

City of Victor Harbor

ANNUAL REPORT 2021/22



city of
Victor Harbor



ACKNOWLEDGEMENT OF COUNTRY

The City of Victor Harbor is committed to working with Traditional Owners, supporting their role as custodians of this land and helping ensure the future prosperity and cultural enrichment of our community. We acknowledge the Ngarrindjeri and Ramindjeri peoples as the Traditional Owners of our beautiful lands and surrounding waters. As a community we recognise and respect their cultural connections with Country.

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The 2021/22 Annual Report was adopted by the City of Victor Harbor at a Special Council Meeting on Monday, 28 November 2022.



READING THIS ANNUAL REPORT



In accordance with the Local Government Act 1999, Council must publish an Annual Report to provide an update to our community and stakeholders about Council finances, performance and how we have delivered against our strategic management plans.

The Annual Report 2021/22 reports against our Community Plan 2030. This report also includes a summary of our performance against Council's Annual Business Plan and Budget 2021/22. The Annual Report gives our ratepayers and key stakeholders insight into how we invest public funds to provide essential services and infrastructure and promote social, environmental and economic advancements across the City of Victor Harbor.



It is a chance to share the opportunities and challenges faced during the financial year, and some of the noteworthy achievements during 2021/22, in our effort to serve ratepayers, residents, businesses and visitors.

The report is divided into the following sections:

- About Victor Harbor (pages 10-14)
- Strategic Direction (15-19)
- 2021/22 In Review (pages 20-43)
- Performance Against Our Strategic Plans (pages 44-73)
- Elected Members (pages 74-83)
- Our Organisation (pages 84-103)
- Corporate Reporting (pages 104-121)
- 2021/22 Financial Statements (pages 122-180)

Legislation also requires the Annual Report of Council subsidiaries to be attached to this report.



MAYOR'S WELCOME



Dr Moira Jenkins
Mayor

It's been another enormous year in the City of Victor Harbor full of accomplishment and progress, and the collaboration between Council and our vibrant community has continued to astonish me.

2021/22 has been full of special moments and celebrations that I have been honoured to be part of – from cutting the ribbon to our brand-new Granite Island Causeway, to applauding 30 years of service from our Southern Communities Transport Scheme, and many other cherished moments in between.

FOCUSING ON WHAT MATTERS

Victor Harbor's residents, ratepayers, businesses and visitors are a diverse group of people. In its decision-making, the Council has carefully considered the needs of all.

The State and Federal elections that took place in early 2022 were an opportunity to advocate for the needs of the Fleurieu Peninsula and continue developing strong relationships with other tiers of government.


The Council has also had ample opportunities to hear from our passionate community with a range of consultation and engagement projects throughout the year.

Thank you so much to those in the community who have shared ideas or participated in Council workshops throughout the year – your feedback is invaluable for shaping what we do.

Addressing and mitigating the impacts of climate change, providing infrastructure that meets our community's needs, amplifying our economic development initiatives, and growing the arts and culture space are all matters that have been at the top of Council's agenda.

EVENTS AND CELEBRATIONS FOR ALL

As the southern hub of the Fleurieu Peninsula, we have always been home to a wide range of festivals (it's one of the things I love most about Victor Harbor) and this calendar of events continues to grow each year thanks to the hard work of our Council and enthusiasm from our community.



This year, we proudly hosted the Fringe Festival at Warland Reserve, WhaleFest at Railway Plaza, and a stream of Artisan Markets throughout the year. Hundreds also turned out for our Australia Day celebrations where we applauded and congratulated our outstanding Citizen of the Year Award recipients.

One of these incredible local citizens was further praised at a state level for his active citizenship. Congratulations Stephen Hedges!

It's also important to acknowledge the achievements from our younger residents, with more than 500 submissions made by primary school students into the 2021 Mayor's Short Story Challenge. Our local high school students have been influential to Council's decision making this year

STICKING TOGETHER IN TOUGH TIMES

It's hard to believe that a year with so many accomplishments has also included difficult lockdowns and periods of isolation for many. The pandemic has continued to challenge us, and our more vulnerable residents have been especially tested by the need to adapt to a 'new normal'. Although we have been living in a pandemic since 2020, 2021/22 was the first time Victor Harbor faced Covid on our doorstep and widespread within our community.

One thing is for sure – the impacts of Covid have not dampened our vibrant community spirit. Amidst it all, I have personally witnessed remarkable accounts of kindness and compassion. Thoughtful gestures from strangers or loved ones have become a staple in our tight-knit community. After all, a neighbour delivering groceries or asking if a fellow resident is okay may seem like a trivial task, but it can mean the world to someone feeling isolated.

ONWARDS AND UPWARDS FOR VICTOR

There's always something exciting happening in the City of Victor Harbor – and this will continue over the next twelve months as Council delivers a significant capital works program and continues delivering services to the community.

One of the more notable and recognisable projects is Stage Four of the Mainstreet Precinct Upgrade. Construction is well underway and I can't wait to see the transformation of our tourism hub, generating a modern streetscape that welcomes outdoor dining and a vibrant atmosphere.

Victor Harbor has always been one of Australia's greatest coastal cities, but the ongoing work of our Elected Members and Council staff wouldn't be possible without our community inspiring and guiding us.

As Mayor, it is a pleasure to serve you, and it is with great honour that I present the City of Victor Harbor's 2021/22 Annual Report.

INTRODUCTION FROM THE CEO



Victoria MacKirdy
Chief Executive Officer

Our Annual Report is a fantastic opportunity to reflect on the year that has been and acknowledge the significant achievements made by Elected Members, staff and volunteers. With a continued focus on delivering the aspirations of our Community Plan 2030, our team has shone bright and delivered outstanding outcomes in collaboration with the community.

OBSTACLES ON OUR PATH TO SUCCESS

2021/22 presented no shortage of challenges for our organisation – many of which were unprecedented.

The year began with a seven-day Covid lockdown in July, and South Australia continued to operate under a state of emergency until May. In November, unrestricted travel was reinstated and state borders re-opened. Though it was relieving to welcome a ‘new normal’, rising Covid cases meant our organisation needed to embrace adaptability.

On top of this, materials and labour shortages tested our capital works program while an evolving economic landscape and inflationary pressures impacted our budget planning.


Another challenge has been our changing climate, which has required resources to be drawn into effective bushfire prevention measures, emergency response to flooding events and extensive climate adaptation planning.

Despite these unique circumstances faced in 2021/22, the Council has carried out a number of impressive projects and continued providing more than 100 services to the Victor Harbor community.

MAJOR ACHIEVEMENTS AND HIGHLIGHTS

Our new Granite Island Causeway, funded and delivered by the State Government, was completed just in time for the festive season and has future-proofed our connection to the iconic Granite Island.

Significant upgrades and safety improvements were completed on Waggon Road, and works commenced on Stage 4 of the Mainstreet Precinct Upgrade. Our recently completed Railway Plaza redevelopment was also congratulated for its contemporary design at the prestigious Australian Institute of Landscape Architects Awards.



In response to rising tides and the increasing threat of climate change, effective climate action has been a priority of the Council. Establishing a Youth Climate Council in early 2022 and nurturing a generation of environmental leaders is just the beginning of our work in this space.

Substantial investigations, planning and consultation has also been undertaken to enable strategic use of a number of key sites across our city in coming years. This includes commencing the development of a Master Plan for The Bluff and working towards a concept plan for a Regional Community Sport and Recreation Precinct.

Council has continued working with Business Victor Harbor to boost investment attraction and tourism marketing, with a new destination brand collaboratively launched in November and continuing to be rolled out. The promotion of our great coastal city has also helped to secure a number of major events, including the Red Hot Summer Series and Fringe Festival.

STRATEGIC FINANCIAL MANAGEMENT

The Council continues on a path of financial sustainability through considered budgeting and financial management, along with balancing the need for services and infrastructure against the impact that funding these initiatives has on ratepayers.

In 2021/22 the City of Victor Harbor performed well against its key financial indicators. These indicators help with Council's decision-making process as it strives to achieve and maintain a surplus position over the long term, manage borrowings and debt sensibly, employ sound asset management principles and achieve intergenerational equity.

LOOKING FORWARD

As we look ahead to the next financial year and beyond, it has been forecast that economic and pandemic-related challenges will continue to test our organisation. Strategic planning and continued collaboration will be essential to ensure the best outcomes for our community.

The achievements made throughout 2021/22 are a demonstration of what can be achieved when Council works diligently and strategically, even in extraordinarily complex times.

I would like to thank the entire City of Victor Harbor team, including Elected Members, staff and volunteers, for their unwavering passion and commitment to serving the community. It is a privilege to work with such a talented group of individuals.

In 2022/23, we will carry out the local government elections and welcome a new Council to the City of Victor Harbor, who I am confident will continue on this bright path that has been laid.

There is so much to look forward to in the City of Victor Harbor, and wider Fleurieu Peninsula, and our organisation will continue to work hard to deliver for the region we adore.



ABOUT THE CITY OF VICTOR HARBOR

ABOUT THE CITY OF VICTOR HARBOR

OUR HISTORY



For thousands of years, the Ngarrindjeri and Ramindjeri people hunted and gathered in the region they called 'Wirramulla'. The fertile lands supported huge animal populations while the waters were sheltered and rich with life. Among the local dreamtime stories, Nulcoowarra or Kaiki (the Ngarrindjeri name for Granite Island) has tremendous spiritual significance, as does the southern right whale, told in the Kondoli dreaming. The first non-Indigenous settlers approved of the region for the same reasons – rich lands, sheltered waters and whales.

The famous encounter between Captain Matthew Flinders of the British sloop Investigator and Captain Nicholas Baudin of the French ship Le Geographe occurred in waters off Victor Harbor over 200 years ago. The ships sheltered in the bay, which was later named Encounter Bay by Captain Flinders.

In 1837, Captain Richard Crozier in command of the Cruizer-class H.M.S. Victor anchored just off Granite Island on his way back to Sydney and India. Captain Crozier named the place 'Victor Harbour' (the original spelling of the town name) after his ship.

About the same time as Captain Crozier's stop over, two whaling stations were established, one at Rosetta Head (popularly known as "The Bluff") and the other near the point opposite Granite Island. Whale oil became South Australia's first export. From 1839 the whaling station was managed for a time by Captain John Hart, a later Premier of South Australia. Whaling stations continued trading until around the mid-1860s.

COUNCIL BACKGROUND



On 31 October 1975, the District Council of Encounter Bay and the Corporation of Victor Harbor amalgamated to form the District Council of Victor Harbor. The amalgamation recognised the strong communities of interest that existed between the two former local government areas and the resource, cost and efficiency benefits that would be generated by the combining of the two councils.

Potential for further amalgamation was considered in 1996-1997, this time involving the Local Government areas of Victor Harbor, Port Elliot, Goolwa, Strathalbyn, Yankalilla and Willunga. Although some council mergers did result from these extensive investigations, Victor Harbor remained an independent entity.

On 1 February 2000, the District Council of Victor Harbor became known as the City of Victor Harbor. The new name, new logo and new direction was a reflection of the dynamic changes occurring within the community and the significance of Victor Harbor as the regional centre for the southern Fleurieu Peninsula.

ABOUT THE CITY OF VICTOR HARBOR

OUR COUNCIL



The City of Victor Harbor is located on the coast of South Australia's Fleurieu Peninsula, about 80 kilometres south of the Adelaide CBD. It is the largest population centre of the Fleurieu region and considered to be the hub of the southern Fleurieu Peninsula.

The Council area encompasses 346 square kilometres, sharing boundaries with Alexandrina Council to the east and the District Council of Yankalilla to the west.

The Council owns and operates the Victor Harbor Public Library, Victor Harbor Recreation Centre, Old School Building, Town Hall, Victor Harbor Visitor Information Centre, Coral Street Art Space and the South Australian Whale Centre. Council also owns the Victor Harbor and Encounter Bay sports grounds.

The City of Victor Harbor is involved in four subsidiaries. Three are established under Section 43 of the Local Government Act 1999 including Fleurieu Regional Waste Authority, Southern and Hills Local Government Association and Fleurieu Regional Aquatic Centre Authority. These subsidiaries are run along with neighbouring councils to support key elements in the region's functions.

The fourth subsidiary, the Victor Harbor Horse Tram Authority, was established under Section 42 of the Local Government Act 1999 to oversee the operations of the much-loved horse drawn tram service.

OUR CITY



Victor Harbor's adored natural surrounds and nearness to Adelaide have made the City a favoured holiday destination for many years. The coastal City boasts both coastal and countryside scenery within a comfortable mediterranean climate.

The town centre overlooks the pleasant waters of Encounter Bay, where Southern Right Whale mothers and calves often frolick between May and October. On land, Victor Harbor is recognised for several significant natural landmarks, including the rock outcrop known as The Bluff and scenic Granite Island. The island is most notably known for the iconic horse drawn tram that is pulled by magnificent Clydesdales across the 630-metre causeway to Granite Island.

The City has beautifully preserved heritage buildings and a rich colonial heritage, which can be admired by visiting the SteamRanger, an operational heritage rail service and major tourist attraction. A growing arts, culture and events scene, coupled with diverse recreational opportunities, also attracts travellers from near and afar.

Being the economic hub of the southern Fleurieu region, Victor Harbor attracts businesses of varying sizes and industries. Tourism is seen as the significant contributor to the local economy with 1.2 annual visitors injecting \$163 million each year. Residents and visitors can also benefit from expanding retail and hospitality offerings in the City.

OUR COMMUNITY



The City of Victor Harbor is home to a welcoming community with friendly spirit and strong family values. The charm of the Victor Harbor community is underpinned by a culture of volunteering. Around one in four people in the City of Victor Harbor volunteer in some capacity, and the Council itself is also fortunate to have a team of around 400 volunteers who assist with the delivery of services, programs and initiatives

Over the years, the peaceful coastal lifestyle of Victor Harbor has been known to attract a mature, retiring population. The median age of people in Victor Harbor is 60 years, with 20 per cent of the population aged over 75 years.

With the Covid-19 pandemic encouraging people across the globe to reflect upon their priorities and values, the lure of living regional has seen many families settle in the area. Schools in the City of Victor Harbor have almost 2,000 students combined, who are drawn from across the southern Fleurieu Peninsula.

Victor Harbor's close proximity to metropolitan Adelaide has also seen an emergence of residents who live in Victor Harbor to enjoy a leisurely coastal lifestyle and commute to the metropolitan area for work.



994
businesses



346KM²
council area



32KM
coastline

5,286
jobs

84KM
from Adelaide
CBD

2
major rivers

34%
residents
employed



186
parks and open
space areas

\$641M
gross regional
product

4
schools



1.2M
visitors annually

1
TAFE Campus & Flinders
University Rural Health Campus

16,139
2021 population

22%
population
volunteers

1
hospital

17,900
2030 population
projection

39%
population
welfare dependent

1
library with
128,000 visitors
annually

60YEARS
median age

ABOUT THE CITY OF VICTOR HARBOR

OUR LOCATION

The City of Victor Harbor is located on the Fleurieu Peninsula, 80 kilometres south of Adelaide. Neighbouring councils include the District Council of Yankalilla to the west, and Alexandrina Council to the east.

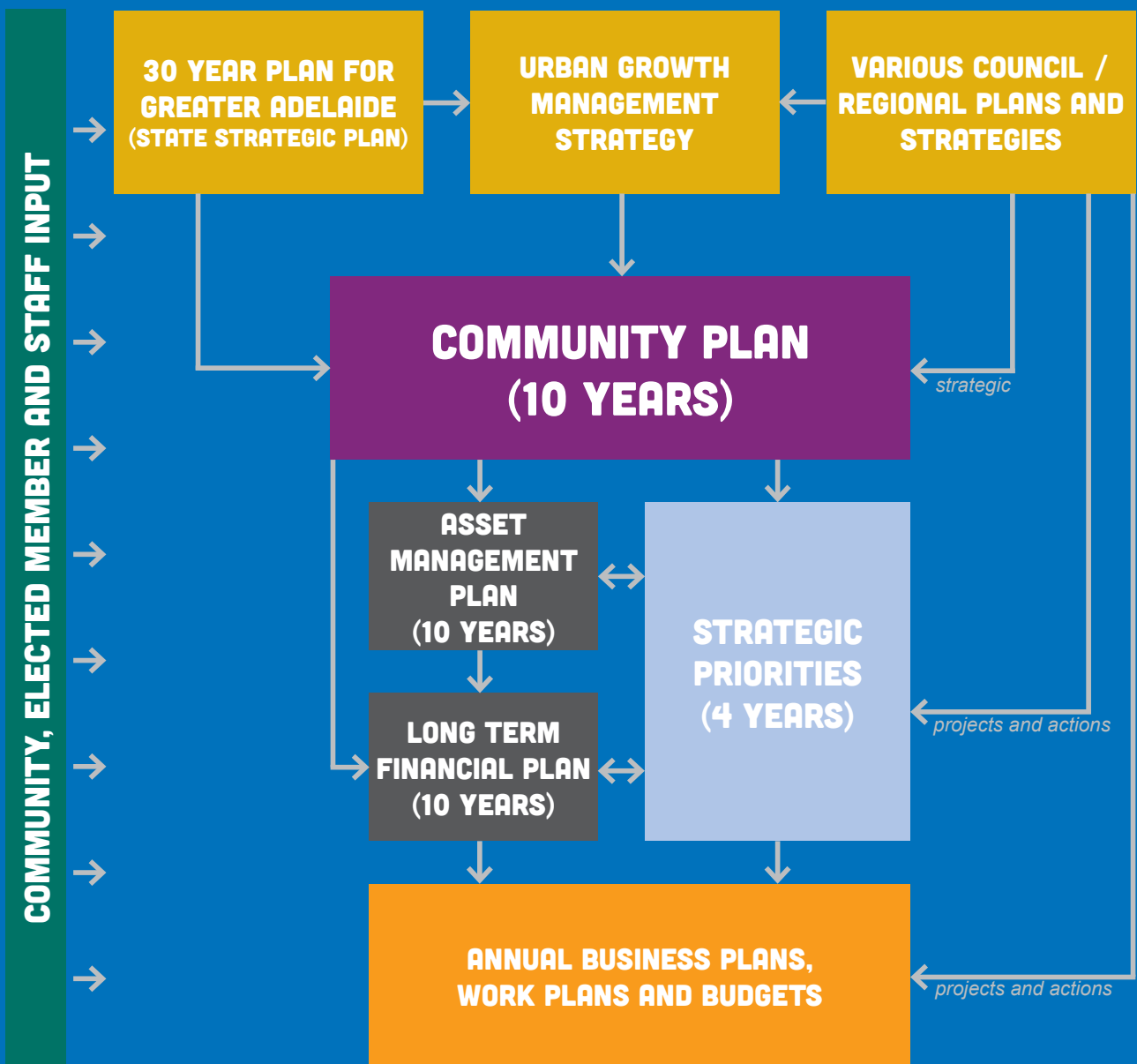




STRATEGIC DIRECTION

STRATEGIC PLANNING FRAMEWORK

The Council's Strategic Planning Framework assists with strategic decision making, and aligns with our aspirations for Victor Harbor. The framework that this Annual Report is based on is outlined below.





COMMUNITY PLAN 2030

The City of Victor Harbor’s Community Plan 2030 sets out the Council’s strategic direction. It is underpinned by six aspirations that aim to help make the City of Victor Harbor a place of choice to live, work, invest and visit.

These aspirations, and the strategies to help achieve them, are outlined on the following page.

The Community Plan 2030 was developed in 2019 and informed by extensive community engagement and research. It is the leading document in the Council’s Strategic Planning Framework, shown on page 16. It sets out long term goals, medium term priorities and the measures used to monitor our progress.

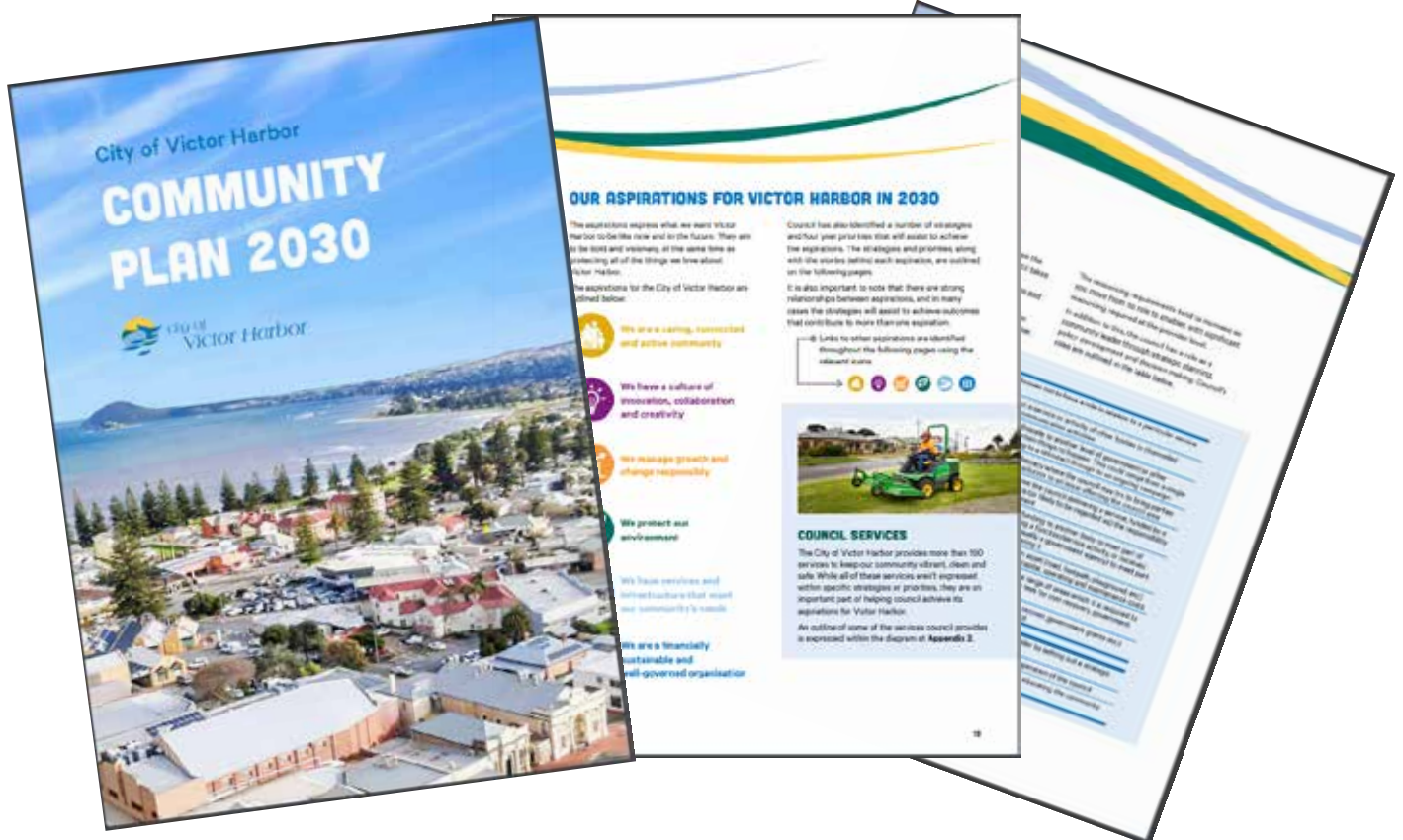
There is no doubt that Victor Harbor’s future is bright and brimming with opportunity. Set in a stunning natural environment, our city offers an enviable lifestyle with access to services and facilities, great schools, and a passionate and driven community who want to see Victor Harbor be the best it can be.

This plan will help us protect the things we most value about Victor Harbor as our city forges forward through current challenges and comes out flourishing on the other side.

It recognises that while Victor Harbor will grow, there are measures we can put in place that will protect the highly valued environment, town character and unique identity of our coastal mecca.

Woven deeply through the aspirations is the importance of developing an economy that provides the opportunity for businesses and the broader community to prosper. Investment in infrastructure, an environment that encourages innovation and promotes creativity, as well as sound planning processes will help us achieve this.

A review of the Community Plan will commence in 2023.





ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

- How we will achieve our aspiration**
- Encourage initiatives that facilitate social interaction and connection with the community
 - Provide safe, welcoming and accessible places
 - Provide a variety of open space and recreation opportunities
 - Improve the health and well-being of our community
 - Support a vibrant community culture



ASPIRATION 2

WE HAVE A CULTURE OF INNOVATION, COLLABORATION AND CREATIVITY

- How we will achieve our aspiration**
- Cultivate art and culture in our community
 - Encourage, support and promote innovation and entrepreneurship
 - Establish and maintain strategic regional, state and national relationships
 - Expand opportunities for the community to access and use digital technology



ASPIRATION 3

WE MANAGE GROWTH AND CHANGE RESPONSIBLY

- How we will achieve our aspiration**
- Support diversification and resilience within the local economy
 - Preserve and celebrate Victor Harbor's rich and diverse history
 - Promote and support local business development and employment opportunities
 - Plan for sustainable development, residential amenity and security of prime agricultural land



ASPIRATION 4

WE PROTECT OUR ENVIRONMENT

- How we will achieve our aspiration**
- Adapt to the impacts of climate change
 - Provide for sustainable waste management
 - Enhance the health and biodiversity of our natural environment
 - Create a more sustainable, energy efficient urban environment
 - Educate the community to enhance awareness of environmental issues



ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

- How we will achieve our aspiration**
- Facilitate access to health, education and community services
 - Provide key community infrastructure
 - Maintain and renew Council's assets in a sustainable way
 - Advocate for improved local and regional transport networks
 - Facilitate capacity to deal with emergencies



ASPIRATION 6

WE ARE A FINANCIALLY SUSTAINABLE AND WELL-GOVERNED ORGANISATION

- How we will achieve our aspiration**
- Engage and involve our community in decision making
 - Introduce and continue productivity and efficiency measures
 - Manage Council's finances and resources sustainably
 - Provide a safe work environment that attracts, develops and retains staff in order to deliver high quality customer service



2021/22 IN REVIEW



MAJOR PROJECTS AND ACHIEVEMENTS

The icons underneath each project or initiative illustrate the strategic aspirations that the particular activity is helping Council to achieve. These six aspirations are derived from our Community Plan 2030 and shape what we do as an organisation.

