council officers as at 30 June 2019 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2021. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure was valued at depreciated current replacement cost during the reporting period ended 30 June 2020 by Martin Burns, of Liquid Pacific. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other assets

These assets are recognised on the cost basis. Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES

	Notes	2023		2022	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		227,304		563,283	
Payments received in advance		35,949		1,173,740	-
Accrued expenses - employee entitlements		49,924		39,138	-
Accrued expenses - other		125,604		99,439	-
GST Payable		1,769		43,864	
Other		25,994		27,252	
		466,544	-	1,946,716	-
BORROWINGS					
Loans		353,388	5,520,864	339,591	4,835,134
		353,388	5,520,864	339,591	4,835,134

All interest bearing liabilities are secured over the future revenues of the Council.

PROVISIONS

LSL Employee entitlements (including oncosts)		235,945	48,646	201,042	28,838
AL Employee entitlements (including oncosts)		178,125		182,076	-
Other		308,000	1,954,750	308,000	1,954,750
		722,070	2,003,396	691,118	1,983,588

Movements in Provisions - 2023 year only
(current & non-current)

Opening Balance					2,674,706
Add Unwinding of present value discounts					
Additional amounts recognised					50,760
(Less) Payments					
Unused amounts reversed					
Add (Less) Remeasurement Adjustments					
Closing Balance					2,725,466

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - RESERVES

ASSET REVALUATION RESERVE	1/7/2022	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2023
Notes	\$	\$	\$	\$
Land	1,909,660			1,909,660
Building & Other Structures	2,245,896			2,245,896
Infrastructure	3,236,072			3,236,072
CWMS	(140,783)			(140,783)
Other Community Assets	210,959			210,959
TOTAL	7,461,804	-	-	7,461,804
Comparatives	7,673,529	-	(211,725)	7,461,804

OTHER RESERVES	1/7/2022	Transfers to Reserve	Transfers from Reserve	30/6/2023
Lucky Bay LGFA Reserve	35,135			35,135
TOTAL OTHER RESERVES	35,135	-	-	35,135
Comparatives	35,135	-	-	35,135

PURPOSES OF RESERVES

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non-current assets (less any subsequent impairment losses, where applicable).

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2023 \$	2022 \$
Total cash & equivalent assets	5	<u>1,807,929</u>	<u>865,458</u>
Balances per Cash Flow Statement		<u>1,807,929</u>	<u>865,458</u>

(b) Reconciliation of Change in Net Assets to Cash from Operating Activities

Net Surplus (Deficit)		5,143,015	3,629,557
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		1,533,863	1,401,429
Net increase (decrease) in unpaid employee benefits		61,551	41,657
Grants for capital acquisitions treated as Investing Activity		(4,937,752)	(3,351,035)
Net (Gain) Loss on Disposals		<u>(17,376)</u>	<u>(14,744)</u>
		1,783,301	1,706,864
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		344,211	(982,887)
Net (increase) decrease in inventories		1,131	17,325
Net increase (decrease) in trade & other payables		<u>(1,448,866)</u>	<u>898,409</u>
Net Cash provided by (or used in) operations		<u>679,777</u>	<u>1,639,709</u>

(c) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	9,000	9,000
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The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2023	2022	2023	2022
	2023	2022	2023	2022	2023	2022	\$	\$	\$	\$
	\$	\$	\$	\$	\$	\$				
Administration	5,640,840	3,346,430	2,414,717	1,811,065	3,226,123	1,535,366	1,960,319	1,693,600	4,085,446	3,779,385
Public Order & Safety	14,938	8,862	2,503	1,877	12,435	6,985	-	-	-	-
Health	622,751	369,447	347,549	260,665	275,201	108,782	-	-	-	-
Housing & Community Services	1,751,192	1,038,895	1,613,618	1,210,228	137,574	(171,333)	2,435,520	2,297,273	290,159	268,422
Protection of the Environment	317,466	188,337	71,930	53,948	245,537	134,389	-	-	-	-
Sport Recreation & Culture	71,159	42,215	686,975	515,237	(615,816)	(473,022)	3,427	4,723	-	-
Fuel & Energy	-	-	-	-	-	-	-	-	-	-
Mining & Manufacture	12,239	7,261	6,560	4,920	5,679	2,341	-	-	-	-
Transport & Communication	1,720,667	777,594	2,181,356	1,636,036	(460,688)	(858,442)	5,368,082	2,581,166	47,554,315	43,468,982
Economic Affairs	109,178	64,770	144,185	108,140	(35,007)	(43,370)	-	-	-	-
Other Purposes	37,222	22,082	-	-	37,222	22,082	-	-	-	-
TOTALS	10,297,653	5,865,893	7,469,392	5,602,116	2,828,261	263,778	9,767,348	6,576,762	51,929,921	47,516,790

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 (con't) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Council Administration

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Housing for Council Employees, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

Abattoirs, Caravan Parks, Electricity Supply, Gravel Pits/Quarries, Development of Land for Resale, Marinas/Boat Havens, Markets/Saleyards, Off-street Car Parks – fee paying, Private Works, Property Portfolio, Sewerage/CWMS, Water Supply – Domestic, Town Bus Service, and Other – please specify.

Public Order and Safety

Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Parking Control, and Other Regulatory Services.

Health

Health Inspections, Food Control, Immunisation, Preventive Health Services, Other Health Services.

Housing & Community Amenities

Refuse Collection Services, Operation of refuse and recycling depot, administration of town planning, stormwater drainage, public conveniences, cemetery, street lighting, street cleaning, and other community development amenities

Recreation & Culture

Maintenance of halls, various parks and gardens, reserves, ovals and other sporting facilities, playgrounds, contribution to community library, and administration of arts and cultural services.

Mining & Manufacturing

Administration of the Planning, Development & Infrastructure Act.

Transport

Aerodrome, Bridges, Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

Economic Affairs

Pest Control Services, Tourism, Agriculture and Other Economic Development.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 11 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned

Terms & conditions: Deposits are returning fixed interest rates

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Rates & Associated

Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method

Terms & conditions: Secured over the subject land, arrears attract interest of 8% (2022: 8%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying amount: approximates fair value (after deduction of any allowance).

Receivables - Fees & other charges

Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method

Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

Carrying amount: approximates fair value (after deduction of any allowance).

Liabilities - Creditors and Accruals

Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Terms & conditions: Liabilities are normally settled on 30 day terms.

Carrying amount: approximates fair value.

Liabilities - Interest Bearing Borrowings

Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate

Terms & conditions: secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 2.35% and 6% (2022: 2.35% and 6%)

Carrying amount: approximates fair value.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 11 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
	\$	\$	\$	\$	\$
Cash & Equivalents	1,807,929			1,807,929	1,807,929
Receivables	943,455			943,455	888,898
Other Financial Assets				-	-
Total	2,751,384	-	-	2,751,384	2,696,827
Financial Liabilities					
Payables	291,016			291,016	291,016
Current Borrowings	431,985			431,985	353,388
Non-Current Borrowings		5,504,427	190,698	5,695,125	5,520,864
Total	723,001	5,504,427	190,698	6,418,126	6,165,268
2022					
	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
	\$	\$	\$	\$	\$
Cash & Equivalents	865,458			865,458	865,458
Receivables	1,329,761	-	-	1,329,761	1,265,999
Total	2,195,219	-	-	2,195,219	2,131,457
Financial Liabilities					
Payables	1,946,716	-	-	1,946,716	1,808,139
Current Borrowings	758,331	-	-	758,331	339,591
Non-Current Borrowings	-	3,977,667	533,098	4,510,766	4,835,134
Total	2,705,047	3,977,667	533,098	7,215,812	6,982,863

The following interest rates were applicable to Council's borrowings at balance date:

	30 June 2023		30 June 2022	
	Weighted Average Interest Rate %	Carrying Value \$	Weighted Average Interest Rate %	Carrying Value \$
Other Variable Rates	6.05	3,839,118		-
Fixed Interest Rates	4.03	2,035,134	4.03	5,174,724
		<u>5,874,252</u>		<u>5,174,724</u>

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12 - FINANCIAL INDICATORS

These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

	2023	2022	2021
Operating Surplus Ratio			
<u>Operating Surplus</u>	27.5%	4.5%	8.1%
Total Operating Income			

This ratio expresses the operating surplus as a percentage of total operating revenue.

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	61%	130%	154%
Total Operating Income			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Asset Renewal Funding Ratio

<u>Outlays on Existing Assets</u>	210%	130%	154%
Asset Renewals - IAMP			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of

Adjustments to Ratios

1. In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The adjusted ratios below correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison between years.
2. Funding received in relation to reimbursements received from the state government disaster recovery spent on capital renewal have also been removed. The income is treated as operating however the expense is capitalised in the Balance Sheet. This has the effect of overstating the operating result by the amount identified in note 2. Further to this the face value ARFR is distorted.
3. The Net Financial Liabilities Ratio (NFLR) for the 2022-23 financial year has also been adjusted to remove the impact of the provision of \$2.3M that relates to the Cowell Cottage Retirement units license deposits reported in Other Provisions in note 7. It should be noted that upon repayment of a deposit a financial asset is created in the license is now being available to be resold, further to this an asset also exists being the land & buildings which is not included in the calculations of the NFLR.

If a user of these statements were to assess Council's financial health or financial sustainability based on the literal calculation of the NFLR, as prescribed by the Model Financial Statements, they would most likely reach an incorrect conclusion. Accordingly when undertaking such analysis readers are encouraged to understand and refer to the adjusted ratios that follow rather than the ratios reported at the end of this note that are consistent with the Model Financial Statements.

Adjusted Operating Surplus Ratio	-1.3%	0.0%	8.6%
Adjusted Net Financial Liabilities Ratio	118%	154%	118%
Asset Renewal Funding Ratio	100%	na	na

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis, adjusted for timing differences associated with prepaid Federal assistance Grants required to be recognised as revenue on receipt in accordance with Australian Accounting Standards.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

	2023	2022
	\$	\$
Income		
<i>Rates</i>	1,916,638	1,777,410
<i>Statutory charges</i>	36,936	35,776
<i>User charges</i>	743,793	740,664
<i>Grants, subsidies and contributions - Capital</i>	2,640,373	-
<i>Grants, subsidies and contributions - Operating</i>	4,829,596	3,225,727
<i>Investment income</i>	21,438	2,414
<i>Reimbursements</i>	10,264	3,366
<i>Other income</i>	98,615	80,536
	<u>10,297,653</u>	<u>5,865,893</u>
Expenses		
<i>Employee costs</i>	(1,515,830)	(1,370,119)
<i>Materials, contracts and other expenses</i>	(4,211,492)	(2,646,141)
<i>Depreciation, amortisation and impairment</i>	(1,533,863)	(1,401,429)
<i>Finance costs</i>	(208,208)	(184,428)
	<u>(7,469,392)</u>	<u>(5,602,116)</u>
Operating Surplus / (Deficit)	2,828,261	263,778
<i>Timing adjustment for grant revenue</i>	(470,295)	(375,824)
Adjusted Operating Surplus / (Deficit)	2,357,966	(112,047)
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(4,669,454)	(1,233,395)
Add back Depreciation, Amortisation and Impairment	1,533,863	1,401,429
Proceeds from Sale of Replaced Assets	29,091	179,025
	<u>(3,106,500)</u>	<u>347,058</u>
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(734,222)	(4,552,236)
Amounts received specifically for New and Upgraded Assets	2,297,379	3,351,035
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	-
	<u>1,563,157</u>	<u>(1,201,201)</u>
Annual Net Impact to Financing Activities	814,622	(966,191)

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 14 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to Hostplus (formerly Local Government Superannuation Scheme and Statewide Super). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.5% in 2022-23; 10% in 2021-22). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2021-22) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2023. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 15 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position but knowledge of those items is considered relevant to user of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

As reported elsewhere in these Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of xx appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Insert additional explanations for all contingent liabilities and contingent assets.

District Council of Franklin Harbour
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 16 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, xx persons were paid the following total compensation:

	2023 \$	2022 \$
Salaries, allowances & other short term benefits	501,600	509,054
Post-employment benefits		-
Long term benefits		-
Termination benefits		-
TOTAL	501,600	509,054

Allowances / benefits incurred in the ordinary course of performing the KMPs role, and amounts paid as direct reimbursement of expenses incurred on behalf of Council hve not been included above.

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts in total:

	2023 \$	2022 \$
Contributions for fringe benefits tax purposes		-
Planning and building applications fees	1,443	-
Rentals for Council property		-
TOTAL	1,443	-

District Council of Franklin Harbour Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of the District Council of Franklin Harbour (Council) for the year ended 30 June 2023.

Opinion

In our opinion, the financial statements of the Council are properly drawn up:

- a) to present fairly the financial position of the Council as at the 30 June 2023 and the results of its operations for the period then ended, and;
- b) according to Australian Accounting Standards.

Basis for Opinion

For the audit of the Council we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information – Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the council to meet the requirements of the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members.

Responsibilities of Management for the Financial Report

The Board of Management is responsible for the preparation of the financial report in accordance with the Local Government Act 1999 together with the Local Government (Financial Management) Regulations 2011 and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Ian G McDonald FCA
Registered Company Auditor 16458

Signed at Grange, 17 October 2023

www.creativeauditing.com.au

Ian 0419 620 906
ianmcdonald@creativeauditing.org

PO Box 75, Henley Beach SA 5022
ABN 37 158 328 655

Nancy 0408 832 848
nancytran@creativeauditing.org

Liability limited by a scheme approved under Professional Standards Legislation.

Independent Assurance Report on the Internal Controls of the District Council of Franklin Harbour

We have audited the compliance of the District Council of Franklin Harbour (Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2022 to 30 June 2023 have been conducted properly and in accordance with law.

Opinion

In our opinion, the Council has complied, in all material respects, with *Section 125* of the *Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2022 to 30 June 2023.

Basis for Opinion

For the audit of the Council we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129* of the *Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Inherent Limitations

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125* of the *Local Government Act 1999* in relation to Internal Controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable *Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements*, issued by the *Australian Auditing and Assurance Standards Board*, in order to state whether, in all material respects, the Council has complied with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2022 to 30 June 2023. *ASAE 3100* also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis based on the assessed risks.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Ian G McDonald FCA
Chartered Accountant
Registered Company Auditor 16458

Signed at Grange, 17 October 2023

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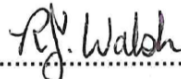
District Council of Franklin Harbour
Annual Financial Statements
for the year ended 30 June 2023
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the District Council of Franklin Harbour for the year ended 30 June 2023, the Council's Auditor, Ian McDonald FCA, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



.....
Shane Gill
CHIEF EXECUTIVE OFFICER



.....
Robert Walsh
PRESIDING MEMBER AUDIT COMMITTEE

Date: 11/10/2023

Ian G McDonald FCA



District Council of Franklin Harbour

Annual Financial Statement

For the year ended 30 June 2023

Audit Certificate of Audit Independence

We confirm that, for the audit of the financial statements of the District Council of Franklin Harbour for the year ended 30 June 2023, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



Ian G McDonald FCA

Date: 5 September 2023

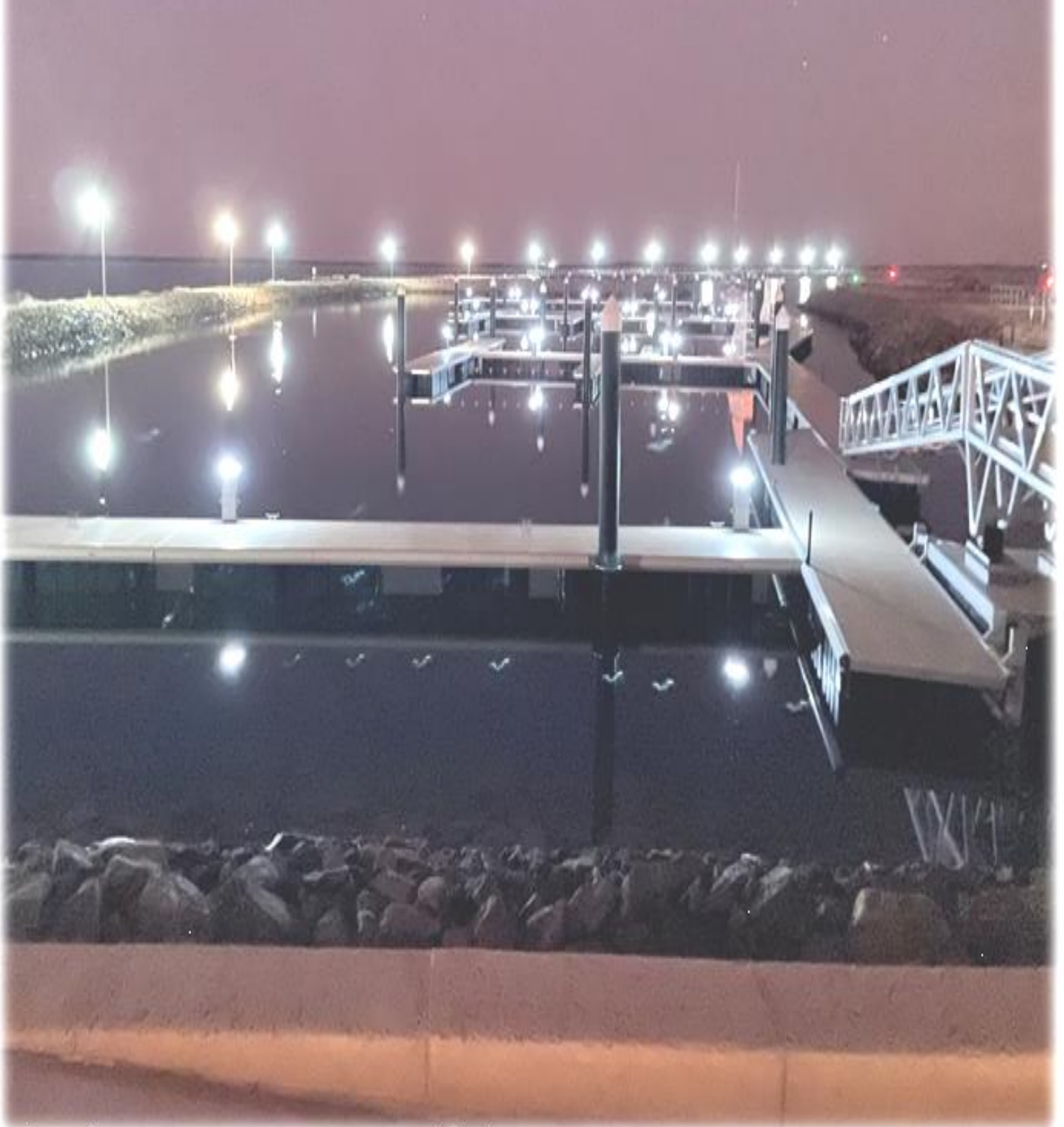
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2022/2023 EPLGA Annual Report



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION



ANNUAL REPORT



WWW.EPLGA.COM.AU

The Eyre Peninsula Local Government Association is a regional subsidiary of eleven member councils.



