



Kangaroo Island Council

Annual Report 2022-23

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Front page photo: Cape Forbin, Kangaroo Island. Credit South Australian Tourism Commission

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Welcome

Kangaroo Island Council presents the 2022-2023 Annual Report and Audited Financial Statements.

Section 1 of this Report highlights the Council's performance as set by its Strategic Plan 2020-2024. The Strategic Plan is supported by the Annual Business Plan 2022-23 and aligns with the goals of the Infrastructure Asset Management Plans.

It presents a review of some of the works undertaken to achieve the strategic objectives as set out under our five key areas of Infrastructure, Community, Economy, Environment and Organisation.

Section 2 of this report reviews Governance matters.

Section 3 covers our Finance Report and the Audited Financial Statements.

Council has tracked well against the requirements of the Strategic Plan. Of the 62 strategic actions to be commenced or completed in 2022/23, 27 were on track, eight were on watch, and 27 were completed.

We sincerely thank the community, our Elected Members, and all key stakeholders for contributing to the Island's bushfire recovery during this reporting period.

Message from the Mayor



Much of our energy during 2022/2023 was focused on the ongoing recovery from the 2019/20 bushfires.

During this reporting period, seeing most farms rebuild and continue to work back to full production has been encouraging.

However, it must be noted that many in our community are still suffering financially, physically, or mentally from the effects of those fires.

Equally encouraging is the return of visitors from across Australia and the world to the Island. We've had a record number of cruise ships, and overall visitation numbers are at an all-time high.

During this reporting period, Kangaroo Island was endowed with several prestigious awards:

- Stokes Bay was judged the best beach by **Tourism Australia** in 2023
- **The New York Times** listed Kangaroo Island in the top ten places to visit in 2023
- **TIME Magazine's** 2023 list of World's Greatest Places – 50 Extraordinary Destinations to Explore included Kangaroo Island.

It is important to note that revenue from our ratepayer base does not cover the expense of infrastructure investment to keep up with population and tourism growth. Therefore, where possible, Council has sought grant funding for projects that improve our infrastructure, environment, and community assets. The Council will continue to seek an income stream from the visitor component.

The Council's strategic approach to financial management aligns with our Long-Term Financial Plan, with a strong focus on debt reduction. I am pleased that through the effort of prudent financial management of Elected Members, management and staff, Council achieved a \$2 million debt reduction during the reporting period.

In the coming financial year, we continue to seek to reduce debt without reducing services. This will require Council to foster a culture of innovation, best practice project and contractor management, as well as seek external funding through grants and other revenue sources.

During the Financial Year 2023, Council worked with our strategic partners to:

- Improve the Island's mobile blackspots and connectivity issues.
- Obtain public investment in our road network
- Increase the capacity of childcare services
- Reduce the cost of freight and residential travel to the mainland.
- Secure our water supply, occurring through the SA Water desalination project.
- Invest in our townships.

Kangaroo Island Council exists to improve the quality of life for the community it serves. I would like to thank Elected Members and all of our staff for their commitment to this cause.

Michael Pengilly
Mayor
Kangaroo Island Council

Your Elected Members

Mayor Michael Pengilly



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Committee Representative

- Fleurieu Regional Waste Authority Board Member
- Southern and Hills LGA Board Member

Deputy Mayor Richard Cotterill



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Committee Representative

- CEO Performance Review Committee
- KI Bushfire Management Committee
- Directorate Champion - Corporate Services

Councillor Shirley Pledge



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Committee Representative

- Directorate Champion - Community Development
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Island Profile



4,405km²

Land mass. Third largest island in Australia, six times size of Singapore



5,008

Total population



1,362

Kilometres of roads



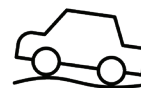
509km

Coastline. Kangaroo Island boasts some of the best beaches in Australia



43.5%

Population aged over 55 years



81%

unsealed roads

Fast Facts



3,802

Library users



22%

Average increase in property values by the Valuer General across all property categories on Kangaroo Island



\$317m

Gross Regional Product
As of 30 June 2022. (ABS)



5,706

Number of rateable properties



36

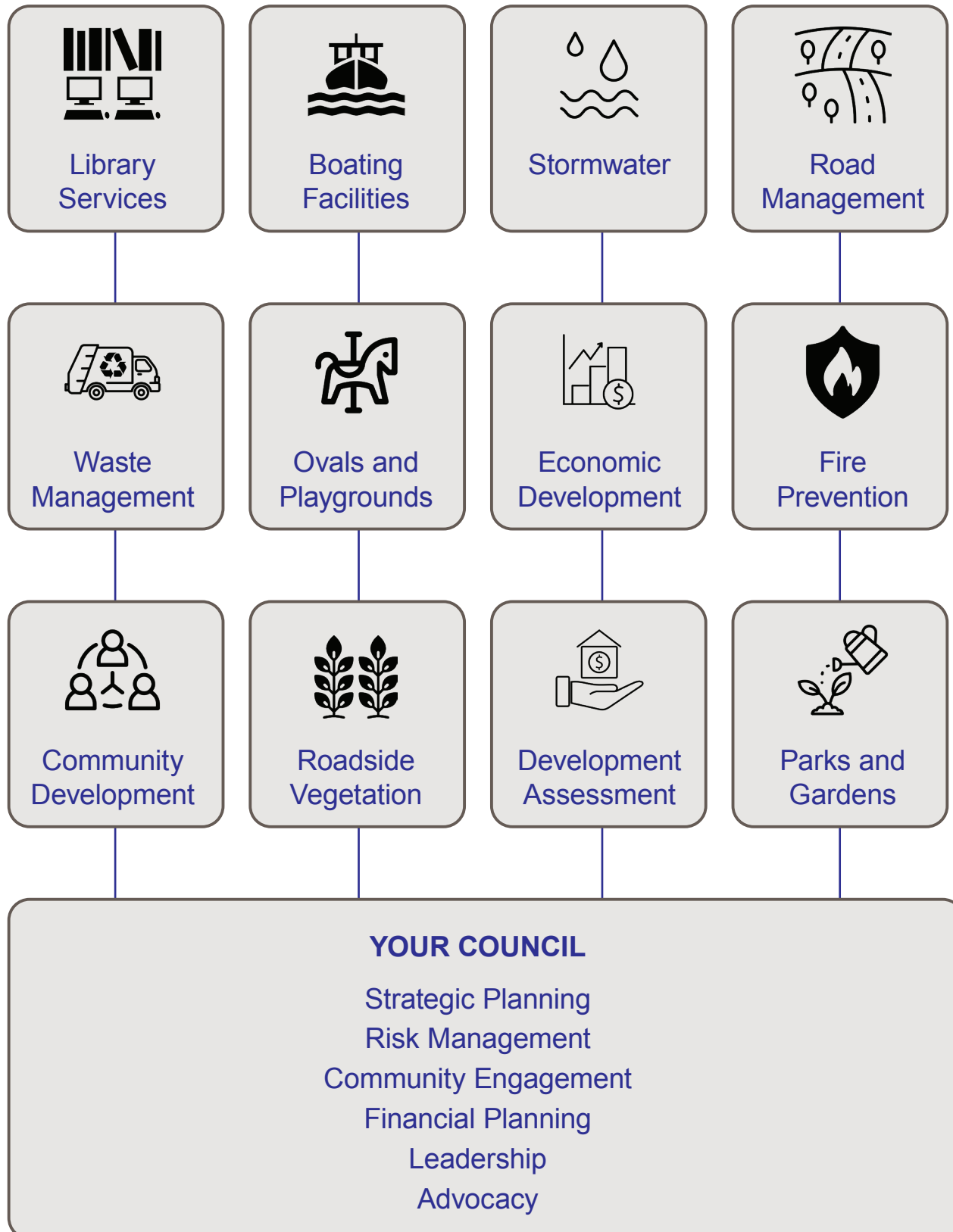
Cruise ships visited the Island carrying 58 848 pax and 26,694 crew



\$1,257

Average residential rates levied

Council Services





Vision

A confident and cohesive community supported to rebuild our unique Island environment, with a strengthening economy led by primary production and tourism.



Mission

To provide our community with leadership and support, and to deliver key council services efficiently and effectively.

Strategic Plan Overview

The 2020-2024 Strategic Plan was endorsed in September 2020 following extensive consultation with residents and ratepayers, Elected Members, key stakeholders and Council staff and can be accessed via www.kangarooisland.sa.gov.au The following pages report on strategic actions for the 2021/22 year.

Strategic Objectives

This Strategic Plan is built around five high level strategic objectives focused on the areas of **infrastructure**, **community**, **economy**, **environment**, and our **organisation**.

At all times we act in a manner that is courteous, transparent, accountable, efficient and reflects our values of respect and integrity.

Strategic Outcomes

To know we are successful in meeting our strategic objectives, we need to deliver a range of outcomes relevant to our community and specific to our objectives. Each objective is underpinned by three or four key strategic outcomes. Aiming for these outcomes focuses our efforts.

Actions

To ensure we achieve these outcomes and can measure our performance against the Strategic Plan, we have developed a number of actions. The actions are designed to be specific and measurable and will direct the work we do in the period covered by this Plan. As such, they will shape our future Annual Business Plans. Council will ultimately be measured against our ability to achieve a high percentage of our stated Actions during the strategic plan period.

Recovery

Council's actions over the strategic plan period will be significantly impacted by our need to lead and support our challenged community in its recovery from the bushfires and Covid-19.

1	2	3	4	5
				
INFRASTRUCTURE	COMMUNITY	ECONOMY	ENVIRONMENT	ORGANISATION
A built environment focused on essential and Community services.	Communities and Individuals empowered to improve the quality of Island life.	Re-establish a strong and diverse economy.	Our environment is maintained, enhanced and protected.	Leadership to deliver positive social, financial and environmental outcomes.
RECOVERY				

1.1 Develop and maintain our roads and physical assets to acceptable standards.	2.1 Enhance community partnerships with Council.	3.1 Facilitate appropriate economic development by providing a supportive environment for local business.	4.1 Best practice waste management.	5.1 Community is supported in its recovery.
1.2 Optimise Island access opportunities and affordability.	2.2 Enrich community culture, health and well-being.	3.2 Optimise land use to grow the Island economy.	4.2 Proactively adapt to environment change.	5.2 Continuous improvement in strategic, financial, risk management and business planning processes.
1.3 Deliver a built environment that responds to community and business needs.	2.3 Improve Island liveability.	3.3 Collaborate with Government and other partners for better Island outcomes.	4.3 Statutory requirements are met for animal, land and vegetation management.	5.3 Good governance.
1.4 Advocate for improved essential services across the Island.			4.4 Support initiatives for a sustainable carbon neutral future.	5.4 Positive organisational culture.



SECTION 1

Strategic Outcomes Infrastructure

Hog Bay Road is under the care and control of the Department for Infrastructure and Transport. The Council repaired damage to the section of Hog Bay Road at Bugga Bugga Creek following a severe weather event in October 2022.



ACHIEVED



IN PROGRESS

Infrastructure

Strategic outcome:

A built environment focused on essential and community services



1.1.1 Deliver the Infrastructure and Asset Management Plan 2019-2028

The Financial Year 2023 was affected by a significant period of wet and windy weather. Council maintenance crews were required to attend to many emergencies during the year. Council managed and completed private works for the Department of Infrastructure and Transport (DIT) with emergency repairs and clean-up on State Government roads.

Council staff attended to many fallen trees, roads and drainage structures damaged by flooding and routine maintenance of all Council assets. This significant wet weather created extra vegetation growth, keeping the parks and gardens crews busy mowing and trimming Council parks, verges and trees.

The past year's late spring bringing heavy rains flooding on and across roads was a hot topic for the community and a key focus for the Kangaroo Island Council.

Council is responsible for maintaining almost 1,362 km of roads, with 800 km of that road network unsealed. Water damage on Council roads is a high priority on our works list.

The Council collaborates with DIT to respond to emergencies on State Government-owned roads.

Council will always prioritise emergency responses for the benefit of the community. Our team has the local knowledge and skills and can quickly deploy in emergency situations.

Of particular note was a severe weather event that occurred Tuesday, 4 October 2022, when Council fielded more than 170 phone calls from concerned residents following heavy rain.

By Wednesday, 5 October, Kingscote received up to 44 millimetres of rain, with almost 24 millimetres recorded at Parndana and nearly 25 millimetres recorded at Cape Willoughby.

The Council received a call in the very early morning of Wednesday, 5 October, in response to a motorist who was stranded while travelling with water over Hog Bay Road.

There was extensive damage to the culvert at Bugga Bugga Creek, resulting in a complete washaway in a section of Hog Bay Road near the American River turn-off.

Hog Bay Road is owned and maintained by DIT through outsourced subcontractors based on the mainland, who could not immediately attend to the repair work, prompting Council to step in.



Council's after-hours works crew repairing Hogs Bay Road following severe weather event in October 2022.

Council responded with the after-hours call-out crew, who closed the road and installed detours at first light.

At the time, Council kept the community up to date with progress on repairing the road and asked them to be patient as we now needed to re-prioritise our planned road works.

Since then, Council has continued discussion with DIT to build Council's capacity to assist in emergencies and with maintenance on State Government-owned roads so that it is not to the detriment of Council's current roads program.

In Financial Year 2023, Kangaroo Island Council based all works and maintenance operations on Council's **Infrastructure Asset Management Plan** (IAMP). Each IAMP outlines the actions required by the Council to provide an agreed level of service and standard of community assets in the most cost-effective manner while outlining associated risks.

The IAMPs ensure our assets, such as our roads, buildings, footpaths, playgrounds, and marine facilities, are renewed and replaced at the optimal rate to enable us to extend their useful life and prevent them from deteriorating to unusable levels.

The IAMPs are linked to Council's **Long Term Financial Plan** (LTFP) which considers a 10-year planning period.



Council's Infrastructure Asset Management Plan, Chapter 5 - Plant and Equipment is used to manage the renewal and replacement of assets required to maintain Council's road network.

Council updated and adopted the following **2022-2032 Infrastructure Asset Management Plan** chapters at its 9 May 2023 meeting:

- Chapter 1 – General Statements
- Chapter 2 – Airport – **new chapter adopted in May 2023**
- Chapter 3 – Buildings and Complexes
- Chapter 4 – CWMS
- Chapter 5 – Plant and Equipment
- Chapter 7 – Recreation and Open Space (including land)
- Chapter 8 – Stormwater
- Chapter 9 – Transport

In Financial Year 2023, Council purchased two John Deere 670GP graders which have a proven track record on the Island, replacing the ones purchased back in 2008.

These graders are a welcome upgrade to the fleet for road construction and patrol grading of rural roads on Kangaroo Island. This critical plant is vital to the efficient and effective ongoing maintenance of the unsealed road network on the Island.

Works carried out as part of Council's **Road Maintenance Program** included re-sheeting South Coast Road.

Re-sheeting work began in November 2022 on South Coast Road between Elsegood and Woods Roads with funding from DIT's Upgrade of Local Unsealed Roads on Kangaroo Island Program.



Council's work crews carrying out grading as part of Council's Road Maintenance Program.

This work involved carrying out stormwater drainage upgrades and hauling and stockpiling limestone in the following locations to complete the works, working toward Kingscote:

- Woods Road and Stirlings Road
- Stirlings Road to Wests Road
- West Road to Vietches Road
- Vietches Road to Starrs Road
- Starrs Road to Elsegood Road

As part of the South Coast Road upgrade, to increase the safety of road users, Council's road construction crew also realigned two intersections, the intersection of South Coast Road with Starrs Road and Wilsons Road and the intersection of South Coast Road with Woods Road.

Resealing roads is part of the Council's asset renewal program designed to improve and restore the road pavement. Long term, it represents sound economic and engineering practice. It is the most cost-effective solution to maximising the lifespan of our roads.

The following road renewals were undertaken this year as part of Council's Road Maintenance Program:

SEALED ROADS (BITUMEN RESEALING)

ROAD	LOCATION
Brownlow Road	From Lovers Lane 180 metres towards Haney Road.
Birchmore Road	From Rowland Hill Highway to East West Road 6.9k metres.
North Coast Road	From Boxer Road 520 metres west.
Governor Wallen Drive	Near Cordes Road 203 metres.
South Coast Road	From Timber Creek Road 300 metres west.
Playford Highway	Two sections: <ul style="list-style-type: none"> • 4.3 kilometres near McHughes Road. • 3.43 kilometres near Harriet Road.
Bay of Shoals Boat Ramp	Carpark only.



The Bay of Shoal Boat Ramp received an upgrade in the Financial Year 2023. Works included installing new LED lighting and resealing the car park.

UNSEALED ROADS (RESHEETING)

ROAD	LOCATION
Cape Borda Road	From West End Highway, 13.4 kilometres west.
Gum Creek Road	Start 800 metres from Playford Highway to 2.7 kilometres from Playford highway (1.9 kilometres in total).
Blue Gums Road	From Willson River Road intersection 1.3 kilometres west.
Moffatt Road	From 1.6 kilometres south of Willson River Road north 1.2 kilometres.
East West One	Between Gregors and Timber Creek Road, 4.2 kilometres.
McHughes Rd	From Playford Highway, 1 kilometre south.
South Coast Road	From Elsegood Road to Birchmore Road, 20 kilometres.



1.1.2 Secure at least \$2 million per annum in Local Road Sustainability funding

DIT allocated **\$5,732,402** under the **Bush Fire Resilience Program** to seal the road shoulders of the Playford Highway between Parndana and West End Highway, approximately 33 kilometres.

Council completed the works at **\$4,866,642**, coming in significantly under DIT's budget for the project.

This work continued the work completed by DIT and managed by Council to seal the shoulders between Kingscote and Parndana on their portion of maintained Playford Highway.

Works on the Playford Highway that were completed in 2022/2023 created a safer road environment for road users on the western end of the Island. The safety improvements from this project included:

- 3.3 metre wide sealed traffic lanes
- 1.2 metre wide sealed shoulders, with additional width on curves
- Sealed intersections of side roads
- New guard rail in high-risk selected areas
- Widening of existing stormwater crossings
- New Line marking



Preparation works before sealing the shoulder of Playford Highway.



Shoulder seal completed on the Playford Highway.

Council successfully obtained **\$1.34 million** in grant funding in the Financial Year 2023 to complete a full road construction, including a bitumen seal of Ten Trees Road. This project is two-thirds funded under the State Government's **Special Local Roads Program**.

Ten Trees Road required a full pavement reconstruction due to its narrow width, mixed pavement materials, and poor road and shoulder drainage.

The road has become a critical freight route vital to the area, with over 50,000 tons of crushed quarry product alone hauled along it. The overall carriageway width will be increased from 6 metre unsealed to a 7.2 metre seal width, plus design shoulders. The pavement will be thicker from the current 200 millimetres to a design pavement suitable and fit to match the projected freight demand.



Road construction and stormwater installation works on Ten Trees Lagoon Road.

Work on the road construction and stormwater installation for Ten Trees Lagoon Road, between North Coast Road and Playford Highway, ready to upgrade to seal, commenced in this reporting period. Council completed the final pavement layer in July 2023, with completion of the spray seal scheduled in October 2023.

Council also successfully gained **\$67,530** grant funding through the **Remote Airstrip Upgrade Program Round 9** to replace existing halogen lights on the runway edge with LED lights as part of the **KI Airport Safety Lighting Upgrade Project**.



The new LED lights installed at the Kingscote Airport as part of the KI Airport Safety Lighting Upgrade Project.

This project's outcomes ensured the Kangaroo Island Airport is compliant with the **Civil Aviation Safety Authority Manual of Standards – Part 139** to enhance pilot and passenger safety at night for aircraft operations, providing 24-hour support for emergency services, including meeting operational requirements for the **Royal Flying Doctors Service** to perform night time medical evacuations for the Kangaroo Island community.

The Kangaroo Island Council owns and operates the Kingscote/Kangaroo Island Airport. The Kingscote/Kangaroo Island Airport is the only all-weather, sealed landing strip on Kangaroo Island.

Therefore, in severe weather events that force the cancellation of ferry services to Kangaroo Island, the Kingscote/Kangaroo Island Airport is the only transport option for short-life freight and emergency services. The population of Kangaroo Island is approximately 5,000 - all of whom rely on the Kingscote Airport for critical services.

In addition, Council's completed an upgrade of the footpath at Bay Terrace, leading into the ferry terminal at Penneshaw to include new kerbing and a pram ramp. This work was supported by a **\$200,000** grant from the **South Australian Tourism Commission** to improve the safety and experience of pedestrians between the ferry terminal and town centre.



1.1.5 Review the 2005 Kingscote Community Wastewater Management System Extension Plan to prioritise the extension works

The Community Wastewater Management System (CWMS) comprises of two types of schemes, properties that utilise a septic tank for treatment of effluent waste before connecting to the CWMS (referred to as Septic Tank Effluent Drainage Scheme or STEDS type scheme) and those properties that utilise a direct sewer type connection (no septic tank required) with all effluent treated by the scheme.

Council's CWMS operates in four townships, Kingscote, American River, Parndana and Penneshaw. Schemes at Kingscote and Parndana require the installation of a septic tank for each property that is connected to the CWMS.



Following a review, Emu Bay has been identified as the township with the highest priority need for a new CWMS.



Council achieve agreement with the State Government to fund master plans for Penneshaw and Cape Jervis harbour precincts.

In Financial Year 2023, Council completed an indepth review of the CWMS on Kangaroo Island. Areas identified as high priority for extension of the CWMS include:

- Freycinet Way (Penneshaw)
- Warrawee Terrace / Pelican Street intersection, Mansell Street / Pelican Street intersection (Penneshaw)
- Warrawee Terrace, South Terrace and Mansell Street. (Penneshaw)
- Dutton and Investigator Avenue (Kingscote)
- Karatta Terrace (Kingscote)

The review also identified townships that may benefit from a future new CWMS. Emu Bay was listed as the township with the highest priority need for a new CWMS.



1.2.2 Gain government agreement and funding for master plans for Penneshaw and Cape Jervis wharf infrastructure and broader precinct

During the Financial Year 2023, Council worked with the State Government to seek funding for Master Plans for the Penneshaw and Cape Jervis wharf infrastructure.

This follows the announcement by the State Government of \$22 million to upgrade the Penneshaw and Cape Jervis ferry terminals in Financial Year 2022.

Following the meeting of Country Cabinet on Kangaroo Island in June 2023, the State Government announced funding to achieve this aim.

DIT began the master planning process for the Cape Jervis Harbour and the Penneshaw Harbour precincts in September 2023. These master plans will guide future development of the precincts and inform future funding considerations for all levels of Government.

Following discussions between Council and the State Government, DIT have committed to a

master plan which is a dynamic short and long-term plan that identifies social, environmental, cultural and economic issues and opportunities. It then sets a clear strategic and co-ordinated framework for assessment of potential future developments within the precinct.

The master planning for both harbour precincts have multiple strategic considerations:

- **Placemaking** – ensuring the visual amenity and functionality of future developments result in optimal regional, cultural, tourism and community outcomes.
- **Movement** – considering future transport to ensure efficient operations and a safe environment for all users, including pedestrians.
- **Synergy and integration** – taking a balanced and sustainable approach when considering the needs and requirements of all precinct users and owners to ensure future developments suitably integrate with the environment and land uses.



Flood water from Champman's River over Cape Willoughby Road at Antechamber Bay. This financial year, the State Government increased Council's road funding by an extra \$1.5 million indexed annually to help maintain roads on the Island.



1.3.1 Source dedicated external funding over the next four years to deliver on Infrastructure Asset Management Plan priorities

In Financial Year 2023, Council secured an additional **\$1.5 million per annum (indexed)**, from the South Australian Government to help improve and maintain roads across the Island.

Since 2011, the South Australian Government has provided \$2 million per annum to improve unsealed roads managed by the Kangaroo Island Council, a figure that will now increase to **\$3.5 million per annum (indexed)**.

This is a significant amount of extra funding equivalent to raising an extra \$250 in rates from the average property or a 18.75% rate increase.

This funding has been committed by the state for at least four years and likely to continue beyond.

Kangaroo Island roads and road signage have been damaged in the past by bush fires, floods, and storms. More recently, there has been an increase in overall traffic movement on the Island from the rebounding tourism numbers and a burgeoning agricultural sector, with rapidly increasing freight movement of produce and livestock which has placed even greater stress on the largely unsealed road network.

The increased funding to Council will contribute to a variety of works including:

- More resurfacing of the Island's unsealed road network to meet growing demand created by primary industry and tourism growth.
- Undertaking upgrades of the unsealed network to improve safety and freight accessibility.
- Replacing and improving road signage for major route and key destinations.
- Improving warning signage for wildlife hazards, dangerous intersections, and terrain.



1.3.3 Make improvements to the streetscape character in the four main townships

Works on Phase 1 of Town Centres Project continued in Financial Year 2023. The four key townships include Kingscote, Penneshaw, American River and Parndana.

The beautification of these townships assists Council in attracting new investment, stimulating more development and encouraging new businesses to Kangaroo Island, it creates new job opportunities and new career pathways for young people through the activation of public spaces.

Key works for Phase 1 of the Town Centres Project included:

Kingscote

Works in Kingscote were completed in December 2022 and include improved pedestrian access through flush kerbs and raised crossings, wider footpaths with new paving, street planting and furniture. The upgrade of Dauncey Street and some improvements to the foreshore and surrounding streets have improved accessibility, business appeal, created outdoor dining opportunities and improved the appearance of the main street.



American River

Works in American River were complete in September 2022. Improvements were made to the town centre appearance through better definition of pedestrian and vehicle areas (including parking and footpaths) along Tangara Drive and around the wharf precinct, as well as coastal-tolerant native street and tree planting and furnishings. These works enable safer pedestrian movement and an overall tidier and better-defined American River town centre.



Penneshaw

Pending completion of the stone retaining wall, the majority of works in Penneshaw were completed in March 2023. Works included new furniture on North Terrace and an upgrade of Middle Terrace to create a more pedestrian-friendly main street. The result is a greener and more attractive town centre that complements existing planting and ensures the gateway to Kangaroo Island meets the needs of the island's locals, tourists and primary production sector.



Parndana

The first stage of the Parndana town centre upgrade was mostly completed during the reporting period. The creation of a town square in Cook Street has helped create a destination for locals and visitors to enjoy. A colourful mural, pergola structure, furniture and planting in this space have improved the appeal of the town centre and the final stage will be street planting to improve the appearance of Cook Street.

Phase 1 of the Town Centres Project was funded by the **SA Government's Open Spaces and Places for People** grant and the **Commonwealth Drought Communities Program**.





1.3.4 Negotiate with Federal and State Governments to develop the Kangaroo Island Plan

The South Australian Attorney General's Department began developing regional plans across South Australia. Kangaroo Island is unique in having the only dedicated Regional Plan.

Regional plans are designated planning instruments under **Section 46** of the *Planning, Development and Infrastructure Act 2016* and set the long-term vision and direction for strategic planning and land use for the next 15 to 30 years. Regional plans contain clear principles for orderly development and the management of growth within a region.

The Planning and Land Use Services Department of the Attorney General's Department established a **Local Government Regional Planning Committee** to support the State Planning Commission's preparation of Regional Plans. This work includes a new Regional Plan for Kangaroo Island, which will replace the current Kangaroo Island volume of the **South Australian Planning Strategy**.



Over 30 key stakeholders attended the 9 December Workshop on the KI Regional Plan, providing, invaluable knowledge of the Kangaroo Island region, by exploring how Kangaroo Island communities will be shaped, live, and grow over the next 30 years. Image supplied by Bret Woods and PlanSA.

The Kangaroo Island Plan sits above all master plans. It is a dynamic long-term planning document that provides a conceptual layout to guide future growth and development. It will connect townships, buildings, economic and social settings, and their surrounding environments.

The Kangaroo Island Plan will be the one plan all government agencies and departments would work to and use for future strategic planning. The Kangaroo Island Plan provides long-term certainty for investors and planners at Federal, State and Local government levels and, notably, for the private sector.

The first Kangaroo Island Workshop was held on 9 December 2022 with a second workshop held on 14 July 2023 that included participation from Council Elected Members and staff as well as broad range of stakeholders from the tourism, primary production, and business advocacy groups as well as community organisations and progress associations.

These workshops were led by the Chair of the State Planning Commission, Planning and Land Use Services (PLUS) and Department of Premier & Cabinet (DPC).

A **draft Kangaroo Island Regional Plan** is now under preparation, having considered the range of feedback received in the initial phase of engagement. Public consultation is scheduled to commence in Q4 2023, and engagement activities will be developed to support wide-ranging participation by the community and stakeholders, with opportunities for in-person and online feedback.



1.4.1 Collaborate with providers to improve Island internet coverage and eliminate mobile blackspots on Kangaroo Island

Residents, visitors and businesses on Kangaroo Island will benefit from a more reliable and resilient communication network thanks to a \$2.6 million grant to build open-access towers.

Swoop (formerly Beam Internet) is installing 11 fixed wireless towers across Kangaroo Island.

The open-access Fixed Wireless network provides a fail-safe way of communicating in natural disasters when other technologies, such as fibre

and cable, have outages. In addition, these towers are 'open-access', meaning residents and visitors don't have to rely on one provider or one type of communication technology. The new towers also service two-way radios, fire detection, emergency communications, equipment infrastructure and community radio stations.

During the reporting period, installation of the 11 new towers began. This work is a **Local Economic Recovery** (LER) project, supported under the Federal Government's **National Bushfire Recovery Fund** and co-funded by South Australian Government contributions.

In addition, Telstra Corporation Limited, in partnership with Kangaroo Island Council, secured \$1,758,232 in funding from the **Black Summer** grant program to construct two new mobile towers at Stokes Bay and American River, with works continuing over the reporting period,



1.4.2 Collaborate with SA Water and other stakeholders to water-proof Kangaroo Island by completing all major components of the SA Water plan by 2023

Works on one of the most significant projects for Kangaroo Island continued in the reporting period following State and Federal Government funding for a \$147 million project to improve water security for the residents and businesses of Kangaroo Island, and to support the Island's tourism and agriculture industries.



The new SA Water new desalination plant will be located near the Hog Bay Road - William Walkers Way intersection, at Penneshaw within the road reserve area.

SA Water is constructing a new seawater desalination plant and a 50-kilometre pipeline from Penneshaw to Kingscote, providing connectivity to several coastal townships that do not currently have mains water available.

