

ANNUAL REPORT

2021



District Council of
**ORROROO
CARRIETON**

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INTRODUCTION

It is with great pleasure that I present the District Council of Orroroo Carrieton's Annual Report for 2020/21. I am pleased to say that we are continuing on our path of sustainability within our Council district. At the same time, through grants, we have invested in the infrastructure which will support our community's growth and prosperity in the coming term. These grant opportunities have allowed us to implement projects that we possibly would not have achieved.

On reflection, by the financial year's conclusion, Council had commenced the first stage of the Orroroo Heavy Vehicle Bypass made possible by Special Local Roads Program. We secured funding and commenced the construction of the custom-built Orroroo "Main Street Woolshed" to house the restored Black Rock Woolpress. We delivered round two \$1 million Drought Communities program and along with a small grant to look after the wellbeing of our business owners.

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. Again this past year we've endured shut downs, office closures and staff working from home.

Council was honoured in 2020 to have received the Minister's award for "Excellence in Regional Public Health" for the hugely successful '2019 Despite the Dust Community Muster'. A true credit to the staff and volunteers who advocate so fiercely for the wellbeing of our community.

Of course, the extra workload does not mean we have put our usual work programs on hold. All the projects that were identified for delivery in our 2020/21 Business Plan have continued. We continue to strive, as always, to provide the best day-to-day service that you expect of us as well.

In conclusion, I would once again like to pass on my sincere appreciation to my fellow Elected Members, CEO Dylan Strong, and all staff and volunteers for their continued dedication in serving the Orroroo Carrieton District and for the support they have given to me during the year.

If you would like to understand the extent of the operations of your Council, I encourage you to read through the 2020/21 Annual Report in its entirety.

**Kathie Bowman
Mayor**



PERFORMANCE SUMMARY



Delivery of \$1,000,000 Drought Communities Program (round 2); commenced construction of the Orroroo Heavy Vehicle Bypass (stage 1); delivered the annual road construction on time and on budget; supported hay and straw donations to drought-stricken farmers.



Partnered with neighbouring Councils in progression of the Flinders Alliance; support for family and business support mentors; advocacy and support for small business through national “Go Local” campaign.



Secured external grant funding for the Black Rock Woolpress project; maintained service delivery throughout pandemic restrictions, secured external funding for stage two of the Orroroo Recreation Ground canteen & change room complex.

From the CEO

In what has been a big infrastructure year for Council, 2020/21 was overshadowed by the continuing extraordinary circumstances brought about by the global COVID-19 pandemic. It impacted all of us socially and economically, in some way.

Council has been adaptive in business to manage the necessary government restrictions put in place, whilst maintaining services to our community. Similarly, in our approach to project delivery we've accommodated supply shortages and worked with funding partners to ensure delivery and at the same time mitigate the potential impacts on budgets.

As you peruse Council's Annual Report for 2020/21 you will see that Council continually strives to work in partnership with the community and our many key stakeholders. We are guided by the Vision and Strategic Pillars of our Strategic & Community Plan: Prosperity & Resilience. I feel very privileged to work with such an outstanding workforce who are passionate about the area they live and work in and who diligently support our Councillors in working for our Community.



Dylan Strong
Chief Executive Officer



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.”

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.



YOUR COUNCIL

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Following the 2018 local government elections Council had an elected six (6) Councillor membership, including the Principal Member (Mayor).

Following a resignation in 2020, Council intends to maintain the remaining five (5) Councillor membership until the 2022 Local Government elections.

PERFORMANCE HIGHLIGHTS

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.
- ✓ Review of key 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 Camp Draft, Carols in the Main, Christmas Pageant and Groovin' the Roo.
- ✓ Upgraded Orroroo Swimming Pool including fiberglass, pump and filtration, shades and water activities.
- ✓ Facilitation of the Orroroo Recreation Ground Committee.
- ✓ Delivered Empowering Communities funding for a health and wellbeing for small-business manager's program.
- ✓ Provision of Trees for Life trees and shrubs to residents & landowners.
- ✓ Upgrade and repair of Orroroo storm water system.
- ✓ Partnered with Port Pirie Regional Council for shared Environmental Health Officer and Financial Services.
- ✓ 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.
- ✓ Held the inaugural Council “OPEN” Night in the Orroroo Memorial Hall.
- ✓ Awarded the Minister’s award for “Excellence in Regional Public Health” for the 2019 Despite the Dust Community Muster.
- ✓ Coordinated hay and straw donations from the very generous Georgetown community for producer’s in need.
- ✓ Commenced Stage 1 of the Orroroo Heavy Vehicle Bypass Project.
- ✓ Delivery of the Drought Resilience and Response Project funded by the Australian Government’s Drought Communities Program (Round 2)
- ✓ Secured funding and commenced the construction of the Orroroo “Main Street Woolshed”, a custom-built display building to house the historic Black Rock Woolpress.
- ✓ Delivered Stage 1 and 2 of a four stage flood recovery project.
- ✓ Secured \$199,900 funding for Stage 2 of the Orroroo Recreation Ground Complex development through the Office of Sport and Recreation.
- ✓ Implementation of actions and strategies contained within the Orroroo Carrieton Tourism Master Plan
- ✓ Advocate for increased services for mental health and general wellbeing through continued collaboration of councils affected by drought and coordination of community events and programs.



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 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



FEATURED IN THE MEDIA

ORROROO AIRSTRIP FUNDING FOR IMPROVEMENTS

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 work.

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."

Mr Strong said Council would continue to preference local contractors in delivery of the upgrades.

"Council's procurement policy recognises the need to support local businesses," he said.

"The quotes used in our funding submission came from local businesses and it is our intention to use local contractors where the opportunity exists."

Deputy Prime Minister and Minister for Infrastructure, Transport and Regional Development Michael McCormack said the Regional Airports Program would assist the owners of regional airports to undertake essential works, promoting aviation safety and access for regional Australians.

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.

FLOOD RECOVERY

Council has received confirmation that the Australian Government formally declared the February 2020 flooding event a natural disaster.



This was an important step in Council's claim for disaster assistance. It means that Council can now begin the planned flood recovery works which will occur over the coming two years.

Works will commence on Monday 14th September in the Hammond, Coomooroo, Amyton and Morchard areas with resheeting, patching and grading of the worst affected roads.

CELEBRATING HERITAGE WHILE TACKLING TOUGH TIMES

The District Council of Orroroo Carrieton will receive a grant of \$143,252 through the Foundation of Rural and Regional Renewal's Tackling Tough Times Together (TTTT) program to complete the Black Rock Wool Press Rotunda development in Orroroo.

The TTTT grants help drought-impacted regions access the resources needed to bring people together, so they can feel connected and supported. Orroroo Carrieton, like many parts of remote, rural and regional Australia, continues to face the real and persistent challenges caused by ongoing drought. Despite rainfall across some

"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".

Both contractors and Council trucks and plant will be used to complete the work in a timely manner. Stage 1 of the work will include the following roads and other minor roads in the vicinity of these roads:

- Nutt, Wilmington, Eurelia West, Stuckey, Diedre
- Beinke, Laskey, Stokes Creek, Walloway, Coomooroo, Pine Vale, Amyton, Slant.
- Big Gum Tree, Arthur, Hooper, Johnburgh, Minburra, Rankin, Dump.

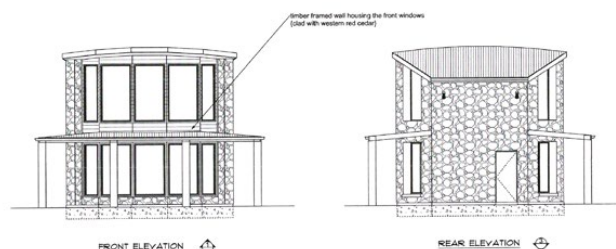
It is anticipated that all flood damage repairs on these roads will be complete by mid November 2020.

Council will be able to claim up to two thirds of the total cost and all claims are subject to strict evaluation criteria.

areas, these extended dry periods and long-term rainfall deficits may continue for some time.

Nina O'Brien, FRRR's Disaster Resilience and Recovery Lead, said that the TTTT program encourages communities experiencing drought to take the lead in their recovery and renewal.

The Black Rock Station Wool Press, dated 1851, was carefully restored by a group of ambitious locals, following its recovery from the original woolshed ruins in 2014. Early research suggests it may be the only one of its type still in existence.



The Wool Press Rotunda will be a custom built display building housing the wool press in the Orroroo Main Street median strip. The Rotunda is the centrepiece of a broader Heritage Trail development in the district.

Mr Dylan Strong, CEO, said the project will give a boost to the local economy and create new tourism opportunities.

“It [the project] will showcase the wool press as a significant piece of the region’s, and indeed that of the Australia’s, pioneering agricultural history”.