Welcome to the
District Council of
Elliston

Author:

Peter Scott

Executive Officer

Eyre Peninsula Local Government Association

pスコット@eplga.com.au

Regional Snapshot provided by Regional Development Australia Eyre Peninsula Inc.

First nations acknowledgement

The Eyre Peninsula Local Government Association acknowledges the Traditional Custodians of the land of the Eyre Peninsula, and their continuing connection to land, sea, culture and community. We pay our respects to Elders past, present and emerging, and we extend that respect to other Aboriginal and Torres Strait Islander people in our community.

THE PRESIDENT'S REPORT

This annual report details the last 12 months activity undertaken by the Eyre Peninsula Local Government Association, its financial accounts, and operative regional collaborative partnerships.

The EPLGA acts as a forum for Eyre Peninsula Councils to consider matters of common interest and a structure to work together. Over the past year, the rising cost of materials and labour, interest rate hikes and supply and skill shortages have continued to put pressure on local government. Our eleven member councils and their communities have been endeavouring to work together to ensure the best outcomes possible and maximise opportunities which are arising from these challenges.

We said goodbye to Mayor Clare McLaughlin, City of Whyalla and past EPLGA President (February - September 2022). We acknowledge and respect Clare's outstanding relationship with local, state, and federal governments and ability to attract support and funding for major projects including the Whyalla Foreshore Masterplan, Airport Redevelopment and National Green Hydrogen Hub. We all wish Clare the very best for the future as she embarks on the next chapter of her life.

To better deliver services to Councils I am pleased to deliver a refreshed EPLGA Charter, a completed governance review and a full-time role for the EPLGA Executive Officer, Peter Scott (previously 23 hours/week) from May 2023. We thank Regional Development Australia Eyre Peninsula for previously providing an office, administrative and bookkeeping support for the

EPLGA as we move to an independent self-sufficient organisation from June 2023.

As well as these things, there will continue to be work on a range of other challenges, including providing an online campground booking service for Councils, waste management, infrastructure funding, shared service opportunities, economic development, and many more.

The EPLGA is a vital conduit between its member councils and the LGA of SA, with the potential for close collaboration to help deliver outcomes for our communities.

The communication with both State and Federal governments will also be very important, with the need to maximise funding and partnership opportunities.

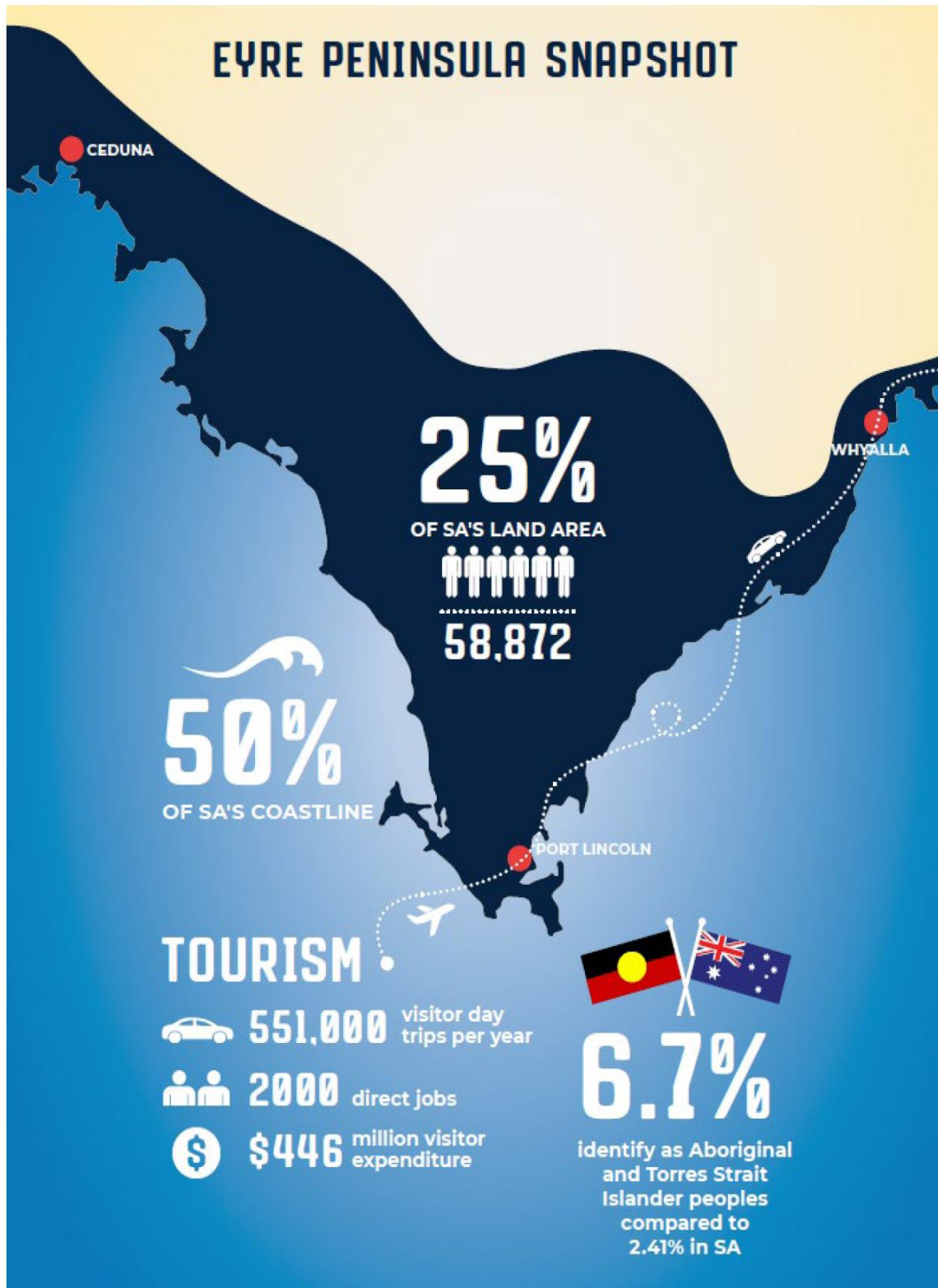
This upcoming year will need the EPLGA Board and member Councils to show strong, responsive, and accountable leadership, driving the opportunities for innovation while still respecting the characteristics which we all value in our communities and councils. This leadership and representation throughout our communities and with other levels of government will mean that the Eyre Peninsula will continue to add to its many strengths in the years to come.

The vision and goal of the EPLGA, to **“enable Eyre Peninsula councils to excel, innovate, and thrive”**, has never been more relevant for the region than now. We have been facing many challenges and opportunities, with the need for the councils of the EP to be working closely together.



Mayor Dean Johnson

President Eyre Peninsula
Local Government Association





Economic Statistic	Figure	Economic Statistic	Figure
Population – EP		Employment – EP	
EP Population	58,872	Labour Force	33,353
% of Males	50.5%	Unemployed	1,712
% of Females	49.5%	Unemployment Rate	5.1% (5.0% SA) (4.6% AUS)
% Aboriginal and Torres Strait Islander	6.7%	Top Employment by Industry – EP	
% Born overseas	11.1%	Agriculture, Forestry and Fishing	3,494 (16.5%)
% Eligible Votes	68.9%	Construction	2,331 (11.0%)
Income – EP		Health Care and Social Assistance	2,115 (10.0%)
Median Weekly Household Income – EP	\$1,245	Manufacturing	1,865 (8.8%)
Median Weekly Household Income – SA	\$1,455	Education and Training	1,790 (8.5%)
Median Weekly Household Income – AUS	\$1,746	Mining	1,689 (8.0%)
Age – EP		Gross Regional Product – EP	
% of people aged 60+ in Eyre Peninsula	15,908 (27.9%)	Total GRP for EP	\$4.05 billion
Median Age Eyre Peninsula	43	% of Gross State Product (SA)	3.44%
Median Age South Australia	41	Total Exports	\$3.41 billion
Median Age Australia	38	Top Exports by Industry – EP	
Highest change in local jobs from 2016 to 2021 – EP		Mining	\$1,114,318,000
Mining (largest increase)	+ 580	Agriculture, Forestry & Fishing	\$961,797,000
Public Administration and Safety (2nd largest increase)	+ 402	Manufacturing	\$873,323,000
Agriculture, Forestry & Fishing (largest decrease)	- 1,261	Construction	\$89,925,000

Economic Statistic	Figure	
Time Series Analysis (2020 v 2021) – EP – Source: REMPLAN	2020	2021
Total Exports	\$3.07 billion	\$3.41 billion
Total Imports	\$1.98 billion	\$2.16 billion
Average Productivity (value-added per worker) in EP	\$0.14 million	\$0.15 million
Value of G&S produced in EP (local sales)	\$1.71 billion	\$1.77 billion

MEMBER COUNCILS

- City of Whyalla
- City of Port Lincoln
- DC Ceduna
- DC Cleve
- DC Elliston
- DC Franklin Harbour
- DC Kimba
- Lower Eyre Council
- DC Streaky Bay
- DC Tumby Bay
- Wudinna DC

EPLGA BOARD MEMBERS 2022/23

Under the terms of the EPLGA Charter, the following Board appointments were current as of 30 June 2023.

MEMBER COUNCIL	BOARD MEMBER	DEPUTY BOARD MEMBER
Ceduna	Ken Maynard (Mayor)	Robert Sleep (D/Mayor)
Cleve	Phil Cameron (Mayor)	Grant Fennell (D/Mayor)
Elliston	Andrew McLeod (Mayor)	Allison Pickford (D/Mayor)
Franklin Harbour	Robert Walsh (Mayor)	Rachel Deer (D/Mayor)
Kimba	Dean Johnson (Mayor)	Megan Lienert (D/Mayor)
Lower Eyre	Jo-Anne Quigley (Mayor)	Steve Woolley (D/Mayor)
Port Lincoln	Diana Mislov (Mayor)	Jack Ritchie (D/Mayor)
Streaky Bay	Travis Barber (Mayor)	Greg Limbert (D/Mayor)
Tumby Bay	Geoff Churchett (Mayor)	Julie Elliott (D/Mayor)
Whyalla	Phill Stone (Mayor)	Tamy Pond (D/Mayor)
Wudinna	Eleanor Scholz (Mayor)	Naomi Scholz (D/Mayor)

THE LOCAL GOVERNMENT REPRESENTATIVES/ APPOINTMENTS

EPLGA Board Executive:

President EPLGA President LGASA SAROC Committee LGA Board of Directors	Mayor Dean Johnson	DC Kimba
Immediate Past President	Mayor Travis Barber (In absence of Sam Telfer MP – did not stand for election)	DC Streaky Bay
Vice President SAROC Committee LGA Board of Directors	Mayor Jo-Anne Quigley	Lower Eyre Council
Chief Executive Officer	Delfina Lanzilli	Lower Eyre Council
Executive Officer	Peter Scott	EPLGA

Other Regional Organisations:

Regional Development Australia Eyre Peninsula Inc:

Bryan Trigg AFSM, Chair

Ryan Viney, Chief Executive Officer

Zone Emergency Management Committee:

Mathew Morgan (Presiding Member)

Peter Scott, Executive Officer

Representatives from each Council

- City of Port Lincoln

- EPLGA

ANNUAL CONFERENCE AND BOARD MEETINGS SCHEDULE

Schedule of Board Meetings and Conferences		
Date	Event	Host
02-Sep-22	Board Meeting	DC Tumby Bay
Sep-22	85 th EPLGA Conference	DC Cleve
02-Dec-22	Board Meeting	City of Whyalla
16 Mar-23	Board Meeting	City of Port Lincoln
17 Mar-23	86 th EPLGA Conference	EPLGA Executive Officer
02-Jun-23	Board Meeting	DC Ceduna
01-Sep-23	Board Meeting	DC Streaky Bay
01-Dec-23	Board Meeting	Lower Eyre Council
21-Mar-24	Board Meeting	DC Franklin Harbour
22-Mar-24	87 th EPLGA Conference	DC Franklin Harbour
07-Jun-24	Board Meeting	Wudinna DC
06-Sep-24	Board Meeting	City of Port Lincoln
06-Dec-24	Board Meeting	DC Kimba
Feb/Mar 2025	88 th Conference and Board Meeting	DC Streaky Bay
06-Jun-25	Board Meeting	DC Tumby Bay

Our Partners

South Australian Regional Organisation of Councils

SA Regional Organisation of Councils (SAROC) Committee is formally established through the LGA Constitution. Its role is regional advocacy, policy initiation and review, leadership engagement and capacity building in the regions.

South Australian Regional Organisation of Councils (SAROC) Committee was formally established through the LGA Constitution in October 2018. Its Terms of Reference is an ancillary document to the LGA Constitution. SAROC Regional Groupings of Members are:

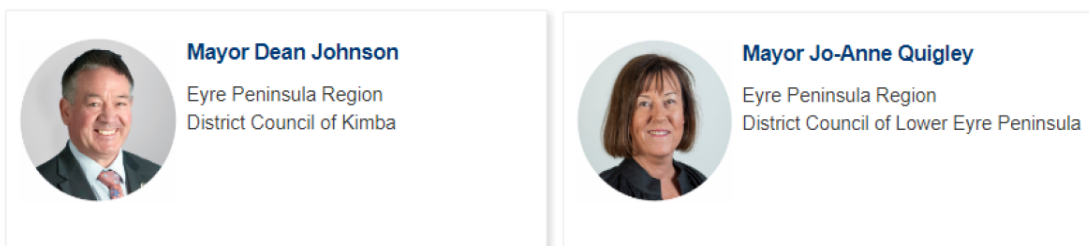
- Southern and Hills Councils
- Legatus Councils
- Eyre Peninsula
- Limestone Coast
- Murraylands and Riverland
- Spencer Gulf Cities

Each Regional Group can elect 2 Council elected members to SAROC biennially.



SAROC met six times in 2022-2023 and agendas, minutes, the Strategic and Business Plans can be viewed here: <https://www.lga.sa.gov.au/about/lga-meetings/saroc>

SAROC Committee members are appointed for a two-year term, with the current committee members term ending on 28 October 2024. EPLGA SAROC representatives:



Local Government Association of South Australia

The Local Government Association of South Australia (LGA) is the peak body for local government in South Australia. The LGA provides leadership and services to councils and represents the sector to State and Federal Governments and other key stakeholders. Membership of the LGA is voluntary, but all 68 of South Australia's councils are members. The LGA provides value to its members through advocating on behalf of the sector, assisting councils in building capacity, and facilitating continuous improvement. Member councils can access a wide range of additional services through their LGA membership, including education and training programs, website hosting and legal advice.