The new plant will produce 80 per cent of the island's water requirements, supporting further economic investment by lowering water costs and increasing efficiency.

The project will establish smaller reticulation mains which will connect into the existing Middle River-Kingscote system.

The new part of the network will have capacity to provide safe, reliable and affordable drinking water to more than 1,000 residents in Baudin Beach, Island Beach, Sapphire town and American River, who currently rely on private rainwater tanks or water carters for their drinking water supply.

Council has been working in collaboration with SA Water and DIT on site preparation for the desalination plant, shoulder sealing sections subject to the new pipeline, public consultation, and communication of project updates, particularly roadworks.

Of particular note, in March 2023 Council assisted in the consultation on the **Landscaping Concept Plan** for SA Water's new desalination plant at Penneshaw.

Developed by Landskap, an urban design and landscape architecture consultancy, Council worked with SA Water, consultants and local resident representatives to co-design elements of the plant's landscaping and noise mitigation solutions.

Developed with the Kangaroo Island Council and neighbouring residents, the plan details methods for reducing visual and noise impacts to the surrounding area, taking in the boundary of the Penneshaw cemetery.



Concept landscape design for landscape plan for the SA Water desalination plant at Penneshaw and surrounds.



SECTION 1

Strategic Outcomes Community

Local farmers Rodney and Lachie Bell. Three generations of the Bell family have grown wool at Bellevista, one of their properties near Kingscote.



Community

Strategic outcome:

Communities and individuals empowered to improve the quality of Island life



2.1.1 Review community grant and sponsorship programs and set funding baselines

Council reviewed the grant and sponsorship programs during the Financial Year 2023 to set funding baselines.

During the reporting period, Council developed the framework for a **Community Grant Program** that is designed to support community groups and individuals with initiatives that are determined to be of benefit to the Island and community. This work included developing policy and guidelines for the Community Grant Program which will go live in Financial Year 2023.

Council also supported community groups by providing **\$9,762** in in-kind sponsorship to a broad range of community and sporting organisations for the use of Council's facilities for use of events, meetings, sports practice, and competitions, including:

- KI Calisthenics Club
- Kingscote Football Club
- Kingscote Netball Club
- Queenie Basketball Club
- Sweathogs Basketball Club
- KI Disability Information Group
- Parndana Community Garden
- ATEC
- Advance Kingscote Progress Association
- Wisanger Sports Club
- KICE Parndana Campus
- Penneshaw Progress Association
- Kangaroo Island Dragons Inc
- The 60 Four Australia (live music event)
- Purple Orange
- SA Country Fire Service
- KI Dance Connection
- Kangaroo Island CFS Group
- Kangaroo Island Community Education - Kingscote Campus
- Sweathogs Basketball Club
- Agriculture Kangaroo Island
- KI 8 Ball
- Seventh Day Adventists
- Art Museum of KI
- TDP Productions

In addition, during the reporting period, Council endorsed discretionary rate rebates be applied for the **Kangaroo Island Cancer Support Group** and **Parndana Progress Association**.



The Penneshaw Progress Association received in-kind sponsorship from Council for the use of the Penneshaw Town Hall for a fundraising event to raise money for first responders.

In March 2023, Council endorsed that in the absence of any legislated rebate, all new leases and licences to not for profit community, recreation or sporting groups of rateable local government land include a special condition that a discretionary rates rebate of 75% of the fixed and general component of the rates assessment is to be granted or applied.

✓ 2.1.2 Collaborate with external funders and community groups to access external funds to improve or extend community assets or services

The Council continued a working partnership with the **Western Districts Football Club**. A funding agreement between the Australian Football League (AFL) **Community Relief Fund**, Western Districts Memorial Community Sports Centre and Kangaroo Island Council as auspice was endorsed including

a Project Control Group that is chaired through Council. This significant funding of over **\$1.4million** has enabled the club to rebuild the facilities that were destroyed in the 2019/20 bushfires.

Council worked with the **American River Progress Association** to secure building permissions and **\$24,846** in grant funding from grants **SA Community Shed Funding Round**, administered by the Department of Human Services to establish a community garden.

This funding will be used to purchase signage and paths, a picnic setting, fencing and an entryway, as well as four wicking beds plus soil and plants, including 10 to 12 heritage fruit trees.

The American River Community Garden group's successful application was made under the banner of **American River Buick Orchard Reserve** or **ARBOR** project. The intent is to create a community garden "with a difference" on a culturally significant site in American River.



The first stage of the Western Districts Football Club rebuild was the Ausco changerooms were officially opened and attended by AFL, South Australian National Football League (SANFL), Cricket Australia, South Australia Cricket Association (SACA) and State Government representatives.



Members of the Penneshaw Progress Association and the Karta Harvest Exchange preparing the site for the community garden next to the CWA building on Mary Seymour Lane.

A mulberry tree, planted by pioneers John and Frances Buick in the mid nineteenth century and now a remnant of their once flourishing orchard, still grows and fruits prolifically on Lot 12 Buick Drive. American River residents and visitors have been harvesting mulberries from this site every summer for nearly 200 years.

In the reporting period, Council also worked with the **Penneshaw Progress Association** and the **Karta Harvest Exchange** group to secure permission and **\$10,000** in funding from the **Foundation for Rural and Regional Renewal** for an open access, community garden adjacent to the CWA Centre on Mary Seymour Lane in Penneshaw.

Council donated the large orange concrete pots next to the netball courts on Middle Terrace following the Town Centres upgrade works in Penneshaw to the project. These pots will be used by the Karta Harvest exchange to grow dwarf fruit trees and cascading plants such as strawberries.

Council's library staff worked with Onkaparinga Council to deliver a series of digital literacy programs for people over the age of 50. The program, **Being Digital – Tech Talks for Over 50's**, was designed to improve the ability of the Island's predominately ageing population to navigate the online world in a safe manner. Topics covered in the program included:

- Organising digital photos
- Technology and health
- Using the cloud
- Games and entertainment
- Online shopping and banking
- Connecting with others

In addition, Council's Library team received a total of **\$54,259** in the reporting period from the **Public Libraries Service** made up of \$33,568 for the operating grant and \$20,691 for the materials contribution to deliver library services for the community.



To coincide with Valentine's Day, Kangaroo Island Council's Kingscote Library's facilitated a reading campaign to encourage the community to try something new to read, not based on a cover image or title. The Blind Date with a Book campaign had books wrapped in pink paper on display at the library. The only clue about the book inside is a cluster of about half a dozen keywords handwritten on the paper. Community members selected a book based on genre, only to find what the mystery book is when they unwrapped it at home.



2.1.3 Create opportunities for a sustainable future for youth on Island, including implementing a Council work experience and training program

Kangaroo Island Council is committed to developing young people and future leaders.

The **Young Achievers Award** recognises the achievements in areas such as community work, sport, education, science, culture, the arts, and the environment. Consideration is given to young people who demonstrate leadership, dedication and significant personal accomplishment or active involvement in their community.

Opriss Osborne was awarded Young Achiever of the Year at the Settlement Day Ceremony, attended by the Governor of South Australia, the Honourable Frances Adamson on 27 July 2022 at the Pioneer Memorial on the Esplanade at Kingscote.

An active sporting member of the community, Opriss has played for Kingscote Netball Club for several years, as well as playing for the Sweathogs Basketball Club. In addition, Opriss worked in a volunteer capacity as coach of the Under 12

Sweathogs Boys Basketball Team and the Under 13 Kingscote Netball Team.

On top of her coaching duties, Opriss umpired for the Kangaroo Island Netball Association through the 2021 and the current 2022 season. Opriss has officiated all Senior Grades (A, B, C, D) as well as junior grades as an umpire.

In addition, Council provided sponsorship to **Kangaroo Island Community Education (KICE)** for the use of the Western River campground for the KICE Year 10 Dive and Leadership Camp which occurred in December 2022.

This student opportunity is centered around developing student's leadership skills, teamwork, social skills and personal confidence, utilising dive training and the beautiful marine environment of Western River as the medium to achieve these goals.

Council have provided continued support of this student camp for several years and is now in discussion with KICE to engage students as unofficial custodians of this campground to help with maintenance works such as weeding and tree planting as a way of our students giving back to their community.



2023 Young Achiever of the Year Opriss Osborne receives her award from the Honourable Frances Adamson.



Participants in the KICE Year 10 Dive and Leadership Camp at Western River campground.



2.1.4 Engage and partner with progress association to deliver strategic outcomes for Council and communities

Council chairs a **Community Centres Working Group** that meets quarterly to share skills, knowledge and information on the various projects, events and initiatives the Progress Associations are delivering for their communities. This enables Council to support grant applications, sponsor community events and advocate for strategic community needs.

During the reporting period, Council has worked with the **Baudin Beach Progress Association** on the upgrade of the Baudin Beach boat ramp. During the reporting period, Council took over project management of the grant funding secured from the **SA Boating Facilities Committee (SABFC)** and is expected to complete the project in October 2023.



Baudin Beach Progress Association and Council have collaborated to deliver an upgrade to the Baudin Beach Boat Ramp.

In November 2022, Council organised a Sea Transport Round Table, to discuss issues including ferry freight availability and accessibility concerns before a busy tourist and livestock movement period was about to commence. Three of SeaLink's executives met with Council staff, Elected Members, as well as representatives from Agriculture KI, KI Tourism Alliance, KI Business and Brand Alliance, representatives from the Island's progress associations, stock agents and freight operators all participating in this KI Sea Transport Round Table meeting.

SeaLink's Chief Operating Officer, Donna Gauci, General Manager of South Australia, Tracy Croft and Manager of Major Projects, Peter Vickery, gave a presentation regarding SeaLink's progress in commissioning the new vessels ready for 2024 and addressed issues with the current fleet.

Attendees at the roundtable outlined opportunities for SeaLink to improve, including better: communication of breakdowns; consultation in commissioning the new boats, a co-design process for the new ferry terminals; opportunities to mitigate extra costs being passed down to primary producers and business owners due to weight and mass requirements of the new boat.

Ms Gauci assured the forum that SeaLink would come back to address all issues and concerns. Ms Gauci said SeaLink has a long and strong history with Kangaroo Island and that the company took all concerns seriously.



Attendees of the KI Sea Transport Round Table meeting included a broad range of community and industry representatives.



2.2.3 Support arts, culture, and heritage initiatives

Council continued support for the **Return Soldiers league** (RSL) with Anzac Day, Remembrance Day and Vietnam Veteran's Day commemoration services.

Council provided in-kind sponsorship for the **Parndana Show Society** and **Stokes Bay Hall Committee** in preparation of site preparation works for both events to be held at the Parndana Oval. The preparation by Council of the Parndana Oval enables the safe use of fireworks during the summer months.



Fireworks display for the Parndana Show on Saturday 5 November 2022.

Council also provided in-kind sponsorship to the **Kangaroo Island Easter Art Exhibition** through the waiver of fees to hire the Penneshaw Town Hall for the event.

In addition, Council also assisted the organisers of the event, the **Artists Collective Kangaroo Island** with promotion and media coverage of the event.



Coordinators of the Easter Art Exhibition Committee Michele Lane and Desiree Jurgs with member of the Arts Collective Kangaroo Island Toni Skrigin with 2023 Easter Art Exhibition poster.

A dedicated push to draw children and young people to enter the Kangaroo Island Easter Art Exhibition was a success, with six times more entrants compared to the 2021 event.

In addition to the children and young people, 135 adults also entered the event, bringing the total number of overall contenders to 217 – 15 more entrants than in 2022.

The **Australia Day Ceremony** at the Hope Cottage Museum included seven Australian Citizenship ceremonies with Mayor Michael Pengilly awarding the **2023 Citizen of the Year Award** winner to Mos Howard, honoured for his volunteer service as an ambulance paramedic on Kangaroo Island.

Project of the Year was awarded to the Advance Kingscote Progress Association for the Silo Project. **Project of the Year special commendation** went to the ARTells a Story Art Gallery at American River. The American River Welcoming Committee was awarded the **Event of the Year Award** for the American River Meet and Greet event held on Sept. 18, 2022.



2.2.4 Develop a Disability Access and Inclusion Plan to meet the needs of the elderly and disabled

Kangaroo Island Council's Disability Access and Inclusion Plan 2021 – 2024 recognises that local government plays an important role in enabling equitable access and as such our Disability Access and Inclusion Plan has been prepared to comply with the *Disability Inclusion Act 2018 (SA)* and is also recognised in **Council's Strategic Plan 2020 – 2024** which identifies access and inclusion as fundamental to enriching community culture, health and wellbeing.

During the last 12 months, staff undertook universal design and accessible communications training.

Universal design', also known as 'inclusive design' is a series of design principles that considers the needs of all users by placing human diversity at the heart of the design process. It goes beyond meeting the minimum standards for the built environment, and aims to meet the needs of all users as much as possible, regardless of age, ability or demographic.

In addition, Council representatives attended the monthly meeting of the **KI Disability Community & Advocates** peer network facilitated by **Purple Orange** to ensure that future projects undertaken by the Council best meet the needs of people with a disability through a co-design process with people who have lived experience of inclusion issues.

The flush footpaths in Dauncey Street, Penneshaw and American River as part of the Town Centres Project is a key design feature to improve accessibility that is a result of the training and co-design process with the peer network.



Chelsea Schafer, member of the KI Disability Community and Advocates peer network, with Kangaroo Island Mayor Michael Pengilly standing at the recently upgraded entrance to the Queenscliffe Hotel. Improved accessibility was one of the main objectives of Council's Town Centres Project. The flush footpaths and paving colour changes at driveways being selected to create a safer and more accessible pedestrian environment in Dauncey Street for people with vision impairment.

In partnership with **Community Living Australia**, Council was successful in securing grant funding from **Harcourts** to purchase a Mobi-Mat which will enable access on the beach for people with disabilities or those with limited movement.

The first beach access mat on Kangaroo Island was officially opened to the public on 2 December 2022 which is the **International Day for People with Disabilities** at an event at the Kangaroo Island Yacht Club. During the reporting period, Council staff began the preparation works for the Mobi-Mats to be located at the Kingscote Tidal Pool.



Tracey Watters, Mark Kulinsku, Michael Pengilly, Tina Till, Anna Osman and Suzi Liney at the launch of the Mobi-Mat in December 2022. Photo courtesy: Maggie's Photography

Further grant applications are planned to extend the Mobi-Mats in this location and possibly others across the Island in the future.



2.3.1 Identify fire prevention priorities for the protection and safety of our communities

Council attended the **Kangaroo Island Bushfire Management Committee**, facilitated by the **Country Fire Service** (CFS) Region 1. The **Bushfire Management Action Plan (2017)** was reviewed in 2023. This follows the work of Council delegates who assisted CFS in developing the **Asset Treatment Register**. The register identifies approximately 400 assets across Kangaroo Island, both private and state-owned. Many of these assets are classed as Extreme of High Risk- and the treatment of protection measures for these assets is under constant review.

Kangaroo Island Council continued works as part of the **Bushfire Mitigation and Protection Strategy for Townships**, made up of **Bushfire Mitigation Work Schedules** in which longer term on ground works will be programmed to occur, providing increased levels of protection for populated areas.



2.3.2 Implement processes, procedures and technology to help mitigate fire risk to Kangaroo Island townships

The installation of wide fire breaks was implemented following application to **CFS Regional Planning Unit** around some townships. These fire breaks have consisted of clearance of vegetation to provide a remnant “living verge” while providing emergency service agencies potential for defence of townships. These works were completed in Island Beach, Vivonne Bay and DeEstrees Bay areas.

Further breaks were created to complement the prescribed burning program of **National Parks and Wildlife Service (NPWS)**. These areas of protection are registered with State Government agencies and can be used in a running fire by Incident Control as a means of halting the progress of fire.

Council undertook a public education campaign to ensure landowners cleaned up their blocks prior to the fire season prior to inspection and enforcement of 105F notices. A **Section 105F Notice** is a Notice issued under the Fire and Emergency Services Act 2005 to protect life and property from the threat of a fire. The notice specifies the work that must be carried out on the property within a specified time frame.



2.3.4 Enhance the character, amenity, safety and accessibility of the built environment for example: sporting facilities, parks, gardens, playgrounds, pools, toilets, boat ramps, trails, streetscapes. Completing at least two significant projects annually

As part of Council's commitment to enhancing the character, amenity, safety and accessibility of the built environment there have been equipment upgrades to **playgrounds**, a **new public toilet** installed at Murray Street Kingscote as well as **beach access steps renewed** at Little Brownlow Beach and the Kangaroo Island Yacht Club. In addition, the barbeque shelter at the **Kingscote Tidal Pool** was replaced.



New play equipment at American River. Playground upgrades were carried out in Kingscote, Emu Bay and American River in the reporting period.

Council also worked in partnership with the **Kangaroo Island Tourism Alliance (KITA)** on the **Three Towns Walking Trail Project**, through funding from **Recovery for Regional Tourism Program** under Austrade, completed in the reporting period. The purpose of this project is to build on the visitor experience, increase appeal, increase the time spent in towns and supporting businesses further. This project has replaced and enhanced way finding and interpretive signage along the existing walking trails in Penneshaw, American River and Kingscote.

In Financial Year 2022, Council endorsed a **Kangaroo Island Five Year Footpath Plan** that includes \$350,000 dedicated towards new and upgraded footpaths across the Island this financial year. A further \$250,000 was earmarked for footpaths as determined by Elected Members each year.

As part of this plan, Council upgraded footpaths during the reporting period in:

- Murray Street – Telegraph Road to Franklin Street
- Franklin Street – Cygnet Road to Drew street Kingscote
- Wheelton Street adjacent to Hospital, Kingscote
- Esplanade – Telegraph Road to Wheelton Street, Kingscote



Upgraded footpath in Franklin Street, Kingscote was part of the upgrade of footpaths across the Island as part of the Kangaroo Island Five Year Footpath Plan.



SECTION 1

Strategic Outcomes Economy

Jamie Helyar and his wife, Julie, are the proprietors of False Cape Wines. Their vineyards and cellar door, located at Dudley East, are one of many flourishing food and wine outlets that contribute to the Kangaroo Island economy.



Economy

Strategic outcome:

Re-establish a strong and diverse economy



3.1.3 Develop a Council endorsed Prospectus that identifies the fundamental strategic investment priorities for the Island

A Prospectus was drafted covering ten critical areas for development and was circulated to State and Federal Government ministers as required after the 2019/20 bushfires. Projects in the draft Prospectus that received funding include road network redevelopment, accommodation, accessibility to the Island, telecommunication, and the development of a Kangaroo Island plan.

The draft Prospectus continued to be updated and workshopped with the Elected Members following the meeting and outcomes from the State Government's **Country Cabinet Meeting** on Kangaroo Island in June 2023, ready for endorsement by Elected Members in the Financial Year 2024.



3.1.2 Focus and optimise grant funding on Council's priority areas

Council worked in partnership with the **Kangaroo Island Tourism Alliance (KITA)** on the public consultation and land permissions for the proposed **Dudley Trail**. The proposed Dudley Trail is a 3-day/2-night 38-kilometre walking trail that links Penneshaw on the Dudley Peninsula to Cape Willoughby Lighthouse, South Australia's oldest lighthouse.



The Cape Willoughby Light House will be linked via a walking trail to Penneshaw as part of the proposed Dudley Walking Trail.

The Dudley Trail will be a predominantly coastal walk and will become Kangaroo Islands' first public private partnership trail, which will traverse Conservation Parks, coastal reserves and private land. Through the **Regional Recovery Partnerships** program, \$4 million in funding was committed to:

- Upgrades to the Cape Willoughby visitor experience.
- Development of the Dudley Trail, Stage 1 and delivery of a Master Plan, and Stage 2.

Council began the planning and design process for the replacement and upgrade of beach access stairs at **Pennington Bay** and **Baudin Beach**, to assist in protecting our coastal environment. Council secured funding from the **Coast Protection Board** with all works expected to be completed in 2024.



Planning and design process for new beach access stairs at Pennington Bay took place in the reporting period.



Council facilitated a series of workshops and consultations with residents in American River to develop the Structure Plan for the township.



3.2.1 Develop draft structure plans for Kingscote, American River and Parndana

During the reporting period, Council worked with the American River residents and businesses to plan for the long term, identify new opportunities, and prioritise projects for the township.

As a result of a series of workshops and consultations with constituents, a draft **Structure Plan for American River** was developed prior to adoption by the Council. The aim of the Structure Plan is to help guide future land use and growth areas and to identify projects that help provide a high standard of liveability and to enhance the attractiveness of the township.

Council will consider opportunities to develop draft Structure Plans for Parndana and Kingscote in the Financial Year 2024.



3.2.4 Review underutilised land and assets and explore opportunities

As required under the *Local Government Act 1999* Council must prepare and adopt a Community Land Management Plan for all community land requiring amended use.

The **Community Land Management Plans** (CLMP) group community land parcels into a hierarchy of categories based on similar purposes, such as sportsgrounds, local parks, windbreak reserves and natural bushland. The plans detail how Council will develop, manage and maintain the land held for the community's use and enjoyment.

During the reporting period, the following CLMPs were updated following community consultation:

- Lloyd Collins Reserve and Penneshaw Beach Foreshore Reserve Management Plan
- Emu Bay Council Camping Ground Management Plan
- Water Reserve Lot 212 Emu Bay Road Emu Bay Management Plan
- 13 Trethewey Court American River Reserve Management Plan
- 13 Buick Drive American River Management Plan
- Duck Lagoon Reserve Management Plan
- Frenchman's Rock Historical Reserve Management Plan
- Birchmore Hall and Sporting Complex Reserve Management Plan
- Parndana Golf Course Management Plan
- Soldiers Memorial Park, Sporting Complex & Surrounds Management Plan
- Vivonne Bay Bayview Road Car Park Management Plan
- Parndana Town Hall Management Plan
- Parndana Soldiers Settlement Museum Management Plan
- Emu Bay Day Visitor Amenities Management Plan
- Section 393 Three Chain Road Management Plan
- Prospect Hill Management Plan
- Penneshaw Oval Sporting Recreation Complex Management Plan
- Penneshaw Northern Foreshore and Coastline Reserve Management Plan



The Duck Lagoon Reserve Management Plan was one of several CLMPs updated during the reporting period.



3.3.1 Engage in formal dialogue with State Government agencies to develop a coordinated approach to a more economic delivery of government services on the Island, and shared cross-agency plans

Kangaroo Island Council services a land area six times the size of Singapore that hosts about 250,000 tourists and visitors annually. One third of the Island is covered by national parks and is not rateable, meaning Council does not receive revenue from this land.

The number of rateable properties on Kangaroo Island during the reporting period is 5,706.

Revenue received from Kangaroo Island residents, landowners and businesses does not cover the cost of upgrades to community infrastructure to support the Island's growing number of visitors.

In response, Council has developed strong working relationships with State and Federal government agencies to deliver critical services to our Island community.

In June 2023, the State Government held a **Country Cabinet** meeting in Kingscote, where community members provided insight to a range of issues on the Island.



The State Government held a Community Cabinet meeting in Kingscote in June 2023. Photo Credit: Stan Gorton, The Islander.

Council advocated for improvements prior to the meeting including maintenance and upgrades to road infrastructure, availability of housing, accessibility on and off the Island, availability of medical and professional services and rising freight costs.

As a result of Council's advocacy, the State Government committed to a **Transport Study for Kangaroo Island and Fleurieu Peninsula** to inform future transport planning and investment in the region.

This investment will be complemented by an additional **\$1.5 million per annum (and indexed) for Kangaroo Island road improvements** announced in the 2023-24 State Budget, which forms part of the South Australian Government's **Road Safety Package**.

Other outcomes for Kangaroo Island confirmed following the Community Cabinet meeting included:

Health on Kangaroo Island

Upgrade Kingscote Hospital, budgeted \$10 million over four years

- Access to the Patient Assistance Transport Scheme
- Resumption of birthing services on Kangaroo Island
- Improving nurse to patient ratios
- Doubling the number of graduate nurses

Housing and accommodation on Kangaroo Island

- Improved access to HomeStart financing for Kangaroo Island residents
- Investment in public housing
- Stamp Duty relief for first home buyers

Cost of Living

- Vehicle registration concession for Kangaroo Island residents
- Adoption of the National Energy Bill relief plan

Natural disaster management on Kangaroo Island

- Funding from Emergency Services

Infrastructure upgrades for Kangaroo Island

- \$50 million investment in Penneshaw and Cape Jervis Port upgrades -
- Review of the SeaLink contract
- \$18 million investment to improve Hog Bay Road
- Commitment to Penneshaw Master plan including second port option
- Commitment to consider funding Kingscote and Parndana master plans

Restoring Vegetation

- Restoring/protecting native vegetation
- Ongoing investment in pest control and eradication
- Developing a Kangaroo Island Centre of Environmental Excellence Plan
- Commitment to support Sustainability and Environmental Officer

Tourism Industry

- Commitment to Tourism and Environmental Levy
- Commitment to increasing flight availability including an extra two flights per day, five days a week by QANTAS



3.3.3 Engage with Federal, State, and local industry alliances and the Economic Business Hub and report annually

Council worked with the Southern and Hills Local Government Association (S&HLGA) to develop and finalise the **Regional Public Health Plan 2022 -2027**.

This is the second Regional Public Health Plan (RPHP) for the Southern and Hills region and is a collaboration of the six constituent councils of Adelaide Hills, Alexandrina, Kangaroo Island, Mount Barker, Yankalilla, and Victor Harbor.

The purpose of the Plan is to guide coordinated efforts to improve the health and wellbeing of all residents in the Southern and Hills region.

The Plan builds on the first Regional Public Health Plan for the S&HLGA (2015-2020). It provides the basis for the next Regional Public Health Plan (2028-2033).

The Plan responds to a fresh assessment of the population health and risks in our local communities and the regions as a whole and aligns with the South Australian State Public Health Plan 2019-2024 (the State Plan). The State Plan's vision is for a "healthy, liveable and connected community for all South Australians."

SECTION 1

Strategic Outcomes

Environment



Bottlenose Dolphins are found in the waters surrounding Kangaroo Island. They are very inquisitive mammals, commonly found across the Island, and provide special wildlife encounter moments. Credit: Chris Bray.

Environment

Strategic outcome:

Our environment is maintained, enhanced and protected



4.1.1 Decrease annual volume of landfill waste taken off island by 5% year on year (excluding waste relating to the bushfires)

During the reporting Kangaroo Island achieved an 8% reduction in waste resulting in 70 tonnes of garbage being diverted from landfill. A 29% increase (116 tonnes) in food organics green organics (FOGO) led the improvement.

Kerbside collections

COUNCIL	WASTE	FOGO	RECYCLING	DIVERSION from landfill
Kangaroo Island	836t -8%	+29% 516t	515t -3%	+3% 55%

The positive results for the 2022-23 Financial Year reflect the ongoing commitment from the community and Council to recycle more of their food waste and reduce their impact on the environment.

Council and Fleurieu Regional Waste Authority (FRWA) have continued together to recycle as much material as possible on Kangaroo Island and to provide education to the community about effective waste management.

In August 2022, staff from Council's Kingscote Library and FRWA organised a special story time session about the importance of reducing waste in landfill as part the National Science Week celebrations.

The session featured a story about recycling, interactive games and a live demonstration of a kerbside recycling collection with a FRWA truck.



Council and FRWA organised a special story time at the Kingscote Library focussed on reducing waste to landfill.
Photo credit: Anna Osman.



4.1.3 Review of the KIRRC building and infrastructure needs

The **Kangaroo Island Resource Recovery Centre (KIRRC)** provides the only integrated waste management facility for Kangaroo Island.

Inline with the Council's **Infrastructure Asset Management Plan, Chapter 3 - Buildings and Complexes**, Council completed a review of assets at KIRRC, resulting in the design of a new office and toilet that will be installed during Financial Year 2024.

In addition, the water tanks reserved for firefighting at KIRRC was renewed and the internal road maintained.



4.2.1 Obtain funding for a plan to respond to environment change and liaise with other stakeholders for a whole of Island response

In April 2022, the Council successfully gained grant funding of **\$290,000** (fully funded – no co-contribution) from the **National Recovery and Resilience Agency** to develop a prioritised, full costed whole-of-Island Action Plan to respond to natural disasters.

The Action Plan will prioritise a program of work based on the National Disaster Risk Reduction Framework that identifies resource gaps required for

future investment in response to: Recommendations for Kangaroo Island from the **Royal Commission into National Natural Disaster Arrangements**; Recommendations for Kangaroo Island from the **South Australian Government's Independent Review into South Australia's 2019-2020 Bushfire Season**.

Key outcomes of this project are:

- 1 A prioritised, fully costed whole-of-Island Action Plan aligned to the National Disaster Risk Reduction Framework to better prepare the local community for natural disasters.
- 2 A whole-of-Island Action Plan based on the recommendations of the Royal Commission Report, SA Review and Council's commissioned strategies. This plan will provide Council, partnership agencies and our community with a single source of truth to make future decisions and investments to mitigate our risk of natural disasters.
- 3 Outcomes of the Action Plan will inform Council's Annual Business Planning process, Capital Works expenditure, grant funding opportunities and public-private partnerships for future investment in natural disaster risk reduction.
- 4 All key findings and learnings will be shared with the Local Government Association and relevant government agencies.

Following a tender process, Meridian Urban were appointed as consultants to complete the project in Financial Year 2023 with consultation across a broad stakeholder range across the Island to have input into the Action Plan.





4.3.1 Deliver the Kangaroo Island Council Animal Management Plan and Asset Management Plans in cooperation with all relevant legislative agencies

The **Kangaroo Island Council Animal Management Plan** was reviewed and updated during the reporting period and went out to public consultation during Financial Year 2024.



4.4.4 – Develop a Council tree planting program

Council's Tree Planting Program was developed and funded as part of the Council's Annual Business Plan 2022-2023. The plan went out to public consultation in Financial Year 2024.

Following consultation, new trees planted along the main entrance to Kingscote, as well as Brownlow Road and at the Kangaroo Island Airport. The two species chosen were Bottlebrush (*Callistemon Viminalis* 'Kings Park Special') and Norfolk Island Pines (*Araucaria heterophylla*) to match in with existing trees.