The total project is valued at \$500,000 and is funded in partnership between the Australian Government, the Foundation for Rural and Regional Renewal and Council. The development is due for completion at the end of 2021.

ORROROO RECREATION GROUND SCORES FUNDING

Universal changerooms are on the way at the Orroroo Recreation Ground thanks to a grant of \$199,900 through the State’s Governments Grassroots Facilities Program.

The changerooms will complete an earlier staged build of a new canteen, officials room and spectator complex which is the biggest construction project undertaken at the Recreation Ground in nearly 10 years.

The Grassroots Football, Cricket and Netball Facility Program is aimed at increasing participation and improving gender equity in Australian Rules Football, Cricket and Netball to support healthier, happier and safer communities.

Minister for Recreation, Sport and Racing Corey Wingard said building what matters for sporting communities is part of the Marshall Government’s plan to encourage South Australians to get more active, more often.

“These grants will assist sport and recreation organisations across the state to develop core infrastructure and community hubs that will directly impact participation through the rational development of well-designed and utilised facilities,” Minister Wingard said.

The District Council of Orroroo Carrieton partnered with Orroroo Football, Netball, Cricket and Tennis sporting bodies in pursuit of the grant.



Mr Dylan Strong, CEO, said the project will help support the ongoing sustainability of existing community sporting clubs and open doors to new opportunities.

“Universal change rooms will significantly improve our ability to include everyone in sporting activities at the Rec Ground so they can enjoy the many social, health and lifestyle benefits sport and recreation provides.”

“The complex is also a win for new carnivals or special events at the Recreation Ground, which will have flow-on positive impacts on the local economy”.

“The project is a real credit to the drive and passion of our local clubs”, said Mr Strong.



The total project is valued at \$399,000 and is funded in partnership between Council, the Australian Government's Drought Communities Programme and local sporting clubs. The development is due for completion by the end of June 2022.

(Left: Stage 1 of the new complex pictured next to the existing Grandstand)

POSITIVE CEO PERFORMANCE REVIEW

Since June 2020 the District Council of Orroroo Carrieton CEO Performance Review Committee, with the assistance of consultant independent consultant John Coombe OAM, have been conducting the annual review of the CEO's performance in accordance with the CEO's Employment Agreement. This entailed the collation of a comprehensive survey undertaken by all elected members, interviews with both administration and field staff as well as discussion with external stakeholders who have an association with both the CEO and Council.

Mayor Kathie Bowman said Council were pleased with the rigorous process of review and the positive findings.

"It is with great pleasure that I announce that our CEO, Dylan Strong, has achieved an overall score which indicates he has exceeded Councillors' expectations and that he is widely respected by all his staff and those others who have an association with him".

"On behalf of the Elected Members I congratulate Dylan on an exemplary 12 months where much has been achieved. His expertise and enthusiasm is appreciated by all and we look forward to his continual leadership in our Council and our community", she said.

The achievements over the past year have been wide ranging & include:

- Processes necessary to achieve the successful funding of the Heavy Vehicle Bypass through Special Local Roads. Stage 1 of this two stage project start this financial year.
- Development of a Tourism Master Plan for Orroroo Carrieton & the delivery (or the beginning thereof) of many of the products, events and issues indicated by the plan that are the responsibility of Council.
- Delivery of a new Council Strategic and Community Plan 2020/2030.
- Delivery of the Communities Combatting Pest Weeds for Increased Productivity Project on time & on budget.
- Continuing to progress our desire to open up Crown lands adjoining Orroroo for residential housing and other development.
- Continuing to explore and put in place opportunities to share resources & services with our neighboring Councils and liaising with Legatus in particular driving to fruition the appointment of two Health & Wellbeing counsellors for the northern Councils in the grip of continuing drought.
- Coordination of Council's application for disaster funding after the floods in January/February destroyed so much of Council's road network.

“This list is by no means all the accomplishments this past year but the amount of work that sits behind them is considerable”.

“Dylan leads a team of extremely capable people who work with and support him. On behalf of the

Councillors, I thank all our staff members for their efforts over the past year and, with such a busy year ahead, to your continued support of our CEO and our community”, Mayor Bowman said.

GO LOCAL FIRST CAMPAIGN TO SUPPORT SMALL BUSINESS

The District Council of Orroroo Carrieton is encouraging everyone to show their support for small businesses in their local communities as a new nationwide campaign has been launched last month.

The “GO LOCAL FIRST” campaign, an initiative of the Council of Small Business Organisations Australia (COSBOA), will highlight the vital role of small businesses in our nation’s economic recovery from Covid-19 and in keeping local communities thriving.

The campaign builds on the success of Council’s existing shop local campaign and will encourage Australians to choose local small businesses when they are purchasing products and services to help get the economy back on its feet.

Small businesses account for just over one-third of Australia’s GDP and an economic recovery will not be possible without small businesses trading and hiring people.

Mayor Kathie Bowman said it has never been more important to support local business.

“As a result of the ongoing drought our small businesses are doing it tough and this pandemic has only made a bad situation worse.”



“Our local small businesses need our loyal communities to back them now, by ‘going local first’ when they need to buy a product or service”, she said.

Research commissioned by COSBOA shows Australians are spending more at local businesses since the Covid-19 lockdowns began earlier this year, but temporary and permanent closures are preventing them from doing more to support them.

Mr Dylan Strong, Council’s CEO, said the research found Australians see broad economic recovery as the most important issues for the country after managing the spread of the coronavirus.



“When you shop locally, your money stays in the community, meaning local jobs and local economies not just surviving, but helping them find new ways to thrive as we continue to cope with Covid-19.”

“Australia’s 3.5 million small businesses are the heartbeat of local communities, when they thrive, communities thrive, and the national economy prospers,” Mr Strong said.

The GO LOCAL FIRST campaign will be rolled out on radio and digital advertising over the next six months with a call to action to consumers to spend locally first.

For more information on the campaign or to be part of it, go to www.golocalfirst.com.au

PROJECT DELIVERY

BLACK ROCK WOOL PRESS PROJECT

In 2020/21 Council embarked on a project to return a historic wool press to the community by establishing a permanent showcase of the Woolpress and associated memorabilia in this custom-built facility.

The Wool Press Project is valued at an estimate of \$550,000. There are two major components being firstly, the construction of a custom-built Rotunda (“the Woolshed”) and secondly, the surrounding landscaping and interpretive signage. The project is structured in this way due to the external grant funding Council secured.

Funding Body	Amount	2020/21 Actual	Description
Local Roads and Community Infrastructure	\$342,000	\$156,484	The Construction of the "Woolshed," a custom built display building to house the historic Black Rock Woolpress and some promotion
Foundation of Rural and Regional Renewal	\$144,000		Fit out and interpretation, landscaping and site completion
Council's in-kind Contribution	\$ 64,000		Project management, planning and preliminaries, and post completion maintenance (est. over five years)
Total Project Estimate Cost	\$550,000	\$156,484	

Importantly, this project is scheduled over two financial years. This means that it starts 2020/21 and continues in 2021/22.

Black Rock Station Woolpress

The Black Rock Station Woolpress, circa 1851 (or possibly earlier), has been carefully restored by a group of ambitious locals over the past two years, following its recovery from the original Woolshed ruins.

Black Rock Station was first taken up in 1851 by John Williams, who built it into a significant pastoral property. Prior to the 1864-67 drought, the property was shearing up to 30,000 sheep each year.

The Woolpress is a significant piece of the region, and indeed that of Australia's, pioneering

agricultural history. It is unique in that the “monkey” (a mechanical part of the press) was operated by men turning a life-size screw while on a platform high above the press.

Early research suggests the press may be the only one of its type still in existence.

The restoration has been entirely funded by community and made possible through volunteer hours (some of whom are picture above). The owner of the Woolpress has donated the Woolpress to the community for display, which Council is holding in trust.

The Woolpress Rotunda – Orroroo's Main Street "Woolshed"

“The Woolshed” is a custom-built stone and glass display building to permanently showcase the Woolpress and associated memorabilia.

Council applied, and was successful, in gaining external funding for the project through multiple streams.

Thanks to the joint financial assistance the Australian Government and the Foundation of Rural and Regional Renewal the project began construction in the median strip of Orroroo in 2020/21.

On the 29th June 2021, the Woolpress was craned into position inside the Woolshed to allow for completion of the construction.



A POSITIVE AND RESILIENT SMALL BUSINESS COMMUNITY PROJECT

The Positive and Resilient Small Business Community project was funded by a grant PHN SA Country Empowering Communities fund.