The role of the Board of Directors is to manage the activities of the LGA in between General Meetings in accordance with policy and other decisions taken at Ordinary and Annual General Meetings and to report annually on those activities.

Members of the LGA Board of Directors include:

- President (elected by all Councils)
- Office of the Immediate Past President
- SAROC Chair
- GAROC Chair
- 3 Board Directors (elected by SAROC)
- 3 Board Directors (elected by GAROC)



LGA of SA minutes, agenda, Business and Strategic Plans can be downloaded <https://www.lga.sa.gov.au/>

EPLGA representatives on LGA Board or Directors are:



LGA Annual General Meeting Adelaide Oval, Friday 28 October

The Annual General Meeting is an opportunity for councils to discuss important issues for the sector and pass motions which set the LGA's strategic direction. The conference featured a fantastic line-up of speakers including:

- The Hon Geoff Brock MP, Minister for Local Government
- Sam Telfer MP, Shadow Minister for Local Government
- Hon Chris Picton MP, Minister for Health and Wellbeing
- Professor Nicola Spurrier, Chief Public Health Officer

LGA SA Ordinary General Meeting (OGM) Thursday 20 April 2023 – Adelaide Convention Centre

President Dean Johnson update:

Thank you to everyone who attended Friday's Local Government Association Ordinary General Meeting at the Adelaide Convention Centre.

It was pleasing to see so many of you in person, along with strong representation and healthy debate on some important agenda items from councils regarding Environmentally Sustainable Development, State of Climate Emergency and First Nations Voice to Parliament.

While I appreciate there were some differing views on these issues, I was encouraged by the respectful discourse and questions posed by members and, ultimately, the outcome which saw all motions carried.

A heartfelt congratulations to City of Charles Sturt Mayor and past LGA President Angela Evans for winning this year's Joy Baluch Award.

Angela is an incredibly worthy recipient and her extensive and decorated track record in local government reflects this.

We also acknowledged three significant long service milestones on the day - Adelaide Plains councillors Marcus Strudwicke and Terry-Anne Keen (20 years), and Playford councillor Gay Smallwood-Smith (30 years).

Thank you for your commitment to serving your communities in local government across multiple decades.

I'd also like to again extend my gratitude to Local Government Minister Geoff Brock, Electoral Commissioner Mick Sherry and LGA Tasmania President Christina Holmdahl for speaking on the day.

The election process has certainly been a hot topic in recent months and it was valuable to hear from Commissioner Sherry about some of the challenges the Electoral Commission of SA faced in running both general and supplementary elections in recent months.

I'm sure this will also be reflected in the review of elections that is currently underway.

Mayor Holmdahl's keynote address also gave a fascinating insight into mandatory voting for local government elections and the impact it had in her state.

There is no question voter participation in Tasmania significantly increased as a result, however, as was raised by members in Friday's afternoon breakout sessions, there are many logistical components that must be considered



Further discussions about mandatory voting will form part of the 2022 election review process, particularly given the results we've seen interstate, in consultation with our members.

Speaking of breakout sessions, I thought the workshops to close out Friday's OGM were an excellent addition to the program.

It was fantastic to see members engaged in conversations with one another on the key topics and having the opportunity to voice their ideas and opinions directly to the LGA Secretariat.

This in-person collaboration was extremely valuable, with many good ideas, concerns, questions and insights being captured during these workshops.

We intend to provide summaries of these sessions and the feedback received to members soon.

I received plenty of positive comments on the day about the inclusion of these breakout sessions and early indications are there is certainly merit to holding them again in future.

Lastly, I'd like to commend LGA staff on putting together such a great event and program - their efforts shouldn't go unrecognised. As I said in my President's Address at the OGM, I'm extremely optimistic about where the LGA and local government as a whole is headed in 2023.

It's a pleasure to work alongside many strong, passionate leaders in our councils who are keen to make a difference in their communities.



Mayor Dean Johnson
LGA President

LGA Roads and Works Conference August 30/31, Port Lincoln

This is the premier event of the year for council professionals dedicated to improving our roads. The LGA Roads and Works Conference is more than a gathering. It's a time to come together and share passion, experience and knowledge. It's a celebration of the tireless work to maintain our roads and keep them safe for our communities. Connect with industry experts, learn about the latest advancements and join interactive workshops to supercharge your skills. LGA Roads and Works Conference | LGA South Australia



An excellent event that received positive feedback from those in attendance and commendations to the LGA, LG Professionals and also the Roads & Works Committee for organising such a great line-up of speakers, along with the welcome and dinner networking functions.



A special thanks to the City of Port Lincoln and Mayor Diana Mislov for hosting this year's conference.

2023 Australian Local Government Association National General Assembly

Nation Convention Centre Canberra

13-16 June 2023

Local government leaders from across the country shared their vision for the future of councils at the 2023 Australian Local Government Association's National General Assembly.

Held in Canberra over 4 days, I attended the annual conference along with a delegation of LGA staff and elected members from across South Australian councils.

The week started with the Regional Cooperation and Development Forum touching on issues like resilience to natural disasters, skills shortages and the importance of regional development. Notably, Minister for Regional Development, Local Government and Territories Kristy McBain's speech at the forum mirrored much of the LGA's position on policy development and advocacy.

The NGA was a terrific opportunity for local government leaders from across the country to meet, deliberate and share success stories. I've left feeling inspired by what opportunities lie ahead for our sector and the partnerships that can be formed with the Federal Government for the benefit of communities.

NGA was an opportunity for council representatives to set and update sector policies and priorities. The major items on the conference agenda included reducing emissions and cost of living pressures, both of which the LGA supports wholeheartedly. Significant issues included disaster recovery, climate change, housing and the need to increase Federal grants to relieve pressure on ratepayers.



Key speakers included The Hon Catherine King MP and The Hon Peter Dutton MP. I was also extremely pleased to hear from Ambassador of Ukraine, His Excellency Vasyl Myroshnychenko, whose address called for local government in Australia to support Ukraine through partnerships that will help rebuild communities.

Mr Myroshnychenko thanked the City of Tea Tree Gully, who recently signed a sister city partnership with Borodyanka. This is the first sister city relationship with Ukraine, and offers the small town expertise and support.

Councils took the opportunity to meet with Federal Ministers and Federal departmental decision makers, to ensure they fully understand the range of local issues. This percolation of great ideas will no doubt lead to valuable discussions at council-level, with the benefits then flowing to ratepayers. A big thank you to ALGA President, Linda Scott and her team for their hard work in putting together the NGA.

Another recent highlight is the announcement by the Federal Government to fund 23 disaster mitigation projects across South Australia, worth \$47 million in funding. I am especially pleased that the Climate Ready Regions project led by the LGA received statewide funding. This project will extend the Regional Climate Partnerships, and include development of a business case and program outline for the state-wide program.

Finally, the week culminated in the re-establishment of the Australian Council of Local Government (ACLG) by Prime Minister Anthony Albanese. Hosted in Canberra to coincide with the ALGA National General Assembly, the ACLG began with a gala dinner at Parliament House on Thursday, followed by a full day of speakers from the Australian Government on Friday.

A \$100m Community Energy Upgrades fund was announced by the Prime Minister at this event. The fund will help councils invest in new energy solutions with upgrades to sporting and community facilities. This will help councils cut their emissions and reduce their energy bills.

SA council representatives felt inspired by many of the speakers at both the NGA and ACLG, reaffirming the critical value of the work of councils to support their local communities.



Clinton Jury GAICD
Chief Executive Officer

85th Annual EPLGA Conference hosted by the District Council of Cleve. Economic Regeneration – Stimulating a Regional Economy



While the town of Cleve itself is located approximately half-way between Whyalla and Port Lincoln on the Eyre Peninsula, the District Council of Cleve encompasses the area from the coast of Spencer Gulf at Arno Bay west to the mountain ranges of Darke Peak. The area is characterised by panoramic views, cereal crops, sandy beaches and some of the best fishing in the country. The District Council of Cleve covers an area of 529,543 hectares serving a population of approximately 1771 (2016 census) people and shares boundaries with Kimba, Franklin Harbour, Elliston and Tumby Bay Councils. The District Council of Cleve includes the townships of Cleve, Arno Bay, Darke Peak and Rudall.

The District Council of Cleve was honoured to host the 85th EPLGA Conference. The provoking conference, informed, engaged and entertained. The theme of the conference was Economic Regeneration with a focus on rural environmental sustainability. The Eyre Peninsula's geography and climate, positions the region as a major contributor to the State's Gross Regional Product (GRP) and at the forefront of global change in terms of 'green' mining, 'green' energy generation and sustainable agricultural practices. As we emerge from COVID restrictions and re-open to the world, Eyre Peninsula local government authorities seek to work in partnership and collaborate with all levels of government and stakeholders as we look to deliver unique solutions to the challenges local government faces in 2022 and beyond.

8.45 AM	Opening District Council of Cleve Mayor Phil Cameron	Talk about 'Why' and the leadership change process required.
9.05 AM	Welcome by Mayor Clare McLaughlin, President EPLGA	
9.10 AM	State Growth Agenda & Regional Strategy Minister Clare Scriven, Minister for Primary Industries & Regional Development	The State Growth Agenda & Regional Priorities
9.30 AM	Regenerating a Regional Economy - The Future Cleve David Penfold, CEO District Council of Cleve	Transforming Local Economy, learnings from the past 3 years and the Future Direction
10.30 AM	MORNING TEA	
11.00 AM	Platinum Sponsors Address - Plumbing and Pipeline Solutions	
11.10 AM	Future of EP Economy Ryan Viney, CEO Regional Development Australia Eyre Peninsula	Future direction of the EP Economy
11.50 AM	CSIRO - Future Protein Mission Professor Michelle Colgrave - Future Protein Lead CSIRO	The Future Protein Mission is centred on principles of sustainable growth delivering high quality, affordable and nutritionally optimised protein for Australia.
12.30 PM	Platinum Sponsors Address - Cavpower	
12.40 PM	Sustainable Aquaculture - Global and Australian Trends Adam Main, General Manager CH4	Overview and Launch of CH4 Seaweed Initiative
1.20 PM	LUNCH	
2.20 PM	Eco Tourism - Australian Trends and Future Direction Adam Stanford, Senior Manager, Strategy and Insights SATC	South Australian Government Initiatives
3.00 PM	Renewable Energy - Global & Australian Trends Michael Gartner, Managing Director and Robert Ibrahim, General Manager Photon Energy	Overview and Launch of the Photon Energy Project
3.40 PM	Platinum Sponsors Address - Kellely Jones Lawyers	
3.50 PM	Summary & Call to Action Mayor Cameron and CEO David Penfold	

Eyre Peninsula Landscape Board
Peter Treloar | Chair
Jonathan Clark | General Manager

The Eyre Peninsula Landscape Board Chair and General Manager attend and present to all EPLGA Board meetings. The Board works with community, industry, and other government agencies to sustainably manage our region's natural resources, with an emphasis on protection and restoration of our soil, water management, biodiversity, and pest plant and animal control.

There are nine landscape management regions in South Australia, governed by eight landscape boards and a metropolitan board. Landscape boards consist of seven members, including a chair. All members have been appointed by the Minister.

The boards work alongside community members and stakeholders to develop simple and accessible five-year regional landscape plans with five priorities. The plans aim to ensure that there is a balance between the needs of regional communities and the sustainable management of the environment.

Other key functions include development of water allocation plans for prescribed water resources, where applicable, and operating as the relevant authority for a range of water, land protection and animal and plant control activities.

[Landscape South Australia - Eyre Peninsula](#)



Regional Development Australia Eyre Peninsula
Byran Trigg | Chair
Ryan Viney | CEO

RDAEP Chair and CEO attend and present to all EPLGA Board meetings.

Regional Development Australia (RDA) is an Australian Government initiative established to encourage partnership between all levels of government and industry to enhance the growth and development of Australia’s regional communities.

Regional Development Australia Eyre Peninsula is the peak body driving the expansion and growth of economic activity across Eyre Peninsula.

[Home - Regional Development Australia Eyre Peninsula \(rdaep.org.au\)](http://rdaep.org.au)



In 2023 RDAEP completed development of a regional tourism brand; positioning ‘Eyre’ as South Australia’s ‘Wild Side’. The EYRE brand will be used for tourism marketing of the Eyre Peninsula, in place of the former ‘Seafood Frontier’ brand. The new brand, in addition to the Eyre Peninsula Destination Marketing Plan, puts Eyre Peninsula in a strong strategic position moving forward.



Eyre Peninsula Desalination Plant: Site Selection Committee

The Eyre Peninsula desalination plant Site Selection Committee (SSC):

- Andy Dyer (EP Seafoods)
- Brad Flaherty
- Brian Jeffriess
- Bryan Trigg
- Claire Webber
- Clare McLaughlin
- Delfina Lanzilli
- Gary Neave (TSA Management)
- Hannah Allen-Jordan
- Jack Ritchie
- Jo-Anne Quigley
- Jonathan Clark
- Mark Whitfield
- Matthew Morgan
- Peter Treloar (Chair)
- Peter Scott
- Rebecca Hayes
- Rob Gratton (Clean Seas)
- Ryan Viney
- Sam Telfer
- Shane Hodgens (Tackle World)
- Steve Dangerfield (TSA Management)
- Thomas McNab (Abalone SA)
- Tom Hyde (Yambah)
- Leith Blacker
- Trevor Smith

The SSC has made a recommendation to SA Water and the Government of South Australia.

A new site at Sleaford West has been identified by the SSC as a suitable site to host the desalination plant. Reasons behind its selection include it being rated by the Committee as the most favourable in the categories of environmental management, and social and community benefit.

The result of a five-month process, the recommendation has been informed by extensive due diligence, substantial technical investigations, feedback from an independent Marine Science Review Panel and insights gathered from consultation with the Eyre Peninsula community, councils, government agencies and industry.

The preferred new site at Sleaford Bay will now be referred to the SA Water Board and the Minister for Climate, Environment and Water for their consideration, who will ultimately make the final decision on the location of the plant within the next few months.

While the SSC acknowledges challenges and opportunities at every site, on balance, this new site at Sleaford West, which varies from other sites previously considered in Sleaford Bay, has the most opportunity to deliver water security to businesses and the Eyre Peninsula community.

This new site at Sleaford West ranked first in the assessment process, followed by Point Boston as a close second. The SSC will now work with SA Water and the government to establish a funding pathway to ensure a cost-effective approach to construction can be achieved. Although not expected, should this not be successful in the coming weeks, further consideration may need to be given to Point Boston.

To help inform SA Water and the Minister of the recommended option, some geotechnical testing and further site assessment will occur at the new site at Sleaford West.

Water security remains a top priority for the Eyre Peninsula community. Our main source of water is in decline and this action is being taken to ensure there is sustainable, reliable, and safe drinking water for the region into the future.

Together with SA Water, we will continue to work closely with impacted communities to engage and consult throughout the design and construction phases regarding amenity, design, easements, and land acquisition.

You're invited to visit watertalks.sawater.com.au/Desalination-Eyre-Peninsula to stay up to date, subscribe for project updates and access SCC meeting minutes.

Brad Flaherty and Steve Dangerfield have met with Deputy Premier Susan Close, Minister for Environment and Water, SA Water Chair Allan Holmes and CE David Ryan, as well as Minister for Primary Industries & Regional Development, Clare Scriven, and Mehdi Dorouhdi, CEO of PIRSA.

All meetings were productive, with common themes being support for the process undertaken, but concerns around the expected cost of the project – and where and how the funding shortfall might be addressed. At this point, Steve Dangerfield is expecting the SA Water Board will be briefed on the project at its upcoming meeting, with further consideration to be made in November. Further geotechnical and design work at the site will be undertaken by TSA in the interim period, with more precise costings becoming available following that. It is expected that the State Government will make representation to the Federal Government in relation to funding.

A 'Working Group' will continue with whatever is required in the next stage of the project. Brad Flaherty's suggestion is that Steve Dangerfield take responsibility as Chair of this group, with Funding Sub-Committee membership simply carrying over to become the Working Group.

As such, the Working Group will consist of: Peter Treloar, Brad Flaherty, Bryan Trigg, Brian Jeffriess, Delfina Lanzilli, Jack Ritchie and Gary Neave and Steve Dangerfield – Engagement Lead, TSA

The minutes of the Working Group be circulated to the broader SSC membership and the SSC will reconvene 'as and if required'.

