



ANNUAL REPORT **2020**

ADOPTED
25th November 2020

This page is intentionally blank



CONTENTS

1. Introduction
 2. Vision
 3. Executive Summary
 4. District Summary
 5. Your Council
 6. Performance Highlights
 7. Governance and Administration
 8. Infrastructure Services
- Attachment 1: Audited Financial Statements 2019/2020



INTRODUCTION

As we move into the next Financial Year, we should spend a little time reflecting on the achievements of 2020. Although not an exhaustive list, we have secured Special Local Roads funding for the first stage of the Orroroo Heavy Vehicle Bypass. We've established the *visitorroroo* brand with associated software and hardware to drive tourism in the region and vastly improved our tourism signage. We've developed a new Strategic and Community Plan to guide our decision making, delivered round one \$1 million Drought Communities program and also completed the \$120k Communities Combating Pest and Weeds Project.

At the same time we've coped with drought, flood and pandemic, the strains of which have impacted heavily on our staff as well as on all of the community. We have continued to function through shut downs, office closures and staff working from home.

Too often it's easier to take all this for granted and simply admit that people are just doing their jobs. From where I sit and being aware of what's been going on behind the scenes, this is selling our CEO and staff seriously short. We might be the smallest Council in the state so one would expect that we have the smallest staff but we still do everything that Councils three, four and five times our size do and do it most successfully.

It is my pleasure to present to you the 2020 Annual Report of the District Council of Orroroo Carrieton. We have an enormous amount of work to do in the next year but I'm confident in the ability of all our employees to achieve A grade results.

Kathie Bowman, **Mayor**



VISION

“We are a proud community and our vibrancy makes us resilient. Our residents, businesses and visitors prosper from our beautiful landscape, healthy environment and well serviced regional centre.”

EXECUTIVE SUMMARY

In preparing my report, I reflected on not only our achievements, but the challenges which escalated and those which emerged throughout this past year. Enduring some of those challenges as proficiently as Council has and continuing to move forward while others stopped may indeed be one of the greatest achievements.

It is widely recognised that the COVID-19 pandemic placed undue pressure on an already stressed local economy, some impacts of which may not yet be fully understood. Combined with the impacts of drought, the integrity of our business continuity strategies was tested, as was adaptability of our staff. We identified gaps in our plans for continuity and have improved them. I am also pleased to reflect on how staff managed the change and found new efficiencies in working remotely. They have emerged from this past year with capacity they were unaware they held.

Amidst it all, we further developed our strategic planning capability, connected with our community in new ways and commenced big infrastructure projects with the necessary financial prudence and consideration.



Dylan Strong

Chief Executive Officer



SOCIAL, COMMUNITY AND ENVIRONMENT

New 2020-2030 Strategic and Community Plan; major event coordination; Round 2 Drought Communities Program developed; Combatting Pest and Weeds for Increased Productivity Project.



GOVERNANCE, FINANCE AND ADVOCACY

Comprehensive asset review and revaluations; led Northern Alliance of Drought Affected Councils advocacy for community mental health and wellbeing; shared service delivery with neighbour Councils.



ECONOMIC AND TOURISM

Road maintenance schedule 100% complete; Updated Orroroo Heavy Vehicle Bypass plans and submitted funding application; new Tourism Masterplan; trail development; completed Orroroo CWMS.



DISTRICT SUMMARY

Orroroo is located in the mid north of South Australia, approximately 3 hours drive north of Adelaide and one hour east of Port Augusta and intersects two major road transport routes from the eastern states in Australia and Northern Territory and Western Australia.

Situated at the base of the Flinders Ranges the area retains much of its 1880's charm and is a popular tourism destination. The district has two major towns, Orroroo and Carrieton, with smaller historical locations of Eurelia, Black Rock, Morchard, Yatina, Pekina, Johnburgh and Belton dating back to the 1800's.

Orroroo has a range of essential services including a major Hospital, Health Centre, Area School, Library, Aged Care facility, a variety of community and culture associations and sporting facilities/clubs that are well supported and extremely competitive. The town centre hosts a range of business and trades which support the district.

The primary commerce in the region is agriculture, with the predominant commodity being food (cereal grains, legumes, meat) and wool.

Council works across industry sectors including food production, mining and engineering, energy, tourism and social services to ensure the opportunities in these areas are maximised and that new business opportunities are supported.



Council elected November 2018. From left: Cr Ralph Goehring, Dylan Strong (CEO), Cr Kathie Bowman (Mayor), Cr Grant Chapman (Deputy Mayor), Cr Joy Ford, Cr Lorna Schmidt (resigned 22nd April 2020).
Absent: Cr Colin Parkyn.

YOUR COUNCIL

Kathie Bowman, Mayor

PMB 6

ORROROO SA 5431

Email: kathie.bowman@orroroo.sa.gov.au

Phone: 0429 099 615

Grant Chapman, Deputy Mayor

PO Box 77

ORROROO SA 5431

Email: grant.chapman@orroroo.sa.gov.au

Phone: 0427 581 128

Colin Parkyn, Councillor

3 First Street

ORROROO SA 5431

Email: colin.parkyn@orroroo.sa.gov.au

Phone: 8658 1261

Mobile: 0427 715 862

Joylene Ford, Councillor

6 South Terrace

ORROROO SA 5431

Email: joylene.ford@orroroo.sa.gov.au

Phone: 8658 1235

Mobile: 0427 533 628

Ralph Goehring, Councillor

17 West Terrace

ORROROO SA 5431

Email: ralph.goehring@orroroo.sa.gov.au

Phone: 8658 1446

Mobile: 0428 581 124

PERFORMANCE HIGHLIGHTS

ORROROO HEAVY VEHICLE BYPASS

The draft plans for Orroroo Heavy Vehicle Bypass were updated and submitted for inclusion in the Legatus Regional Transport Plan. This was the next necessary step in pursuing relevant funding opportunities with the State and Federal Governments.

Continuing growth in freight volumes has given rise to a range of increasingly complex challenges for Council with regard to management of freight movement and mitigation of heavy vehicle impacts on the road network.

The road network in Orroroo Carrieton is subject to continuously increasing tourism and commercial traffic with expanding mining operations, and tourism destinations which exist within and beyond the district to the Flinders Ranges in the North. Traffic data collection on the Southern side of Orroroo between Feb-April 2020 showed heavy vehicle numbers of approximately 8,500 per month or more than 100,000 p/year using RM Williams Way.

When the freight traffic is combined with commuter and tourist traffic the total figure increases to more the 15,000 traffic movements per month. As these figures demonstrate, the freight movement accounts for more than 54% of all traffic and is affecting the existing road related infrastructure as visible in the photo below. Upgrade of existing road infrastructure is required, so it can to facilitate current and future development and traffic demand.

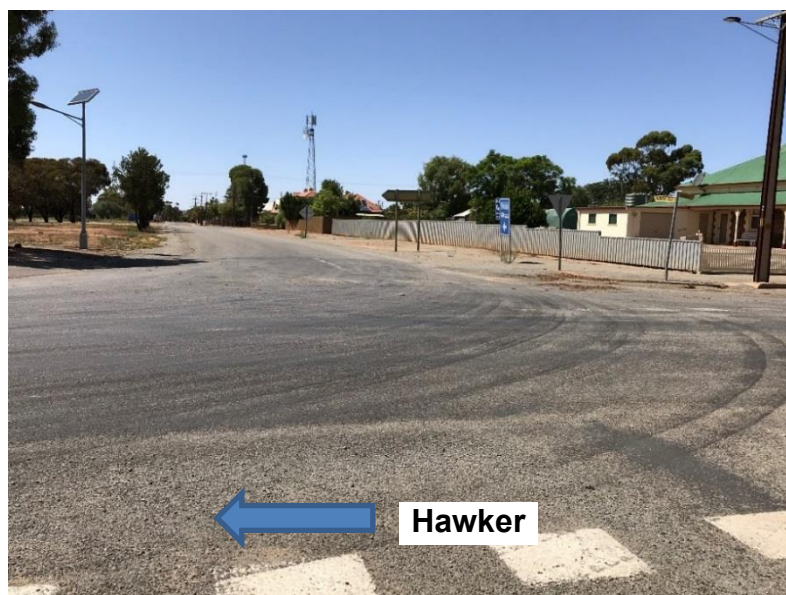


The existing heavy vehicle bypass has traffic management issues at the Minburra Road and Fourth Street intersections, with the turning area at Fourth Street restricting larger road trains & wide loads, see picture below. Consequently, a large number of heavy vehicles elect not to use the existing bypass route and travel through the Main Street (Second Street) of

Orroroo as a means to transit through the town. This poses significant risk to residents and increasing numbers of tourism visitors.



The current route travels along North Terrace immediately adjacent residential dwellings and two sporting/recreation grounds where the safety of residents, particularly children are a concern as demonstrated in picture below. Dust and noise pollution and exhaust emissions are also ongoing environmental and health hazard issues with the current route.



The key objective of the proposed Orroroo Heavy Vehicle Bypass project is to improve road safety and efficiency for freight transport around the township of Orroroo, by constructing new bypass road over the top of existing Railway Terrace and diverting heavy vehicles away from North Terrace on a new section of bypass on Weighbridge Road. This will reduce the impact of heavy vehicles upon residents and recreational areas and reducing the number of associated intersections along the route.

The bypass project has a number of sub-objectives including;

- Improved flow of heavy vehicle traffic around the perimeter of Orroroo, avoiding heavily populated residential areas and recreational areas.
- Improved pedestrian safety by diverting heavy vehicle traffic around the perimeter of Orroroo, avoiding heavily populated residential areas and recreational areas.
- Noise intrusion reduction for residents on North Tce, and immediate surrounds of the existing route.
- Improved accessibility by redirecting local traffic away from the existing weighbridge.
- Improved amenity in terms of visual impacts, provision of landscaping buffers adding to existing vegetation.
- Provide a road consistent with DPTI specification in the event that the type 2 road train route is extended past Orroroo.

An economic benefit analysis on the bypass project demonstrated how delivery of the project stood to benefit the local economy. The modelling projects a value-added \$1.17M in the district's economy based on the combination of all direct, industrial and consumption effects.

The application to the Australian Government's Special Local RoadP program was developed between September and December 2019. This included engagement with Mace Engineering Services and revising the previous proposal developed in 2017. Specifications were updated within current DPTI standards and budget estimates varied accordingly.

The application was submitted on the 6th July 2019. The project progressed to recommended project 5 of 5 following the review of the Regional Transport and Infrastructure committee.

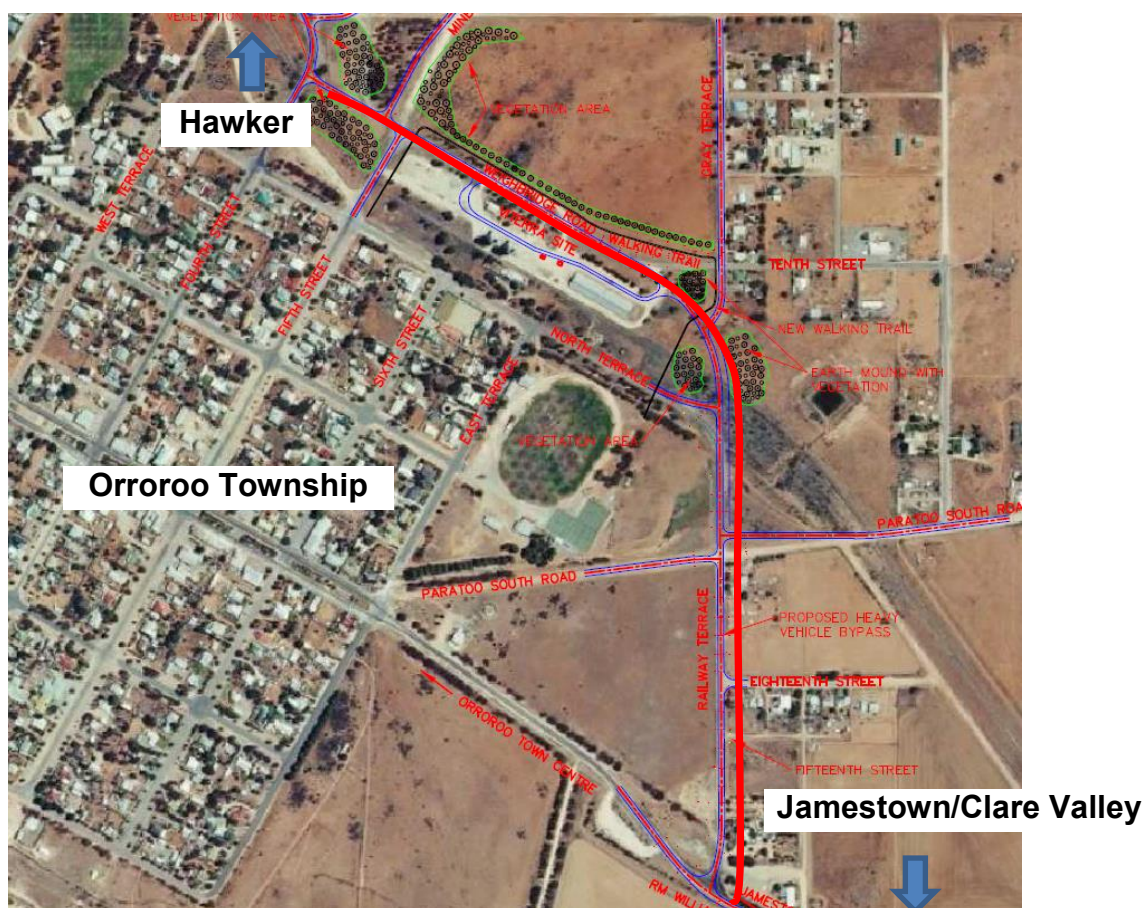
The application was reviewed and expanded based on feedback of the committee. Following the subsequent review of the Local Government Technical Advisory Panel the project progressed to recommended project 4 of 5 to the Special Local Roads Program.