Callistemon Viminalis or Bottlebrush was one of the species selected as part of Council's Tree Planting Program.

A man, identified as Andy Gray, is seated in the operator's cab of a yellow Hitachi grader. He is wearing a high-visibility yellow and blue uniform with "KANSU BLUE" and "ANDREW" printed on it, along with brown work boots. The cab is open, and the background shows a construction site with trees and a clear sky. The text "SECTION 1" is overlaid on the image.

SECTION 1

Strategic Outcomes Organisation

One of Council's Grader Operators, Andy Gray, working on Willson River Road in Dudley East.

Organisation

Strategic outcome:

Leadership to deliver positive social, financial and environmental outcomes

5.2.1 Complete an in-depth review of all Council services and staffing levels – prioritise and weight for need, effectiveness and efficiency in provision

The 'business' of running a Council professionally and sustainably is a challenge for all Councils across the State due to rising resident and ratepayer expectations, static or declining rate revenues, and escalating costs. The situation is compounded in rural communities and is further exacerbated on Kangaroo Island by idiosyncrasies such as it being an island, high tourism demands, the impact of bushfires and accessibility for residents to medical and professional services on the mainland.



Members of Council's Kingscote Library Team.

Given these pressures, trying to find a pathway forward that is acceptable to most residents and their elected representatives, while satisfying legislative demands, is challenging.

Kangaroo Island Council commissioned an in-depth review of all services during the reporting period to provide a framework for the sustainable provision of services given Council's limited resources and revenue sources.

Recommendations presented for Elected Member consideration included filling key staff vacancies to ensure sound management and governance; and to invest in systems and technology - or partnerships with other Councils - to deliver administrative efficiencies.

5.2.2 Refine Long-Term Financial Management Plan and financial sustainability ratios (as recommended by the Audit and Risk Committee)

Under the *Local Government Act 1999*, a Council must review its **Long-Term Financial Plan** as soon as practicable after adopting an Annual Business Plan for a particular financial year.

The Long-Term Financial Plan provided important guidelines for the **2022-2023 Annual Budget** presenting high level information that is used to inform future decisions of Council, understand level of financial and interest rate risk exposure, confirm adequacy of spending on assets and capital renewal, track against key financial ratios and inform decisions around future service levels and service provision.

The Long-Term Financial Plan is reviewed annually.



Agriculture Kangaroo Island provided feedback into Council's Annual Business Planning process in regard to rising costs of primary production needing consideration when Council set rates.



5.2.3 Develop and implement a risk management plan to address and manage corporate risk

Having good risk management practices ensures Council can undertake activities knowing that measures are in place to maximise the benefits and minimise the negative effect of uncertainties.

Risk management involves both the management of potentially adverse effects as well as the fulfilment of potential opportunities. The risk management process is an integral part of management and decision-making which is integrated into Council's structure, operations and processes.

During the implementation of Council's agenda and minute software, new report templates were developed to incorporate reporting on Council's risk appetite. The new report templates accurately capture the risk discussion in accordance with the Council endorsed risk register and framework and promote a more thorough and rigorous discussion about risk for council staff in writing reports to Council.

During the reporting period, Council engaged Local Government Risk Services (LGRS) to assist in the review of Council's Business Continuity Plan (BCP), provide training to key staff and undertake a simulation to test the BCP. Council received financial assistance from LGRS to undertake the review in line with Council's membership.

With the assistance of LGRS Principal Consultant, critical functions across Council were assessed and critical function plans were developed with critical function owners. An incident simulation was undertaken with critical function owners testing the plan against the scenario.

The draft Business Continuity Plan and a summary report was provided from LGRS for Council to address any actions that arose from the simulation or development of the BCP.

Council adopted the reviewed Business Continuity Plan (BCP) and associated documents with a view to anticipate and be better prepared to face the challenges of a significant business interruption event that could impact key business objectives and ability to continue to provide the services.



5.3.1 Council will ensure effective and transparent annual CEO performance reviews

Council, has established a **Section 41 Committee** with an Independent Member, which then reports its findings to full Council for consideration.

The Committee's primary purpose, in conjunction with the CEO, is to establish relevant performance objectives for the CEO and for the Committee to undertake the annual formal review of the performance of the CEO against that performance criteria, including as set out within the CEO Employment Agreement.

The Committee's secondary purpose is, upon the completion of the performance review process, to undertake an annual review of the CEO's remuneration in accordance with the Employment Agreement.

During 2022-23 two CEO Performance Committee meetings were held.



5.3.2 Council and staff will meet legislated reporting requirements of a local government authority

The 2022-23 **WHS & Injury Management Action Plan** focussed on the following identified objectives:

- Review the current contractor induction process to ensure all contractor requirements are clearly identified and meet legislative and Council requirements.

Action: Review and implement Council's contractor induction procedure

- Review the current Hazard Management Policy and Procedure, Corrective and Preventative Action Procedure, Workplace Inspection Procedure and Plant Procedure to ensure all hazard management requirements are clearly identified and meet legislative and Council requirements.

Action: Review and implement Council's hazard management reporting process to ensure all hazard management reporting requirements are clearly identified and meet legislative and Council requirements,

- Review the current Volunteer Policy and induction process to ensure all volunteers are inducted correctly.

Action: Review and implement Council's Volunteer induction process to ensure all volunteers induction requirements are clearly identified and meet legislative and Council requirement.

Council officers have worked throughout the year to implement the actions within each of the objectives progressively meeting expected timeframes.

The Local Government Association Workers Compensation Scheme reported that Kangaroo Island Council has 100% completed actions in the **2022-2023 WHS Action Plan**.

The 2022-2023 WHS Action Plan was in place from 1 October 2022 until 30 September 2023 and 100% completion will ensure Council maximises its financial incentives from Local Government Risk Services



5.4.1 Demonstrate clear and visible leadership in line with our agreed values and behaviours and communicate regularly with staff and Elected Members

A facilitator has been engaged to assist in the development of operational plans. Corporate Services and Community Development Directorates undertook their planning sessions with the facilitator, each identifying priority actions for the next 12-month period. This will assist the directorates to effectively manage expectations in its delivery of services to our community.



Safety of Council staff and contractors is Council's number one priority.



5.4.2 Council will achieve and engage an effective workforce by implementing a continuous values and behaviour program

Council worked with Adrian Skull who facilitated workshops with Elected Members and Council employees to look at developing organisational values. Consensus was achieved with the values of **Respect** and **Integrity** being unanimously adopted.

The values of an organisation underpin behaviour and culture. Following the workshop it was decided that:

At Kangaroo Island Council our community and the environment is at the heart of everything we do. We commit to our values of RESPECT and INTEGRITY.

RESPECT means

- treat others fairly and with consideration - as we would like to be treated
- being committed to constructive communication including active listening, valuing others' perspectives and then objectively considering all viewpoints
- seek out and value the contributions of others
- being reliable – I always do what I say I will do and in a timely manner

- embrace diversity and respect the unique contribution of all team members
- being honest, courteous and cooperatively engage with others in a polite manner
- value other people's time
- being empowered to make decisions
- safety is our responsibility and I take reasonable care that my actions or lack of action does not adversely affect other

INTEGRITY means

- being open, honest, transparent and fair
- share the load and being equitable
- consider the needs of others
- respectfully speak up when something doesn't seem right
- being accountable by leading by example, taking ownership and following through
- being supportive, genuine, positive and authentic
- trusting others and I am trustworthy
- scrutinise and evaluate options to ensure my decisions mitigate risk
- commitment to learning and growing
- commitment to teamwork – we collaborate and communicate broadly



Elected Members and Council employees participating in workshops to develop Council's organisational values.



5.4.3 Ensure positive levels of staff well-being by implementing supportive policies and programs

Council has undertaken several wellbeing programs and training during 2022-2023 through participating in Local Government Risk Services programs or the engagement of training providers including:

- Positivity in Practice Workshop
- Mates in Construction – General Awareness and Connector Training
- Healthy Connections – Leadership & Coaching
- Situational Awareness
- Influenza Vaccinations
- Skin Checks
- Prevention of Bullying and Harassment in the workplace



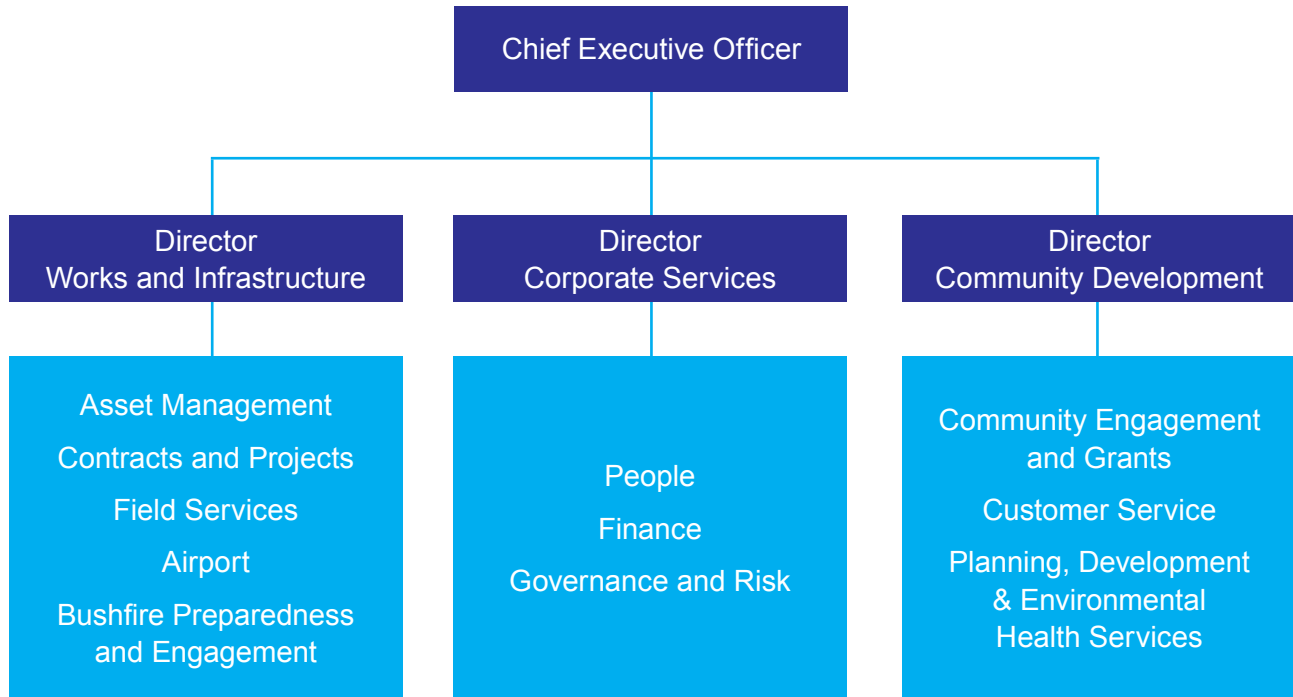
Council field crew based at the Penneshaw Depot.



5.4.4 Implement a recognition scheme to acknowledge outstanding contribution of staff to Council and the community

Development of an Employee Recognition Policy will be undertaken in 2023-2024 following the guidelines currently under development by the Local Government Association and the Ombudsman investigations into appropriate employee recognition practices in local Government.

Our Organisation



Leadership

Council's saw some key leadership changes during this reporting period. The Executive Leadership Team comprises the Chief Executive Officer and three directors.

The directorates are Corporate Services, Works and Infrastructure, and Community Development

Executive Leadership team

- Chief Executive Officer Greg Georgopoulos (resigned in May 2023)
- Chief Executive Officer Daryl Buckingham (appointed in October 2023)
- Director Community Development, Ian Hart (Acting Chief Executive Officer from 13 July 2023 until 6 August 2023)
- Director Works and Infrastructure, Jon Herron (Acting Chief Executive Officer from 7 August 2023 until 1 September 2023)
- Director Corporate Services, Nicki Putland (Acting Chief Executive Officer from 2 September 2023 until 22 October 2023)

Council Leadership Team

- Yarran Iversen, Manager Operations
- Brett Freeland, Finance Manager
- Rachel Knuckey, Manager Development Services



SECTION 2

Governance

Governance

Kangaroo Island Council delivers a wide range of services to its constituents. The Mayor and Elected Members give voice to the community, acting as the democratic link between the community and Council administration – the administration being the provider of services to the community. All major policy decisions are made by the Elected Member body, which annually delegates the day-to-day running of the Council to the administration through the CEO. The administration's job is to act on decisions made by Council concerning policies and priorities.

Council and Council meetings

Monthly Council meetings are held on the second Tuesday of each month, with the exception of the January meeting which is held on the third Tuesday. All meeting times and locations are advertised in The Islander newspaper, in the front window of Council's Dauncey Street office and on Council's website.

Each month the Council agenda and minutes are posted on the Council website.

Meetings are generally held in the Council Chambers, 43 Dauncey Street, Kingscote.

Public forum

The public is encouraged to attend all Ordinary Meetings of Council where formal provision is made for Petitions, Deputations and Questions from the Gallery. The public is also welcome to attend Informal Gatherings.

Members of the public may seek a time to present a Petition or Deputation to a Council meeting

by making an application in writing to the Chief Executive Officer. Approval for Petitions and Deputations rests with the Mayor.

New Council sworn in

Kangaroo Island Council's newly elected Mayor and Elected Members were sworn in for the 2022-2026 term on Tuesday 21 November 2022.

Kangaroo Island Council has four new Councillors – Jeanette Gellard, Veronica Bates, Patricia Austin and Greg Miller and five returning Councillors, including Sam Mumford, Ken Liu, Richard Cotterill, Shirley Pledge and Bob Teasdale. Three Elected Members did not return. We thank Councillors Rosalie Chirgwin, Peter Denholm and David Mephram for their service to the community.

All positions were decided in the state-wide council elections conducted by the Electoral Commission of South Australia.

Councillors underwent a series of mandatory training sessions before the first council meeting on 8 December 2022.



Council's new Elected Members were sworn in on 21 November 2022.

Committees

Section 41 Committees

Pursuant to Section 41 of the *Local Government Act 1999*, Council may establish committees to: assist it in the performance of its functions, inquire into, and report on, matters within the ambit of its responsibilities, provide advice, and/or exercise, perform or discharge delegated powers, functions or duties.

Documentation for each meeting (meeting times, agenda with reports, attachments and minutes) can be accessed on Council's website www.kicouncil.sa.gov.au

Section 41 meetings are open to the public unless an order to exclude the public for a specific item is resolved.

Section 41 Committees

During 2022/23 Council convened the following Section 41 committee meetings

COMMITTEE	MEETINGS HELD
Audit & Risk Committee	5
CEO Performance Review Committee	2

Council Representation on Various Committees

Council is also represented on a number of other committees including Regional Subsidiaries, Council Assessment Panel and Bushfire Safety Committee. These committees, along with internal operational committees, contribute to Council's decision making. For a full list of committees, refer to the Council Representation on the Various Committees table below.

Regional Subsidiaries

Council is a member of 2 regional subsidiaries established under Section 43 of the Local Government Act

COMMITTEE
Southern & Hills LGA (Executive & General meetings)
Fleurieu Regional Waste Authority

Planning, Development and Infrastructure Act 2016

COMMITTEE

Council Assessment Panel
Building Fire Safety Committee

Internal Operational Committees

COMMITTEE

Airport Safety
Airport Security
Workplace Consultative Committee
Workplace Health and Safety Committee

External Committees / Boards

COMMITTEE

Community Centres Working Group
KI Bushfire Management Committee
KI Emergency Services Operational Advisory Group
KI Health Advisory Council
KI Landscapes Board
Local Government Association Board
Regional Development Australia
Southern & Hills LGA Roads Working Party
Tourism Optimisation Management Model
Zone Emergency Management Committee
Resilient Hills & Coasts
Community Centres Working Group

Scheme of Delegation

By the direction of the *Local Government Act* (1999) S44; "A Council may delegate a power or function vested or confirmed under this or another Act". By Motion of Council C141:2022 the chief executive officer has been provided with the decision-making powers in terms of prescribed actions in order for Council to manage its operations. By the direction of the Local Government Act (1999) S101(1) and through Motion of Council C141:2022, "the chief executive officer may delegate (or sub-delegate) a power or function vested or confirmed in or on the chief executive officer under this Act". These delegations have been granted to specific staff positions in order that those staff can carry out their roles and responsibilities. The delegation of powers occurs on an annual basis.

Council Allowances

Elected Members

Elected Members' remuneration allowances are determined by the State Government's Remuneration Tribunal. A determination by the Tribunal changed the allowances after the November 2022 election. This had the following effect on Mayoral and Councilor payments per annum:

	PRE-2022 ELECTION	POST- 2022 ELECTION
Mayor	\$42,550.00	\$43,820.00
Deputy Mayor	\$13,293.75	\$13,693.75
Councillor	\$10,635.00	\$10,955.00

In addition to their allowances, the Mayor and Councillors received the following reimbursements from Council for performing and discharging official functions and duties.

ELECTED MEMBER	REIMBURSEMENT ALLOWANCE
Mayor Michael Pengilly	\$ 11,565.74
Cr Cotterill	\$ 3,708.12
Cr Mumford	Nil
Cr Pledge	Nil
Cr Teasdale	\$ 1,713.84
Cr Gellard	Nil
Cr Miller	Nil
Cr Bates	Nil
Cr Austin	\$ 1,266.37
Cr Chirgwin	Nil
Cr Mephram	\$752.00
Cr Denholm	\$2,653.64
Cr Liu	Nil
GRAND TOTAL	\$21,659.71
ELECTED MEMBER MEALS COSTS	\$8,902.00

In addition, the Section 41 Audit Committee Chair, Mr Greg Connor received \$7,695.74 in allowances from Council, including sitting fees and travel disbursements.

Executive Management

Salary packages for members of the Executive Leadership Team include the provision of a motor vehicle, professional membership, provision of a mobile phone, tablet and income protection.

Disclosures

Council employees received gifts and benefits to value of \$2,200.00 during the FY2023. Of the \$2,200.00 in employee benefits \$1,200.00 in costs were incurred for interstate travel. No international travel occurred during the reporting period.

Expenditure on staff catering for FY2023 was \$5,382.00.

No Elected Members received a declarable gift during the reporting period.

Training and Development for Elected Members

The following training and development sessions were attended by Elected Members during the 2022/2023 Financial Year:

TRAINING	MAYOR MICHAEL PENGILLY	DEPUTY MAOR RICHARD COTTERILL	BOB TEASDALE	SAM MUMFORD	JEANETTE GELLARD	SHIRLEY PLEDGE	KEN LIU	PAT AUSTIN	VERONICA BATES	GREG MILLER
Induction program	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Council Leadership Workshop	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Values, ethics & behaviour (Technical)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Values, Ethics & Behaviour (Behavioural)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Communication skills	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership skills - Strategic thinking & change management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Leadership skills - Resilience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Introduction to Local Government	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Effective council meetings	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Council meeting procedures	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Representing council decisions	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Role of a council member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Registers, returns and resources	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Legal protections and oversight	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Integrated strategic management planning and performance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategic risk management & oversight	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial management - Managing public funds, rating and other revenue sources and funding plan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial management - Financial terminology and understanding financial statements and reports	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Behaviour: Effective leadership	✓									
Civic: Public speaking & media (Skills)	✓									
Civic: Meeting procedures (Technical knowledge)	✓									
Civic: Effective meetings (Chairing skills)	✓									

Confidential Items – Pursuant to Section 90 and 91 of the Act

Section 90(1) of the *Local Government Act 1999* determines that Council meetings, and meetings of Committees of Council, are to be held in a place that ensures public access. On occasions this principle is outweighed by considerations for the need to keep information or discussions confidential. Section 90(2) of the *Local Government Act 1999* allows that the public may be excluded from attendance for certain matters listed in section 90(3). Section 91(7) then allows for matters deemed confidential under section 90(2) to be excluded from the requirement for minutes to be placed on public display and available for inspection.

During 2022-23, provisions of the *Local Government Act 1999* section 90(2) were utilised 18 times within Council Meetings.

The date, subject of item and grounds upon which Council determined to exclude the public from the meeting are outlined in below the table.

Grounds on which the public can be excluded from the meeting include:

- a** Personal affairs
- b** Commercial advantage
- c** Trade secret
- d** Commercial information (not a trade secret)
- e** Security / safety
- f** Maintenance of law
- g** Breach of law
- h** Legal advice
- i** Litigation
- j** Minister of the Crown
- k** Tenders for supply of goods or services
- m** Amendment to Development Plan
- n** Freedom of Information Act 1991.
- o** Award recipient.

2022-2023 In confidence Reports for Council Meetings:

A total 15 confidential items were revoked, none expired and none ceased to apply during the year with 82 items still remaining in confidence as of 30 June 2023, detailed in the table below.

DATE	LG ACT	ITEM DETAIL
17-Jan-19	90(3)(a) (h)	Legal Advice
12-Feb-19	90(3)(a)	Legal Advice
14-Jul-20	90(3)(a)	Cr Liu - Outstanding payment from former CEO
11-Aug-20	90(3)(a)	CEO Performance Review Final Report
5-Aug-21	90(3)(a)	CEO Performance Review Committee
12-Jul-22	90(3)(o)	Young Achiever of the Year Awards
9-Aug-22	90(3)(d)	Lease Report - SARDI Mobile Sheep Blowfly Rearing Facility Ten-Trees Lagoon Road Kingscote
9-Aug-22	90(3)(d)	SARDI Blowfly Rearing Facility - Crown Development Application Referral
1-Sep-22	90(3)(a)	CEO Performance Review Final Report and CEO Performance Review Committee Minutes and 2022/23 Key Performance Indicators
1-Sep-22	90(3)(j)	Ten Trees Lagoon Road Funding Co-contribution
6-Dec-22	90(3)(h)	KI Council v Boardman - Judgement of Magistrate
6-Dec-22	90(3)(h)	Citizen of the Year Awards
22-Dec-22	90(3)(h)	KI Council v A Boardman Preliminary Appeal Advice
14-Feb-23	90(3)(a)	KI Council v Boardman - Record of Outcome Determination
11-Apr-23	90(3)(d)	CEO Performance Review - Appointment of Independent Person

The following items were retained in confidence pursuant to Section 91 of the *Local Government Act 1999*:

MEETING DATE	LG ACT	ITEM DETAIL
31-Aug-12	90(3)(a)	Ombudsman's Draft Report
12-Mar-14	90(3)(a)	Rates Outstanding 3+ Years (excluding Council decision)
14-Mar-14	90(3)(a)	Employee Update
13-Aug-14	90(3)(a)	Staff Exit Interview Report
14-Apr-15	90(3)(a)	Soldier Memorial Gates
12-May-15	90(3)(a)	Request for rates refund / waiver
8-Nov-16	90(3)(g)	Legal Matter
8-Nov-16	90(3)(g)	Organisational Chart
13-Dec-16	90(3)(g)	Legal Matter - Business Arising from In confidence Minutes 18.2 - 8/11/16
9-May-17	90(3)(a)	Code of Conduct 2017/01
12-Jun-18	90(3)(a)	Debt Management - Section 181-184 of LGA
12-Jun-18	90(3)(a)	Outstanding Rates
17-Jan-19	90(3)(a) (h)	Legal Advice
12-Feb-19	90(3)(a)	Legal Advice
19-Feb-19	90(3)(a)	Legal Advice
14-May-19	90(3)(d)	Sale of land for non-payment of rates
10-Sep-19	90(3)(a)	WHS Matter
10-Aug-19	90(3)(h)	Emu Bay Boat Ramp Variations
10-Mar-20	90(3)(a)	Unauthorised Developments - Commencement of Legal Enforcement Proceedings Environment in the Resources and Development Court
10-Mar-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Meeting 07/02/20
10-Mar-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Meeting 19/02/20
10-Mar-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Meeting 28/02/20
14-Apr-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Minutes 13 March 2020
14-Apr-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Minutes 20 March 2020
14-Apr-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Minutes 27 March 2020
14-Apr-20	90(3)(a)	Cr K Liu - Unauthorised Developments - Commencement of Legal Enforcement Proceedings Environment in the Resources and Development Court
12-May-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Meeting 17/04/20
12-May-20	90(3)(h)	KI Mayoral Bushfire Relief & Recovery Fund Meeting 30/04/20
11-Feb-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Meeting 30/01/20
9-Jun-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Minutes 15/05/20
9-Jun-20	90(3)(a)	Finance Committee In-confidence Minutes - 28 May 2020

MEETING DATE	LG ACT	ITEM DETAIL
9-Jun-20	90(3)(j)	Ombudsman Final Report matter 2011/07898
14-Jul-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Meeting 19/06/20
14-Jul-20	90(3)(a)	Cr Liu - Question without Notice update on Minute C201:2020
11-Aug-20	90(3)(a)	CEO Performance Review Final Report
11-Aug-20	90(3)(a)	KI Mayoral Bushfire Relief & Recovery Fund Committee Minutes 24 July 2020
11-Aug-20	90(3)(a)	Development Matter Update - Unauthorised Development
8-Sep-20	90(3)(a)	KIMBRRF Committee Minutes 28/08/20
10-Nov-20	90(3)(a)	KIMBRRF Committee Minutes 13-10-20
10-Nov-20	90(3)(a)	KIMBRRF Committee Minutes 23-10-20
13-Apr-21	90(3)(h)	Christmas Cove Marina - underleases and Marina Rules
11-May-21	90(3)(a)	Sapphiretown Illegal Developments
11-May-21	90(3)(a)	Capital Works Delivery
8-Jun-21	90(3)(h)	Christmas Cove Boat Launching Facility: Underleases & Christmas Cove Boat Launching Facilities Rules – Confidential
22-Jul-21	90(3)(h)	Correspondence from HWL Ebswoth
5-Aug-21	90(3)(a)	CEO Performance Review Committee
12-Oct-21	90(3)(j)	Correspondence from Department Environment & Water
26-Oct-21	90(3)(h)	Legal Matter - Trans-Tasman Energy Group (TTEG)
26-Oct-21	90(3)(h)(a)	Elected Member - Legal Matter
9-Nov-21	90(3)(j)	Correspondence from Department Environment & Water
14-Dec-21	90(3)(j)	Correspondence from Department Environment & Water
8-Feb-22	90(3)(a)	Questions on Notice - Cr Liu - Illegal Developments
10-Feb-22	90(3)(d)	Correspondence - unsolicited bid
12-Jul-22	90(3)(h)	Unauthorised Development Sapphiretown
12-Jul-22	90(3)(d)	Correspondence - unsolicited bid
9-Aug-22	90(3)(h)	Unauthorised Development Sapphiretown
1-Sep-22	90(3)(a)	CEO Performance Review Final Report and CEO Performance Review Committee Minutes and 2022/23 Key Performance Indicators
13-Sep-22	90(3)(d) & (h)	ExGratia Payment Conditions - Confidential Advice
11-Oct-22	90(3)(d) & (h)	ExGratia Payment Conditions - Determination
6-Dec-22	90(3)(j)	Crown Lands - Emu Bay Sections 367, 380, 381 and 500 in the Hundred of Menzies - Unalienated Crown Land.
6-Dec-22	90(3)(a)	Discretionary Rebate of Rates Application - A84608,
6-Dec-22	90(3)(a)	Discretionary Rebate of Rates Application - A85713 & A85727
6-Dec-22	90(3)(d)	Unsolicited Offer Western Cove
22-Dec-22	90(3)(h)	KI Council v A Boardman Preliminary Appeal Advice
13-Jan-23	90(3)(a)	Confidential Complaint
14-Feb-23	90(3)(a)	KI Council v Boardman - Record of Outcome Determination
14-Feb-23	90(3)(h)	Unauthorised Developments Sapphiretown
14-Feb-23	90(3)(a)	Discretionary Rebate Report - McGowan A60903

MEETING DATE	LG ACT	ITEM DETAIL
14-Feb-23	90(3)(a)	Confidential Complaint
14-Mar-23	90(3)(d)	RAA Proposed Electric Vehicle Charging Station Locations
14-Mar-23	90(3)(a)	Business Arising from In-confidence minutes of 14.02.23
11-Apr-23	90(3)(d)	CEO Performance Review - Appointment of Independent Person
11-Apr-23	90(3)(a)	Matter Laying on the table Confidential Item 18.2 in Council Agenda 14 February 2023: Unauthorised Development Sapphire town Minute C82:2023)
11-Apr-23	90(3)(a)	Question on Notice - Cr Liu - Development at Sapphire town
11-Apr-23	90(3)(j)(I&II)	Country Cabinet Key Items for discussion/ sought outcomes
9-May-23	90(3)(a)	Cr Liu - Unauthorised Development at Sapphire town
9-May-23	90(3)(a)	Unauthorised Development Sapphire town
9-May-23	90(3)(j)	Country Cabinet Presentation 2023
9-May-23	90(3)(a)	Long Term Debt - Unpaid Rates
12-May-23	90(3)(a)	Confidential Complaint

Committee Meetings:

Audit & Risk Committee Meeting:

DATE	LG ACT SECTION	ITEM DETAILS	RETAINED / RELEASED
19 Oct 2022	90(3)(b)	Meeting with Auditors	Retained

CEO Performance Review Committee

DATE	LG ACT SECTION	ITEM DETAILS	RETAINED / RELEASED
11 Aug 2022	90(3)(a)	Draft CEO Performance Review Report	Report retained / Minutes released

Procurement and Competitive Tender

The Council has endorsed a Procurement Policy (incorporating Contracts and Tenders) which commits to delivering cost-effective services to our community while supporting local businesses where possible. Tenders are assessed across a basket of criteria, appropriate for the works / services being tendered for and to ensure a “fair go” for local businesses, one of the criteria assessed is Local Content with a weighting of up to 15%.

The Procurement Policy is also mindful of the *Government Business Enterprises (Competition) Act 1996*. The contracting of significant works or services is released to open competitive tender unless there are mitigating reasons, for example, specialist expertise is required, and then a limited select tender process is carried out. While the policy has a focus on buying locally, there remains a commitment to ensuring the best value for money is received.

Council has a complaints mechanism in place and in 2022-23 no complaints were received with regard to Competitive Neutrality.