At the November 2022 meeting a project activity update was provided on the Sleaford West Variation site, Point Boston and Base Case. The Marine Science Review Panel provided a summary of key studies including the SARDI hydrodynamic modelling, Habitat mapping report, Ecotoxicology review and a response to industry studies. A Uley South ground water resource update was provided by Jono Clark.

SA Regional LGAs Executive Officers Management Group

There are five regional LGAs across South Australia:

- Graeme Martin, Southern & Hills LGA
- Simon Millcock, Legatus Group
- Carron McLeod, Murraylands & Riverland LGA Tony Wright, Limestone Coast LGA
- Wendy Campana, Spencer Gulf Cities
- Peter Scott, Eyre Peninsula LGA
- Tony Wright, Limestone Coast LGA

The Regional LGA Executive Officers meet every 2 months to collaborate on projects and strategy across regional South Australia. Discussions are undertaken with LGA CEO and SAROC Chair and have included the following topics:

- Regional Plans
- SACCA
- SAROC/LGA updates
- Regional LGA updates
- LGA Health
- Early Childhood Services
- Regional Plans
- Regional Road Mapping
- Affordable Housing
- Ratings Equity
- CWMS
- Regional Workforce Development Research Project

SA Power Networks Community Advisory Board (CAB)

The EPLGA Executive Officer is the Regional Representative on the Community Advisory Board (CAB), formerly known as the Customer Consultative Panel (CCP), is SA Power Networks' flagship consultation group ensuring that customer views shape service delivery and are at the heart of our decision-making process. The CAB consists of a broad range of stakeholders providing a representation of our community, including businesses, renewables, youth, regional stakeholders, customer advocacy groups, local government representatives and multicultural board members.

Following a refresh of the CAB in early 2022, a new 16-member board which was appointed in January 2022 for a two-year term. The EPLGA EO is one of two local government representatives.

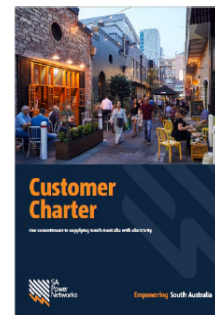
Cr Kat Mitchell, City of Port Adelaide Enfield, and Peter Scott, EO EPLGA, are the local government representatives on the CAB.

The CAB received a report on SAPN's community engagement for its 2025-30 regulatory reset which will impact future revenue and therefore consumer prices. Engagement updates are available on the Talking Power website: <https://www.talkingpower.com.au/cab>

The purpose of the Community Advisory Board (CAB) is to provide a forum where SA Power Networks can engage with various customer groups, customer representatives and external stakeholders, to ensure customer views shape their service delivery and decision-making. The CAB provides an opportunity to build and evolve effective, collaborative and two-way relationships between SA Power Networks and its customers.

The Board regularly receives updates from working and reference groups:

- Regional and remote customers CAB sub-committee
- Asset condition and risk CAB sub-committee
- Community Reference Group
- Vegetation Management Group
- Tariffs Working Group
- CAB Reset Sub-Committee



The People's Panel is comprised of approximately 50 independently selected South Australians who will help guide our next 5-year planning process for the investments and services that we'll deliver between 2025-2030. The Panel will SAPN consider: What customers think is the best balance of investments in service and price? How the costs of households and businesses feeding solar into the grid (export tariffs) can be shared fairly?

Speakers to Panel include:

- Luke Morton, Co founder of iO Energy
- Andrew Schultz, SA Department of Energy and Mining
- Georgina Morris, SACOSS
- Brian Spak, Energy Consumers Australia
- Robert Sporne, Tindo Solar
- Peter Scott, EO EPGLA



Public Lighting Working Group

The EPLGA EO is the regional representative on the Public Lighting Working Group (PLWG).

The PLWG consists of LGA, Council representatives, DIT and SAPN. A workshop was held on 7 October 2022. SA Power Networks public lighting service levels are determined by public lighting customers, which are 68 local councils and the South Australian Department of Infrastructure and Transport (DIT). This is referred to as an Alternative Control Service. The public lighting recommendation has no bill impacts to general South Australian customers as these costs are not recovered through Distribution Network Charges.



Customer feedback includes the following key insights:

- 57% of respondents indicated the service level that SA Power Networks should be applying to column replacement is Very High (allowing significant deterioration, deep pitting and corrosion)
 - 86% of respondents indicated they support proactive lighting cable replacements for 2025 to 2030.
 - 87% of respondents support moving to a single payment of \$25 for each street light outage reported and not repaired within agreed timeframe.
 - 79% of respondents indicated they would support the introduction of two different performance targets for complex and general faults.
- 70% of respondents indicated they are using the customer lighting portal for information

The PLWG heard from SAPN regarding the review of the Guaranteed Service Level (GSL) scheme for public lighting, security light review outcomes and PLWG sub-committees for Smart Lighting, DIT/ main road lighting and Asset management. SAPN's Talking Power website for the Public Lighting Focussed Conversation is <https://www.talkingpower.com.au/public-lighting-2>

The Guaranteed Service Level's for Public Lighting for 2025-30 is being looked at by ESCOSA and questions was raised about the current GSL scheme and how financial obligations impacts the options - this will be incorporated into the regulatory framework submission for Reset 2025 to 2030 discussed during the second phase of the consultation, depending on preferred option.

The key outcomes of the Public Lighting Asset Management Workshop are listed below:

- Cost/funding (not a high council priority) (not considered by sub-group)
- Knowledge (of assets, AM and Risk)
- Resources (not considered by sub-group)
- Data and systems
- Customer Expectations

Updating the Eyre Peninsula Local Government Association Charter

Jeff Tate Consulting has been engaged by the Eyre Peninsula Local Government Association (EPLGA) to undertake a governance review comprising:

- Potential changes to the Charter relating to Purpose, Board Membership, Terms of Office for office bearers. The Charter was last reviewed in 2018.
- A fit for purpose governance structure.
- Terms of Reference for Committees under the governance structure.
- Future resourcing arrangements for the Association.

A Discussion Paper has been circulated for consideration following the development of potential principles, targeted interviews, and a survey of the Mayors and CEOs of the Eyre Peninsula Councils. At a subsequent workshop with Mayors, changes to the Charter were discussed and are presented below.

The EPLGA Executive Officer will seek legal advice on the changes to the Charter. Any subsequent wording changes as a result of legal advice, that don't change the intent of the updated Charter, will be signed off by the EPLGA Executive prior to a 6-week consultation period with constituent Councils. Any significant changes after legal advice will come back to the Board before proceeding further.

The final Charter was presented at the December 2022 EPLGA Board meeting for approval.

In summary the following changes have been made:

- Consistent with the Australian Local Government Association (ALGA), the term Deputy President has been replaced with Vice President.
- 3.0 The Purpose of the EPLGA:
 - 3.1 *To work collaboratively with the LGA to achieve the aims and objectives of the LGA* has been changed to **mutual aims and objectives.**
 - 3.4 *to identify available resources within the region and to co-ordinate or assist in coordinating the management of these resources for the betterment of the region's community* has been replaced with *to develop further cooperation between its Constituent Councils to make the best use of available resources for the benefit of the communities in the region*
 - 3.5 *To encourage, assist, seek out, determine, assess and respond to the needs and aspirations of the region's Constituent (Councils)* **Councils** has been added.
 - *to undertake coordinating, advocacy and representational roles for its Constituent Councils at a regional level* has been added.
 - 3.7 *To develop, encourage, promote, foster and maintain the financial and economic wellbeing and advancement of the region and if desirable for such purpose to undertake, establish, acquire, conduct or dispose of any business, enterprise, undertaking or venture which in the opinion of the EPLGA is necessary, desirable or convenient* has been deleted as the EPLGA is not about setting up a business.
- 6.4 Membership
 - Constituent Councils can only appoint elected members (not officers) to the Board.
- 9.0 Officers of the Board
 - Elections for President and Vice President held every 2 years (rather than 4).
 - President and Vice President mid-term vacancies will be filled by direct elections.

The changes make the Charter shorter and somewhat simpler. After consultation with member Councils the Charter updates were adopted. The review period is 4 years.

2022-23 Special Local Roads Program –Outcomes

The Special Local Roads Program (SLRP) has been in place in South Australia since 1985. Since its inception, it has supported South Australian councils to construct and maintain significant and strategic local roads that otherwise would exceed an individual council's capacity. Its existence is built on the premise that the local government sector as a whole, benefits from councils pooling a portion of their road funding.

Funding for an annual competitive SLRP grant round is provided from:

- 15% of identified local roads component of Commonwealth Financial Assistance Grants.
- 15% of South Australia's Supplementary Local Road Funding (in available years).
- 15% of South Australia's allocation of Roads to Recovery.

The objectives of the SLRP are to:

- Prioritise the construction and maintenance of strategic and significant local roads whose benefits exceed the boundary of the council and its community.
- Support the delivery of local roads in an orderly and coordinated manner through evidence-based decisions that draw upon the best available State, Regional and Local plans.
- Demonstrate accountability and transparency in the administration of the program.

The LGA operates the Local Government Transport Advisory Panel (LGTAP) to oversee the governance and operations of the SLRP. This includes considering applications for SLRP funding and making recommendations to the LGA Board of Directors, which flow to the South Australian Local Government Grants Commission and relevant State and Federal ministers for approval.

Each year LGTAP calls for applications for SLRP funding from councils. To ensure that proposed projects are strategic and regional in nature, Regional LGA's (Eyre Peninsula, Legatus, Limestone Coast, Murraylands and Riverland, Southern and Hills and Spencer Gulf Cities) and the Metropolitan Strategic Roads Committee (MSRC – established by the LGA's GAROC committee in lieu of a metropolitan 'regional' LGA) are asked each funding year to review and comment on applications proposed by their members.

Applications (including any comments provided by Regional LGAs and MSRC) are then considered by LGTAP, who propose an annual program of works across SA for the allocation of funding from the SLRP. LGTAP analyses applications in accordance with the adopted LGTAP policies which assures transparency and accountability in its decisions.

Following assessment, LGTAP provides recommendations to the LGA Board of Directors for endorsement, which in turn, makes recommendations to the South Australian Local Government Grants Commission.

LGTAP are implementing a number of process improvements in 2022 that respond to feedback from councils, regional LGAs and other stakeholders. The key changes include:

- ***all applicants are to apply directly to the LGA via Smarty Grants***
- all applications, including progress reports, will be managed via Smarty Grants
- regional LGAs and the MSRC will be asked to provide referral comments on applications after grants close on 20 May 2022.
- LGTAP will evaluate applications against the new SLRP assessment criteria in accordance with the updated SLRP Policy Manual.

Applicants are encouraged to familiarise themselves with the updated SLRP Policy Manual available on the LGA's Special Local Roads Program website:

https://www.lga.sa.gov.au/_data/assets/pdf_file/0021/1125066/ECM_77161-SLRP-Policy-Manual-March-2022.pdf

The 2022-23 Grant Round opened on Monday 4 April 2022 and closed at 4pm, Friday 20 May 2022. Thirty-six applications were received at the closing date, requesting a total of \$21,122,000 of funding. Twenty-nine projects with a total funding allocation of \$16,212,000 were recommended by the Local Government Transport Advisory Panel (LGTAP) to the LGA Board. On Friday 22 July 2022, the LGA Board considered and endorsed the recommendations put forward by LGTAP for the 2022-23 SLRP. Below are the outcomes of the recommendations of the three projects submitted from within the Eyre Peninsula LGA.

Successful SLRP outcomes for Eyre Peninsula:

Council	District Council of Franklin Harbour	District Council of Cleve
Title	Cowell Kimba and Lucky Bay Roads upgrade	Ballumbah/Kinnaird Road
Description	The project scope includes stabilizing and sealing shoulders to attain an 8m seal width and resealing existing surface to safely accommodate increasing heavy vehicle movements and larger combinations of Restricted Access Vehicles associated with grain cartage to T-Ports export terminal at Lucky Bay. 2km of failing pavement will be overlaid.	Upgrades along Ballumbah/Kinnaird Road which will include profiling edge of seal and stabilising widening of the shoulders. This will greatly improve the safety along this now major route for heavy vehicles.
SLRP requested	\$1,063,000	\$400,000
Council Contribution	\$523,000	\$200,000
Total Project Cost	\$1,586,000	\$600,000
LGTAP Recommendation	Supported	Supported
Funding Recommended	\$1,063,000	\$400,000

86th Annual EPLGA Conference – hosted by the EPLGA. *Future Industries and Collaboration*

Friday 17 March 2023

The 86th Annual EPLGA Conference was put on by Peter Scott, the EO of the EPLGA, and staged at the Nautilus Theatre in Port Lincoln. The conference attracted over 200 delegates, sponsors and speakers.

All the latest developments in the booming hydrogen and space industries, as they apply to Eyre Peninsula, and plans to tackle the housing crisis were presented.

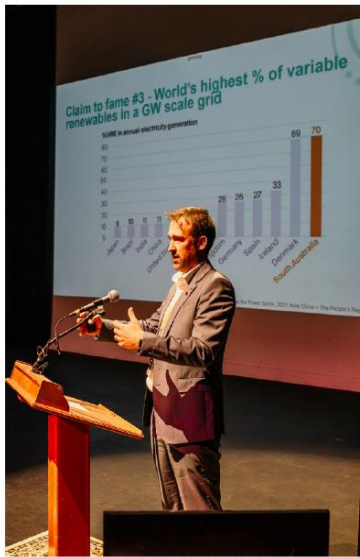
With a focus on the Eyre Peninsula region of South Australia, this conference will bring together industry leaders, researchers, and government to collaborate and innovate towards a sustainable future. The conference will feature keynote speakers, panel discussions, and networking opportunities to share ideas and best practices for driving economic growth and improving quality of life in regional communities. The Conference emphasised the importance of collaboration and innovation in driving progress and growth for the region. Attendees will have the opportunity to learn about cutting-edge developments, network with key players in these industries and gain insights on how to drive economic growth for South Australia’s Eyre Peninsula. With an exciting line up of keynote speakers and interactive panel discussions, the conference was a valuable experience for all attendees.



Website: [EPLGA Conference | Eyre Peninsula Local Government Association](#)



Figure 1 High Schools were invited to send students to the afternoon session covering hydrogen and space. After the conference they participated in a meet and greet with presenters. Many of the students have picked opportunities through UniHub.



Conference Speakers:



Mayor Dean Johnson



Mr Sam Telfer, MP



MC - Peter Scott, EPLGA



Bryan Trigg, RDAEP
Chair



Dr Tom Nehmy -
Keynote. Healthy Minds



Sam Usher, Australian
Radioactive Waste Agency



Professor Andrew Beer,
UniSA



Michael Richardson,
Masterplan



Naomi Reed, NBN



Zinta Docherty, Kellely
Jones Lawyers



Greschen Brecker, H2EX



Matt Grant, Lower
Eyre Council



Richard Day. Office of Hydrogen Power SA



Michael Gunner. Fortescue Future Industries



Dr Catherine Grace. SA Space Industry Centre



Andrew Love. Australian Space Agency



Professor Matthew Gilliam. University of Adelaide



Darcey Watson. The Andy Thomas Space Foundation

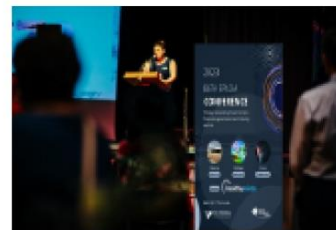
Thursday 16 March 2023
Kelley Jones Wine Mixer
Peter Teakle Winery
6:00pm-9:00pm (4 Course Dinner)

Kelley Jones



Friday 17 March 2023
Nautilus Theatre
8:30am-5:00pm NBN 86th EPLGA conference

- Keynote - Healthy Minds Program
- Housing Crisis Solutions
- Hydrogen and Space Industries



Kelley Jones Networking Dinner
Hotel Boston Alfresco
6:00pm Networking Dinner - Beachside!

Kelley Jones



Eyre Peninsula Strategic Regional Plan 2023-26

The existing Regional Strategic Plan was last prepared in 2019 and is due to be reviewed and updated. Led by Ryan Viney, CEO of Regional Development Australia Eyre Peninsula (RDAEP), in partnership with the EPLGA and Landscapes SA Eyre Peninsula Board, the three organisations are jointly seeking to prepare a new Strategic Regional Plan 2023-2026.

Under the RDA Charter RDAs are required to 'co-ordinate the development of a strategic regional plan, that will align with the Commonwealth's regional priorities. It is important that, to the extent possible, economic development stakeholders agree on a set of common needs and priorities for their region and coordinate their collective efforts in a manner that ensures the achievement of outcomes is maximised. As facilitators of economic development, RDAs have an important role to play in bringing stakeholders together under a common strategic plan for their region.