Sector 1 includes the survey and final design of the full 1500 metre length of the proposed Orroroo Heavy Vehicle Bypass. Re-alignment and construction of Southern intersection with RM Williams Way, construct 11 metre wide formation and 300mm pavement with 8 metre wide 14/7 spray seal to new alignment, including aprons to North Tce, Eighteenth Street and Paratoo South Road along the current Railway Terrace (630 metres).

Sector 2 comprises construction of the remaining 0.876kms: new bypass between Railway Terrace and Weighbridge Road and RM Williams Way (North).

In addition to the above planned works, a prospective future stage of the bypass project which would establish a Western connector to the bypass from Willowie Road to RM Williams Way. This potential connector would improve the flow of heavy vehicle traffic around Orroroo and at the same time address the impact of heavy vehicles on the main street and central business district. The CBD of Orroroo becomes particularly congested during a busy tourist

season and transiting heavy vehicles pose risk to local traffic and pedestrian traffic alike. The economic benefits of removing heavy vehicles from the main street are notable. The resulting risk reduction would benefit the existing main street traders, encourage new development, main street events and attractions.



	2020-21 Application	Project Total
Estimated Cost (\$)	\$1,017,700	\$2,165,400
Length of Road (Km)	0.632	1.508
SLRP Amount Sought (\$)	\$ 715,000	\$ 1,516,000
Council Contribution (\$)	\$ 303,000	\$ 650,000

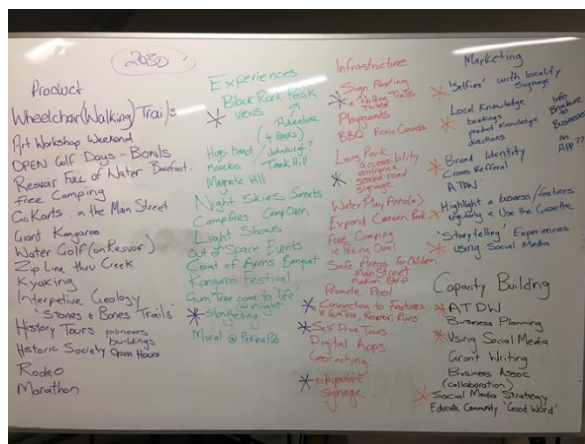
PERFORMANCE HIGHLIGHTS

TOURISM MASTER PLAN

The Orroroo Carrieton Tourism Master Plan was developed to improve the tourism and economic development potential of the Council area

The development of the Tourism Master Plan commenced with the Tourism Opportunities Forum held on the 29th July 2019. The forum brought together local tourism operators, industry representatives, business owners, aspiring entrepreneurs, and interested members of our community to explore existing strengths and discuss new ideas for the growing tourism market.

The special initiative considered how the Orroroo Carrieton district (Council, State & Federal Government, Business, Industry and Community) could collaborate to leverage opportunities; enabling the district to achieve its full potential in tourism.



Dr. Kristine Peters, of KPPM, facilitated the forum and also drafted the first iteration of the Tourism Master Plan which followed.



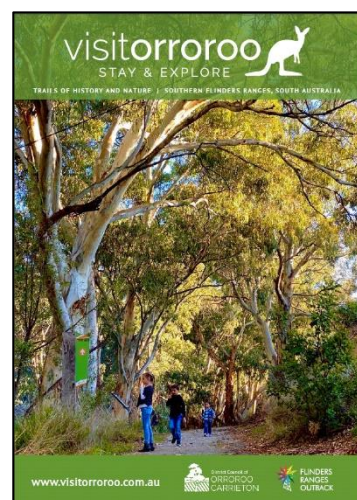
The Master Plan is intended to guide Council and the tourism sector in the achievement of increased visitation and spend with detailed 5 year goals, addressing a range of imperatives, including:

- Tourism Australia, SA Tourism Commission and Regional Development Australia Yorke and Mid North strategic priorities;
- Council investment and support;
- Funding sources and opportunities;
- Sector capability and how this might be further developed;
- Strategies for attracting new tourism businesses;
- Branding, storytelling and Visitor Information; and Marketing, promotion and communications.

A second forum was held in October 2019 as a “checkpoint” with the community. It was an important step in the plan’s development to ensure community participation and buy-in. The second forum held in the Memorial Hall attracted 20 participants (tourism operators, business people and interested individuals), many of whom were part of the opportunities forum held in July.

Following the adoption of the plan in November 2019, Council has undertaken the following actions in the delivery of the Master Plan:

- Stocktake and collation of established tourism products and events.
- Increased marketing via online events calendar and social media.
- VisitOrroroo brand established as a compelling brand and message that drives new visitation.
- Arranged repair of the free Wi-Fi in Orroroo main street.
- Consultant engaged to develop a Feasibility and Business Case for the Black Rock Woolpress.
- Developed shovel ready grant application for the Black Rock Woolpress development.



- Established the visitOrroroo website and supported Carrieton Progress Association in grant application for new Carrieton website.
- Commenced installation of improved visitor signage on attractions, facilities and directional.
- Commenced review of recreational use options of the Pekina Reservoir.
- Commenced assessment of the pros and cons of free camping closer to Orroroo.
- Developed self-drive and walking trail products in Johnburgh and Magnetic Loops, Magpie and Pekina Reservoir trails.



TOURISM MASTER PLAN

Outcome	Actions	Driver	Measure of success	Status
1. Coordinated implementation of the Tourism Masterplan	a. Hold a meeting of groups and 'drivers' every six months to plan and coordinate the next round of actions	DCOC	The Plan is implemented as intended	Initial 'drivers' meeting held October 2019
	b. At the end of each year, review progress and update the Plan to account for achievements, delays, and new opportunities	DCOC	The Plan is always current and provides a useful guide for tourism development	Review to be undertaken Dec 2020
2. Everyone knows what's available, when it's available, and what events are planned	a. Get the Tourism Masterplan out to the community and neighbouring towns, put it on the Council website and promote on community facebook pages	DCOC	People are talking about the Masterplan	Plan available online and hardcopies distributed to stakeholders
	b. Include our goals and 2019/20 actions in The Goyder's Line Gazette so that everyone knows what's planned	DCOC	Goals and Actions are published	Master Plan publicised in the Goyder's Line Gazette
	c. Businesses update opening hours and other events in The Goyder's Line Gazette	Business owners	The Goyder's Line Gazette is a reliable reference	GLG sent to regional VIC, active individual subscription list
	d. Community groups promote upcoming events well ahead of time	Community groups	The Goyder's Line Gazette is a reliable reference	
	e. Send The Goyder's Line Gazette to businesses and VICs in referral towns so that they know what's happening	DCOC	Other towns know what's happening and have up to date info	
	f. Businesses, Council and community groups keep their web, facebook and other social media pages up to date	Page/site owners	Online information is up to date and accurate	

	g. When visiting other towns, Orroroo Carrieton people promote the activities in our district	Everyone in the community	More visitors report hear about Orroroo Carrieton from others in our region	Numerous online marketing workshops held (made possible by external grants)
3. We are aware of SATC initiatives and capitalise on these where appropriate	a. Subscribe to SATC email updates b. Communicate opportunities to relevant parties	DCOC, Businesses Everyone	Businesses and tourism groups are aware of SATC initiatives and what they mean for Orroroo Carrieton	Subscription confirmed Council has an active online presence
4. A compelling brand and message that drives new visitation	a. Develop a brand and key messages that reflect the existing product and the product development outlined in this Plan	DCOC	Brand and messaging are adopted by operators and the broader visitor economy	VisitOrroroo brand developed and adopted New printed and electronic material prepared and distributed
5. Orroroo provides free Wi-Fi to visitors	a. Review the way we provide Wi-Fi to make sure it meets visitor needs b. Promote the Wi-Fi: posters in shops, promotion on social media, information to neighbouring VICs – encourage visitors to post stories about our district	DCOC ORTG	Visitors are happy with free Wi-Fi arrangements Visitors are logging on via Wi-Fi and posting stories about their stay in Orroroo Carrieton	Wifi repaired and functioning
6. Wool Press Rotunda and associated Median Strip planning is complete and 'grant ready'	a. Oversee the development of the Wool Press Business Case and prepare supporting grant material b. Monitor grant programs and apply for funding to implement the Wool Press business case	DCOC DCOC	Wool Press project is 'shovel ready' Grant applications submitted	Feasibility, Business Case and final plans completed, development application lodged Grant monitoring is regular and ongoing
7. Activate the empty buildings adjacent to the Wool Press site	a. Liaise with building owners and local artists and history group to put displays in shop windows	DCOC	Empty shops are appealing, and activation is planned	RSL Hall renovations occurring through DCP. Informal

(e.g. murals, Artvo)	b. Develop agreements with owners to allow popup activities in empty shops, with the intent of triggering the growth of new businesses	DCOC	Popup activities that tie in with other events have been successfully delivered	engagement with property owners.
8. Orroroo Carrieton is extremely well represented online	a. Develop an online marketing strategy that accelerates promotion of the district and its attractions and offers b. Source training in online promotion, including web, share economy, travel sites and social media c. Attend the Southern Flinders Tourism and Taste meetings to raise awareness of Orroroo Carrieton tourism offerings d. Develop and distribute a schedule for distributing the responsibility for posting great content on social media sites, so that all activities and attractions are included and post regularly	DCOC DCOC (with local support) All tourism operators ORTG	Coordinated marketing generates increased reach All 'visitor economy' businesses are listed on key sites (e.g. TripAdvisor) 100% increase in southernflindersranges.com listings from this district Increased social media reach, more locals involved in creating and posting good content	VisitOrroroo site developed Numerous online marketing workshops held (made possible by external grants)
9. Accommodation is listed on Airbnb	a. Hold an information session about operating on Airbnb and encourage property owners to list accommodation, especially in support of events that bring people into the district	DCOC	The district is well represented on Airbnb which creates additional accommodation for events	Forums in planning, postponed due to COVID-19
10. Track visitor type, activities and interests and use this to fine-tune and develop product and services	a. Develop a very short visitor survey that is used by all visitor economy businesses b. Analyse the findings every three months and publish a summary in The Goyder's Line Gazette	DCOC DCOC	Visitors are completing the survey and it's providing good intelligence Businesses are adapting their offerings to capitalise on tourism trends and new investment is occurring	Vision survey undertaken in 2019

11. New, exciting activities that attract more visitors and keep them here longer	a. Update documentation for existing trails and make it available in shops as well as online in easily findable sites	DCOC	Increased 'hits' on online trails, more visitors	4x trail products developed (Johnburgh, Magnetic, Magpie and Pekina Reservoir) Orroroo Recreation Ground Committee currently pursuing NYE 2020 event.
	b. Form a Working Group to run a new weekend event (e.g. Coat of Arms banquet)	DCOC	Event successfully delivered and learnings documented for future reference	
12. Our signage is easy for visitors to understand and navigate	a. Undertake an audit of wayfinding and promotional signage and develop a costed plan for updating signage	DCOC	The audit is complete and upgrades scheduled	Plan developed, signage upgrade occurring
	b. Install high priority signage	DCOC	Priority signage is installed	
13. We have assessed the pros and cons of free camping closer to Orroroo and decided on a course of action	a. Undertake a feasibility study of free camping options closer to Orroroo	DCOC	Study is complete	Review of recreational use of Pekina Reservoir commenced Consultation to occur September 2020
	b. Communicate findings to the community, and if favourable, develop a costed implementation plan	DCOC	Plan is complete, implementation underway	

PERFORMANCE HIGHLIGHTS

STRATEGIC AND COMMUNITY PLAN 2020-2030

Council developed a new Strategic and Community Plan 2020-2030. The development of the Plan was an integrated process covering:

- Asset Management Plan (AMP)
- Long Term Financial Management Plan (LTFMP)
- 5 Year Strategic and Community Plan (SCP)
- 2020/2021 Annual Business Plan and Budget

The review of the Council's Strategic Management Plans commenced in November 2019 with the "Vision Survey" which comprised ten questions distributed via survey monkey and hard copy to help Council better understand the aspirations, issues and priorities existing in the community at a point in time.

The top 10 priorities as identified by community through the vision survey were:

1. Fit for purpose community facilities
2. Medical Services
3. Education Services
4. Growing the tourism sector
5. Support for our local businesses
6. Maintaining our affordable lifestyle
7. Downward pressure on Council rates
8. The availability of child care services
9. Green and accessible parks and gardens
10. A healthy and productive environment

The Vision survey also assisted in identifying key themes in regard to how the community defined itself:



The vision survey also sought clarity on the way the community defined and described the district to a “hypothetical visitor”:



Council members have been readily involved with the development of the Plans. Their contribution occurred via the Audit Committee and elected member workshops along with a Special Council meeting held the 8th May 2020. Project progress reports were also provided at each ordinary meeting during the review.

Separate workshops were also undertaken with the workforce, allowing staff to contribute their view and operational context to the plans development.

Comprehensive asset review and revaluations undertaken in the review of the Long Term Financial Plan, in conjunction with the development of a new internal asset register system.

The public consultation on the plans was impacted by the unforeseen COVID-19 circumstances. Statutory consultation commenced on Monday 11th May 2020 and concluded on Monday 1st June 2020 at 11am. Due to the COVID-19 state of emergency public forums were unable to be held.

The Strategic Management Plans consultation and submission process was advertised in the Plains Producer and in Council's Goyder Line Gazette publication.



Copies of the Strategic Management Plans were available at:

- Orroroo Memorial Hall Information Bay
- Carrieton General Store, Carrieton
- Council's website

Importantly, irrespective of the COVID-19 challenges, the Strategic Plan, Long Term Financial, Asset Management Plan, Business Plan and Budget 2020/21 were developed, consulted and adopted prior to commencement of 2020/21 financial year.