List of Registers and Codes required to be kept

- Section 68 – Register of interests (Members)
- Section 72A – Register of gifts and benefits (Members)
- Section 79 – Register of allowances and benefits (Members)
- Section 80A (2h) – Register relating to Training and development (Members)
- Section 105 – Register of remuneration, salaries and benefits (Employees)
- Section 116 – Register of interests (Employees)
- Section 119A – Register of gifts and benefits (Employees)
- Section 207 – Register of community land
- Section 231 – Register of public roads
- Section 252 – Register of by-laws
- Sch. 1B (13) – Register building upgrade agreements

Codes – *Local Government Act 1999*

Section 92

- Access to meetings and documents- code of practice
- Procedures at meetings – code of practice
- *Local Government (Procedures at Meetings) Regulations 2013.*

By-Laws

- By-Law 1 – Permits and Penalties
- By-Law 2 – Moveable Signs By-Law
- By-Law 3 – Local government land
- By-Law 4 – Roads
- By-Law 5 – Dogs
- By-Law 6 – Cats
- By-Law 7 – Keeping of Livestock, Fowl and Bees
- By-Law 8 – Foreshores & Boat Facilities

Behavioural Standards

In 2021, the State Parliament passed a package of significant changes to the *Local Government Act 1999*. The amendments included major changes to laws relating to the behavior of council members.

The Statutes Amendment (Local Government Review) Proclamation 2022 was made on 17 November 2022 which commenced the

new conduct management framework and integrity provisions, including the Behavioural Management Framework.

As part of the Framework, all councils must adopt a Behavioural Management Policy in accordance with new section 262B of the *Local Government Act 1999*.

The Behavioural Standards set out the minimum standards of behavior that are expected of all council members in the performance of their official duties.

The New Local Government (Transitional Provisions) (Conduct) Amendment Regulations 2022 deemed the LGA's Model Behavioural Management Policy (Model Policy) as each council's Behavioural Management Policy until each council subsequently adopted its own policy.

To support councils with the commencement of the new framework the Local Government Association (LGA) prepared a Model Behavioural Management Policy, which included the requirements set out within the Local Government Act.

Council revoked the Code of Conduct for Elected Members Policy, the Code of Conduct for Elected Members Procedure and Code of Conduct for Elected Members (Gifts and Benefits) Policy and adopted the Council Behavioural Management Policy in December 2022.

In June 2023 a revised Behavioural Management Policy was drafted to improve clarity, ease of use, and included the creation of a Behavioural Management Policy Procedure Flowchart.

The revised policy expands the Complaint Management Process and is restructured in nature to ensure a clearer understanding of the Behavioural Management Process, including a clearer logic of process, and well-defined processes for outcomes of enacting the behavioural management policy.

In May 2023 Council determined in accordance with section 75F of the *Local Government Act 1999* a behavioural support policy would be prepared and returned to council for endorsement for public consultation purposes prior to adoption. The policy has been drafted and will be presented to Council for consideration in November 2023.

The addresses to receive complaints is pa@kicouncil.sa.gov.au and PO Box 121 Kingscote 5223.

As required under Regulation 35(a1) there were no contraventions of Chapter 5 (members of council) Part 4 (Member integrity and behaviour) Division 2 (Member behaviour) during the 2022/23 Financial year and the cost incurred by the Council in relation to dealing with complaints alleging contravention of Chapter 5 Part 4 Division 2 and any referrals of such complaints to the Behavioural Standards Panel during the relevant financial year was \$45,303.00.

As required under Regulation 35(2a) there were no contraventions of Section 75G (Health and Safety duties) during the 2022/23 Financial year and the cost incurred by the Council in relation to dealing with complaints alleging contravention or failure to comply with section 75G and any referrals of such complaints to the Behavioural Standards Panel during the relevant financial year was \$0.

Regulation 35(2b) clarifies that for the purposes of these reporting requirements under 35(a1)(b), and 35(2a)(b) that the total costs incurred includes any legal costs and costs of engaging persons or consultants for the purposes of dispute resolution in respect of complaints but does not include any costs associated with the use of administrative resources of the Council or Council staff.

Documents

Many of the documents listed below are available on the Council's website www.kangarooisland.sa.gov.au. Documents include but are not limited to:

- Annual Report
- Annual Business Plan
- Annual Financial Statements
- Asset Management Plans
- Environmental Management Plan
- Infrastructure Management Plan
- Business Continuity Plan
- Council and Committee Agendas and Minutes
- Council Budget
- Council Assessment Panel Agendas and Minutes
- Lands Management Plan
- Long Term Financial Plan
- Policies and Procedures

- Schedule of Fees and Charges
- Strategic Management Plan

Freedom of Information

Where possible Council provides information to residents and/or ratepayers without referral to the provisions of the *Freedom of Information Act 1991* (SA). Where information is requested under the *Freedom of Information Act 1991* (SA) a request form (provided for in the Act) must be completed and forwarded with the required application fee (unless an exemption is granted).

Requests for other information not publicly available will be considered in accordance with the *Freedom of Information Act 1991* (SA) which gives individuals the right to access documents (subject to certain restrictions) that are within the Council's possession. It also allows for the amendment of documents which contain personal information that is incomplete, incorrect, out of date or misleading.

There were 2 requests for information from 1 July 2022 to 30 June 2023.

NEW APPLICATIONS	2
Applications brought forward from previous year	0
Access granted in full	1
Access granted in part or the majority	1
Access refused	0
Transferred	0
Closed/withdrawn	0
Undetermined at 30 June 2019	0
Internal review – decision confirmed	0
Internal review – decision varied	0

Time Limits

An application will be dealt with by an accredited FOI officer as soon as practicable and within 30 days after its receipt, unless an extension of time is required to process the application.

Exemptions

Access to documents under the *Freedom of Information Act 1991* (SA) may be refused subject to prescribed exemptions. These are to ensure that other people's privacy is not breached or that the proper administration of the Council is not adversely affected.

Internal Review of Council Decisions

There was one (1) Internal Review of Council Decisions requests for the period governed by this Annual Report.

MATTER UNDER SEC 270 REVIEW	OUTCOME OF REVIEW
Review of KIC decision (resolution C145:2022) passed at its April ordinary meeting, namely – “That Council advise T-Ports Pty Ltd that Council will proceed with the lease at 217 North Coast Road to T-Ports Pty Ltd for a Stockyard and Processing Facility – Sec 270 Review continued from previous Annual Reporting Period.	Matter finalised and affirmation of Council Decision (C145:2022).

Council Representation Quota Review

The Kangaroo Island Council comprises of an elected body that includes a Mayor and nine Councillors. For the 2022-2023 financial year, there were 3,668 total electors resulting in an average representation quota of 366 per elector.

Kangaroo Island Council is required to conduct in 2024-2025 a representation review pursuant to Chapter 3 Part 1 Division 2 of the *Local Government Act 1999*.

Comparison of the average representation for councils of a similar size and type:

COUNCIL	NO. OF ELECTED MEMBERS	REPRESENTATION QUOTE
Kangaroo Island Council	10	366
Wakefield	10	495
Goyder	7	446
Ceduna	9	253
Naracoorte Lucindale	11	530

Community Land

The major review and update of the Community Land Register [the Register] was completed and approved by the Minister in June 2016. The Register is updated on an as-required basis and is available on Council's website www.kangarooisland.sa.gov.au or at 43 Dauncey St, Kingscote.

Council maintains leases and permits for the use of Community Land. This process is regularly reviewed and improved including consideration of changes to land ownership/custodianship including any dedications, existing and future use, climate change impacts, and activities affecting the Island as a whole.

Local Nuisance and Litter Control Act and Regulations

There were eleven complaints of local nuisance or littering received by Council.

Offenses under the Act that were expiated	Nil
Offenses under the Act that were prosecuted	Nil
Nuisance abatement notices or litter abatement notices issued	Nil
Civil penalties negotiated under section 34 of the Act	Nil
Applications by the Council to the Court for orders made by the Court on those applications	Nil
Any other functions performed by Council under the Act	Nil

COMMONLY USED ACRONYMS

LEGEND	COUNCIL PERSONNEL
CEM	Community Engagement Manager
CEO	Chief Executive Officer
CLG	Council Leadership Group
DCS	Director Corporate Services
DCD	Director Community Development
DTI	Department Transport & Infrastructure
DWI	Director Works & Infrastructure
DSA	Developmental Services Advisor
ELT	Executive Leadership Team
EM	Elected Members
EHO	Environmental Health Officer
FM	Finance Manager
FPO	Fire Prevention Officer
GIFO	General Inspector and Fire Prevention Officer
GAO	Governance Administration Officer
HR	Human Resources
MDES	Manager Development & Environmental Services
TPM	Technical Programs Manager
WHS	Workplace Health & Safety
BCP	Business Continuity Plan
CDAP	Council Development Assessment Panel
CFS	Country Fire Service
CWMS	Community Wastewater Management Scheme
DAC	Development Assessment Commission
DEW	Dept for Environment & Water
DPA	Development Plan Amendment
DPTI	Dept of Planning, Transport & Infrastructure
EPA	Environment Protection Authority
ERD	Environment, Resources & Development
FRWA	Fleurieu Regional Waste Authority
FWS	Finding Workable Solutions
FY	Financial Year
HAC	Health Advisory Committee
KIC	Kangaroo Island Council

LEGEND	COUNCIL PERSONNEL
KICHA	KI Community Housing Association
KIBMC	Kangaroo Island Bushfire Management Committee
KIIBA	Kangaroo Island Industry Brand Alliance
KIHS	KI Health Service
KINRM	Kangaroo Island Natural Resource Management
KIPMG	KI Ports Management Group
KPIs	Key Performance Indicators
KIRRC	KI Resource Recovery Centre
KIRSC	KI Road Safety Committee
LG	Local Government
LGA	Local Government Association
LGS	Local Government Services
MOU	Memorandum of Understanding
MOA	Memorandum of Agreement
NVC	Native Vegetation Council
PAR	Plan Amendment Review
PDs	Position Description
PDI Act	Planning, Development & Infrastructure Act 2017
PDP	Personal Development Plan
RDA	Regional Development Australia
RDIF	Regional Development Infrastructure Fund
RH&C	Resilient Hills & Coasts
RPT	Regular Passenger Transport
SA Govt	South Australian Government
SATC	South Australian Tourism Commission
SCAP	State Commission Assessment Panel
SEB	Significant Environmental Benefit
SHLGA	Southern & Hills Local Government Association
IBRA	Island Beach Residents Association
SOP	Safe Operating Procedure
SPC	State Planning Commission
TKI	Tourism Kangaroo Island
ZEMC	Zone Emergency Management Committee



SECTION 3

Finance Report 2022-23 year

Council's 2022-23 Annual Financial Statements were formally adopted by Elected Members on 23 November 2022.

Council's financial accounts for the 2022-23 financial year (FY2023) are represented fairly, in all material respects, and Council's financial performance for the year ended in accordance with accepted accounting standards and legislative requirements.

This reporting period reflects a net surplus of \$7.521M. This is another positive overall result for Council, an increase of \$2.557M on last year. The FY2023 results detail a \$590K operating deficit.

There are a number of influences in the Statement of Comprehensive Income which have brought about this result.

In FY2023 General Rates were increased with the previous year with a small increase in General Rates income by \$0.292M.

Grants increased by \$3.197M in FY2023 to \$15.205M, up from \$12.008M in FY2022. The increase in grant funding corresponds with the employment of a full-time Grants Officer in FY2022.

Council saw a continuation of **private works** undertaken during the financial year. These are reported as Reimbursements and totalled \$3.423M in FY2023. The most significant change in reimbursements has been for private works undertaken to improve the condition of the Island road network.

User Charges increased by \$120K in FY2023 up from \$896K in FY2022 to \$1.016M. This includes among other items, an increase in Aerodrome Fees by \$61K and Lease and Property Fees by \$92K.

In FY2023, the \$20.75M Council received over financial years 2017, 2018, 2019 and 2020 for the Kangaroo Island Airport redevelopment continues to be recorded as Income Received in Advance. This is in line with Council's Accounting Policy and the three funding agreements - South Australian State Government (\$10.25M), Commonwealth's National Stronger Regions Fund (\$9.0M) and Commonwealth Development Grants Program (\$1.5M), where receipt of the funding is to be recognised over a 20 year period.

For FY2023 Council recognised \$7.165M as **Amounts Received Specifically for New or Upgraded Assets**, of this \$5.486M was included as Grants Income in the year. Grants include the \$2.682M in un-tied Financial Assistance Grants and \$0.486M Local Roads and Community Infrastructure Program Funding.

Expenses

Total expenses for FY2023 are \$22.631M an reduction of \$0.774M compared with the previous year. Reduction of costs are attributable to **other materials, contracts and expenses** where costs were down by \$1.962M in FY2023. **Employee costs** were up by \$904K in FY2023 when compared with FY2022. **The depreciation, amortization and impairment** costs increased by \$92K in FY2023. With a period of higher interest rates in FY2023 **finance costs** increased from \$184K in FY2022 to \$320K in FY2023.

Depreciation of \$5.249M in FY2023, is largely attributable to the value of Councils roads, bridges and footpaths, the airport upgrades, buildings and structures, stormwater and community wastewater system assets.

Council has achieved a small **operating deficit** of \$590K in FY2023. In recent years Council's operating position has moved from a deficit position in FY2020 of \$328K to a surplus \$739K in FY2021 followed by surplus position of \$226K in FY2022. Council has continued to find savings and efficiencies to meet Elected Member and community expectations in delivering Council's 'Business as Usual' operations.

The FY2023 **audit fees** were \$31K. This represented Galpins' fourth year of their five-year independent audit engagement. Galpins Accountants, Auditors and Business Consultants were appointed as the Kangaroo Island Council's External Audit Services provider for a three year period (1 July 2019 to 30 June 2022), with the right of renewal for a further two years (1 July 2022 to 30 June 2024). Galpins are responsible for the audit of Council's financial statements, grant acquittals and audit of internal controls.

Revenue Sources

During FY2023 Council continued to rely heavily on **rates** (53% of total income, compared to 28% last year) and total **grants** (25%, comparable with 24% last year) as its prime revenue sources.

Favourably, **reimbursements** for private works remain a significant revenue source (16% compared to 21% in FY2022). An ongoing focus on effective use of Council's assets and services has seen an increase in **user charges** equating to 4.6% of total income in FY2023 up from 3.8% of total income in FY2022.

Expenditure

Further challenges to Council's long term financial planning are the year-to-year variations in the cost of operational expenditure with materials, contracts and other expenses inflationary pressures experienced in FY2023. These costs were closely managed with total expenditure on these items reducing by \$1.962M.

Borrowings / Debt Management

In FY2023 Council continued to borrow funds for the development of key infrastructure assets for the community, including road upgrades and Community Waste Water Management System (CWMS) assets. Council used the borrowings as a means of allocating costs to ratepayers and consumers over the useful life of the assets.

Outstanding borrowings as at 30 June 2023 are \$11.186M an increase of \$488K from \$10.698M of borrowings the previous year.

Financial Indicators

Council continues to monitor and report performance against the three key financial indicators that have been generally adopted by Councils across South Australia as a guide to their financial performance. (See note 15 in the Financial Statements).

OPERATING SURPLUS RATIO	Expresses the operating surplus as a percentage of the total operating revenue.
NET FINANCIAL LIABILITIES RATIO	Net financial liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in council businesses). These are expressed as a percentage of total operating revenue.
ASSET RENEWAL FUNDING RATIO	Measuring capital expenditure on renewal or replacement of existing assets relative to the optimal level proposed in Council's Infrastructure and Asset Management Plans. It excludes new capital expenditure on the acquisition of additional assets.

Table 1: Financial Indicators

	2018/19	2019/20	2020/21	2021/22	2022/23
Operating Income	\$17,864	\$17,287	\$21,435	\$23,631	\$22,041
Operating Surplus /Deficit('000)	\$185	-\$328	\$732	\$226	-\$590
Operating Surplus Ratio	1%	-1%	3.4%	1.0%	-2.7%
Net Financial Liabilities ('000)	\$14,880	\$26,022	\$20,860	\$16,771	\$17,941
Net Financial Liability Ratio	99%	148%	97%	74%	73%
Asset Sustainability, Renewal Funding Ratio	155%	76%	76%	74%	85%

The Financial Indicators Table has been updated in line with Note 15 of the Financial Statements for each of the financial years reported. The Financial Statements for each financial year are available on Council's website.

Council continues to face significant challenges in relation to delivering an operating surplus and the management of its asset-driven indicators.

In FY2021 the bushfires had a significant impact on expenditure for Council, however Council still delivered a positive **operating surplus ratio**. The extent of that bushfire expenditure was significantly reduced in FY2022 and continued on through FY2023.

New accounting standards in relation to lease liabilities and amounts received in advance commenced July 2019 which results in these figures now being included in this ratio where previously they weren't. This resulted in a higher **Net Financial Liabilities Ratio** in FY2020 since this time, with a focus on debt reduction and treasury management the ratio has now been reduced to 73%.

The **new lease standards** – AASB 16, effective 1 January 2019, have brought significant changes to the way councils report leases. The previous accounting treatment for a lessee under AASB 117 was based on the classification of a lease agreement either as a finance or an operating lease. A finance lease was a lease that transferred substantially all the risks and rewards of ownership to the lessee. An operating lease was a lease that did not transfer substantially all risks and rewards incidental to ownership. Under AASB 117, operating leases were not recorded in the Statement of Financial Position and did not formulate a part of the financial liabilities used to calculate this ratio.

Under the new standard AASB 16, leases eliminate the distinction between operating and finance leases. The accounting treatment is based on the 'right-of-use' of an asset rather than 'risks and rewards' incidental to the ownership. The new standard requires councils to recognise right-of-use assets and lease liabilities in the Statement of Financial Position related to current lease agreements and is also a change from 2019 in the methodology of calculating the **net financial liability ratio**.

In FY2023 Council continued renewal of its Asset Management Plans. The required renewal expenditure is included in the **Asset Renewal Ratio** calculations. Previously Council used the depreciation figure for this calculation which resulted in a higher ratio.

Rates

All land within the Council area, except for land specifically exempt, is rateable. *The Local Government Act, 1999* provides for 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 service rates or charges for specific services.

The number of rateable properties in the Kangaroo Island Council area slightly increased with 5,681 properties in FY2023 compared with 5,648 in FY2022.

Valuation by Rating Category 2020-21

RATING CATEGORY	VALUATION BY CATEGORY
00 – Non-Rateable	\$62,300,422
01 – Residential	\$873,173,990
02- Commercial Shop	\$19,921,613
03 – Commercial Officer	\$3,240,170
04 – Commercial Other	\$56,868,866
05 – Industrial	\$3,992,500
06 – Industrial Other	\$9,119,000
07 – Primary Production-	\$968,514,483
08 – Vacant Land	\$118,293,000
09 – Other	\$24,008,612
10 – Marinas	\$0
11 – Council / Non-Rateable	\$40,771,564
TOTAL	\$2,180,204,220

The capital value of properties on Kangaroo Island in FY2023 increased to \$2.180BN, up from \$1.786BN in FY2022.

Average General Rates for a Residential property on Kangaroo Island for FY2023 were \$1,257, and FY2021 were \$1,224 respectively. Average General Rates for a Primary Production property on Kangaroo Island in FY2022 were \$2,205 up from \$2,057 in FY2022. This change resulted from an increase in valuation of primary production land up to \$968,514,483 in FY2023 from \$759,920,607 in FY2022.

Council offers both **Mandatory and Discretionary Rebates**. The payment of these rebates are made in accordance with the provisions stipulated in Chapter 10, Division 5 of *the Local Government Act, 1999*. The value of rebates and other concessions provided to ratepayers in FY2023 was \$81K and can be seen in Note 2 of the financial statements. Full details of rebates and rate capping provisions can be found in Council's **Rating and Rebate Policy** available on Council's website.

Looking ahead to 2023-2024

(From the 2022-2023 Annual Business Plan)

Significant influences and priorities

For FY2023 a review of property values by the Valuer General has resulted in an average increase across all rating categories on Kangaroo Island of 26% reflecting an increase of \$393,344M. This reflects current market levels, particularly for residential and rural properties and is an important consideration in setting rates. It is expected that residential and primary production properties will continue to maintain their share of total properties values. In FY2024 residential properties comprise 42% of Kangaroo Island's total property values, while primary production properties comprise 39% of total property values.

Rate increase

In 2023-2024 a rate cap of 6% was applied to rates income across all ratepayers on Kangaroo Island. This means, with the exclusion of some properties that were purchased, or changed land-use-category in FY2022, individual properties were rated not more than 6% greater than the rating from FY2023.

Waste service charges

Council needs to fully recover costs for waste services. As a result of the positive performance and ongoing effectiveness of waste management and treatment and disposal activities, the fee for waste reduced by \$1.50 in FY2024.

Community Wastewater Management Schemes

Community Wastewater Management Schemes (CWMS) Service charges allocated to properties that have the capability to be connected to one of the CWMS schemes will increase by \$12 to \$679 per assessment in FY2024. This increase facilitates the current delivery and contributes to the ongoing expansion and upgrade of the Scheme.

Grant income

Kangaroo Island Council relies heavily on State and Federal Government support by way of grant income and contribution to services as well as to undertake capital works.

Federal Assistance Grants

In FY2024 Council expects to receive \$2.6 million in Federal Assistance Grants which are distributed via the State Grants Commission Funding Formula

Unsealed Roads Upgrade Program

Council again secured the commitment of the State Government to provide \$2M for the Unsealed Roads Upgrade Program in FY2024. An additional \$1.5M has been secured for the FY2024 and subsequent years. With this and other capital funding Council expects to deliver \$7.327 million of infrastructure asset upgrades and renewals.

Borrowings

To meet the needs of the community whilst delivering on our **Capital Works Program**, Council has opted to maintain borrowings for long term capital projects.

Enterprise Bargaining Agreement

The Enterprise Bargaining Agreement (EBA) between Council and staff is, was approved in FY2022 and commits to a 4% increase in wages in FY2023. The agreement ends in June 2024 and Council has commenced steps to reaching a new agreement.



General purpose financial statements

for the year ended 30 June 2023

A confident, growing and cohesive Community;

Benefiting from a thriving economy based on strong tourism and primary production sectors;

Preserving our unique heritage;

Sustainably managing our natural environment

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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.



Daryl Buckingham
Chief Executive Officer

23 November 2023



Michael Pengilly
Mayor

23 November 2023

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Income			
Rates	2a	11,723	11,266
Statutory charges	2b	311	347
User charges	2c	1,016	896
Grants, subsidies and contributions - operating	2g	5,486	5,628
Investment income	2d	16	23
Reimbursements	2e	3,423	5,282
Other income	2f	66	118
Net gain - equity accounted council businesses	19(a)	—	71
Total income		22,041	23,631
Expenses			
Employee costs	3a	6,136	5,232
Materials, contracts and other expenses	3b	10,870	12,832
Depreciation, amortisation and impairment	3c	5,249	5,157
Finance costs	3d	320	184
Net loss - equity accounted council businesses	19(a)	56	—
Total expenses		22,631	23,405
Operating surplus / (deficit)		(590)	226
Asset disposal and fair value adjustments	4	(1,608)	(1,642)
Amounts received specifically for new or upgraded assets	2g	9,719	6,380
Net surplus / (deficit)		7,521	4,964
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	520	602
Other Equity Adjustments - Equity Accounted Council Businesses	19(a)i	—	269
Total amounts which will not be reclassified subsequently to operating result		520	871
Total other comprehensive income		520	871
Total comprehensive income		8,041	5,835

The above statement should be read in conjunction with the accompanying Notes.

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	3,628	2,624
Trade and other receivables	5b	5,073	5,799
Inventories	5c	341	651
Total current assets		9,042	9,074
Non-current assets			
Trade and other receivables	6a	16	22
Other non-current assets	6b	2,053	2,481
Infrastructure, property, plant and equipment	7	471,814	464,273
Total non-current assets		473,883	466,776
TOTAL ASSETS		482,925	475,850
LIABILITIES			
Current liabilities			
Trade and other payables	8a	4,505	5,476
Borrowings	8b	436	510
Provisions	8c	963	962
Liability Accounted Investments in Council Businesses	8d	1,062	1,006
Total current liabilities		6,966	7,954
Non-current liabilities			
Trade and other payables	8a	6,997	7,512
Borrowings	8b	10,750	10,188
Provisions	8c	196	221
Total non-current liabilities		17,943	17,921
TOTAL LIABILITIES		24,909	25,875
Net assets		458,016	449,975
EQUITY			
Accumulated surplus		31,148	27,953
Asset revaluation reserves	9a	416,910	416,390
Other reserves	9b	9,958	5,632
Total council equity		458,016	449,975
Total equity		458,016	449,975

The above statement should be read in conjunction with the accompanying Notes.

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2023					
Balance at the end of previous reporting period		27,953	416,390	5,632	449,975
Net surplus / (deficit) for year		7,521	–	–	7,521
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	520	–	520
Other Adjustments - Equity Accounted Council Businesses		–	–	–	–
Other comprehensive income		–	520	–	520
Total comprehensive income		7,521	520	–	8,041
Transfers between reserves	9b	(4,326)	–	4,326	–
Balance at the end of period		31,148	416,910	9,958	458,016
2022					
Balance at the end of previous reporting period		22,720	415,788	5,632	444,140
Net surplus / (deficit) for year		4,964	–	–	4,964
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	602	–	602
Other Adjustments - Equity Accounted Council Businesses		269	–	–	269
Other comprehensive income		269	602	–	871
Total comprehensive income		5,233	602	–	5,835
Transfers between reserves	9b	–	–	–	–
Balance at the end of period		27,953	416,390	5,632	449,975

The above statement should be read in conjunction with the accompanying Notes.

Statement of Cash Flows

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Cash flows from operating activities			
<u>Receipts</u>			
Rates receipts		11,712	11,199
Statutory charges		311	347
User charges		1,016	896
Grants, Subsidies and Contributions (operating purpose)		5,486	5,628
Investment receipts		16	23
Reimbursements		3,423	5,282
Other receipts		1,855	1,686
<u>Payments</u>			
Finance payments		(240)	(184)
Payments to employees		(6,141)	(5,296)
Payments for materials, contracts and other expenses		(10,638)	(14,891)
Net cash provided by (or used in) operating activities	11b	6,800	4,690
Cash flows from investing activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		7,165	1,722
Sale of surplus assets		55	390
Repayments of loans by community groups		6	14
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(5,155)	(4,192)
Expenditure on new/upgraded assets		(8,303)	(4,421)
Net cash provided (or used in) investing activities		(6,232)	(6,487)
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		12,882	7,839
<u>Payments</u>			
Repayments of Borrowings		(12,344)	(5,806)
Repayment of Finance Lease Liabilities		(97)	(96)
Net cash provided by (or used in) financing activities		441	1,937
Net increase (decrease) in cash held		1,009	140
plus: cash & cash equivalents at beginning of period		2,624	2,484
Cash and cash equivalents held at end of period	11a	3,633	2,624

The above statement should be read in conjunction with the accompanying Notes.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

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Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements 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*.

1.2 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.

1.3 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

1.4 Estimates and assumptions

The COVID-19 pandemic impacted the 2021/22 financial statements, this may create challenges with comparability of some line items and amounts reported in these financial statements and/or the notes, as regular / full operations were restored in 2022/23.

Examples of COVID-19 related impacts on Council Business include:

1. Increased costs related to protective equipment and cleaning related to maintaining services and employee safety.
2. Reduced Passenger Levy income collected from travellers using Kangaroo Island Airport; and
3. Discounts of up to 50% on licenses to support businesses.

However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

(2) The local government reporting entity

Kangaroo Island Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 43 Dauncey Street, Kingscote, SA. These 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.

Other entities in which Council has an interest but does not control are reported in Note 19.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

As at 30 June 2023, Kangaroo Island Council has net assets of \$460,896 (2022 net assets of \$449,975).

Kangaroo Island Council has considered its current financial position along with other information such as the cash flows for the forthcoming 12 month period and the operating budget for the forthcoming 12 months; the ability of the Council to borrow funds from the LGFA to meet any outflows that may arise and the taxing powers of the Council to recoup, through rates and levies, expenditure incurred.

Note 1. Summary of Significant Accounting Policies (continued)

Through the evaluation of these factors, the Council believes that there is no significant going concern matter and the Council will be able to meet its debts when they fall due.

(3) Income recognition

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 a not-for-profit (NFP) entity 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.

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
2019/20	\$2,122	\$2,074	+ \$48
2020/21	\$2,091	\$2,093	- \$2
2021/22	\$4,089	\$3,629	+ \$460
2022/23	\$4,437	\$3,821	+ \$616

In addition, the 2023/24 Supplementary Local Road Grant of \$528k was paid in advance in June 2023.

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 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

Construction contracts

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

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.

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.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

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 forms part of Note 13.

(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.

5.1 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.

Certain properties, auctioned for non-payment of rates in accordance with the *Local Government Act 1999* but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

(6) Infrastructure, property, plant and 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 below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land Improvement	\$10,000
Airport	\$10,000
Buildings and Other Structures	\$10,000
Road – pavement for sealed and unsealed built to specification	\$10,000
Road – wearing surface sealed and unsealed	\$10,000
Bridge	\$10,000
Footpaths, Kerb & Gutter	\$10,000
Stormwater Drainage	\$10,000
Community Wastewater Management Systems	\$5,000
Furniture & Fittings	\$5,000
Plant & Equipment	\$5,000
Library Books	N/A

Note 1. Summary of Significant Accounting Policies (continued)

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 listed below. 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.

Land Improvement	7 to 100 years
Airport	1 to 100 years
Building & Other Structures	7 to 100 years
Roads – Sheeted Surface	15 to 30 Years
Roads - Sealed Surface - Pavement	18 to 40 Years
Roads - Sealed Surface - Seal	80 to 100 Years
Guardrails	50 Years
Footpaths - Concrete	50 Years
Footpaths - Paved	50 Years
Footpaths - Spray Seal	25 Years
Footpaths - Mixed Surface	50 Years
Bridges	5 to 100 Years
Carparks - Sheeted Surface	20 Years
Carparks - Sealed Surface - Pavement	30 Years
Carparks - Sealed Surface - Seal	100 Years
Walking Trails - Base Course	100 Years
Walking Trails - Spray Seal	30 Years
Stormwater Drainage	50 to 70 years
Community Wastewater Management Schemes	10 to 70 years
Furniture & Fittings	5 to 20 years
Plant & Equipment	4 to 20 years
Library Books	1 to 7 years

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.