The audience for the Strategic Regional Plan includes communities, organisations, private enterprise and all levels of government. It is hoped that once developed, the Strategic Regional Plan 2023-2026 will assist regional development stakeholders and their communities to identify comparative advantages, manage regional growth pressures, identify opportunities and address economic development and infrastructure needs. As such it will need to consider Commonwealth, State and Territory and Local Government Plans, along with those prepared by the EPLGA and Landscapes Board.

The Strategic Regional Plan will be a three-to-five year living document that should focus on the economic development of the region. The Strategic Regional Plan should also address the Commonwealth's regional priorities of:

1. Connectivity and Infrastructure incorporating digital connectivity, transport links, and freight and supply chain infrastructure.
2. Human Capital and Skills to provide skilled and adaptable workforces, Regional Universities and training, and schooling.
3. Regional Employment and Business to develop regional businesses and industry, local R&D and innovation and a strategic regional vision.
4. Leadership and Collaboration by investing in regional leadership, capable local government and the Indigenous community.
5. Amenity and Liveability providing services, facilities and liveability, and support for local priorities.
6. Sustainable Natural Resources to build future resilience, ensure sustainable foundations and provide economic opportunities and jobs. Areas include Water, Sustainable Agriculture, Pest Plants and Animals, and Biodiversity.

Critical issues are those which are likely to have a significant impact on the current or future economic performance and growth of the region. Where possible, critical issues should be supported by evidence or data.

The Strategic Regional Plan should articulate a clear vision for the region and identify strategic priorities and can be used to guide decision making activities in Annual Business Plans. The Strategic Regional Plan will also serve as a major promotional tool for the region, including by supporting investment attraction.

It is critical that a Strategic Regional Plan has broad stakeholder input and support to ensure outcomes from economic development work undertaken are maximised for the local community.

Consultation – The development of the Strategic Regional Plan will need to be underpinned by comprehensive engagement and consultation with key stakeholders to ensure complete coverage of economic development issues that are important to the region. This will also ensure that it reflects the expectations of the community and give a strong sense of regional ownership. Stakeholder groups will include governments, community organisations, business and industry groups, education institutions and the not-for-profit sector.

Evidence based and data – the Strategic Regional Plan will need to have an economic, social and environmental description of the region from a diversity of evidence sources. These include the Australian Bureau of Statistics

Australian, state/territory and local government data sources and publications, the private and not-for profit sectors, universities and private research organisations and publications.

Strategic context – The Strategic Regional Plan should outline the strategic context of the document, including the priorities of Australian, state/territory and local governments. This will assist to identify complementary priorities and align with program and funding opportunities.

Analysis - All evidence and data should be accompanied by analysis which addresses its significance and how it supports their strategic vision and priorities.

- Analyse how the evidence supports the regional vision
- Identify regional strengths, weaknesses, potential threats and opportunities
- Articulate the drivers of change and regional trends
- Outline the region's economic, social or environmental strategic priorities.

High level actions to support priorities will need to be included in the Strategic Regional Plan to support the detailed work plans of regional development stakeholders.

Priorities - A series of economic development priorities for the region will need to be identified after conducting widespread consultations, research and analysis, and detailed consideration. These should be endorsed by all stakeholders.

Presentation -The Strategic Region Plan will need to be concise. Lengthy Plans can be difficult for stakeholders to navigate and identify key information about the region. All electronic versions of must be word searchable. The Strategic Regional Plan 2023-2026 completion date is early December 2022.

Strategic Plan Working Group

The Strategic Regional Plan Working Group will provide strategic oversight and guidance in the development of a new Strategic Regional Plan, including: defining the project scope, evaluation/assessment of consultant quotes, including any proposed project methodology, experience, and cost, extent of stakeholder engagement and consultation and provision of advice and guidance to the appointed consultancy firm (URPS appointed 16/8/2022)

The Strategic Regional Plan Working Group will be managed and supported by RDAEP, and shall consist of the following members:

- Ryan Viney, Chief Executive Officer, RDAEP (Chair)
- Peter Scott, Executive Officer, EPLGA
- Jono, Clark, General Manager, Eyre Peninsula Landscapes Board
- Crazio Maiorano, Director URPS

Strategic Regional Plan (SRP) for Eyre Peninsula - Engagement

Regional Development Australia Eyre Peninsula (RDAEP), in partnership with the Eyre Peninsula Local Government Association (EPLGA) and Landscapes SA Eyre Peninsula Board, are about to table a new Strategic Regional Plan 2023-2026.

Ultimately the updated Plan will provide an overarching vision and enable the RDAEP and respective regional Councils to advocate collectively with a unified voice. The Plan will address the Commonwealth's regional priorities of:

- **Connectivity and Infrastructure** incorporating digital connectivity, transport links, and freight and supply chain infrastructure.
- **Human Capital and Skills** to provide skilled and adaptable workforces, Regional Universities and training, and schooling.

- **Regional Employment and Business** to develop regional businesses and industry, local R&D and innovation and a strategic regional vision.
- **Leadership and Collaboration** by investing in regional leadership, capable local government and the Indigenous community.
- **Amenity and Liveability** providing services, facilities and liveability, and support for local priorities.
- **Sustainable Natural Resources** to build future resilience, ensure sustainable foundations and provide economic opportunities and jobs.

The engagement undertaken helps to create a greater sense of ownership of the Plan by its stakeholders. Engagement has been undertaken to ensure complete coverage of economic development issues that are important to the region. This also ensures that the Plan reflects the expectations of the community and give a strong sense of regional ownership.

The following lines of enquiry will underpin the engagement regarding the Strategic Plan. Additional lines of enquiry will be created for specific stakeholder communication collateral as required:

1. What are the Eyre Peninsula's greatest strengths?
2. Does the Eyre Peninsula have any competitive advantages?
3. What will be the biggest challenges for the Eyre Peninsula over the next 5 years?
4. What infrastructure will be the regions greatest challenges associated with economic development?
5. What are the anticipated opportunities for economic growth and investment?
6. Understanding the relationship between Commonwealth priorities and the Eyre Peninsula.
7. What is does the local community value?
8. What is the role of the RDAEP, EPLGA and Landscapes SA Eyre Peninsula in this Plan?
9. Council and stakeholder advocacy for strategic priorities that outline the future of the Eyre Peninsula.
10. Leveraging on industry and existing economic opportunities i.e. Hydrogen Hub

Eyre Peninsula Councils have been involved in the development of the plan and consultation has included the following stakeholders:

- State and Australian Members of Parliament
- Department of Infrastructure and Transport
- Department for Energy and Mining
- Primary Industries and Regions SA
- Department for Trade and Investment
- South Australian Tourism Commission
- Australian Southern Bluefin Tuna Industry Association
- Eyre Peninsula Agriculture Research Foundation
- Lower Eyre Ag Development Association
- Grain Producers SA

As the Board would be aware, a new Strategic Regional Plan for the sustainable economic growth of the Eyre Peninsula has been prepared by Regional Development Australia Eyre Peninsula in partnership with the Eyre Peninsula Local Government Association (EPLGA) and the Eyre Peninsula Landscape Board (EPLB).

The Plan identifies a shared vision and priorities that the partner organisations will work towards over the 2023-26 period to support the prosperity of the Eyre Peninsula region by leveraging regional strengths, managing growth pressures, addressing economic development and infrastructure needs and identifying other important opportunities.

To inform development of the Plan, early engagement was undertaken with the community and stakeholders in September 2022 to understand what they saw as the key challenges and opportunities for the sustainable economic growth of the Eyre Peninsula.

Once the Draft Eyre Peninsula Strategic Regional Plan 2023-26 was prepared, the document was released for an eight-week public consultation period between 5 December 2022 and 27 January 2023. To notify the community and relevant stakeholders, this public consultation period was promoted via:

- Regional Development Australia EP website
- Regional Development Australia EP social media channels
- Public notice in the 'Eyre Peninsula Advocate'
- Direct e-mails/letters to identified stakeholders and workshop attendees

A total of ten (10) submissions were received through this engagement period on behalf of the following organisations:

- City of Port Lincoln
- Wudinna District Council
- Lower Eyre Council
- Eyre Peninsula Cooperative Bulk Handling
- Flinders Port Holdings
- Port Lincoln Rotary Club
- Iron Road Ltd
- South Australian Tourism Commission
- Southern Launch
- SA Water

Feedback received was constructive with most submissions commending the RDAEP for a well delivered draft plan, many highlighting concurrence with focus areas considered pivotal to the Eyre Peninsula's future. Noting this, suggestions were provided seeking to refine the document by way of specific detail to matters of interest. Below is a list of key themes raised:

- Various projects/initiatives sought to be included under major projects
- Various and specific future actions suggested for inclusion
- Notion of introducing specific metrics and milestones to identify future actions
- Reinforcing challenges associated with distance and the pivotal role of airports and air travel in this regard
- Ranking/prioritising of identified opportunities and threats
- Other strategic partners to be included under various priority areas
- Lack of financial capacity of local councils to finance infrastructure maintenance and/or upgrade works
- Support relative to the environmental lens applied to the plan and the importance of adapting to and combatting climate change
- Seeking additional capacity and efficiencies relative to transport routes for both people and commodities

Upon review of the submissions received, various changes are recommended to update and finalise the Eyre Peninsula Strategic Regional Plan 2023-26. A summary of these proposed changes is provided below:

- Referencing Local Government in the delivery segment of the Plan to solidify their role
- Specifically inserting the term 'Respect' to emphasise its importance with regard to Aboriginal history
- Updating the Eyre Peninsula snapshot to include latest figures from the South Australian Tourism Commission
- Update the Major Project list by way of including a further two projects (Port Thevenard Analysis and Port Lincoln Marina Wharf) and updating the descriptions of the Iron Road and Cape Hardy projects.
- Update the Opportunities and Threats section to include new threats and order/prioritise both lists.
- Insert new Future Action under Priority Area 1 Housing and Accommodation which reads as follows: Strengthen the link between housing and future workforce requirements by quantifying demand for housing in line with projected workforce requirements.
- Insert statistics to emphasise the severe shortage of doctors across the Eyre Peninsula.
- Make various changes to Priority Area 3 to include reference to people living with disability.

- Insert text reinforcing the challenge of distance and the importance of maintaining existing infrastructure and services.
- Insert new Future Action under Priority Area 9 Telecommunications Connectivity which reads as follows: Advocate for a weather (Doppler) radar that captures the Eyre Peninsula.
- Insert several new strategic partners across various Priority Areas.
- Insert new Future Action under Priority Area 12 Visitor Economy which reads as follows: Collaborate with Local Government as airport owners/operators to support the optimisation of airports as key tourism infrastructure assets.
- Insert a performance measures table under the Measuring Success chapter.

Due to the diverse range of organisations which lodged submissions, feedback received was varied although some common themes were identified (as outlined above). Changes proposed to the document are considered appropriate as they reinforce issues and matters identified through preliminary consultation with the proposed changes strengthening the document. The most significant changes proposed include the insertion of two new major projects as well as three new Future Actions. Further a performance measures table was developed in response to feedback received, seeking clearer measurables to assist in identifying success.

On this basis it is considered the Draft Strategic Regional Plan 2023-26 has been updated appropriately to reflect feedback received via consultation and is an accurate representation of community and stakeholder sentiment. The Eyre Peninsula Strategic Regional Plan 2023-26 provides the RDAEP, EPLGA and the EPLB with clear direction for the next three years.

The RDAEP Board endorsed the Plan at their meeting on 24 February 2023. Once endorsed by EPLGA and EPLB, the Eyre Peninsula Strategic Regional Plan 2023-26 will articulate a clear vision for the region and identify strategic priorities that will be used to inform activities in the 2023-2024, 2024-25 and 2025-2026 Annual Business Plans and Budgets.

Eyre Peninsula Waste and Resources – Workshops and Strategy Development

A comprehensive effort to address waste management challenges on the Eyre Peninsula, focusing on sustainable practices, collaboration, and innovative solutions to overcome geographical and logistical challenges.

EPLGA Waste to Resources Project - Objectives and Activities

Project Objectives:

1. Audit and review of waste contracts and waste management.
2. Identification of cooperative opportunities in the organic circular economy.
3. Exploration of collaborative avenues for Councils.
4. Pathways for compliance with EPA regulations.
5. Development of a 2-year action list within a 10-year strategic framework.

An Eyre Peninsula Waste and Resources Strategy workshop and forum was held in Port Lincoln on Thursday 18th August 2022. Over 40 participants attended from State and Local Government, Industry and community.

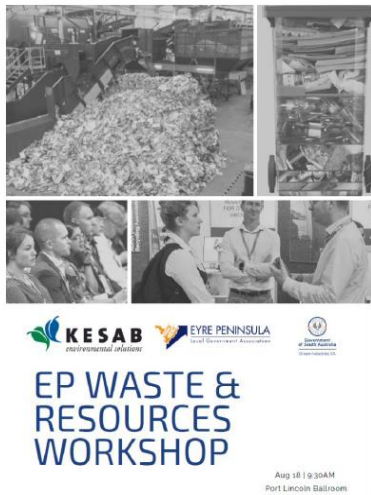


“It was great hearing some of the ideas coming out of this region on ways to re-use the problematic waste and having those people in the same room as the GISA people who can help with this was a stroke of brilliance”

The workshop has received very positive feedback with the mix of Industry Solutions, State Government outlining Programs available and updates from Local Government proving a hit.

Marina Wagner and John Phillips provided an update on waste across Eyre Peninsula and there was consensus on numerous recommendations. All of the presentations from the day have been made available electronically to all and are available on the EPLGA website.

Emphasis was on developing a consistent data collection and reporting system for stakeholders and the involvement of various stakeholders like Councils, waste management service providers, and businesses in sectors like farming, composting, and aquaculture.



Schedule of Events	
9:45 AM	Welcome
10:00 AM	Keynote: Michaela Heinson, Associate Director, Economic Growth and Sustainability, Green Industries SA
10:20 AM	EP Waste and Resources Strategy Baseline and how far we have come Marina Wagner - Sustainable Solutions
10:40 AM	EPA Waste Reform: Steven Serigi
11:00 AM	Short Break
11:10 AM	Opportunities and Visions: John Phillips, Marina Wagner <ul style="list-style-type: none"> • Veolia Anthony Brazzale • EP Recycling Glen Watts • SABRN James Howatt • Shadowbox & Champion Academy Sarah Prime • EPBH/Peats Tim Scholz and Peats • Fisheries and Oyster Industry TBC • Fishnet Recycling Clair Crowley
11:50 AM	Inhibitors and Enablers: John Phillips, Marina Wagner GSA Grant and Support Programs: GSA Justin Lang
12:15 PM	Lunch Break
1:00 PM	Priorities and Timelines - finding common ground: John Phillips & Marina Wagner
1:30 PM	KESAB Forum: Wendy Bevan CEO KESAB City of Whyalla DC Kimba
3:00 PM	Where to from here: John Phillips

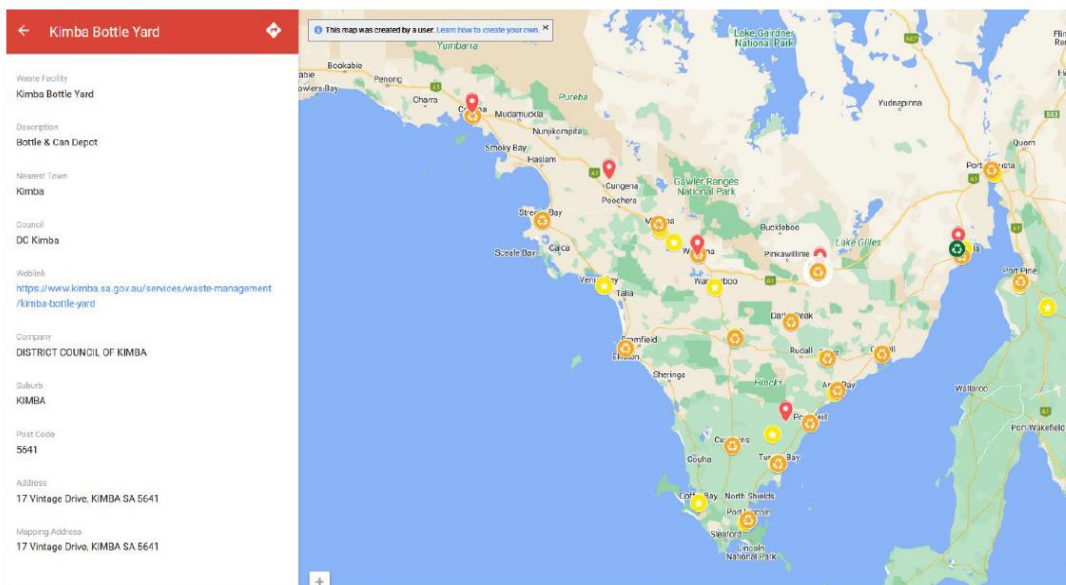


Figure 2 A Google map has been created listing all the waste facilities on Eyre Peninsula. Clicking on each location will bring up information on services offered. The Map can be accessed here: [Eyre Peninsula Waste Facilities](#).