COMMUNITIES COMBATTING PEST WEEDS FOR INCREASED PRODUCTIVITY PROJECT

The Communities Combatting Pest and Weeds for Increased Productivity Project was delivered on time and on budget. Opportunities were maximised to contribute to associated economic development potential of the Pekina Creek Walking Trail.

The Combatting Pest and Weeds for Increased Productivity project was funded through the Department of Agriculture and Water's (Commonwealth) community grants program. The total project totalled \$118,000.

Drought conditions impact heavily on primary production and an unfortunate side effect of a drought breaking is an increase in the presence of new and existing weeds on a property.

In many areas of Orroroo Carrieton the drought has devastated existing vegetation, removing all competition for light, nutrients, moisture and space. This will afford the quick establishment of weeds when they germinate from the seed bank immediately after rain occurs and conditions are favourable.

The drought has also caused mineralisation of nitrogen in the soil, and newly germinated weeds will take advantage of these nutrients. Established weeds in watercourses, which connect properties and shape the landscape, are often key enablers for the spread of weeds post drought.

These weeds have the potential to cause further economic and production losses to an already drought-impacted farming enterprise by decrease productivity through competition with pastures and poison stock. When it does rain, the spread and establishment of new weeds increases control costs significantly.

Through a landscape approach the project targeted weeds of national significance and declared weeds, both in the pasture zone and in ephemeral watercourses. The project targeted established weeds and contributed to the prevention of spread. It combined direct employment outcomes in the control of weeds. It also subsidised and enabled independent landholder action through subsidies, education and local support.

Weeds targeted included:

- African boxthorn (*Lycium ferocissimum*)
- Wild Olives (*Olea europaea*)
- Wheel Cactus (*Opuntia robusta*)
- Wild artichoke (*Cynara cardunculus*)
- African Rue (*Peganum harmala*)



Activities undertaken:

- Coordinator recruited. 2x casual employees recruited for manual treatments.
- Weed control – chemical. Subsidised chemical supplied through Ag suppliers, Landholders undertook application. (prickly Weeds of National Significance (WoNS), pasture weeds and woody weeds).
- Weed control – mechanical. Contractor employed. (prickly WoNS, pasture weeds, and woody weeds).
- Weed control – Direct treatment of weeds along Pekina Creek. One treatment undertaken in Spring (Sep 2019) and a second in Autumn (May 2020). Declared weeds and WoNS. Herbicide application and manual removal of olives and pepper trees. New technology trialed (capsule gun).
- Education Forum held September 18th 2019.



The project delivered some immediate economic benefits to Orroroo Carrieton economy. The subsidy operated in partnership with local agribusinesses (Landmark and Elders), delivering increased sales outcomes for the local agri-businesses sector and associated positive impacts for the broader local business sector.

It improved engagement between Council, landholders and land managers exchanging technical advice and expertise, thereby increasing local capacity. It contributed to social inclusion, connectedness and community pride by addressing the increasing issue of presence of declared weeds and weeds of national significance in the Pekina Creek and broader Pekina Catchment.



The outcomes of the project included:

- Positive and productive relationships between Council, the Regional Landscapes Board, local business, local land managers and community.
- Maintained and improved capacity, networks and knowledge to deliver on-ground & education projects.
- Knowledge and skills shared between agencies, business and land managers.
- Land holders or land managers are groups are committed, connected and cohesive.
- Improved preparedness for drought, and heightened resilience during drought.

The outputs and benefits include:

- Direct local employment, which extended for various periods over the life-time of the project's delivery.
- Short-term economic benefits for local businesses of funds circulating within the local economy.
- Short-term economic benefits for landholders in reducing the cost of weed management during drought.
- Long-term economic benefits resulting from reduced impacts of pest weeds on production and investment in improved practices.
- Short and long term social benefits for the community; through treatment of Pekina Creek and catchment.

Total budget - \$118,940.00

Total expenditure - \$118,960.05

Variance – (\$20.05)

AUSTRALIA DAY 2020 WINNERS

Mayor Bowman presented awards at the annual Australia Day Breakfast held at the Lions Park, Orroroo on Sunday 26th January 2020.

Kym, Christine & Heather Bertram – Joint Citizen of the Year



Heather, Kym & Christine Bertram with the award presented by Mayor Bowman

Kym, Christine and Heather Bertram of Orroroo have been jointly awarded the District Council of Orroroo Carrieton Citizen of the Year for 2020 for their service to the community.

Together, Kym, Christine and Heather have operated the Orroroo Caravan Park since 2003. From that time they have developed the Park and encouraged tourism to Orroroo and the greater community. They support community events through offering free accommodation to visiting contractors when they finish late at night.

Kym has dedicated many years to the Orroroo Football Club as Secretary of the Club from 2007 to 2015 and Bar Manager from 1985 to 2017. Whilst in the role of Secretary, Kym also served with the Northern Area Football Association as a Board member. He has been recognised for his commitment to the Club with a Meritorious Award in 1993 (jointly with wife Christine) and Life Membership in 2013.

Kym has also been a member of the Black Rock Dirt Circuit Club and has won a State Title representing the Club. Kym was also a member of the Orroroo Area School Governing Council when his children attended the school.

Christine has also dedicated many years to the Orroroo Football Club and is still the Ladies representative with the Club's Executive Committee and kitchen representative for the Football and Netball Clubs.

Christine is a founding member of the Orroroo Carols in the Main Committee, assisting with the organisation of the event each year which is a large community event in Orroroo each December and has just celebrated its 14th year.

Christine is also the Booleroo Centre Pekina Parish Pastoral Council Secretary and has volunteered many hours to many organisations and functions assisting in catering and helping where she can.

Heather has been an excellent advocate of tourism within the district, encouraging visitors to stay longer and make a return trip. Her enthusiasm and passion to building tourism in the district is to be commended.

Orroroo Health Service Centenary Celebration – Community Event of the Year



Orroroo Health Service representatives with the award presented by Mayor Bowman

Orroroo Health Service celebrated their Centenary on 5th April 2019. It was a very successful day, despite the wind and dust and well attended by past and present employees and doctors and community members. People from across Australia returned to Orroroo to reminisce about their time in Orroroo and connection to the hospital and health service.

Approximately 100 people had a 'Walk through of the Hospital' observing the many changes and renovations over the years. This was followed by a light lunch at the Golf Club for past and present staff members, Board members and invited guests, catered by the Orroroo Hospital Ladies Auxiliary.

An Official Celebration was held at the Orroroo Town Hall which included the unveiling of a painting of the original Hospital by Ross (Bud) Stephenson from Black Rock.

200 people attended and enjoyed afternoon tea and a comprehensive display of photos and memorabilia over the last 100 years in the Town Hall.

INAUGURAL DESPITE THE DUST COMMUNITY MUSTER

Over 700 people celebrated the true meaning of community spirit at the Despite the Dust Muster on Friday 13th December 2019 in Orroroo.

The Main Street was alive with great food, good times, music and laughter as the local community and visitors alike banded together in support of each other in light of the ongoing drought.



Image credit J Ford

Local talented music students opened the Muster, while regional bands Critical Limit and Road Kill, and headline act The Badloves, entertained for hours after sunset

As the district battles through the worst drought in living memory Mr Dylan Strong, CEO said that the District Council of Orroroo Carrieton worked with local volunteers to take action. “Connecting as a whole community reminds us all how resilient we are and that we are in it together”, he said.

“The atmosphere was truly inspiring, we had families attend from right across South Australia and yet the main street was just one big community enjoying each other’s company.”

The event was solely reliant on the generosity and support of a long list of sponsors, which extended to a lucky draw for 29 vouchers purchased from local businesses and the announcement of a stock feed donation from the Georgetown – Gulnare community.



LIVE IN ORROROO

13th December 2019

Thanks to the generosity and support of
our Sponsors & Partners

“How wonderful it was to have an event like this achieve what was intended – to lift the spirits of our community in the face of some extremely trying times”, said Mr Strong.

Local volunteer interest generated by Despite the Dust has continued and Council are optimistic of more positive wellbeing events being held in future.

ROUND 2 DROUGHT COMMUNITIES PROGRAMME

The District Council of Orroroo Carrieton will receive the full \$1 million under the Australian Government’s Drought Communities Programme Extension with approval being granted in February 2020.

Announced in November 2019, round two of the Australian Government’s Drought Communities Programme Extension (DCP) supports local community infrastructure and other drought relief projects for communities impacted by drought.

The announcement will see suite of activities delivered in 2020 that will create employment, stimulate the local economy and further build the resilience of communities throughout the district.

Mayor Kathie Bowman, said the announcement comes at a time when the district needs it most.

“Our district continues to battle through one of the worst droughts in living memory and when your primary commerce is agriculture, your whole community suffers”.

“This is a real opportunity to stimulate local spending and create jobs for businesses and people who are not doing so well”, Mayor Bowman said.

Following the hugely successful projects delivered in round one of the DCP in early 2019, Council undertook broad consultation of the community to develop the next round of projects.

Twenty one hugely diverse project submissions were received from the community, which informed the development of the Council’s funding application lodged at the end of January.

Projects will include improving the district’s water security, creating new facilities for youth and outdoor recreation, facilitating new initiatives with small business and community groups and upgrades of key community facilities.

Council also aims to stimulate business and generate jobs in the region through investment in local attractions, trails and campgrounds, which are key to growing tourism industry.

Mr Dylan Strong, Council’s CEO, acknowledged the level of input the community had into the application.

“There were so many ideas and suggestions that Council had a great challenge in determining which projects would take priority”.

“What is most rewarding about this funding, is that Council can now get on with delivering the exciting projects knowing the community has been behind them from the planning stage”, he said.

RURAL AID 10 TOWN MAKEROVER WINNER

Orroroo has been selected as the sole South Australian recipient of Rural Aid's 10 Town Makeover due to its vision for the future and leadership capabilities.

The Ten Town initiative is Rural Aid's way of supporting small rural communities and highlighting the impact the drought is having on them.

As a winning town, Orroroo will receive \$100,000 to be spent over five years on renewing the town.



Dylan Strong, CEO of the District Council of Orroroo Carrieton said the news is most exciting. "We are ecstatic to be selected as one of the Rural Aid 10 Town Makeovers, the hype surrounding the announcement has been so good to see", he said.

\$10,000 will enable leaders from Orroroo to work with expert consultants in developing a strategy for long-term renewal of the town and community. \$90,000 will be spent on materials for maintenance projects identified by the community.

Rural Aid's Farm Army of volunteers (between 50 – 100 people) will spend a week in Orroroo bringing a welcome financial injection to the town's businesses. Although the visit has been delayed, it is hoped that Rural Aid will commence work with the Orroroo Community in April 2021.

"This initiative is an injection of support we need to help build our confidence and community pride", said Mr Strong.

“The short and long term economic benefits of this initiative are most welcome in our district, and it will help renew the community’s focus on working toward some positive opportunities”.

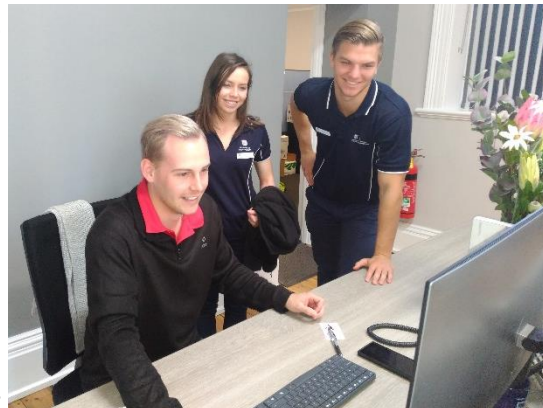
The remainder of the selected towns are located in Queensland, New South Wales and Victoria.



UNIVERSITY STUDENT PLACEMENT PROGRAM

The University of South Australia with assistance from the Mid North Local Health Cluster has formed a partnership with the District Council of Orroroo Carrieton for the placement of final year physiotherapy students to complete their Work Health and Safety (WHS) Practical. The aim of the student placements is to give physiotherapy students exposure to activities at a variety of workplaces and to thereby broaden their understanding of WHS issues in South Australian industries.

In July 2019, Council welcomed Kirsty Wyatt and Kaiden Coats to Orroroo and into their office. Kirsty and Kaiden conducted workstation assessments with the office staff and were able to provide advice on how desks should be set up to reduce manual handling.



In September Council welcomed a second placement, this time to the Council's Works Depot. Students Alexandra Moody and Rohan French provided manual handling training



to the Works Department. They also conducted research on the type of manual handling tasks that the Works team undertake on a regular basis. A third instalment of student placement provide manual handling training to Administration Staff. Students Jodi & Sam conducted research on the administration related manual handling tasks.

In May 2020, The University placed a fourth round of students in the District closely supported by Council. Fourth year students Maddy and Shania ran a nine week project aimed at assessing resident's access to allied health services such as physio therapy, podiatry, social work, dietitians and occupational therapy. In particular, the fourth placement over nine weeks is the first of what is hoped to be many, as SA Health partners with a number of Universities to get young professionals to study in the regions. Those who enjoy our big sky, clean air and country hospitality may even decide to hang around to have a future career here where opportunity exists!

FUNDING SECURED FOR ORROROO AIRSTRIP

The Orroroo Airstrip was among 60 nationally to receive a share of \$41.2 million Federal Government funding through the Regional Airports Program.

The District Council of Orroroo Carrieton has been awarded \$55,055 for fencing and lighting upgrades. District Council of Orroroo Carrieton CEO, Dylan Strong, welcomed the funding news, with council to match 'dollar-for-dollar' the grant amount.

"We've had a fairly serious problem with kangaroos and emus on our airstrip, so much so that at times the RFDS (Royal Flying Doctor Service) have not been able to land," he said.

"Generally council can get out and clear the animals off the strip, but other times when we're unable to clear it and make it safe to land-on planes have had to divert to Peterborough or even Port Pirie which adds significant response time to an emergency situation."

"Council received strong support from our regional partners in health and emergency services, which was essential in this successful application."