Funding Body	Amount	2020/21 Actual	Description
PHN SA Country	\$18,000	\$11,985	A series of wellbeing, networking and educative events that brought together small business owners and managers.
Total Project Cost	\$18,000	\$11,985	

The Positive and Resilient Small Business Community Project

The project encompassed a series of wellbeing, networking and educative events that brought together small business owners and managers for; collaboration, relationship building, learning opportunities to support business development, practice techniques to manage tough times and wellbeing. Project outputs included:

- Distributed to 30 businesses Survive & Thrive Bags printed, filled with business and wellbeing resources relevant to managing regional business and challenges from drought (& pandemic onset);
- 3 Business Educational Workshops (face to face and online); Financial Management, Marketing and Social Media for small business;
- 5 Relaxation Classes hosted for local business owners and managers with an average of 8 business owners at each session;
- Networking Dinner with guest speakers MP Dan van Holst Pellekaan and Anthony North, PIRSA Family and Business Counsellor. The evening also included a successful novel local business team quiz to highlight awareness of businesses and local attractions;



- Small Business 'Go Local First' Support Campaign & Christmas Promotion;
- Small Business Christmas Resource Pack of 'business survive resources' and wellbeing activities and gifts (including one on one pampering vouchers from local businesses) given Covid Restrictions;

- Collaborative Radio Go Local First Campaign with local businesses for local businesses;
- 2021 Networking Breakfast in collaboration with local school hospitality students for local businesses and managers with invited business support workers.



DROUGHT RESPONSE AND RESILIENCE PROJECT

On 7 November 2019, the Australian Government announced a further range of drought measures, including that it would provide \$128 million under the Drought Communities Programme Extension to 128 councils experiencing hardship due to drought.

The program supported local community infrastructure and other drought relief projects for communities impacted by drought. Eligible projects included those that:

- provide work for people whose employment has been impacted by drought;
- stimulate local community spending;
- use local resources, businesses and suppliers;
- provide a long-lasting benefit to communities and the agricultural industries they depend on.

Council's **Drought Response and Resilience project** aimed to deliver small and medium infrastructure activities which will generate local employment and procurement and positively influence social and community sustainability.

The \$1,000,000 project comprised five core initiatives, namely;

- Drought Response Facilitation
- Water Security
- Community Facilities
- Small Community Progress
- Tourism Infrastructure

The project outcomes achieved include;

- ✓ 20 projects under 5 core initiatives coordinated and completed.
- ✓ 71 direct job outcomes and an estimate 54 additional (indirect) job outcomes.
- ✓ Short-term engagement of local and regional contractors.
- ✓ Improved water management infrastructure that will improve water use efficiency and costs.
- ✓ New infrastructure, signage and facilities for recreational purposes and tourist.
- ✓ Improved social cohesion within sporting clubs and inclusion within the broader community as a result of upgrades to local sporting facilities.
- ✓ Repairs and renovation to existing community use buildings and infrastructure.
- ✓ Improved management of waste water and a sustainable approach to ensuring a quality sporting surface is maintained by value adding Councils existing water infrastructure.
- ✓ Economic stimulus through contractor funds circulating within local businesses.

Funding Body	Amount	2020/21 Actual	Description
Australian Government	\$1,006,500	\$949,956	Small and medium infrastructure activities which will generate local employment and procurement and positively influence social and community sustainability.
DC Ororoo Carrieton	\$1,680		
Total Project Cost	\$1,008,180	\$949,956	

DROUGHT RESPONSE FACILITATION INITIATIVE

Part-time project officer position;

Community engagement & facilitation;

Project Management and delivery of initiatives under the Drought Communities Program;

Facilitation of progression of community initiatives such as Heritage Trail, Pekina RV Park, main street rejuvenation;

Attraction of additional external grants such as the Empowering Communities program to foster positive wellbeing of small business owners;

Key assistance in tourism development and economic diversification;

Support for community groups, volunteers and community driven activities and events.



WATER SECURITY INITIATIVE

Upgrade of Council's storm water capture;

The North Terrace swale drain was extended for a length of 270 metres from the dam inlet. The works involved cleaning out and deepening the existing swale to improve the flow of stormwater and finished at the western boundary of the land acquired for the Heavy Vehicle Bypass project.

This work ensures improved current capacity and allows sufficient depth should Council undertake additional water capture activities in future.



Works on Paratoo South Rd occurred from the railway dam inlet and continued along the existing swale to the corner of East Tce (within the Orroroo Recreation Ground).

These works increased the capacity of the swale to carry stormwater away from the Main Street and better defined the swale through the paddock resulting in more water being directed into the dam.

Street kerbing was installed from the corner of First Street/West Tce along West Tce and North Tce to the corner of North Tce/Fourth Street. These works improved amenity of the school precinct value-adding Council's investment in the school and kindergarten street-scaping.

The works also ensure stormwater carriage down West Tce into the parklands at the Northern-end of the Orroroo township allowing for future development of stormwater capture (such as an additional dam). It also minimised the risk of flooding of residential properties along West Tce and North Tce in major rain events.

New oval irrigation system

Installation of an electronic fully-automated watering system on the oval. In conjunction with a smart-moisture monitoring system installed by SA Water, the oval system monitors soil moisture for optimum watering times and can be scheduled to run irrigation cycles overnight. The system can be operated remotely by smart phone or desktop.

The system uses stormwater captured by Council's stormwater harvesting system and is also plumbed to the SA Water network as contingency. This enables effective reuse of stormwater (and associated financial savings) and at the same time ensures water security to the oval and surrounding recreation ground.

An unused council owned shed was relocated and erected alongside the 29,000Gl water storage tank. The re-purposed facility now houses the irrigation system components along with an integrated liquid fertigation system which optimises turf treatment/s.

Orroroo's oval surface is arguably one the finest in the Northern Areas Football Association (... a significant feat for the town with the lowest annual rainfall).

Water storage in remote areas;

This initiative comprised the installation of water storage tanks (Stokes Hill, Manning well, Carrieton Rec Centre, North Erskine, Garden Road & Orroroo Rec Ground), connected to bores and solar powered pumps for use during emergencies and in fire prevention activities. It valued-added Council's investment in an initial six tanks in round one of the DCP.



Each tank and accompanying bore was strategically placed in a location allowing ease of access for emergency services (CFS and SES), farm fire-fighter units and/or general works crews. The stored water will also offer future efficiencies for Council use with relevant road works in remote areas.

COMMUNITY FACILITIES INITIATIVE

Shelters and seating for cemeteries

New shelters were installed at Orroroo, Pekina, Morchard and Carrieton Cemeteries. The new structures provide shade and shelter for visitors to the cemeteries. New seating which was designed and built locally was also installed.

Future aluminium screening will be added to the shelters to increase all-weather shelter availability. Bollard border posts installed at the Orroroo Cemetery and some additional maintenance work was completed at Morchard.

Upgrades at the Orroroo Bowling club, Morchard Sporting Complex and Orroroo RSL

The external façade of the Orroroo RSL building was repaired including plastering, fascia board replacement and painting. The frame of the cannon shelter was also treated for rust and repainted.



The internal upgrades of the RSL included painting, toilets refurbishments, replacement window, floor sanding and polishing, new screen door at rear. The building is a popular meeting

facility enjoyed by the Orroroo CWA, Sing Australia, Council and other community groups.

A solar light was installed at the Morchard sporting complex and a grant issued to the Orroroo Bowling club contributing to kitchen upgrades under a planned major renovation for the bowling club facility.

Orroroo Recreation Ground redevelopment

Stage 1 of the new canteen and changeroom complex was completed in partnership with the Orroroo Football, Netball, Cricket and Tennis Clubs and Junior Sporting bodies who share the Orroroo Recreation Ground.

Stage 1 included construction of the canteen, undercover spectator area and officials room which opened for football canteen business on 15th May 2021.



The construction of this facility has enabled further development at the Orroroo Recreation Ground. Council was successful in its application to the South Australian Government's Grassroots Sport and Rec program for grant funding of Stage 2, providing for a universal changeroom addition at the rear of Stage 1 complex.



Orroroo Swimming Pool upgrades

Repairs were undertaken to the fibre glass of the toddler pool ensuring its continued operation. The filtration system was upgraded including skimmer box and a new pump.

A flower water feature was also installed for the enjoyment of visiting tiny tots. New shades were also installed over the top of the toddler pool and the spectator area of the competition pool.



Solar power and rain water storage for the Carrieton Store

Solar power installation on the Carrieton Community Store including a switch for connection of generator for use in power outage. A rain water tank and pressure pump were also installed to replace dilapidated corrugated iron tanks.



Contribution to footpath and street-scaping of the Orroroo Area School Precinct

In collaboration with the School Governing Council kerbing, footpaths and street scaping works were completed in the West Tce school precinct to connect the kindergarten and school site improving safety and amenity.

The allocation of funding through the Drought Communities Program value-added Council's own allocation to the planned works in the precinct in accordance with the 2020/21 business plan.