VICTOR HARBOR MAINSTREET PRECINCT UPGRADE – STAGE FOUR (ONGOING)



Stage Four of the Victor Harbor Mainstreet Precinct Upgrade will see the revitalisation of the southern end of Ocean Street and Albert Place in Victor Harbor’s town centre.

Pre-construction works for Stage Four were scheduled to occur between February and April 2022, however the project faced a significant challenge in April 2022 when contaminated soil was identified within the construction site.

Council moved quickly to ensure the scheduling and cost implications associated with the soil contamination could be resolved as expeditiously as possible. This involved endorsing an additional budget to keep the project moving, and consulting directly with Mainstreet traders to determine a preferred schedule option for the construction program.

On-ground construction works commenced in May 2022, following the appointment of South Australian company Outside Ideas to deliver the project, and are expected to be completed in December 2022.

The project will continue similar streetscape improvements as previous stages and focus on improved pedestrian usability, street greening and enhancing the overall appearance.

The design will see the widening of footpaths, increased alfresco dining opportunities, public seating, public art, along with more street trees and garden beds.

This project will deliver a memorable destination and boost the visitor economy within Victor Harbor and the Southern Fleurieu region. Importantly, this project will connect the town centre’s southern gateway and tourism hub to significant state renowned tourist attractions – Granite Island, the Horse Drawn Tram and regional festivals/events space, Warland Reserve.

This project will have a positive and direct impact on the long-term sustainability of 50-60 retail and tourism businesses, delivering space for the biggest congregation of outdoor dining in the Southern Fleurieu Region. It will generate vibrancy in the main street, attracting social and cultural opportunities to entertain crowds of diners, creating a festive atmosphere and will fast track new investment opportunities in the town.

Council secured \$3.3 million through the SA Government’s Local Government Infrastructure Program to assist with the delivery of the project.



MAJOR PROJECTS AND ACHIEVEMENTS

WAGGON ROAD SAFETY IMPROVEMENTS (COMPLETED)



A significant upgrade has been undertaken to an 800m stretch of Waggon Road between Day Road and Basham Road in Victor Harbor.

The upgrade was carried out between January and July 2022 and involved widening the existing sealed pavement from 6m to 6.2m, with kerb and gutter on the western side and a 0.5m wide sealed shoulder on the eastern side.

Other safety improvements that were completed as part of the upgrade include:

- Improved pavement width and delineation of junctions and bends
- Advisory speed signs on approaches to bends
- Improved and consistent delineation along the road length with traffic signage and centre and edge linemarking
- Improved sight lines with the removal of roadside vegetation where practical and achievable
- Improved lighting at the junctions.

This project was fully funded by the Federal Government's Black Spot Program.



— Community



— Innovation and Creativity



— Growth



— Environment



— Services and Infrastructure



— Governance

MAJOR PROJECTS AND ACHIEVEMENTS

RAILWAY GOODS SHED REDEVELOPMENT (ONGOING)



In 2020, the City of Victor Harbor made the decision to enhance the way it delivers visitor services by consolidating the Visitor Information Centre (VIC) and SA Whale Centre. This change will see both the VIC and SA Whale Centre operating from one location – the site of the historic Railway Goods Shed on Railway Terrace.

The change to visitor services will allow for a greater investment into marketing Victor Harbor as a desirable holiday destination online, while still facilitating exceptional face-to-face visitor services.

As part of this consolidation, significant development has been required on the existing Railway Goods Shed on Railway Terrace to ensure it can offer a modern and interpretive experience that caters to the needs of our 1.2 million annual visitors.

The re-purposing of the building has been supported by substantial investments from Council and grant funding from the Federal Government.

While Council was expecting to have the redevelopment project completed in 2021, unforeseen complexities have meant the project has taken longer than initially anticipated. Among the challenges presented by this historic building were the discovery of termite damage and a previously unknown perched water table below the building that required significant re-engineering to accommodate a new lift shaft. Other difficulties have included supply of building materials and Covid-19 related absences across all stakeholders.

Despite this, a significant amount of work has already been completed, and the building works continue to progress. It is anticipated that the building will re-open by the end of 2022.



MAJOR PROJECTS AND ACHIEVEMENTS

THE BLUFF MASTER PLAN (ONGOING)



The Bluff, also referred to as Kongkengguwarr or Longkewar by our First Nations people, is a much loved and iconic Victor Harbor landmark. It has significant environmental, economic, heritage and cultural value.

In recognition of this, the City of Victor Harbor, in collaboration with landscape architecture and urban design firm Hatch, is working to develop a master plan that sets out a shared vision for this iconic place.

The development of this master plan is both exciting and important. It provides us with a tool that will help us protect the things that our community most values about The Bluff at the same time as identifying opportunities to enhance this very special place in a way that reflects the shared community vision.

Throughout May 2022 the project team completed an extensive consultation through which we heard the views, stories and opinions of around 900 voices.

Through these conversations some clear themes emerged that really supported the idea of limiting development and implementing a number of enhancements that are sympathetic to the natural environment.

Things like making trails safer, providing more seating, defined spaces to take in the views and contemplate, looking at opportunities to share cultural stories and narrative, and re-wilding areas were just some of the common ideas and themes that were explored and noted during the consultation process.

In addition to the conversations with community, the project team has also been engaging with key stakeholders from a range of backgrounds including environment and ecology, disability access and inclusion and First Nations groups. This engagement will continue throughout the development of the Master Plan over the coming months, culminating with a further round of broad community engagement in January 2023 following the Local Government Elections.



MAJOR PROJECTS AND ACHIEVEMENTS

REGIONAL COMMUNITY, SPORT AND RECREATION PRECINCT (ONGOING)



Over the years, significant planning has been undertaken to explore options for improved sport and recreation facilities in Victor Harbor to help meet the needs of our growing and diversifying community. In 2020 the Southern Fleurieu Regional Sports and Recreation Precinct Feasibility and Preliminary Design Project Report was prepared. This report focused on building a sport and recreation precinct on a site referred to as the 'Gillespie Land' on Armstrong Road in Encounter Bay, canvassing a limited number of sport and recreation amenities. A high-level cost estimate that accompanied this report put the precinct development in the vicinity of \$46 million, and although a staging plan was proposed, the Council did not endorse this initiative and instead paused the project, allowing time to further reflect on community need and the desired outcomes.

In early 2022, the project was reignited with a broader community focus. While sport remains the key focus, a more holistic approach is required to make The Precinct sustainable, and to align with best practice and funding guidelines for the development of large scale sporting infrastructure.

Community engagement was undertaken during March and April 2022 to seek community and stakeholder input into three potential site options for The Precinct, and understand potential uses and users of The Precinct.

During the consultation period, the community and key stakeholders were asked to provide their views on three potential location options including:

- Option 1 – Armstrong Road (Gillespie Land)
- Option 2 – Lot 202 Armstrong Road (behind the Victor Harbor TAFE)
- Option 3 – Adelaide Road (Town Entrance)

Community and stakeholder feedback, along with other investigations and analysis, indicated a strong preference for Lot 202 to be the preferred site for The Precinct. This was subsequently adopted by Council at the Special Meeting held on 30 May 2022.

Key themes from the stakeholder and community engagement that occurred in early 2022 highlighted that The Precinct should:

- Be multi-purpose, accessible to all, intergenerational
- Provide a facility that is fit-for-purpose and caters for a range of sports and recreation activities
- Focus on both community and sport programs and activities
- Be future-proofed
- Consider other Precinct related factors (e.g. environmental and cultural sensitivities).

The next steps for the project involve engaging with directly affected stakeholders including ongoing discussions with First Nations' representatives, government agencies, relevant sporting and peak bodies, potential funders, tenants and investors. Broad community consultation is expected to occur in January 2023 following the Local Government Elections Caretaker period and induction of a new Council.

During the Caretaker period it is intended to undertake an economic impact analysis and investigate potential operating, management and investment options in order to gather all the information required to undertake a Prudential Report.



MAJOR PROJECTS AND ACHIEVEMENTS

RECONCILIATION ACTION PLAN (ONGOING)



Throughout 2021/22, the City of Victor Harbor worked on the development of its first ever Reconciliation Action Plan (RAP).

On Monday 23 May 2022, the Council approved the lodgement of the RAP for endorsement with Reconciliation Australia.

Based around the core pillars of relationships, respect and opportunities, the RAP outlines actions for the Council to take in order to enhance relationships with First Nations peoples and create genuine change.

Once endorsed by Reconciliation Australia, it will guide Council to sustainably and strategically take meaningful action to advance reconciliation.

Elected Members and Council staff worked closely with three cultural advisors (Mark Koolmatrrie, Cedric Varcoe and Kyla McHughes) to produce the RAP.

Community input also proved invaluable throughout the process, with constructive feedback provided during an open workshop in June 2021 and a reconciliation forum in November 2021.

The forum was an opportunity for community members to hear from First Nations leaders, learn about the City of Victor Harbor’s RAP project, and join the conversation about reconciliation. Guest speakers at the forum included Mark Koolmatrrie (Founder, Kool Tours and Tribal Expertise Facility) and Ms Shona Reid (Chief Executive Officer, Reconciliation SA).

Following the formal presentations, guests sampled a range of foods from Bush Ark and shared their thoughts on how they would like to see reconciliation take place in Victor Harbor.

Further broad community consultation was undertaken in April 2022, and all feedback received was considered and used to refine aspects of the final document.

The City of Victor Harbor has already commenced implementing some of the actions within the RAP and will look to further advance its efforts by developing another plan in 2024.



MAJOR PROJECTS AND ACHIEVEMENTS

CORPORATE SYSTEMS IMPLEMENTATION PROJECT (ONGOING)



The City of Victor Harbor is in the process of replacing its current corporate systems to help achieve cost savings, process efficiencies and a superior customer experience.

The current corporate system has been in use for more than 20 years and no longer meets the needs of the organisation.

It is the corporate software system that Council uses to manage its day-to-day business activities such as finance, human resources, payroll, procurement, compliance, property and rates, records management, customer request and asset management.

A significant amount of scoping and planning work was undertaken during 2020/21 financial year to inform the future direction of the project. This included a comprehensive review of the current system against the needs of the organisation now and into the future, an audit of the current technology structure and the creation of a project team for the implementation of the new corporate system.

On Monday, 12 July 2021, Council committed to undertake a full review and replacement of the current corporate system. The focus of the Corporate Systems Implementation Project is the reengineering of the Council's corporate systems with an emphasis on leveraging technology to become more customer and information centric to effectively deliver on the 2030 Community Plan.

This project will be Council's most significant information technology project to-date, and its largest operational change.

Goals connected to this project include:

- Improve the customer experience by reducing response times, better information and efficient streamlined eServices;
- Establishing a 'single source of truth';
- Improved efficiency, productivity, compliance and risk management;
- Providing mobility, flexibility and an integrated solution
- Increased organisational capacity; and
- A modern technological solution to support the achievement of Council's Community Plan strategic goals and aspirations.





MAJOR FESTIVALS AND EVENTS



During 2021/22 there were a number of major festivals and events held in the Council area.

Live Arts @ Newland

10 July 2021

SALA Festival

1 August - 12 September 2021

SA Viking Festival

2-3 October 2021

Heysen 105 Ultra Marathon

24 October 2021

RSL Remembrance Day Service

11 November 2021

Schoolies Festival

19-21 November 2021

Rotary Christmas Pageant and Carols

11 December 2021

Victor Harbor Harness Racing

27 December 2021

New Year's Eve Fireworks

31 December 2021

Rotary Art Show

15-22 January 2022

Australia Day Celebrations

26 January 2022

Coast to Coast Tuna Tournament

5-6 February 2022

Victor Harbor Fringe

27 February 2022

Artisan Market

27 February 2022

Writers Week

7-10 March 2022

Victor Harbor Triathlon

12-13 March 2022

Red Hot Summer Tour

13 March 2022

British Classics Tour

27 March 2022

RSL ANZAC Day Dawn Service

25 April 2022

WhaleFest

11 June - 30 July 2022

Beachside Markets

12 June 2022

NAIDOC Week March

22 June 2022

Victor Harbor Science Fair

26 June 2022



2021/22 HIGHLIGHTS AND ACHIEVEMENTS

The following pages outline just some of the key highlights and achievements for the City of Victor Harbor during 2021/22.

The icons underneath each project or initiative illustrate the strategic aspirations that the particular activity is helping Council to achieve.

These six aspirations are derived from our Community Plan 2030 and shape what we do as an organisation.



George T Fisher Playground upgrade

Stage 2 works on the George T Fisher Playground are complete, providing children with an interactive play environment on our foreshore. This project was supported by the SA Government.



Railway Plaza revitalisation

The award-winning Railway Terrace redevelopment has created a vibrant and versatile public space that can be used for community events. The SA Government provided 50% funding for this project.



Collaborative, proactive climate action

The Council has commenced implementation of its Climate Agenda 2030. Many innovative initiatives are underway, including the establishment of a Youth Climate Council and tracking of carbon emissions.



Mayor's Short Story Challenge

The Mayor's Short Story Challenge received a record number of submissions from local schools, with category winners formally congratulated during a ceremony at the City of Victor Harbor Civic Centre.



Preparing for the Fire Danger Season

An Annual Slashing Program and detailed communications to residents was essential for protecting properties and the wider community from the serious risk of fire starting or spreading on local land.



Long-term partnership to boost economy

The Council has committed to a three year partnership and landmark collaboration with Business Victor Harbor that will see the two organisations working together to strengthen and grow the local economy.



A vision for mountain biking in our region

More than \$23 million in social, economic and health benefits are set to be realised over a 10 year period, following the adoption of the Victor Harbor Mountain Bike Strategy in November 2021.





Recognising our extraordinary citizens

Hundreds of community members turned out to the 2022 Australia Day celebrations to welcome new citizens to Victor Harbor and celebrate our Citizen of the Year Award recipients.



Supporting our vulnerable and elderly

Council's community wellbeing team kick-started a new service whereby Council staff are available on regular days and locations to assist elderly individuals with information and access to local services.



A formal commitment to reconciliation

The City of Victor Harbor has developed its first Reconciliation Action Plan, which will guide the Council towards developing positive relationships with First Nations peoples and celebrating culture.



New Granite Island Causeway opens

Following a \$43 million commitment to the project from the SA Government, the new Causeway was officially opened to pedestrians, providing a future-proofed connection to Granite Island.



Enhancing our Mainstreet Precinct

Construction works have kicked off for Stage Four of the Mainstreet Precinct Upgrade, which will ultimately see streetscape improvements to the southern end of Ocean Street and Albert Place.



Celebrating 30 years of transport service

The Southern Communities Transport Scheme provides a highly valued service to transport disadvantaged people, and 2022 marks the 30th anniversary since the initiative first commenced.



Maintaining and improving local roads

Various roads across Victor Harbor have been resealed as part of the Annual Reseal Program. A significant safety upgrade to Waggon Road has also been undertaken, funded by the Federal Government.



Recognising our amazing volunteers

Volunteers are the lifeblood of our community, contributing to a range of important initiatives that keep people connected and our city thriving. Council recognises this through a grants program and appreciation events.



Nature play at Wallage Reserve Playground

An upgrade to Wallage Reserve Playground is well underway, working towards a new playground layout that will take advantage of existing natural elements to encourage nature play experiences for children.



New destination brand for Victor Harbor

With help from a range of local stakeholders, the City of Victor Harbor in partnership with Business Victor Harbor launched a new destination brand that will promote our region to visitors and investors.



Listening to our community

In addition to 11 formal public consultations, Council undertook its first Community Satisfaction Survey which highlighted areas for improvement with the Council's performance and services.



Welcoming the whales at the WhaleFest

The City of Victor Harbor's Winter WhaleFest attracted hundreds of visitors to the Fleurieu Peninsula and engaged community members of all ages in a wide range of maritime activities.



CONTINUING OUR COVID-19 RESPONSE

Local Government performs a critical role in South Australia's emergency management arrangements as it is the level of Government closest to the community. Councils must support State authorities to inform the public and share relevant key health messages.

On 22 March 2020, the State Coordinator made a Declaration of a Major Emergency under the Emergency Management Act 2004 to reduce the spread of Covid-19 within South Australia. The Major Emergency Declaration remained in place for 793 days, ending on 24 May 2022.

Throughout 2021/22, the City of Victor Harbor played an integral role in Covid-19 emergency preparedness, response and recovery while also ensuring to provide essential services in a safe manner.

CONTINUITY MANAGEMENT TEAM

The Council's Continuity Management Team met as required to coordinate and manage Council's response to the Covid-19 pandemic. The team is responsible in supporting the Chief Executive Officer in:

- Emergency management and community recovery
- External and internal communications
- Staffing matters
- Business continuity planning and delivery
- Information technology planning
- Community, contractors and other considerations.

The Local Government Functional Support Group (LGFSG) played an important role in facilitating advice on the interpretation and application of State Government public health directives to South Australian councils, including the City of Victor Harbor.

JULY LOCKDOWN

On 20 July 2021, the State Government announced a seven-day state-wide lockdown to limit the spread of Covid-19. In response to the directives, Council enacted its Business Continuity Plan and implemented immediate changes to services. A number of Council programs and buildings were paused or closed, including the Civic Centre, volunteer programs, Coral Street Art Space, the Library, and Visitor Services.

To facilitate the continuation of essential services, a rapid response team was established to carry out any required field works during the lockdown. Council office staff implemented working from home arrangements, and maintained email and phone contact lines to ensure the public could still contact Council. Library staff adapted to the new directives by promoting online services. Updates and information were also published to the Council's website and social media.

COMMUNITY COMMUNICATIONS

Throughout the year, the City of Victor Harbor regularly updated a dedicated Covid-19 information hub on our website, providing information on Council's service changes, community support, business support, and links to trusted information sources.

We communicated through social media, the news section of our website, and our regular monthly email newsletter (Victor Viewpoint) to update the community of any major changes to our services and health information.

OPENING BORDERS

Following the opening of state and international borders in November 2021, the need for testing facilities in the Southern Fleurieu region increased significantly. The City of Victor Harbor provided advice and logistical support to SA Health in establishing a local vaccination clinic, testing clinic and rapid antigen test pick-up point.

As interstate and international travel recommenced, Covid-19 case numbers grew across the state. Council played a critical role in reciprocating the key health messages of State authorities. This was especially critical given the City of Victor Harbor's elderly population, who may be more susceptible to the impacts of contracting Covid-19.

ONGOING PLANNING

Council acknowledges that the Covid-19 pandemic has affected communities world-wide and adopting a flexible and thoughtful approach has been essential for both councils and communities.

As community leaders, the City of Victor Harbor must continue setting an example. We are proud of the Covid-19 support we have provided for the community and are confident in our resources and capacity to face any future challenges of this nature.



ENGAGING OUR COMMUNITY

Community engagement is a fundamental part of Council's planning and delivery of services, land-use planning, major capital projects and works, and understanding the priorities of our local community.

The City of Victor Harbor takes pride in our community consultation. We recognise that effective community engagement delivers genuine benefits by ensuring our community are properly consulted with and listened to when they inform us on their views, needs and concerns. It enables people to share their views and actively contribute to shaping their community.

In addition to our formal committees, advisory and working groups, Council takes a proactive approach to consulting and engaging with our community stakeholders including residents, ratepayers, businesses, customers, community groups, Traditional Owners and visitors.

Community engagement for Council is about gaining information from the community to contribute to its decision making. The City of Victor Harbor is committed to open, accountable and responsive decision making achieved by effective communication and consultation between Council and the community.

Key projects that set a direction or define a position of Council, have a high level of community interest, or decisions that have significant financial implication are considered by Council to adopt a community consultation plan and commence public consultation.

We communicate opportunities to engage with our community through a variety of channels, including the monthly Victor Viewpoint e-newsletter, social media, media releases, advertising, public notices, radio interviews and then engage participants through our Your Say Victor Harbor website, face to face opportunities and hard copy feedback forms.

OUR PROMISE

The City of Victor Harbor's Public Consultation Policy outlines our commitment to community engagement and the principles for conducting engagement.

Council is committed to five principles that underpin our approach to community engagement:

- **Community Participation.** We are committed to including, informing and involving our community in local decision making from project planning through to delivery
- **Open and Accountable.** We will provide clear and easy to understand information that will inform our community and encourage meaningful engagement
- **Accessibility.** Our community will be able to access information in a variety of ways
- **Careful Planning and Evaluation.** We will carefully plan community engagement activities and evaluate all feedback to meet the needs of our community
- **Closing the Loop.** We will inform our community of our decisions and outline how feedback was considered.

OUR PROCESS

The City of Victor Harbor's engagement approach involves a five step process:

- **Plan.** Develop a Communications and Engagement Plan to maximise opportunities for people to provide input through a simple, easy-to-use process
- **Prepare and Promote.** Prepare for community engagement by developing quality information and communication materials
- **Engage.** Facilitate and deliver the community engagement process
- **Report.** Prepare a report for Council consideration on the outcomes and findings
- **Close the Loop.** Promote the findings and the next steps by making reports and information on final decisions available to the community.

2021/22 PUBLIC CONSULTATIONS

To ensure Council work best serves the needs and interests of the community, the City of Victor Harbor carries out various public consultations each year.

The City of Victor Harbor Public Consultation Policy draws on the International Association for Public Participation's engagement spectrum to ensure that we meet our obligation under the Local Government Act 1999. Council also has a responsibility to consult with community members under other relevant Acts (e.g. Planning Development and Infrastructure Act).

During 2021/22, the City of Victor Harbor undertook consultation on the following:

- Draft Arts, Culture and Heritage Strategy 2022-27
- Victor Harbor Riding Club Inc. Proposed Lease Renewal
- Mud 'N' Tars Motorcycle Club Inc. Proposed Lease Renewal
- Coastal Adaptation Strategy (phase 3)
- Asset Management Plans
- Encounter Bikeway Realignment (Hindmarsh Road to Council boundary)
- Time Limited Carparking at Whalers
- Draft Reconciliation Action Plan 2022/23
- Regional Community, Sport and Recreation Precinct Concept Plan
- The Bluff Master Plan
- Draft 2022/23 Annual Business Plan and Budget.

2022 COMMUNITY SATISFACTION SURVEY

In addition to the 11 formal public consultations undertaken throughout 2021/22, the City of Victor Harbor conducted its first Community Satisfaction Survey during March and early April 2022.

The research, carried out by reputable market research company newfocus, was extremely valuable for helping the Council understand where the community's priorities lie and where improvements can be made.

As part of the research, 300 residents, 100 businesses and 26 non-resident ratepayers were randomly selected and surveyed via computer assisted telephone interviews and online surveying to gain feedback on a broad range of services and projects offered by the Council.

Many positives findings are reflected in the results, as well as some room for improvement. Overall, the results showed that 45% of those surveyed were satisfied with the Council's performance, with residents currently the most satisfied and non-resident ratepayers the least satisfied.

The Council acknowledges there is always room for improvement in the services we provide to our community, and this research has given us timely information on what our community wants to see prioritised.



OUR STAKEHOLDERS

The City of Victor Harbor has a range of stakeholders who help to shape, deliver and support the Council's programs and initiatives. They have an interest in what the Council does because it can impact them or their own stakeholders.

COMMUNITY

Our community stakeholders contribute to the Council's strategic directions and day-to-day operations by providing comments, suggestions, knowledge and experience. There is great diversity amongst our community stakeholders.

Stakeholders in the community include:

- Ratepayers
- Residents
- Visitors
- Investors
- Businesses
- Community groups and organisations
- Committees and working groups
- Media
- Local schools and education institutions
- Recreation and sporting clubs.

INTERNAL

Our talented and passionate internal stakeholders provide highly valued skills and knowledge to assist in the delivery of more than 100 services across the Council. Internal engagement is often undertaken on a day-to-day basis as many projects require a multi-disciplinary approach and input from internal specialists.

These internal stakeholders include:

- Staff
- Elected Members
- Volunteers.

BUSINESS PARTNERS

Our business partners assist the Council to achieve the aspirations set out in our Community Plan 2030.

- Regional subsidiaries
- Suppliers and creditors
- Consultants and contractors.

GOVERNMENT

The City of Victor Harbor works closely with other levels of Government to shape legislation, share knowledge, identify funding opportunities, and advocate for the needs of the Fleurieu Peninsula.

Tiers of Government include:

- Local Government (neighbouring councils)
- State Government
- Federal Government.

Both State and Federal elections were held in 2022, which presented Council with an opportunity to advocate for positive initiatives in the local community.



OUR COMMUNICATIONS

To engage stakeholders and share useful or important information, the Council produces a wide range of communications throughout the year.

WEBSITE

The City of Victor Harbor website is a central source of information relating to Council's major projects, services, consultations, initiatives, news and events. The website is updated on a regular basis to ensure the community has quick access to essential information.

Work was undertaken in 2021/22 to improve the navigation menu on the website and enhance accessibility for all users. Improving the Council's website is an ongoing project.

SOCIAL MEDIA

Social media is a valuable tool for the Council to engage in two-way communication with the community. It is a popular platform for locals (our Community Satisfaction Survey suggests one in five people prefer this method of communication), and it is also a cost-effective and efficient way for Council to publish timely information.

The City of Victor Harbor now manages profiles across Facebook, Instagram, YouTube and LinkedIn. This includes pages for the Council, Victor Harbor Library, SA Whale Centre, Visit Victor Harbor, Coral Street Art Space and Brand Victor Harbor.

In 2021/22, Council's primary Facebook page reached 85,400 people and had 35,700 post engagements.

VICTOR VIEWPOINT

Victor Viewpoint is the Council's monthly email newsletter, sent directly to subscribers on the 10th of each month.

The newsletter contains information relating to Council's major projects, consultations, grant opportunities, initiatives, news and events.

In 2021/22, thirteen editions of Victor Viewpoint were distributed (one each month of the year, plus a special edition during the July state-wide lockdown).