Works will be undertaken in the 2020/21 financial year. Mr Strong said Council would continue to preference local contractors in delivery of the upgrades.

PERFORMANCE HIGHLIGHTS

SIGNIFICANT OUTCOMES WORTH A MENTION

This non-exhaustive list represents some of the other significant outcomes achieved in the past year.

- ✓ Continued collection of outstanding rate debtors including properties identified to be transferred to Council for non-payment of rates under Section 184 and Section 185.
- ✓ Continued review of Council policies ensuring legislative compliance.
- ✓ Partnered with Peterborough & Flinders Ranges Councils for WHS support.
- ✓ Supported key community events including Australia Day Celebration, Remembrance Day, Carrieton Rodeo, Carols and the Christmas Pageant.
- ✓ Transfer of the Carrieton Institute to the Carrieton Progress Association.
- ✓ Upgraded Orroroo Swimming Pool including painting and line marking.
- ✓ Facilitation of the Orroroo Recreation Ground Committee.
- ✓ Completion of Orroroo Community Wastewater Management System.
- ✓ Secured Empowering Communities funding for a health and wellbeing for business managers program.
- ✓ Provision of Trees for Life trees and shrubs to residents & landowners.
- ✓ Upgrade and repair of Orroroo storm water harvesting system.
- ✓ Partnered with Port Pirie Regional Council for shared Environmental Health Officer and Financial Services.
- ✓ Ongoing training of operations staff in dog management and certification of operations staff in community wastewater management systems.
- ✓ Successful Drum Muster (estimated 1,000).
- ✓ Support for small business during COVID-19.
- ✓ Updated internal control systems to ensure compliance with accounting principles and Auditor requirements.
- ✓ Ongoing review and development of financial management policies, procedures and systems.



GOVERNANCE AND ADMINISTRATION

Access to Council Meetings, Committees and Documents

The District Council of Orroroo Carrieton supports the principle that the procedures to be observed at a meeting of Council or a Council Committee should contribute to open, transparent and informed decision-making.

However, Council also recognises that on a limited number of occasions, it may be necessary in the broader community interest to restrict public access to discussions or documents in some particular circumstances.

Council and Council Committee Meeting Timeframes

The Council has determined the following timeframes for its range of meetings after taking into account a requirement that it must meet at least once during the month, but not on a Sunday or public holiday.

Council Meetings

Ordinary Council Meetings are held on the fourth Wednesday of each month. The Ordinary Meetings are held in the Council Chambers at the Town Hall and commence at 9.00am.

During 2020, Council amended its Access to Council Meetings, Committees and Document Policy to facilitate participation by Council members in Council and subcommittee meeting by electronic means (Zoom). This was following the State Government declaration in relation to COVID-19 pandemic and state of public emergency. A total of three (3) Council Meetings and one (1) Committee Meetings were held via Zoom.



Ordinary Council Meetings

Elected Members Council & Committee Meeting Attendances 2019/2020 Financial Year		Or K Bowman	Or G Chapman	Or C Parkyn	Or R Goehring	Or J Ford	Or Schmidt	Totals		
		Mayor	Deputy Mayor					P	A	Ab
Ordinary Meetings of Council										
24 July	2019	P	A	P	P	P	P	5	1	
28 August	2019	P	P	P	P	P	P	6		
25 September	2019	P	P	A	P	P	A	4	2	
23 October	2019	P	P	P	A	P	P	5	1	
27 November	2019	P	P	P	A	P	P	5	1	
18 December	2019	P	P	P	P	P	P	6		
22 January	2020	P	P	P	P	P	P	6		
2 March *	2020	A	P	P	P	P	A	4	2	
25 March	2020	P	P	P	A	P	P	5	1	
22 April	2020	P	P	P	P	P	P	6		
27 May	2020	P	P	P	P	P		5		
214 June	2020	P	P	P	A	P		3	1	
P	Present	11	11	11	8	12	8	60		
A	Apology	1	1	1	4		2		9	
Ab	Absent without Apology									0
GRAND TOTAL		12	12	12	12	12	10			

* February 2020 Meeting was adjourned to lack of quorum and then held on 2 March 2020.

Special Council Meetings

Although it is infrequent, there are provisions in the Local Government Act 1999 whereby Special Council Meetings can be held at any time (pursuant to Section 82 of the Act). The following Special Meetings of Council were held during 2019-2020:

Elected Members Council & Committee Meeting Attendances 2019/2020 Financial Year		Or K Bowman	Or G Chapman	Or C Parkyn	Or R Goehring	Or J Ford	Or Schmidt	Totals		
		Mayor	Deputy Mayor					P	A	Ab
Special Meetings of Council										
15 April	2020	P	P	P	P	P	P	6		
8 May	2020	P	P	P	P	P		5		
10 June	2020	P	P	P	Ab	P		4		1
P	Present	3	3	3	2	3	1	15		
A	Apology									
Ab	Absent without Apology				1					1
GRAND TOTAL		3	3	3	3	3	1			

Community Committees & Advisory Committees

The Council has a number of Community & Advisory Committees, which may consist of persons other than Councillors and which may meet at different locations and at different times, depending upon the particular circumstances.

The Chief Executive Officer has the responsibility for determining the timing and places for Community & Advisory Committees having regard to availability of Committee members and the nature and purpose of the particular Committee.

Elected Members Council & Committee Meeting Attendances 2019/2020 Financial Year		Or K Bowman	Or G Chapman	Or C Parkyn	Or R Goehring	Or J Ford	Or Schmidt	Totals		
		Mayor	Deputy Mayor					P	A	Ab
Works & Engineering Committee										
21 August	2019	P	P		P		P	4		
18 November	2019	P	P		P		Ab	3		1
10 February	2020	No Quorum achieved								
P	Present	2	2		2		1	7		
A	Apology									
Ab	Absent without Apology						1			1
GRAND TOTAL		3	2	0	2		2			

Elected Members Council & Committee Meeting Attendances 2019/2020 Financial Year		Cr K Bowman Mayor	Cr G Chapman Deputy Mayor	Cr C Parkyn	Cr R Goehring	Cr J Ford	Cr Schmidt	Totals		
								P	A	Ab
Audit Committee										
22 October	2019	P	P			P		3		
21 January	2020	P	P			P		3		
6 May	2020	P	P			P				
P	Present	3	3			3		6		
A	Apology									
Ab	Absent without Apology									0
GRAND TOTAL		3	3	0	0	3	0			

Elected Members Council & Committee Meeting Attendances 2019/2020 Financial Year		Cr K Bowman Mayor	Cr G Chapman Deputy Mayor	Cr C Parkyn	Cr R Goehring	Cr J Ford	Cr Schmidt	Totals		
								P	A	Ab
Governance & Corporate Services Committee										
No meetings held during 2019/2020										
P	Present									
A	Apology									
Ab	Absent without Apology									0
GRAND TOTAL		0	0	0	0	0	0			

Elected Members Council & Committee Meeting Attendances 2019/2020 Financial Year		Cr K Bowman Mayor	Cr G Chapman Deputy Mayor	Cr C Parkyn	Cr R Goehring	Cr J Ford	Cr Schmidt	Totals		
								P	A	Ab
Orroroo Lifestyle Units Advisory Committee										
22 July	2019	P		P		P		3		
P	Present	1		1		1		3		
A	Apology									
Ab	Absent without Apology									
GRAND TOTAL		1	0	1	0	1	1	0		

Audit Committee

This report presents a summary of the District Council of Orroroo Carrieton Audit Committee's activities undertaken and recommendations made during the 2019/2020 financial year.

Conduct of Meetings

The Committee met on three occasions during the period 1 July 2019 to 30 June 2020 with the following attendance:

Committee Members	Meeting Dates		
	22/10/2019	21/2/2020	6/5/2020
Ian Swan (Chairperson & Independent Member)	✓	✓	✓
Cr Kathie Bowman (Mayor)	✓	✓	✓
Cr Grant Chapman (Deputy Mayor)	✓	✓	✓
Cr Joy Ford	✓	✓	✓

Committee note that it is required to meet a minimum of four times per year which strictly speaking was not achieved. It further notes however that a meeting was held on 19th June 2019 two weeks before the beginning of the 2019-2020 financial year which considered Annual Business Plan & Budget for 2019/2020. Accordingly the Committee considers that the intention of the four meeting requirement has been satisfied, particularly given that all work planned and spread across review at four audit committee meetings was satisfactorily addressed.

Audit Committee Achievements

The following table summarises the activities and principal issues addressed by the Committee during 2019/2020:

Principal Issues Examined	Status	Recommendations to Council
Review of Annual Financial Reports for year ended 30 June 2019	Completed	The Audit Committee endorsed the Financial Report for 2019 with the reports recommended to Council for adoption.
Review of Financial Controls Audit – 2018/2019 Year	Completed	The Audit Committee reviewed the Financial Controls Review – Interim Management Letter and required update reports provided on the implementation of the recommendations and actions for the

		purpose of achieving an unqualified audit for the 2018/2019 year.
Review 2019/2020 Draft Annual Business Plan & Budget	Completed	The Audit Committee considered the Draft Annual Business Plan and Budget for the 2019/2020 year at its meeting held in June 2019.
Review of Draft Strategic Management Plans	Completed	The Audit Committee considered the following Strategic Management plans, namely the Strategic & Community Plan 2020-2030, Long Term Financial Plan 2020-2030 and Asset Management Plan 2020-2030 and recommended to Council that they be released for public consultation.
Review of Budget 2019/2020	Completed	The Audit Committee considered quarterly budget reviews which they referred to Council for adoption.
Review of Risk Evaluation KPI Audit 2019	Completed	The Audit Committee considered the Action Plan addressing non-conformance and proposed actions which was received and noted.
Review 2020/2021 Draft Annual Business Plan & Budget	Completed	The Audit Committee considered the Draft Annual Business Plan and Budget for the 2019/2020 year at its meeting held in June 2019. It was recommended to Council that the Plan & Budget be endorsed for community consultation.

The Audit Committee operated effectively during 2019/20. It fulfilled Local Government Act requirements, Council's terms of reference for it and its own work program. It has assisted Council in making steady progress in improving its financial governance and ongoing financial sustainability.

Circumstances where the Public can be excluded from a Meeting

A Council or Council Committee may order that the public be excluded from attendance at any part of a meeting as is necessary to receive, discuss or consider in confidence.

The following table is a summary of the items that were discussed during 2019/2020:

Date	Agenda Item No	Description	Local Government Act Section	Motion No	Withhold Period
24 July 2019	16.1	Chief Executive Officer Performance Review	90(2) 90(3)(k) 91(7)	025/0719	12 months
24 July 2019	16.2	Legal Action – Destruction of Property	90(2) 90(3)(g) 91(7)	027/0719	Until legal proceedings are concluded
28 August 2019	17.1	Concept Plans for Crown Lands Adjoining Orroroo	90(2) 90(3)(d) 91(7)	033/0819	Until such time as the land is released for development
28 August 2020	17.2	Legal Action – Destruction of Property	90(2) 90(3)(g) 91(7)	036/0819	Until legal proceedings are concluded
25 September 2020	17.1	Legal Action – Destruction of Property	90(2) 90(3)(g) 91(7)	016/0919	Until legal proceedings are concluded
22 January 2020	17.1	Concept Plans for Crown Lands Adjoining Orroroo	90(2) 90(3)(d) 91(7)	020/0120	Until such time as the land is released for development

22 January 2020	17.2	DCP Extension (Round 2) Application	90(2) 90(3)(d) 91(7)	023/0120	Until such time as the application has been approved by the Department and contractors have been engaged for all projects
27 May 2020	17.1	DCP Extension (Round 2) Application	90(2) 90(3)(d) 91(7)	021/0520	Until such time as the application has been approved by the Department and contractors have been engaged for all projects
27 May 2020	17.3	Concept Plans for Crown Lands Adjoining Orroroo	90(2) 90(3)(d) 91(7)	024/0520	Until such time as the land is released for development
24 June 2020	17.1	Concept Plans for Crown Lands Adjoining Orroroo	90(2) 90(3)(d) 91(7)	024/0620	Until such time as the land is released for development
24 June 2020	17.2	Viterra Site Orroroo	90(2) 90(3)(d) 91(7)	027/0620	12 months

Elected Members Training and Development

The Council Members Training and Development Policy was last reviewed and updated at its June 2016 Council Meeting. The policy has been developed in accordance with Section 80A of the Local Government Act 1999.

The District Council of Orroroo Carrieton is committed to providing training and development opportunities for its Council Members, including the mandatory training requirements under the *LGA Training Standards*, and recognises its responsibility to develop and adopt a policy for this purpose under section 80A of the *Local Government Act 1999* (“the Act”).

Following the amendments to the Act and the *Local Government (General) Regulations 2013* (“the Regulations”) in November 2014 with regards to training requirements, this Policy incorporates the new requirements for Council Members to undertake mandatory training within the first year of election to office, which complies with the *LGA Training Standards* as defined in regulation 8AA of the Regulations.

All training undertaken by elected members will be recorded in the Council Allowances and Benefits Register which will be updated as required to reflect attendances.

Following the local government elections in November 2018, all elected members undertook finance and governance training provided by Norman Waterhouse Lawyers.

Elected Members Allowance

The Local Government Act 1999 - Schedule 4 requires information about Allowances paid to Elected Members and Council Committee Members [clause 1 (f)] to be included in the Annual Report of Council.

Elected Members Allowances are determined in accordance with the Local Government Act 1999 and the Local Government (member’s allowances and benefits) Regulations 2010. The Council is classified as a Group 5 Council.

Group 5 Council	From Nov 2019
Chairman Allowance	\$26,968
Deputy Chairman Allowances	\$8,427
Councillors Allowances	\$6,742

The following Elected Members Allowances were paid during the 2019/2020 year.