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.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

(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 14 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.

(9) Employee benefits

9.1 Salaries, Wages & Compensated Absences

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 oncosts) 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 oncosts) 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 avg. discount rate 4.33% (2022, 1.49%)

Weighted avg. settlement period 7 years (2022, 7 years)

Council recognise a provision for sick leave liabilities for the employees falling under the AWU enterprise bargaining agreement.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Fund. The Superannuation Fund 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 18.

(10) Provisions for reinstatement, restoration and 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.

Note 1. Summary of Significant Accounting Policies (continued)

(11) Leases

Accounting policy applicable from 01 July 2019

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

11.1 Council as a lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Motor Vehicles	3 to 5 years
----------------	--------------

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(12) Equity accounted Council businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

(13) 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.

(14) New accounting standards and UIG interpretations

Council applied for the first time certain new standards and amendments to existing standards, which are effective for annual periods beginning on or after 1 January 2022. Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

Amendments to Australian Accounting Standards – AASB 2020-3: Annual Improvement 2018-2020 and Other Amendments

Council adopted AASB 2020-3 which makes some small amendments to a number of standards including the following: AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2020-6: Amendments to Australian Accounting Standards – Classification of Liabilities as Current and Non-Current

AASB 2020-6 defers the effective date for applying the requirements added to AASB 101 in AASB 2020-1 from annual reporting periods beginning on or after 1 January 2022 to annual reporting periods beginning after 1 January 2023, with earlier application permitted.

The adoption of the amendment did not have a material impact on the financial statements.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023, these standards have not been adopted by Council and will be included in the financial statements on their effective date. The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Council.

Effective for annual report periods beginning on or after 1 January 2023

AASB 2022-6: Amendments to Australian Accounting Standards – Non current Liabilities with Covenants.

Effective for annual report periods beginning on or after 1 January 2024

AASB 2022-5: Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback

Effective for annual report periods beginning on or after 1 January 2025

AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an investor and its Associate or Joint Venture

Council has assessed the impact of new and changed Australian Accounting Standards and Interpretations not yet effective and concluded that they will not have a material in the financial statements.

Note 1. Summary of Significant Accounting Policies (continued)

(15) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(16) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 2. Income

\$ '000	2023	2022
(a) Rates		
General rates		
General rates	7,848	7,571
Less: discretionary rebates, remissions and write-offs	(81)	(96)
Total general rates	7,767	7,475
Other rates (including service charges)		
Landscape levy	417	402
Waste collection	1,939	1,847
Community wastewater management systems	1,515	1,459
Total other rates (including service charges)	3,871	3,708
Other charges		
Penalties for late payment	64	60
Legal and other costs recovered	21	23
Total other charges	85	83
Total rates	11,723	11,266
(b) Statutory charges		
Development Act fees	147	169
Health and septic tank inspection fees	57	55
Animal registration fees and fines	65	61
Parking fines / expiation fees	3	3
Other licences, fees and fines	12	19
Rate Searches	27	40
Total statutory charges	311	347
(c) User charges		
Cemetery/crematoria fees	33	41
Hall and equipment hire	168	191
Property lease	7	—
Sales - general	1	—
Sundry	43	45
Biosolids Fees	9	13
Aerodrome Fees	204	143
Lease Fees	411	326
Camping Fees	140	137
Total user charges	1,016	896

Note 2. Income (continued)

\$ '000	2023	2022
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	16	23
<u>Total investment income</u>	16	23
(e) Reimbursements		
Private works	3,372	5,232
Solar Contributions	1	-
Insurances	20	12
Other	14	20
Bushfire	16	18
<u>Total reimbursements</u>	3,423	5,282
(f) Other income		
Sundry	58	117
Insurance Rebates	8	-
Standpipe Fees	-	1
<u>Total other income</u>	66	118
(g) Grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	9,719	6,380
Total	9,719	6,380
Other grants, subsidies and contributions		
Other grants, subsidies and contributions	33	28
Untied - Financial Assistance Grant	2,682	2,919
Roads to Recovery	-	437
LRCIP	488	69
Individually significant item - additional Grants Commission payment (refer below)	2,283	1,578
Bushfire	-	597
Total other grants, subsidies and contributions	5,486	5,628
<u>Total grants, subsidies and contributions</u>	15,205	12,008
The functions to which these grants relate are shown in Note 12.		
(i) Sources of grants		
Commonwealth Government	2,438	2,788
State Government	12,734	9,182
Other	33	38
Total	15,205	12,008

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 2. Income (continued)

\$ '000	2023	2022
(ii) Individually significant items		
Grant Commission (Financial Assistance Grant) recognised as income	2,283	1,578
On the 29 June 2023 Council received an advance payment of \$2,282,723 being 100% of the estimated FAG income for the 2023/24 financial year. The equivalent payments made in the previous two years were \$1,577,897 being 75% of the estimated FAG income for the 2022/23 financial year and \$1,118,954 being 50% of estimated FAG income for the 2021/22 year respectively.		
Bushfire	—	597

Note 3. Expenses

(a) Employee costs

Salaries and wages		4,306	3,528
Employee leave expense		940	782
Superannuation - defined contribution plan contributions	18	476	399
Superannuation - defined benefit plan contributions	18	55	52
Workers' compensation insurance		158	175
Other employee related costs		201	296
Total operating employee costs		6,136	5,232
Total number of employees (full time equivalent at end of reporting period)		60	56

(b) Materials, contracts and other expenses

(i) Prescribed expenses

Auditor's remuneration			
- Auditing the Financial Reports and Grant Acquittals		31	28
Elected members' expenses		295	327
Election expenses		25	—
Subtotal - prescribed expenses		351	355

(ii) Other materials, contracts and expenses

Contractors		4,891	7,364
Contractors - Fleurieu Regional Waste Authority (FRWA)		1,716	1,571
Community Grants Provided		87	83
Energy		400	342
Insurances		236	318
Maintenance		—	1
Legal expenses		317	99
Levies Paid to Government - Landscape Levy		416	406
Levies - other		2	2
Parts, accessories and consumables		1,211	971
Professional services		351	176
Sundry		439	364
Telecoms & Software		211	148
Lease & Rental		24	16
Bushfire		218	616
Subtotal - Other material, contracts and expenses		10,519	12,477

Note 3. Expenses (continued)

\$ '000	2023	2022
<u>Total materials, contracts and other expenses</u>	<u>10,870</u>	<u>12,832</u>

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 3. Expenses (continued)

\$ '000	2023	2022
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Land improvements	309	284
Buildings and other structures	519	496
Infrastructure		
- Stormwater drainage	540	535
- CWMS	531	528
- Roads/Bridges/Footpaths	2,207	2,042
- Airport Upgrade	843	930
Right-of-use assets	62	77
Plant, Machinery & Equipment	225	244
Office Equipment, Furniture & Fittings	13	21
Subtotal	5,249	5,157
Total depreciation, amortisation and impairment	5,249	5,157
(d) Finance costs		
Interest on loans	320	184
Total finance costs	320	184

Note 4. Asset disposal and fair value adjustments

\$ '000	2023	2022
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Less: carrying amount of assets sold	(1,589)	(1,776)
Gain (loss) on disposal	(1,589)	(1,776)
(ii) Assets surplus to requirements		
Proceeds from disposal	55	391
Less: carrying amount of assets sold	(74)	(257)
Gain (loss) on disposal	(19)	134
Net gain (loss) on disposal or revaluation of assets	(1,608)	(1,642)

Note 5. Current assets

\$ '000	2023	2022
(a) Cash and cash equivalent assets		
Cash on hand and at bank	704	992
Deposits at call	2,924	1,632
<u>Total cash and cash equivalent assets</u>	<u>3,628</u>	<u>2,624</u>

(b) Trade and other receivables

Rates - general and other	669	658
Accrued revenues	6	4
Debtors - general	4,292	5,083
Prepayments	100	48
Loans to community organisations	6	6
<u>Subtotal</u>	<u>5,073</u>	<u>5,799</u>
<u>Total trade and other receivables</u>	<u>5,073</u>	<u>5,799</u>

(c) Inventories

Stores and materials	341	651
<u>Total inventories</u>	<u>341</u>	<u>651</u>

Note 6. Non-current assets

\$ '000	2023	2022
(a) Trade and other receivables		
Loans to community organisations	16	22
<u>Total financial assets</u>	<u>16</u>	<u>22</u>

(b) Other non-current assets

Capital work in progress	2,053	2,481
<u>Total other non-current assets</u>	<u>2,053</u>	<u>2,481</u>

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

		as at 30/06/22				Asset movements during the reporting period						as at 30/06/23			
Fair Value Level		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
2	Land	3,903	–	–	3,903	–	–	–	–	–	–	3,903	–	–	3,903
3	Land	7,507	–	–	7,507	–	–	–	–	–	–	7,507	–	–	7,507
2	Land improvements	1,484	–	(780)	704	240	–	–	(37)	–	–	1,484	240	(817)	907
3	Land improvements	8,739	199	(4,180)	4,758	316	309	(83)	(272)	–	183	8,739	824	(4,352)	5,211
2	Buildings and other structures	13,891	104	(7,913)	6,082	–	32	–	(285)	–	–	13,891	134	(8,199)	5,826
3	Buildings and other structures	7,432	286	(3,083)	4,635	–	176	(2)	(234)	–	28	7,470	462	(3,328)	4,604
Infrastructure															
3	- Stormwater drainage	43,556	1,246	(21,526)	23,276	874	–	(102)	(540)	–	400	43,852	2,121	(22,065)	23,908
3	- CWMS	28,641	1,653	(9,264)	21,030	–	85	(14)	(531)	–	16	28,678	1,739	(9,831)	20,586
3	- Roads & Footpaths	376,874	10,765	(20,202)	367,437	6,657	5,043	(1,381)	(2,207)	–	25	374,383	22,464	(21,275)	375,572
3	- Airport Upgrade	11,672	21,723	(11,361)	22,034	25	134	(6)	(843)	(132)	–	30,919	156	(9,864)	21,211
	Right-of-use assets	–	419	(282)	137	47	–	–	(62)	–	–	–	466	(344)	122
3	Library books	600	14	(614)	–	–	–	–	–	–	–	600	14	(614)	–
3	Plant, Machinery & Equipment	6,402	1,123	(4,784)	2,741	–	–	(74)	(225)	–	–	6,258	1,123	(4,939)	2,442
3	Office Equipment, Furniture & Fittings	531	168	(670)	29	–	–	–	(13)	–	–	531	167	(683)	15
Total infrastructure, property, plant and equipment		511,232	37,700	(84,659)	464,273	8,159	5,779	(1,662)	(5,249)	(132)	652	528,215	29,910	(86,311)	471,814
Comparatives															
		514,502	31,214	(81,339)	464,377	3,389	3,098	(2,032)	(5,157)	–	602	511,232	37,700	(84,659)	464,273

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment (continued)

Valuation of Infrastructure, Property, Plant & Equipment

Valuation of assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7(a) for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on 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.

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.

There is no known market for buildings, infrastructure and other assets. These assets 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

Other information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to *AASB 1.D5* to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

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, current replacement cost is taken to be the fair value.

Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 7. Infrastructure, Property, Plant & Equipment (continued)

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliable to qualify for recognition; land under roads has not been recognised in these reports.

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

Land improvements are recognised at fair value, originally deriving from a valuation conducted by Marsh Advisory at 30 June 2021 at current replacement cost. Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

In line with the Asset Accounting Policy adopted in 2011/12 and reviewed annually, Council has decided to apply the capitalisation thresholds for Land Improvement assets, to be consistent with the other major asset classes. Council does not recognise on its balance sheet or provide depreciation for Land Improvements, or Buildings and Structures which Council considers will not rationally be replaced. Where there is no regular cash flow generated from the asset, the net present value of future cash flows for that asset is the disposal value. Where assets are not rationally replaced, and Council has decided that there is no expected future economic benefit continuing to flow to Council, the disposal value will be reduced to nil.

Buildings & Other Structures

Buildings and other structures generally are recognised at fair value, based on current market values and were valued for 30 June 2021 by Marsh Advisory.

For Buildings & Structure assets which Council considers will not rationally be replaced, the same accounting treatment applies as stated in the Land & Land Improvements section above.

Infrastructure

Airport assets were valued by GHD as at 30 June 2023.

Transportation assets were valued by Public Private Property as at 30 June 2020

Stormwater drainage infrastructure was valued by JLL Public Sector Valuations Pty Ltd as at 30 June 2019 at depreciated current replacement cost, based on actual costs incurred during the reporting period and an assessment of useful life and asset condition data.

Community wastewater management system infrastructure was valued at depreciated current replacement cost during the reporting period ended 30 June 2019 by JLL Public Sector Valuations Pty Ltd on the same basis as that determined for Stormwater assets.

Plant & Equipment

Plant & Equipment assets were revalued as at 30 June 2017 by Maloney Field Services, Property Consultant and Valuers. This asset class is not required to be revalued on a regular basis in line with the current Asset Accounting Policy.

Furniture & Fittings

Furniture and Fitting assets were revalued as at 30 June 2010 by Maloney Field Services, Property Consultant and Valuers. This asset class is not required to be revalued on a regular basis in line with the current Asset Accounting Policy.

Library Books

Library books and other lending materials were revalued as at 30 June 2010 by Maloney Field Services, Property Consultant and Valuers. This asset class is not required to be revalued on a regular basis in line with the current Asset Accounting Policy.

Note 8. Liabilities

\$ '000	2023 Current	2023 Non Current	2022 Current	2022 Non Current
(a) Trade and other payables				
Goods and services	2,640	—	874	—
Payments received in advance ¹	1,626	6,997	4,156	7,512
Accrued expenses - employee entitlements	37	—	28	—
Accrued expenses - finance costs	131	—	51	—
Accrued expenses - other	35	—	331	—
Deposits, retentions and bonds	36	—	36	—
<u>Total trade and other payables</u>	<u>4,505</u>	<u>6,997</u>	<u>5,476</u>	<u>7,512</u>

(1) As per the Funding Agreement with State and Federal Governments, amounts received for the construction of the airport are treated as payments received in advance as Council is required to satisfy certain conditions as per the funding agreements

(b) Borrowings

Loans	436	10,750	510	10,188
<u>Total Borrowings</u>	<u>436</u>	<u>10,750</u>	<u>510</u>	<u>10,188</u>

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

(c) Provisions

Employee entitlements (including oncosts)	953	68	952	83
Future reinstatement / restoration, etc	10	128	10	138
<u>Total provisions</u>	<u>963</u>	<u>196</u>	<u>962</u>	<u>221</u>

(d) Other liabilities

Liability Accounted Investments in Council Businesses	1,062	—	1,006	—
<u>Total other liabilities</u>	<u>1,062</u>	<u>—</u>	<u>1,006</u>	<u>—</u>

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 9. Reserves

	as at 30/06/22				as at 30/06/23
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset revaluation reserve					
Land	6,521	—	—	—	6,521
Land improvements	8,547	183	—	—	8,730
Buildings and other structures	2,158	28	—	—	2,186
Infrastructure					
- Stormwater drainage	4,274	400	—	—	4,674
- CWMS	6,510	16	—	—	6,526
- Roads/Bridges/Footpaths	385,787	25	—	—	385,812
- Airport Upgrade	—	(132)	—	—	(132)
Furniture and fittings	362	—	—	—	362
Library books	204	—	—	—	204
Plant, Machinery & Equipment	2,027	—	—	—	2,027
Total asset revaluation reserve	416,390	520	—	—	416,910
Comparatives	415,788	578	24	—	416,390

	as at 30/06/22				as at 30/06/23
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other reserves					
Airport Reserve	4,472	3,858	—	—	8,330
CWMS Reserve	753	464	—	—	1,217
Asset Reinvestment Reserve	289	—	—	—	289
Kingscote CBD Car Park Reserve	30	1	—	—	31
Open Space Reserve	15	—	—	—	15
Ronald Maxwell Bell Property Reserve	61	2	—	—	63
Daniel Williams Reserve	12	1	—	—	13
Total other reserves	5,632	4,326	—	—	9,958
Comparatives	5,632	—	—	—	5,632

Note 9. Reserves (continued)

Purposes of reserves

Asset revaluation reserves

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).

Airport Reserve

The Airport is a self servicing entity within the Council and any surplus or deficit for the year is accumulated in this reserve.

CWMS Reserve

CWMS is a self servicing entity within the Council and any surplus or deficit for the year is accumulated in this reserve.

Asset Reinvestment Reserve

The reserve holds contributions from the sale of Council assets for future land purchases.

Kingscote CBD Carpark Reserve

Developer Car Park contributions held for future CBD carparking in Kingscote.

Open Space Fund Reserve

Contributions from developers for future open space developments and expenditure.

Ronald Maxwell Bell Property Reserve

Sale proceeds of ratepayer's property, which are required to be held by Council until owner is located or until processed as per the Unclaimed Moneys Act 1891.

Daniel Williams Reserve

Sale proceeds of ratepayer's property, which are required to be held by Council until owner is located or until processed as per the Unclaimed Moneys Act 1891.

Note 10. Assets subject to restrictions

\$ '000	2023	2022
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.		
Cash and financial assets		
Developer contributions	33	33
Sale of Ratepayer's Property	76	76
Infrastructure	—	1,000
Total cash and financial assets	109	1,109
Infrastructure, property, plant and equipment		
Land Assets ¹	7,405	7,405
Total infrastructure, property, plant and equipment	7,405	7,405
Total assets subject to externally imposed restrictions	7,514	8,514

(1) Land assets utilised for recreation or other community purposes are subject to the provisions of Chapter 11, Part 1 of the Local Government Act, 1999 relating to 'Local Government Land'. Such assets are identified on Council's Community Land Register in accordance with the provisions in the Act.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2023	2022
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(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 Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Total cash and equivalent assets	5	3,628	2,624
Balances per Statement of Cash Flows		3,628	2,624

(b) Reconciliation of change in net assets to cash from operating activities

Net surplus/(deficit)		7,521	4,964
Non-cash items in income statements			
Depreciation, amortisation and impairment		5,249	5,157
Equity movements in equity accounted investments (increase)/decrease		56	(71)
Grants for capital acquisitions treated as investing activity		(9,719)	(6,380)
Net (gain)/loss on disposals		1,608	1,642
		4,715	5,312
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		726	(10)
Net (increase)/decrease in inventories		310	(369)
Net increase/(decrease) in trade and other payables		1,073	(177)
Net increase/(decrease) in unpaid employee benefits		(14)	(56)
Net increase/(decrease) in other provisions		(10)	(10)
Net increase/(decrease) in other liabilities		(2,146)	–
Net cash provided by (or used in) operations		4,654	4,690

(c) Financing arrangements

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

Bank overdrafts	100	100
Corporate credit cards	15	11
LGFA cash advance debenture facility	13,924	13,924

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)
	2023	2022	2023	2022	2023	2022	2023	2022	2023
Functions/Activities									
Business Undertakings	4,179	5,913	4,765	6,267	(586)	(354)	-	-	17,706
Community Services	59	94	1,321	1,200	(1,262)	(1,106)	-	-	21,034
Culture	37	32	292	270	(255)	(238)	33	28	-
Economic Development	417	402	73	57	344	345	-	-	-
Environment	3,454	3,343	3,288	3,148	166	195	-	-	-
Recreation	75	76	1,239	1,162	(1,164)	(1,086)	-	-	-
Regulatory Services	237	853	2,252	2,282	(2,015)	(1,429)	-	597	-
Transport & Communication	246	188	6,832	6,211	(6,586)	(6,023)	-	-	10,610
Plant Hire & Depot/Indirect	7	5	1,302	1,487	(1,295)	(1,482)	-	-	5,106
Governance	13,330	12,725	1,267	1,321	12,063	11,404	5,453	5,003	2,877
Support Services	-	-	-	-	-	-	-	-	2,728
Total Functions/Activities	22,041	23,631	22,631	23,405	(590)	226	5,486	5,628	482,925
									475,850

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, amounts received specifically for new or upgraded assets and physical resources received free of charge.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

Business undertakings

Airport Management, Caravan & Camping Parks, Boating Facilities, Private Works, Property Portfolio.

Community services

Public Order and Safety, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Children and Youth Services, Community Assistance, Community Transport, Other Community Support, Community Amenities, Bus Shelters, Cemeteries, Public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks, and Other Community Amenities.

Culture

Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

Economic development

Employment Creation Programs, Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

Environment

Agricultural Services, Agricultural Water, Other Agricultural Services, Sewerage/CWMS, Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, Water Supply and Other Environment.

Recreation

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Outdoor, and Other Recreation.

Regulatory services

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

Transport

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

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.

Note 13. Financial instruments

Recognised financial instruments

Bank, deposits at call, short term deposits

Accounting Policy:

Carried at lower of cost and net realisable value; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 0.3% and 4.3% (2022: 0.3% and 1.05%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An impairment provision is recognised using the expected credit loss method.

Terms & Conditions:

Secured over the subject land, arrears attract fines of 2% and interest of 7.05% (2022: 2% and 5.2%). 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 and other charges

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Unsecured, and do not bear interest. 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).

Receivables - other levels of government

Accounting Policy:

Carried at nominal value.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying Amount:

Approximates fair value.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 13. Financial instruments (continued)

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 and conditions:

Liabilities are normally settled on 30 day terms.

Carrying amount:

Approximates fair value.

Liabilities - interest bearing borrowings

Accounting Policy:

Carried at principal amounts. Interest is charged as an expense as it accrues.

Terms & Conditions:

Secured over future revenues, borrowings are repayable on a quarterly and annual basis; interest is charged on a spread of fixed or variable rates between 2.3% and 6.05% (2022: 2.05% and 6.73%). Overdraft rate is 11.71% (2022: 7.71%).

Carrying Amount:

Approximates fair value.

Liabilities - leases

Accounting policy:

Accounted for in accordance with AASB 16 as stated in Note 17.

Note 13. Financial instruments (continued)

\$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2023					
Financial assets					
Cash and cash equivalents	3,628	–	–	3,628	3,628
Receivables	4,975	17	–	4,992	4,989
Total financial assets	8,603	17	–	8,620	8,617
Financial liabilities					
Payables	2,844	–	–	2,844	2,843
Current borrowings	448	–	–	448	370
Non-current borrowings	–	1,386	9,603	10,989	10,721
Total financial liabilities	3,292	1,386	9,603	14,281	13,934
Total financial assets and liabilities	11,895	1,403	9,603	22,901	22,551
2022					
Financial assets					
Cash and cash equivalents	2,624	–	–	2,624	2,624
Receivables	5,752	22	1	5,775	5,773
Total financial assets	8,376	22	1	8,399	8,397
Financial liabilities					
Payables	1,292	–	–	1,292	1,292
Current borrowings	544	–	–	544	510
Non-current borrowings	–	3,872	6,551	10,423	10,188
Total financial liabilities	1,836	3,872	6,551	12,259	11,990
Total financial assets and liabilities	10,212	3,894	6,552	20,658	20,387

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

\$ '000	2023		2022	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other variable rates	6.05%	8,951	2.63%	7,975
Fixed interest rates	3.81%	2,140	3.81%	2,723
		11,091		10,698

Net fair value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 13. Financial instruments (continued)

Risk exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Note 14. Capital expenditure and investment property commitments

\$ '000	2023	2022
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(a) Capital commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Infrastructure	3,500	2,000
	3,500	2,000

These expenditures are payable:

Not later than one year	3,500	2,000
	3,500	2,000

(b) Other expenditure commitments

Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities:

Audit Services	80	106
IT	645	963
Other	321	374
	1,046	1,443

These expenditures are payable:

Not later than one year	585	657
Later than one year and not later than 5 years	461	786
	1,046	1,443

Note 15. Financial indicators

	Indicator 2023	Indicators 2022	Indicators 2021
Financial Indicators overview			
<i>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.</i>			
1. Operating Surplus Ratio			
Operating surplus			
Total operating income	(2.7)%	1.0%	3.4%
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
2. Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	73%	74%	97%
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i>			
Adjusted Operating Surplus Ratio			
Operating surplus			
Total operating income	(6.7)%	(2.8)%	3.4%
Adjustments to Ratios			
<i>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. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i>			
Adjusted Net Financial Liabilities Ratio			
Net financial liabilities			
Total operating income	90%	85%	103%
3. Asset Renewal Funding Ratio			
Asset renewals			
Infrastructure and Asset Management Plan required expenditure	84%	74%	76%
<i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i>			

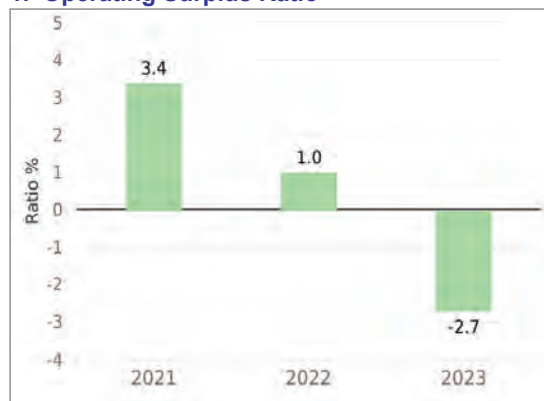
Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 15. Financial indicators (continued)

Financial indicators - graphs

1. Operating Surplus Ratio



Purpose of operating surplus ratio

This indicator is to determine the percentage the operating revenue varies from operating expenditure

Commentary on 2022/23 result

2022/23 ratio (2.7)%

Achieving a better-than-expected result of -2.7% operating surplus ratio is 3.19% points better than budget. This better than budget result has been delivered by expense management and an ongoing focus on improvement in non-rate income. Revenue enhancement from Council's assets and a continued focus on debt reduction in higher interest rate environment is expected to maintain strong operating surplus ratios. Council seeks to achieve positive operating surplus ratios without reducing service levels to the Community.

2. Net Financial Liabilities Ratio



Purpose of net financial liabilities ratio

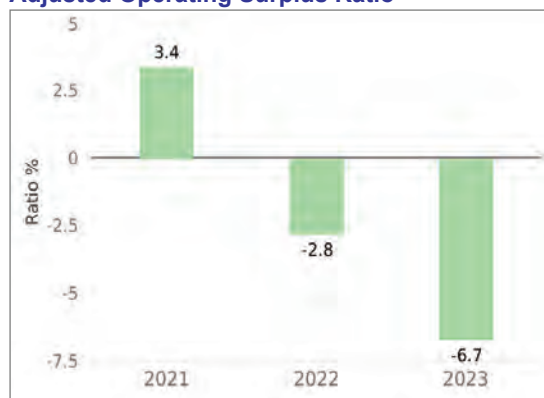
This indicator shows the significance of the net amount owed to others, compared to operating revenue

Commentary on 2022/23 result

2022/23 ratio 73%

Council has made significant improvements in managing its financial liabilities, assets, and income. The lower net financial liability ratio indicates a healthier financial position, with lower debt levels in relation to assets and income. The ratios improvement over the past three financial years reflects the improved financial stability and a reduction in debt burden.

Adjusted Operating Surplus Ratio



Purpose of adjusted operating surplus ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

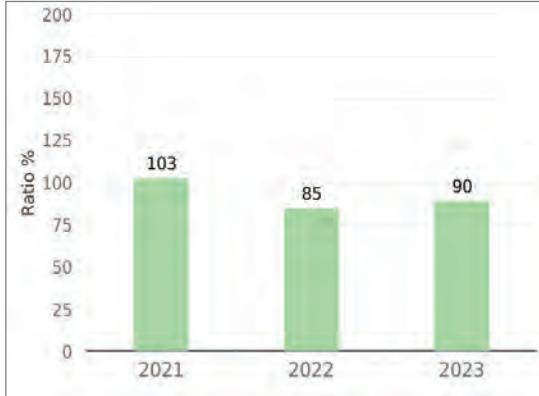
Commentary on 2022/23 result

2022/23 ratio (6.7)%

The adjusted operating surplus ratio of -6.7%, accounting for the prepayment of grant income, reveals a more nuanced financial picture for the local council. In the 2022/23 year a 100% pre-payment of financial assistance grants was received by Council, in previous years prepayments were between 50% and 70% of financial assistance grants.

Note 15. Financial indicators (continued)

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2022/23 result

2022/23 ratio 90%

Council has made significant improvements in managing its financial liabilities, assets, and income. The improvement of the adjusted financial liabilities ratio (net of timing benefits of financial assistance grants) over the past three financial years reflects the improved financial stability of the Council.

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio

This indicator aims to determine if assets are being renewed and replaced in an optimal way

Commentary on 2022/23 result

2022/23 ratio 84%

A higher asset renewal funding ratio leads to improved asset sustainability, ensuring that essential public facilities and services remain in good condition and continue to serve the community effectively. The improved ratio reflects the Council's commitment to responsible financial planning and the recognition of the importance of maintaining long-term assets. An improved ratio signifies prudent financial management, and helps to prevent costly deferred maintenance.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 16. Uniform presentation of finances

\$ '000	2023	2022
<p>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.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
<u>Income</u>		
Rates	11,723	11,266
Statutory charges	311	347
User charges	1,016	896
Grants, subsidies and contributions - operating	5,486	5,628
Investment income	16	23
Reimbursements	3,423	5,282
Other income	66	118
Net gain - equity accounted council businesses	—	71
Total Income	22,041	23,631
<u>Expenses</u>		
Employee costs	6,136	5,232
Materials, contracts and other expenses	10,870	12,832
Depreciation, amortisation and impairment	5,249	5,157
Finance costs	320	184
Net loss - equity accounted council businesses	56	—
Total Expenses	22,631	23,405
Operating surplus / (deficit)	(590)	226
Adjusted Operating surplus / (deficit)	(590)	226
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(5,155)	(4,192)
Add back depreciation, amortisation and impairment	5,249	5,157
	94	965
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(8,303)	(4,421)
Add back amounts received specifically for new and upgraded assets	7,165	1,722
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	55	390
	(1,083)	(2,309)
Annual net impact to financing activities (surplus/(deficit))	(1,579)	(1,118)

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Right of use assets

Operating leases for motor vehicles with terms ranging from 3-5 years.