Students from the Orroroo Area School took a hands-on role in planting many of the roadside native trees as part of the street-scaping process.



SMALL COMMUNITY PROGRESS INITIATIVE

Town entrance signage installed in Pekina, Orroroo (Price Maurice Entrance) and Carrieton (Northern entrance).

Vehicle stop-and-rest bay – Pekina

A vehicle-stop and rest bay was established in Pekina on the Eastern side of Price Maurice Road, adjacent the Pekina Hotel. An easy turn-in bay on the Western side of the road provides easy access for caravan traffic.



The bay/s provide a public convenience for travellers and also enables increased visitation and local spending in Pekina. Visitors can stop and explore the town's history which is captured in interpretive signage.

Contribution to upgrades at the Pekina Recreation Centre

In collaboration with the Pekina Progress Association, works were undertaken at the Pekina Recreation Ground to encourage “free-camping” by passing tourists.



Works included a pay-per-use self-contained shower and toilet block, paving and signage.

Complementary works also included a new hot water system, electrical upgrades and a mobile phone booster enabling 4G mobile phone connectivity at the Rec Ground.

TOURISM INFRASTRUCTURE INITIATIVE

Lions Park upgrade [stage 1]

In a major redevelopment of the much loved Orroroo Lion's Park, new electric BBQ's, paved picnic areas and new lighting were installed.

The park received new turf and irrigation system to ensure it is well watered and maintained for public use throughout the year.

Cosmetic improvements were also undertaken in the existing self-contained toilets facilities. Overhead power lines were reconfigured underground to improve the safety of visitors.



With the assistance of Orroroo Area School students, mums, dads and families alike, nature play equipment and activities were designed and installed in the park.

These activities are now enjoyed by local families year round, and are quickly gaining reputation as a popular spot for visiting families on weekends or during school holidays.

The completed works are the first of what Council hopes to be further work at the Lion's Park to both expand the park's footprint and further building on the success of the completed nature play instalments. Further stages of development are likely to be subject to suitable external grants.

Upgrade walking trails, and increase the use of self-drive trails.

Orroroo's key driving, walking or cycling trails were repackaged, updated and promoted encouraging increased visitation and use. Small businesses throughout the district were granted mentoring with a branding and marketing professional and in doing so received new signage at the Orroroo information bay and many business frontages. The visitorroroo.com.au brand and website was further promoted. Re-development of the playground and adventure area at the Orroroo Recreation Ground.



The youth area at the Orroroo Recreation Ground was redeveloped to include new shaded outdoor adventure equipment, turf area for picnics and play, bike track maintenance and BBQ shelter area.

This area is regularly used by families during the week and has been a most welcome addition to the Recreation Ground for weekend sport. The BBQ and sheltered area is also regularly used by tourists and visitors.

The recently formed Orroroo Recreation Ground Group are already planning further activity additions to the youth park on the underutilised sealed courts nearby.

Pekina Reservoir & Rock Poem access upgrades

Further to the investment in trails development, Council undertook upgrade of the access tracks to the Pekina Reservoir, Rock Poem and Pekina Creek.



The upgrades have improved accessibility to the rock poem in the Pekina Creek via an access track and car park installed above the cutting and steps and handrails also installed.

The upgrades have also enabled 2WD vehicles and vehicles towing caravans to access the picturesque Rock Poem and Pekina Reservoir. Many locals and visitors are making use of the six new picnic areas.

As the reputation of Pekina Reservoir spreads these upgrades will assist in bringing increased visitation to Orroroo as a tourism destination. So too have the track upgrades assisted in maintaining emergency access to these heavily vegetated areas during bush-fire season.

MANAGEMENT AND STAFFING

As at the 30th June 2021 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	4.8
Human Services	0.9
Environmental	0.1
Corporate	4.5
Total Council Full Time Equivalents (FTEs)	12.15

Covered by 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
Total (inc Casuals)	9	7

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 2021 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 2021 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.

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 two (2) Special Council Meetings were held via Zoom.

Ordinary Council Meetings

Elected Members Council & Committee Meeting Attendances 2020/2021 Financial Year		Cr K Bowman Mayor	Cr G Chapman Deputy Mayor	Cr C Parkyn	Cr R Goehring	Cr J Ford	Totals		
							P	A	Ab
Ordinary Meetings of Council									
22 July	2020	P	P	A	P	P	4	1	
26 August	2020	P	P	P	P	P	5		
23 September	2020	P	P	P	A	P	4	1	
28 October	2020	P	P	P	A	P	4	1	
25 November	2020	P	P	A	P	P	4	1	
16 December	2020	P	P	P	P	P	5		
27 January	2021	P	P	P	A	P	4	1	
24 February	2021	P	P	P	P	P			
24 March	2021	P	P	P	A	P	4	1	
28 April	2021	P	P	P	A	P	4	1	
26 May	2021	P	P	A	P	P	4	1	
23 June	2021	P	P	P	P	P	4		
P	Present	12	12	9	7	12	46		
A	Apology			3	5			8	
Ab	Absent without Apology								0
GRAND TOTAL		12	12	12	12	12			

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 2020-2021:

Elected Members Council & Committee Meeting Attendances 2020/2021 Financial Year		Cr K Bowman	Cr G Chapman	Cr C Parkyn	Cr R Goehring	Cr J Ford	Totals		
		Mayor	Deputy Mayor				P	A	Ab
Special Meetings of Council									
18 December	2020	P	P	P	P	P	5		
18 May	2021	P	P	P	P	A	4	1	
P	Present	2	2	2	2	1	9		
A	Apology					1		1	
Ab	Absent without Apology								
GRAND TOTAL		2	2	2	2	2			

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 2020/2021 Financial Year		Cr K Bowman	Cr G Chapman	Cr C Parkyn	Cr R Goehring	Cr J Ford	Totals		
		Mayor	Deputy Mayor				P	A	Ab
Audit Committee									
15 July	2020	P	A			P	2	1	
26 October	2020	P	P			A	2	1	
3 February	2021	P	P			P	3		
4 May	2021	P	P			A	2	1	
22 June	2021	P	P			P	3		
P	Present	5	4			3	12		
A	Apology		1			2		3	
Ab	Absent without Apology								0
GRAND TOTAL		5	5	0	0	5			

The following Committees did not meet during 2020/2021:

- Works & Engineering Committee
- Governance & Corporate Services

- Orroroo Lifestyle Units Advisory Committee

Audit Committee

This report presents a summary of the District Council of Orroroo Carrieton Audit Committee's activities undertaken and recommendations made during the 2020/2021 financial year.

Conduct of Meetings

The Committee met on three occasions during the period 1 July 2020 to 30 June 2021 with the following attendance:

Committee Members	Meeting Dates				
	15 July 2020	26 October 2020	3 February 2021	4 May 2021	22 June 2021
Ian Swan (Chairperson & Independent Member)	✓	✓	✓	✓	✓
Cr Kathie Bowman (Mayor)	✓	✓	✓	✓	✓
Cr Grant Chapman (Deputy Mayor)	x	✓	✓	✓	✓
Cr Joy Ford	✓	x	✓	x	✓

Audit Committee Achievements

The following table summarises the activities and principal issues addressed by the Committee during 2020/2021:

Principal Issues Examined	Status	Recommendations to Council
Review of Annual Financial Reports for year ended 30 June 2020	Completed	The Audit Committee endorsed the Financial Report for 2020 with the reports recommended to Council for adoption.
Review of Financial Controls Audit – 2019/2020 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 2019/2020 year.
Review 2020/2021 Draft Annual Business Plan & Budget	Completed	The Audit Committee considered the Draft Annual Business Plan and Budget for the 2020/2021 year at its meeting held in May 2020.
Review of Budget 2020/2021	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.
Overdue Rates & Debt Collection	Completed	The Audit Committee considered reports on proceedings pursuant to Sections 184 & 185 of the Local Government Act

Terms of Reference Review	Completed	The Audit Committee recommended to Council to change the name of the Committee to 'Audit & Risk Management Committee'
Review 2021/2022 Draft Annual Business Plan & Budget	Completed	The Audit Committee considered the Draft Annual Business Plan and Budget for the 2021/2022 year at its meeting held in June 2021.