Councillor Allowances	Councillor Allowances	Travelling Allowances
Cr Colin Parkyn	\$6,681.50	-
Cr Kathleen Bowman	\$25,443.00	\$930.24
Cr Grant Chapman	\$8,351.95	-
Cr Joylene Ford	\$6,681.50	-
Cr Ralph Goehring	\$6,681.50	-
Cr Lorna Schmidt	\$4,996.00	-
Total 2018/2019	\$58,835.45	\$930.24

The Chairman of the Audit Committee, Mr Ian Swan, was paid a total of \$2,970 during 2019/2020.

Elected Member Discretionary Allowance

An elected member shall be entitled to seek reimbursement for any Discretionary Expenses associated with Council affairs by the completion of a report for consideration by the Council.

No reimbursements were provided during 2019/2020 year.

Elector Representation

In accordance with the Local Government Act 1999 – Schedule 4 ("the Act") requires Council to make a statement of-

- i. The council's representation quota; and
- ii. The average representation quota for councils of a similar size and type (taking into account various factors prescribed by the regulations); and
- iii. When the council next intends to conduct a review under Chapter 3 Part 1 Division 2; and
- iv. The procedures that is available under Chapter 3 for electors to make submissions on representation under this Act;

The District Council of Orroroo Carrieton last completed an Elector Representation Review in 2017. An elector representation review is required to be undertaken by a Council at intervals as determined by the Minister. The current required interval is at least once in every eight (8) years therefore the next review for the District Council of Orroroo Carrieton shall occur no later than 2025.

Strategic Direction

Council adopted a new 10 year Strategic & Community Plan in June 2020: *Prosperity and Resilience 2020 - 2030*. This Strategic and Community Plan is the centrepiece of Council's suite of strategic management documents which also includes Council's Long Term Financial and Asset Management Plans and Annual Business Plan.

The Strategic and Community Plan is a tool for defining the direction of the district. By identifying a vision, themes, strategies and key projects, Council is creating a roadmap for 2020 – 2030.

Throughout the 10 year lifetime, the Plan will be regularly reviewed to ensure it remains relevant to the Orroroo Carrieton community and district.

Our Vision

We are a proud community and our vibrancy makes us resilient. Our residents, businesses and visitors prosper from our beautiful landscape, healthy environment and well serviced regional centre.

Strategic Pillars

The Plan is built upon four key themes:

Prosperity | A strong and diversified local economy

Lifestyle | Healthy, connected and empowered communities with the services they need

Leadership | Informed decision making, strong advocacy and adaptive with change

Landscape | A healthy, productive environment supported by best practice



Long Term Financial Management Plan and Asset Management Plan

The purpose of the Long-Term Financial Plan (LTFP) is to express, in financial terms, the activities that the District Council of Orroroo Carrieton proposes to undertake over the medium to longer term to achieve its stated objectives as outlined in its Strategic Management Plan.

It is a guide for future action based on the longer-term impact of revenue and expenditure proposals. The aggregation of future intended outlays and anticipated revenues enables the accumulating overall financial implications to be readily identified and if warranted, for proposed future activities to be revised.

Long-Term Financial Plans are particularly important for local governments as they are responsible for managing a high level of long-lived assets relative to their income base. A council may have long-periods with modest levels of asset renewal requirements and then other periods when very significant outlays are necessary. All councils need to generate revenue in an equitable manner over time and ensure they have capacity to finance peaks in asset management and other outlays, including by way of borrowings where necessary.

The preparation of a LTFP generates improved information to guide decisions about the mix and timing of outlays on operating activities and additional assets and the funding implications of these. Without a soundly based LTFP, an organisation with significant asset management responsibilities is unlikely to have sufficient data to determine sustainable service levels and affordable asset stockholding strategies, appropriate revenue targets or optimal treasury management.

Following public consultation, Council adopted its Long Term Finance Plan 2020-2030 at its Meeting held on 22nd June 2020.

Council's Financial Sustainability Assessment after Implementing the Financial Strategy

The key financial indicators now point to Council operating in a sustainable manner over the life of the Plan.

The Operating Surplus Ratio indicates Council is covering its operating expenses including depreciation over the life of the plan.

The Plan funds capital renewal requirements as calculated based on Councils existing asset data. The Asset Sustainability Ratio demonstrates that Council is replacing its infrastructure in a timely manner.

A number of capital projects have been funded over the first five years of the Plan with capacity to take on extra projects also being created for the last 5 years of the Plan.

It is intended to update the Long-term Financial Plan annually as part of the annual business planning process.

Annual Business Plan and Budget 2019/20

In preparation of the 2019/20 Annual Business Plan and Budget, Council again conducted an extensive consultation process that included two public meetings at Pekina and Carrieton.

The 2019/20 Annual Business Plan and Budget was adopted in July 2019 with a focus on delivering key capital projects, maintaining core service delivery, and keeping rate increases to a minimum.

The adopted 2019/20 Budget ensured Council's financial sustainability in the medium to long term while still achieving the objectives of the former Strategic and Community Plan for 2017-2022.

Statutory financial statements

The audited financial statements are included in Appendix A. These document the financial results for 2019/20.

Auditor Independence

Councils are required to report on the remuneration payable to the auditor during the year and to differentiate between audit and non-audit fees.

The Council auditor details for the 2019/20 financial year are:

Galpins Auditors & Accountants

PO Box 4067

NORWOOD SA 5067

Phone: 8332 3433

Term of Appointment *2015-2020 (5 Year term)*

Amount paid for audit services during 2019/2020 year was \$32,744.80 inc GST

Community Lands Register & Management Plans

Pursuant to Section 196 of the Local Government Act 1999, Council has prepared and adopted Community Lands Register and Management Plans for the following categories of land:

- Recreation reserves
- Cemeteries
- Development Parklands

- Rubbish Dumps
- Vacant Land
- Council Houses
- Airstrips / aerodromes

The Plans were adopted at the Ordinary Council Meeting in July 2007 and were last reviewed in June 2013. Review commenced in the 2019/20 financial year and will be completed in the 2020/21 year.

Internal Review of Council Decisions

The District Council of Orroroo Carrieton is committed to transparent decision-making processes, and to providing access to a fair and objective procedure for the internal review of decisions.

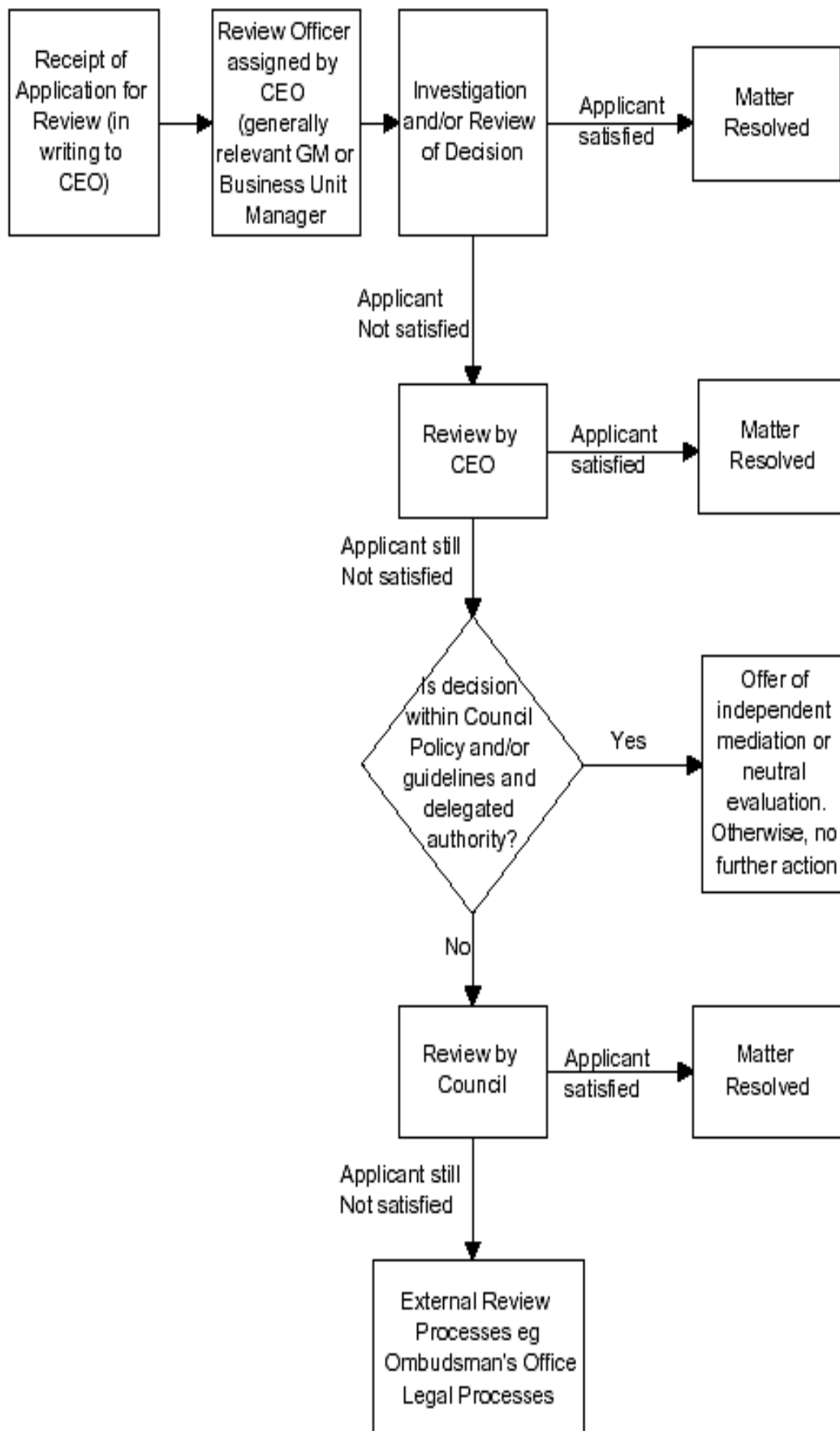
Grievances may arise as a result of dissatisfaction with a decision about a policy, procedure, service or fee. All attempts will be made to resolve grievances quickly and efficiently, without the need for formal applications for review to be lodged. Sometimes this cannot be achieved. Council's Internal Review of Council Decisions Policy provides guidance for dealing with formal requests for internal review of decisions of Council, its employees, and other people acting on behalf of the Council.

Dealing with grievances at the local level is the most effective way of resolving matters quickly. Applicants for review of decisions will be encouraged to participate in the review handling process co-operatively. However, this will not negate citizens' rights to seek external review through the State Ombudsman, other legal appeal processes, or the Courts at any time during the internal review process.

The Council's Internal Review of Council Decisions Policy, has been adopted in accordance with Section 270 of the Act. This policy was formally reviewed by Council on 22nd June 2016 and is one aspect of Council's customer focused approach to service delivery. It provides a further opportunity to review the way Council provides services to the community, and to identify areas for improvement.

The diagram (on the following page) demonstrates the review processes available to the applicant for the review of Council decisions:

During 2019-2020 reporting year, Council did not receive any applications.



National Competition Policy

Pursuant to the Government Business Enterprises (Competition) Act 1996 Council has no report to make as no activities were conducted in Category 1 or 2 activities during the 2019-2020 financial year. Council does not operate any business activity subject to the application of Policy principles.

Procurement - Competitive Tender and Local Purchasing

The Council has reviewed its procurement processes and the Procurement Policy was reviewed and adopted in May 2019 pursuant to the Ombudsman Act 1972, Local Government Act 1999 and Work Health and Safety Act 2012.

Council's Procurement Policy has been applied in the purchase of all goods and services including items of a capital nature during the reporting year. Wherever possible the use of local suppliers for the purchase of goods and services is given due consideration provided the specification and other prerequisites meet Council's requirements.

Council did exercise discretion during 2019/2020 with its Procurement Policy when engaging contractors and suppliers required with respect to the delivery of the Drought Communities Programme – Extension due to the tight timeframes required to complete the projects.

Services that were contracted out or subject to a competitive tender process in 2019/20 included:

Civil equipment hire	Building maintenance
Vehicle & Plant acquisitions	Printing & Distribution
Cleaning services	Waste collection
Tree removals	Landfill management
Fire & Emergency Equipment testing	Waste water removal
Engineering supervision	Environmental health services
Engineering design	Public lighting
Asset data maintenance	Accounting services
Road construction	Auditing
Development/building assessment	IT Management
Grave excavation	Hygiene services
Recycling	Fuel supplies

By-Laws

Pursuant to section 249(7) of the Local Government Act 1999, notice was given that at its meeting on 25th May 2016, the Council adopted the following by-laws:

1. Permits and Penalties By-law No. 1 of 2016;
2. Moveable Signs By-law No. 2 of 2016;
3. Local Government Land By-law No. 3 of 2016;
4. Roads By-law No. 4 of 2016;
5. Dogs By-law No. 5 of 2016;
6. Cats By-law No. 6 of 2016; and
7. Waste Management By-Law No. 7 of 2016

Copies of the By-laws are available for review during ordinary office hours at the Council's office located at 17 Second Street, Orroroo SA, and on the Council's website <http://www.orraroo.sa.gov.au>.

The By-laws commence operation in accordance with section 249(5) of the Local Government Act 1999, four months after the day on which they are published in the Government Gazette. Publication date was 2nd June 2016 therefore operation date was 2nd October 2016.