Set out below are the carrying amounts of right-of-use assets recognised within Plant, Machinery & Equipment and the movements during the period:

(a) Right of use assets

\$ '000	Ready to use	Property Lease	Motor Vehicles	Total
2023				
Opening balance	–	–	137	137
Additions to right-of-use assets	–	–	47	47
Depreciation charge	–	–	(62)	(62)
Balance at 30 June	–	–	122	122
2022				
Opening balance	–	–	180	180
Additions to right-of-use assets	–	–	34	34
Depreciation charge	–	–	(77)	(77)
Balance at 30 June	–	–	137	137

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2023	2022
Balance at 1 July	134	185
Additions	47	34
Accretion of interest	11	11
Payments	(97)	(96)
Balance at 30 June	95	134
Classified as:		
Current	66	61
Non-current	29	73

The maturity analysis of lease liabilities is included in Note 13.

The Group had total cash outflows for leases of \$97k.

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	62	77
Interest expense on lease liabilities	11	11
Total amount recognised in profit or loss	73	88

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 17. Leases (continued)

(ii) Council as a lessor

\$ '000	2023	2022
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	23	14
Later than one year and not later than 5 years	13	7
Later than 5 years	1	1
	37	22

Note 18. 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 (10.50% in 2022/23; 10.00% 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 2021. 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.

Note 19. Interests in other entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2023	2022	2023	2022
Council's Share of Net Income/(Loss)				
Joint ventures	(56)	71	—	(1,006)

((a)i) Joint ventures, associates and joint operations

(a) Carrying amounts

\$ '000	Principal Activity	2023	2022
Fleurieu Regional Waste Authority	Waste and Recycling Management	(1,062)	(1,006)
Total carrying amounts - joint ventures and associates		(1,062)	(1,006)

Fleurieu Regional Waste Authority

The Fleurieu Regional Waste Authority (FRWA) is an authority under Section 43 of the Local Government Act (1999). FRWA is a regional subsidiary formed by the member councils; Alexandrina Council, City of Victor Harbor, Kangaroo Island Council, and District Council of Yankalilla in South Australia in order to manage the operation of waste and recycling in the combined areas.

Southern and Hills Local Government Association

The Southern and Hills Local Government Association is a regional subsidiary to represent the interests of all Councils in the Southern Hills, Fleurieu Peninsula and Kangaroo Island within Local Government in South Australia.

The group meets 6 times annually to discuss Local Government policy and procedures and to promote Local Government Initiatives from a regional perspective.

Kangaroo Island Councils interest in the Southern & Hills Local Government Association for 2022-23 is deemed to be immaterial in amount and has not been recognised. This will be reviewed annually.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2023	2022	2023	2022	2023	2022
Fleurieu Regional Waste Authority	12.00%	12.00%	12.00%	12.00%	22.00%	22.00%

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 19. Interests in other entities (continued)

(c) Movement in investment in joint venture or associate

\$ '000	Fleurieu Regional Waste Authority		Southern and Hills Local Government Association	
	2023	2022	2023	2022
Opening Balance	(1,006)	(1,346)	—	—
Share in Operating Result	(56)	71	—	—
Other Adjustment	—	269	—	—
Council's equity share in the joint venture or associate	(1,062)	(1,006)	—	—

Note 20. Non-current assets held for sale and discontinued operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

Note 21. Contingencies and assets/liabilities not recognised in the balance sheet

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

1. Land under roads

As reported in the Financial 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 the 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.

At reporting date, Council controlled 2,485 km of road reserves of average width 20 metres.

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 deductible "insurance excesses", 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. Bank guarantees

Council has not guaranteed any loans or other banking facilities to community organisations and sporting bodies. Council does not expect to incur any loss arising from these guarantees

4. 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 1 appeal against planning decisions made prior to reporting date.

Note 22. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2023, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Council is not aware of any "non adjusting events" that merit disclosure;

Note 23. Related party transactions

Key management personnel

Transactions with 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, 17 persons were paid the following total compensation:

\$ '000	2023	2022
The compensation paid to key management personnel comprises:		
Short-term employee benefits	839	810
Post-employment benefits	66	60
Supplies	3	1
Total	908	871

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

One Councillor has interests in a printing & signage business that provided goods to the value of \$730.

No key management personnel or parties related to them had any transactions during the year on terms more favourable than those available to the general public.

Notes to and forming part of the Financial Statements

For the year ended 30 June 2023

Note 24. Council information and contact details

Principal place of business:

43 Dauncey St
KINGSCOTE SA 5223

Contact details

Mailing Address:

PO Box 121
KINGSCOTE SA 5223

Telephone: 08 8553 4500

Facsimile: 08 8553 2885

Opening hours:

9.00am to 5.00pm
Monday to Friday

Internet: www.kangarooisland.sa.gov.au

Email: kicouncil@kicouncil.sa.gov.au

Officers

CHIEF EXECUTIVE OFFICER
Daryl Buckingham

Elected members

Mayor

Michael Pengilly

Councillor

Richard Cotterill - Deputy Mayor

Bob Teasdale
Sam Mumford
Shirley Pledge
Ken Liu
Pat Austin
Jeanette Gellard
Veronica Bates
Greg Miller

Other information

ABN: 93 741 277 391

Auditor's Report – Financial Statements

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Independent Auditor's Report – Financial Statements

To the members of Kangaroo Island Council

Opinion

We have audited the accompanying financial report of Kangaroo Island Council (the Council), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of Kangaroo Island Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with 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 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.

Council's responsibility for the financial report

Council 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 Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Council is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Report – Financial Statements continued

Auditor's responsibility 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 an audit conducted in accordance with 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 this financial report.

As part of an audit of the financial report in accordance with 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 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Council'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 Council'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 Council 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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Director

23 November 2023

Auditor's Report – Internal Controls

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Independent Auditor's Report - Internal Controls

To the members of Kangaroo Island Council

Opinion

We have audited the compliance of Kangaroo Island Council (the 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.

In our opinion, Kangaroo Island 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

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements on Controls*, 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 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Council's responsibility for 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* to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Auditor's Report – Internal Controls continued

Auditor's 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 receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, 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 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitation of 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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Director

23 November 2023

Certificate of Auditor Independence

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Kangaroo Island Council for the year ended 30 June 2022, the Council's Auditor, Galpins Accountants Auditors and Business Consultants 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*.



Daryl Buckingham
Chief Executive Officer



Greg Connor
Presiding Member, Audit Committee

Date: 23 November 2023

Statement by Auditor

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& Business Consultants



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KANGAROO ISLAND COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2023

Statement by Auditor

I confirm that, for the audit of the financial statements of Kangaroo Island Council for the year ended 30 June 2023, I have maintained my independence in accordance with 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), 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) Regulation 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

A handwritten signature in blue ink, appearing to read 'T. Muhlhausler'.

Tim Muhlhausler CA, Registered Company Auditor

Director

23 November 2023

Fleurieu Regional Waste Authority

Annual Report 2022-23



FLEURIEU REGIONAL
WASTE AUTHORITY



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Message

From the Independent Chairperson

I am pleased to, again, pen my Fleurieu Regional Waste Authority (FRWA) Annual Report Message, this time for the 2022-23 year.

In doing so, as a starting point, I recognise and give credit to our communities which have continued to embrace recycling and waste minimisation. This is despite the challenges and hardships faced during the year. Relatedly, FRWA, through proactive communication and analysis of community behaviours, has continued to ensure that our member Councils lead the State in the diversion of waste from landfill and the circular use of resources.

The FRWA strategic objective to increase the kerbside waste diversion rate from landfill to 70% by 2030 is now well within reach. In particular, this is due to the implementation of the Summer Recycling Program.

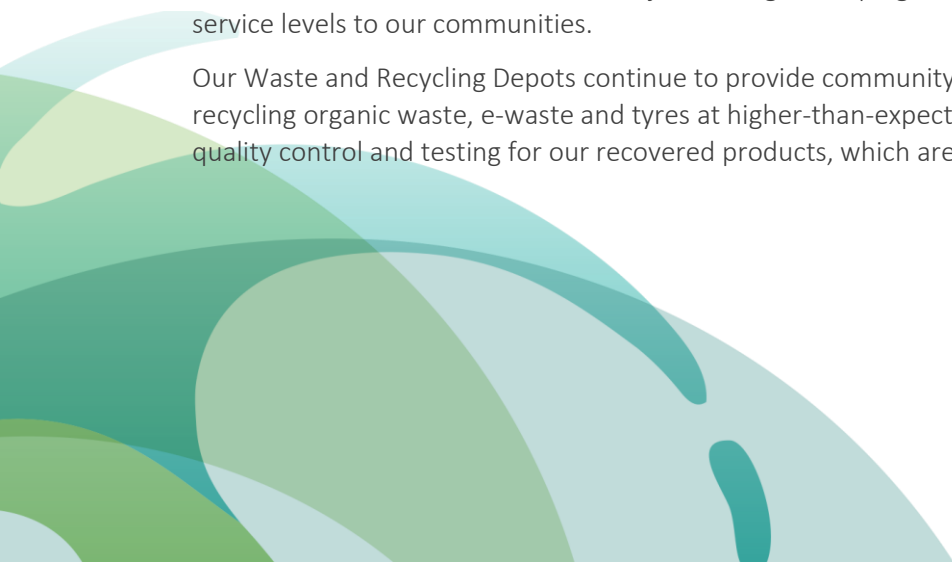
We have undertaken a wide range of research and engagement activities to determine the best way to reduce waste to landfill during the summer period. This has included a trial in the Hayborough/Chiton area, bin audits, community survey and data analysis. All of our Councils have supported the implementation of the Summer Recycling Collections program for the 2022/23 summer. The program has meant that co-mingled recycling and food/garden organics (FOGO) bins were collected weekly and general waste every fortnight.

The community embraced the Summer Program meaning that incredibly positive results were achieved in all Council areas. Across the FRWA region, general waste was reduced by 20%, FOGO increased by 61% and co-mingled recycling by 19%. Subsequently, the kerbside diversion rate increased from 57% to 68% for the summer period. On any assessment, these are outstanding results, especially for small councils such as Kangaroo Island, where the Program resulted in 64 tonnes less waste being sent off-island for disposal.

As our Councils, the communities and our customers would expect, the FRWA team has continued to seek efficiencies and service improvements. At the start of July 2023, the kerbside collection schedule changed across the Fleurieu. This change has seen FOGO and co-mingled recycling being collected in one week and general waste in the following week. This makes the kerbside collection system simpler and easier for the community and for our operational teams.

As part of this change, a collection truck is now based at the Yankalilla depot which reduces travel times and increases response times for the Yankalilla community. There are also plans to remove several bin banks which have been subject to illegal dumping. Both of these initiatives have increased service levels to our communities.

Our Waste and Recycling Depots continue to provide community circular economy outcomes through recycling organic waste, e-waste and tyres at higher-than-expected levels. We are increasing our quality control and testing for our recovered products, which are still popular with the community.



FRWA has only been able to achieve these amazing results with the dedicated support of our Councils, which listen and support the initiatives that we present to them for consideration.

During this year we have welcomed new Board Members, following the Local Government elections. We have been fortunate to maintain a diverse range of Board Members from various backgrounds and experiences. This ensures that the Authority is best placed to continue to achieve its strategic objectives.

Finally, I recognise and thank my fellow Board Members for their vision, wise counsel and support. In particular, I recognise a former Board Member, Ms Elizabeth Williams, who also worked at the Alexandrina Council. Elizabeth resigned from both positions to pursue other career opportunities. She was a Board Member and Audit Committee Member since 2018 and provided critical financial and governance advice but also other ideas to benefit the Authority's operations. We wish Elizabeth all the best with her future plans.

In closing, I recognise and thank the staff of FRWA. The waste collections drivers, site operators, waste education, customer service, finance and administration team operate our business at extremely high standards, all of which ensures that we can continue to provide critical services to the community at the levels that we do.

Thank you, all.

Michael Kelledy

Independent Chairperson
Fleurieu Regional Waste Authority



FRWA Governance

A board administers FRWA in accordance with the requirements of the *Local Government Act 1999* and the *Fleurieu Regional Waste Authority Charter 2021*. This year, the Authority Board membership changed due to the Local Government elections held in November 2022.

We welcomed Cr Carlos Quaremba from the City of Victor Harbor, Jodie Summer from the District Council of Yankalilla and Mayor Michael Pengilly from Kangaroo Island Council. Andy Baker from Alexandrina Council also re-joined the Board.

The new board members, with the current independent members Michael Kelledy, Marion Vigot and Vicki Tomlinson, provide diverse skills and experience to lead and guide the FRWA.

The Board held six meetings during the 2022-23 financial year. Given the wide area the Authority covers, Board meetings are held in each council area during the year.

FRWA conducts its business in a complex and constantly changing regulatory and business environment. It is important that the Board review its own performance from time to time, with a view to achieving and maintaining a high level of performance in this environment.

Each Board member is expected to:

- actively seek a full appreciation of the business of the FRWA, including key business drivers, the risks facing the FRWA, applicable risk management policies and the regulatory environment in which the FRWA operates, and

- actively participate in open, honest discussion, to exercise an active discretion on all matters for decision and to bring an independent mind to bear on matters before the Board.

This year the FRWA Board agreed to complete a Self-Assessment Questionnaire as a form of self-assessment of its ongoing performance. All Board members completed the questionnaire, with the majority of responses providing positive results. The questionnaire feedback did, however, highlight two areas for improvement, being Board members knowledge of critical accounting policies and the processes in place to identify, evaluate and monitor the key risks facing the authority. These issues will now be considered and proposals made to address them moving forward.

Board Members: Andy Baker, Jodie Summer, Marion Vigot, Mayor Michael Pengilly, Vicki Tomlinson, Michael Kelledy (Independent Chairperson), Simon Grenfell (EO), Cr Carlos Quaremba (absent).



The list below details board member attendance.

Board Member	Meetings
Ms Marion Vigot (Independent Member)	6 of 6
Mrs Vicki Tomlinson (Independent Member)	6 of 6
Ms Elizabeth Williams (Alexandrina Council)	1 of 1
Mr Andy Baker (Alexandrina Council)	4 of 5
Cr Bryan Littlely (City of Victor Harbor)	0 of 1
Ms Karen Rokicinski (City of Victor Harbor)	1 of 1
Cr Carlos Quaremba (City of Victor Harbor)	2 of 4
Ms Lisa Pearson (District Council of Yankalilla)	2 of 2
Ms Jodie Summer (District Council of Yankalilla)	3 of 4
Cr Peter Denholm (Kangaroo Island Council)	2 of 2
Mayor Michael Pengilly (Kangaroo Island Council)	3 of 4

Audit & Risk Committee Report

The recent reforms to the Local Government Act 1999 (effective 17 November 2022) brought a greater emphasis on risk management, requiring councils to have an Audit and Risk Committee.

As a regional subsidiary, FRWA's Audit and Risk Committee is formed under Schedule 2 of the Act and is not bound by the reforms. However, the Board determined that a broader scope incorporating risk at the Committee and Board level is appropriate. The Board resolved to change the name from Audit Committee to Audit and Risk Committee. This broader governance focus aligns with FRWA's commitment to skills-based Committee and Board membership and is consistent with councils and subsidiaries in the region.

The Audit & Risk Committee continues to be led by Mr Peter Fairlie-Jones, with new members Mr Gus Rankine and Mrs Vicki Tomlinson joining Ms Karen Rokicinski on the committee this year. The committee reviewed all of the Authorities budget reviews and financial reports as well as the internal audit activities undertaken by Dean Newbery & Partners. The committee also provided input into the formation of the FRWA's Risk Management Framework, Policy and Register that was facilitated by the Local Government Risk Services and oversaw the review of a number of policies.

The Audit & Risk Committee held five meetings during the 2022-23 financial year. The list below details the Audit & Risk Committee Member attendance.

Audit & Risk Committee Member	Meetings
Mr Peter Fairlie-Jones (Independent Chairperson)	5 of 5
Ms Karen Rokicinski (City of Victor Harbor)	5 of 5
Mrs Vicki Tomlinson (Independent Member)	3 of 3
Mr Gus Rankine (Alexandrina Council)	3 of 3
Ms Elizabeth Williams (Alexandrina Council Board Member)	1 of 1

Executive Officer Report

Environmental benefit, innovation, circular economy and relationships are the guiding principles of the FRWA Strategic Plan, and we have leaned heavily on these principles over the past twelve months. Our organisation has delivered two significant projects this year, changing forever how the community thinks about and presents its kerbside material for collection.

The FRWA constituent councils delivered for its community this year by supporting the Summer Recycling Collection program. The program provided more opportunities for households to reduce the amount of waste set to landfill and recycle more by providing weekly collection of FOGO and co-mingled recycling over the summer period.

The community embraced the opportunity to recycle more material, despite the swell in population and changes to collection schedules, with 288 tonnes less waste sent to landfill than last year. The community also took advantage of recycling their food waste, with an additional 562 tonnes of organic waste collected, an increase of 61%.

The other project that FRWA instigated was the change of collections cycles for mainland councils. Our environment and community needs are ever-changing, and we need to adapt our services to match these demands. Increasing fuel costs and use of FOGO bins necessitated a change in how we collect kerbside waste. We analysed waste collection data, fuel usage and route analysis to determine a simpler and more efficient collection schedule.

FRWA proposed collecting general waste during one week with co-mingled recycling, and FOGO collected together the next week across the entire Fleurieu Peninsula. FRWA also proposed that a collection vehicle be based at the Yankalilla depot to reduce travel and response times.

The schedule changes allowed for the production of simpler, easy-to-read calendars the community has asked for. The South Australian State Government's Green Industries SA (GISA) undertook market research. Findings concluded that simple, high-quality fridge magnets are the best way to communicate waste management messages. GISA assisted with funding the production and design of the new fridge magnet calendars.

Projects were delivered successfully through teamwork, extensive communication and engagement with our community and stakeholders. Our professional and dedicated staff met with community and environmental groups, council staff and leaders, council members, drivers and site staff. We erected roadside banners and signs across the Fleurieu and Kangaroo Island and published notices in relevant publications to ensure the community was aware of the changes.

A difficult economic environment resulted in an operating deficit of \$116k compared to an \$11k budgeted surplus. The main factors behind this result were cost increases across operational areas driven by price increases and increased waste collection levels. While income increased by \$99k (0.96%), expenses increased by \$226k (2.2%) compared against budgeted levels. The main areas of additional costs were fleet maintenance, fuels and recalculated depreciation. Reduced waste disposal costs offset these costs due to increased diversion rates, resulting in reduced general waste tonnages.

This financial year is the first year the councils contributed towards the Asbestos Contaminated Material Project, with an additional provision of \$767k required to fund the remediation work fully. The additional provision resulted in a \$466K deficit overall.

Remediation of properties affected by Asbestos Contaminated Material project continued throughout the year with only a small number of properties outstanding. The budget for this project exceeded the original estimate due to increased volumes of material to be removed and reinstated and the diversity of remediation properties. Completion of all remediation activities is anticipated by the end of 2023.

Waste diversion and service improvements were made possible with support from the FRWA Board, councils, passionate community members and the dedicated and professional staff of the Authority.

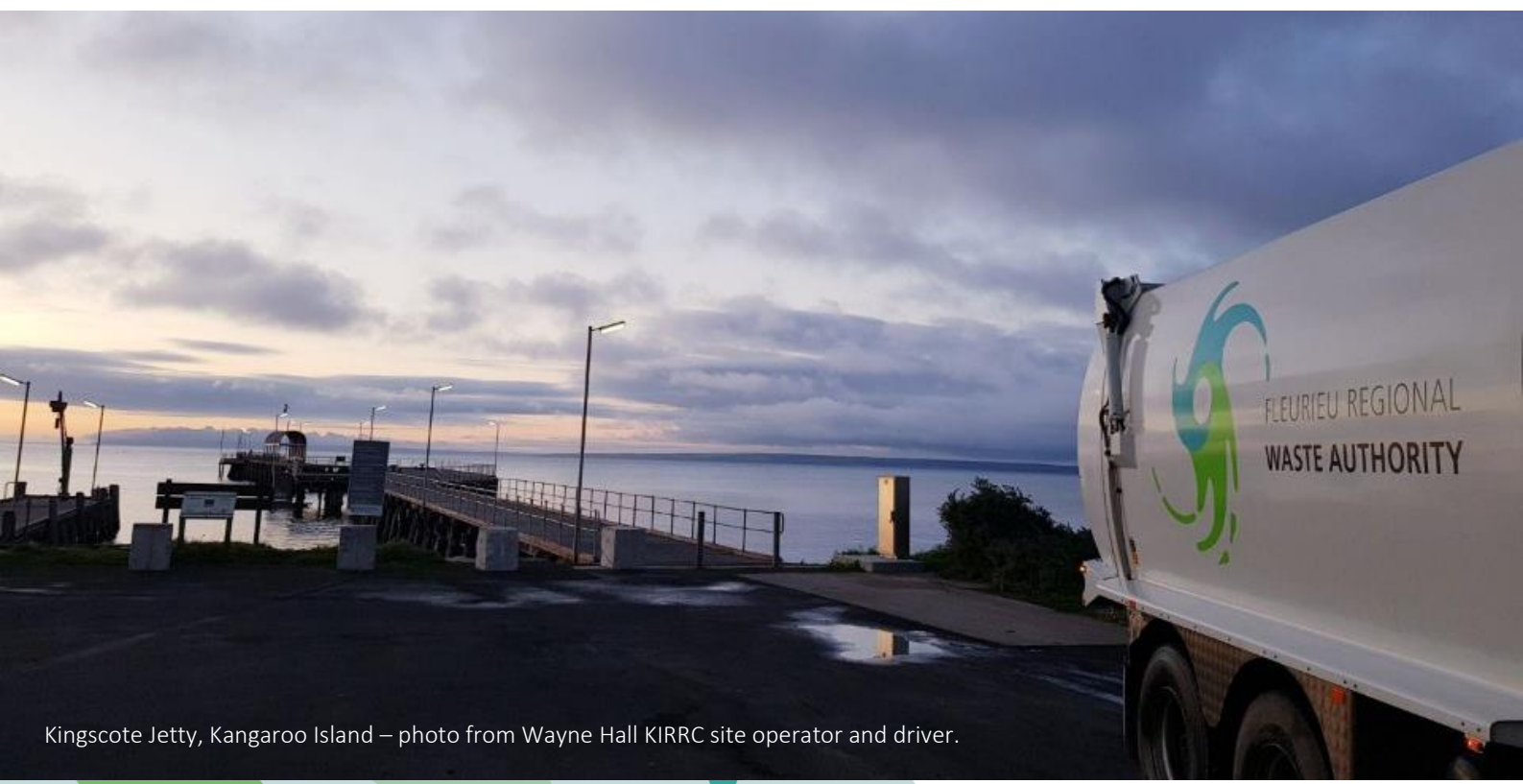
The opportunity to lead the community in reducing its environmental impact is one that FRWA is very respectful and grateful for and looks forward to continuing.

Over the past twelve months, I had the opportunity to present to all constituent councils on several occasions, and I'm encouraged by the passion for waste management demonstrated by all council members. I look forward to continuing to work with them and the Board to deliver the FRWA strategic objectives.

Simon Grenfell

Executive Officer

Fleurieu Regional Waste Authority



Kingscote Jetty, Kangaroo Island – photo from Wayne Hall KIRRC site operator and driver.

Our Services

The Fleurieu Peninsula and Kangaroo Island region cover 7,341 square kilometres with a resident population of 54,000, increasing by up to 50% in coastal areas during holiday periods.

FRWA is a fine example of local governments working together to achieve efficiencies across boundaries. We are capturing the best practices from the councils: reducing waste going to landfill, increasing recycling, and promoting a cleaner and healthier environment for today and tomorrow.

We offer a range of services to the communities we serve, including:

- 3-bin fortnightly collection of kerbside waste
- Public Waste and Recycling Depots in Goolwa, Yankalilla, Strathalbyn and Kingscote
- Public litter bin collections
- Additional waste collection services, including event bins, weekly commercial FOGO collections and exceptional circumstances bins
- Community waste education
- Customer service
- Sale of composting equipment, kitchen caddies, bins and supplies
- Representation and advocacy on behalf of constituent councils.

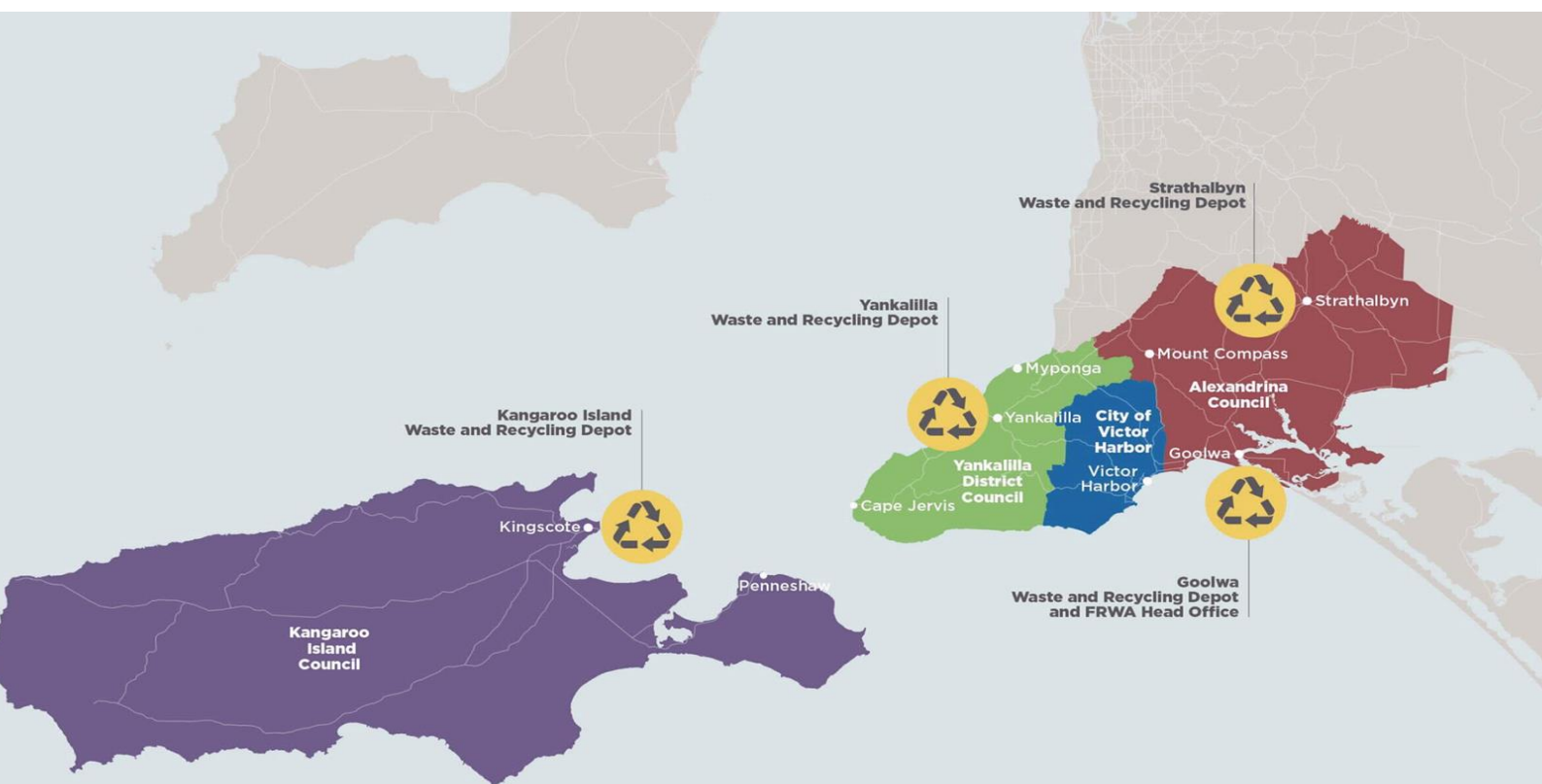


FIGURE 1 Map of FRWA Waste and Recycling Depots

Our Mission & Objectives

About FRWA

The Fleurieu Regional Waste Authority (FRWA) is a local government regional subsidiary of the Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council.

Mission

To provide the best practice waste and resource management services that reduce the impact of our community on the environment.

Vision

FRWA will provide diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community are proud of.

FRWA adopted several objectives with corresponding key performance indicators to achieve FRWA's Strategic Plan and vision. Below is a summary of the Authority's progress in achieving its objectives.

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

Key performance indicators:

- Increase kerbside diversion rates from 50% to 70% by 2030
- Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025
- Reduce contamination of the recycling bin to less than 8% by 2025
- Reduce greenhouse gas emissions of FRWA by 30% by 2030.

Objective 2: Advocate and facilitate a local circular economy

Key performance indicators:

- Value of recovered materials is increased by 10% by 2025
- Reduce freight kilometres by 5% by 2025
- Constituent councils purchase recyclable materials equivalent to 30% by weight of material collected in the yellow bin.

Objective 3: Provide flexible services that meet the needs of councils, residents and visitors

Key performance indicators:

- Reduce the number of bin banks in rural areas by 15% by 2025
- Increase range of services provided to customers by 20% by 2025
- Increase range of services provided to constituent councils by 2025

Objective 4: Provide efficient and effective regional subsidiary

Key performance indicators:

- Reduce the cost of kerbside collection per property by 5% by 2025, excluding CPI and solid waste levy
- Reduce the cost to councils of waste transfer station operations by 10% by 2025, excluding CPI and solid waste levy.

Our Performance

The Fleurieu Regional Waste Authority measures performance against the key performance indicators in the Strategic Plan and Business Plan.

FRWA continues to develop performance measurements to ensure the achievement of objectives. The table below is a qualitative description of our performance against KPIs.

Indicator	Target	2022-23 Budget	2022-23 Actual
Operating Surplus Ratio	0% to 1%		
- Including ACM Borrowings		3.4%	-4.1%
- Excluding ACM Borrowings		0.1%	-8.5%
Net Financial Liabilities Ratio	30% to 50%		
- Including ACM Borrowings		119%	119%
- Excluding ACM Borrowings		82%	81%
Asset Renewal Funding Ratio	80% to 100%	100%	100%
Own Source Revenue Ratio	23% to 28%	31%	32%

The following is a qualitative and quantitative report on the achievements of the Strategic Plan KPIs.