Special focus on farm waste management and business cases for handling different waste types (glass, plastic, organics).

Greening Industries South Australia (GISA) provided \$20,000 towards the EP Waste Strategy Part 2.

Key activities include developing reporting templates, assessing farm waste, and formulating business cases for waste management.

- Direct financial support from various organizations, including NAWMA, PEATS, City of Port Lincoln, Flagcan Distributors, and EPLGA.
- Data Collection and Stakeholder Engagement:
- Marina Wagner from Sustainable Solutions leads the strategy execution.

- Comprehensive data collection on waste streams and resources management, with involvement from various councils and stakeholders.
- Identification of business cases needing reliable data and forecasting.
- Stage 2 strategy includes collaboration with the City of Pt Lincoln and other stakeholders for specific waste management initiatives.
- Meetings and Next Steps:
- Ongoing meetings with councils and stakeholders to establish baseline data and explore waste management solutions.

Stage 2 (September 2022-June 2023):

Initial Report (March 2023): Highlighted completed tasks and ongoing projects.

Key Developments:

- Establishment of hazardous waste drop-off/collection facilities, funded by GISA, with successful collections in Pt Augusta and Port Lincoln.
- Advancements in managing organic waste and preparation for a FOGO Pilot in Port Lincoln.
- Preparation of strategic directions for a stakeholder workshop.
- Finalising the EP Waste and Resources Strategy draft for approval.

Stakeholder Workshop (8 May 2023, Pt Lincoln) - potential solutions to overcome roadblocks and implement circular economy solutions on the Eyre Peninsula.

Attended by various stakeholders, including representatives from Councils, commercial entities, EPA, and GISA. Presentations focused on the progress, meeting objectives, and the draft strategy.

Key Strategy Elements:

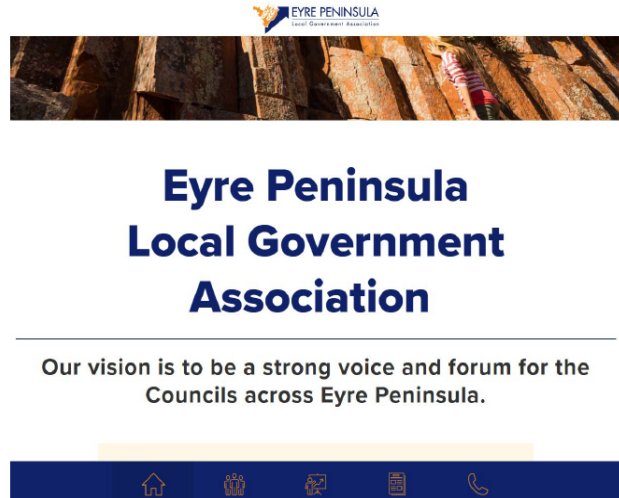
- Emphasis on sustainable and resilient systems within resource limitations.
- Engagement in partnerships for long-term service security.
- Commitment to meeting EPA standards and community needs.
- Continuous improvement towards broader service scope and circular economy.
- Key Challenges: Geographic and logistical challenges, resource constraints, and governance issues.
- Opportunities and Challenges on the Eyre Peninsula:
- Kerbside Collections: Effective in metropolitan areas and councils near landfills/recycling facilities, but challenging for remote EP councils due to distance.
- Investigated Opportunities: Exploring different perspectives to address the gaps between kerbside collections, transfer stations, and CDS depots.



Figure 3 President Mayor Dean Johnson and Vice President Mayor Joanne Quigley during a site visit to NAWMA - destination for all of Eyre Peninsula's recyclables

EPLGA Website updated

<https://eplga.com.au/>



The EPLGA website is now a Progressive Web App (PWA) and is built using the latest technology pioneered by Google.

It is very different to most traditional websites because it is both an "app" and a mobile responsive website in one. The EPLGA PWA is one of the first of its kind to be released in Australia. The website and application hybrid allows users to visit our website and download it as an App with an icon added to their home screen. On any device.

PWA's do not need the App Store or Play Store. To access the PWA as an app, simply visit the EPLGA home page on a mobile device. If you are viewing the PWA on an Android we recommend using Chrome as your browser. If you are using an iPhone we recommend using Safari. You can install this app by following the instructions below.

Android

Once you have found the website a pop up will appear at the footer of the page. Press "Add EPLGA to Home screen" and the EPLGA app icon will instantly appear on your device home screen.

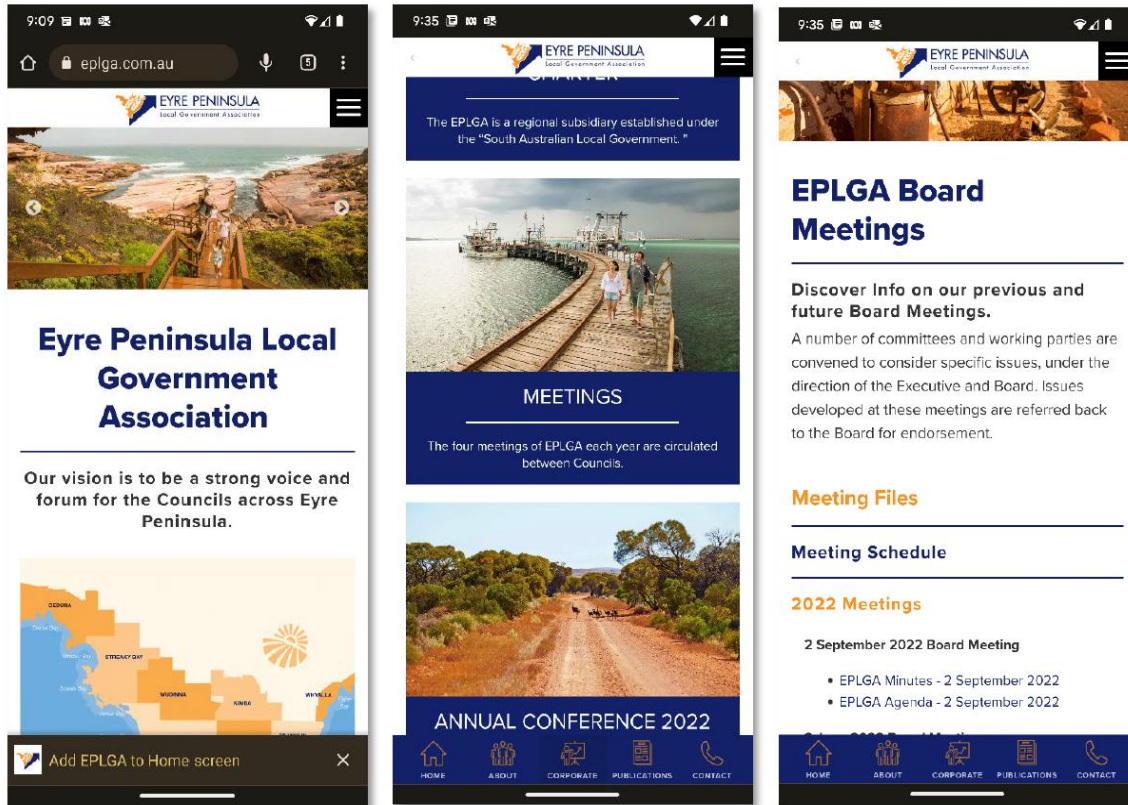
iPhone

In the bottom of your Safari browser, select the middle icon.

A series of options will appear. Press "Add to Home Screen".

The EPLGA app icon will instantly appear on your device home screen. When opened, the app version of the EPLGA website will launch. You'll notice it's very smooth and seriously fast!

Most updates are done automatically. To manually update the app – simply press the “Reload App” button above or when it appears on screen. The app will auto-refresh with all the new content ... the reload is usually very fast (less than a second) on a PWA.



Website: eplga.com.au

14th Australian Space Forum – opportunities for Eyre Peninsula

The Australian Space Forum is held every 6 months in Adelaide bringing together the best and brightest from Australia's space industry and around the world. Each event features keynote addresses from space industry leaders and informative panel discussions on current space topics and industry trends.

The forum was attended by RDAEP, EPLGA, City of Port Lincoln and DCs of Lower Eyre and Tumby Bay.

The Andy Thomas Space Foundation welcomed a global audience of over 1000 to the 14th Australian Space Forum, which was held on Tuesday, 25 October 2022 at the Adelaide Convention Centre in South Australia.

Supported by the Australian Space Agency, the South Australian Space Industry Centre and SmartSat CRC, the Forum provides the perfect opportunity to stimulate ideas, share information about emerging technologies and network with influential space sector leaders and the broader community.



Subsequently several speakers presented to the EPLGA 86th Annual Conference in Port Lincoln (March 2023).

The space sector in Australia is experiencing unprecedented growth as industry, academia, and government work together to expand their activities and develop international relationships for ongoing opportunity and success within the space economy.

Forum sessions included international panels covering highly pertinent topics that are shaping the industry.

Earth Observation – The National Space Mission for Earth Observation – a major investment that will expand Australia's capability in designing, manufacturing and operating space and ground based systems. Starting with the EO roadmap and priorities on there (e.g. AquaWatch, SCR, OzFuel,...) to ground side support with in-situ sensing, cal/val and data fusion, to sensors and imagers, or even into the government vs commercial enterprise provided data.

Optical Communications – A quantum leap in Australia's secure and high bandwidth communications to connect the world and beyond. How exactly do we benefit from optical communications? What exactly does this mean and how does it differ from RF? Does dual technology (combined RF and optical) mean anything? And if so, when will we see the rewards?

Foundation Services Rover – Exploring remote operations and autonomous systems building on Australian expertise in the resources and mining sectors for the collection of lunar soil (regolith). What would the successful extraction of materials for In-Situ resource utilisation (ISRU) mean for future Australian and international space missions? How could technologies developed through this project contribute to on-Earth resource sustainability?



Online booking of Council Campsites – a service provision of the EPLGA

In 2021, a significant challenge emerged on the Eyre Peninsula: campgrounds started to suffer from over-visitation, leading to negative environmental impacts. In response, the Eyes on Eyre Online Camping Project, a comprehensive and sustainable approach to campground management, was born. This effort was facilitated by a collaborative partnership involving RDAEP, Landscapes SA, Local Councils, and the Eyre Peninsula LGA.

The main aim of the project was to upgrade the camping grounds to a minimum and consistent quality standard of facilities and signage, while also tackling the environmental issues at each location. We wanted to create a better infrastructure to cater to drive visitors and increase their length of stay within the region. By leveraging technology, we aimed to establish WiFi nodes and create an online booking system, inspired by the success of other camping grounds, particularly those in National Parks. Our online system served not just as a booking platform but also as an educational tool, fostering respect for the environment, promoting good camping practices, and sharing seasonal highlights.

In 2022, RDAEP utilised a \$500,000 grant from the Department of Environment and Water to support infrastructure upgrades to improve campground management on the Eyre Peninsula and fund an online booking system now managed by the EPLGA.

During 2022, in partnership with Landscapes SA and Councils, RDAEP delivered remarkable results with several Councils coming on-board the booking system in conjunction with campsite upgrades and clear, consistent signage. The platform for online bookings is promoted via www.eyrepeninsula.com.

Some of the notable outcomes include:

1. Consistent booking process for a better visitor experience.
2. Increased length of stay from visitors traveling from both within and outside the state.
3. Effective use of digital technology and cashless payments.
4. Creation of value-adding opportunities for new service businesses.
5. Better protection for Eyre Peninsula's unique environment through the establishment of capacity limits and zoning for campgrounds.
6. A replicable camping node model that delivers best practices for councils and regional stakeholders.
7. Successful adoption of an online booking system, mirroring the success of other campgrounds in National Parks.

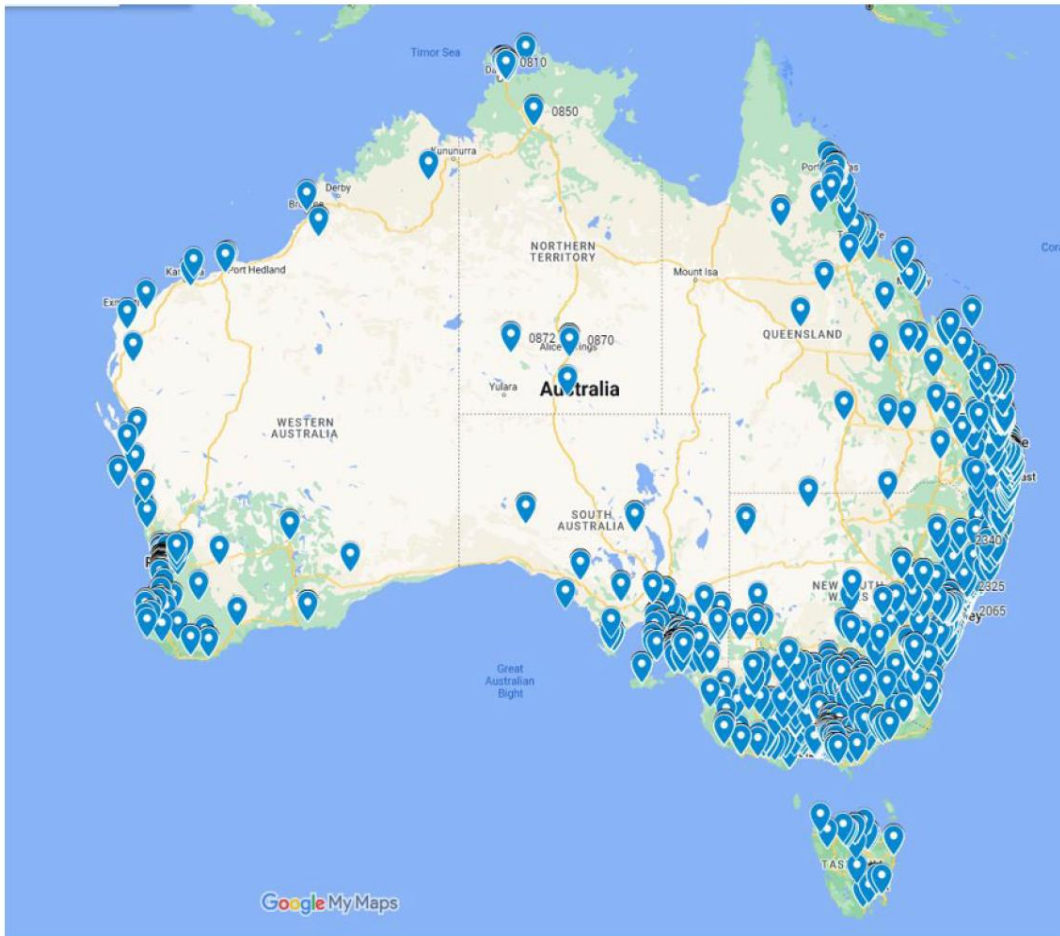


Figure 4. Campers come from postcodes all over Australia (and the world!). RDAEP promotes online booking across Australia, high-value visitors have the confidence, and the knowledge, to travel to Eyre Peninsula. [Google map link click here.](#)

Visitor Feedback

Feedback from visitors and the community has been overwhelmingly positive. They appreciate the ability to plan and book in advance, as well as the improved management of campgrounds. One camper from the Gold Coast even adjusted their travel plans to spend three weeks in the region after using the online system.

Digital Technology Impact

In 2022-2023, the online booking system saw 14,000 bookings, catering to 35,000 visitors, for a total of 29,000 nights. Revenue has increased by 220%, allowing Councils to offset waste management costs and reinvest in better camping facilities. The data collected has proven invaluable in guiding the decision-making process.