The Audit Committee operated effectively during 2020/21. 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 2020/2021:

Date	Agenda Item No	Description	Local Government Act Section	Motion No	Withhold Period
22 July 2020	17.1	Chief Executive Officer Performance Review	90(2) 90(3)(e) 90(3)(j)(ii) 91(7)	025/0720	12 months
26 August 2020	17.1	Chief Executive Officer Performance Review	90(2) 90(3)(e) 90(3)(j)(ii) 91(7)	020/0820	12 months
26 August 2020	17.2	Audit Tender Selection	90(2) 90(3)(k) 91(7)	014/0820	6 months
26 August 2020	17.3	Human Resource Management	90(2) 90(3)(e) 90(3)(j)(ii) 91(7)	017/0820	12 months
23 September 2020	17.1	Drought Communities Program – Project Procurement Report	90(2) 90(3)(d) 91(7)	022/0920	Until relevant purchasing has been confirmed and all purchase order have been placed
23 September 2020	17.2	Johnburgh Road Maintenance Proposal	90(2) 90(3)(d) 91(7)	025/0920	6 months
28 October 2020	17.1	FSSG Waste Tender Evaluation Report	90(2) 90(3)(d) 91(7)	022/1020	Until the relevant contracting has been confirmed and all contracts have been placed.

Date	Agenda Item No	Description	Local Government Act Section	Motion No	Withhold Period
28 October 2020	17.2	Asset Replacement – Grader Tender	90(2) 90(3)(d) 91(7)	025/1020	Until the relevant purchasing has been confirmed and all purchase orders have been placed.
28 October 2020	17.3	Proposed Asset Disposal Former Senior Citizens Hall	90(2) 90(3)(d) 91(7)	028/1020	Until the relevant purchasing has been confirmed and all purchase orders have been placed
28 October 2021	17.4	Johnburgh Road Maintenance Proposal	90(2) 90(3)(d) 91(7)	031/1020	6 months
25 November 2020	18.1	Tender Evaluation – Black Rock Woolpress Rotunda	90(2) 90(3)(d) 91(7)	023/1120	Until next Council Meeting and reviewed
25 November 2020	18.2	Overdue Rates & Debt Collection Report	90(2) 90(3)(a) 91(7)	025/1120	12 months
18 December 2020	4.1	Asset Disposal Former Senior Citizens Hall	90(2) 90(3)(d) 91(7)	SC002/1220	6 months
27 January 2021	17.1	Tender Evaluation – Black Rock Woolpress Rotunda	90(2) 90(3)(d) 91(7)	015/0121	Until the relevant contracting has been confirmed and all contracts have been placed.
18 May 2021	4.1	Orroroo Heavy Vehicle Bypass Tender Selection	90(2) 90(3)(d) 91(7)	SC002/0521	12 months
23 June 2021	17.1	Overdue Rates & Debt Collection Report	90(2) 90(3)(a) 91(7)	026/0621	12 months
23 June 2021	17.2	Orroroo Caravan Park	90(2) 90(3)(d) 91(7)	029/0621	12 months
23 June 2021	17.3	Dews Meat, Orroroo	90(2) 90(3)(d) 91(7)	030/0621	Until next meeting and reviewed

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 2020
Mayoral Allowance	\$27,252.00
Deputy Mayoral Allowance	\$8,516.25
Councillor Allowance	\$6,813.00

The following Elected Members Allowances were paid during the 2020/2021 year.

Councillor Allowances	Councillor Allowances	Travelling Allowances
Cr Colin Parkyn	\$6,795.25	-
Cr Kathleen Bowman	\$26,000.00	\$1,202.40
Cr Grant Chapman	\$8,494.08	-
Cr Joylene Ford	\$6,795.25	-
Cr Ralph Goehring	\$6,795.25	-
Total 2020/2021	\$54,879.83	\$1,202.40

The Chairman of the Audit Committee, Mr Ian Swan, was paid a total of \$4,950 during 2020/2021.

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 2020/2021 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;
- ii. The average representation quota for councils of a similar size and type (taking into account various factors prescribed by the regulations);
- 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.

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 and conducted a review on 23rd June 2021.

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 2020/21

In preparation of the 2020/21 Annual Business Plan and Budget, Council again conducted an extensive consultation process that included three public meetings at Morchard, Carrieton & Orroroo.

The 2020/21 Annual Business Plan and Budget was adopted in June 2020 with a focus on delivering key capital projects, maintaining core service delivery, and keeping rate increases to a minimum.

The adopted 2020/21 Budget ensured Council's financial sustainability in the medium to long term while still achieving the objectives of the Strategic and Community Plan for 2020-2030.

Statutory financial statements

The audited financial statements are included in Appendix A. These document the financial results for 2020/21.

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 2020/21 financial year are:

Ian G McDonald FCA
PO Box 75
Henley Beach SA 5022
Phone: 0419 620 906
Term of Appointment

2020-2025 (5 Year term)

Amount paid for audit services during 2020/2021 year was \$14,300 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 reviewed September 2020.

Internal Review of Council Decisions

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

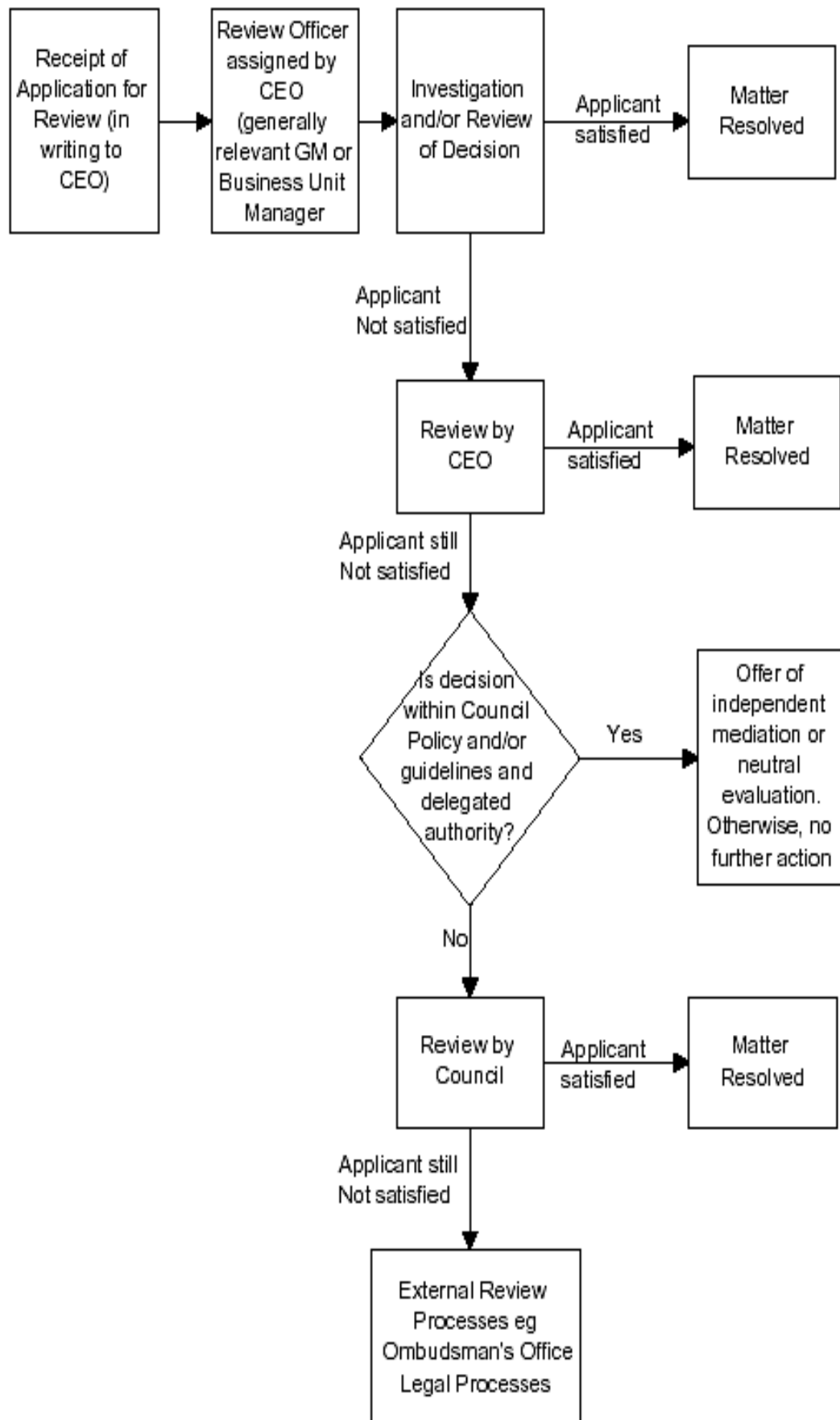
Grievances may arise as a result of dissatisfaction with a decision about a policy, procedure, service or fee. All attempts will be made to resolve grievances quickly and efficiently, without the need for formal applications for review to be lodged. Sometimes this cannot be achieved. Council's Internal 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 2020-2021 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 2020-2021 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 2020/2021 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 2020/21 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	24/6/2021	June 2022
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 May 2020.