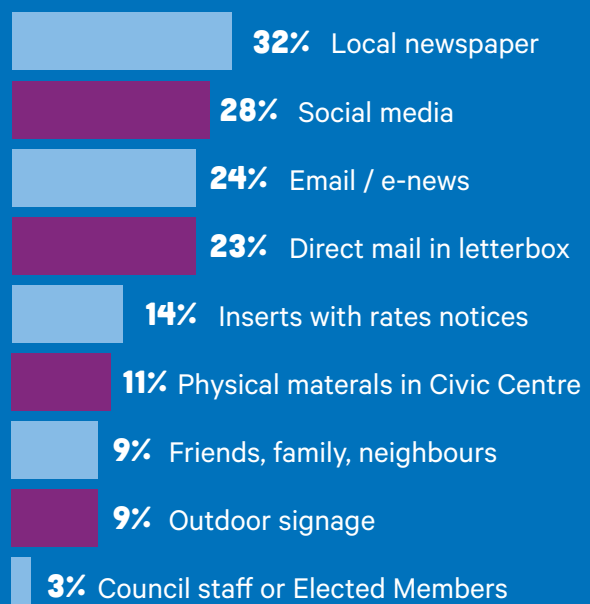
COMMUNICATION TOOLS

Other communication tools used by the Council to share information with the community include:

- Signage
- Civic Centre displays
- Inserts in rates notices
- Media releases
- Advertisements (print, radio and digital)
- Public notices
- Direct letters or email
- Public meetings and listening posts
- Fact sheets and conversation kits.

HOW OUR COMMUNITY RECEIVES COUNCIL NEWS

Based on 2022 Community Satisfaction Survey (total sample)



MEDIA COVERAGE

Over many years, the Council has developed strong relationships with local journalists, publishers and media outlets to ensure important community information can be shared through these channels.

Local print, radio and digital media all provide a valuable service to the community, and are highly valued by residents in the Victor Harbor area. Our 2022 Community Satisfaction Survey suggested one in three local residents receive Council news through newspapers.

Media coverage can have a significant impact on the Council's reputation, and so it is important for the organisation to keep abreast of coverage relating to Council matters and proactively pitch positive news stories where possible.

Media enquiries are handled by the Council's Communications team, with the Mayor and Chief Executive Officer as principal spokespeople.

In addition to local media, the Council liaised with a range of Adelaide-based media outlets throughout 2021/22, including ABC, Channel 7 and InDaily, to provide commentary on matters relating to Victor Harbor and the Fleurieu Peninsula.

A number of events, projects and topics gained major media attention in 2021/22.

SCHOOLIES FESTIVAL



Encounter Youth's Schoolies Festival has been held successfully for more than two decades, and consistently gains media attention each year.

There are a number of stakeholders involved in the planning of the Schoolies Festival, including SAPOL, metro and country fire services, SA Ambulance, St Johns, government agencies, local accommodation providers, transport providers and Council.

The 2021 Schoolies Festival was especially newsworthy given the complexities around Covid-safe practices and social distancing during the event.

The Festival was covered in the lead up to the event and during the event by ABC, Channel 7, Channel 9, Channel 10, The Advertiser, InDaily, The Times, Happy FM and Fleurieu FM.

MAINSTREET PRECINCT UPGRADE



Stage Four of the Victor Harbor Mainstreet Precinct Upgrade gained significant media attention in 2021/22 as it is one of the largest capital works projects being undertaken by Council in many years.

The project is regularly featured by The Times, Fleurieu Sun, Happy FM and Fleurieu FM.

As well as being covered by local media, the project featured on Channel 7, noting concern from businesses about how works would impact trading.

GRANITE ISLAND CAUSEWAY PROJECT



The Granite Island Causeway has always been highly valued by our local community as it is the lifeline to Granite Island and relied upon by a number of businesses and tourist attractions. Given the popularity of Granite Island as a destination for visitors, the Causeway is also of interest to travellers outside the Fleurieu Peninsula community.

The new Causeway attracted significant media attention at all phases of the project, including commencement and completion of works.

The Causeway project was covered by ABC, Channel 7, Channel 9, Channel 10, The Advertiser, The Times, Happy FM and Fleurieu FM. A significant media contingent was present during the official opening of the new Causeway in December 2021.

WHALEFEST



Victor Harbor is known for its Southern Right Whales that enter Encounter Bay to breed each winter, and the chance of seeing a whale is one of the many reasons visitors flock to the Fleurieu coast.

The City of Victor Harbor's WhaleFest has grown over the years to become a much-loved and well-known event for locals and tourists to the region. In 2022, it was carried out over a number of weeks, commencing in early June and concluding at the end of July.

The Council was proactive in promoting the festival, circulating a media release and other promotional materials in the event lead up. 2022 WhaleFest was covered by InDaily, Glam Adelaide, The Times, Fleurieu Sun, 5MU/Power FM, WeekendNotes, Fleurieu App, ABC, Happy FM and Fleurieu FM.

COVID-19 BORDER RESTRICTIONS






















News relating to Covid-19 dominated media headlines throughout 2021/22 as Australia continued to move through new phases of the pandemic.

In addition to ongoing local media coverage, the City of Victor Harbor was approached by the ABC to provide comment on how our Council and region were responding to the opening of borders in November 2021, given our community which has one of the highest median ages in the country.

COUNCIL SERVICES: PART OF YOUR EVERY DAY

Most people are surprised when they learn how much councils do for their communities. The City of Victor Harbor provides more than 100 services to keep our community vibrant, clean and safe.

Below is a list of the services Council provides to the Victor Harbor community.

<p>INFRASTRUCTURE & ASSET MANAGEMENT</p> <p>Managing and maintaining roads, footpaths, bridges, bicycle paths, street furniture and cemeteries</p> 	<p>WASTE & RECYCLING</p> <p>Kerbside waste collection, recycling depot, street cleaning and graffiti removal</p> 	<p>HERITAGE</p> <p>Heritage advisory services and support for owners of heritage listed places</p> 	<p>PLANNING & DEVELOPMENT</p> <p>Urban planning, building assessments, development assessments</p> 	<p>CUSTOMER SERVICE & INFORMATION</p> <p>Responding to community requests, providing after hours call centre and community information</p> 
<p>FAMILY, YOUTH & CHILDREN'S SERVICES</p> <p>Family support services, youth development programs and events, and immunisation program</p> 	<p>AGED & DISABILITY SERVICES</p> <p>Social support services and supporting planning for aged services</p> 	<p>LIBRARY SERVICES</p> <p>Victor Harbor Library service, activities and events</p> 	<p>TOURISM MARKETING, EVENTS & ATTRACTIONS</p> <p>Festivals and events, visitor information, Horse Drawn Tram and SA Whale Centre</p> 	<p>ECONOMIC DEVELOPMENT</p> <p>Mainstreet Precinct, digital economy strategy, supporting agribusiness and renewable energy programs</p> 
<p>ARTS & CULTURAL ACTIVITIES</p> <p>Arts and culture development, public art, planning for an arts and culture centre</p> 	<p>PARKS & RECREATION</p> <p>Maintaining parks, reserves, playgrounds, walking trails, street trees, boating facilities</p> 	<p>COASTAL PROTECTION & ENVIRONMENT</p> <p>Foreshore and estuary maintenance, revegetation management, pest animal and plant control</p> 	<p>COMPLIANCE & PARKING</p> <p>Dog and cat management, outdoor dining, nuisance and litter control, parking enforcement</p> 	<p>TRANSPORT</p> <p>Community transport services, advocating for improved public transport</p> 
<p>PUBLIC HEALTH</p> <p>Regulating food safety, waste water systems, water quality, sanitation, swimming pools/spas, vermin control</p> 	<p>EMERGENCY PLANNING</p> <p>Regional bush fire management plan, local and zone emergency management plans</p> 	<p>ADMINISTRATION</p> <p>Records management, FOI requests, Council and committees support, maintaining the electoral roll</p> 	<p>CORPORATE SERVICES</p> <p>Financial & risk management, HR, organisational development, computers and telecommunications</p> 	<p>COMMUNITY DEVELOPMENT</p> <p>Grant programs, community facilities and meeting places, advice, advocating on behalf of the community</p> 

WHERE COUNCIL RATES WERE SPENT

The City of Victor Harbor relies on income from rates to provide essential services that meet the needs of the community and supports the local economy. Grants received are minimal as funding calculations are based on census population data (collected in winter) which doesn't account for the significant increase in population in the summer months. The following infographic outlines how Council allocated every dollar of your Council rates in 2021/22 to help Victor Harbor remain a place of choice to live, work, visit and invest.



KEY FINANCIAL RESULTS

Total Capital Spend	2021/22	\$9.8 MILLION	
		19/20 \$11.3 million	20/21 \$10.5 million
Total Operating Spend	2021/22	\$30.1 MILLION	
		19/20 \$28.5 million	20/21 \$31.9 million
Operating Result	2021/22	\$1.1 MILLION SURPLUS	
		19/20 \$349,000 surplus	20/21 \$2 million deficit

INCOME BREAKDOWN

	Rates	User Pay Charges	Statutory Charges	Operating Grants and Partnerships	Other Revenues
2021/22	\$24.79 million	\$2.26 million	\$0.71 million	\$2.28 million	\$1.16 million

EXPENSES BREAKDOWN (\$'000)

	Business Undertakings	Community Services	Culture and Library	Economic Development, Tourism	Coastal and Environment	Open Space and Recreation	Regulatory Services	Car Parking, Traffic Management	Property and Assets	Roads, Footpaths and Bridges	Plant, Depot and Indirect	Waste Management	Town Planning	Administration
2021/22	\$917	\$2,030	\$2,396	\$1,490	\$1,749	\$3,050	\$1,116	\$875	\$1,939	\$4,907	\$2,435	\$1,885	\$1,249	\$4,045



A man with short grey hair, wearing a light-colored polo shirt and a bright orange high-visibility safety vest, is smiling at the camera. He is holding a black tablet computer in his hands. The background shows a construction site with a clear blue sky, some trees, and a brick wall under construction. The top of the image features decorative wavy lines in light blue, yellow, and green.

PERFORMANCE AGAINST OUR STRATEGIC PLANS



STRATEGIC PLAN OUTCOMES

MEASURING OUR PERFORMANCE AGAINST THE COMMUNITY PLAN 2030

The Community Plan 2030 is the City of Victor Harbor's guiding strategic document, outlining the community's aspirations for the future.

The Community Plan 2030 centres around six aspirations, outlined on **page 17**, that express what we want Victor Harbor to be like now and into the future. They aim to be bold and visionary, at the same time as protecting the essence of Victor Harbor. The City of Victor Harbor uses a number of methods to measure our progress towards achieving the aspirations within our Community Plan 2030.

Key Planned Activities

Each year Council identifies a number of Key Planned Activities that set out what we will focus on in the coming year to help achieve the aspirations set out in the Community Plan 2030.

In 2021/22, Council identified 15 Key Planned Activities. An overview of all of these activities including their current status is provided from **page 46-71**.

As well as undertaking the identified Key Planned Activities, there are a number of other projects and ongoing activities that help Council work towards its aspirations. These activities also ensure that legislative requirements are met and respond to community expectations. A selection of these activities is also highlighted over the following pages.

Financial Management

An overview of Council's financial performance is provided in the Financial Statements at **page 122**, and commentary around key financial indicators is available on **page 72**.

Future Planning

The City of Victor Harbor adopted its 2022/23 Annual Business Plan and Budget on 13 July 2022. The plan shows where Council will spend money and the projects that will be undertaken in the coming financial year to help achieve our vision for Victor Harbor. A brief overview of what is ahead for the City of Victor Harbor is provided on **page 119**.



ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

STRATEGIC CONTEXT

Victor Harbor is well known for its welcoming, friendly and family focussed community. Council's planning recognises this and outlines strategies to ensure that this continues in the future. In addition to the caring nature of our community, people also often comment that they feel safe in Victor Harbor and that it is a great place for children to grow up.

There is a strong volunteer culture within the City of Victor Harbor. One in four people in the local government area volunteer in some capacity, and the council is fortunate to have a team of around 400 volunteers assisting with the delivery of services, programs and initiatives.

The high level of volunteerism results in a healthy number of thriving community groups, clubs and organisations, all of which provide important opportunities for people to feel valued and included.

Sport and recreation is deeply embedded within our community, and encourages a healthy and active lifestyle as well as important social connections. Access to open spaces is a key part of our lifestyle.

ONGOING ACTIVITIES

Community services for aged, families, youth and disadvantaged people; Accessibility; Community and charitable donations; Community grants; Supported residential facilities licensing; Volunteer support and assistance; Halls and community buildings; Festivals and events; Parking enforcement and control; Abandoned vehicles; Vermin eradication; Dog and cat control; Livestock impounding; Litter inspection and enforcement; Immunisation; Health and preventative services; Sharps/need collection service; Street furnishing and sweeping.

CHALLENGES

- **Covid-19:** Ensuring that Council can continue to safely deliver services to a vulnerable community in a rapidly changing environment.
- **Elderly community:** With a median age of 60 years, the City of Victor Harbor has one of Australia's oldest populations and the Council must cater services to this demographic.
- **Utilising open spaces:** As a regional coastal city, the City of Victor Harbor is fortunate to have plenty of open space, however the Council must balance the need to develop with the importance of conserving natural assets.
- **Volunteering:** Many of Council's programs and initiatives depend on the support of dedicated volunteers, however volunteer numbers have decreased in recent years as a result of Covid-19.

2021/22 KEY PLANNED ACTIVITIES

Events and Festivals

Outcome: Complete

Description: Council continues its commitment to facilitating a number of events and festivals that contribute to economic development, tourism and community engagement.

Commentary: Successful events in 2021/22 included the New Year's Eve event, Fringe Festival and Winter WhaleFest. Council has been successful in securing new major events, including the One Electric Day and Red Hot Summer Series concerts. Council also supported local organisations and industries through the 2021/22 Festivals and Events Sponsorship Program.

Encounter Bikeway

Outcome: Strategic direction changed

Description: Widening of the Encounter Bikeway along Franklin Parade from Oakham Street to Tabernacle Road. This project is offset by grant funding.

Commentary: Council resolved not to proceed with construction until further work is undertaken to understand how the project can be designed and costed to meet the recommendations of the Coastal Adaptation Strategy.

Council worked quickly to identify whether the secured grant funding could be utilised in another project, and we thank the Department for Infrastructure and Transport for approving use of State Bicycle funding to upgrade the Encounter Bikeway along Hindmarsh Road.

This new project will see the development of a new off-road path to improve safety for pedestrians, cyclists and other travellers along Hindmarsh Road. The project involves constructing a 3.5m wide shared path along Hindmarsh Road from Bond Avenue to Grantley Avenue. The dedicated off-road path will distance bikeway users from motor vehicles, improving safety and enjoyability.

One section of this project, near the skate park has commenced, and the pedestrian refuge and ramps have been constructed. Final design for remainder of path is underway.

This upgrade is expected to be complete by December 2022. The Department for Infrastructure and Transport and State Bicycle Fund have confirmed funding will be applicable until December 2022.

Master Plan for 44 Adelaide Road

Outcome: To continue in 2022/23

Description: Following the strategic purchase of 44 Adelaide Road, Council will undertake master planning for the future use of the site that considers Tuck Reserve and the broader neighbourhood.

Commentary: Preliminary investigation and site analysis was undertaken in early 2022 before Elected Members workshopped a number of options for the Master Plan. At this stage, planning and negotiations for the site are confidential.

Library Upgrade

Outcome: Strategic direction changed

Description: A mezzanine level will be added to the library to allow for the creation of a new children's area that will be a larger room of its own with sound proofing to enable programs to run without disturbing all patrons of the library. This upgrade will also include the addition of smaller meeting rooms, a social hub and more storage.

Commentary: The first stage of the Library upgrade was delivered during 2020/21 and included extending walls in existing meetings rooms to address issues of excessive noise. Due to an escalation in project cost and difficulties sourcing trades and materials, the Council made the decision not to progress with stage two works planned for 2021/22 and instead focus resources on other priority projects. The project budget was reallocated towards other capital projects in the City of Victor Harbor.

Services and programs continued at the library as per usual, with the team committed to providing a fantastic service to the community and continually seek areas for improvement. Library staff are also exploring ways to creatively utilise existing spaces within the Library, as well as opportunities outside the building to enhance service delivery.





ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

OTHER HIGHLIGHTS AND ACTIVITIES

Ageing Well Conversations



The Council's Ageing Well team launched a new service named 'Ageing Well Conversations' in March 2022 to support older people in the community.

Ageing Well Conversations was an opportunity for community members to have a free, informal chat with Council staff who have extensive knowledge of services and activities in our local area, and can provide guidance on programs to suit each individual's needs.

The new service was based at Carrickalinga House (Senior Citizens Club) on Hill Street every Thursday. Between 10am and 3pm, the team provided face-to-face information about local community activities, the Aged Care system (My Aged Care), and local services for older members of the community.

The team is now reviewing the outcomes from this project to determine whether community interest is sufficient to continue the service.

Community Grants

The City of Victor Harbor offers a Community Grants Program that assists not for profit community groups and organisations in the planning, coordination and provision of community services to improve the quality of life, independence and wellbeing of people within Victor Harbor.

In 2021/22 five community groups received funding including:

- **Returned and Services League of Australia (Victor Harbor Sub Branch)** - \$500 towards the cost of a printer and supplies to produce a quality guide to commemorative services and war memorials in Victor Harbor.
- **South Coast Choral and Arts Society** - \$183 for the cost of licensing music for use in local performances
- **Victor 50 Plus Club** - \$100 for the maintenance of equipment and costs associated with an open day to attract new members
- **Victor Harbor and District Senior Citizens Club Inc** - \$1000 towards the cost of rebuilding membership and brochures to promote seniors' activities.
- **Victor Harbor Lutheran Church** - \$1000 towards the cost of kitchen adaption and cooking classes for disadvantaged people
- **Victor Harbor Men's Shed** - \$379 for large capacity batteries and a battery recharging station.

Disability Access and Inclusion Plan



One of the responsibilities of local government is to ensure that all members of our community have the right to be included, participate, have access to services and products and are able to be included in decision making. This is regardless of ability. The purpose of the Disability Access and Inclusion Plan 2020-2024 (endorsed in 2020) is to provide an integrated, whole of Council approach to strengthen inclusion and access for all.

The City of Victor Harbor continues to improve outcomes for people living with disability in our community and workplace by implementing the actions outlined in the Disability Access and Inclusion Plan. The backbone of the plan and improvements to access and inclusion is the Disability Access and Inclusion Advisory Committee. That plan is reviewed regularly at Committee meetings to ensure transparency and accountability. The Committee is consulted on concept plans, designs and other consultative processes. Engineering and infrastructure staff attend all meetings to support and understand the needs of the community and Community Wellbeing staff provide support and administration to the committee.

This reporting period has seen both infrastructure changes made for physical accessibility as well changes to communication channels to ensure greater accessibility. The City of Victor Harbor remains on track to meet the key performance measures of the Disability Access and Inclusion Plan.

Youth Development Grants and Events

The City of Victor Harbor aims to be a thriving regional hub where young people are supported and engaged with the community. Council strives to promote arts, culture and wellbeing for young people by providing modern services, facilities and projects that are tailored to youth in the area.

Youth programs and activities are primarily made possible by the work of our Youth Development Officer.

Throughout the year, a number of youth events were held. This included 'Game Changers' in March 2022 at the Victor Harbor Recreation Centre, where youth were invited to play laser skirmish and old school arcade games while breaking down mental health stigma.

A Youth Development Grants Program was also established in 2021/22. This program intends to assist community groups, organisations and individuals in the coordination, delivery and evaluation of youth development initiatives for young people. It is hoped that grants will be successful in empowering young people to be resilient and resourceful, and actively participate in the community. It is expected that applications will be assessed and funds distributed in 2022/23.



ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

Wallage Reserve Playground



The City of Victor Harbor commenced an upgrade to the Wallage Reserve Playground, located at the south-eastern end of Wallage Court in Encounter Bay, in February 2022.

For many years, the small suburban park has provided an outdoor space for residents to enjoy, but Council has planned a restoration that will enhance the reserve's appeal to local families.

As part of the redevelopment, new pathway links and playground equipment, including a brand new mound slide and climbing wall, will be installed.

The new playground layout will take advantage of the open space and existing natural elements around the Reserve to encourage nature play experiences for visiting children.

The Reserve is home to several large trees that naturally provide both shade and sensory experiences within the greater playground area – and these have been incorporated into the new layout designs.

Some of the key work planned for the new playground include:

- Construction of a mound slide, comprising an embankment and classic slippery dip
- Installation of a new double swing set
- Incorporation of new climbing wall equipment
- Development of compacted rubble pathways between equipment.

Community Services Review

The Council has been undertaking a range of service reviews over the last few years to ensure adherence to best practice and to deliver the most effective outcomes for the community. The review of community services began in March 2021 with the appointment of Highwire Group who looked at the current services and activities, alternate service delivery models and needs of the community.

The report acknowledged the professionalism and dedication of the whole Community Services team in providing valuable, quality services to the people of Victor Harbor and surrounding areas. The review recommended a number of actions to provide and facilitate leading edge approaches to engaging with, supporting and developing community. In particular the recommendations aim to utilise and further develop the skills and experience of the Community Services Team to help Council achieve in priority areas across the aspirations and strategies in the Community Plan 2030. These include increasing social connectedness, youth leadership development and improved health and wellbeing.

Following formal Council adoption of the Community Services Review recommendations in August 2021, implementation of recommendations commenced immediately.

New Defibrillator at the Bluff Boat Ramp

With support from the Southern Fleurieu Health Advisory Council, St John Ambulance SA and the Encounter Bay Rotary Club, Council has installed an automated external defibrillator (AED) to service the Encounter Bay area.

The City of Victor Harbor has installed the publicly accessible AED at the Bluff Boat Ramp (visibly located near the ticketing machine), which may help to provide life-saving treatment during a cardiac emergency.

The Encounter Bay area is a popular place for recreation, but has sadly been the location of several tragedies in past years.

An AED is a portable medical device designed to help those experiencing sudden cardiac arrest. Essentially, the device uses electricity to re-start the heart or shock it back into its correct rhythm.

Sudden cardiac arrest can affect anyone, anywhere, at any time, so quick access to defibrillation is essential.

The City of Victor Harbor is committed to improving and providing facilities that can support safety for the community, and is hopeful that the new AED may help to prevent future tragedies.

Following advice from the Southern Fleurieu Health Advisory Council, Council worked closely with St John Ambulance SA to determine a suitable location for the AED and completed installation on 20 January 2022.

The public safety initiative was supported by a \$1,000 donation from the Encounter Bay Rotary Club and a \$2,000 contribution from the City of Victor Harbor.

Southern and Hills Regional Public Health Plan

The Southern and Hills Regional Public Health Plan 2022-27 has been prepared by the six constituent councils of the Southern and Hills Local Government Association (S&HLGA), including the councils of Adelaide Hills, Alexandrina, Kangaroo Island, Mount Barker, Yankalilla and Victor Harbor.

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

It highlights key directions for the six councils to work towards over the next five years, including promoting recreation in nature, building awareness about the health risks of climate change, and supporting children to develop healthy behaviours.

The draft Plan outlines five shared goals that the six councils will work towards over the 2022-2027 period.

It is expected that the Plan will receive final endorsement by early 2023.

LOOKING AHEAD TO 2022/23

Significant projects planned for next financial year include:

- **Sport, Recreation and Open Space Strategy**
- **Active Wellbeing Program** establishment
- **Dog and cat management initiatives**, as outlined in the Dog and Cat Management Plan 2019-2024
- **Festivals and Events Strategy** implementation
- **Regional Public Health Plan** finalisation and implementation of actions.



ASPIRATION 2

WE HAVE A CULTURE OF INNOVATION, COLLABORATION AND CREATIVITY

STRATEGIC CONTEXT

To see our community prosper and flourish, there is a need to embrace new ideas and technology to create opportunities. There is potential to use the creativity within Victor Harbor to enhance our city's vibrancy at the same time as expanding our local economy.

The Council understands the importance of providing the right conditions for individuals and the community to prosper, and recognises the importance of collaboration with all levels of government, regional bodies, private sector and the wider community to achieve this.

Art in all forms has the capacity to enrich people's lives and contribute to creating a strong, healthy and connected community.

The increasing emergence of arts and cultural activity in Victor Harbor has provided important social and economic benefits to the city. There is an opportunity to develop this further.

ONGOING ACTIVITIES

Library; Arts and cultural program; Coral Street Art Space; Victa Cinema; Public art and monuments; Citizenship; Representative appointments; Local and regional partnerships.

CHALLENGES

- **Diversity:** Ensuring the Council delivers a range of cultural opportunities that meet the needs and interests of Victor Harbor's diverse community. This includes age, gender and cultural diversity.
- **Access and inclusion:** Striving for innovation and creativity while retaining a strong focus on access and inclusion to ensure all members of our community can thrive.

2021/22 KEY PLANNED ACTIVITIES

Investment Attraction and Destination Marketing

Outcome: To continue in 2022/23

Description: Commence work on an investment attraction strategy with Business Victor Harbor, and deliver a destination marketing strategy.

Commentary: Council in partnership with Business Victor Harbor successfully launched its destination marketing strategy, and new destination brand in November 2021. Council is continuing to work with Business Victor Harbor representatives on developing the investment attraction strategy.

Business Victor Harbor Partnership

Outcome: Complete

Description: Funding contribution provided to Business Victor Harbor to enable continuation of the executive staffing resources, to assist the organisation enhance its ability to support the local business community.

Commentary: In November 2021, Council committed to a three year partnership with Business Victor Harbor that is now seeing the two organisations work together to strengthen and grow the local economy. Under the agreement, the local chamber of commerce is set to receive \$100,000 each year for the next three years to enhance the organisation's capacity to support local businesses. Increasing engagement with industry is a key element of the Council's Economic Development Strategy, and Business Victor Harbor are well positioned to drive this.

Arts and Culture Centre

Outcome: Complete

Description: Complete the concept design for the Arts and Culture Centre.