Media Coverage

The project caught the attention of the media and was featured in several articles such as

[Eyre Peninsula campsite bookings go online - Landscape SA,](#)

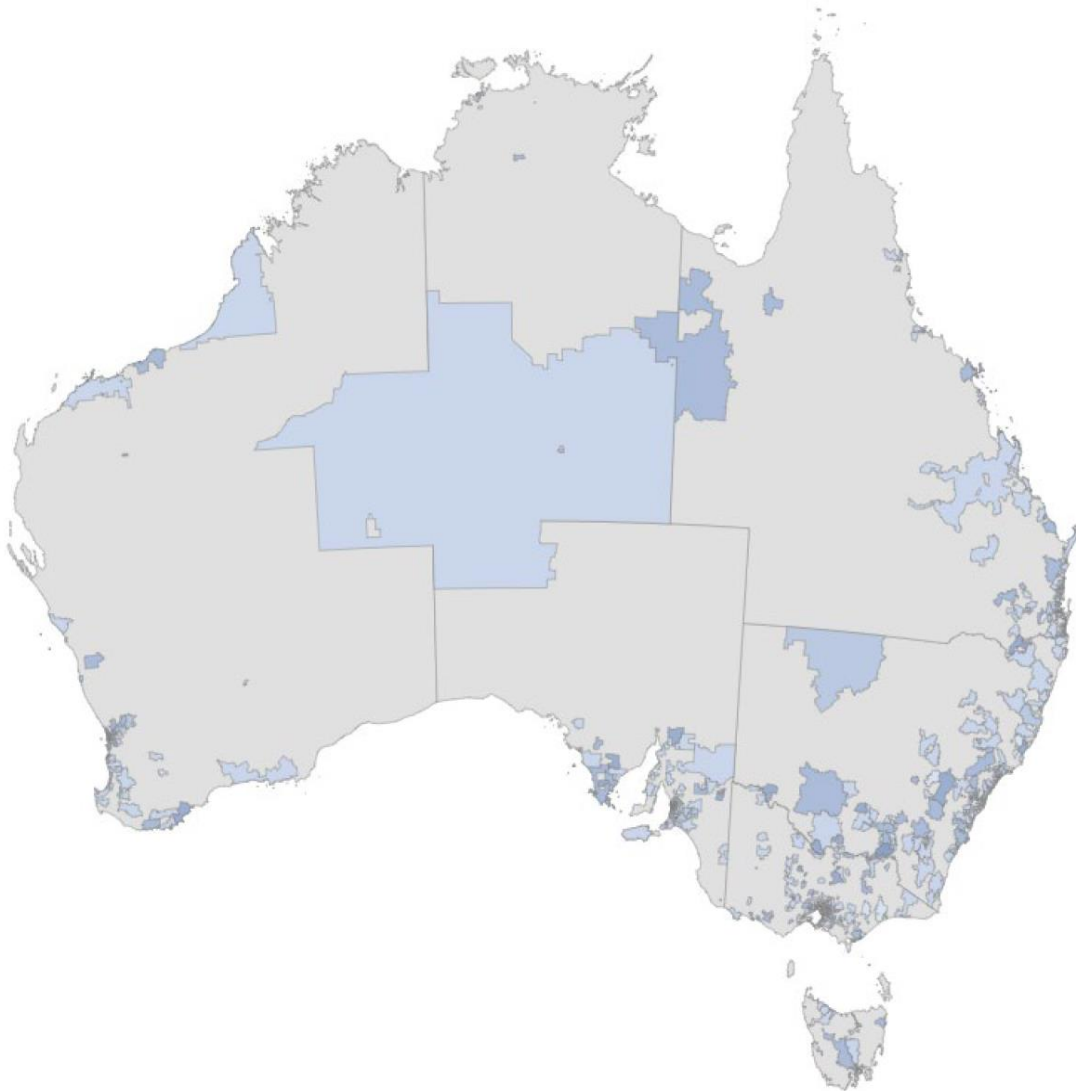
[Camping changes to protect environment - Eyre Peninsula Advocate](#)

[Point gibbon campground invites travellers to explore Eyre Peninsula](#)



Figure 5 Watch on [Youtube](#)

The Eyes on Eyre project has proven to be an enormous success. The council-managed campgrounds have reported improvements in environmental health and visitor satisfaction. Travellers, particularly those from interstate, are staying longer and exploring more of the Eyre Peninsula. The online system has improved visitor behaviour and minimised environmental impacts. We're proud of our progress, and we're excited about the prospects of expanding this program to additional campgrounds. We thank all our stakeholders for their unwavering support and look forward to another fruitful year ahead.



Surprisingly only 23.2% of campers come from South Australia! (10.1% of campers are International, 66.6% from Interstate)

Eyre Peninsula LGA Annual Business Plan 2023-24

As a regional subsidiary under the Local Government Act 1999, the Eyre Peninsula Local Government Association is required to have a Business Plan and Budget each financial year. Under Clause 24 of Schedule 2, the Business Plan continues in force for the period specified in the plan or until a new Plan is adopted. It must be reviewed annually. This draft is a result of a review undertaken by the Executive Officer.

The Association is a separate legal entity that operates in accordance with a Charter agreed by all 11 Constituent Councils. Our purpose is set out in clause 3 of the Charter and can be summarised as:

1. Working with the South Australian Local Government Association (SA LGA) to achieve its objectives.
2. Acting as a forum for the Eyre Peninsula Councils to consider matters of common interest.
3. A structure for the Eyre Peninsula Councils to work together.
4. Working with other levels of government for the benefit of the Region.
5. Seeking to ensure the wellbeing of the Region and making best use of the Region's resources.

This EPLGA Business Plan has been developed by the EPLGA Board to guide its activities and priority actions for 2023-24. The structure of the Business Plan builds from PURPOSE to consideration of KEY INFLUENCES on the Association's activities, the STRATEGIC PLAN to be followed, to our OBJECTIVES grouped under three THEMES which will be achieved through progressing our 12 PRIORITY ACTIONS. This draft Business Plan reflects the Strategic Plan.

The EPLGA Purpose is to:

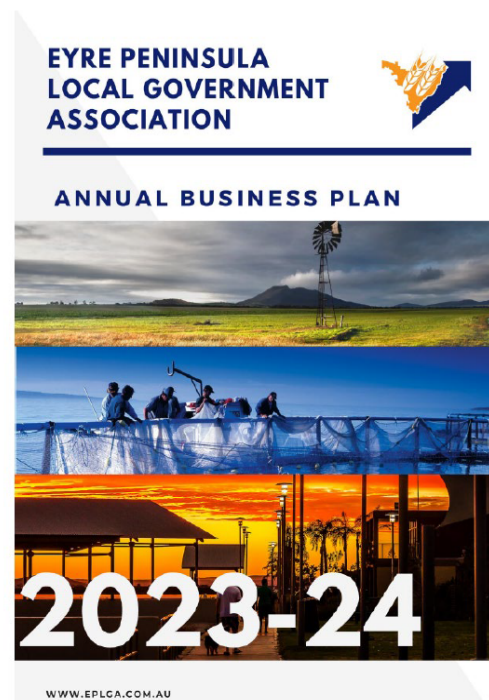
- Provide a forum for Constituent Councils to consider and respond to matters of common interest (including through advocacy)
- Provide a structure for Constituent Councils to work together to:
 - develop and/or contribute to the development, updating, and implementation of Regional Plans that address key regional issues; and
 - assist operational efficiency and effectiveness.
- Build and maintain positive relationships with the other levels of government to ensure:
 - o our regional views are heard; and
 - o our communities have fit for purpose infrastructure and access to services they require; and
 - o the ongoing health of our local and regional economies; and
 - o we can access 'region only' programs.

PREAMBLE - Annual Business Plan.

When determining matters to address, the EPLGA Board will apply the following 6-point test:

1. What benefits can be achieved by EPLGA addressing this matter rather than Councils individually? Are there disadvantages?
2. How well does taking on this matter align with our current Purpose?
3. What type and level of responsibility does LG have for the matter?
4. What role/s might a member Council and/or the EPLGA have in relation to the matter?
5. What do we know/not know about the matter? What does success look like? How likely is that to be achieved? Consider a (low cost) scoping paper if we need to know more before committing.
6. What are the implications of deciding to address the matter or not?

[Download EPLGA Business Plan 2023-24](#)



REPORT OF ACTIVITIES

EPLGA core activities have always included lobbying to State and Federal Government about legislation and policy changes that may have an impact on our region. This year ongoing concerns and/or participation have been with the following matters:

SUMMARY OF OTHER ACTIVITIES

- › Natural Resources Management – joint partnership planning, delivery of services.
- › Regional Recognition/Lobbying – ongoing on various matters as they arise.
- › Emergency Management – regional planning and Council planning, followed by implementation.
- › Planning, Development and Infrastructure Act Implementation.
- › Coastal Access issues, development of a Coastal Alliance – state-wide.
- › Various roads and waste issues – regional road strategy review.
- › Regional Capacity Funding – General funding.
- › Marine Infrastructure Planning – DPTI, jetty leases, etc.
- › SAROC – meetings and regional Executive Officers’ meetings.
- › Energy planning – resulting from blackouts – renewables, transmission upgrade consultation, hydrogen trial plant, etc.
- › Regional planning – JPB, RDAEP, EPNRM, DPTI, etc.
- › Financial assistance and supplementary road funding – ongoing issues of South Australia’s injustice.
- › Health – local sub-regional issues, public health planning, doctors shortages etc.
- › Roadside Native Vegetation – regional planning and management issues.
- › Tourism – RDAEP and Landscape Board on Eyes on Eyre project.
- › Transport Plan and SLRP prioritisation and funding applications.
- › Joint submissions with RDAEP on various issues.

PLANS, PROGRAMS AND REPORTS – CURRENT STATUS

CORPORATE Plan 2020 – 24

The Council Mayors and Chief Executive Officers of the EPLGA have contributed to the development of the EPLGA Corporate Plan. It was clear from responses to our 2015 survey that the member Councils placed great importance on the following:

- *advocacy (and representation) – the EPLGA being the principal regional advocate for Local Government in the region;*
- *governance – continuing to ensure that our business is conducted in accordance with the law and proper standards;*
- *member services – the EPLGA to continue to provide member support services as they are needed; and*
- *outreach services – connecting Councils with desirable services offered by the LGA of SA.*

To avoid confusion between the Business Plan prepared by respective Councils, the EPLGA uses the term ‘Management Plan or Corporate Plan’. The Management Plan is for the period 2020-2024 and reviewed annually, incorporating an updated annual work plan and budget for the current year. It also includes the current strategic directions of the EPLGA for that period. Each year through the Annual Business Plan process the Corporate Plan Strategies and Actions are refined to those still outstanding or ongoing strategies and actions.

MANAGEMENT PLAN PERFORMANCE

Goal Area 1.1 Advocacy and Representation

Core Activities

- 1.1.1 Represent and strengthen the common values of members
- 1.1.2 Represent members and regional objectives in engagement and liaison with key stakeholder agencies – e.g., LGA, DIT, PIRSA, AGP Plus
- 1.1.3 Provide a lobbying platform to promote the interests and issues of member Councils to other levels of government

Advocacy and representation are demonstrated through lobbying of other levels of government, which occurs as and when needed and often through the SAROC, LGA Board and in collaboration with the other regional organisations. Matters requiring lobbying this financial year included:

- *Regional Strategic Plan*
- *Local Government Transport Advisory Panel - Special Local Roads Funding*
- *Community Advisory Board – South Australian Power Networks*
- *Public Lighting Working Group*

Strategic Actions

- 1.1.4 Develop effective working relationships between the EPLGA and member Councils and external stakeholder agencies and organisations
- 1.1.5 Develop key EPLGA messages to demonstrate maximum alignment to the State Strategic Plan and Economic Priorities, in particular economic reform and jobs, climate change and renewable energy
- 1.1.6 Develop the understanding of, and commitment to, mutuality of interests to optimise benefit for member Councils across the region from advocacy and partnerships
- 1.1.7 Lead the completion of the Economic Development Strategy and Regional Strategic Plan and identify and lead the development of regional strategic responses to key issues as and when required.

EPLGA have entered into a unique shared services agreement with Regional Development Australia Eyre Peninsula for the services of the EO. Reducing costs for both organisations, the shared service is working well and reinforces the cooperation across economic development and local government issues. From May 2023 the EPLGA Executive Officer became full-time and will continue to work positively with RDAEP on projects of mutual interest.

Goal Area 1.2 Governance

Core Activities

- 1.2.1 Comply with legislative requirements
- 1.2.2 Identify and pursue the resourcing needs of members
- 1.2.3 Manage EPLGA financial and other resources for maximum member benefit, and based on the principle that recurrent operational expenses must be funded by recurrent operational revenue

Comments:

Compliance met.

Strategic Actions

- 1.2.4 Investigate and identify options to improve local government and regional governance, including alternative governance models, strategic planning, and land use planning for the region
- 1.2.5 Assist member Councils in meeting legislative compliance
- 1.2.6 Develop and manage formal alliance and partnership arrangements with partner agencies and entities– e.g. RDAEP and EP Landscape Board.
- 1.2.7 Pursue collaborative initiatives with partner agencies – e.g. joint submissions on strategic issues with RDAEP and EP Landscape Board.

Comments:

Shared Services for building services and environmental health are continuing and expected to be implemented in 2024. The other regional organisations are encouraged to work closely with member Councils and to investigate opportunities for region wide projects to maximise procurement benefits, etc.

Goal Area 1.3 Member Services

Core Activities

- 1.3.1 Maintain the cycle of quarterly meetings to enable collective decision-making and enhance member networking
- 1.3.2 Maintain and support members with the coordination of the annual conference
- 1.3.3 Identify resourcing gaps and needs, and pursue resolutions to key issues in liaison with members
- 1.3.4 Facilitate initiatives to attract funding and investment
- 1.3.5 Provide advisory and support services to Elected Members
- 1.3.6 Coordinate strategic meetings and presentations on key issues; including the provision of key speakers to provide information, contact and support services
- 1.3.7 Coordinate delivery of Council-supported training and development initiatives in the region

Comments:

All core activities are being met at a regional level which brings considerable savings to individual Councils.

Strategic Actions

- 1.3.8 Continue to facilitate the activities of the EP Mineral & Energy Resources Community Development Taskforce.
- 1.3.9 Develop value-added services for member Councils, based on collective or regional value and cost-benefit
- 1.3.10 Facilitate and promote the development of shared procurement initiatives.
- 1.3.11 Facilitate the development of a regional transport strategy, including the identification of road priorities and road funding proposals.
- 1.3.12 Establish and facilitate specialised interest groups, such as Council works managers and compliance staff.
- 1.3.13 Maintain communications with member Councils and the regional community through media releases, website, newsletter and formal means of communication.
- 1.3.14 Establish an annual business (work) plan for the Executive Officer to manage and report against.

Comments:

Regional networking amongst Councils has increased with the Councils hosting the EPLGA Board meeting also putting on a Council Showcase and networking dinner. RDAEP and the EPNRM Board have, over the last 12 months, worked with the EPLGA and member Councils to add value to regional projects like Eyes on Eyre, where all parties benefit.

EPLGA COMMITTEE REPORTS

All Committee minutes are on the EPLGA website for viewing via the following link: - <http://eplga.com.au/>

USE OF FINANCIAL RESOURCES

The following audited statement indicates another year of sound financial performance.

24 November 2023

Mr. Peter Scott
Executive Officer
Eyre Peninsula Local Government Association

Sent via email: pscott@eplga.com.au

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Dear Mr Scott

RE: External Audit Management Letter - Financial Year Ended 30 June 2023

We are pleased to report that we have completed our external audit of the Eyre Peninsula Local Government Association (**Association**) for the financial year ended 30 June 2023.

Our external Audit Report has been signed with reference to a Qualification relating to the Associations non-compliance with the financial report presentation and format as required by the *Local Government Act 1999 (Act)*.

Our external audit report has recorded the following Qualification:

The Association has not presented its Financial Statements in accordance with Section 13 of the Local Government (Financial Management) Regulations 2011 as required by the Local Government Act 1999 and do not meet the requirements of General Purpose Financial Statements in accordance with Australian Accounting Standards.

As part of completing the external audit for the 2022/23 financial year, we wish to highlight the following key observations and audit matters identified for the Association's further consideration and attention:

1. Financial Statements – Presentation & Format

In accordance with section 13 of the *Local Government (Financial Management) Regulations 2011*, the Association is required to prepare the Financial Statements in accordance with the requirements set out in the *Model Financial Statements*.

This requires that the Association prepares General Purpose Financial Statements in accordance with Australian Accounting standards as they apply to not-for-profit entities.

We recommend that the Association reviews its systems and processes surrounding the preparation of the annual financial statements to ensure that in the future, it is able to comply with this legislative requirement.

Given the legislative non-compliance identified with this matter, we will be reporting this breach as part of our reporting requirements to the Minister for Local Government.

2. Statutory Compliance – Association Budget

Upon review of the budget information provided to the Board (and Member Councils) for the 2022/23 financial year, it was noted that the format and presentation of the budgeted financial statements did not comply with the presentation requirements per the Act.