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) Goyder's Line Gazette
- 14) Internal Review of Council Decisions
- 15) Meeting Notices
- 16) Order Making Policy
- 17) Policy Manual
- 18) Public Consultation Policy
- 19) Rating Policy
- 20) Record of Delegations
- 21) Register of Elected Members' Allowances and Benefits
- 22) Register of Employees' Salaries, Wages and Benefits
- 23) Register of Fees and Charges levied by Council
- 24) Register of Interests
- 25) Register of Parking Controls
- 26) Register of Public Streets and Roads
- 27) Strategic Plans
- 28) 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 2020-2021 reporting year, Council received one (1) request 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.

INFRASTRUCTURE SERVICES

Council's Road Network

Road Assets	Length
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 2020/2021 the following volumes were collected:

Waste Collection	Tonnes
Total Tonnes Collected	439
- Waste	204
- Recycling	82
- Other Waste	153
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 2020/2021 FY

Road Name	Length of sheeting-metres	Budget / Original	Actual Exp	Variance
Hogshead Road (2019/20)	3,400*	-	\$12,406	(\$12,406)
Mt James Road	2100	\$33,600	\$27,979	\$5621
Wyndhurst Road	2,500	\$40,000	\$39,660	\$340
Kuerschner Road	700	\$12,600	\$15,931	(\$3,331)
Crocker Hill Road (West)	1,900	\$34,200	\$31,790	\$2,410
Crocker Hill Road (East)	650	\$13,000	\$16,449	(\$3,449)
Garden Road	1,800	\$28,800	\$25,929	\$2,871
Dump Road	750	\$12,000	\$12,189	(\$189)
Gorge Road	1,400	\$28,000	\$27,489	\$511
Morchard Road (Eurelia end)	2,250	\$40,500	\$40,340	\$160
Morchard Road (Morch end)	400	\$8,000	\$7,840	\$160
Nutt Road	2,900	\$52,200	\$50,680	\$1,520
Eurelia West Road	800	\$18,400	\$18,291	\$109
Belton Road realignment	Inc.	\$5,000	\$5,686	(\$686)
Reservoir Road	Inc.	\$9,700	\$7,063	\$2,637
Kuerschner Road Rip & Reform	2,500	\$20,600	\$12,361	\$8,239
Crocker Hill Road Rip & Reform	1,700	\$8,400	\$8,944	(\$544)
Total Capital Works	25,750	\$365,000	\$361,027	(\$3,973)

* total includes metres completed in 19/20 and 20/21



Flood Recovery Program 2020/2021 FY

The Orroroo Carrieton district incurred widespread general to severe flood damage to Council's road network following heavy rains between Friday 31st January 2020 and Wednesday 5th February 2020.



Council's road network and surrounding lands were historically dry at the time of the flood. Consequently, road surfaces and pavements were extremely vulnerable to washing of dry, finer materials from the structure of pavements, floodways, road-related embankments etc. Further, paddocks were "bone dry" as well, vegetation was in poor condition and highly susceptible to being carried away by stormwater washing across paddocks.

In addition to direct scouring from fast-moving stormwater, large quantities of damaging material and debris were deposited on roads, in culverts (causing blockages and overtopping damage).

An estimated 80% of the 1600 km of Council's unsealed road network, and several culverts on the sealed network, were adversely impacted. Damage ranged from loss of binding materials in pavements to complete destruction of road infrastructure including pavements, shoulders, embankments, formation earthworks, major culverts and floodways.

Road Name	Grading and general repair	Length of sheeting- metres
Nutt Road		1,000
Wilmington Road	✓	
Eurelia West Road		2,800
Stuckey Road		1,100
Diedre Road		450
Chapman Road		800
Cook Road		3,300
Cummings Road	✓	
Morchard-Eurelia Road		2,650
Walloway School Road		
Wyndhurst Road		100
Beinke Road		800
Walloway Road		5,100
Coomooroo Road		600
Pine Vale Road		100
Amyton Road		850
Hooper Road (part)	✓	
Tarcowie Bus Route	✓	
Wepowie Road	✓	
Almerta Road	✓	
Arbon Road	✓	
Baratta Road	✓	
Belton Road	✓	
Bendelby Road	✓	
Blackrock-Dawson Road		650
Boolcunda Road	✓	
Bouda Hut Road	✓	
Brooks Road	✓	
Butterfield Road	✓	
Circuit Road	✓	
Cottrel Road	✓	
Crotta Road	✓	
Kuerschner Road	✓	
Mallee Bore Road	✓	
McCallum Road	✓	
North Paratoo Road	✓	
Oladdie Road	✓	
Pamatta Road		4,900
Polden Road	✓	
Schmidt Road	✓	
Shackleford Road	✓	
Tyeka Road		350
Yalpara Road	✓	
Total Flood Works		25,550

Road Name	Grading and general repair	Length of sheeting- metres
Laskey road		3,300
Stokes Creek Road	✓	
Morchard Road (near township)	✓	
Bully Acre Road		400
Clark Road		1,100
Mannion Road		400
Teague Road		600
Garden Road		5,225
North Erskine Road		2,300
Dawson Road		650
Big Gum Tree/ Red bridge Road		450
Arthur Road		400
Minburra Road	✓	
Rankin Road		1,100
North Paratoo corner	✓	
Johnburgh Road		4,200
South Paratoo Road	✓	
Total Flood Works		20,125

Attachment 1 Audited Financial Statements 2020/2021



General Purpose Financial Reports

For year ended 30 June 2021

District Council of Orroroo Carrieton
General Purpose Financial Reports
for the year ended 30 June 2021

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District Council of Orroroo Carrieton
Annual Financial Statements
for the year ended 30 June 2021

CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2021 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.


.....
Dylan Strong
CHIEF EXECUTIVE OFFICER


.....
Kathie Bowman
MAYOR

Date: 27th October 2021

District Council of Orroroo Carrieton
Statement of Comprehensive Income
for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
INCOME			
Rates	2	1,223	1,210
Statutory charges	2	19	17
User charges	2	110	112
Grants, subsidies and contributions	2	1,619	2,694
Investment income	2	10	11
Reimbursements	2	75	36
Other income	2	27	24
Total Income		3,083	4,104
EXPENSES			
Employee costs	3	950	1,129
Materials, contracts & other expenses	3	1,054	1,109
Depreciation, amortisation & impairment	3	1,211	1,186
Finance costs	3	10	9
Total Expenses		3,225	3,433
OPERATING SURPLUS / (DEFICIT)		(142)	671
Asset disposal & fair value adjustments	4	131	65
Amounts received specifically for new or upgraded assets	2	2,229	-
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		2,218	736
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	(1,698)	(2,487)
Total Other Comprehensive Income		(1,698)	(2,487)
TOTAL COMPREHENSIVE INCOME		520	(1,751)

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 2021

		2021	2020
	Notes	\$'000	\$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,958	2,321
Trade & other receivables	5	413	140
Inventories	5	53	83
Total Current Assets		2,424	2,544
Non-current Assets			
Financial assets	6	16	16
Infrastructure, property, plant & equipment	7	33,100	31,941
Total Non-current Assets		33,116	31,957
Total Assets		35,540	34,501
LIABILITIES			
Current Liabilities			
Trade & other payables	8	732	143
Borrowings	8	66	63
Provisions	8	352	367
Total Current Liabilities		1,150	573
Non-current Liabilities			
Borrowings	8	-	66
Provisions	8	24	16
Total Non-current Liabilities		24	82
Total Liabilities		1,174	655
NET ASSETS		34,366	33,846
EQUITY			
Accumulated Surplus		8,149	5,931
Asset Revaluation Reserves	9	26,217	27,915
TOTAL EQUITY		34,366	33,846

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 2021

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
2021	Notes	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period		5,931	27,915	-	33,846
Net Surplus / (Deficit) for Year		2,218	-	-	2,218
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	(1,698)	-	(1,698)
Balance at end of period	9	8,149	26,217	-	34,366

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
2020	Notes	\$'000	\$'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					
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	(2,487)	-	(2,487)
Balance at end of period	9	5,931	27,915	-	33,846

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 2021

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$'000	\$'000
<i>Receipts:</i>			
Rates - general & other		1,211	1,211
Fees & other charges		21	17
User charges		110	117
Investment receipts		10	11
Grants utilised for operating purposes		1,619	3,101
Reimbursements		45	36
Other revenues		27	102
<i>Payments:</i>			
Employee costs		(963)	(1,113)
Materials, contracts & other expenses		(705)	(1,879)
Finance payments		(10)	(9)
Net Cash provided by (or used in) Operating Activities		1,365	1,594
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		2,229	-
Sale of replaced assets		114	28
Sale of surplus assets		50	42
Repayments of loans by community groups		-	5
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(2,942)	(587)
Expenditure on new/upgraded assets		(1,116)	(173)
Net Cash provided by (or used in) Investing Activities		(1,665)	(685)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Payments:</i>			
Repayments of borrowings		(63)	(75)
Net Cash provided by (or used in) Financing Activities		(63)	(75)
Net Increase (Decrease) in cash held		(363)	834
 Cash & cash equivalents at beginning of period	10	2,321	1,487
Cash & cash equivalents at end of period	10	1,958	2,321

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 2021

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 27th October 2021 (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).