Council Policies

Listed below are the various policies or codes either required by the Local Government Act 1999 or other Acts or agreed to by Council:

Document Title	Version #	Last Reviewed	Date Set for Review
Building & Swimming Pool Inspection Policy	2.0	11/09/2012	2018
Burial & Cremation Act 2013 Policy	1.0	9/06/2015	June 2017
Caretaker Policy		28/03/2018	March 2022
Code of Conduct - Council Employees		NA	NA
Code of Conduct - Council Members		NA	NA
Code of Conduct - Volunteers		New	2019
Access to Council & Committee Meetings & Documents	5.0	15/4/2020	April 2021
Code of Practice - Meeting Procedure		New	2019
Complaints Handling Procedure	1.0	26/10/2016	Oct-18

Complaints Policy	1.0	26/10/2016	Oct-18
Council Members - Allowances & Benefits		New	2019
Council Members - Records Management Policy	1.0	26/10/2016	Oct-18
Council Members - Training & Development Policy	4.0	22/06/2016	July 17
Debtor Management Policy	1.1	22/4/2020	Aug 2020
Disposal of Land & Assets Policy	2.0	23/01/2019	Jan 2022
Elected Members Resignation - Supplementary Election Policy	3.0	21/11/2018	Nov 2022
Fees & Charges Policy	2.0	28/8/2019	June 2020
Fraud & Corruption Prevention Policy	1.0	26/10/2016	Oct-18
Freedom of Information		8/07/2014	2018
Goyder's Line Gazette Editorial Policy	3.0	27/09/2017	Sep-20
Induction for New Council Policy		New	2019
Informal Gatherings	1.2	15/4/2020	April 21
Interaction of the Development FOI & Copyright Acts Policy		New	2019
Internal Controls Policy		14/01/2014	2019
Internal Review of a Council Decision Policy & Procedure	6.0	22/06/2016	June 2019
Leases, Licences & Permits Policy		New	2019
Order Making Policy		8/10/2013	2019
Mobile Food Vendor Policy	1.0	27/11/2019	2024
Mobile Food Vendor Procedure	1.0	27/11/2019	2024
Procurement Policy	2.0	22/05/2019	May 2021
Prudential Management Policy	2.0	26/10/2016	Oct-18
Public Consultation Policy	4.0	22/06/2016	June 2019
Rating Policy		New	2020
Records Management Policy - Staff	7.0	26/10/2016	Oct-18
Requests for Services Under Sect 270 Policy		New	2019

Requests for Services Under Sect 270 Procedure		New	2019
Risk Management Policy		8/07/2014	2019
Road & Public Place Name Policy		New	2019

Functions of the Council

In keeping with the legislative requirements the Council makes decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

Services for the Community

Council makes decisions on policy issues relating to services that are provided for members of the public. These services currently include:

Advocate	Parks and Reserves
Cemeteries	Playground Equipment
Civic Affairs – Australia Day Ceremonies, Remembrance & Anzac Days, Australian Citizenship ceremonies	Public Conveniences
Community & Strategic Planning	Public Seating
Community Bus	Public Swimming Pools
Community & tourist information	Recreational / Sporting Facilities
Community Library	Refuse Collection and Disposal
Community transport facilitator	Roads, Footpaths and Kerbing
Development Controls	School Crossings
Disaster responder	On-site Wastewater Management
Dog Control	Recycler
Emergency Services	Stormwater Management
Employer	Street Beautification

Environmental Health Matters	Street Closures for community events
Fire Protection and Prevention	Street Lighting
Flood Protection and Prevention	Street Sweeping
Heritage Preservation	Street Trees
Immunisation Programs	Tourism & Economic Development
Litter Bins	Traffic Control
Memorial Halls	Weed and Vermin Control
Parking Controls	Youth Matters

Public Participation

Members of the public have a number of opportunities to put forward their views on particular issues before Council.

These are:-

- a) Deputations – With the permission of the Mayor or the Committee Chairman, a member of the public can address a Council or the Committee on any issue within the Council's jurisdiction.
- b) Presentations to Council – With prior notification and arrangements with the Mayor, a member of the public can address the Council for five minutes on any issue relevant to Council.
- c) Petitions – Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.
- d) Written requests – A member of the public can write to the Council on any Council policy, activity or service.
- e) Elected Members – Members of the public can contact their Elected Members of Council to discuss any issue relevant to Council.
- f) Staff Members – Members of the public can contact Council Staff to discuss any issue relevant to Council.

Public Consultation Policy

The purpose of this Policy is to outline the principles and procedures that the Council will follow to involve the community in planning and decision making in the local area, and to ensure accountability of the Council to the community through effective communication and consultation strategies.

Council is committed to appropriate consultation with residents and other stakeholders on issues which affect them. This consultation involves seeking and receiving feedback, as well as supplying information. Consultation with residents can take a variety of forms including:-

- a) Hand delivered or posted household letters
- b) Letters personally addressed to individuals, including questionnaires
- c) Public meetings on particular issues
- d) Information via Council's monthly Goyder's Line Gazette
- e) Various pamphlets or publications
- f) Advertising of some development and planning applications requiring approval by Council in local papers. Residents have the opportunity to make a written submission to Council with their comments on the application or proposal
- g) Information via the Orroroo Area School weekly newsletter
- h) Telephone sample surveys
- i) Forums
- j) Through participation in various consultative Committees which review existing facilities and programs, plan new community facilities or help shape Council policy

The Public Consultation Policy was last reviewed in June 2016 and it is anticipated that it will be reviewed in 2020/2021.

Access to Council Documents

Council documents are available for public inspection at the Council office between 9:00am and 5:00pm business days free of charge or can be viewed on Council's website www.orraroo.sa.gov.au.

Members of the public may purchase copies of the documents listed below at the cost indicated in the Register of Fees and Charges levied by Council and shown below (postage and packing additional if mailed).

- 1) Annual Audited Financial Statements
- 2) Annual Budget (after adoption by Council)
- 3) Annual Report
- 4) Assessment Book
- 5) Campaign Donation Returns
- 6) Code of Conduct – Elected Members
- 7) Code of Practice for access to Council meetings and documents

- 8) Community Land Management Plan
- 9) Contract and Tender Policy
- 10) Council and Committee Agendas
- 11) Council and Committee Minutes
- 12) Council By-laws
- 13) Current Plan Amendment Reports
- 14) Development Application Register
- 15) Development Plans
- 16) Goyder's Line Gazette
- 17) Internal Review of Council Decisions
- 18) Meeting Notices
- 19) Order Making Policy
- 20) Policy Manual
- 21) Public Consultation Policy
- 22) Rating Policy
- 23) Record of Delegations
- 24) Register of Elected Members' Allowances and Benefits
- 25) Register of Employees' Salaries, Wages and Benefits
- 26) Register of Fees and Charges levied by Council
- 27) Register of Interests
- 28) Register of Parking Controls
- 29) Register of Public Streets and Roads
- 30) Strategic Plans
- 31) Voters Roll

Information Requests

A member of the public may make a request under the Freedom of Information Act 1991 for access to documents. To gain access to these Council records, a member of the public must complete a Freedom of Information request application outlining the records that they wish to inspect and pay the prescribed fee.

During the 2019-2020 reporting year, Council did not receive any requests under the Freedom of Information Act 1991.

Amendment of Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act 1999 or the Freedom of Information Act 1991 depending on the document that requires correction.

A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out-of-date.

To gain access to these Council records, a member of the public must complete a Freedom of Information request application as indicated above outlining the records that they wish to inspect.

Management and Staffing

As at the 30th June 2020 the District Council Orroroo Carrieton had 12.15 full time equivalent employees (FTE) working across a range of service delivery areas of Council as detailed in the following resource areas:

Employee Resources

Engineering	6.95
Human Services	0.9
Environmental	0.1
Corporate	4.2

Total Council Full Time Equivalents (FTEs) 12.15

And under the following Awards:

Employee Award	Males	Females
SA MSOA general	2	5
SA MSOA senior	1	0
LGE Award	6	0
Caretakers & Cleaners Award	0	2
<i>Total (inc Casuals)</i>	<i>9</i>	<i>7</i>

The Council continues to maintain its commitment to its people and a commitment to equal employment opportunities in the workplace. This is reflected in our encouragement for staff to participate in employee training programs and up skilling activities.

The Chief Executive Officer of the Council maintains a record (the Register of Remuneration) in accordance with Local Government Act 1999 - Section 105 and Schedule 4, clause 1 (g) requires information about the number of senior executive officers, kinds of allowances, and bonuses and benefits that are made available as part of the salary package/s.

A person is entitled to inspect the Register of Remuneration at the principal office of the Council during ordinary office hours.

Chief Executive Officer

The Chief Executive Officer as at 30th June 2020 is employed under the following conditions:

- 5 Year Performance based contract
- Provision of Motor Vehicle with full private use in South Australia
- Provision of Ipad and mobile phone allowance
- Subsidised House Rental

Manager of Corporate & Community Services

The Manager of Corporate & Community Services is employed under the following conditions:

- Municipal Officers Award Level 6 plus Enterprise Bargaining Agreements
- Motor Vehicle Allowance
- Telephone/Communications Allowance
- Uniform allowance

Works Coordinator

The Works 2 year Fixed Term contract – Level 5 of the Municipal Officers Awards

- Overtime Allowance
- Motor Vehicle – full private use within 300km of Orroroo
- Provision of a Mobile Phone and Ipad for work use
- Uniform allowance

Administration Staff

All other administration staff are employed under the South Australian Municipal Salaried Officers Award and receive an annual uniform allowance.

Engineering Services Staff

At the 30th of June 2020 all employees of the Council engaged in engineering, construction and field based services are employed under the Local Government Employees Award and the District Council of Orroroo Carrieton Enterprise Bargaining Agreement 2019.



INFRASTRUCTURE SERVICES

Council's Road Network

<i>Road Assets</i>	<i>Length</i>
Sealed Roads	59km
Unsealed Roads	1,569km

Waste Collection Service

Council has continued with its contract with Veolia Environmental for the collection of kerbside refuse and recyclables. During 2019/2020 the following volumes were collected:

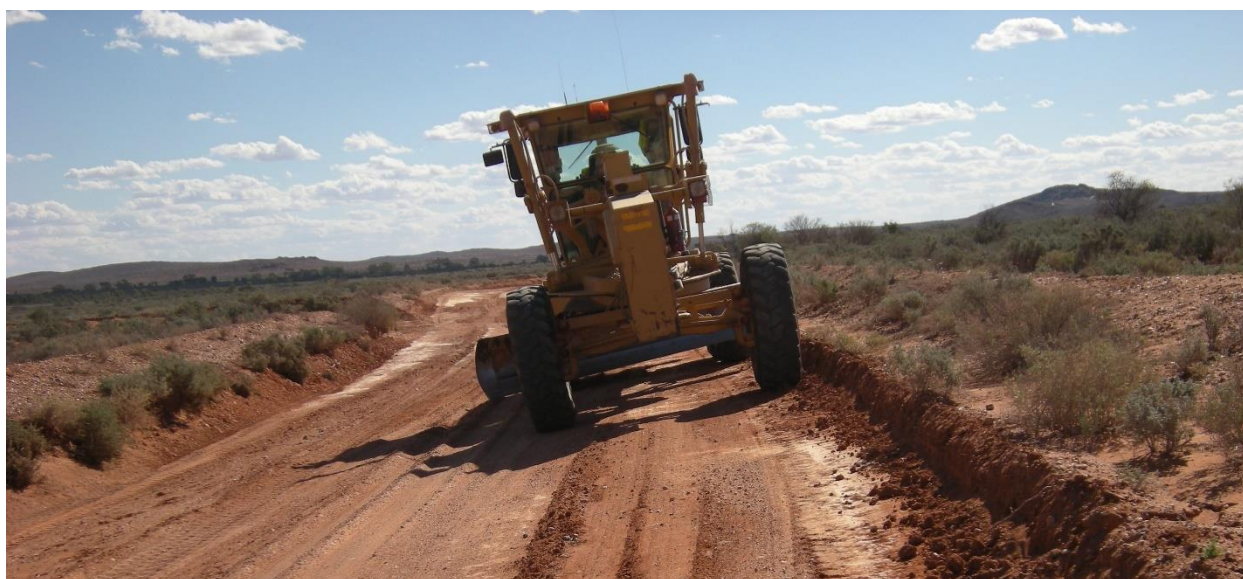
<i>Waste Collection</i>	<i>Tonnes</i>
Total Tonnes Collected	434
- Waste	202
- Recycling	81
- Other Waste	151
Average Route Distance	250km

Recycling via the recycling shed at the Council depot continues to be available to the public, however the facility is being abused by a minority of people. Many non-recyclable materials are being left at the shed which adds significant time and consequent cost to the council to extract the contaminants.

Markets have become highly sensitive to contaminants in recyclable materials. This issue has manifested in significantly higher costs for Australian Councils for their recycling activities amounting to tens of millions of dollars. Our challenge is to clean up our recycling activities which will require greater cooperation and compliance within the community and more controlled access to recycling facilities by the Council.