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

One of FRWA's main performance indicators is kerbside waste diversion rate. The rate has increased from 50% in 2018-19 to 62% in 2022-23 due to the introduction of a fortnightly waste collection and the Summer Recycling program. Waste sent to landfill from kerbside collections has reduced by 31% since 2015/16.

The kerbside bin audit undertaken in December 2021 found that organic waste makes up 32% of waste in the blue (general waste) bin, a reduction of 12% from the 2017 bin audit. The kerbside bin audit also found that contamination of the recycling bin is 10%. These results demonstrate that the performance of our waste management system is improving.

To reduce travel times, FRWA introduced a new collection schedule with FOGO and co-mingled recycling collected in the same week, with general waste collected the following week. This reduces travel time, increases average tipping weight, and reduces overall fuel use and greenhouse gas emissions. An analysis of fuel used by FRWA between 2019-20 and 2022-23 found fuel use reduced by 15,881 litres (3.3%). This is equivalent to 42.56 tonnes of CO₂.

Objective 2: Advocate and facilitate a local circular economy

The value of recovered materials has increased since 2020. Changes include processes to recover high-value metals and landscape rock from council projects and producing high-quality wood chips from tree logs. These changes have increased revenue at the waste and recycling depots. FRWA has also increased the amount of cardboard recycled through the Goolwa Waste and Recycling Depot by separately collecting and transporting 26.9 tonnes of cardboard to the Southern Materials Recycling Facility.

FRWA made operational changes to facilitate a reduction of freight kilometres by 5% by 2025 from 2020. In 2020-21, FRWA changed the location for co-mingled recycling processing from Edinburgh to Seaford Downs. The relocation reduced the travel distance from 114km to 50.6km for 5,500 tonnes of material. FRWA staff continue to analyse our freight movements and have recently changed operations at the transfer stations, which has seen payloads increase by an average of 12%. FRWA kerbside collection vehicles are now depositing most kerbside waste at the Goolwa Waste and Recycling Depot for transport to the disposal site. These actions have increased payloads and reduced travel time and fuel use across our operations.

FRWA is also part of the Business Victor Harbor Circular Economy working group. Business Victor Harbor hosted a Circular Economy Forum sponsored by Green Industries SA, featuring keynote speaker, economist and circular economy expert Michael Schuman.

Objective 3: Provide flexible services that meet the needs of councils, residents and visitors.

FRWA continues to improve services for residents by removing 15 bin banks (from a regional total of 113) in the Alexandrina Council and DC Yankalilla over the past two years. The implementation of roadside collection benefited over 200 rural properties and reduced bin banks by 12%.

We continue to extend the range of services provided to our customers with the introduction of the following waste collection services:

- Weekly food waste collection service for businesses
- On-demand collection of kerbside waste
- Caravan park collection service

Our Waste and Recycling Depots now sell rubber bin latches for lids and accept paint as part of the Paintback Scheme that recycles unwanted paint.

Objective 4: Provide efficient and effective regional subsidiary

FRWA strives to provide effective and efficient services. Detailed analysis of the cost of kerbside collection per property is still to be undertaken. Increased income at the Waste and Recycling Depots means that Alexandrina Council no longer contributes to the operations of the Goolwa and Strathalbyn Waste and Recycling Depots. The cost to the District Council of Yankalilla has halved compared to the budgeted amount in 2019-20. The cost of the Kangaroo Island Resource Recovery Centre has increased due to the structure of fees and charges, which the KI Council are currently considering.



Kerbside Collection Services

FRWA has a fleet of 13 collection vehicles and provides a fortnightly collection of waste, recycling and food organics garden organics (FOGO) to over 32,000 properties.

FRWA and constituent councils have invested in systems and services to meet the communities' objective of reducing waste sent to landfill. Since June 2016, the amount of waste sent to landfill has decreased to 9,350 tonnes from 13,530 tonnes (31%). This has resulted in reduced greenhouse gas emissions and payable solid waste levies.

Amounts of FOGO recycled have tripled from 3,100 tonnes to 9,800 tonnes, with material processed locally to provide employment and economic prosperity for the region.

Achieving a kerbside waste diversion rate of 62% is an outstanding achievement for the region.

FRWA continues to focus on transport and logistics efficiencies to reduce fuel usage. An analysis of fuel used by FRWA between 2019-

20 and 2022-23 found fuel use reduced by 15,881 litres (3.3%). This is due to rescheduling of kerbside collection runs and in-house transport efficiencies.

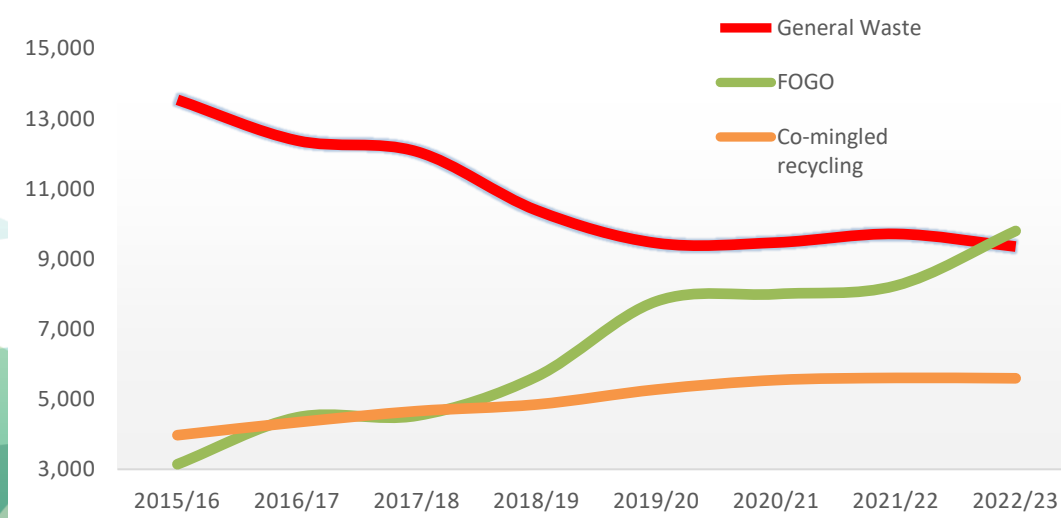
During this period, all waste tonnages increased by 11%.

This year, to improve customer outcomes and increase efficiencies, we changed the collection schedule to collect all recyclable material in one week, with general waste the next week.

It is expected that this will reduce travel times and increase average tipping weights and reduce costs.

We have also based a truck at the District Council of Yankalilla Depot to reduce travel times and increase response times to missed collections. The change will also allow the removal of several bin banks while providing roadside collections for more properties.

FRWA - Kerbside Waste 2015-16 to 2022-23 (tonnes)



Waste by numbers

Kerbside collections

COUNCIL	WASTE	FOGO	RECYCLING	DIVERSION from landfill
Kangaroo Island	836t -8%	+29% 516t	515t -3%	+3% 55%
Victor Harbor	2598t -8%	+20% 3220t	1642t -1%	+4% 65%
Yankalilla	1167t -5%	+11% 964t	620t -5%	+3% 58%
Alexandrina	4751t -0.2%	+19.2% 5096t	+2.2% 2818t	+2% 62%
Total (tonnes)	9351t -4%	+19% 9795t	5595t -0.2%	+3% 62%

Kerbside waste statistics from July 2022 to June 2023 compared to the same period last year.

31% reduction in kerbside general waste since 2015/16

312% increase in kerbside FOGO since 2015/16

58,000 paying customers at mainland Waste and Recycling Depots

1,986,571 bins collected

8670m³ of mulch produced

Waste and Recycling Depots

The FRWA Waste and Recycling Depots (WRD) continue to provide an important service to the community.

All waste and recycling depots reported a more stable year this year, with customer numbers increasing between 3% and 9%. The popularity of our mulch products continues to be strong.

To further improve our management, we have installed a point of sale terminal at the Yankalilla Depot, which can be used with our CCTV infrastructure to ensure our staff are protected and resolve customer disputes.

In conjunction with the KI Council, we also plan to upgrade of the KI Resource Recovery Centre office in late 2023.

WRD waste to landfill reduced by 30%, which is just above volumes received in 2020/21.

We received delivery of a new Volvo prime-movers to facilitate our in-house waste transport. The new Euro-6-compliant unit has significantly reduced fuel usage and service costs.



Waste Education and Projects

Asking the community to change when they put their bins out for collection required extensive and effective communication.

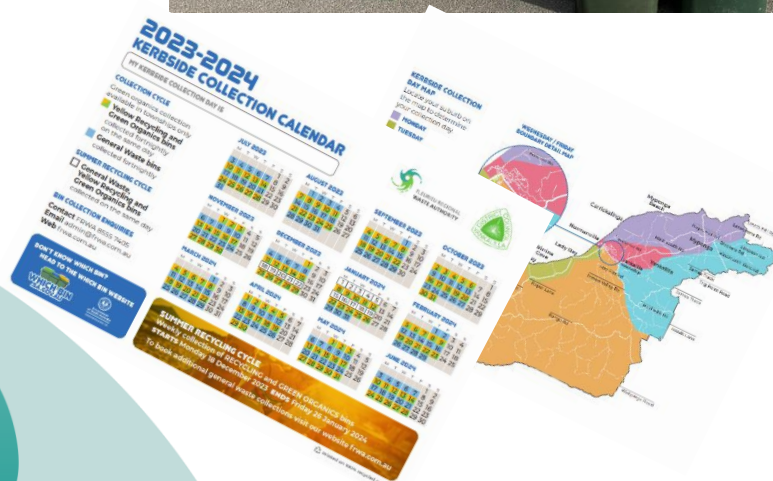
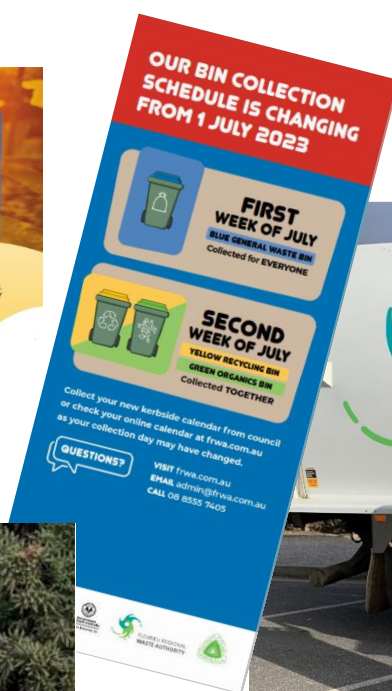
Engagement, communication and project planning for the Summer Recycling Collection Program and the kerbside waste collection change have been the primary focus of waste education activities this year.

The planning required to deliver these projects successfully has been significant.

We engaged with community groups, council members and staff, retirement villages, schools and businesses about the changes.

We erected roadside banners and corflute signs, published articles in council newsletters, newspapers and community papers, posted articles across social media and activated the My Local Services App for councils.

These activities resulted in the community smoothly transitioning to new kerbside waste collection cycles.



With support from Alexandrina Council, FRWA delivered 100 green bins, kitchen caddies, compost bags and education materials to households on Hindmarsh Island. FRWA also undertook targeted communications through local publications and social media.



FRWA rebranded some of our collection trucks with images that connect our activities with the core values of our community. The “Love where we live” mantra featuring pictures of our pristine environment demonstrates that FRWA holds the same core values as our community. The images are of iconic environments from across the Fleurieu and Kangaroo Island.



FLEURIEU REGIONAL WASTE AUTHORITY

Financial Statements



Fleurieu Regional Waste Authority

General Purpose Financial Reports

for the year ended 30 June 2023

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Fleurieu Regional Waste Authority
Annual Financial Statements
for the year ended 30 June 2023

CERTIFICATION OF FINANCIAL STATEMENTS



We have been authorised by the Authority 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 Authority'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 Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.

A handwritten signature in blue ink, appearing to read 'SAG', written over a dotted line.

Simon Grenfell
EXECUTIVE OFFICER

A handwritten signature in blue ink, appearing to read 'MJK', written over a dotted line.

Michael Kellady
CHAIR OF THE BOARD

Date: 20 September 2023

Fleurieu Regional Waste Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

	Notes	2023 \$'000	2022 \$'000
INCOME			
User charges	2	11,083	10,329
Grants, subsidies and contributions - Operating	2	(3)	68
Investment income	2	2	-
Reimbursements	2	14	2
Other income	2	10	6
Total Income		11,106	10,405
EXPENSES			
Employee costs	3	3,542	3,081
Materials, contracts & other expenses	3	6,813	5,847
Depreciation, amortisation & impairment	3	889	812
Finance costs	3	320	75
Total Expenses		11,564	9,815
OPERATING SURPLUS / (DEFICIT)		(458)	590
Asset disposal & fair value adjustments	4	(8)	-
NET SURPLUS / (DEFICIT)		(466)	590
transferred to Equity Statement		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		(466)	590

This Statement is to be read in conjunction with the attached Notes.

Fleurieu Regional Waste Authority
Statement of Financial Position
as at 30 June 2023

		2023	2022
ASSETS	Notes	\$'000	\$'000
Current Assets			
Cash and cash equivalents	5	1,378	2,590
Trade & other receivables	5	158	260
Inventories	5	65	70
Total Current Assets		1,601	2,920
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,268	4,536
Total Non-current Assets		4,268	4,536
Total Assets		5,869	7,456
LIABILITIES			
Current Liabilities			
Trade & other payables	7	2,628	2,368
Borrowings	7	1,339	599
Provisions	7	3,494	5,647
Total Current Liabilities		7,461	8,614
Non-current Liabilities			
Borrowings	7	7,220	7,179
Provisions	7	37	46
Total Non-current Liabilities		7,257	7,225
Total Liabilities		14,718	15,839
NET ASSETS		(8,849)	(8,383)
EQUITY			
Accumulated surplus		(8,849)	(8,383)
TOTAL EQUITY		(8,849)	(8,383)

This Statement is to be read in conjunction with the attached Notes.

Fleurieu Regional Waste Authority

Statement of Changes in Equity

for the year ended 30 June 2023

		Acc'd Surplus	Other Reserves	TOTAL EQUITY
		\$'000	\$'000	\$'000
2023	Notes			
Balance at end of previous reporting period		(8,383)	-	(8,383)
Net Surplus / (Deficit) for Year		(466)		(466)
Balance at end of period		(8,849)	-	(8,849)
2022				
Balance at end of previous reporting period		(8,973)	-	(8,973)
Net Surplus / (Deficit) for Year		590		590
Balance at end of period		(8,383)	-	(8,383)

This Statement is to be read in conjunction with the attached Notes

Fleurieu Regional Waste Authority
Statement of Cash Flows
for the year ended 30 June 2023

		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$'000	\$'000
<i>Receipts:</i>			
User charges		10,557	10,889
Investment receipts		2	-
Grants utilised for operating purposes		(3)	69
Reimbursements		14	2
Other revenues		51	6
<i>Payments:</i>			
Employee costs		(3,559)	(3,131)
Materials, contracts & other expenses		(8,119)	(10,358)
Finance payments		(307)	(29)
Net Cash provided by (or used in) Operating Activities		(1,364)	(2,552)
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Sale of replaced assets		90	-
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(280)	(609)
Expenditure on new/upgraded assets		(439)	(412)
Net Cash provided by (or used in) Investing Activities		(629)	(1,021)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		1,380	5,588
<i>Payments:</i>			
Repayments of borrowings		(599)	(810)
Net Cash provided by (or used in) Financing Activities		781	4,778
Net Increase (Decrease) in cash held		(1,212)	1,205
 Cash & cash equivalents at beginning of period	8	2,590	1,385
Cash & cash equivalents at end of period	8	1,378	2,590

This Statement is to be read in conjunction with the attached Notes

Fleurieu Regional Waste Authority
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 20 September 2023.

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 the Authority'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 thousand dollars (\$'000).

2 The Local Government Reporting Entity

The Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa, South Australia. These consolidated financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

3.1 Revenue

The Authority 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 Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when the Authority 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority 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.

Council Contributions

Revenue from Council contributions is recognised as the services are performed over the financial year.

Waste Disposal Operations

Revenue from waste disposal operations is recognised at the point in time the service is provided to the customer.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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 the Authority'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

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 9.

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.

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 Authority 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 the Authority 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 6. 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 6.

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 the Authority, 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 6. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, 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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - Significant Accounting Policies

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 the Authority were deprived thereof, are not subject to impairment testing.

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.

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

7.3 Contract Liabilities

Contract liabilities represent the Authority's obligation to transfer goods and services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 1 - Significant Accounting Policies

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	0.53% (2022 : 1.25%)
Weighted average settlement period	1.5 years (2022: 1.6 years)

No accrual is made for sick leave as the Authority 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. The Authority does not make payment for untaken sick leave.

Superannuation:

The Authority 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 the Authority's involvement with the schemes are reported in Note 12.

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. The Authority'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.

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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 2 - INCOME

	Notes	2023 \$'000	2022 \$'000
USER CHARGES			
Council Contributions		7,798	7,132
Waste Disposal Operations		3,285	3,197
		<u>11,083</u>	<u>10,329</u>
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		1	-
Banks & other		1	-
		<u>2</u>	<u>-</u>
REIMBURSEMENTS			
Other		14	2
		<u>14</u>	<u>2</u>
OTHER INCOME			
Sundry Income		10	6
		<u>10</u>	<u>6</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
<i>Other grants, subsidies and contributions - Operating</i>			
Other grants, subsidies and contributions		(3)	68
		<u>(3)</u>	<u>68</u>
Sources of grants			
State government		(3)	68
		<u>(3)</u>	<u>68</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSE

	Notes	2023 \$'000	2022 \$'000
EMPLOYEE COSTS			
Salaries and Wages		2,733	2,506
Employee leave expense		310	150
Superannuation - defined contribution plan contributions	12	280	228
Superannuation - defined benefit plan contributions	12	16	13
Workers' Compensation Insurance		137	128
Other employment related costs		66	56
Total Operating Employee Costs		3,542	3,081
Total Number of Employees		31	29
<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		17	14
Bad and Doubtful Debts		(2)	5
Board members' expenses		40	36
Rental Charge		104	86
Subtotal - Prescribed Expenses		159	141
<u>Other Materials, Contracts & Expenses</u>			
Waste Disposal		2,105	2,111
Contractors		1,471	1,753
Energy		945	664
Maintenance		624	573
Provision for remediation costs	1,3,7,15	767	-
Parts, accessories & consumables		122	169
Professional services		211	67
Legal Expenses		9	2
Sundry Expenses		400	367
Subtotal - Other Materials, Contracts & Expenses		6,654	5,706
		6,813	5,847
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant, Machinery & Equipment		875	795
Office Equipment, Furn & Fittings		14	17
		889	812
FINANCE COSTS			
Interest on Loans		320	75
		320	75

Fleurieu Regional Waste Authority
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	\$'000	\$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	90	-
Less: Carrying amount of assets sold	98	-
Gain (Loss) on disposal	(8)	-
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	(8)	-

Note 5 - CURRENT ASSETS

	2023	2022
Notes	\$'000	\$'000
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	1,357	2,506
Deposits at Call	21	84
	1,378	2,590
TRADE & OTHER RECEIVABLES		
Debtors - general	157	252
GST Recoupment	-	10
Prepayments	1	2
Total	158	264
Less: Provision for expected credit losses	9 -	(4)
	158	260
<i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>	-	-
INVENTORIES		
Stores & Materials	65	70
	65	70
<i>Amounts included in inventories that are not expected to be received within 12 months of reporting date.</i>	0	0

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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

	2022 \$'000				2023 \$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Plant, Machinery & Equipment	-	8,231	(3,719)	4,512	-	8,414	(4,156)	4,258
Office Equipment, Furn & Fittings	-	59	(35)	24	-	59	(49)	10
Total IPP&E	-	8,290	(3,754)	4,536	-	8,473	(4,205)	4,268
Comparatives	-	7,269	(2,941)	4,328	-	8,290	(3,754)	4,536

	2022 \$'000	Carrying Amounts Movement During the Year \$'000							2023 \$'000
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Carrying Amount
		New / Upgrade	Renewals				In	Out	
Plant, Machinery & Equipment	4,512	439	281	(99)	(875)	-	-	-	4,258
Office Equipment, Furn & Fittings	24	-	-	-	(14)	-	-	-	10
Total IPP&E	4,536	439	281	(99)	(889)	-	-	-	4,268
Comparatives	4,328	412	609	-	(812)	-	-	-	4,536

This note continues on the following pages.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

Valuation of Assets

General Valuation Principles

Capitalisation thresholds used by the Authority 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	5,000
Other Plant & Equipment	5,000
Buildings - new construction/extensions	10,000

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	3 to 20 years
Building & Other Structures	30 to 80 years

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES

		2023		2022	
		\$'000		\$'000	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		1,576	-	719	-
Payments received in advance		126	-	747	-
Accrued expenses - employee entitlements		215	-	233	-
Accrued expenses - other		680	-	669	-
GST Payable		31	-	-	-
		2,628	-	2,368	-

Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.

-

-

CONTRACT LIABILITIES

Revenues received in advance					
Additional collection services		119	-	83	-
Council Contributions		-	-	746	-
		119	-	829	-

BORROWINGS

Loans		1,339	7,220	599	7,179
		1,339	7,220	599	7,179

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES cont.

PROVISIONS

LSL Employee entitlements (including oncosts)		227	37	217	46
Provision for rock crushing		476		384	-
Provision for remediation costs	1.3,7,15	2,791		4,978	-
Other Provisions		-		68	-
		<u>3,494</u>	<u>37</u>	<u>5,647</u>	<u>46</u>

Amounts included in provisions that are not expected to be settled within 12 months of reporting date.

37

46

In March 2021, the Authority undertook testing of its recycled road base material at the Goolwa Waste and Recycling Depot and found that the stockpile contained asbestos. The Authority notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of asbestos containing material from identified properties in South Australia, in accordance with specific remediation plans.

A provision for remediation costs was recognised at 30 June 2021 and represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Remediation works commenced in July 2021 and have continued during the financial year ended 30 June 2023. The Board estimates that the remediation works will be completed in the next 12 months.

The Authority's Board approved the retention of Surplus the Authority Contributions for each constituent the Authority to fund the asbestos contaminated material remediation project, until net Equity returns to positive values.

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

	<i>Provision for rock crushing</i>	<i>Provision for remediation costs</i>	<i>Leave & Other Provision</i>
Opening Balance	384	4,978	331
Add Additional amounts recognised	92	767	1
(Less) Payments		2,954	
Unused amounts reversed			68
Closing Balance	<u>476</u>	<u>2,791</u>	<u>264</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 8 - 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 \$'000	2022 \$'000
Total cash & equivalent assets	5	<u>1,378</u>	<u>2,590</u>
Balances per Cash Flow Statement		<u>1,378</u>	<u>2,590</u>

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

Net Surplus (Deficit)	(466)	590
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	889	812
Net increase (decrease) in unpaid employee benefits	(17)	22
Change in allowances for under-recovery	(4)	4
Net (Gain) Loss on Disposals	<u>8</u>	<u>-</u>
	410	1,428
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	137	631
Net (increase) decrease in inventories	5	22
Net increase (decrease) in trade & other payables	247	54
Net increase (decrease) in other provisions	<u>(2,163)</u>	<u>(4,687)</u>
Net Cash provided by (or used in) operations	<u>(1,364)</u>	<u>(2,552)</u>

(d) Financing Arrangements

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

Corporate Credit Cards	10	10
LGFA Cash Advance Debenture facility	5,042	6,422

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - 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 between 0.01% and 4.30% (2022: 0.01% and 1.05%).

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

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 the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

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

Receivables - other levels of government

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: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying amount: approximates fair value.

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 Authority.

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 in six-monthly instalments; interest is charged at fixed rates between 1.8% and 4.0% (2022: 1.8% and 4.8%) and cash advanced debentures require interest only at variable rates between 5.30% and 6.05% (2022: 2.05% and 2.80%).

Carrying amount: approximates fair value.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (cont.)

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	1,378	-	-	1,378	1,378
Receivables	391	-	-	391	157
Total	1,769	-	-	1,769	1,535
<u>Financial Liabilities</u>					
Payables	1,847	-	-	1,847	1,733
Current Borrowings	1,534	-	-	1,534	1,339
Non-Current Borrowings	-	2,159	6,296	8,455	7,220
Total	3,381	2,159	6,296	11,836	10,292

2022	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Financial Assets</u>					
Cash & Equivalents	2,590	-	-	2,590	2,590
Receivables	506	-	-	506	504
Total	3,096	-	-	3,096	3,094
<u>Financial Liabilities</u>					
Payables	1,712	-	-	1,712	1,712
Current Borrowings	814	-	-	814	599
Non-Current Borrowings	-	2,951	5,735	8,686	7,179
Total	2,526	2,951	5,735	11,212	9,490

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

	30 June 2023		30 June 2022	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Other Variable Rates	5.86	3,123	2.63	1,743
Fixed Interest Rates	3.67	5,436	3.65	6,035
		8,559		7,778

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - FINANCIAL INSTRUMENTS (cont.)

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

Risk Exposures:

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 5 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Authority has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Expected Credit Losses (ECLs)

The Authority uses an allowance matrix to measure expected credit losses for receivables from individual customers, which comprise a large number of small balances. As rates and annual charges are secured over subject land no allowance for such receivables is made. The following table provides information about the Authority's ECLs from receivables (excluding secured rates and charges, GST and other amounts held in trust). Impairment analysis is performed each reporting date. ECLS are based on credit history adjusted for forward looking estimates and economic conditions.

2023	ECL Rate	Gross Carrying Amount	Expected Loss
	%	\$'000	\$'000
Current	0%	95	-
Past Due 1-30 Days	0%	8	-
Past Due 31-60 Days	0%	4	-
Past Due 61+ Days		-	-
		107	-

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 9 - FINANCIAL INSTRUMENTS (cont.)

2022	ECL Rate %	Gross Carrying Amount \$'000	Expected Loss \$'000
Current	0%	75	-
Past Due 1-30 Days	0%	20	-
Past Due 31-60 Days	0%	5	-
Past Due 61+ Days	16%	19	3
		119	3

Set out below is the movement in the allowance for expected credit losses.

	2023	2022
As at 1 July	3	-
Provisions	-	3
Write off	-	-
Less reversals	(3)	-
As at 30 June 2023	-	3

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - 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>	-4.1%	5.7%	-107.0%
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>	119%	125%	145%
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>	100%	52%	107%
Asset Renewals - IAMP			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 11 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority 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
	\$'000	\$'000
Income		
<i>User charges</i>	11,083	10,329
<i>Grants, subsidies and contributions` - Operating</i>	(3)	68
<i>Investment income</i>	2	-
<i>Reimbursements</i>	14	2
<i>Other income</i>	10	6
	11,106	10,405
Expenses		
<i>Employee costs</i>	(3,542)	(3,081)
<i>Materials, contracts and other expenses</i>	(6,813)	(5,847)
<i>Depreciation, amortisation and impairment</i>	(889)	(812)
<i>Finance costs</i>	(320)	(75)
	(11,564)	(9,815)
Operating Surplus / (Deficit)	(458)	590
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(280)	(609)
Add back Depreciation, Amortisation and Impairment	889	812
Proceeds from Sale of Replaced Assets	90	-
	699	203
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(439)	(412)
	(439)	(412)
Annual Net Impact to Financing Activities	(198)	381

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12 – SUPERANNUATION

The Authority 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 Authority 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. The Authority 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, the Authority 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), the Authority 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 2022. 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 the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

The Authority 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 Authority.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 13 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the Balance Sheet.

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Independent Board Chair, Independent Board Members, Independent Members of the Audit and Risk Committee, Executive Officer and certain prescribed officers under Section 112 of the Local Government Act 1999. In all, 8 persons (2022: 3 persons) were paid the following total compensation:

	2023	2022
	\$'000	\$'000
Salaries, allowances & other short term benefits	333	199
Post-employment benefits	29	15
Long term benefits	-	-
Termination benefits	-	-
TOTAL	362	214

Note 15 - ECONOMIC DEPENDENCE

A provision for remediation costs of \$2,791k has been recognised at 30 June 2023 (2022: \$4,977k) (refer to Notes 1.3, 3 and 7). As a result, the Authority's current liabilities exceed its current assets at 30 June 2023 by \$5,860k (2022: \$5,694k) and the Authority has a net deficiency of \$8,849k (2022: \$8,383k).

The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils.

Bentleys SA Audit Partnership

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

We have audited the accompanying financial report of the Fleurieu Regional Waste Authority, which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the Fleurieu Regional Waste Authority as of 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the committee and management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity'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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity'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 an 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID FRANCIS
PARTNER

Dated at Adelaide this 21st day of September 2023

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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

We have audited the compliance of the Fleurieu Regional Waste Authority (the Authority) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Authority 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 are in accordance with legislative provisions.

In our opinion, the Authority has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Authority 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 Authority have been conducted properly and in accordance with legislative provisions for the period 1 July 2022 to 30 June 2023.

Limitation on Use

This report has been prepared for the members of the Authority in accordance with *Section 129 of the Local Government Act 1999* in relation to 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 Authority, or for any purpose other than that for which it was prepared.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on internal controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

The Authority's Responsibility for the Internal Controls

The Authority 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 are in accordance with legislative provisions.

Our Responsibility

Our responsibility is to express an opinion on the Authority's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority 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 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority 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 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of internal 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 internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis on the assessed risks.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID FRANCIS
PARTNER

Dated at Adelaide this 21st day of September 2023

FLEURIEU REGIONAL WASTE AUTHORITY



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 Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.

A handwritten signature in black ink, appearing to read 'M Kelledy', with a long, sweeping underline that extends to the right.

Michael Kelledy
Chair of the Board
Fleurieu Regional Waste Authority

Date: 29 September 2023

FLEURIEU REGIONAL WASTE AUTHORITY



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 Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.



.....
Simon Grenfell
EXECUTIVE OFFICER
Fleurieu Regional Waste Authority

Date: '29 September 2023'

FLEURIEU REGIONAL WASTE AUTHORITY



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 Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.



.....
Peter Fairlie-Jones
Presiding Member Audit & Risk Committee
Fleurieu Regional Waste Authority

Date: 29 September 2023

FLEURIEU REGIONAL WASTE AUTHORITY



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 Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.