1.5 Covid-19

The COVID-19 pandemic is not expected to have a significant financial impact on Council operations with the Council working to reduce discretionary expenditure in the short term to help mitigate the effect of the reduced revenue and increased costs. Financial impacts may effect the 2021/22 financial year. The budget assumptions for 2021/22 assume that no further harsher restrictions are put in place by the government. However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

2 The Local Government Reporting Entity

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 consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

3.1 Revenue

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

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

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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) has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference	
2016-17	\$1,463,615	\$966,301	+	\$497,314
2017-18	\$939,742	\$950,575	-	\$10,833
2018-19	\$915,318	\$939,715	-	\$24,397
2019-20	\$971,664	\$936,970	+	\$34,694
2020-21	\$926,038	\$945,700	-	\$19,662

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.

3.2 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

4.1 Cash, Cash Equivalent Assets

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

4.2 Other Financial Instruments

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 12.

District Council of Orreroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the 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.

6.2 Materiality

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

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

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

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

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".

9 Provisions

9.1 Employee Benefits

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

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the current 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 Statewide Superannuation Scheme or other nominated scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 15.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

10 GST Implications

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

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

11 New and amended standards and interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 101 and AASB 108 Definition of Material:

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Council.

Amendments to AASB 16 Covid-19 Related Rent Concessions:

In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16 if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. This amendment had no impact on the consolidated financial statements of the Group.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

	Notes	2021 \$'000	2020 \$'000
RATES REVENUES			
<u>General Rates</u>		1,061	1,032
Less: Mandatory rebates		(18)	(18)
Less: Discretionary rebates, remissions & write offs		(29)	(3)
		<u>1,014</u>	<u>1,011</u>
<u>Other Rates</u> (including service charges)			
Landscape levy		43	36
Waste collection		149	144
Water supply		7	7
		<u>199</u>	<u>187</u>
<u>Other Charges</u>			
Penalties for late payment		10	12
		<u>10</u>	<u>12</u>
		<u>1,223</u>	<u>1,210</u>
STATUTORY CHARGES			
Development Act fees		10	8
Animal registration fees & fines		9	9
		<u>19</u>	<u>17</u>
USER CHARGES			
Cemetery/crematoria fees		9	10
Commercial activity - Addison Court		21	6
Swimming Pool fees		8	10
Parks & Gardens, Stock Route		15	9
Hall & equipment hire		-	1
Rental charges		17	16
Event income		14	21
Bus income		4	4
Sales - general		9	13
Sundry		13	22
		<u>110</u>	<u>112</u>
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		10	11
		<u>10</u>	<u>11</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME (con't)

		2021	2020
	Notes	\$'000	\$'000
REIMBURSEMENTS			
- for private works		17	22
- by joint undertakings		35	-
- other		23	14
		<u>75</u>	<u>36</u>
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		7	-
Rebates received		18	17
Sundry		2	7
		<u>27</u>	<u>24</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		2,229	-
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant		926	972
Financial Assistance Grant - Roads		284	271
Roads to Recovery		389	389
Drought Communities Program		-	900
Sundry		20	162
		<u>1,619</u>	<u>2,694</u>
		<u>3,848</u>	<u>2,694</u>
<i>The functions to which these grants relate are shown in Note 12.</i>			
Sources of grants			
Commonwealth government		1,643	1,307
State government		2,032	1,269
Other		173	118
		<u>3,848</u>	<u>2,694</u>
Individually Significant Item			
Prepaid Financial Assistance Grant		477	497

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE

		2021	2020
	Notes	\$'000	\$'000
EMPLOYEE COSTS			
Salaries and Wages		977	961
Employee leave expense		144	153
Superannuation - defined contribution plan contributions	15	95	85
Superannuation - defined benefit plan contributions	15	8	8
Workers' Compensation Insurance		18	21
Less: Capitalised and distributed costs		(292)	(99)
Total Operating Employee Costs		950	1,129
 Total Number of Employees		 10	 12
<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		10	20
Bad and Doubtful Debts		7	19
Elected members' expenses		56	60
Operating Lease / Rental		15	18
Subtotal - Prescribed Expenses		88	117
<u>Other Materials, Contracts & Expenses</u>			
Computer Hardware / Software		10	85
Conferences / Seminars / Training		17	12
Contractors		336	202
Donations / Contributions		8	8
Energy		45	36
FBT		19	4
Insurance		111	119
Legal Expenses		28	11
Levies paid to Government - Landscape levy		43	36
Maintenance of Plant & Equipment		96	118
Minor Equipment		12	16
Publishing / Advertising		16	5
Membership Fees		28	26
Telephone		14	20
Vehicle Registration		17	23
Waste Levy		25	24
Waste Management Collection		74	67
Water, Sewage & Gas		63	95
Other Expenses		4	85

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE con't

	2021	2020
Notes	\$'000	\$'000
Subtotal - Other Materials, Contracts & Expenses	<u>966</u>	<u>992</u>
	<u>1,054</u>	<u>1,109</u>
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings & Other Structures	209	197
Roads	717	709
Plant & Equipment	181	179
CWMS	31	30
Other Assets	73	71
	<u>1,211</u>	<u>1,186</u>
FINANCE COSTS		
Bank Charges	4	-
Interest on Loans	6	9
	<u>10</u>	<u>9</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2021	2020
Notes	\$'000	\$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	114	28
Less: Carrying amount of assets sold	13	-
Gain (Loss) on disposal	<u>101</u>	<u>28</u>
<i>Assets surplus to requirements</i>		
Proceeds from disposal	50	42
Less: Carrying amount of assets sold	20	5
Gain (Loss) on disposal	<u>30</u>	<u>37</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>131</u>	<u>65</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - CURRENT ASSETS

	Notes	2021 \$'000	2020 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		23	10
Deposits at Call		1,935	2,311
		1,958	2,321
TRADE & OTHER RECEIVABLES			
Rates - General & Other		162	150
Debtors - general		28	20
Other levels of Government		238	
GST Recoupment		92	25
Prepayments		-	24
Total		520	219
Less: Allowance for Doubtful Debts		(107)	(79)
		413	140
INVENTORIES			
Stores & Materials		53	83
		53	83
<i>Amounts included in inventories that are not expected to be received within 12 months of reporting date.</i>		0	0

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 6 - NON-CURRENT ASSETS

		2021	2020
FINANCIAL ASSETS	Notes	\$'000	\$'000
Receivables			
Loans to community organisations		<u>16</u>	<u>16</u>
TOTAL FINANCIAL ASSETS		<u>16</u>	<u>16</u>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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

		2020				2021			
		\$'000				\$'000			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land	2	253	-	-	253	463	-	-	463
Land	3	1,171	-	-	1,171	948	-	-	948
Buildings & Other Structures	3	10,441	115	(4,055)	6,501	8,643	1,340	(4,196)	5,787
Roads	3	29,722	421	(9,782)	20,361	29,722	2,691	(10,499)	21,914
Plant & Equipment		-	4,153	(2,815)	1,338	-	4,523	(2,904)	1,619
CWMS		-	1,885	(30)	1,855	1,768	266	(57)	1,977
Other Assets		-	1,140	(678)	462	-	1,143	(751)	392
Total IPP&E		41,587	7,714	(17,360)	31,941	41,544	9,963	(18,407)	33,100
Comparatives		44,883	10,881	(20,905)	34,859	41,587	7,714	(17,360)	31,941

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 2021

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2020 \$'000	CARRYING AMOUNT MOVEMENTS DURING THE YEAR \$'000							2021 \$'000
	Carrying Amount	Additions		Disposals	Dep'n	Transfers		Net Reval'n	Carrying Amount
		New / Upgrade	Renewals			In	Out		
Land	253	-	-	-	-	210	-	-	463
Land	1,171	-	-	(13)	-	(210)	-	-	948
Buildings & Other Structures	6,501	831	394	(8)	(209)	-	-	(1,722)	5,787
Roads	20,361	292	1,978	-	(717)	-	-	-	21,914
Plant & Equipment	1,338	-	475	(13)	(181)	-	-	-	1,619
CWMS	1,855	-	129	-	(31)	-	-	24	1,977
Other Assets	462	-	3	-	(73)	-	-	-	392
Total IPP&E	31,941	1,123	2,979	(34)	(1,211)	-	-	(1,698)	33,100
Comparatives	34,859	173	587	(5)	(1,186)	-	-	(2,487)	31,941

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 2021

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

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. Accordingly, formal sensitivity analysis does not provide useful information.