Capital Road Re-Sheeting Program 2019/2020 Year

Road	Budget / Revised	Actual Exp	Difference
Boolcunda Road	\$72,000	\$72,406	-\$ 406
Almerta Road	\$28,700	\$28,569	\$ 131
Yackara Road	\$68,300	\$68,455	-\$ 155
Coomooroo Road	\$40,800	\$40,435	\$ 365
Chapman Road	\$24,000	\$23,900	\$ 100
Tilbrook Road	\$16,400	\$16,452	-\$ 52
Tarcowie Road	\$19,800	\$18,317	\$ 1,483
Gawler Drive	\$22,000	\$22,948	-\$ 948
Kuerschner Road	\$59,400	\$42,774	\$ 16,626
Hogshead Road	\$68,000	\$46,953	\$ 21,047
Morchard Road –Rip & Reform	\$32,700	\$38,926	-\$ 6,226
Total Capital Expenditure	\$ 452,100	\$420,135	\$ 31,965



Attachment 1 Audited Financial Statements 2019/2020





District Council of
ORROROO
CARRIETON

General Purpose Financial Reports

For year ended 30 June 2020

District Council of Orroroo Carrieton

General Purpose Financial Reports

for the year ended 30 June 2020

Table of Contents

	Page #
Council Certificate	1
 Principal Financial Statements	
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
 Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	6
Note 2 - Income	12
Note 3 - Expenses	14
Note 4 - Asset Disposal & Fair Value Adjustments	16
Note 5 - Current Assets	17
Note 6 - Non-Current Assets	18
Note 7 - Infrastructure, Property, Plant & Equipment & Investment Property	19
Note 8 - Liabilities	24
Note 9 - Reserves	25
Note 10 - Reconciliation of Cash Flow Statement	26
Note 11 - Functions	27
Note 12 - Financial Instruments	29
Note 13 - Financial Indicators	30
Note 14 - Uniform Presentation of Finances	34
Note 15 - Superannuation	35
Note 16 - Contingent Assets & Contingent Liabilities	36
Note 17 - Related Party Transactions	37
Note 18 - Events After the Statement of Financial Position Date	38
 Audit Report - Financial Statements	
Audit Report - Internal Controls	
Council Certificate of Audit Independence	
Audit Certificate of Audit Independence	

District Council of Orroroo Carrieton
Annual Financial Statements
for the year ended 30 June 2020

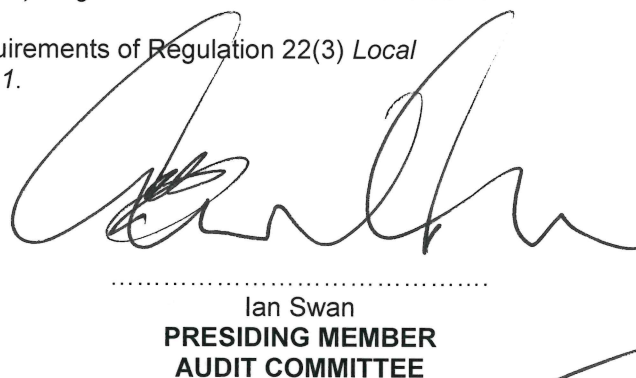
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Orroroo Carrieton for the year ended 30 June 2020, the Council's Auditor, Galpins, 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*.



.....
Dylan Strong
CHIEF EXECUTIVE OFFICER



.....
Ian Swan
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 26th October 2020

District Council of Orreroo Carrieton
Statement of Comprehensive Income
for the year ended 30 June 2020

	Notes	2020 \$ 000	2019 \$ 000
INCOME			
Rates	2	1,210	1,190
Statutory charges	2	17	18
User charges	2	112	95
Grants, subsidies and contributions	2	2,694	3,252
Investment income	2	11	25
Reimbursements	2	36	115
Other income	2	24	11
Total Income		4,104	4,706
EXPENSES			
Employee costs	3	1,129	941
Materials, contracts & other expenses	3	1,109	1,006
Depreciation, amortisation & impairment	3	1,186	996
Finance costs	3	9	14
Total Expenses		3,433	2,957
OPERATING SURPLUS / (DEFICIT)		671	1,749
Asset disposal & fair value adjustments	4	65	-
Amounts received specifically for new or upgraded assets	2	-	1,765
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		736	3,514
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	(2,487)	-
Total Other Comprehensive Income		(2,487)	-
TOTAL COMPREHENSIVE INCOME		(1,751)	3,514

This Statement is to be read in conjunction with the attached Notes.

District Council of Orroroo Carrieton
Statement of Financial Position
as at 30 June 2020

		2020	2019
	Notes	\$ 000	\$ 000
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,321	1,487
Trade & other receivables	5	140	626
Inventories	5	83	41
Total Current Assets		2,544	2,154
Non-current Assets			
Financial assets	6	16	21
Infrastructure, property, plant & equipment	7	31,941	34,859
Total Non-current Assets		31,957	34,880
Total Assets		34,501	37,034
LIABILITIES			
Current Liabilities			
Trade & other payables	8	143	892
Borrowings	8	63	76
Provisions	8	367	310
		573	1,278
Total Current Liabilities		573	1,278
Non-current Liabilities			
Borrowings	8	66	128
Provisions	8	16	31
Total Non-current Liabilities		82	159
Total Liabilities		655	1,437
NET ASSETS		33,846	35,597
EQUITY			
Accumulated Surplus		5,931	5,195
Asset Revaluation Reserves	9	27,915	30,402
TOTAL EQUITY		33,846	35,597

This Statement is to be read in conjunction with the attached Notes.

District Council of Orroroo Carrieton
Statement of Changes in Equity
for the year ended 30 June 2020

		Acc'd Surplus	Asset Rev'n Reserve	TOTAL EQUITY
2020	Notes	\$ 000	\$ 000	\$ 000
Balance at end of previous reporting period		5,195	30,402	35,597
Net Surplus / (Deficit) for Year		736	-	736
Other Comprehensive Income		-	-	-
Gain on revaluation of infrastructure, property, plant & equipment		-	(2,487)	(2,487)
Balance at end of period	9	5,931	27,915	33,846

		Acc'd Surplus	Asset Rev'n Reserve	TOTAL EQUITY
2019	Notes	\$ 000	\$ 000	\$ 000
Balance at end of previous reporting period		1,681	30,402	32,083
Net Surplus / (Deficit) for Year		3,514	-	3,514
Balance at end of period	9	5,195	30,402	35,597

This Statement is to be read in conjunction with the attached Notes

District Council of Orroroo Carrieton
Statement of Cash Flows
for the year ended 30 June 2020

		2020	2019
	Notes	\$ 000	\$ 000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
Rates - general & other		1,211	1,176
Fees & other charges		17	18
User charges		117	85
Investment receipts		11	29
Grants utilised for operating purposes		3,101	2,845
Reimbursements		36	126
Other revenues		102	9
<i>Payments:</i>			
Employee costs		(1,113)	(916)
Materials, contracts & other expenses		(1,879)	(371)
Finance payments		(9)	(18)
Net Cash provided by (or used in) Operating Activities		1,594	2,983
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		-	1,765
Sale of replaced assets		28	95
Sale of surplus assets		42	40
Repayments of Loans by Community Groups		5	3
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(587)	(2,227)
Expenditure on new/upgraded assets		(173)	(2,258)
Net Cash provided by (or used in) Investing Activities		(685)	(2,582)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	-
<i>Payments:</i>			
Repayments of borrowings		(75)	(88)
Net Cash provided by (or used in) Financing Activities		(75)	(88)
Net Increase (Decrease) in cash held		834	313
 Cash & cash equivalents at beginning of period	11	1,487	1,174
Cash & cash equivalents at end of period	11	2,321	1,487

This Statement is to be read in conjunction with the attached Notes

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

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 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 (28th October 2020 of Council meeting).

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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 District Council of Orroroo Carrieton is incorporated under the SA Local Government Act 1999 and has its principal place of business at 17 Second Street, Orroroo SA 5431. 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.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports.

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:

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

	Cash Payment Received	Annual Allocation	Difference	
2017-18	\$939,742	\$453,523	+	\$486,219
2018-19	\$915,318	\$453,496	+	\$461,822
2019-20	\$971,664	\$475,148	+	\$496,516

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

3.1 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.

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

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. Although the disclosures made in Note 13 Financial Instruments have changed, there are no changes to the amounts disclosed.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form 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.

6 Infrastructure, Property, Plant & Equipment

6.1 Land under roads

Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised as in the opinion of Council it is not possible to reliably attribute a fair value, and further that such value if determined would be immaterial.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

6.2 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.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to *infrastructure, property, plant & equipment* when completed ready for use.

6.3 Materiality

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

6.4 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.5 Depreciation of Non-Current Assets

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

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

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

6.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value 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 assessed for impairment.

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 outflows 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.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

6.7 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts 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

Loans 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".

Employee Benefits

8.1 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 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.

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

Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

9 Leases

Accounting Policy applicable for the year ending 30 June 2019 (comparatives):

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

In respect of finance leases, where Council substantially carries the entire risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

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.

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:

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) 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.

10 Joint Ventures and Associated Entities

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.

11 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.

12 New and amended standards and interpretations

Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities:

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

The Council applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related Interpretations. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service). Details of the accounting policy adopted for these standards can be found in section 10 of this note. The Council has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019. The cumulative effect of initially applying AASB 15 and AASB 1058 is recognised at the date of initial application as an adjustment to the opening balance of Accumulated Surplus. Therefore, the comparative information was not restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related Interpretations.

The Council has determined the impact of the new standards will mainly impact the timing of revenue recognition in relation to special purpose grants. These grants are provided to the Council to construct or acquire an asset to be controlled by the Council. They are accounted for under AASB 1058 and as such, amounts received in relation to these grants are recorded as a liability "Amounts in Advance" and recorded in revenue as the asset is constructed.

The impact of adopting the new standards as at 1 July 2019 was nil.

13 Impact of COVID-19

The COVID-19 pandemic has impacted the 2019/20 financial statements, which may impact on the comparability of some line items and amounts reported in this financial report.

The financial impacts are a direct result of either Council's response to the pandemic or due to the mandatory shut downs as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

Council has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the Council's ability to continue as a going concern.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 2 - INCOME

	2020	2019
Notes	\$ 000	\$ 000
RATES REVENUES		
<u>General Rates</u>	1,032	1,017
Less: Mandatory rebates	(18)	(13)
Less: Discretionary rebates, remissions & write offs	(3)	(11)
	1,011	993
<u>Other Rates</u> (including service charges)		
Natural Resource Management levy	36	35
Waste collection	144	143
Water supply	7	8
	187	186
<u>Other Charges</u>		
Penalties for late payment	12	11
	1,210	1,190
STATUTORY CHARGES		
Development Act fees	8	7
Animal registration fees & fines	9	9
Other licences, fees, & fines	-	2
	17	18
USER CHARGES		
Cemetery/crematoria fees	10	12
Commercial Activity - Addison Court	6	-
Swimming Pool fees	10	9
Parks & Gardens, Stock Route	9	4
Hall & equipment hire	1	-
Rental charges	16	10
Event Income	21	-
Bus Income	4	-
Sales - general	13	7
Sundry	22	53
	112	95
INVESTMENT INCOME		
Interest on investments:		
Local Government Finance Authority	11	25
Banks & other	-	-
	11	25

District Council of Orroroo Carrieton

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

Note 2 - INCOME (con't)

	Notes	2020 \$ 000	2019 \$ 000
REIMBURSEMENTS			
- for private works		22	18
- other		14	97
		<u>36</u>	<u>115</u>
OTHER INCOME			
Rebates received		17	11
Sundry		7	-
		<u>24</u>	<u>11</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets - CWMS		-	1,765
Other grants, subsidies and contributions			
Financial Assistance Grant - General		972	915
Road Supplementary Payment		-	384
Financial Assistance Grant - Local Roads		271	273
Roads to Recovery		389	180
Special Local Roads Grant		-	500
Drought Communities Program		900	1,000
Sundry Grants		162	-
		<u>2,694</u>	<u>3,252</u>
		<u>2,694</u>	<u>5,017</u>
<i>The functions to which these grants relate are shown in Note 12.</i>			
Sources of grants			
Commonwealth government		1,307	1,570
State government		1,269	3,447
Other		118	-
		<u>2,694</u>	<u>5,017</u>
Individually Significant Item			
Prepaid Financial Assistance Grant		497	460

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 3 - EXPENSE

		2020	2019
	Notes	\$ 000	\$ 000
EMPLOYEE COSTS			
Salaries and Wages		961	712
Employee leave expense		153	271
Superannuation - defined contribution plan contributions	18	85	74
Superannuation - defined benefit plan contributions	18	8	7
Workers' Compensation Insurance		21	24
Less: Capitalised and distributed costs		(99)	(147)
Total Operating Employee Costs		1,129	941
 Total Number of Employees		 12	 11
<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		20	27
Bad and Doubtful Debts		19	1
Elected members' expenses		60	78
Election expenses		-	7
Operating Lease / Rental / Cancellable rentals	17	3	3
Subtotal - Prescribed Expenses		102	116
<u>Other Materials, Contracts & Expenses</u>			
Contractors		512	581
Energy		36	45
Maintenance		112	90
Legal Expenses		11	17
Freight		3	4
Minor Equipment - Expensed		8	3
Plant & Equipment - Capitalised		70	572
Computer Hardware / Software		15	15
Water, Sewerage & Gas		95	62
CWMS & Stormwater plans		1	13
Uniforms Clothing / Protective Clothing		4	6
Waste Management Collection		76	74
Office Consumables		9	6
General Maintenance Materials		77	123
Conferences / Seminars Training		12	8
Travel & Accommodation		1	1
Subsidies / Membership Fees		26	24
Telephone		20	20

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 3 - EXPENSE con't

	2020	2019
Notes	\$ 000	\$ 000
Insurance	94	84
Vehicle Registration	23	20
Other Expenses	4	9
Levies paid to government - NRM levy	36	35
Road Resheeting	420	669
less amounts capitalised	(658)	(1,591)
Subtotal - Other Materials, Contracts & Expenses	<u>1,007</u>	<u>890</u>
	<u>1,109</u>	<u>1,006</u>
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings & Other Structures	197	193
Roads	709	650
Plant & Equipment	179	139
CWMS	30	-
Other Assets	71	14
	<u>1,186</u>	<u>996</u>
FINANCE COSTS		
Interest on Loans	9	14
	<u>9</u>	<u>14</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2020	2019
Notes	\$ 000	\$ 000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	28	95
Less: Carrying amount of assets sold	-	100
Gain (Loss) on disposal	<u>28</u>	<u>(5)</u>
<i>Assets surplus to requirements</i>		
Proceeds from disposal	42	40
Less: Carrying amount of assets sold	5	35
Gain (Loss) on disposal	<u>37</u>	<u>5</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>65</u>	<u>-</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 5 - CURRENT ASSETS

	2020	2019
	Notes	
CASH & EQUIVALENT ASSETS	\$ 000	\$ 000
Cash on Hand and at Bank	10	73
Deposits at Call	2,311	1,414
	<u>2,321</u>	<u>1,487</u>
TRADE & OTHER RECEIVABLES		
Rates - General & Other	150	151
Accrued Revenues	-	407
Debtors - general	20	25
GST Recoupment	25	103
Prepayments	24	-
Total	<u>219</u>	<u>686</u>
Less: Allowance for Doubtful Debts	79	60
	<u>140</u>	<u>626</u>
<i>Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.</i>		
INVENTORIES		
Stores & Materials	83	41
	<u>83</u>	<u>41</u>

Amounts included in inventories that are not expected to be received within 12 months of reporting date.