.....
Nigel Morris
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 29 August 2023

FLEURIEU REGIONAL WASTE AUTHORITY



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 Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.



.....
Victoria MacKirdy
CHIEF EXECUTIVE OFFICER
City of Victor Harbor

Date: 30 August 2023

FLEURIEU REGIONAL WASTE AUTHORITY



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 Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.



.....
Nathan Cunningham
CHIEF EXECUTIVE OFFICER
District Council of Yankalilla

Date: 31 August 2023

FLEURIEU REGIONAL WASTE AUTHORITY



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 Fleurieu Regional Waste Authority for the year ended 30 June 2023, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.



.....
Nicki Putland
ACTING CHIEF EXECUTIVE OFFICER
Kangaroo Island Council

Date: 4th September 2023

Bentleys SA Audit Partnership

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste Authority 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, 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*.

Bentleys SA Audit Partnership

David Francis
Partner

Dated at Adelaide this 30th August 2023

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1226 Port Elliot Road, Goolwa
Phone: (08) 8555 7405
www.frwa.com.au





Southern and Hills Local Government Association **Annual Report 2022/23**



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Southern and Hills Local Government Association – Snapshot

6
Councils

SIZE
8,656
Square Kilometres

\$5.36b
GROSS
REGIONAL
PRODUCT

63,519
EMPLOYED
RESIDENTS

5,539
KILOMETERS OF
LOCAL ROADS

132,206
REGIONS
POPULATION

TOURISM
Destination

Councils Total
Revenue
\$192 MILLION

OCEAN COASTLINE OF
652
Kilometres

Largest Industry
Employment
**Health Care and
Social Assistance**



About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

Collectively these six (6) Councils have:

- ☑ More than 131,000 people as of 30th June 2022.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

President's Report

It has been my pleasure to serve as S&HLGA president during 2023 as we have emerged from Covid and the 2022 Local Government elections.

This has been a year of consolidation and continuing the positive work of our key programs concerned with Transport, Public Health and Community Wellbeing and Climate Change impacts in our region. These programs and activities are all designed to drive and improve the wellbeing of our communities.

We have commenced collecting and analysing data and evidence to populate the Community Wellbeing Indicators. We are doing the same for our Climate Change impacts and tracking how we are doing against the model projections of our Regional Climate Adaptation Plan. We will persist with this exercise for some time.

I draw your attention to our key project during 2023 which was the Commonwealth funded (via the Preparing Australian Communities) "Bushfire and Biodiversity – Building balanced long term regional resilience". This project identified and showcased projects and case studies to map effective strategies and pathways to improve both bushfire resilience and biodiversity management for landholders and landscapes in our region.

The S&HLGA Board commissioned Jeff Tate Consulting to undertake a strategic review of the 2021-2025 Business Plan and the organisation. The Board is digesting the recommendations from this review and will seek to adopt and implement them during the following year.

We have continued to cement our many very valuable regional stakeholder and partner relationships, as well as maintaining and reviewing key performance and governance documents such as the Annual Key Action Plan and Annual Budget.

I also take this opportunity to thank outgoing President Mayor Keith Parkes for his leadership over the past years.

Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2022-2023 by Jen St Jack and Olivia Davies as co-ordinators of the Regional Climate Adaption Plan and associated projects.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs and nominated representatives to the S&HLGA Board.

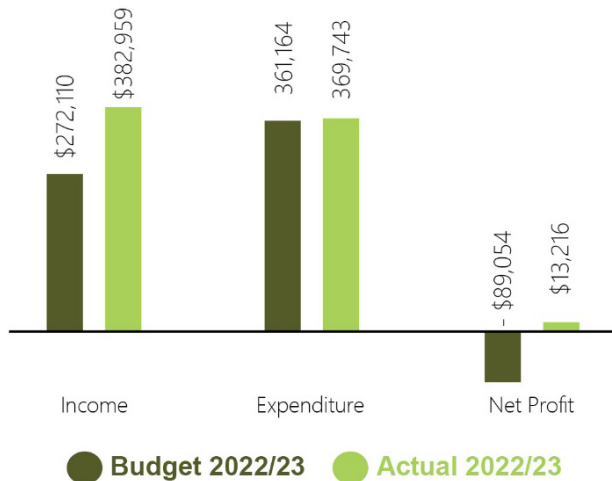
Mayor Moira Jenkins
President



2022/23 Dashboard

Financial Performance:

2022/23 Budget vs Actual



2022/23 Key Project:



Bushfire and Biodiversity – Building balanced long term regional resilience

The Commonwealth's Preparing Australian Communities Program funded the 'Bushfire and Biodiversity - Building balanced long term regional resilience' program.

This program identified and showcased projects and case studies to map effective strategies and pathways to improve both bushfire resilience and biodiversity management for landholders and landscapes within our region.

Key Program Achievements:



Transport

- \$2.2 million funding for roads through the Special Local Roads Program
- Migration to QGIS digital mapping



Public Health

- Endorsed the new Southern and Hills LGA 2022-2027 Regional Public Health and Wellbeing Plan
- Collecting data and evidence for Community Wellbeing indicators



Climate Change Adaptation

- Collected and presented preliminary evidence of actual tracking vs model projections of Regional Climate Change impacts
- Continued implementing and monitoring the Regional Hills and Coasts 2020-2025 Regional Action Plan



Strategy and Governance

- Undertook a comprehensive strategic review of the Southern and Hills LGA (organisation) and our 2021-2025 Business Plan

ORGANISATION

S&HLGA Organisation and its Board structure,
members and office bearers

The Southern and Hills Local Government Association Board

July 2022

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken A/CEO David Waters (Nov 2022)
Alexandrina Council	Mayor Keith Parkes	CEO Nigel Morris
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopoulos
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Simon Rothwell Mayor Darryl Houston	CEO Nathan Cunningham

Council	Proxy Representative	Role
Adelaide Hills	Cr Kirsty Parkin	Councillor
	Natalie Armstrong	
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Councillor
City of Victor Harbor	Cr David Kemp	Deputy Mayor
District Council of Yankalilla		Deputy Mayor

Office Bearers 2022 – 2023

President	Mayor Keith Parkes*, Alexandrina Mayor Moira Jenkins#, City of Victor Harbor * resigned February 2023, # appointed February 2023
Deputy President	Mayor Jan-Claire Wisdom, Adelaide Hills Council

Executive Officer	Mr Graeme Martin
--------------------------	------------------

Auditor	Ms Itisha Anand, Luke Bollmeyer – Accru+ Harris Orchard
----------------	---

Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes (resigned Feb 2023) Mayor Moira Jenkins Mayor Jan – Claire Wisdom (via Metro/GAROC)
-------------------------------	--

Delegates to SAROC	Mayor Darryl Houston	District Council of Yankalilla
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association
Past Presidents and Secretaries / Executive Officers**

Years	President	Council	Secretary / EO
2022 - 2023	Mayor Moira Jenkins ^H	City of Victor Harbor	Graeme Martin
2021 - 2022	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes ^g	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg ^f Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler ^d Graeme Martin ^e
2010 - 2011	Mayor Ann Ferguson ^c Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler ^b
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2002 - 2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 th July 1969	First Constitution for S&HLGA Adopted		

^a Until 12th May 2003 ^b Executive Officer ^c From February 2011 ^d To December 2011 ^e From January 2012

^f From February 2015 ^g From December 2017 ^h From February 2023

REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

S&HLGA Administration - Flow



The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
26 August 2022	Mt Barker
21 October 2022	Yankalilla
9 December 2022	Alexandrina
24 February 2023	Kangaroo Island
28 April 2023	Adelaide Hills
23 June 2023	Alexandrina

Key Issues acted on by the Board included:

- o Updating and maintaining of the S&HLGA Website to the LGA Squiz platform
- o Finalising and implementing the new 2022-2027 S&HLGA Regional Public Health and Wellbeing Plan
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Success with grant funding and commencing the “Bushfire & Biodiversity Project- Building balanced, long term regional resilience”.
- o Strategic review of S&HLGA organisation with a focus on a mid-term review of the organisation’s Business Plan 2021 – 2025.
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Implementing the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o 8 various speakers addressed meetings of the Board over the period 2022-2023.

The Board reviewed its achievements to date via the 2022-2023 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2023-2024.

In addition the Board conducted a Strategic Review of the organisation with a focus on its 2021-2025 Business Plan and preparing for its successor plan.

At the commencement of 2022-2023 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

S&HLGA Value proposition

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The Table 1 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years.

	2018	2019	2020	2021	2022
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202	\$21,570
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087	\$403,357
Return on Investment	3,375%	3,385%	2,968%	2,466%	1,870%

Table 1

COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs
and projects undertaken during 2022-2023

Committees and Working/Task Groups

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

	Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
1	Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
2	Resilient Hills & Coast - Climate change Adaptation	Committee member	Every 2 months	ongoing
3	Regional Economic Development Officers	Committee member	Every 2 months	ongoing
4	Regional EO Management Group	Secretarial/Administration	Every 2 months	Precedes SAROC
5	S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
6	S&HLGA Roads Works Group	Secretarial/Administration	at least 3 times per annum	ongoing
7	S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
8	SAROC	Advisor/Observer	Every 2 months	ongoing
9	SACCA	Observer	As necessary	ongoing



S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
20 September 2022	HDS (Aust) Pty Ltd offices
16 March 2023	On Line

Key achievements and outcomes:

- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2023 – 2024 based on the new 2030 Transport Plan critical Roads database.
- Further input into the South Coast Freight Corridor concept and SE Freeway issues.
- QGIS software licence and Roads Hierarchy Mapping support finalised

The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2023 – 2024.

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Range Road	Yankalilla	\$1,200,000	\$800,000	\$400,000	Stage 1 of 1
Spring Road	Kangaroo Island	\$2,100,000	\$1,400,000	\$700,000	Stage 1 of 3
Total		\$3,300,000	\$2,200,000	\$1,100,000	



S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
12 August 2022	On line
29 November 2022	On line
28 February 2023	On line
19 May 2023	Strathalbyn

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

Key achievements and outcomes:

- The Ministerial endorsement and commencement of the new 2022-27 S&HLGA Regional Public Health and Wellbeing Plan.
- Commenced partnership with LGA to advance investigation into Hoarding and Squalor
- Commenced population of the regional Community Wellbeing Indicators dataset
- Partnered with LGA to modify Squiz web platform to incorporate inclusion communications



S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
11 August 2022	District Council of Yankalilla
14 October 2022	Kangaroo Island Landscape Board
8 December 2022	Mt Barker District Council
30 March 2023	Adelaide Hills, Stirling
1 June 2023	Mt Barker District Council

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various “Climate Change” State Government agencies and authorities

Key achievements and outcomes:

- Successful appointment of Nature Conservation Society of SA to undertake a federally funded regional and community Resilience study – Balancing Bushfire & Biodiversity
- Successful Council & partner funding for the continuance of the Resilient Hill & Coasts project co-ordinator
- Collected and presented preliminary evidence of actual tracking v model projections of Regional Climate Change impacts
- Approved migration to stand alone Resilient Hills and Coasts website
- Rolled out a series of outreach sustainable homes webinar series



Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
8 August 2022	Mount Compass
7 November 2022	Langhorne Creek
13 February 2023	City of Victor Harbor
8 May 2023	Adelaide Hills Council, Stirling

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Generally, identify and develop regional economic growth strategies and opportunities

Key achievements and outcomes:

- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs
- Received Key speakers and presentations on Small Business, Hydrogen opportunity, Community Wealth building, RAA EV charging network
- Developed and reviewed a list of Private, public and Policy projects

	Regional LGA Organisations EO Management Group
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The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
24 August 2022	On line
3 November 2022	Adelaide Hills
16 February 2023	Mintaro
18 April 2023	LGFA offices
27 June 2022	On Line

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support

Key achievements and outcomes:
<ul style="list-style-type: none"> ○ Guidance and assistance with the regional road mapping exercise. Formed working task group (QGIS)
<ul style="list-style-type: none"> ○ Assisted Legatus Group in funding and developing Regional Local Government Workforce and careers project
<ul style="list-style-type: none"> ○ Worked with LGA to define the role and responsibility of regional organisation Executive Officers and SAROC/LGA
<ul style="list-style-type: none"> ○ Continued to advocate on regional CWMS and Waste issues
<ul style="list-style-type: none"> ○ Advocacy on the regional housing crisis, regional workforce development and regional mental health services



S&HLGA Advisory Group

The S&HLGA Advisory Group consists of the respective S&HLGA President and Deputy President and CEOs of the President and Deputy President Councils.

The S&HLGA Advisory Group held meetings on:

Date	Host
4 August 2022	Alexandrina
16 May 2023	City of Victor Harbor

Primary tasks and focus for this committee:

- Support the Southern & Hills LGA Executive Officer in reviewing the progress of the Southern & Hills Regional Key Action plan and Business Plan.
- To provide strategic advice to the Southern & Hills LGA and its Executive Officer.
- Provide a forum for, support and exchange of ideas around local government.
- Undertake the performance review of the Executive Officer of the Southern & Hills LGA in accordance with relevant contract requirements.
- Report back to the Southern & Hills LGA Board on projects and tasks as required.

Key achievements and outcomes:

- Developed a briefing paper for Minister for Transport visit to the region
- Revised the S&HLGA Board meeting Agenda format
- Reviewed and recommended the S&HLGA 2022-2023 Draft Budget
- Made recommendations with respect to the Jeff Tate S&HLGA Strategic Review Report



SAROC

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings for S&HLGA Board meetings and collegiate support to prepare submissions on behalf of regional Councils.



MP Relationships

The EO S&HLGA met regularly with the regions State government Members of Parliament (Finniss, Mawson, Kavel and Heyden) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings along with the regions State government MPs

Regional Research Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- LGA Building Capacity progress report
- LGA Building Capacity final report 2022-2023
- Bushfire and Biodiversity final report and acquittal.
- SAROC delegate report
- ESCOSA Council Oversight Fee structure

LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council), Mayor Keith Parkes (Alexandrina Council) and Mayor Moira Jenkins (City of Victor Harbor) have represented the Southern and Hills Region at the Local Government Association State Board meetings during 2022-2023.

Resources

The continuation of the *capacity building grant from the Local Government Research and Development Scheme* has improved the capacity of the Executive Officer that has been applied across a range of Association projects and programs during the year.

Part of the additional capacity has supported the processes and program and project outcomes from the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, S&HLGA Regional Public Health Committee and S&HLGA 2022-2027 Regional Public Health and Wellbeing Plan, RH&C Committee Regional Action Plan, involvement with LGA and SAROC, the regional EO group, the remaining regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Jen St Jack and *Olivia Davies* have provided under contract, project oversight and co-ordination of the work program of the Resilience Hills and Coasts, S&HLGA's Climate Change Committee.

2022-2023 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2022-2023



2022-23 S&HLGA ANNUAL KEY ACTION PLAN PERFORMANCE REPORT

KEY CATEGORIES & THEMES

THE 2021-2025 S&HLGA BUSINESS PLAN





KEY STRATEGIC OBJECTIVES	
1.	Advocate and Assist – Provide leadership and advocacy for its member Councils on regional and state issues
2.	Promote and Partner - To market & promote the Southern & Hills Local Government Association as a credible and capable advocate on behalf of its member Councils. Partner with relevant organisations and regional drivers
3.	Research and Recommend - To conduct research and communicate on important or emerging issues for Councils and their communities
4.	Capacity and Capability – Build the capacity of its member Councils. Provide valuable information. Explore opportunities both external and internal to build capacity and capability in our region
5.	Good Governance - Provide sound financial management. Ensure compliance with all regulatory obligations. Continually review, evaluate and mitigate risks










2022-2023 Annual Key Action Plan - Key Strategic Themes












Funding & Sustainability	Natural Environment	Built Environment	Healthy Communities	Profile & Relationships
<ul style="list-style-type: none"> Have input into LG reform via the LGA Explore S&HLGA Membership via a new Peri Urban region and continually seek External Funding for projects and programs 	<ul style="list-style-type: none"> Implement Resilient Hills & Coast Climate adaptation Plan and 2020-2025 Priority Action Plan Tender & complete PAC Bushfire & Diversity Project Overabundant species (Little Corella) Strategy and Management 	<ul style="list-style-type: none"> Advocate new 2030 S&HLGA Transport Plan and SLRP applications, Advocate South Coast Freight Corridor continue development of a Regional Infrastructure Plan (with RDA) Highlight and advocate for complete regional coverage of mobileTelecommunications and/or 5G 	<ul style="list-style-type: none"> Finalise S&HLGA 2022-2027 Regional Public Health Plan 	<ul style="list-style-type: none"> Continue relationship building with Government MPs Website information & maintenance

THE 2022-2023 S&HLGA ANNUAL KEY ACTION PLAN

Role	Items & Actions
General Administration (sound financial and compliance management, Good governance)	Budget, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
Projects and support (capacity and capability, research and recommend)	Finalise S&HLGA 2022-2027 Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan and 2020-2025 Priority Action Plan, Tender & complete PAC Bushfire & Diversity Project, Advocate new 2030 S&HLGA Transport Plan and SLRP applications, South Coast Freight Corridor
Leadership, advocacy and marketing	LG reform, Continue relationship building with Government MPs, Website information & maintenance, Peri-Urban grouping Overabundant species (Little Corella) Strategy and Management,
Opportunities (capacity and capability, promote and partner)	CWMS, Waste, Regional Infrastructure Plan, Membership and External Funding, Telecommunications and 5G

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial and compliance management, Good Governance)	Budget, Board meetings, Committee meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals,	Budget		2022-23 Adopted
		Subscriptions & levies		Finalised and invoices submitted
		Audit		Completed Aug 2022
		Annual Report		Completed Sept 2022
		LGA Grants		2021-2022 Regional Capacity Grant acquitted. 2022-2023 application submitted for approval by the LGA. Received Sept 2022
		Website		Updated regularly
Projects and support (Capacity and Capability, Research and Recommend)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		Final draft submitted to SA Health. Individual member Councils & Board have approved final draft
		Resilient Hills & Coast Climate adaptation Plan		Active and Regional Action 2020-2025 plan being executed
		Regional Transport Plan		2030 Plan adopted. New critical Roads database being developed. 2022-2023 SLRP funding

				approved by LGTAP. 2023-2024 SLRP applications in progress.
		Bushfire & Biodiversity		RFQ issued. Respondents evaluated and Consultant appointed. First draft of example cases studies developed
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs, Overabundant species	Peri Urban Regional Organisation Governance review		Peri-urban regional organisation yet to be investigated
		LG key issues		Continuing to work with the LGA/SAROC
		Relationship with MPs		Regularly meeting. Encouraging attendance at Board meetings
		Overabundant species(Little Corellas)		Working with Landscapes Board but slow progress. LGA awaiting pilot program results
Opportunities (Capacity and Capability, Research and Recommend, Promote and Partner)	CWMS, Regional Infrastructure Plan, External Funding, Digital Connectivity and telecommunications, Regional Business/Workstation hubs	CWMS		Committee to meet regularly. Liaise with Legatus and LGA CWMS management Committee. Workshop completed 4 Nov
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based – Bushfire & Biodiversity successfully funded
		Telecommunications		Working with RDA. Seek funding opportunities as presented
		SA Coastal Councils Alliance		Constant relationship with SACCA. Delegates nominated Feb 2023
		Regional Govt.Business Hubs		Commenced research with Alexandrina as a partner

Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	EO KPIs	Agreed in June 2022. Progress report Feb 2023
	Active/Lead	Budget 2022-2023	Adopted in June 2022
	Active/Lead	Key Action 2022-2023	Adopted in June 2022
	Active/Lead	Regional Capacity grant acquittal 2021-2022	Acquitted July 2022. Progress report Jan 2023
	Active/Lead	Audit 2021-2022	Commenced July 2022. Completed Sept 2022
	Active/Lead	Annual Report 2021-2022	Commenced August 2022. Completed Sept 2022
	Active/Lead	Website maintenance	Ongoing
Projects – Lead/S&HLGA Committee	Active/Lead	S&HLGA 2022-2027 Regional Public Health Plan/Committee	Ongoing meetings 12/8/22, 29/11/22,28/02/2023,19/05/2023
	Active/Lead	Resilient Hills & Coast	Ongoing meetings 11/8/22,14/10/22,8/12/22,30/03/2023,1/06/2023
	Active/Lead	S&HLGA Advisory Group	Ongoing meetings 4/8/22,16/05/2023
	Active/Lead	2030 Transport Plan/ Road Works Party	Ongoing meetings 20/9/22,16/03/2023
	Active/Influence	CWMS	Legatus Group now leading sector review. Update 24/8/22. Workshop 4 Nov, Conference 8 June 2023
Projects – Lead	Active/Lead	Bushfire and Diversity Project	Tenders issued, Consultant appointed. Commenced Aug 2022. Case studies developed
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects, key issues in conjunction with SAROC. Meeting 24/8/22,7/11/22,16/02/2023,18/04/2023, 18/04/2023
Projects - Partner	Partner/Influence	SA Coastal Councils Alliance	Maintaining relationship and support for Strategic and Business Plans
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G. Partner with RDA. Attended NBN Business satellite expo 17/8/22
	Partner/Influence	Economic Development Network Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public Transport. Meeting 8/8/22,7/11/22,13/02/2023, 8/05/2023
	Partner/Advocate	Northern Freight Bypass	Continue to advocate road upgrades with MRLGA
	Facilitator/Advocate	South Coast Freight Corridor	Finalise route. Develop Business Case. Advocate with State and Federal Govt. Seek funding. Minister attended S&HLGA Board meeting 26/8/22
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas

Category	S&HLGA Role	Item	Comment/Description
	Partner/Influence	Regional Government Business Hubs	Inform on criteria. Investigate potential. Partnering with Alexandrina
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2022-2023
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation.

Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MP.....	Members of Parliament
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

FINANCIALS

S&HLGA Audited Financial statement for 2022-2023

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ended 30th June 2023

	Notes	2023 \$	2022 \$
Income			
Subscriptions	1.8	132,680	129,423
Operating Grants	2.2	40,000	42,783
Investment Income	1.7	7,094	665
Other		203,185	115,694
		<hr/>	<hr/>
Total Income		382,959	288,565
Expenditure			
Employee Costs		157,309	150,733
Materials, Contracts and other expenses	3	206,431	218,354
Finance Charges		6,003	5,536
		<hr/>	<hr/>
Total Expenditure		369,743	374,623
		<hr/>	<hr/>
Surplus (Deficit) from Operations		13,216	(86,058)

The above Income Statement should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2023

	2023	2022
Notes	\$	\$
Current Assets		
Investments	155,291	218,876
Debtors	8,834	0
Total Current Assets	164,125	218,876
Current Liabilities		
Accounts Payable	0	2,673
Grants in Advance	27,000	81,818
GST	(24,802)	(1,808)
PAYG Payable	10,304	5,152
Employee provisions	36,169	36,169
Rounding	(14)	(15)
Superannuation payable	1,502	0
Wages payable	5,264	(599)
Total Current Liabilities	55,423	123,390
Net Current Assets	108,702	95,486
 Net Assets	 108,702	 95,486
 Equity		
Accumulated Surplus	108,702	95,486
Total Equity	108,702	95,486

The above Balance Sheet should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Changes in Equity for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	95,486	181,544
Net Surplus / (Deficit)	13,216	(86,058)
	108,702	95,486
Total Equity	108,702	95,486

The above Statement of Change in Equity should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	294,181	406,690
Payments	(382,893)	(382,437)
GST Paid (received)	0	(2,205)
Finance Costs	0	(5,537)
Interest Receipts	25,125	665
Net Cash Provided by (Used in) Operating Activities	(63,687)	17,176
Net increase/(decrease) in Cash Held	(63,587)	17,176
Cash at the beginning of the reporting period	218,876	201,700
Cash at the end of the reporting period	155,290	218,876

Reconciliation of Change in Net Assets to Cash from operating activities

	2023	2022
		\$
Net Surplus	13,216	(86,058)
Decrease / (Increase) in Provisions	12,517	8,063
Decrease / (Increase) in Debtors	(8,834)	0
(Decrease) / Increase in Accounts Payable	(2,673)	13,353
(Decrease) / Increase in Grants in Advance	(54,819)	81,818
Increase / (Decrease) in GST	(22,994)	0
Net Cash provided by Operating Activities	(63,587)	17,176

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2023

	2023	2022
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	294,181	406,690
Payments	(382,893)	(382,437)
GST Paid (received)	-	(2,205)
Finance Costs	-	(5,537)
Interest Receipts	25,125	665
	<hr/>	<hr/>
Net Cash Provided by (Used in) Operating Activities	(63,687)	17,176
Net increase/(decrease) in Cash Held	(63,587)	17,176
	<hr/>	<hr/>
Cash at the beginning of the reporting period	218,876	201,700
	<hr/>	<hr/>
Cash at the end of the reporting period	155,290	218,876
	<hr/>	<hr/>

Reconciliation of Change in Net Assets to Cash from operating activities

	2023	2022
		\$
Net Surplus	13,216	(86,058)
Decrease / (Increase) in Provisions	12,517	8,063
Decrease / (Increase) in Debtors	(8,834)	0
(Decrease) / Increase in Accounts Payable	(2,673)	13,353
(Decrease) / Increase in Grants in Advance	(54,819)	81,818
Increase / (Decrease) in GST	(22,994)	-
Net Cash provided by Operating Activities	(63,587)	17,176
	<hr/>	<hr/>

The above Statement of cash Flows should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

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.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 24 August 2023

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general-purpose financial report has been prepared 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 Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

1.2 Historical Cost Convention

Except where 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 the Authority'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 this note.

1.4 Rounding

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

1.5 Non-Current Assets and Non-Current Liabilities

The Association has nil non-current assets or non-current liabilities.

1.6 Employees

The Association has one employee having converted the CEO from contractor to employee in February 2019.

1.7 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal. The Charter has since been amended in January 2022 allowing flexible subscriptions.

Constituent Council Subscription 2023	\$20,500
Constituent Council Subscription 2022	\$20,000

1.9 Income recognition

The Association 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 Association expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when the Association 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 Association.

1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

Administration:	The operation of the Office of the Association and its decision making forums.
Special projects:	The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
2023	0	140,249	148,430	38.8%	194,640	52.6%	(54,391)
2022	0	131,295	131,295	45.5%	196,452	52.4%	(65,157)
Projects							
2023	129,849	104,680	234,529	61.2%	175,103	47.4%	86,426
2022	157,270	0	157,270	54.5%	178,171	47.6%	(20,901)
Total							
2023	129,849	244,929	382,959	100%	369,743	100%	32,035
2022	157,270	131,295	288,565	100%	374,623	100%	(86,058)

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

		2023	2022
Consultants:	Jeanette Pope	\$0	\$13,723
	URPS	\$0	\$2,443
	HDS Australia Pty Ltd	\$16,533	\$33,025
	Centre for Inclusive design	\$0	\$23,850
	Nature Conservation Society SA	\$79,567	\$0
	Jack Jensen	\$84,100	\$33,000
	Penny Worland Consulting	\$	\$21,944
	Jeff Tate Consulting	\$7,862	\$0
	AHC	\$0	\$10,000
<hr/>			
	Total	\$188,062	\$137,985
Materials and other expenses		\$18,369	\$80,369
<hr/>			
	Total	\$206,431	\$218,354

4. Comparison of Budget and Actual Results

	2023		2022	
	Budget	Actual	Budget	Actual
	\$	\$	\$	\$
Revenue				
Administration	137,180	140,249	131,281	131,295
Projects	219,757	261,529	144,270	157,270
<hr/>				
Total Revenue	356,937	401,778	275,551	288,565
Expenditure				
Administration	195,284	194,640	186,028	196,452
Projects	172,880	175,103	171,424	178,171
<hr/>				
Total Expenditure	368,164	369,743	357,452	374,623
<hr/>				
Surplus (Deficit)	(11,227)	32,035	(81,901)	(86,058)

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

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

Dated 29 August 2023



Graeme Martin
EXECUTIVE OFFICER



Mayor Moira Jenkins
PRESIDENT

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2023, the Association's Auditor, Accru Harris Orchard, 172 Fullarton Rd, Adelaide, 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*.

Dated 29 August 2023



Graeme Martin
EXECUTIVE OFFICER



Mayor Moira Jenkins
PRESIDENT

AUDITOR'S INDEPENDENCE DECLARATION

ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

To the Board Members of Southern & Hills Local Government Association

As lead auditor for the audit of Southern & Hills Local Government Association for the financial year ended 30 June 2023:

I confirm that, for the audit of the financial statements of Southern & Hills 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, 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.



ACCRU⁺ HARRIS ORCHARD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 29 August 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Opinion

We have audited the special purpose financial report of Southern & Hills Local Government Association (the "Association"), which comprises the statement of financial position as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and director's declaration.

In our opinion, the accompanying financial report of the Association for the year ended 30 June 2023 is prepared, in all material respects, in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Australian Accounting Standards and *Local Government Act 1999* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 an 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 Association's internal control.
- + Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- + Conclude on the appropriateness of the Board'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 Association'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 Association 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 management 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.



ACCRU⁺ HARRIS ORCHARD



**LUKE BOLLMEYER
DIRECTOR**

Dulwich, 29 August 2023

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

INDEPENDENT ASSURANCE REPORT

Qualified Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2022 to 30 June 2023 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2022 to 30 June 2023.

Basis for Qualified Opinion

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the Local Government Act 1999. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3150 Assurance Engagement on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Associations Responsibility for Internal Control

The Association is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives

- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements in undertaking this assurance engagement.

Auditor's Responsibilities

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the Local Government Act 1999 in relation only to the internal controls established by the Authority to ensure that financial transactions relating to 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 3000 Assurance Engagements Other than Audits or Reviews of Historical Information and ASAE 3150 Assurance Engagements on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority 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 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitations of Use

This report has been prepared for the members of the Authority 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 Authority, or for any purpose other than which it was prepared.

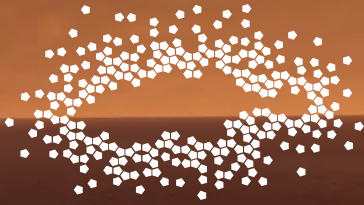


ACCRU⁺ HARRIS ORCHARD



LUKE BOLLMEYER
DIRECTOR

Dulwich, 29 August 2023



KANGAROO
ISLAND
COUNCIL