District Council of Orroroo Carrieton
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

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

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

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Buildings - new construction/extensions	\$10,000
Park & Playground Furniture & Equipment	\$2,000
Road construction & reconstruction	\$10,000
Paving & footpaths, Kerb & Gutter	\$2,000
Drains & Culverts	\$5,000
Reticulation extensions	\$5,000
Sidelines & household connections	\$5,000
Artworks	\$5,000

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
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 2021

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 2020 by Mr 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 2021, based on actual costs incurred during the reporting periods ended 30 June 2019, 2020 and 2021. All acquisitions made after the respective dates of valuation are recorded at cost.

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

Community wastewater management system infrastructure was valued at depreciated current replacement cost during the reporting period ended 30 June 2020 by Mr 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 2021

Note 8 - LIABILITIES

		2021 \$'000		2020 \$'000	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		413		99	
Payments received in advance		200		-	
Accrued expenses - other		44		44	
GST Payable		37		-	
Other Payables		38		-	
		732	-	143	-

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

BORROWINGS

Loans	66	-	63	66
	66	-	63	66

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

PROVISIONS

LSL Employee entitlements (including oncosts)	148	24	164	16
AL Employee entitlements (including oncosts)	89	-	94	-
Other Provisions	115	-	109	
	352	24	367	16

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

Movements in Provisions - 2021 year only

(current & non-current)

	<i>Other Provision</i>
Opening Balance	383
Add Unwinding of present value discounts	
Additional amounts recognised	70
(Less) Payments	77
Unused amounts reversed	
Add (Less) Remeasurement Adjustments	-
Closing Balance	376

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2020	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2021
Notes	\$'000	\$'000	\$'000	\$'000
Land	783	-	-	783
Buildings & Other Structures	4,354	(1,722)	-	2,632
Roads	22,778	-	-	22,778
CWMS	-	24	-	24
TOTAL	27,915	(1,698)	-	26,217
Comparatives	30,402	(2,487)	-	27,915

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 2021

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	2021 \$'000	2020 \$'000
Total cash & equivalent assets	5	1,958	2,321
Balances per Cash Flow Statement		<u>1,958</u>	<u>2,321</u>

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

Net Surplus (Deficit)	2,218	736
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,211	1,186
Net increase (decrease) in unpaid employee benefits	(13)	16
Change in allowances for under-recovery	(28)	19
Grants for capital acquisitions treated as Investing Activity	(2,229)	-
Net (Gain) Loss on Disposals	(131)	(65)
	<u>1,028</u>	<u>1,892</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(288)	467
Net (increase) decrease in inventories	30	(43)
Net increase (decrease) in trade & other payables	589	(719)
Net increase (decrease) in other provisions	6	(4)
Net Cash provided by (or used in) operations	<u>1,365</u>	<u>1,594</u>

(c) Financing Arrangements

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

Bank Overdrafts	-	-
Corporate Credit Cards	7	7
LGFA Cash Advance Debenture facility	25	-

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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				
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000				
Business Undertakings	36	42	54	22	(18)	20	-	-	1,977	1,885
Community Services	60	68	121	130	(61)	(62)	-	-	985	1,022
Culture	-	1	35	36	(35)	(35)	-	-	314	184
Economic Development	36	122	20	130	16	(8)	4	-	-	-
Environment	162	155	178	184	(16)	(29)	-	-	1,050	1,012
Recreation	14	15	272	276	(258)	(261)	-	-	1,158	800
Regulatory Services	17	17	22	14	(5)	3	-	-	-	-
Transport & Communication	674	668	275	329	399	339	673	660	23,336	22,533
Plant Hire & Depot / Indirect	47	17	68	140	(21)	(123)	-	-	-	-
Council Administration	2,037	2,999	2,180	2,172	(143)	827	942	2,034	4,280	4,505
TOTALS	3,083	4,104	3,225	3,433	(142)	671	1,619	2,694	33,100	31,941

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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, Other Public Order and Safety, 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

Unclassified Activities

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, Depreciation, LGGC – General Purpose, and Separate and Special Rates.

District Council of Orreroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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 0.3% and 0.45% (2020: 0.45% and 1.25%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated	<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 0.421% (2020: 0.433%) 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 Orroroo Carrieton

Notes to and forming part of the Financial Statements

Note 12 - 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 rate of 5.05% (2020: 5.05%)</p> <p>Carrying amount: approximates fair value.</p>

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 12 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2021	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	1,958	-	-	1,958	1,958
Receivables	429	-	-	429	429
Other Financial Assets	-	16	-	16	-
Total	2,387	16	-	2,403	2,387
<u>Financial Liabilities</u>					
Payables	732	-	-	732	688
Current Borrowings	66	-	-	66	66
Non-Current Borrowings	-	-	-	-	-
Total	798	-	-	798	754

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

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

	30 June 2021		30 June 2020	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	5.05	66	5.05	128
		66		128

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 12 - 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 2021

Note 13 - FINANCIAL INDICATORS

	2021	2020	2019
Operating Surplus Ratio			
<u>Operating Surplus</u>	(4.6%)	16.3%	37.0%
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>	(39%)	(44%)	(15%)
Total Operating Income			

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

Adjustments to Ratios

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These ***Adjusted Ratios*** correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison between years.

<i>Adjusted Operating Surplus Ratio</i>	(3.9%)	0.5%	30.3%
<i>Adjusted Net Financial Liabilities Ratio</i>	(24%)	(51%)	(16%)

Asset Renewal Funding Ratio

<u>Net Outlays on Existing Assets</u>	357%	80%	143%
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.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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

	2021		2020
	\$'000		\$'000
Income	3,083		4,104
Expenses	(3,225)		(3,433)
Operating Surplus / (Deficit)	(142)		671
Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	(2,942)		(587)
Add back Depreciation, Amortisation and Impairment	1,211		1,186
Proceeds from Sale of Replaced Assets	114		28
	(1,617)		627
Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(1,116)		(173)
Amounts received specifically for New and Upgraded Assets	2,229		-
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	50		42
	1,163		(131)
Net Lending / (Borrowing) for Financial Year	(596)		1,167

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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 2019-20; 9.50% in 2020-21). 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 2019-20) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 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

for the year ended 30 June 2021

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 \$41,000 (2020: \$16,000) 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.

District Council of Orroroo Carrieton
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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, six persons were paid the following total compensation:

	2021	2020
	\$'000	\$'000
Salaries, allowances & other short term benefits	196	200
TOTAL	196	200

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

	2021	2020
	\$'000	\$'000
Contributions for fringe benefits tax purposes	15	11
Planning and building applications fees	1	2
Rentals for Council property	1	2
TOTAL	17	15

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

One close family members 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 and without conditions, was granted during the year (including 2 lodged the previous year); Total fees for this applications (all of which are payable on lodgement) amounted to \$1,476.

District Council of Orroroo Carrieton Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of the District Council of Orroroo Carrieton (Council) for the year ended 30 June 2021.

Opinion

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

- a) to present fairly the financial position of the Council as at the 30 June 2021 and the results of its operations for the period then ended, and;
- b) according to Australian Accounting Standards.

Basis for Opinion

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

Other Information – Basis of Accounting and Restriction on Distribution

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

Responsibilities of Management for the Financial Report

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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



Ian G McDonald FCA
Registered Company Auditor 16458

Signed at Grange, 4 November 2021

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

We have audited the compliance of the District Council of Orroroo Carrieton (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 2020 to 30 June 2021 have been conducted properly and in accordance with law.

Opinion

In our opinion, the Council has complied, in all material respects, with *Section 125* of the *Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2020 to 30 June 2021.

Basis for Opinion

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

Limitation on Use

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

Inherent Limitations

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

The Council's Responsibility for the Internal Controls

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

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable *Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements*, issued by the *Australian Auditing and Assurance Standards Board*, in order to state whether, in all material respects, the Council has complied with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2020 to 30 June 2021. *ASAE 3100* also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

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



Ian G McDonald FCA

Chartered Accountant

Registered Company Auditor 16458

Signed at Grange, 4 November 2021

District Council of Orroroo Carrieton
Annual Financial Statements
for the year ended 30 June 2021

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 2021, the Council's Auditor, Ian G McDonald FCA, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Dylan Strong
CHIEF EXECUTIVE OFFICER



.....
David Powell
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 22nd October 2021

District Council of Orroroo Carrieton

Annual Financial Statement

For the year ended 30 June 2021

Audit Certificate of Audit Independence

We confirm that, for the audit of the financial statements of the District Council of Orroroo Carrieton for the year ended 30 June 2021, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Ian G McDonald FCA

Date: 6 October 2021