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.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 6 - NON-CURRENT ASSETS

		2020	2019
FINANCIAL ASSETS	Notes	\$ 000	\$ 000
Receivables			
Loans to community organisations		<u>16</u>	<u>21</u>
TOTAL FINANCIAL ASSETS		<u>16</u>	<u>21</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

		2019				2020			
		\$'000				\$'000			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land	2	465	-	-	465	253	-	-	253
Land	3	1,361	-	-	1,361	1,171	-	-	1,171
Buildings & Other Structures	3	9,157	283	(6,592)	2,848	10,441	115	(4,055)	6,501
Roads	3	33,900	3,605	(11,036)	26,469	29,722	421	(9,782)	20,361
Plant & Equipment		-	4,139	(2,670)	1,469	-	4,153	(2,815)	1,338
CWMS	3	-	1,728	-	1,728	-	1,885	(30)	1,855
Other Assets		-	1,126	(607)	519	-	1,140	(678)	462
Total IPP&E		44,883	10,881	(20,905)	34,859	41,587	7,714	(17,360)	31,941
Comparatives		44,883	6,551	(19,929)	31,505	44,883	10,881	(20,905)	34,859

This Note continues on the following pages.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2019	CARRYING AMOUNT MOVEMENTS DURING YEAR								2020	
	\$ 000	\$ 000								\$ 000	
	Carrying Amount	Net Adjust	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
AASB 16	New / Upgrade	Renewals	In	Out							
Land	465		-	-	-	-		-	-	(212)	253
Land	1,361		-	-	-	-	-	-	-	(190)	1,171
Buildings & Other Structures	2,848		16	99	-	(197)	-	-	-	3,735	6,501
Roads	26,469		-	421	-	(709)	-	-	-	(5,820)	20,361
Plant & Equipment	1,469		-	53	(5)	(179)	-	-	-	-	1,338
CWMS	1,728		157	-	-	(30)	-	-	-	-	1,855
Other Assets	519		-	14	-	(71)	-	-	-	-	462
Total IPP&E	34,859	-	173	587	(5)	(1,186)	-	-	-	(2,487)	31,941
Comparatives	31,505		2,258	2,227	(135)	(996)		88	(88)	-	34,859

This note continues on the following pages.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 7 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

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

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

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

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

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

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

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

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

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

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

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

District Council of Orroroo Carrieton

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 7 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years
Artworks	indefinite

District Council of Orroroo Carrieton

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 7 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Land & Land Improvements

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 2019 at current replacement cost. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

Buildings & Other Structures

Buildings and other structures were revalued as at 30 June 2019 by Richard Gayler, Gayler Professional Engineering Pty Ltd.

Infrastructure

Transportation assets were valued by Council officers at depreciated current replacement cost during the reporting period ended 30 June 2020, based on actual costs incurred during the reporting periods ended 30 June 2019 and 2020. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Council officers as at 30 June 2020 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2020. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure was valued at depreciated current replacement cost during the reporting period ended 30 June 2020 by Richard Gayler, Gayler Professional Engineering Pty Ltd. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other assets

These assets are recognised on the cost basis.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 8 - LIABILITIES

		2020		2019	
		\$ 000		\$ 000	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		99	-	824	-
Accrued expenses - employee entitlements		-	-	30	-
Accrued expenses - other		44	-	27	-
Other Payables		-	-	11	-
		143	-	892	-

Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.

BORROWINGS

Loans	63	66	76	128
	63	66	76	128

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

PROVISIONS

Employee entitlements (including oncosts)	258	16	197	31
Other Provisions	109	-	113	-
	367	16	310	31

Amounts included in provisions that are not expected to be settled within 12 months of reporting date.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2019	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2020
Notes	\$ 000	\$ 000	\$ 000	\$ 000
Land	1,185	(402)	-	783
Buildings & Other Structures	619	3,735	-	4,354
Roads	28,598	(5,820)	-	22,778
TOTAL	30,402	(2,487)	-	27,915
Comparatives	30,402	-	-	30,402

Asset Revaluation Reserve

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

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 10 - 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	2020 \$ 000	2019 \$ 000
Total cash & equivalent assets	5	2,321	1,487
Less: Short-term borrowings	8	-	-
Balances per Cash Flow Statement		<u>2,321</u>	<u>1,487</u>

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

Net Surplus (Deficit)	736	3,514
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,186	996
Fair value adjustments	-	-
Net increase (decrease) in unpaid employee benefits	16	25
Change in allowances for under-recovery	19	-
Grants for capital acquisitions treated as Investing Activity	-	(1,765)
Net (Gain) Loss on Disposals	(65)	-
	<u>1,892</u>	<u>2,770</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	467	(466)
Net (increase) decrease in inventories	(43)	18
Net (increase) decrease in other current assets	-	-
Net increase (decrease) in trade & other payables	(719)	764
Net increase (decrease) in other provisions	(4)	(103)
Net increase (decrease) in other liabilities	-	-
Net Cash provided by (or used in) operations	<u>1,594</u>	<u>2,983</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 11 - FUNCTIONS

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

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL				
	2020 \$ 000	2019 \$ 000	2020 \$ 000	2019 \$ 000	2020 \$ 000	2019 \$ 000				
Business Undertakings	42	1,858	22	30	20	1,828		1,765	1,885	1,891
Community Services	68	34	130	104	(62)	(70)			1,022	982
Culture	1	1	36	49	(35)	(48)			184	164
Economic Development	122	1,002	130	16	(8)	986		1,000	-	-
Environment	155	155	184	185	(29)	(30)			1,012	1,006
Recreation	15	13	276	199	(261)	(186)			800	754
Regulatory Services	17	16	14	26	3	(10)			-	-
Transport & Communication	668	2,342	329	1,451	339	891	660	2,342	22,533	26,722
Plant Hire & Depot / Indirect	17	160	140	84	(123)	76			-	-
Council Administration	2,999	890	2,172	813	827	77	2,034		4,505	3,340
TOTALS	4,104	6,471	3,433	2,957	671	3,514	2,694	5,107	31,941	34,859

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 11 (con't) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Business Undertakings

Gravel Pits/Quarries, Development of Land for Resale, Markets/Saleyards, Private Works, Property Portfolio, Sewerage/CWMS, Water Supply – Domestic, and Other.

Community Services

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Health Services, Pest Control – Health, Community Support, Elderly Citizens Facilities, Other Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, 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 Other Cultural Services.

Economic Development

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

Environment

Agricultural Services, Agricultural Water, Waste Management, Domestic Waste, Green Waste, Recycling, Waste Disposal Facility, Other Waste Management, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Landscapes Levy, and Other Environment.

Recreation

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

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

Plant Hire & Depot

Plant and Machinery, Depot expenses

Council Administration

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

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 12 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between .45% and 1.25% (2019: .75% and 1.25%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of .433% (2019: .55%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>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.</p> <p>Carrying amount: approximates fair value.</p>

District Council of Orreroo Carrieton

Notes to and forming part of the Financial Statements

Note 13 - FINANCIAL INSTRUMENTS (con't)

Receivables - Retirement Home	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>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.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Retirement Home contributions	<p>Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p>Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p>Carrying amount: approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable 6 monthly; interest is charged at fixed rates of 5.05% (2019: 4.55% and 6.75%).</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 16 as stated in note 17.</p>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 13 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2020	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	2,321	-	-	2,321	2,321
Receivables	223	-	-	223	132
Other Financial Assets	-	16	-	16	-
Total	2,544	16	-	2,560	2,453
<u>Financial Liabilities</u>					
Payables	99	-	-	99	99
Current Borrowings	63	-	-	63	63
Non-Current Borrowings	-	66	-	66	66
Total	162	66	-	228	228

2019	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	1,479	-	-	1,479	1,487
Receivables	686	-	-	686	626
Other Financial Assets	-	21	-	21	-
Total	2,165	21	-	2,186	2,113
<u>Financial Liabilities</u>					
Payables	835	-	-	835	835
Current Borrowings	76	-	-	76	76
Non-Current Borrowings	-	128	-	128	128
Total	911	128	-	1,039	1,039

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

	30 June 2020		30 June 2019	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$ 000	%	\$ 000
Fixed Interest Rates	5.05	128	5.55	204
		128		204

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 13 - FINANCIAL INSTRUMENTS (con't)

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.

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 impairment. 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.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 13 - FINANCIAL INDICATORS

	2020	2019	2018
Operating Surplus Ratio			
<u>Operating Surplus</u>	16.3%	37.0%	16.0%
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>	(44%)	(15%)	(14%)
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>Net Outlays on Existing Assets</u>	80%	143%	92%
Net Asset Renewals - IAMP			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

Ratio Analysis:

The financial sustainability has continued to improve with an operating surplus, low debt and an appropriate level of asset renewal.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 14 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

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

	2020		2019
	\$ 000		\$ 000
Income	4,104		4,706
Expenses	(3,433)		(2,957)
Operating Surplus / (Deficit)	671		1,749
Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	(587)		(2,227)
Add back Depreciation, Amortisation and Impairment	1,186		996
Proceeds from Sale of Replaced Assets	28		95
	627		(1,136)
Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(173)		(2,258)
Amounts received specifically for New and Upgraded Assets	-		1,765
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	42		40
	(131)		(453)
Net Lending / (Borrowing) for Financial Year	1,167		160

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 15 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). 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 (9.50% in 2018-19; 9.50% in 2019-20). 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 2018-19) 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 119.32(b), 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 Willie Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 16 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 1,600 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 a deductible "insurance excess", the amount of which varies according to the class of insurance.

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

3. BANK GUARANTEES

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$16,000 (2019: \$21,000) at reporting date.

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 no appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

5. CONTINGENT LIABILITIES

At the time of preparing these accounts there are no other known contingent liabilities to consider other than those included in this Note.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 17 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

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

	2020	2019
	\$ 000	\$ 000
Salaries, allowances & other short term benefits	200	162
Post-employment benefits		
Long term benefits		
Termination benefits		
TOTAL	200	162

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

	2020	2019
	\$ 000	\$ 000
Contributions for fringe benefits tax purposes	11	8
Planning and building applications fees	2	
Rentals for Council property	2	
TOTAL	15	8

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

One close family member of key management personnel is employed by Council in accordance with the terms of the Award, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the *Local Government Act* 1999.

Key management personnel or close family members (including related parties) lodged a total of one planning and building applications during the year. In accordance with the Local Government Act 1999, these persons declared conflicts of interest and took no part in the assessment or approval processes for these applications.

One planning and building approval, with conditions, was granted during the year. Total fees for this application (which were payable on lodgement) amounted to \$1,795.50.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

Note 18 – EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

Events After the Statement of Financial Position Date

COVID-19 has been classified as a global pandemic by the World Health Organisation and has developed rapidly in 2020. Measures taken by the Federal and State governments have affected South Australia's economic activity and Council's operations.

At this stage, the financial impacts on Council's operations have not been significant and Council expects that further impacts on Council's operations to flow into the 2020/21 financial year will not be significant.

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CA, CPA
Daniel Moon CA



CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
F: (08) 8332 3466
E: norwood@galpins.com.au

W: www.galpins.com.au

ABN: 30 630 511 757

Liability limited by a scheme approved
under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT

To the members of the District Council of Orroroo Carrieton

Opinion

We have audited the accompanying financial report of the District Council of Orroroo Carrieton (the Council), which comprises the statement of financial position as at 30 June 2020, 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 the District Council of Orroroo Carrieton.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2020, 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 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
Partner

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Rena Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CA, CPA
Daniel Moon CA



CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

Mount Gambier

233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling

Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood

3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
F: (08) 8332 3466
E: norwood@galpins.com.au

W: www.galpins.com.au

ABN: 30 630 511 757

Liability limited by a scheme approved
under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT

To the Members of the District Council of Orroroo Carrieton

Independent Assurance report on the Internal Controls of the District Council of Orroroo Carrieton

Opinion

We have audited the compliance of the District Council of Orroroo Carrieton (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 2019 to 30 June 2020 have been conducted properly and in accordance with law.

In our opinion, the District Council of Orroroo Carrieton 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 2019 to 30 June 2020.

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 2019 to 30 June 2020. 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 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, 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 2019 to 30 June 2020. 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 which it was prepared.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

17 / 11 / 2020

District Council of Orroroo Carrieton
Annual Financial Statements
for the year ended 30 June 2020

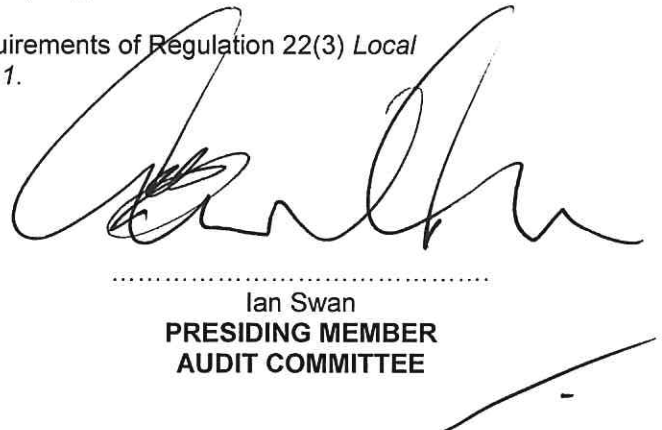
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Orroroo Carrieton for the year ended 30 June 2020, the Council's Auditor, Galpins, 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*.



.....
Dylan Strong
CHIEF EXECUTIVE OFFICER



.....
Ian Swan
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 26th October 2020

**District Council of Orroroo Carrieton
Annual Financial Statements
for the year ended 30 June 2020**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of District Council of Orroroo Carrieton for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA Registered Company Auditor
Partner

Dated this 17th day of November 2020