Commentary: A development application has been lodged and additional capital budget has been utilised for the development of supporting documentation (heritage impact statement, traffic and parking assessment and 3D laser survey).

OTHER HIGHLIGHTS AND ACTIVITIES

Mayor's Short Story Competition



Each year the Mayor's Short Story Competition showcases the talents of young writers from across the region. It is an initiative delivered by the three Fleurieu councils – Alexandrina Council, District Council of Yankalilla and City of Victor Harbor. The 2021 competition saw 539 entries from the City of Victor Harbor council area. Winners included:

- **Reception to Year 2:** Taio Bennett (Victor Harbor R-7 School)
- **Year 3 to Year 4:** Jasper Wegener (Encounter Lutheran College)
- **Year 5 to Year 7:** Katie Warren (Victor Harbor R-7 School)
- **Year 8 to Year 10:** Ella Keam (Encounter Lutheran College)
- **Overall Winner:** Jasper Wegener and Ella Keam (Encounter Lutheran College)

Coral Street Art Space

Coral Street Art Space (Tumbi Tjil-urmi Yiti) in Victor Harbor's Mainstreet Precinct is a project of the City of Victor Harbor and serves as a growing cultural hub on the Fleurieu Peninsula.

In 2021/22, 11 diverse exhibitions were showcased in the gallery space.

The Youth Arts Exhibition, showcased in late March and early April 2022, presented more than 70 works created by local young creatives. Encounter Lutheran College, Victor Harbor High School and Investigator College participated in the exhibition.

Citizenship Ceremonies



The City of Victor Harbor conducts citizenship ceremonies on behalf of the Federal Government for local residents. The Council's role to welcome new citizens is one we highly value and enjoy.

Citizenship ceremonies are special events that fulfil requirements under Australian citizenship law. They also provide an opportunity to welcome new citizens to our community.

The ceremonies are undertaken by the Mayor and generally held in the Council Chambers with the exception of Australia Day where the ceremony takes place as part of the community celebration event.

In 2021/22 the City of Victor Harbor held three citizenship ceremonies welcoming 28 new citizens from a diverse range of countries including Finland, India, Iraq, Scotland, Sri Lanka, Thailand, the United Kingdom, the Netherlands and the Philippines.



ASPIRATION 2

WE HAVE A CULTURE OF INNOVATION, COLLABORATION AND CREATIVITY

Reconciliation Action Plan



Collaboration was essential for the development of the City of Victor Harbor's first Reconciliation Action Plan (RAP). The Council worked closely with three cultural advisors (Mark Koolmatrie, Cedric Varcoe and Kyla McHughes) to produce the RAP and establish a framework and vision for reconciliation in the City of Victor Harbor.

Based around the core pillars of relationships, respect and opportunities, the RAP outlines actions for the Council to take in order to enhance relationships with First Nations peoples and create genuine change. Once endorsed by Reconciliation Australia, it will guide Council to sustainably and strategically take meaningful action to advance reconciliation.

As part of this project, a Reconciliation Community Forum was held in November 2021 as an opportunity for community members to hear from First Nations leaders, learn about the City of Victor Harbor's RAP project, and join the conversation about reconciliation.

The Reconciliation Action Plan has been lodged for endorsement by Reconciliation Australia. Once approved, the Council will begin to implement the actions outlined within the document.

Mainstreet Precinct Activation



To support businesses while construction for Stage Four of the Victor Harbor Mainstreet Precinct Upgrade is underway, Council has introduced a range of creative 'Mainstreet activation' initiatives that aim to drive foot traffic into the town centre.

Signage that incorporates Victor Harbor's new destination brand and re-juvenation of a Buy Local App are just some of the initiatives being undertaken to encourage activity and support businesses.

These activation measures will continue in 2022/23, while construction works are still underway. This includes the implementation of a Mainstreet Precinct Grant Program and whale trail treasure hunt project.

Digital Literacy at the Victor Harbor Library

The Victor Harbor Library now offers free technology training sessions to help launch our community into our online world.

This program is designed to take you through comfortably paced sessions that cover a range of digital tasks including: how to use a tablet or smartphone, navigate social media, shop online, and access online government services and banking facilities.

Each interactive workshop runs for 90 minutes in small groups, and is totally free.

Advocacy Strategy

As the City of Victor Harbor continues to grow, the Council acknowledges that support must be provided from State and Federal Governments to enable responsible management of this growth.

In 2021/22, Council developed an information and advocacy strategy to build the profile of the City of Victor Harbor and its objectives on behalf of the community in preparation for the State and Federal Government elections.

A supporting document was completed to outline key issues and projects within the City of Victor Harbor Council area. Where election candidates have approached Council for meetings, the advocacy document has been provided and has been a key tool in meetings between Council and potential candidates.

The State and Federal Government elections are now complete and the advocacy document continues to be updated as required to reflect current key issues, initiatives and projects for the City of Victor Harbor.

LOOKING AHEAD TO 2022/23

Significant projects planned for next financial year include:

- **Sow. Grow. Eat. Repeat!** program at the Victor Harbor Library
- Establishment of a permanent First Nations exhibition at **Coral Street Art Space**
- **Arts and Culture Centre** detailed technical design, comprising the Victa Cinema component
- **Reconciliation Action Plan** implementation
- Continuing **Business Victor Harbor** partnership.





ASPIRATION 3

WE MANAGE GROWTH AND CHANGE RESPONSIBLY

STRATEGIC CONTEXT

The 2021 Census demonstrated that Victor Harbor and its surrounds are growing at a steady rate. This growth will have implications for the provision of services and infrastructure, as well as how we protect our environment, heritage, lifestyle and sense of community. All of which are highly valued and integral to our city's appeal.

Population growth in neighbouring councils will also impact on the City of Victor Harbor which has firmly established itself as the service centre for the region. Appropriate planning will assist to maintain this position, at the same time as preserving the attributes of our city that we most value.

The Victor Harbor economy is heavily reliant upon the income derived from tourism. This income is largely seasonal, providing a challenge for some local businesses to manage revenue fluctuations. There is potential for this sector of the economy to be developed, as well as opportunities to see the growth in other sectors such as aged care, agriculture, building and construction and manufacturing.

ONGOING ACTIVITIES

Economic development; Horse Drawn Tram; Visitor Information Centre and South Australian Whale Centre; Destination marketing; History recording and preservation; Local history collection; Building assessment and inspection; Development assessment; Land use planning.

CHALLENGES

- **Population growth:** Planning effectively for increases to population.
- **Switching to digital:** Adopting online methods for marketing and communication to meet the modern needs of tourists and visitors.
- **Seasonal tourism:** As a coastal destination, the City of Victor Harbor's population can increase dramatically during the summer months.
- **Planning:** Managing the transition to the new Planning, Development and Infrastructure Act.

2021/22 KEY PLANNED ACTIVITIES

McKinlay Street Car Parking

Outcome: To continue in 2022/23

Description: Over the years, Council has strategically acquired land in McKinlay Street to provide additional town centre car parking. In line with feedback received from the community, Council will explore opportunities with third party developers that involve the delivery of a car park at a reduced cost to ratepayers.

Commentary: To date, an additional 66 car parking spaces have been provided in McKinlay Street to cater for short term demand.

In 2021/22, Council engaged JLL in conjunction with the Alinea Group to undertake a national expression of interest from developers, investors and consortiums and explore partnership possibilities.

On 27 June 2022, the Council endorsed proceeding with a development application through the PlanSA Portal (for Planning Consent), enabling Council to confidently negotiate any collaborative opportunities that may arise for the delivery of the carpark into the future.

OTHER HIGHLIGHTS AND ACTIVITIES

Rosetta Head Well and Whaling Station

In recognition of its archaeological significance, the Rosetta Head Well and Whaling Station site in Encounter Bay has been added to the South Australian Heritage Register.

The Well and Whaling Station site, located on Franklin Parade, represents a once significant early industry that no longer exists in South Australia. Founded by the South Australian Company in 1837 and continually operating until 1851, it was the longest-running whaling station in the State.

The remains of the Rosetta Head Well were discovered accidentally during excavations for The Bluff Boat Ramp carpark in 2017 and have since been professionally restored.

Mountain Bike Strategy

When it comes to mountain biking, the City of Victor Harbor has multiple advantages over other areas in South Australia. Our Mountain Bike Strategy (endorsed by Council in November 2021) aims to make the most of our extensive coastline, rolling hills and accessible river corridors by providing enjoyable recreation opportunities for mountain bikers of all skill levels.

Following public consultation in March and October 2021, it was evident that almost all respondents in our survey (97%) supported the Strategy's vision.

Consultation also highlighted the importance of environmental stewardship to enable sustainable trails, the potential for trail connections to provide a complete network across our region, and the need to undertake further stakeholder consultation to determine public/private partnership arrangements.

It is expected that the Strategy will provide more than \$23 million in social, economic and health benefits over a 10 year period once implemented.

Business Survey

In December 2021, the City of Victor Harbor and Business Victor Harbor circulated a business survey to gain insight into the opportunities and challenges faced by our local business community.

Business leaders were asked a series of questions relating to the nature of their business, how their business has performed in recent times, their views on the local business environment and the types of support services that would help grow and sustain their business.

The 2021 survey also asked a series of questions to understand the impact of border closures, constraints around attracting labour and investments that would grow the local economy.

From the 124 responses received, there was an indication that local businesses are generally optimistic about the future of their business in Victor Harbor, with elements of uncertainty from Covid-19 restrictions and labour force shortages continuing to impact the local business environment.

The survey has provided a pulse check on how our business community is going, and the findings have offered valuable and localised business insights that will help inform Council's future decision-making.

LOOKING AHEAD TO 2022/23

Significant projects planned for next financial year include:

- **Mainstreet Precinct Activation, Engagement and Business Revitalisation Grant Scheme**
- **Horse Tram Stables Project** completion
- **Urban Growth Management Strategy** development
- **Heritage Survey** on inter-war buildings
- **Tourism marketing** and destination branding.



ASPIRATION 4

WE PROTECT OUR ENVIRONMENT

STRATEGIC CONTEXT

The City of Victor Harbor council area is home to many wonderful assets such as Rosetta Head (The Bluff), Granite Island and the Little Penguin colony, Hindmarsh Falls, Glacier Rock, Inman and Hindmarsh Rivers. The natural environment, including the coastal and marine areas, rivers, natural vegetation, clean air and mild climate are all identified as things that make Victor Harbor a great place to live.

Our planning aims to preserve all of the things we value about our environment, at the same time as putting measures in place to address the challenges that face us in the future. Urban growth will place pressure on the natural environment, as well as the general landscape and built form character.

Our changing climate will result in warmer and drier conditions, more frequent extreme weather events, and higher sea levels. A better understanding of both climate variability and climate change will mean the community can better manage the adverse impacts and take advantage of any opportunities that arise.

ONGOING ACTIVITIES

Animal, pest and plant control; Coastal protection; Environmental management; Foreshore maintenance; Climate adaptation planning; Tree planting and maintenance; Waste management.

CHALLENGES

- **Climate change:** Coping with more intense and more frequent storm events, leading to increased coastal erosion and damage to assets.
- **Lobbying for support:** Climate change is an issue facing all Australians, and Council requires State and Federal Government support to make a real impact.

2021/22 KEY PLANNED ACTIVITIES

The Bluff Master Plan

Outcome: Work to continue in 2022/23

Description: Development of a Master Plan that outlines a shared vision for The Bluff, an iconic landmark and attraction for Victor Harbor.

Commentary: An initial stage of community and stakeholder engagement was undertaken in May 2022. This consultation aimed to understand what the community and key stakeholders value about The Bluff and what aspects or features should be incorporated.

A draft Master Plan was endorsed for the purposes of further community consultation in August 2022, however this stage of broad community consultation is scheduled to take place in January 2023 following elections and induction of the new Council.

Climate Change Planning and Investigation

Outcome: Complete

Description: Undertake planning and develop actions that allow Council to mitigate its impacts and adapt to the changing climate.

Commentary: A major highlight included a successful Victor Harbor Youth Climate Summit held on 18 March 2022 involving approximately 60 participants from Victor Harbor's three middle/senior schools.

Council staff are currently liaising with SA Water about supply of recycled water to Kent Reserve. Climate change action is an ongoing initiative.

Carbon Data Tracking

Outcome: Complete

Description: This project involves the continuation of a carbon auditing data tracking system to measure energy use, greenhouse gas emissions and abatement actions.

Commentary: Data collection was carried out throughout 2021/22. Council is currently waiting for data from the Fleurieu Regional Aquatic Centre, which has a significant effect on overall data. The baseline data will help guide Council's actions in reducing emissions, and monitoring progress.



CELEBRATING OUR LOCAL ENVIRONMENTAL CHAMPION

Stephen Hedges was awarded the 2022 City of Victor Harbor Award for Active Citizenship in recognition of his ongoing commitment to environmental education and conservation advice. Stephen's active involvement in biodiversity was further celebrated at a state level, as his contributions to the community were celebrated at the Australia Day Council of South Australia Award Ceremony at Government House, held on Wednesday 30 March 2022.



ASPIRATION 4

WE PROTECT OUR ENVIRONMENT

OTHER HIGHLIGHTS AND ACTIVITIES

Coastal Adaptation Study and Strategy



The City of Victor Harbor engaged coastal experts, Integrated Coasts, to undertake a Coastal Adaptation Study in 2021. This project invited the community to provide historical anecdotes and photos of the Victor Harbor coast, so local knowledge could be captured in the Study.

The Study looked at how the Victor Harbor coastline from the eastern boundary at Investigator Car Park to The Bluff Boat Ramp has been changing over time. It researched historical records of storm events, tidal data, beach profile monitoring, and aerial photography. This information identified risks and vulnerabilities along the coast, and how it may plausibly change in the future, using scenarios for the year 2050 and 2100.

To ensure a fine-grained approach, the Coastal Adaptation Study was broken into three main areas or 'cells'. These are Cell 10 (Hayborough/McCracken), Cell 11 (Victor Central) and Cell 12 (Encounter Bay).

Findings from the Coastal Adaptation Study were used as the basis for the Coastal Adaptation Strategy. The Strategy provides a framework which will guide Council in its decision-making for coastal management and planning, and help inform our community of the potential risks and hazards.

One of the recommendations that Council has already begun to implement is the bolstering of the Esplanade dune system, by beginning the process of widening the vegetated dune system. During the 2022 planting season, Council will be planting approximately 300 local trees and shrubs in this section of dune, helping to stabilise the sand and build a more resilient coastline.

Green Waste Kerbside Collection Extension



In October, 266 additional households were included within the green waste kerbside collection boundary. The decision was made in response to a request from community members in October 2020 and is helping to divert more organic and compostable waste from landfill.

The boundary expansion will help to promote sustainable waste management and boost the rate of food organics and garden organics (FOGO) material going into the green organics stream where it can be made into valuable compost rather than landfill.

When FOGO is diverted from landfill and placed into the green organics stream, a range of environmental benefits are achieved. These include reduced greenhouse gas production, less landfill and reduced need for residents to burn-off organic materials.

Collaborating with volunteers to protect and enhance our environment



The Council supports a number of different volunteer groups who help to look after our local environment. The work of these volunteer groups is highly valued and helps keep Victor Harbor looking great.

Victor Harbor CoastCare is one of these groups, with 44 members volunteering hundreds of hours to protect and maintain our stunning coast. The Council offers an advisory and support role to the group who in the past year have undertaken projects at The Bluff, Franklin Parade, The Esplanade, Causeway, Bridge Point gardens, Hindmarsh River estuary area and around the Kings Beach viewing platform.

The Friends of Nangawooka Reserve also work closely with Council staff to align priorities and ensure the most effective work is carried out on our local gardens. The group has around 10 volunteers offering time and skills every Monday, equating to around 1,200 volunteer hours over the course of the year.

The Friends of the Hindmarsh River Estuary Group is another local body who has more recently established a group of volunteers to conduct gardening activities around and along the Hindmarsh River. It is estimated that this group spends around 500 hours volunteering per year, provided by around 10 persons.

Roadside Weed Control Program

The City of Victor Harbor's Roadside Weed Control Program, overseen by the Council's Agribusiness Working Group, is now in its sixth consecutive year - and the results have never been better for local farmers.

The program commenced in 2017 after Council wrote to all primary production classified landholders in the City of Victor Harbor area, seeking to understand the constraints on local farmers in sustaining agricultural business in the region.

A number of responses noted land management concerns, including the infestation of weeds and impact that roadside weeds can have.

Representatives from the Agribusiness Working Group undertook roadside inspections and mapping to understand the weed varieties of most concern. Weeds that have been targeted in previous years, and are now no longer commonly found on roadsides and reserves, include Blackberry, Rose, African lovegrass, Cape tulip and Gorse.

Council has again committed funds towards the program in 2022/23, with next year's focus broadening to include Watsonia weed.

LOOKING AHEAD TO 2022/23

Significant projects planned for next financial year include:

- **Climate change initiatives** as outlined in the Council's Climate Agenda 2030
- **Youth Climate Council** continued engagement and development
- **Green organics waste collection** increased during peak summer periods
- Continuing development of **The Bluff Master Plan**
- **Transitioning to a hybrid vehicle fleet.**



ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

STRATEGIC CONTEXT

Our community considers infrastructure such as roads, footpaths, walking trails, bike paths and playgrounds important for quality of life. Access to health and community services is also highly important to the community. The average age of people in Victor Harbor is 58 years, with children aged 0-14 making up 13% of the population, while 39% are aged over 65. The type and level of services, infrastructure and housing required to support our ageing population is a key component of our planning. This is balanced against the needs of young families who are being drawn to the area through increasing capital investments in the four local schools.

Council owns and maintains a large range of assets including buildings, bridges, roads and open spaces. Management of existing and new assets can be increasingly challenging for Council. For example, cost shifting for services and new legislative provisions from Federal and State governments to local government impacts on the Council's ability to provide services and facilities.

Council has long been advocating for improved transport networks, particularly enhancing the Victor Harbor to Adelaide Road. This section of road is highly important to the local Victor Harbor economy, as a major commuter, tourist and freight route.

ONGOING ACTIVITIES

Disaster management; Community transport; Bus shelters; Construction and maintenance of bridges; Construction and maintenance of car parks; Construction and maintenance of footpaths and bicycle infrastructure; Construction and maintenance of roadway infrastructure; Traffic control and statutory signage; Septic tank approval and inspection; Private works; Street and public lighting; Street signage; Drainage infrastructure and stormwater management; Cemeteries; Playgrounds; Parks, gardens and reserves; Sport and recreation facilities; Boat ramps; Public conveniences.

CHALLENGES

- **Covid-19:** Adapting service levels appropriately in response to a rapidly changing environment.
- **Impacts of construction:** Recognising and mitigating the impact that major construction works can have on nearby residents, ratepayers and businesses.
- **Heritage assets:** Navigating the challenges that can emerge when working on treasured heritage buildings and assets.
- **Material and contractor shortages:** Managing the impact of supply chain issues and contractor shortages on major capital projects.

2021/22 KEY PLANNED ACTIVITIES

Waggon Road Safety Improvements

Outcome: Complete

Description: Stage two of this project will be undertaken including shoulder construction, improved drainage, increasing the roadway at bends, improved signage, line marking, installation of guard rails and roadside vegetation removal.

Commentary: A significant upgrade has been undertaken to an 800m stretch of Waggon Road between Day Road and Basham Road in Victor Harbor. The upgrade was carried out between January and July 2022 and involved widening the existing sealed pavement from 6m to 6.2m, with kerb and gutter on the western side and a 0.5m wide sealed shoulder on the eastern side.

This project was fully funded by the Federal Government's Black Spot Program.

Regional Community, Sport and Recreation Precinct

Outcome: To continue in 2022/23

Description: Completion of a Regional Community, Sport and Recreation Precinct concept that will provide additional indoor sports facilities to support the growing participation in sport and recreation activities.

Commentary: Planning for the Regional Community, Sport and Recreation Precinct reignited with a kick-off workshop for local sporting groups and associations in March 2022. Broad community and stakeholder engagement was carried out in April and May 2022. This stage of engagement focused on building stakeholder and community understanding of the project, seeking feedback and commentary around the location options, and gathering input in relation to what the community would like to see within the Precinct to help inform the concept development.

Council considered the feedback and information gathered through the consultation process, along with other research and investigations in late May and Lot 202 Armstrong Road, Victor Harbor was selected as the preferred site for The Precinct. Following this, an EOI process was launched to understand potential commercial partnership opportunities.

A draft concept was endorsed by Elected Members for the purpose of further community consultation in August 2022, however this stage of broad community consultation is scheduled to take place in January 2023 following the Local Government Elections and induction of the new Council.

Mainstreet Precinct Upgrade Stage Four

Outcome: To continue in 2022/23

Description: Construction works for Stage 4 which includes the southern end of Ocean Street and Albert Place.

Commentary: On-ground construction works commenced in May 2022, following the appointment of South Australian company Outside Ideas to deliver the project, and are expected to be completed in December 2022 prior to the busy summer trading period.

The project will continue similar streetscape improvements as previous stages and focus on improved pedestrian usability, street greening and enhancing the overall appearance to create a cosmopolitan space for locals and visitors.

The design will see the widening of footpaths, increased alfresco dining opportunities, public seating, public art, along with more street trees and garden beds.

This project will deliver a memorable destination that will stimulate business growth and boost the visitor economy within Victor Harbor and the Southern Fleurieu region. This project will have a positive and direct impact on the long-term sustainability of 50-60 retail and tourism businesses, delivering space for the biggest congregation of outdoor dining in the Southern Fleurieu region.

It will generate vibrancy in the main street, attracting social and cultural opportunities to entertain crowds of diners, creating a festive atmosphere and will fast track new investment opportunities in the town.





ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

OTHER HIGHLIGHTS AND ACTIVITIES

New Granite Island Causeway Opened



Victor Harbor's new Causeway was officially opened to pedestrians on Wednesday 22 December 2021. The Department for Infrastructure and Transport (DIT) began construction on the Causeway in March 2021, following a \$43 million commitment to the project from the SA Government.

The new Causeway has three rest areas, improved seating and interpretive signage. It is also widely recognised for its incorporation of First Nations art, with Ngarrindjeri-Ramindjeri etching featuring along the entire length of the Causeway.

In addition to the construction of a new Causeway, the project has seen the redevelopment of the Causeway Plaza area where the Causeway is accessed. These works have included landscaping, installation of new planter boxes and an increase in public seating.

The Granite Island Causeway has always been highly valued by our local community as it is the lifeline to Granite Island and relied upon by a number of businesses and tourist attractions.

Decommissioning works commenced on the old Causeway in February 2022.

Annual Reseal Program

Roads are one of the Council's most important assets. Ongoing maintenance is essential to enable a reliable road network and ensure the needs of our growing community are met. The Council undertakes an Annual Reseal Program each year in addition to other major capital works.

In 2022, the City of Victor Harbor focused on replacing wearing surfaces, repairing potholes and upgrading from spray seal to asphalt on certain roads within the Council area.

Locations where work was undertaken include:

- Waterport Road in Hayborough, from Ocean Road east to the Council boundary
- Welch Road in Hindmarsh Valley, in the southern lane from Waggon Road
- Mill Road in Encounter Bay, in the eastern lane from Prime Boulevard to Poltong Crescent
- Armstrong Road in Victor Harbor, in the southern turning lane at the intersection with Crozier Road
- The Crescent in McCracken, at the intersection with Beaumont Street
- Dormer Court cul-de-sac in Encounter Bay
- Franklin Parade in Encounter Bay, at the roundabout intersection with Fountain Avenue.

Railway Plaza wins Architecture Award



The City of Victor Harbor's Railway Plaza redevelopment has been recognised at the prestigious SA Landscape Architecture Awards, presented by the Australian Institute of Landscape Architects (AILA).

Landscape architecture consultancy, Oxigen, worked closely with Council to create the design for the Railway Plaza redevelopment project and SGP Civil delivered the construction works in 2021.

Oxigen took home the Civic Landscape Award and Regional Achievement Award at the AILA awards ceremony on Friday, 1 July 2022.

The revitalised Railway Plaza Precinct offers a contemporary and versatile public space that is appropriate for general community use and events. Various works were carried out as part of the project, including installation of paving, lighting, garden beds, street furniture, landscaping and public art.

The modern streetscape design celebrates the existing Moreton Bay fig trees and showcases Victor Harbor's cherished heritage buildings. It is now a popular space for community events as has been used during the Fringe Festival, Artisan Markets and WhaleFest.

The AILA Jury congratulated Oxigen for delivering an exemplary landscape outcome through an integrated design approach.

Urban Stormwater Master Plan

The topography of the wider Victor Harbor area is characterised by the Inman and Hindmarsh rivers, and surrounding steep areas that meet flat low-lying land along the coastline. This type of topography is prone to stormwater drainage issues, including ponding at low points within catchments experienced frequently during and following rain events, and sheeting flows through steep areas.

Council is continuing the development of an Urban Stormwater Master Plan to guide Council's decision making processes to better manage flood risk, water quality, stormwater detention/retention and development in the area.

This project has been placed on hold until the Attorney General's flood hazard mapping data is released, which will be incorporated into the Stormwater Master Plan.





ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

OTHER HIGHLIGHTS AND ACTIVITIES

Southern Communities Transport Scheme 30 Year Anniversary



In May 2022, the Southern Communities Transport Scheme (SCOTS) held its annual volunteer appreciation BBQ to thank volunteers who have selflessly donated their time towards the Scheme.

This year's celebration, held at the Victor Harbor Recreation Centre, was extra special as it marked 30 years of service to the local community.

SCOTS is an initiative of the City of Victor Harbor and Alexandrina Council that assists people of all ages who are transport disadvantaged to access cost-effective transport options.

There are two main services provided to the community as part of the scheme:

Medi Ride is a door-to-door community car service available for transport to medical or essential appointments both locally and in Adelaide.

The Community Shopping Bus is also a door-to-door service, offering transport from Goolwa, Middleton, Port Elliot, Hayborough and Encounter Bay to central Victor Harbor.

Volunteer drivers and attendants are essential in the provision of these valuable services.