In line with recommendation 1 above, we recommend that the Association updates its internal processes and practices to ensure future compliance obligations are met with respect to the format, presentation and timing of all matters relating to the management of the Association's budget (including the Annual Business Plan and all budget reviews undertaken).

Given the legislative non-compliance identified with this matter, we will be reporting this breach as part of our reporting requirements to the Minister for Local Government.

3. Audit Committee Exemption

The Association does not have an Audit Committee. We note an application was submitted on 30 June 2021 to the Minister for Local Government for exemption to establish and maintain an audit committee per Clause 30, Schedule 2 of the Act however could not find any confirmation that approval had been approved/denied.

We recommend that the Association addresses this matter as a matter of high urgency to ensure that it is meeting its legislative compliance obligations with respect to the operation of an Audit Committee as required by Schedule 2, Section 13 of the Act.

Given the absence of an Audit Committee function, the Association needs to ensure that it has formal established processes operating whereby the review of the accounting, internal auditing, reporting and other financial management systems are being appropriately reviewed.

Given the legislative non-compliance identified with this matter, we will be reporting this breach as part of our reporting requirements to the Minister for Local Government.

4. Financial Internal Controls Policy

A review of the Association's Internal Control Policy and Financial Control Assessment reports identified that it has not been reviewed since its adoption back in 2014.

In conjunction with the matters raised in 3 above, we recommend the Association addresses this matter by ensuring that a review of the policy is undertaken and that a detailed review of the internal controls is completed.

5. Electronic Funds Transfer Authorisation Controls

We note that the Association currently only requires one person with online banking access to authorise and release funds from the Association's bank account (this currently being the Association's external accountant). We note that this is in contradiction to the Association's Cash Management and Investment Policy which requires two signatories for banking transactions, investments and other documentation.

To strengthen internal controls and safeguards around the Association's highest value asset (i.e. the cash reserves held), we strongly recommend that the Association arrange that two authorised signatories be required to release funds as required by the Policy. We also note that the Policy was last reviewed in 2018 and should be reviewed again as a matter of high priority in line with the internal control review recommendations made within this Report.

This is to ensure that all payments made are appropriately reviewed (i.e. bona fide expense, payment details match back to source documentation and any errors are detected) prior to the release of funds.

Ensuring that two authorisers are required will also minimise the risk of funds being lost in the event that any one individual user's banking credentials are compromised as well as being a key internal control relating to the

prevention of potential fraudulent transactions given the release of funds will be restricted subject to a second authoriser needing to approve a transfer request.

6. Purchasing and Tendering Policy

The Purchasing and Tendering Policy was last reviewed in 2018. We note that the requirement of the use of Purchase Orders as part of procurement activities documented in the Policy.

The Association was found to be non-compliant with this requirement given Purchase Orders are not being used.

In line with the other recommendations made within this Report, we recommend a review of the Policy be undertaken.

7. Gifts, Benefits and Hospitality Policy

The Gifts, Benefits and Hospitality Policy was last reviewed in 2017.

The Association has not maintained a Register of Benefits as required by the Policy. We recommend a review of the Policy be undertaken and that a Register be developed as required by the current Policy.

8. Corporate Policy Register

We recommend the Association implement a Policy and Procedure Register which include all relevant information in order to assist the Association with the management and review of its Policies and Procedures.

9. General Journal Internal Controls

On review of the internal controls around General Journals, we were advised that General Journals are approved retrospectively by the Executive Officer, however no evidence of the review is being retained.

To enhance controls and systems we recommend additional processes are implemented that require that all General Journals processed in Xero are reviewed and that evidence of the review is retained.

10. Leave Provision Calculation Methodology

Review of the methodology applied to calculation employee leave provisions (liability) identified that the calculation did not include on-costs (e.g. superannuation, workers compensation, etc.) as required by *AASB 119 Employee Benefits*. The liability recorded is also not being calculated to reflect the discounted present value of the liability estimate as required by AASB 119.

We recommend the methodology and working papers used to calculate employee leave entitlements be reviewed and updated where necessary to ensure future conformance with the requirements of *AASB 119 Employee Benefits*.

11. Revenue Received in Advance (Unspent Funds)

The Association incorrectly recorded Revenue Received in Advance (liability) by processing a General Journal to an Expense account rather than recording a reduction in Revenue. The effect of this treatment was the overstatement of both Revenue and Expenses for the period. We note that this practice occurred in the prior

financial year also (2021/22 financial year) and accordingly a prior year adjustment of \$82,279.68 was recorded to correct this matter with a corresponding adjustment of \$9,626.49 recorded in the current financial year (2022/23).

It should be noted that the adjustments have a nil effect of the reported financial performance in both financial years.

12. Council Campsite Bookings

The Association manages all bookings for Council owned camp sites and is responsible for the collection of all campsite fees on behalf of Councils. The Association remits all funds received, minus a booking fee/commission, to each Council. We note however that when funds are being remitted to each Council, a valid tax invoice is not being raised between each respective Council and the Association.

To ensure ongoing compliance with GST administration requirements, recommend that this process be reviewed and that appropriate tax invoices are raised between the Association and each Council. This will ensure compliance obligations are being met by both the Association and each respective Council entity.

Conclusion

I would like to thank the Association's Administration for the assistance provided during the course of the financial year.

The matters raised within this Report is aimed at further assisting the Association in enhancing the internal control environment and compliance obligations.

Should you require further information, please contact me on 8267 4777 or samanthac@deannewbery.com.au.

Yours sincerely

DEAN NEWBERY



Samantha Creten
Director

Eyre Peninsula Local Government Association
ABN 90 992 364 300
For the year ended 30 June 2023

Prepared by Complete Business & Accounting Services

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Compilation Report

Eyre Peninsula Local Government Association For the year ended 30 June 2023

Compilation report to Eyre Peninsula Local Government Association.

We have compiled the accompanying special purpose financial statements of Eyre Peninsula Local Government Association, which comprise the asset and liabilities statement as at 30 June 2023, income and expenditure statement, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Committee Member's

The committee of Eyre Peninsula Local Government Association are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

COMPLETE BUSINESS & ACCOUNTING SERVICES PTY LTD

TROY DOUDLE

Dated: 27 November 2023

Income and Expenditure Statement

Eyre Peninsula Local Government Association For the year ended 30 June 2023

	2023	2022
Income		
Regional Capacity Grant Income		
Carried Forward Unspent Project Funds	82,280	51,728
Grant - Waste & Resource Strategy - GISA	34,000	-
LGA of SA - Regional Capacity Grant	30,374	58,863
Total Regional Capacity Grant Income	146,653	110,592
Total Income	146,653	110,592
Gross Surplus	146,653	110,592
Other Income		
Interest Income	14,348	3,094
Camp Booking Income	310,291	50,502
Reimbursement - wages	49,903	60,074
Membership Income		
Membership Fee Income - DC of Ceduna	16,733	16,733
Membership Fee Income - DC of Cleve	14,262	14,262
Membership Fee Income - DC of Elliston	13,276	13,276
Membership Fee Income - DC of Franklin Harbour	12,922	12,922
Membership Fee Income - DC of Kimba	13,011	13,011
Membership Fee Income - DC of Lower Eyre Peninsula	19,474	19,474
Membership Fee Income - DC of Port Lincoln	28,829	28,829
Membership Fee Income - DC of Streaky Bay	15,111	15,111
Membership Fee Income - DC of Tumbby Bay	15,781	15,781
Membership Fee Income - DC of Whyalla	36,524	36,524
Membership Fee Income - DC of Wudinna	13,264	13,264
Membership Fee Income - SACCA	16,560	-
Total Membership Income	215,747	199,187
Project Income		
Online Camp Bookings - RDAEP & DEW	21,500	-
Income - Regional Economic Development Showcase & Conference Sponsors	72,700	-
LGA of SA - Green Industries SA	-	13,000
LGA of SA - Youth-Led Recovery	18,000	4,000
Total Project Income	112,200	17,000
Total Other Income	702,489	329,858
Expenditure		
Accounting	5,113	-
Administration	750	12,023
Audit Fees	8,415	1,770
Bank Fees	282	79
Bank Fees - Merchant Fees	3,212	-

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

	2023	2022
Camp Booking Outgoings	230,848	51,057
Computer Expenses	11,237	4,239
Depreciation	1,360	408
Insurance	6,813	6,489
Legal expenses	7,299	-
Light, Power, Heating	6,223	-
Meeting Expenses	16,392	17,328
Memberships - SACCA Committee	16,560	-
Online Booking System Expense - Campsites	39,170	11,650
President Expenses - Honorariums	8,816	2,250
Printing & Stationery	158	-
Project Expenditure		
Project Expenditure - Coastal Council Alliance	-	17,372
Project Expenditure - EPLGA Strategic Plan	166	14,000
Project Expenditure - Forums and Conferences	54,422	-
Project Expenditure - Joint Building Fire Safety	-	1,650
Project Expenditure - Regional Governance JPB Support	-	2,500
Project Expenditure - Tourism/Signage/Promotions	2,682	658
Project Expenditure - Youth-Led Recovery	18,000	6,264
Total Project Expenditure	75,271	42,444
Regional Capacity Project Expenditure		
Project Expenditure - Governance & Planning Reform	24,619	2,400
Project Expenditure - Regional Planning - General	23,500	1,500
Project Expenditure - Regional Transport Safety	6,327	15,150
Project Expenditure - Regional Waste Strategy	89,002	17,334
Project Expenditure - Shared Services	3,205	38,840
Project Expenditure - Unspent Funds at 30 June	-	1
Total Regional Capacity Project Expenditure	146,653	75,225
Rent	9,500	-
Secretarial Services	19,000	19,000
Subscriptions	728	-
Telephone & Internet	753	669
Travel and Accommodation	16,167	7,362
Wages & Salaries		
Wages and Salaries	135,000	135,000
Superannuation	14,175	13,500
Workcover	1,485	1,535
Leave Provisions - Annual Leave	3,106	1,028
Leave Provisions - Long Service Leave	3,678	7,875
Total Wages & Salaries	157,444	158,938
Training & Development	4,635	-
Total Expenditure	792,798	410,930

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Income and Expenditure Statement

	2023	2022
Current Year Surplus/ (Deficit) Before Income Tax Adjustments	56,344	29,519
Current Year Surplus/(Deficit) Before Income Tax	56,344	29,519
Net Current Year Surplus After Income Tax	56,344	29,519

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Assets and Liabilities Statement

Eyre Peninsula Local Government Association As at 30 June 2023

	30 JUN 2023	30 JUN 2022
Assets		
Current Assets		
Cash and Cash Equivalents		
EPLGA Bank SA 066728540	61,083	79,845
Local Government Finance Authority - General 59811	299,145	-
Local Government Finance Authority - HR Project 59810	49,468	264,601
Sundry Debtor	56	-
Accounts Receivable	25,280	15,019
Prepayments	10,503	2,682
Accrued Income	-	291
Total Cash and Cash Equivalents	445,535	362,438
GST Receivable		
BAS Clearing	9,736	-
GST Adjustment	9,270	-
GST	(864)	3,888
Total GST Receivable	18,142	3,888
Total Current Assets	463,677	366,326
Non-Current Assets		
Term Deposits		
Bendigo Bank Term Deposit	167,657	167,029
Total Term Deposits	167,657	167,029
Plant and Equipment and Vehicles		
Plant & Equipment	3,808	3,808
Less Accumulated Depreciation on Plant & Equipment	(1,768)	(408)
Total Plant and Equipment and Vehicles	2,040	3,400
Total Non-Current Assets	169,697	170,429
Total Assets	633,374	536,755
Liabilities		
Current Liabilities		
Accounts Payable	104,219	9,105
Bank Overdraft		
BankSA Credit Card #0207	3,518	3,329
Total Bank Overdraft	3,518	3,329
ATO Integrated Client Account	1,438	(120)
PAYG Withholdings Payable	-	4,356
Provisions		
Provisions - Long Service Leave	11,553	7,875

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

	30 JUN 2023	30 JUN 2022
Provisions - Annual Leave	13,704	10,598
Total Provisions	25,257	18,473
Employee Entitlements		
Superannuation Payable	-	1,558
Total Employee Entitlements	-	1,558
Total Current Liabilities	134,432	36,700
Unspent Project Funds	9,626	82,280
Non-Current Liabilities	15,197	-
Total Liabilities	159,255	118,980
Net Assets	474,119	417,775
Member's Funds		
Current Year Earnings	56,344	29,519
Capital Reserve		
Retained Profits	417,775	388,255
Total Capital Reserve	417,775	388,255
Total Member's Funds	474,119	417,775

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

Eyre Peninsula Local Government Association For the year ended 30 June 2023

1. Summary of Significant Accounting Policies

Basis of Preparation

The financial statements have been prepared as a special purpose financial statements on a going concern basis using historical cost convention. These financial statements have been prepared in accordance with the recognition of and measurement requirement specified by the Australian Accounting Standards and Interpretations and disclosure requirements of the following accounting standards:

- AASB 101 Presentation of Financial Statements
- AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1048 Interpretation of Standards
- AASB 1054 Australian Additional Disclosures.

The financial report has been prepared on an accrual basis and is based on historic cost and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report:

Local Government Reporting Entity – Non-Conformance

The Eyre Peninsula Local Government Authority (Authority) is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 5 Adelaide Place, PORT LINCOLN SA 5606. These financial statements include the direct operations through which the Authority controls resources to carry on its functions.

The financial statements have not been prepared in accordance with the presentation and disclosure requirements of the *Local Government Act 1999* and applicable Regulations given that a general purpose financial report has not been prepared in conformance with the Model Financial Statements.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

These notes should be read in conjunction with the attached compilation report.

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

These notes should be read in conjunction with the attached compilation report.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Financial Assets

Investments in financial assets are initially recognised at cost, which includes transaction costs, and are subsequently measured at fair value, which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Comparative Figures

Prior period balances have been reclassified to conform to current period presentation.

These notes should be read in conjunction with the attached compilation report.

Certificate By Members of the Board

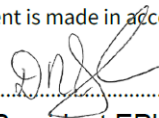
Eyre Peninsula Local Government Association For the year ended 30 June 2023

The Committee has determined that the Association is not a reporting entity and that this special purpose financial report should be prepared in accordance with accounting policies outlined in Note 1 to the financial statements.

in the opinion of the Board, the Income and Expenditure Statement, Statement of Financial Position, and the Notes to the Financial Statements:

1. Presents fairly the financial position of Eyre Peninsula Local Government Association as at 30 June 2023 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

This statement is made in accordance with the resolution of the board and is signed for and on behalf of the Board by:

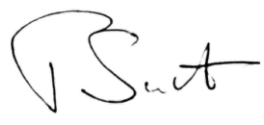
signed 

Position **President EPLGA**

Date **23/11/2023**

I, Peter Scott, CEO of 5 Adelaide Pl, PORT LINCOLN, SA, Australia, 5606 certify that:

1. I attended the annual general meeting of the association held on **23 / 11 / 2023**.
2. The financial statements for the year ended 30 June 2023 were submitted to the members of the association at its annual general meeting.

Dated: **23 / 11 / 2023** 

Eyre Peninsula Local Government Association

Annual Financial Statements
for the year ended 30 June 2023

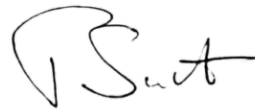
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Eyre Peninsula Local Government Association for the year ended 30 June 2023, the Association's Auditor, Dean Newbery, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



.....
Dean Johnson
President



.....
Peter Scott
Executive Officer

Date: 24/11/2023

HEAD OFFICE
214 Melbourne Street
North Adelaide SA 5006

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Dean Newbery
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Independent Auditor's Report

To the members of the Eyre Peninsula Local Government Association

Qualified Opinion

We have audited the accompanying special purpose financial report of the Eyre Peninsula Local Government Association (the Authority), which comprises the Assets and Liabilities Statement as at 30 June 2023, the Income and Expenditure Statement for the year ended 30 June 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial report presents fairly, in all material aspects, the financial position as at 30 June 2023, and the financial performance for the year then ended.

Basis for Qualified Opinion

The Association has not prepared and presented the financial statements of the Authority in accordance with requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The financial statements have not been prepared to comply with the Model Financial Statements and therefore our opinion has been modified given the Authority's breach of this legislative requirement.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Authority's Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as the Authority determines is necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority.
- Conclude on the appropriateness of the Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DEAN NEWBERY



SAMANTHA CRETEN
Director

24 November 2023

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Dean Newbery
ABN: 48 007 865 081

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Eyre Peninsula Local Government Association for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



SAMANTHA CRETEN

Director

DEAN NEWBERY

24 November 2023