More than 65 current and previous volunteers attended the anniversary BBQ event on Sunday 15 May 2022 to acknowledge the collaborative effort over the years.

City of Victor Harbor Mayor, Dr Moira Jenkins, presented a number of milestone awards to volunteers who had contributed five, ten or fifteen years of service. A special hamper was also presented to Des Schirmer who has volunteered with SCOTS for 22 years.

SCOTS was established by the City of Victor Harbor and Alexandrina Council, with financial assistance from the South Australian Department for Human Services and the Australian Government Department of Health.

The Scheme would not be possible without the generosity of volunteers, who humbly give their time towards helping others.

Bluff Boat Ramp Toilets



Work has commenced on the Bluff Boat Ramp Toilets project, with pram ramps being installed adjacent to what will become a carpark for people with a disability. Construction of the new toilet block is set to take place in 2022/23.

Granite Island Rail Replacement Project



In early 2022, Council carried out upgrades to sections of the Granite Island rail to ensure our much-loved Horse Drawn Tram could continue transporting passengers for years to come.

Council had previously undertaken preservation work to maintain the rail, however complete replacement was necessary in some areas to ensure longevity of the rail into the future. The City of Victor Harbor planned these important replacement and maintenance works for sections of rail on Granite Island that had naturally deteriorated over time.

Two sections of rail were identified as high priority and selected for replacement as part of this project. This included 85m of rail and sleeper near the beginning of the track and 160m of rail and sleeper opposite the Penguin Interpretive Centre. Two rail switches were also repaired.

The project involved a 'finish level' design to reduce any existing longitudinal irregularities and improve rideability. The rail line now runs smoother and, as a result of improvements to longitudinal grade, the horses require much less effort to pull the tram.

Council worked closely with representatives from the Friends of Granite Island Group and Flinders University to schedule these track works at a time that mitigates impacts on the fragile Little Penguin colony. Throughout the project, sound attenuation measures were implemented around ecologically sensitive areas.

LOOKING AHEAD TO 2022/23

Significant projects planned for next financial year include:

- **Footpath replacement** for Ozone Street, Harvey Avenue, Bay Road and Swain Road
- **Mainstreet Precinct Upgrade Stage Four** completion of works
- **Waitpinga/ Range Road Upgrade** including maintenance and road widening
- **Bluff Boat Ramp Toilets** construction
- **Investigator Car Park Toilets** design
- **Regional Community Sport and Recreation Precinct** Concept Design
- **Bluff Boat Ramp Channel Markers** replacement and maintenance
- **Digital parking ticket enforcement technology** investigations



ASPIRATION 6

WE ARE A FINANCIALLY SUSTAINABLE AND WELL-GOVERNED ORGANISATION

STRATEGIC CONTEXT

Victor Harbor has a community that is passionate about being involved in shaping the City’s future. People embrace the opportunity to be a part of Council’s decision making, and expect transparent and accountable government.

There is an expectation that the community will receive a high level of customer service, and that the council will continue its program of service reviews to identify efficiencies in operations.

To deliver the community’s aspirations, the Council must ensure it is a financially sustainable, well-governed organisation. Innovative future planning and leadership is critical to sustainable outcomes and efficient operations.

ONGOING ACTIVITIES

Administration and finance; Advocate on behalf of the community; Asset management; Civic functions; Community information; Contract administration; Council elections; Council news and information; Human resources activities; Investment; Industrial relations; local data and statistical collection; Local governance; Local services contact; Maintainer of civic and community records; Policy and by-law management; Amusement and market licensor; Property leases and rentals; Provision and maintenance of plant & equipment resources; Rate levying and collection; Risk management; Statutory fees and charges; Strategic planning; Training facilitator and provider; Work health safety.

CHALLENGES

- **Economic challenges:** Incorporating the impact of rising costs and significant inflation in budget planning processes.
- **Human resourcing:** During 2021/22, the Council was operating with as little as 60 per cent of normal staffing levels on some days due to illness and other uncontrollable/unforeseen factors.
- **Emerging technology:** Ensuring that Council’s systems provide value for money and efficiency, while also taking advantage of emerging technologies.
- **Communication:** Using effective and efficient means to communicate between stakeholders in an environment characterised by ongoing illness and isolation.

2021/22 KEY PLANNED ACTIVITIES

Corporate Systems Replacement - Year 1

Outcome: Complete

Description: Council’s software system has been in use for 20 years and no longer meets the organisation’s needs. This project looks at internal processes and opportunities to enhance the systems for efficiency savings and increased customer engagement.

Commentary: Significant work has been undertaken in 2022/23 as part of the Corporate Systems Replacement project. Following the endorsement by Council to review and replace the current corporate system, a Project Assurance Group (PAG) was formed. The PAG provided a critical role on the project, being responsible for overall business and technical review and assessment of all project deliverables on behalf of the steering committee and the organisation.

In April 2022, the project steering committee entered into a contract with TechnologyOne as a OneCouncil solution customer. OneCouncil is a Software as a Solution (SaaS) platform. Further to this, Council also entered into an agreement with Data#3 in March 2022 to configure and migrate Microsoft 365, Exchange Online and OneDrive for Business.

OTHER HIGHLIGHTS AND ACTIVITIES

Community Satisfaction Survey



The City of Victor Harbor engaged reputable market research company, newfocus, to conduct a Community Satisfaction Survey during March and early April 2022.

The research was extremely valuable for helping the Council understand where the community's priorities lie and where improvements can be made.

As part of the research, 300 residents, 100 businesses and 26 non-resident ratepayers were randomly selected and surveyed via computer assisted telephone interviews and online surveying to gain feedback on a broad range of services and projects offered by the Council.

Many positive findings are reflected in the results, as well as some room for improvement. Overall, the results showed that 45% of those surveyed were satisfied with the Council's performance, with residents currently the most satisfied and non-resident ratepayers the least satisfied.

The Council acknowledges there is always room for improvement in the services we provide to our community, and this research has given us timely information on what our community wants to see prioritised.

Budget Planning

The annual financial planning process is carried out over several months and includes:

- Business planning undertaken by Council staff in relation to budget requirements, new initiatives and emerging expenditure trends.
- Development of the capital budget based on Asset Management Plans, emerging areas of concern and community feedback.
- Development of the draft operating budget based on the continuation of current services.
- Preparation of operating budget proposals that represent either new services or activities, or an increase to current service levels.
- Preparation of the Annual Business Plan incorporating the budget, key planned activities, significant projects and the rating policy.

Currently, councils across South Australia are experiencing a range of unique challenges that are impacting ability to deliver capital projects and works in progress.

These challenges include rapid and significant increases in capital costs (ranging from 50% to 100% on initial cost estimates), lengthy delays in supply of materials and lack of available contractors. This significant cost increase placed pressure on budgets for all councils and significantly impacted budget deliberations.



ASPIRATION 6

WE ARE A FINANCIALLY SUSTAINABLE AND WELL-GOVERNED ORGANISATION

Local Government Reform

As the level of government that is closest to communities, there is a high degree of public interest in local government.

Over the last few years, South Australia's system of local government has been under review. A high degree of oversight, transparency and accountability is to be expected as councils are responsible for \$22 billion worth of public assets and infrastructure and have a combined annual budget of \$2 billion to provide local services and facilities that are part of everyday life. This is an enormous responsibility - and not one that can be taken lightly.

The Statutes Amendment (Local Government Review) Act 2021 passed Parliament and received the Governor's assent on 17 June 2021.

The Act amends a range of laws related to local government in South Australia including:

- Local Government Act 1999
- Local Government (Elections) Act 1999
- City of Adelaide Act 1998

The major reforms in the Amendment Act are based on ideas submitted during the Local Government Reform Program consultation that was held in early 2019.

Some key reforms include:

- a new conduct management framework for council members
- an expansion of expert, independent advice to councils on a range of critical financial and governance matters
- a modern approach to public consultation
- a range of improvements to regulation to reduce councils' costs.

The roll-out of the Act was staggered across September and November 2021. Elected Members and key Council staff were kept abreast of implementation and relevant provisions throughout 2021/22.

Organisational Culture Survey



The City of Victor Harbor, with support from the University of South Australia, undertook an organisation-wide culture survey in early 2021 to understand potential areas for improvement. A further 'pulse' survey was undertaken in November 2021.

Results from both surveys were very positive, and the pulse survey indicated that there has been some improvements in areas identified in the original survey for improvement. Externally facilitated workshops have been effective in addressing cultural issues.

Findings have been communicated with staff, and there will continue to be a focus on addressing areas such as recognition and innovation.

Further culture surveys will be undertaken in 2022/23 to continue monitoring and addressing areas for improvement.

Long Term Financial Plan Review

Following a review of its Asset Management Plans in 2020/21, the City of Victor Harbor undertook a review of its Long Term Financial Plan.

The Plan was updated to reflect the Council's current priorities and enhance the links between the Asset Management Plans, Community Plan and Annual Business Plans.

Bronze Award for 2020/21 Annual Report

The Community Plan 2030 identifies improving reporting to the public on Council's performance as a priority. To assist in this process the City of Victor Harbor has been entering its Annual Report in the Australasian Reporting Awards, using the feedback to enhance this document.

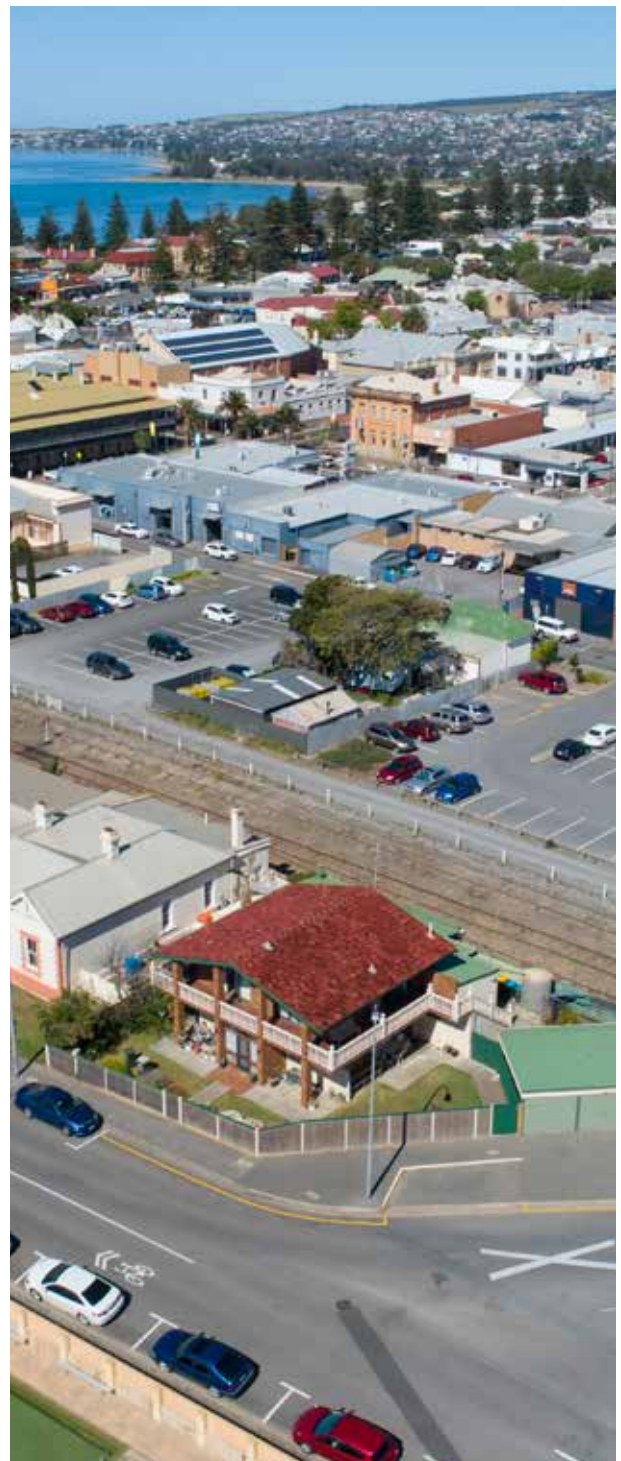
Following the first year's entry, a significant overhaul of the Annual Report format was undertaken focusing on improving the document and making it easier for the community to read. Improvements included providing more background information about the Council area, increasing the reporting on achievements and significant projects, including profiles on Elected Members and summary sections that provide a brief overview for those that may not want to read the entire report.

The City of Victor Harbor was thrilled to receive a Bronze Award for both the 2019/20 and 2020/21 Annual Reports. Further improvements have again been made to the 2021/22 Annual Report based on feedback received from the judging panel.

LOOKING AHEAD TO 2022/23

Significant projects planned for next financial year include:

- **Corporate Systems Implementation Project** continuation
- **Local Government Elections** facilitation, including coordination of voter enrolment, nominations to be on Council, voting and induction of a new Council
- **Organisational Culture Survey** second year research
- **Community Engagement Policy** review
- Continuation of **Local Government Reform** rollout.



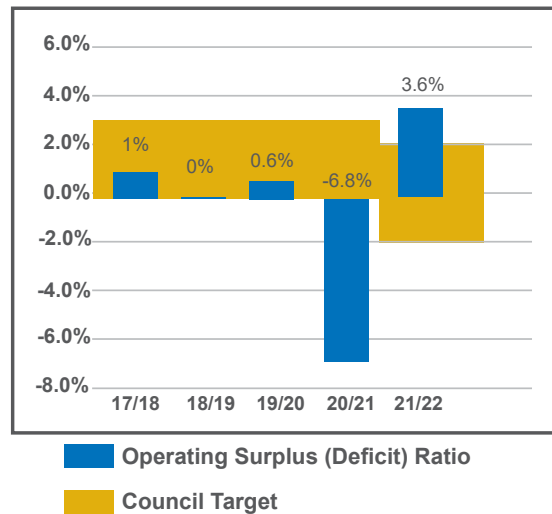
KEY FINANCIAL INDICATORS

Financial indicators identify emerging trends and comparative information about Council's financial sustainability. Although indicators provide an assessment of financial performance and sustainability, they need to be interpreted in the context of Council's operating environment.

The following section provides an overview of the Council's performance against the three key financial indicators for the last five years. Results, trends and commentary are provided in the following section.

OPERATING SURPLUS (DEFICIT) RATIO

This ratio expresses the operating surplus (\$) as a percentage of total operating revenue. A positive ratio indicates that all operating expenses are being fully funded by operating revenue and current ratepayers are meeting the costs of the services that they are using. Council has had positive ratios since 2011/12, however the identification of asbestos contaminated materials by the Fleurieu Regional Waste Authority in 2020/21 required the recognition of a liability for remediation works equating to close to \$3.5 million and resulting in a deficit ratio of 6.8% for that year.

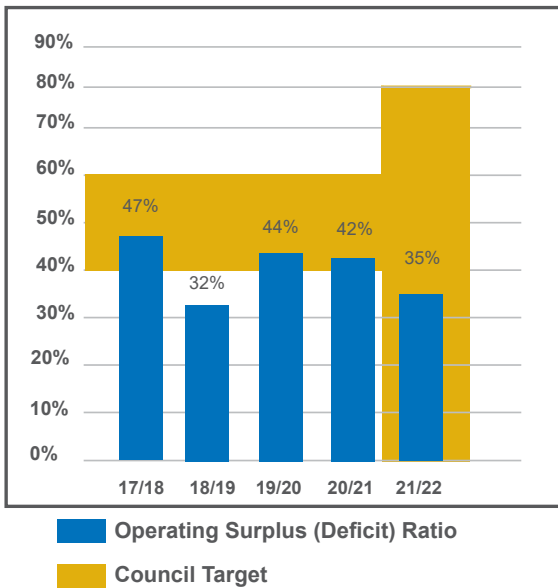


A Operating Surplus Ratio of 3.6% has been achieved in 2021/22 due to additional grants, lower employee costs and budget savings. This is above Council's target range of -2% to 2% as identified in the 2022-2032 Long Term Financial Plan.

NET FINANCIAL LIABILITIES RATIO

This ratio expresses total liabilities less financial assets as a percentage of total operating revenue. The ratio indicates whether Council can meet its financial liabilities for the year from operating revenue. A higher ratio may indicate higher levels of debt whilst a lower ratio indicates stronger capacity to meet financial obligations.

Council's Net Financial Liability Ratio has been stable in recent years with an average ratio of 40% over the past five years.



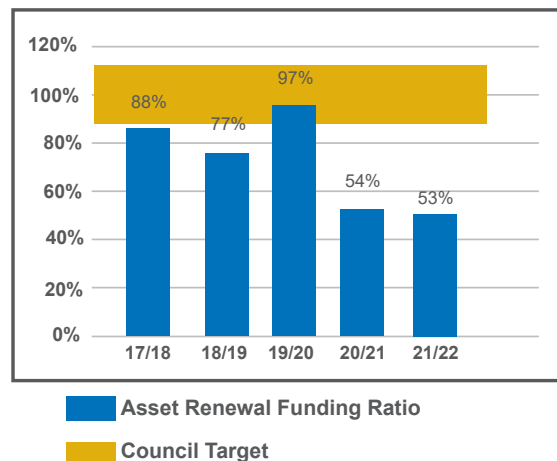
A Net Financial Liabilities Ratio of 35% in 2021/22 falls well below Council's maximum of 80% as identified in the 2022-2032 Long Term Financial Plan.

ASSET RENEWAL FUNDING RATIO

This ratio is based on expenditure on capital renewal (replacement) as a percentage of planned projects detailed in Council's Asset Management Plans. The ratio indicates whether assets are being renewed in line with Asset Management Plans, with a ratio of 100% indicating that Council is fully funding infrastructure requirements.

Whilst Council intends to fully budget for works required in the Asset Management Plans, the target range of 90% to 110% has been set to achieve an approximate 100% rolling average over a three year period. This allows for changing priorities and delays in completion of projects.

Completion of a number of projects was hampered by Covid-19 restrictions, contractor availability and material supply shortages. A number of projects were 95% complete as at 30 June but do not factor into this equation until fully completed.



Expenditure on completed capital renewal projects in 2021/22 was 53%, well below Council's target range for the reporting period (90% to 110% as identified in the 2022-2032 Long Term Financial Plan).



ELECTED MEMBERS





ELECTED MEMBER PROFILES

The City of Victor Harbor is currently represented by nine Members, consisting of the Mayor and eight Councillors.

Councillors serve the community by listening to residents, businesses and stakeholders, and representing their views on Council. They provide community leadership and guidance, and facilitate communication between the community and the Council.

All Council Members are elected by voters during Council Elections. The Council Members are elected for a four year term of office.

More information about the City of Victor Harbor's Mayor and Councillors is provided on the following pages.

Councillor Peter Charles tendered his resignation from Council on Monday, 9 August 2021. The resignation of Councillor Charles did not trigger a by-election as the Local Government Act makes a provision for a Council not to have to fill a single vacancy. The City of Victor Harbor policy position also aligns with this. The vacant Councillor position will not be filled until the next general election which is due to occur in November 2022.



MAYOR MOIRA JENKINS

Joining Council in 2014 and elected to the position of Mayor at the 2018 elections, Dr Moira Jenkins is a clinical psychologist with post graduate qualifications in workplace conflict management and the development of healthy workplaces.

2021/22 Highlights

Moira's highlight was seeing works commence on Stage Four of the Mainstreet Precinct Upgrade, and Council's initiatives to support businesses and traders impacted by construction. Moira also enjoyed attending a wide range of major festivals and events that were held in Victor Harbor throughout the year.

Committee and representative appointments

- CEO Performance Review Committee (Chair)
- City Activation and Strategic Planning Advisory Committee
- Southern and Hills Local Government Association
- South Australian Regional Organisation of Councils Committee
- Dog and Cat Management Board

The Mayor holds an ex-officio position on all Section 41 Committees, excluding the Audit committee.



COUNCILLOR BRAYDEN MANN

Having recently graduated, Councillor Brayden Mann now works locally as a Lawyer at Bartel & Hall Lawyers & Solicitors. As the City of Victor Harbor's youngest Elected Member, he continues to strive towards improving the lifestyle and opportunities for all who call Victor Harbor home, or their home away from home.

2021/22 Highlights

Brayden's highlight was witnessing the Council, City and community continuing to strive in a positive direction despite the significant Covid-19 challenges.

Committee and representative appointments

- Recreation and Sport Grant Working Group (Chair)
- Recreation Centre Management Committee (Chair)
- City Activation and Strategic Planning Advisory Committee



COUNCILLOR TIM GLAZBROOK

Councillor Glazbrook has been a resident of Victor Harbor for almost 50 years. After selling his automotive business, Tim found the time to represent the community and was elected to Council in 2014.

2021/22 Highlights

Tim says his highpoint was the development of the Bluff Master Plan as it was great to begin planning the revitalisation of this underutilised area. The Bluff is definitely one of the many jewels that Victor Harbor is so lucky to have and he believes it will be great to see the Master Plan implemented over the coming years. In 2021/22, Tim also said it was great to begin a positive relationship with Business Victor Harbor. Providing funds will enable local businesses to form one voice and provide valuable feedback to Council regarding economic development and local business needs.

Committee and representative appointments

- Audit Committee
- CEO Performance Review Committee
- City Activation and Strategic Planning Advisory Committee
- Hospital Advisory Council

ELECTED MEMBER PROFILES



COUNCILLOR BRYAN LITTLELY

A journalist and media professional, Councillor Bryan Littlely was elected to Council in 2018. His career has taken him to a wide range of communities in South Australia, nationally and internationally while reporting, editing and working closely with all levels of government.

2021/22 Highlights

Bryan was pleased to see the response and efforts, often under duress, of the Elected Member group and Council staff to work through the challenges presented by Covid-19 – it showed a commitment to our community through the toughest of times.

Committee and representative appointments

- City Activation and Strategic Planning Advisory Committee
- Boating Facilities Working Group (Chair)
- Recreation and Sport Grant Working Group
- Fleurieu Regional Waste Authority Board Member



COUNCILLOR NICK HAYLES

Elected to Council in 2014, Councillor Nick Hayles joined Council to represent and work with the younger generations of Victor Harbor's community. Nick currently works at Port Elliot Primary School as part of the wellbeing team and in student support. In addition to this, he is an owner in two small businesses, Planted Coffee House and Notam Development, giving him an appreciation for what it is to do business in his community.

2021/22 Highlights

Nick is proud of how our organisation has continued to deal with the ongoing pressures brought about by a global pandemic. Despite these pressures, the Council has continued to keep an eye on the future, developing plans for Sport and Recreation as well as Arts and Culture facilities that will provide for the future generations of our community.

Committee and representative appointments

- Deputy Mayor
- City Activation and Strategic Planning Advisory Committee (Chair)
- Recreation Centre Management Committee
- Victor Harbor R-7 School Governing Council



COUNCILLOR MARILYN HENDERSON

After living in the community for seven years, Councillor Marilyn Henderson was elected to Council in 2018. Marilyn's lifelong passion for science was developed through her career in medical and plant research, anatomy, and microscopy and microstructure analysis.

2021/22 Highlights

Marilyn's greatest achievements were her motions to address climate change and lobbying to remove the Luxury Car Tax on Electric Vehicles.

Committee and representative appointments

- Arts and Culture Advisory Group (Chair)
- CEO Performance Review Committee
- City Activation and Strategic Planning Advisory Committee
- Disability Access and Inclusion Advisory Committee (Chair)
- Fleurieu Region Community Services Advisory Committee (Chair)
- Southern Communities' Transport Scheme Advisory Committee (Chair)
- Renewable Energy Working Group (Chair)
- Festivals and Events Working Group
- Tree Assessment Panel
- Friends of the Victor Harbor Library Committee
- Murray Darling Association (Region 6)
- Australian Coastal Councils Association
- Mayor's Short Story Selection Panel
- Executive of the Positive Ageing Taskforce
- Festivals and Events Sponsorship Selection Panel



COUNCILLOR CAROL SCHOFIELD

Councillor Carol Schofield joined Council in 2014 to share her experience and knowledge gained throughout her diverse career, most notably in aquaculture, agriculture, the dairy industries and in the role of strategic business planner. Carol is a member of the Hills and Fleurieu Landscape Board.

2021/22 Highlights

One of Carol's highlights was the Victor Harbor Horse Tram Authority positioning itself for future growth through strategic planning and innovation and the renovations and improvements to the tram office. Also, the Mainstreet Precinct Stage 4 evolving into a hospitality hub that will serve both visitors and community.

Committee and representative appointments

- City Activation and Strategic Planning Advisory Committee
- Fleurieu Region Community Services Advisory Committee
- Victor Harbor Oval Planning Group (Chair)
- Victor Harbor Horse Tram Authority Board Member.

ELECTED MEMBER PROFILES



COUNCILLOR DAVID KEMP

Councillor David Kemp joined Council in 2018 after spending 33 years in the Metropolitan Fire Service. Rising to the rank of Commander within the executive team, David gained experience in corporate governance, emergency management, department management functions and representation on state and national committees.

2021/22 Highlights

David's highlights in 2021/22 were sitting on various Committees/Boards/Advisory Groups to work with the already great people of the community who have a seat at the table. He enjoyed the ability to meet and communicate with and to provide information or assistance to members of the community.

Committee and representative appointments

- Carrickalinga Board of Management
- CEO Performance Review Committee
- City Activation and Strategic Planning Advisory Committee
- Fleurieu Regional Aquatic Centre Authority Board Member
- Fleurieu Regional Aquatic Centre Authority Audit Committee
- Heritage Advisory Group



COUNCILLOR ANDREW ROBERTSON

Elected to Council in 2018, Councillor Andrew Robertson is committed to community development, smart local government, and improving the economy of Victor Harbor. He is an active member of the Country Fire Service, Victor Harbor Goolwa Sea Rescue Squadron, Rotary Club of Victor Harbor, Newland Memorial Uniting Church Council, Beefsteak and Burgundy Club, Fleurieu Beef Group, Goolwa Regatta Yacht Club, and the Bandicoot Recovery Project.

2021/22 Highlights

Andrew's highlights were presenting motions to the LGA AGM on lowering the voting age, getting State-wide support for Corporate Systems Implementation Projects, and planning act amendments to take account of climate change.

Committee and representative appointments

- Agribusiness Reference Group
- Renewable Energy Advisory Group
- Arts and Culture Working Group
- Heritage Advisory Committee (Chair)
- Economic Development Strategy Group (Chair)
- Boating Facilities Working Group
- City Activation and Strategic Planning Advisory Committee
- Victor Harbor High School Governing Council
- Reconciliation Action Plan Committee

ELECTED MEMBER REPORTING

ELECTED MEMBER ALLOWANCES

Elected Members are paid an annual allowance as determined by the Remuneration Tribunal on a four yearly basis, in accordance with Section 76 of the Local Government Act 1999. The Remuneration Tribunal, in determining allowances, has regard to the role of members, the size, population, revenue, as well as relevant economic and social factors in the council area.

In 2021/22 Elected Members received the following allowances:

- Mayor - \$51,200
- Deputy Mayor - \$16,000
- Presiding member of a prescribed committee - \$16,000
- Councillors - \$12,800
- Councillors who are presiding members of a Section 41 Committee that is not a prescribed committee - \$12,800 plus \$150 per meeting (up to \$900)

In addition Elected Members are entitled to other support including reimbursement of travel and childcare expenses.

No interstate or international travel was undertaken and funded in whole or in part by the Council by Elected Members during 2021/22.

Council's Elected Member allowances and support policy sets out a comprehensive summary of the provisions of the Local Government Act 1999 and the Regulations in respect to Elected Member allowances, expenses and provision of facilities, support and benefits.

It also provides the circumstances under which Council approves the reimbursement of additional expenses on a discretionary basis.

MEETING ATTENDANCE

The City of Victor Harbor's Ordinary Council Meetings are held on the fourth Monday of the month from 5.30pm. During 2021/22, there were 12 Ordinary Meetings and eight (8) Special Meetings.

Meeting attendance from 1 July to 30 June

Total number of meetings	20
Mayor Moira Jenkins	18
Cr Brayden Mann	19
Cr Tim Glazbrook	20
Cr Bryan Littlely	15
Cr Nick Hayles	15
Cr Marilyn Henderson	20
Cr Peter Charles	3
Cr Carol Schofield	19
Cr David Kemp	17
Cr Andrew Robertson	20

ELECTED MEMBER TRAINING AND DEVELOPMENT

The following is an outline of training and development activities that were undertaken by Elected Members during 2021/22.

Elected Member	Course / Training
Mayor Jenkins	Mandatory Training Standard Session Mayor
All Members	Social Media for Elected Members Training
All Members	Social Media for Local Government Elections
Cr Henderson	Murray-Darling Association Symposium

ELECTED MEMBERS

TRAINING AND DEVELOPMENT

The following table is a record of Elected Member attendance at workshops during 2021/22.

Training	Date	Mayor Moira Jenkins	Cr Brayden Mann	Cr Tim Glazbrook	Cr Bryan Littlely	Cr Nick Hayles	Cr Marilyn Henderson	Cr Carol Schofield	Cr David Kemp	Cr Andrew Robertson
'Designated' Informal Gathering (Open) – Budget Workshop #4	05/07/2021	•	•	•	•	•	A	•	•	•
Informal Gathering - Monthly Council Briefing	12/07/2021	•	•	•	•	•	•	•	•	•
'Designated' Informal Gathering (Open) – 2021/22 Annual Business Plan & Budget, Long Term Financial Plan	19/07/2021	•	•	•	•	•	•	•	•	•
Informal Gathering - Monthly Council Briefing	9/08/2021	•	A	A	A	•	•	•	•	•
'Designated' Informal Gathering - Asset Management Plan, Long Term Financial Plan, Library Redevelopment and Local Government Reform Implementation Feedback	16/08/2021	A	•	•	A	•	•	A	•	•
'Designated' Informal Gathering - Resilient Futures and Business Victor Harbor - Funding Acquittal	30/08/2021	•	•	•	A	•	A	•	A	•
Informal Gathering - Monthly Council Briefing – Bluff Boat Ramp Public Toilets, Encounter Bikeway	13/09/2021	•	•	•	•	•	•	•	•	•
'Designated' Informal Gathering - Asset Management Plan & Long Term Financial Plan Public Consultation Feedback and Corporate Systems Review – Enterprise Resource Project	20/09/2021	•	•	•	•	•	•	•	•	•
Informal Gathering - Monthly Council Briefing	11/10/2021	•	•	A	A	•	•	•	A	•
Information and Briefing Session – Visitor Centre Redevelopment	22/10/2021	A	•	•	A	•	•	•	•	•
Informal Gathering - Monthly Council Briefing, Reconciliation Action Plan	9/11/2021	•	A	•	•	A	•	A	•	•
Information and Briefing Session – CASPAC	7/12/2021	•	A	•	A	A	•	A	•	•
Information and Briefing Session – DEW, Little Penguins & Granite Island Masterplan	8/12/2021	•	A	•	A	A	•	•	•	•
Information or Briefing Session – Delegations Review, Behavioural Standards & Monthly Financial Report	10/01/2022	•	•	•	A	A	•	•	A	•
Community Satisfaction Survey/Outdoor Dining/December Budget Review/Monthly Budget Report	14/02/2022	•	•	•	A	•	•	A	A	A
Information and Briefing Session	21/02/2022	•	•	•	•	A	A	•	A	•
Information and Briefing Session – Budget Workshop #2	15/03/2022	•	•	•	A	A	A	•	•	•

Training	Date	Mayor Moira Jenkins	Cr Brayden Mann	Cr Tim Glazbrook	Cr Bryan Littlely	Cr Nick Hayles	Cr Marilyn Henderson	Cr Carol Schofield	Cr David Kemp	Cr Andrew Robertson
Information and Briefing Session – Victor Dragons, FRWA ABP & Summer Collection update, Monthly Financial Report	15/03/2022	•	•	•	A	A	A	•	•	•
Information and Briefing Session	17/03/2022	•	•	A	A	•	A	•	•	•
Information and Briefing Session – Budget Workshop #3	11/04/2022	•	•	A	•	•	•	•	•	•
Information and Briefing Session	21/04/2022	•	•	•	•	•	•	•	•	•
Information and Briefing Session	09/05/2022	•	A	•	A	A	•	A	A	•
Information and Briefing Session	24/05/2022	•	•	•	A	A	•	•	•	•
Information and Briefing Session – 2022/23 Budget Workshop #4	20/06/2022	•	•	•	A	•	•	•	•	•
Information and Briefing Session	29/06/2022	•	•	•	A	A	•	•	•	•

A - Apology

• - Attended

Note: Cr Peter Charles resigned as of 9 August 2021



OUR ORGANISATION

The City of Victor Harbor is a dynamic, driven and energetic organisation that is committed to delivering essential services and infrastructure to ensure our city remains a place of choice to live, work, visit and invest.

The Council's workforce is made up of high performing teams, and diversely talented, skilled and passionate individuals. Our workforce assists in the delivery of more than 100 services and programs that help to meet our community's needs.

Our team places our customers at the centre of everything we do. Focus on improving internal and external customer service has led to an enhanced experience. We strive to continually improve and adapt our service delivery to find efficiencies and enhance customer experience.

Our organisation embraces technology and actively looks to integrate this into our practices, at the same time as ensuring accessibility for our diverse community.

Cross-department collaboration is a key focus of the organisation, leveraging extensive skillsets across the organisation to not only deliver great outcomes but upskill and empower our workforce.

The following section provides information about our organisation structure, Senior Management Team, council staff, and our commitment to our workforce.



ORGANISATION STRUCTURE



SENIOR MANAGEMENT TEAM

The City of Victor Harbor is structured as four departments, led by a Senior Management Team:

- Office of the Chief Executive Officer
- Corporate and Customer Service
- Community and Development
- Environment and Infrastructure.

The Senior Management Team is comprised of the Chief Executive Officer, as well as three Directors and the Group Manager Governance and Finance who each have responsibility and accountability for the outputs of their departments.

Units within each department perform specific functions and collaborate with other areas across the organisation to deliver services and projects. In addition to capitalising on the breadth of expertise, it also assists to increase knowledge and enhance skills across the organisation.

SENIOR OFFICERS

The City of Victor Harbor employs four staff members classified as Senior Officers. These officers are employed on a performance based fixed-term contract and include the following:

- Chief Executive Officer;
- Director Corporate and Customer Service;
- Director Environment and Infrastructure; and
- Director Community and Development.

Each Senior Officer receives a remuneration package that includes:

- A negotiated base salary, recognising overtime and out of hours work, limited term of contract, and officer performance (register of salaries available at www.victor.sa.gov.au/registers)
- Business and private use of a council vehicle
- Communication expenses
- Professional memberships
- Statutory superannuation entitlements.

Profiles of the City of Victor Harbor's Senior Officers are provided on the following pages.



EXECUTIVE STAFF PROFILES



VICTORIA MACKIRDY **CHIEF EXECUTIVE OFFICER**

Joined the Council in 2018.

I was proud to be appointed to the role of Chief Executive Officer for the City of Victor Harbor – the local government area that my family and I call home. Having worked in local government for more than 30 years, I continue to be inspired by the multi-disciplinary nature of Councils and the feats that can be achieved when such diversely skilled individuals and teams work in partnership towards a common goal.

I am accountable to the Council and the community for the implementation of all Council decisions, and for the overall management and leadership of the organisation. It is a privilege to lead a highly-skilled team of passionate professionals who continue to demonstrate a high level of commitment towards service delivery.

Collaborating with businesses, the community and government to achieve social, economic and environmental outcomes is one of my primary focuses, and this long-term approach is one that I believe can activate a real, constructive difference for people who live, work, visit and invest in our Council area.

Qualifications

- Graduate Australian Institute of Company Directors
- Graduate Transformational Leadership Program, University of Adelaide
- Advanced Diploma Management
- Diploma Human Resource Management
- M.L.G.P.S.A



GRAHAM PATHUIS **DIRECTOR COMMUNITY AND DEVELOPMENT**

Joined the Council in 2009.

Over two decades of working in local government, I have developed a strong passion and deep understanding of the influence and importance of people – both in shaping our vibrant community, and driving our exceptional workforce.

As the City of Victor Harbor's Director of Community and Development, I am responsible for leading the city activation, planning, public safety, regulation, and community well-being teams. This diverse portfolio sees me coordinating long-term planning across a broad scope of initiatives – from the delivery of support programs, to events and education, to the design and use of space, to the provision of facilities and infrastructure.

Victor Harbor's characteristics present an abundance of opportunity for enjoyable, relational and stimulating experiences. The challenge is to apply an equitable approach that respects the need to balance cultural, social, economic and environmental values. I am privileged to work with a team of highly talented and experienced professionals who are equally committed to meeting this challenge.

Qualifications

- Diploma Applied Science (Environmental Health & Building Surveying)
- Graduate Diploma Urban & Regional Planning
- Accredited Planner
- RPIA (Registered Planner)



KAREN ROKICINSKI
DIRECTOR CORPORATE AND CUSTOMER SERVICE

Joined the Council in 2019.

I commenced my career in local government in 2004, and have since worked across a diverse range of portfolios, including environmental health and the regulatory services, civil construction and maintenance, recreation and open spaces, environmental strategy and sustainability, and community waste/wastewater management.

Now as the Director of Corporate and Customer Service, I bring extensive experience in risk management and process review to lead an exceptionally talented team of professionals across the Library, Customer Service, People and Culture, Information and Communications Technology, and Records departments. My team is also responsible for delivering a new Enterprise Resource Planning software system, which seeks to modernise the customer experience and streamline processes across the organisation.

I believe people are at the core of all progress, and I am passionate about driving long-lasting improvements through effective people management and change management. By thoughtfully exercising the skills of my team and applying a strategic lens to all opportunities, I aspire to increase efficiency and data accessibility at the City of Victor Harbor, with the ultimate goal of enhancing our service and outcomes to benefit the Victor Harbor community.

Qualifications

- Master of Business Administration (Maj. Local Government & Human Resource Management)
- Bachelor of Environmental Health
- Diploma of Business (Quality Auditing)



KATHY HAYTER
DIRECTOR ENVIRONMENT AND INFRASTRUCTURE

Joined the Council in 2021.

I began working in local government in 2014, bringing formal qualifications in environmental science and extensive experience in both the private and public sectors. My career has seen me work across various disciplines, including science, arts, technology and community development.

Now as the City of Victor Harbor's Director of Environment and Infrastructure, I am fortunate to work with an outstanding team of diversely skilled professionals who are dedicated to delivering the best outcomes for the community. My portfolio combines both the natural and built environment, and I am responsible for leading the infrastructure, environment, property, recreation, construction, maintenance and open spaces teams.

Despite the complexities and challenges associated with preserving Victor Harbor's historically-rich and naturally beautiful features, the Environment and Infrastructure team is committed to sustainability and thoughtful engineering. I am passionate about working for and with our community to conserve Victor Harbor's wonderful natural assets whilst still planning and providing for the needs of our growing City.

Qualifications

- Bachelor of Science – Environment, Biodiversity and Park Management

COUNCIL EMPLOYEES



SNAPSHOT OF OUR WORKFORCE

140 full time and part time staff (equalling 111 FTE)

80 full time **48** part time **12** casual

11.27 YEARS average length of service

72% of our workforce is permanent

9% staff turnover **9** traineeships and apprenticeships

Gender Profile **61%**  **39%** 

Age Profile **3%** <25 years old

42% 25-44 years old **55%** 45+ years old

ABOUT OUR WORKFORCE

The City of Victor Harbor is one of the city's major employers. At 30 June 2022 Council employed 140 staff equalling 111 full time equivalent employees. This includes 80 full time, 48 part time and 12 casual staff.

Roles within the Council's organisation structure are diverse ranging from administration, civil services, economic development, planning and building, events, environment and recreation planning, plus many more. A list of the services Council provides is available on **page 34** of this Annual Report.

Demographics

The majority of Council's employees are aged 45 years or older (55%), with 42% aged between 25 and 44 years and 3% under 25 years.

Five employees identify as Aboriginal or Torres Strait Islander.

The total workforce is made up of 61% females and 39% males, with 72% of the workforce permanent.

Our employees have a diverse range of skills and qualifications including job obtained skills and qualifications at all levels.

The employee turnover rate for 2021/22 was 9%.

Length of Service

As at 30 June 2022 the average length of service for City of Victor Harbor employees was 11.27 years.

The following service milestone were achieved and celebrated during the year.

10 Years

- Linda Corley
- Kellie Knight-Stacey
- Karina Overall
- Michael Ross
- Greg Oxenham
- Jane Talbot-Male
- Gabbie Nottle
- Emily Ross

20 Years

- Scott Champion

MEET SOME OF OUR TEAM



GABBIE NOTTLE

Library Officer, Community Learning

When Gabbie started working at the Council more than 10 years ago, she brought her passion for the local community and love for Victor Harbor along with her.

“Having been born and raised in Victor Harbor, I have seen the town become the amazing city it is. Even as it gets bigger, the sense of community is still there.”

In her current role at the Library, Gabbie is well-known amongst colleagues and community members for her welcoming attitude and positive approach.

She is responsible for the development and coordination of programs and events for the community. Each initiative offers opportunities for connection and wellbeing for all age groups.

“I love supporting and interacting with our community - from storytime and singing with pre-schoolers, to the annual Book Week celebrations and Mayors’ Short Story Challenge, and our author events. Most of all, I love playing detective when a community member has a Library enquiry or IT issue. I must admit that I can’t solve them all... but I try!”

“The Council team is great to be a part of - especially our little team at the Library! I feel very privileged to work and live in Victor Harbor, and I think we are very lucky to be in such a beautiful part of the world.”

Outside of work, Gabbie spends time with her family as well as being involved as a committee member and coach for the Victor Harbor Lakers Basketball, and player and coach at the Victor Harbor Netball Club.



DAVID READ

Strategic and Policy Planner

Throughout his time at the City of Victor Harbor, David has been heavily involved in a number of key urban design projects that have a significant positive impact on the vibrancy and value of our coastal town.

This includes the Mainstreet Precinct Master Plan, Railway Precinct (Railway Turntable site, McLaren Lane and Railway Plaza), Development Plan Amendements, and Urban Growth Management Strategies.

“I started in 2020 initially undertaking a development assessment (planning) role which has evolved over the years into policy planning, strategic planning and more recently, delivering long-term projects and managing the design components for streetscape and urban design initiatives in the town centre of Victor Harbor.”

Being able to work within a multi-disciplinary team that brings together a range of skills and experience, is one of the things David loves most about his job.

“I enjoy and feel privileged working in a multi-disciplinary team to deliver projects and as a result, learning from other professions and achieving better quality outcomes.”

“The more diverse, respectful, innovative and creative the Council team is that I work with, the more enjoyable it is to produce quality results.”

When not at work, David can be found cycling (road and mountain bike), bush walking, running, fishing, surfing, camping, kayaking, surf boat rowing, playing tennis... or just about anything else adventurous!

MEET SOME OF OUR TEAM



LAURA LEWIS

Coordinator, Southern Communities Transport Scheme (SCOTS)

Laura plays a fundamental role improving access to services for local residents who are transport disadvantaged.

“I am responsible to City of Victor Harbor and Alexandrina Council for the coordination and development of a cost effective community passenger network.”

As well as ensuring the effective day-to-day operations and administration of SCOTS, she must report to the Advisory Committee and evaluate projects.

Working in a busy environment is one of the things Laura enjoys most about her role.

“I love being able to help people stay living in their homes by providing transport. I also enjoy working with wonderful, caring volunteers and staff.”

Laura is incredibly proud of her team (including 35 volunteers providing around 20,000 volunteer hours each year) who support more than 2,500 clients.

“Some of our drivers start at 5am in the mornings to ensure clients get to their appointments.”

In 2021/22, Laura and the team provided 8,000 one way passenger trips to those in need on the Fleurieu Peninsula.

Outside of work, Laura can be found camping, gardening, shopping, catching up with friends, and spending time with her fiancé and five year old son.



SCOTT PEARSONS

Team Leader, Open Spaces

Having first started working with the City of Victor Harbor in 1996, Scott is a very familiar face at Council. Some 25 years after commencing as a trainee, he is now managing a team and caring for local open spaces.

“My responsibilities are wide and varied. Predominately my role is to oversee maintenance of the sporting ovals, cemeteries, playgrounds and our many irrigation systems. Another big part of my job is reserve development, such as playgrounds, cemetery development, new shelters and new or upgraded irrigation systems.”

“No two days are the same in my job. I particularly like the development aspects of my role, especially the cemetery and playgrounds.”

Scott says it has been fantastic to witness how the community and Council’s appreciation of open spaces has grown over the years.

“Well-maintained and imaginative open spaces are so important to a community’s wellbeing.”

“Council is fortunate to have such a skilled and passionate Open Spaces team and, in my time at Council, I have been extremely lucky to have had two exceptional leaders as my direct supervisors.”

Outside of work, Scott describes himself as a home body who likes to spend time with his two beautiful children and partner, hitch up the caravan for family vacations, and squeeze in a round of golf whenever possible.

COUNCIL EMPLOYEES

TRAINEESHIPS AND APPRENTICESHIPS

Council supported nine individuals in traineeship and apprenticeship opportunities in 2021/22, encompassing six different work areas of the organisation.

These initiatives, undertaken in partnership with Statewide Group Training (SA) Inc., have provided a valuable learning environment for our youth by enhancing ability to gain future employment.

INDUSTRIAL RELATIONS

There were no matters referred to the SA Industrial Relations Commission during 2021/22.

HEALTH AND WELLBEING

The City of Victor Harbor aims to provide and promote a healthy and safe working environment by providing a Healthy Lifestyle Program.

The program is available to all employees and includes an online interactive health program, general health assessments, fitness tests, weight loss programs, mental health seminars, eye and hearing testing, skin cancer checks, influenza and hepatitis vaccinations.

WORK HEALTH AND SAFETY

In 2021/22, Council had five workers compensation (Return to Work) claims amounting to nil days lost time due to injury. This is compared to five workers compensation claims and 87 days lost time in the previous reporting year. The figures are below Council's targets for the period.

Significant and recurring incidents in 2021/22 included:

- Abusive constituents toward front counter staff
- Undisciplined driving in the Civic Centre carpark
- Breaches of Covid-19 directives (e.g. vaccination, masks, etc).

Hazards identified in 2021/22 included requests for ergonomic assessment of the Council office environment resulting in improved ergonomic chairs and stand up computer desks.

The City of Victor Harbor recognises its obligation to: identify reasonably foreseeable hazards that could give rise to risks to health and safety, and eliminate risks to health and safety so far as is reasonably practicable.

The Council has a Hazard Management Procedure that aims to:

- Ensure that the organisation's Work Health and Safety (WHS) management system conforms with legislative requirements and the ReturnToWorkSA Work Health and Safety standards for self-insured employers, which includes the Performance Standards for Self-Insurers (PSSI);
- Achieve the highest level of WHS performance by:
 - Providing Managers and workers with the information, instruction and training necessary to enable them to manage risks to health and safety effectively;
 - Identifying reasonably foreseeable hazards and eliminating risks so far as is reasonably practicable, or where that is not reasonably practicable, minimise risks so far as is reasonably practicable by implementing the Hierarchy of Control; and
 - Implementing processes to facilitate the monitoring and evaluation of the effectiveness of controls.

Work health and safety information is shared to Council employees through regular email communications, notice boards in Council buildings, and in department/team meetings.

Council uses software called SkyTrust to log, record, assess and monitor hazards and incidents that are identified by staff.

TRAINING AND DEVELOPMENT

The City of Victor Harbor provides training and development opportunities for its employees to ensure they are able to fulfil the requirements of their roles and meet the needs of the community.

Employees are encouraged to take advantage of Council's comprehensive training programs that are supported by annual budget allocations. Council also supports employees' requests to attend professional conferences within their respective disciplines. This ensures they maintain their professional accreditation, develop their knowledge and network with their peers.

Training undertaken in 2021/22 was in the areas of leadership and management, incident response, reporting and investigation, hazard and injury management, first aid, mental health first aid, emergency management, warden and extinguisher, contractor management, civil construction, work zone traffic management, report writing and computer software.

Council also promotes learning on-the-job, a program of job rotation, higher duties and internal promotion to ensure that skills are retained and developed within the organisation.

STAFF COMMUNICATIONS

A connected organisation is essential to ensuring City of Victor Harbor staff are engaged with their work and empowered to collaborate across teams and departments.

Effective communication and information sharing is achieved with a monthly all staff meeting and use of the Council's employee intranet portal. The all staff meeting typically includes updates from the Chief Executive Officer, Work Health and Safety team, Communications team and ICT team. There is also time allocated to introducing new staff and providing progress updates on significant projects.

In 2021/22, the Council initiated a new staff communications tool - a weekly email newsletter distributed to all staff via the Communications team. All staff are invited to contribute project updates, news and interesting information to this newsletter, which is sent internally every Monday morning.

RECRUITMENT

Like other regional councils, recruiting skilled professionals in the City of Victor Harbor can be challenging due to distance from Adelaide and costs associated with potential employees relocating.

In 2021/22, the tight labour market experienced in many industries across Australia exacerbated recruitment difficulties.

The Council has a number of tools available to assist with recruiting suitable employees. This includes advertising on Seek, social media, the Local Government Job Directory and local newspapers.

During 2021/22, the Council recruited 25 employees:

- Executive Assistant
- Customer Liaison Officer (x6)
- Team Leader, Management Accounting
- Festival and Events Officer
- Regional Field Officer
- Youth Development Office
- Arts and Cultural Facilitator
- ICT Project Manager
- ICT Officer
- Construction and Maintenance Employee (x2)
- Administration Officer
- Team Leader Maintenance
- Senior Business Analyst
- Senior Rates Officer
- Manager, Public Safety and Regulation
- Senior Business Analyst
- Early Intervention Worker
- Senior ICT Officer
- Casual Building Officer.

All new employees of the Council participate in an induction program covering all areas of the Council's operations. This typically includes a one-on-one induction from key areas, such as ICT, WHS, Governance, Records and Payroll.

In order to attract and retain high performing staff, employees are offered a range of benefits, including:

- An Employee Assistance Program for employees requiring confidential and independent personal or professional support;
- A Health Lifestyle Program;
- Benefits of Enterprise Bargaining Agreements;
- Free on-site car parking.

CULTURE SURVEY

In February 2021, the City of Victor Harbor undertook an organisation-wide culture survey to understand and address any areas for improvement. This research was undertaken with support from the University of South Australia.

Opportunities identified for development and improvement included:

- Increasing innovation and creativity
- Staff Recognition
- Communication and connection
- Explore 360 evaluations for PDR process.

This culture survey was followed up by a 'pulse' survey in November 2021. Results from the pulse survey indicated that there has been some improvements in areas identified in the original survey, but more can be done to enhance culture.

Externally facilitated workshops have been effective in addressing cultural issues identified in one work area, with cultural improvement an ongoing focus for this particular team.

A second year culture survey will be undertaken in 2022/23 to continue monitoring organisation culture.



CULTURE SURVEY: HOW WE RATED

Organisational culture
(rated out of 5)



Organisational citizenship behaviour
(rated out of 7)



Overall staff satisfaction
(rated out of 5)



CODE OF CONDUCT

Council employees (including contractors, etc) must comply with the provisions of the Code of Conduct in carrying out their functions as public officers. It is the personal responsibility of council employees to ensure that they are familiar with, and comply with, the standards in the Code at all times. Council is committed to ensuring Council employees:

- Have a commitment to serve the best interests of people within the community of the City of Victor Harbor and to discharge their duties conscientiously and to the best of their ability.
- Will act honestly in every aspect of their work and be open and transparent when making decisions or providing advice to Council.
- Will perform their official duties in such a manner as to ensure that public confidence and trust in the integrity and impartiality of their Council is strong.
- Will respect the law, and the resolutions made by the Elected Member body of the Council.
- Will make reasonable endeavours to ensure that they have such current knowledge of both statutory requirements and best practices relevant to their position as is drawn to their attention by Council.

PERFORMANCE MANAGEMENT

It is the responsibility of a supervisor to discuss work or conduct issues with staff members, to ensure that staff have a clear understanding of the work and conduct expected of them and to provide appropriate feedback on their performance.

Unless the matter is of a serious nature, a formal disciplinary process should only be commenced when it becomes clear to the supervisor that a work performance or conduct problem has not been corrected through ongoing informal discussions between the supervisor and staff member.

The emphasis should always be on early intervention and informal resolution of a problem, as opposed to a more formal intervention at a later time.

The seriousness of the unacceptable behaviour or ongoing unsatisfactory performance may determine what level of action is required, therefore liaison with or advice from People and Culture is a mandatory requirement.

Where a performance/behaviour problem exists, the relevant supervisor must follow the Management of Poor Performance Procedure.

Each year, an employee Performance and Professional Development Review Process (PPDR) is conducted across the organisation.

The PPDR is when we take some time out to:

- reflect on how employees have performed against their performance objectives over the past 12 months;
- identify what worked well, what didn't, and any focus areas for improvement;
- consider the organisation and department's priorities and objectives;
- identify performance objectives and goals for the next 12 months;
- ensure position descriptions are up-to-date; and
- identify any employee training/development needs that may be required.

Taking the time to consider how things are going, these discussions between the supervisors and staff members is a vital part of our employee's ongoing learning and development. Giving and receiving feedback is a two way process and essential to good working relationships, job clarity and setting everyone up for success. This time is used to recognise the good work and strengths of our team member/s and provide feedback on the assessment, identifying any training and development needs that employees may require.

The PPDP is an annual process and is implemented in two stages as follows:

Stage 1: Monitoring performance and achievement of key performance objectives (ongoing process)

After setting the employee Key Performance Objectives for the period October to September, employees must work towards achieving the agreed performance objectives and implement their Professional Development Plan.

During the monitoring period the supervisor and employee should meet regularly (at least quarterly) to: monitor performance and professional development progress; provide and/or receive feedback; and identify any issues that may impact on the objectives or performance.

Stage 2: Performance review, key performance objectives and professional development review (September until November)

The purpose of stage 2 is for the supervisor and employee to review the employee's performance and achievements against key result objectives.

This stage includes assessing the effectiveness of any professional development and/or training undertaken, during the PPDP cycle and to review the position description.

The supervisor is responsible for formally meeting with the employee to provide feedback on their assessment of the employee's performance and development and agreeing on future key result objectives, undertake a training needs analysis to identify professional training for the upcoming period and reviewing the job description.

EQUAL OPPORTUNITY EMPLOYMENT

The City of Victor Harbor is an equal opportunity employer committed to the principles of providing a working environment free from discriminated, bullying and harassment.

This means the Council prohibits discrimination and treats people as individuals without making judgements based on characteristics.

This includes a person's sex, chosen gender or sexuality, race, physical or mental disability, age, or religious beliefs.

Council actively work to raise the level of awareness of Equity and Diversity principles and practices within Council. This commences from a new employee's induction process. Council will actively promote an environment for all staff that is free of discrimination, bullying and harassment.



GOLD FOR MENTAL HEALTH FIRST AID

In 2021/22, the City of Victor Harbor was recognised as a Mental Health First Aid Australia (MHFA) Gold Skilled Workplace.

Working alongside MHFA Australia for several years, we have bolstered mental health first aid as an organisational priority and expanded education and resources available to staff.

Prioritising mental health has been especially important throughout the pandemic, and support systems such as an Employee Assistance Program and designated MHFA Officers have assisted our organisation during challenging times.

Strengthening mental health first aid has proven to have far-reaching benefits, not only for Council staff but also the community at large. Awareness in this area has a flow on effect of building local capacity for mental health response in the community.

Some of our outstanding MHFA Officers are pictured in the image above.

ENTERPRISE BARGAINING AGREEMENT

The Council is bound by industrial agreements with prescribed wage rates and a position classification system. Employees are covered by an Enterprise Agreement.

As at 30 June 2022, the 2019 SAMSOA (South Australian Municipal Salaried Officer's Award) and LGEA (Local Government Employees' Award) Agreements were in place. The agreements include provisions for re-negotiation in the final six months of the agreement, and has clauses relating to the make-up of the Enterprise Bargaining Committee.

An Enterprise Agreements Consultative Committee consisting of employee representatives under the SAMSOA and LGEA Agreements, management and union organisers met twice during the reporting period.

The Committee is a consultative mechanism established to monitor implementation of the Enterprise Agreement, undertake consultation, discuss general industrial relations issues and to provide a communication channel between employees and management.

During 2021/22 the committee considered a range of items including:

- Covid-19 policy and procedures
- Library service review updates
- Community services review updates
- A range of operational matters

In February 2022 re-negotiation of the enterprise agreements commenced with the reconvening of the SAMSOA Enterprise Bargaining Committee and LGEA Enterprise Bargaining Committee. Negotiations continued into 2022/23.

WAGE AND SUPERANNUATION OBLIGATIONS

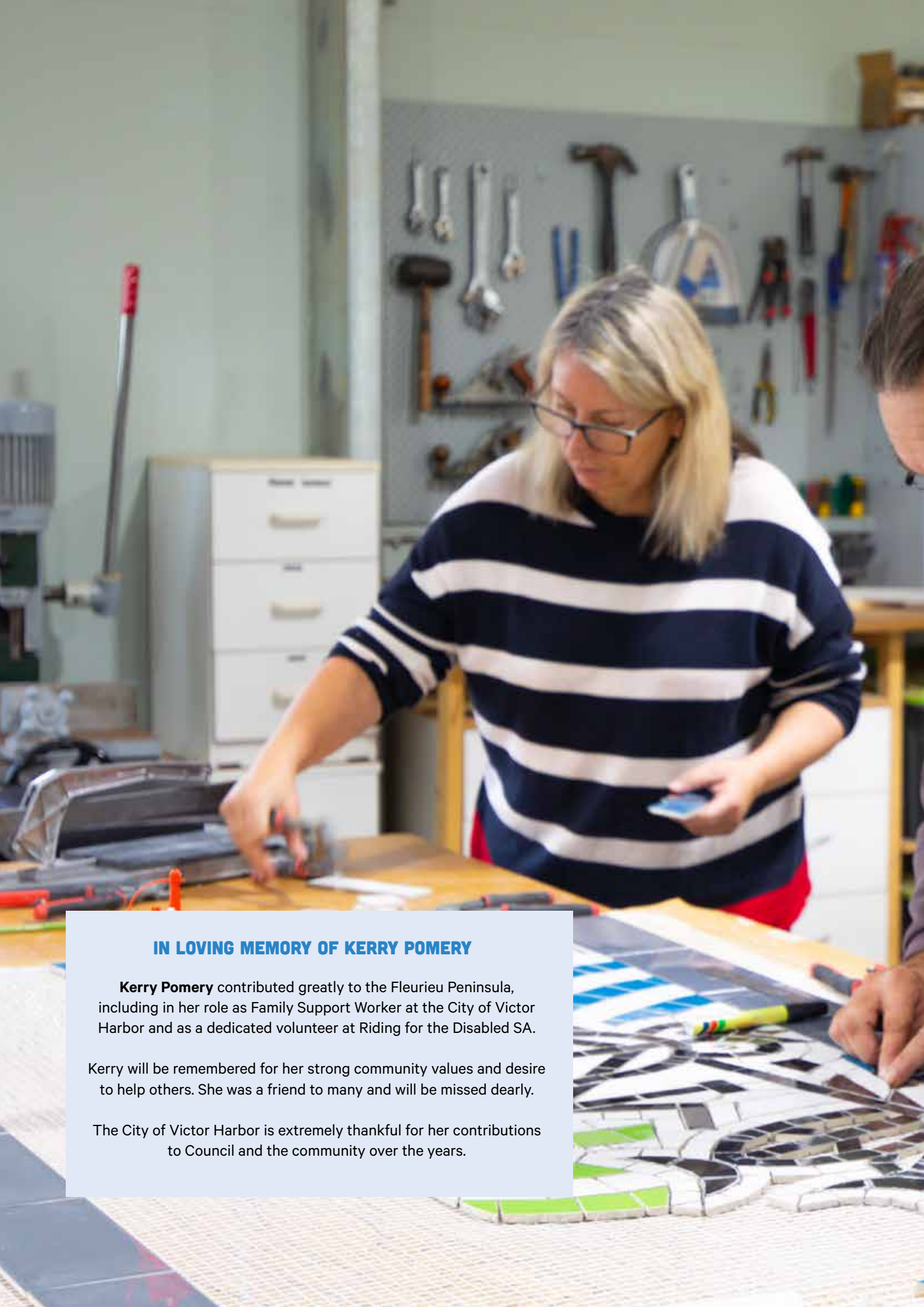
As an employer, the City of Victor Harbor understands that it is important that we take the necessary steps to ensure we are complying with our legal obligations.

Payroll legislation in Australia is a vast and complex area of law. It covers payroll administration, payroll records, payroll tax liability, and superannuation. Even the slightest breach of our payroll obligations could result in severe penalties and harsh sanctions.

We take the following steps to mitigate risk:

- Review employee wages against the relevant enterprise agreements and awards;
- Keep up to date with any changes to industrial instruments;
- Ensure our employees are correctly classified for the job they are undertaking;
- Perform regular wage audits;
- Review payroll functions and ensure it is properly resourced;
- Make employees feel comfortable to raise any wage or entitlement issues; and
- Seek legal advice before an issue occurs where possible.

We ensure compliance with the legislative and award requirements with regard to employee issues, provide employee information to Council staff and appropriate authorities as required, and ensure confidentiality of accurate and appropriate employee records.



IN LOVING MEMORY OF KERRY POMERY

Kerry Pomery contributed greatly to the Fleurieu Peninsula, including in her role as Family Support Worker at the City of Victor Harbor and as a dedicated volunteer at Riding for the Disabled SA.

Kerry will be remembered for her strong community values and desire to help others. She was a friend to many and will be missed dearly.

The City of Victor Harbor is extremely thankful for her contributions to Council and the community over the years.

VOLUNTEERS

Victor Harbor has a strong culture of volunteering. In fact, one in four Victor Harbor residents volunteer within the community. Our local volunteers play a valuable role in sustaining a healthy and resilient community and contribute significantly to the quality and vibrancy of our Victor Harbor community spirit.

Volunteers make such an important contribution to Council and the community, collectively providing more than 40,000 hours each year to give back to their community and assist others. In dollar terms, this contribution is worth more than \$1 million.

COUNCIL VOLUNTEERS

The City of Victor Harbor acknowledges all those who contribute their energy to the City of Victor Harbor volunteering programs, including: Caring Neighbourhood Program, Fleurieu Families, Victor Harbor Public Library, Southern Communities Transport Scheme, Victor Harbor Visitor Centre (incorporating the SA Whale Centre), Coral Street Art Space and our outdoor parks, gardens, environmental and event volunteer groups.

Volunteering opportunities are available for all ages and abilities.

Volunteer Recognition

Generally, each year the City of Victor Harbor hosts two celebrations honouring the 400 volunteers who contribute to Council's programs, initiatives and projects. It is important to note that a number of Council's programs and services simply would not exist without the support of volunteers.

These events are held to coincide with International Volunteer Day (December) and National Volunteer Week (May/June). Due to the ongoing impact of Covid-19, these events did not go ahead in their traditional format in 2021/22. Instead, smaller recognition functions were held for individual groups to thank them for the tireless contribution they make to our community.

COMMUNITY VOLUNTEERS

To acknowledge the efforts of volunteers in the Victor Harbor community, the City of Victor Harbor offers small grants to encourage, and assist, non-profit community groups, management committees and organising committees to celebrate and recognise the contribution of their volunteers. Grants can be used to fund a range of 'thank-you' celebrations during the annual National Volunteer Week that recognise the important contribution of volunteers to the Victor Harbor community. Activities include such things as a morning tea, a lunch, certificates of appreciation, a barbeque, or a small gift.

Council extends thanks and appreciation to all its volunteers, and acknowledges their outstanding service to the community.





MEET SOME OF OUR VOLUNTEERS



SUE

Caring Neighbourhood Program

Sue is one of our passionate Caring Neighbourhood Program volunteers who assists older people to access social activities and supports the Council's positive ageing initiatives.

After moving to the Fleurieu Peninsula twelve months ago, Sue decided to take up volunteering so she could make a difference in her new community.

Since retiring, Sue has humbly given her time towards a number of organisations, including in the emergency department of a Victorian hospital and recently in a local gardening group.

Sue enjoys volunteering because she gets to meet lovely people, learn new skills and make a difference.



STAN

Victor Harbor Visitor Centre

A quarter of a century... that's how long Stan has been volunteering at the Victor Harbor Visitor Centre! And he doesn't plan to stop anytime soon.

He is now a very well-known and much-appreciated face in the community, able to provide a range of tourism information to visitors and locals alike.

Stan says volunteering helps him to open up and build confidence – and he believes the Visitor Centre is an important asset of the town.

He is one of many dedicated volunteers at the Visitor Centre and also one of several who have volunteered for 20+ years. After all this time of working together, we can't thank Stan enough for his service.



DOT

Muwerang Mosaic Project

Dot couldn't resist putting her hand up to volunteer with the Council's Muwerang Mosaic project and have an opportunity to help beautify our city.

Along with a handful of other committed volunteers, Dot attends workshops held at the Victor Harbor Men's Shed where she assists with tile placement and tile cutting. Although somewhat satisfying, the tasks require a lot of patience!



ANITA

Victor Harbor Coastcare

After retiring from a career in teaching and moving to the Fleurieu Peninsula, Anita was quick to start volunteering in the community.

As well as being a member of the Victor Harbor Coastcare group, she assists with Little Penguin monitoring and was previously instrumental in the inception of the South Coast Environment Centre.

Anita is passionate about Victor Harbor's stunning landscape and finds satisfaction in working alongside the Coastcare group who promote, protect and restore the coastal environment of the Victor Harbor area, from The Bluff to Hayborough.

After nearly 13 years of volunteering, Anita is proud of the work that Coastcare has achieved.



JIM

Southern Communities Transport Scheme

When Jim heard about the Southern Communities Transport Scheme nearly ten years ago, he simply had to be involved!

He considers himself to be lucky and believes he has had a very good life, so his volunteer work with the Medi-Ride service means he can give back to others in the community.

Medi-Ride is a door to door community transport service available for medical and other essential appointments both locally and in Adelaide.

But this isn't Jim's first rodeo as a driver. Throughout his career, he has driven delivery trucks, tour buses, taxis, motorcycles, and was involved with the Goolwa Bus and Coach service.



FRIENDS OF THE HINDMARSH RIVER ESTUARY

The hard-working volunteers in this local environmental group play an essential role in protecting and beautifying the Hindmarsh River.

Since its inception twelve months ago, the group has grown and is now made up of bird enthusiasts, horticulturalists, farmers, home gardeners and people who simply love their natural surrounds. Most of the volunteers in the group live nearby the river.

CORPORATE REPORTING



DECISION MAKING STRUCTURE

Council makes decisions directly or indirectly through the following mechanisms:

- Council meetings (strategic planning, financial plans, budget, policies etc)
- Subsidiaries
- Council Assessment Panel
- Chief Executive Officer through delegation of the Council (including sub-delegation to Council officers)
- Authorised officers via appointment by the Chief Executive Officer
- Regional representation.

The Council also draws on a number of committees, advisory and working groups to assist with its decision making. A summary of these is provided over the following pages.

COMMITTEES

Audit Committee

The City of Victor Harbor Audit Committee was constituted in 2007 under Section 126 of the Local Government Act 1999. The Committee also operates in accordance with the Local Government (Financial Management) Regulations 1999.

During 2021/22 the Audit Committee met four (4) times, as required by its charter.

Items discussed at the meetings included:

- Internal audit program and results
- External audits
- Financial policies
- Service reviews
- Annual financial statements
- Risk management and register
- Statutes Amendment (Local Government Review) Act 2021
- Reviewing the Charter
- Annual Business Plan and Budget.

Audit Committee Membership changed during the financial year. From July 2021 to February 2022 the Committee was made up of two Council members – Cr Tim Glazbrook and Cr Carol Schofield – and three independent members – David Papa (Chair), Nick Lopez and Claudia Goldsmith.

In February 2022, Michael Richardson was appointed to the committee, replacing Claudia Goldsmith.

Independent members of the Audit Committee receive a \$350 sitting fee, and the Chair receives a \$450 sitting fee.

CEO Performance Review Committee

The CEO Performance Review Committee works with the CEO to establish relevant performance objectives and undertakes the annual formal review of the performance of the CEO.

During 2021/22 the CEO Performance Review Committee met five times. During this period, membership included Mayr Moira Jenkins, Cr Tim Glazbrook, Cr Marilyn Henderson and Cr David Kemp.

City Activation and Strategic Planning Advisory Committee

The City Activation and Strategic Planning Advisory Committee (CASPACE) was established to oversee the development and review of key Council documents and projects including strategic plans, strategies and policies for the future development and activation of the City of Victor Harbor.

The committee met four (4) times during 2021/22. All Elected Members sit on the City Activation and Strategic Planning Advisory Committee. The Committee is chaired by Cr Nick Hayles.

DECISION MAKING STRUCTURE

Council Assessment Panel

The Council Assessment Panel (CAP) is a body formed by Council in accordance with Section 83(1) of the Planning, Development and Infrastructure Act 2016. The role of CAP is to determine development applications in accordance with the powers and functions delegated to the panel by Council.

Membership of CAP includes one Council Member and four independent members. During 2021/22, members of CAP were Michael Doherty (Presiding Member), Phil Smith, Judith Urquhart, Sue Giles and Cr Nick Hayles.

The Presiding Member of CAP receives a sitting fee of \$500 per meeting and other independent panel members receive \$400 per meeting.

Disability Access and Inclusion Advisory Committee

The Disability Access and Inclusion Advisory Committee has been established to assist Council in enabling people with a disability to engage in all aspects of community life, and have equitable access to services and facilities. The committee met four (4) times during 2021/22.

Membership of the committee includes Cr Marilyn Henderson (Chair), Kathryn Roberts, Kay Ewens, Sid James, Angela Schiller, Kerry Taylor, Donna Brook, Alex Ingleton and Kaye Reeves. Mayor Moira Jenkins held an ex-officio role on this committee.

Fleurieu Region Community Services Advisory Committee

The Fleurieu Region Community Services Advisory Committee has been established for the purpose of assisting to improve the quality of life, independence, and wellbeing of Fleurieu region communities. The committee supports a regional approach between the City of Victor Harbor and District Council of Yankalilla to the planning, development, and co-ordination of community services that respond to current and emerging regional community service needs, and local needs of regional significance.

The committee met nine (9) times during 2021/22.

Membership includes representatives from the City of Victor Harbor, District Council of Yankalilla and Country SA Primary Health Network. Mayor Moira Jenkins held an ex-officio role on this committee.

Recreation Centre Management Committee

The Recreation Centre Management Committee has been established to provide advice to Council on the management of the City of Victor Harbor's Recreation Centre. The Committee is made up of representatives from all licensed users and groups with regular bookings, along with two Elected Members. The Mayor holds an ex-officio position on this committee.

During 2021/22 the committee met three (3) times.

Southern Communities Transport Scheme Advisory Committee

The Southern Communities Transport Scheme Advisory Committee has been established to assist in addressing the needs of transport disadvantaged people by supporting a regional approach between the City of Victor Harbor and Alexandrina Council to the planning, development and coordination of services. Membership of this committee includes one staff member and an Elected Member from each of the City of Victor Harbor and Alexandrina Council, a representative from the Department of Communities and Social Inclusion, three volunteers from the scheme, two community members or interested service users and the City of Victor Harbor Mayor in an ex-officio position.

During 2021/22 the committee met six (6) times.



ADVISORY AND WORKING GROUPS

Agribusiness Working Group

The purpose of the Working Group is to provide strategic advice to the City Activation and Strategic Planning Advisory Committee on matters directly relating to agribusiness, primary production and rural affairs. The Working Group provides a forum for a largely independent sector to collaborate and share common challenges faced by the sector while contributing to the strategy and design of services and projects that support an agribusiness environment.

Arts and Culture Advisory Group

The Arts and Culture Advisory Group is a sub-committee of the City Activation and Strategy Planning Advisory Committee. It has been established to assist the Council to plan and support the implementation of the City of Victor Harbor Community Plan with initiatives that cultivate a vibrant community culture.

Boating Facilities Working Group

The Boating Facilities Working Group is a sub-committee of the City Activation and Strategic Planning Advisory Committee. It has been established to provide advice to the committee on boating and marine facilities for Victor Harbor.

Heritage Advisory Group

The Heritage Advisory Group is a sub-committee of the City Activation and Strategy Planning Advisory Committee. It has been established to provide advice on heritage related matters.

Recreation and Sport Grant Working Group

The Recreation and Sport Grant Working Group has been established to assess all applications received for the two rounds of Recreation and Sport Grant Funding and to make recommendations to Council in relation to the applications.

Victor Harbor Oval Planning Group

The Victor Harbor Oval Planning Group has been established to meet on a regular basis to consider the future planning options for the Victor Harbor Oval Complex. It aims to facilitate communication between stakeholders and where agreed develop design concepts and cost estimates.

Renewable Energy Advisory Group

The Renewable Energy Advisory Group has been established to consider opportunities for the Council and the community to adopt renewable energy solutions that lead to reduced levels of carbon emissions, positive economic outcomes and secures Victor Harbor's energy future.

DECISION MAKING STRUCTURE

REPRESENTATIVE APPOINTMENTS

Council holds a number of representative positions on a local, regional and national level. These are outlined below.

Local Representation

- Inman River Catchment Group
- Carrickalinga Board of Management
- Victor Harbor High School Governing Council
- Victor Harbor R-6 School Governing Council
- Schoolies Festival Working Group
- Victor Harbor Coastcare
- Friends of the Victor Harbor Library
- Friends of the Victor Harbor Dog Park

Regional Representation

- Fleurieu Peninsula Tourism Marketing Committee
- Southern and Hills Local Government Association – Roads Working Party
- Regional Development Australia – Adelaide Hills, Fleurieu and Kangaroo Island
- Hills, Fleurieu and Kangaroos Island Emergency Management Committee
- Zone Emergency Management Committee

National Representation

- Australian Coastal Councils' Association

SUBSIDIARIES

Council has a number of subsidiaries under Division 3, Section 42 and 43 of the Local Government Act 1999. More information about subsidiaries is also attached to this Annual Report.

Victor Harbor Horse Tram Authority (Section 42)

Established in 2018 by the City of Victor Harbor, this organisation is responsible for overseeing the operations, business development and marketing of the Horse Tram service to Granite Island. The Horse Tram is one of the very few horse-drawn tram routes remaining in public transit service in the world. Much of its route is over the 630 metre long Causeway.

Southern and Hills Local Government Association (Section 43)

This organisation undertakes regional coordination, representation and marketing on behalf of the member councils to improve the wellbeing of the region. Member councils include City of Victor Harbor, Alexandrina Council, Kangaroo Island Council, District Council of Yankalilla, Mount Barker District Council and Adelaide Hills Council.

Fleurieu Regional Waste Authority (Section 43)

Established in 2010 by the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council, this organisation is responsible for the waste management function across the Fleurieu Peninsula and Kangaroo Island areas.

Fleurieu Regional Aquatic Centre Authority (Section 43)

Established in 2015 by the City of Victor Harbor and Alexandrina Council, this organisation is responsible for the management of the Fleurieu Regional Aquatic Centre. The Fleurieu Regional Aquatic Centre is a modern sport and recreation facility, enhancing the lifestyle and well-being of the community on the peninsula. Features of the facility include a 25 metre swimming pool, multi-use program pool, rehabilitation pool, outdoor splash park, fitness facility, and crèche.

REPRESENTATION QUOTA

The City of Victor Harbor has 10 Elected Members including the Mayor. Section 12(4) of the Local Government Act 1999 requires the Council to undertake a comprehensive review of the structure of Council at least once every eight years.

The City of Victor Harbor concluded its most recent review in April 2017. No changes were made to the Council's representation structure during this review.

The representation quota is determined by dividing the total number of electors for the area of the Council by the number of members of Council.

The City of Victor Harbor's representation quota is 1: 1,337.

The table (right) shows the current representative structure for the City of Victor Harbor and comparative data for similar councils.

Council	Elected Members	Electors	Representative Quota
Alexandrina	12	22,417	1,868
Yankalilla	9	4,576	508
Barossa	12	18,866	1,572
Copper Coast	10	12,151	1,215
Light Regional	11	11,165	1,015
Loxton Waikerie	11	8,408	764
Murray Bridge	10	15,548	1,554
Port Pirie	10	13,143	1,314
Wattle Range	12	8,831	735
Yorke Peninsula	12	9,110	759
City of Victor Harbor	10	13,376	1,337



TRANSPARENCY

FREEDOM OF INFORMATION

Information Statement

Council publishes an updated Freedom of Information Statement on its website annually in accordance with the requirements of Section 9(1a) of the Freedom of Information Act 1991. The purpose of the Information Statement is to assist members of the public to identify the functions and decision-making processes of Council, detail the type of information held by Council and how it can be accessed.

The statement is available on Council's website.

Freedom of Information Applications

Council received two applications under the Freedom of Information Act 1991 from 1 July 2021 to 30 June 2022. The outcomes of the two applications received under the Freedom of Information Act are as follows:

Full Release	0
Partial Release	1
<ul style="list-style-type: none">The reason for partial release related to documents affecting person affairs.	
Refused Access	1
<ul style="list-style-type: none">The reason for refusing access related to documents relating to personal details on an individual and is an exempt document under section 20(1) of the FOI Act.	
Total number of applications	2

REVIEW OF COUNCIL DECISIONS

Council's Internal Review of a Council Decision Procedure is available online at victor.sa.gov.au or can be viewed at the Civic Centre (1 Bay Road, Victor Harbor).

In 2021/22 no applications were received under Section 270 of the Local Government Act to review a Council decision.

ITEMS CONSIDERED IN CONFIDENCE

All Council and Committee meetings are open for the public to observe. On occasion, Council may order that the public be excluded from the meeting pursuant to Section 90 of the Local Government Act 1999, to enable a matter to be considered in confidence.

During 2021/22 the City of Victor Harbor convened 12 ordinary and 8 special meetings at which a total of 346 items were considered. The public was excluded from council meetings for 27 agenda items.

17 of these items have since been released from confidence either in full or in part.

The date, subject and grounds upon which Council determined to exclude the public from the meeting is outlined on the following page.

Ground upon which the public can be excluded from the meeting include:

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

TRANSPARENCY

ITEMS CONSIDERED IN CONFIDENCE

Date	Subject	Confidential order clause
26 July 2021	Review of Confidential Orders	90 (2) and (3)(g)
2 August 2021	McKinlay Street Car Parking Precinct	90 (2) and (3)(b)
23 August 2021	Code of Conduct – Alleged Breach	90 (2) and (3)(a) & (g)
23 August 2021	CEO Performance Review Committee Minutes - 27 July and 9 August 2021	90 (2) and (3)(a)
27 September 2021	Fleurieu Regional Aquatic Centre Authority - Audit and Risk Management Committee Appointments	90 (2) and (3)(a)
25 October 2021	City Activation and Strategic Planning Advisory Committee Minutes - 6 October 2021	90 (2) and (3)(b)
25 October 2021	Appointment of Community Representatives - Arts and Culture Advisory Group and Heritage Advisory Group	90 (2) and (3)(a)
25 October 2021	Mainstreet Precinct Stage 4 Public Art Commission	90 (2) and (3)(d)&(k)
22 November 2021	City Activation and Strategic Planning Advisory Committee Minutes - 2 November 2021	90 (2) and (3)(b)
22 November 2021	Potential sale of Council-owned land	90 (2) and (3)(b)
13 December 2021	Unsolicited Proposal 2021/03 - Lot 99 Hindmarsh Road, McCracken	90 (2) and (3)(b)
13 December 2021	2022 Australia Day Awards	90 (2) and (3)(o)
13 December 2021	Mainstreet Stage 4 Construction Tender	90 (2) and (3)(k)
24 January 2022	Library Redevelopment Project Tender	90 (2) and (3)(k)
24 January 2022	2023 SANTOS Tour Down Under Expression of Interest	90 (2) and (3)(d)
28 February 2022	Audit Committee - Independent Member Appointment	90(3)(b)
28 February 2022	City Activation and Strategic Planning Advisory Committee Minutes - 1 February 2022	90(3)(a)
28 February 2022	Keen Road Bridge Replacement	90 (2) and (3)(k)
1 March 2022	2021/01 AND 2021/02 - Unsolicited Proposal -Rotary Club Encounter Bay	90(3)(b)
1 March 2022	Unsolicited Proposal - 2021/03 - Lot 99 Hindmarsh Road, McCracken	90 (2) and (3)(b)
28 March 2022	Execution of the Sale Contract for portion of Lot 99 Hindmarsh Road, McCracken	90 (2) and (3)(b)
28 March 2022	Sale of Land for non-payment of Council Rates	90 (2) and (3)(a)
26 April 2022	Local Government Rates Oversight Scheme - ESCOSA Draft Framework and Approach - LGA Consultation Paper	90 (2) and (3)(b)
27 June 2022	Waiver of Fees - Victor Harbor Cemetery	90 (2) and (3)(a)
27 June 2022	2023 SANTOS Tour Down Under Expression of Interest Position	90 (2) and (3)(a)
27 June 2022	CEO Performance Review Committee Minutes - 15 June 2022	90(3)(a) and (b)
27 June 2022	Expression of Interest: Regional Community, Sport and Recreation Precinct	90 (2) and (3)(b)

LOCAL NUISANCE AND LITTER CONTROL

During 2021/22 Council's Public Safety and Regulation team investigated 252 customer requests concerning matters provided for within the Local Nuisance and Litter Control Act 2016 this is compared to 112 in 2020/21.

A snapshot of the requests received is provided below:

- Air quality – 6
- Smoke – 3
- Environmental pollution – 104
- Construction noise – 3
- Unsightly – 110
- Odours – 6
- Insanitary conditions – 16
- Pests and vermin – 4

Our officers continued to focus on engagement and education both proactively and in response to customer requests to achieve the desired outcomes for the community.

Three (3) investigations generated from the Local Nuisance and Litter Control Act 2016 resulted in expiations being issued.



COMMUNITY LAND

Council is required under the Local Government Act 1999 to prepare and implement Community Land Management Plans for community land owned or under its care, control and management that falls under the following criteria:

- The land falls within the ambit of section 194(1)(b) or (c) of the Act; or
- The land is or is to be occupied under a lease or licence; or
- The land has been, or is to be, specially modified or adapted for the benefit or enjoyment of the community.

Council adopted its initial Community Land Management Plans in December 2004, with Council properties added and removed from the Community Land Register accordingly.

Community Land Management Plans identify the purpose and objectives of the land held for community use and provides consistency and transparency to the maintenance and management of community land to ensure the future needs of the community are considered.

During 2021/22 the Community Land Register was amended as outlined in the tables (right).

Community land acquired

Assess No.	Certificate of Title	Lot	Plan	Community Land Management Plan	Description
A14366	CT 6267/635	61	DP128111	Open Space	Conservation Reserve divided by Inman River. Portion of land used for Clydesdale horse stables portion for conservation work and walking trails. Approx. 33.7 hectares
A14348	CT 6264/793	202	DP127921	Open Space	Large parcel of flat land adjoining the Inman River. Approx. 11.0 hectares
A14387	CT 6271/222	101	DP129258	Not required	Square parcel of land used for a drainage reserve. Approx. 0.2795 hectares



COUNCIL DOCUMENTS

REGISTERS AND CODES

The following registers and codes are required to be kept by Council under the Local Government Act 1999 and other relevant legislation:

Registers

- Council's Delegations Register
- Register of Community Land
- Parking Control Register
- Register of Dogs
- Register of Public Streets and Roads
- Register of Employees' Salaries and Wages and Benefits
- Register of Elected Members' Interests (Returns)
- Register of Interests (Officers)
- Register of Elected Member Allowances and Benefits
- Register of Land Management Agreements
- Register of Development Applications
- Register of Fees and Charges
- Register of By-Laws

Codes

- Code of Conduct for Elected Members
- Code of Conduct for Employees
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures

Documents available for public inspection

The following documents are made available for public inspection at the Council office or on Council's website, www.victor.sa.gov.au

- Notice and agenda for meetings of Council and Council committees
- Minutes of meetings of the Council or Council committees
- Documents and reports to the Council or Council committee (except any confidential items made under Section 90 of the Local Government Act 1999)
- Recommendations adopted by resolution of the Council
- Strategic Management Plans which include Asset Management Plans and Long Term Financial Plans
- Annual Business Plan and summary
- Annual Budget
- Audited Financial Statements
- Annual Report
- Extracts from Council's assessment book
- List of fees and charges
- Management Plans for Community Land
- Procedures for the review of Council decisions and any report under Section 270(8)
- Terms of Reference for Council Committees
- Charters for subsidiaries established by the council
- Council by-laws
- Campaign Donations
- Return under the Local Government (Elections) Act 1999
- Representation options papers and reports on Council's boundaries
- Victor Harbor (City) Development Plan
- Agenda and Minutes of Council's Development Assessment Panel (reasonable access provided in accordance with the Development Act)
- Documents relating to approved development (within the Development Regulations and to relevant consents and/or copyright obligations)
- Rates Policy Summary (refer to Council's Annual Business Plan)

Council Policy Documents

The following policies have been adopted by Council, and are available for viewing at the Council office or online at Council's website:

www.victor.sa.gov.au

- Accredited Professionals Notification
- Agribusiness and Rural Affairs
- Assessment Book Record
- Asset Accounting
- Asset Management
- Budget Framework
- Car Parking Fund
- Caretaker
- Civic Centre Venue Hire
- Code of Conduct for Council Members
- Code of Conduct for Employees
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures
- Community and Sporting Leases, Licenses and Financial Assistance
- Community Grants
- Complaints Handling
- Council Member Allowance and Benefits
- Council Member Access to Information
- Council Member Records Management
- Cross Over and Crossing Place
- Debt Recovery
- Disposal of Land and Other Assets
- Donations
- Emergency Management
- Enforcement
- External Grant Funding
- Festivals and Events
- Flag Management
- Footpaths
- Fraud, Corruption, Misconduct and Maladministration Prevention
- Freedom of Information Statement
- Graffiti Management
- Guidelines and General Approval for the Placement or Affixation of Election Signs
- Internal Control
- Internal Review of Council Decision Procedure
- Kerbside Waste Collection
- Light Fleet, Plant and Heavy Vehicles Changeover/ Replacement
- Live Streaming and Recording of Council Meetings
- Media
- Mobile Food Vendor Permit
- Order Making
- Outdoor Dining and Street Traders Permit
- Parks and Street Furniture Donation and Memorial Plaque
- Policy and Procedure Framework
- Privacy
- Procurement
- Prudential Management
- Public Art
- Public Consultation
- Public Interest Disclosure
- Records Management
- Request for Service
- Risk Management
- Road and Place Naming
- Rural Property Addressing – Road Signage Management
- Signage Management
- Social Media
- Street Permit
- Supplementary Elections
- Sustainability
- Training and Development for Council Members
- Treasury Management
- Tree Management
- Unreasonable Complainant Conduct Management
- Unsolicited Proposal
- Volunteer
- WHS Contractor Management

FINANCIAL REPORTING

PROCUREMENT

Competitive Tendering

In compliance with Section 49 of the Local Government Act 1999 the Council has a Procurement Policy which it refers to when acquiring goods and services. This policy is reviewed at least every three years with the last review undertaken in November 2018.

The Procurement Policy ensures that the acquisition of goods and services are underpinned by the following principles:

- Encouragement of open and effective competition
- Obtaining value for money
- Probity, ethical behaviour, fair dealing and professional integrity
- Accountability, transparency and reporting
- Encouragement of the development of a competitive local business and industry and South Australian/Australian made
- Environmental protection and sustainable procurement.

When Council is purchasing goods or services where the estimated level of expenditure is between \$10,000 and \$150,000 formal quotations are obtained, and where the estimated level of expenditure exceeds \$150,000 the Council will call for formal tenders.

National Competition Policy

The National Competition Policy seeks to remove competitive advantages and disadvantages that arise solely through the ownership differences between public sector and private sector organisations.

There are no significant business activities with an annual gross operating income greater than \$2 million to disclose, or that are considered significant to Council's core business activities. Council is party to the following regional subsidiaries established under Section 43 of the Local Government Act 1999:

- **Fleurieu Regional Waste Authority** established to provide waste and recycling services for the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council.
- **Southern and Hills Local Government Association** established to advocate and lobby on behalf of the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mount Barker District Council, City of Victor Harbor and District Council of Yankalilla.
- **Fleurieu Regional Aquatic Centre Authority** established by the City of Victor Harbor and Alexandrina Council to provide facilities and services at the Aquatic Centre.

The Annual Report of each regional authority is provided as an attachment to this report.

In 2021/22 the City of Victor Harbor operated the following business activities that are not considered 'significant' under the National Competition Policy principles:

- Horse Drawn Tram
- SA Whale Centre
- Victor Harbor Visitor Information Centre.

The City of Victor Harbor reviewed its by-laws in 2015/16 and these were gazetted on 25 August 2016.

Consideration was given to the principles of the National Competition Policy during this process.

Council was satisfied that the benefits to the community relating to the effective management of activities prescribed in the by-laws, outweigh the potential restrictions on competition or costs posed by a by-law.

City of Victor Harbor by-laws include By-law 1: Permits and Penalties; By-law 2: Moveable Signs; By-law 3: Roads; By-law 4: Local Government Land; By-law 5: Dogs; By-law 6: Cats; and, By-law 7: Foreshore.

Council has a competitive neutrality complaint procedure in place. No competitive neutrality complaints were received during the reporting period.

CREDIT CARDS

Credit card purchases are subject to Council's Procurement Policy requirements and made in accordance with financial purchasing delegations. A tax invoice or receipt is required to substantiate each purchase. All purchases are reconciled and processed in line with internal financial controls, and subject to further review by Council's independent Auditors.

In 2021/22 purchases totaling \$87,595 were made via credit card.

LEGAL FEES

The total expenditure for legal fees during 2021/22 was \$110,700.

A breakdown of this expenditure by activity area is provided below.

Activity Area	Expense
Building Control	\$12,312
Dog Control	\$2,500
Economic Development	\$1,000
Elected Members	\$2,861
Human Services	\$407
Organisational	\$38,533
Property & GIS	\$19,594
Rates and Administration	\$10,567
Town Planning	\$22,997
Total Expenditure	\$110,700

TRAVEL EXPENSES

No interstate or international travel was undertaken (and funded in whole or in part by the Council) by Elected Members nor staff during 2021/22.

GIFTS

No gifts above the value of \$50 were provided to Elected Members during 2021/22 and funded in whole or in part by the Council.

Gifts above the value of \$50 provided to employees of the Council during 2021/22 and funded in whole or in part by the Council included:

- \$100 - Farewell gift for 7 years of service
- \$50 - Farewell gift for 5 years of service
- \$150 - Farewell gift for 14 years of service
- \$50 - Farewell gift for 3 years of service

COUNCIL AUDITORS

Section 128 of the Local Government Act 1999 requires all councils to appoint an auditor.

In August 2020, following a competitive tendering process and upon recommendation of the Council's Audit Committee, Dean Newberry was appointed as Council's Auditor for a period of three (3) years, with an option to extend for a further two years subject to certain terms.

In 2021/22 Dean Newberry received the following remuneration from the City of Victor Harbor for their services:

- \$16,000 – Auditing Services
- \$1,360 – Travel expenses



LOOKING AHEAD TO 2022/23

Budget Overview

Our 2022/23 budget allows for the continuation of essential services for our community and development of significant infrastructure to support our growing region.

It takes into consideration the needs of our community while also providing for a financially sustainable position.

The budget forecasts a capital works program worth \$17 million, offset by \$5.2 million of grants and other revenue, and operating expenditure of \$32.9 million resulting in a \$1,092,700 deficit.

During the year, Council will work to identify efficiencies and cost savings to bring this closer to a breakeven result.

A summary of how Council will allocate its budget is provided over the following pages. It includes a breakdown of how we plan to spend every dollar of your Council rates, significant capital projects and our 2022/23 Rating Policy.

Further detail is provided online at www.victor.sa.gov.au/abp or at the Civic Centre (1 Bay Road, Victor Harbor).

HOW WE WILL INVEST IN VICTOR HARBOR'S FUTURE

How we plan to spend every dollar of your Council rates

The following shows how the City of Victor Harbor plans to spend every dollar of your Council rates in 2022/23 to help keep Victor Harbor a great place to live, work, visit and invest in.



Council rates

Each year, the Valuer General determines Capital Values for all rateable properties in the state.

The Capital Values as determined by the Valuer General are then used to calculate the Rates Payable for each property.

In 2022/23, proposed capital valuations have increased by over 20% across the City of Victor Harbor.

Over 70% of properties are affected by an increase greater than 15%.

In consideration of the significant increase in capital values, Council has reduced the differential rate in the dollar to provide an average rates payable increase of 4.7% or \$106 in 2022/23.

Find out more:

www.victor.sa.gov.au/rates





Significant major projects to be undertaken in 2022/23



Victor Harbor Mainstreet Precinct Upgrade Stage 4

Stage 4 of the Mainstreet Precinct Upgrade will see the revitalisation of the southern end of Ocean Street and Albert Place in Victor Harbor's town centre. It focuses on improving pedestrian usability, street greening and enhancing the overall appearance of the area to create a cosmopolitan space for locals and visitors alike. Council has secured grant funding to continue the project in 2022. Find out more: www.victor.sa.gov.au/mainstreet



Community, Sport and Recreation Precinct

The City of Victor Harbor will commence development of concept plans, a business case and prudential reports for a Regional Community, Sport and Recreation Precinct. The medium-scale multi-purpose community facility is needed to cater for the growing demands of indoor sport and recreation activities, at the same time as providing a welcoming and inclusive space for community members to meet and connect. Find out more: www.victor.sa.gov.au/theprecinct



Facilitating the 2022 Council Elections

The community elects their Council (including the Mayor) every four years. The next Council Elections will be taking place in the second half of 2022. Facilitating the Council Elections involves the coordination of voter enrolment, nominations to be on Council, voting, and induction of a new Council. By participating in the election, you can make a difference to everyday life in your community. Find out more: www.victor.sa.gov.au/elections



Future proofing our business systems

Council has embarked on a significant project that will see the overhaul of its business systems to future proof the organisation. The current corporate software system has been in use for 20 years and no longer meets the needs of our growing organisation. The new system will be delivered over a number of years and help to achieve cost savings, process efficiencies and a superior customer experience. Find out more: www.victor.sa.gov.au/systems



Project highlights

In addition to the major projects above, the following is a selection of significant projects scheduled for 2022/23:

- Completion of the Horse Tram Visitor Centre and Stables complex
- Upgrades to Waitpinga/Range Road, including replacement of deteriorating asphalt (subject to grant funding)
- New public toilet facilities at The Bluff Boat Ramp and designs for improved public toilet facilities at Investigator Car Park
- Preparation of detailed designs for Stage 1 of the proposed Victor Harbor Arts and Culture Centre, comprising the Victa Cinema component
- Footpath replacements along Ozone Street, Harvey Avenue, Bay Road and Swain Road
- Replacement of missing and damaged channel markers leading into the Bluff Boat Ramp
- Establishment of an Active Wellbeing Program (subject to grant funding).

Find out more at: www.victor.sa.gov.au/abp



2021/22 FINANCIAL STATEMENTS

City of Victor Harbor

Financial Statements 2022

General Purpose Financial Statements for the year ended 30 June 2022

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General Purpose Financial Statements

for the year ended 30 June 2022

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 2022 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.



Karen Rokicinski
Acting Chief Executive Officer

28/11/2022



Moira Jenkins
Mayor

28/11/2022

General Purpose Financial Statements

for the year ended 30 June 2022

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as "presenting a true and fair view" of the Council's financial results for the year and ensuring both responsibility for and ownership of the Financial Statements across Council.

What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2022.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements.

The Financial Statements incorporate 4 "primary" financial statements:

- 1. A Statement of Comprehensive Income**
A summary of Council's financial performance for the year, listing all income & expenses.
- 2. A Balance Sheet**
A 30 June snapshot of Council's financial position including its assets & liabilities.
- 3. A Statement of Changes in Equity**
The overall change for the year (in dollars) of Council's "net wealth".
- 4. A Statement of Cash Flows**
Indicates where Council's cash came from and where it was spent.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 4 Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In South Australia, the Auditor provides an audit report, with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditors that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Council Members, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the principal office of the Council and on Council's website.

City of Victor Harbor

Financial Statements 2022

Statement of Comprehensive Income for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Income			
Rates	2a	24,788	23,569
Statutory Charges	2b	710	645
User Charges	2c	2,259	2,196
Grants, Subsidies and Contributions	2g	2,283	2,526
Investment Income	2d	42	52
Reimbursements	2e	821	888
Other income	2f	122	64
Net Gain - Equity Accounted Council Businesses	19(a)	177	-
Total Income		31,202	29,940
Expenses			
Employee costs	3a	9,859	9,735
Materials, Contracts and Other Expenses	3b	12,072	10,623
Depreciation, Amortisation and Impairment	3c	7,524	7,421
Finance Costs	3d	289	393
Net loss - Equity Accounted Council Businesses	19(a)	339	3,798
Total Expenses		30,083	31,970
Operating Surplus / (Deficit)		1,119	(2,030)
Physical Resources Received Free of Charge	2h	370	483
Asset Disposal & Fair Value Adjustments	4	(1,138)	(1,057)
Amounts Received Specifically for New or Upgraded Assets	2g	1,828	1,949
Net Surplus / (Deficit)		2,179	(655)
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	56,943	29,599
Share of Other Comprehensive Income - Equity Accounted Council Businesses	19(a)	(3)	-
Total Amounts which will not be reclassified subsequently to operating result		56,940	29,599
Amounts which will be reclassified subsequently to operating result			
Other movements ⁽¹⁾		382	-
Total Amounts which will be reclassified subsequently to operating result		382	-
Total Other Comprehensive Income		57,322	29,599
Total Comprehensive Income		59,501	28,944

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

(1) Equity Adjustment for Council Businesses ownership % change (Fleurieu Regional Waste Authority) & Asset register adjustment

City of Victor Harbor

Financial Statements 2022

Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	2,110	1,863
Trade & Other Receivables	5b	1,914	1,407
Inventories	5c	291	336
Total current assets		4,315	3,606
Non-current assets			
Financial Assets	6a	183	211
Equity Accounted Investments in Council Businesses	6b	6,609	6,325
Other Non-Current Assets	6c	4,504	4,782
Infrastructure, Property, Plant & Equipment	7a(i)	362,401	304,535
Total non-current assets		373,697	315,853
TOTAL ASSETS		378,012	319,459
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	5,343	3,490
Borrowings	8b	623	1,830
Provisions	8c	2,204	2,326
Total Current Liabilities		8,170	7,646
Non-Current Liabilities			
Borrowings	8b	6,836	8,255
Provisions	8c	238	292
Total Non-Current Liabilities		7,074	8,547
TOTAL LIABILITIES		15,244	16,193
Net Assets		362,768	303,266
EQUITY			
Accumulated surplus		69,602	67,536
Asset revaluation reserves	9a	291,733	234,791
Other reserves	9b	1,433	939
Total Equity		362,768	303,266

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

City of Victor Harbor

Financial Statements 2022

Statement of Changes in Equity

for the year ended 30 June 2022

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2022					
Balance at the end of previous reporting period		67,536	234,791	939	303,266
Adjustments (Correction of Prior Period Errors)		2	(1)	-	1
Net Surplus / (Deficit) for Year	24	2,179	-	-	2,179
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	56,943	-	56,943
Other Equity Adjustments - Equity Accounted Council Businesses	19(n)	449	-	-	449
Other Movements (Asset register adjustment)		(67)	-	-	(67)
Other comprehensive income		379	56,943	-	57,322
Total comprehensive income		2,558	56,943	-	59,501
Transfers between Reserves		(494)	-	494	-
Balance at the end of period		69,602	291,733	1,433	362,768
2021					
Balance at the end of previous reporting period		67,052	206,377	878	274,307
Adjustments (Correction of Prior Period Errors)		(18)	33	-	15
Net Surplus / (Deficit) for Year	24	(655)	-	-	(655)
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	29,599	-	29,599
Other Equity Adjustments - Equity Accounted Council Businesses	19(n)	-	-	-	-
Other Movements (Asset register adjustment)		-	-	-	-
Other comprehensive income		-	29,599	-	29,599
Total comprehensive income		(655)	29,599	-	28,944
Transfers between Reserves		1,157	(1,218)	61	-
Balance at the end of period		67,536	234,791	939	303,266

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

City of Victor Harbor

Financial Statements 2022

Statement of Cash Flows

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		25,102	23,209
Statutory Charges		710	645
User Charges		1,905	2,372
Grants, Subsidies and Contributions		1,084	2,529
Investment Receipts		42	52
Reimbursements		878	950
Other Receipts		1,844	85
<u>Payments</u>			
Payments to Employees		(9,836)	(9,928)
Payments for Materials, Contracts & Other Expenses		(11,327)	(14,002)
Finance Payments		(320)	(411)
Net cash provided by (or used in) Operating Activities	11b	<u>10,082</u>	<u>5,501</u>
Cash flows from investing activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		2,467	1,949
Sale of Replaced Assets		246	29
Repayments of Loans by Community Groups		27	162
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(3,574)	(2,332)
Expenditure on New/Upgraded Assets		(6,257)	(8,144)
Net cash provided (or used in) investing activities		<u>(7,091)</u>	<u>(8,336)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Loans		5,000	4,943
Proceeds from Bonds & Deposits		-	83
<u>Payments</u>			
Repayments of Loans		(7,542)	(2,063)
Repayment of Finance Lease Liabilities		(84)	(81)
Repayment of Bonds & Deposits		(118)	-
Net Cash provided by (or used in) Financing Activities		<u>(2,744)</u>	<u>2,882</u>
Net Increase (Decrease) in Cash Held		247	47
plus: Cash & Cash Equivalents at beginning of period		1,863	1,816
Cash and cash equivalents held at end of period	11a	<u>2,110</u>	<u>1,863</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Contents of the Notes accompanying the General Purpose Financial Statements

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Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

(1) Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical Cost Convention

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

1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.3 Rounding

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

1.4 Estimates and assumptions

Whilst COVID-19 continues to impact Council operations it is not expected to have a significant financial impact on Council operations in 2022/23 above amounts taken into account during the development of the budget assuming that no 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 City of Victor Harbor is incorporated under the *South Australian Local Government Act 1999* and has its principal place of business at 1 Bay Road, Victor Harbor. 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.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are:

1. Victor Harbor Horse Tram Authority (100% Ownership Interest / 100% Voting Power)

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

(3) Income Recognition

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

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

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

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

Year	Cash Payment Received	Annual Allocation	Difference
2018/19	\$600,773	\$604,611	(\$3,838)
2019/20	\$651,756	\$614,595	\$37,161
2020/21	\$608,696	\$630,632	(\$21,936)
2021/22	\$1,029,822	\$675,574	\$354,248

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

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

Construction Contracts

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

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

(4) Cash, Cash Equivalents and other Financial Instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

(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.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Software	\$50,000
Buildings - new construction/extensions	\$10,000
Roads, Drainage & Other Infrastructure	\$10,000
Plant & Machinery	\$5,000
Minor Plant & Tools	\$1,000
Reserve Furniture & Equipment	\$1,000
Office Furniture & Equipment	\$1,000

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.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

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 on a four-year cycle or by exception when required.

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

Buildings and Other Structures	10 to 100 years
Sealed Roads	16 to 60 years
Unsealed Roads	10 to 15 years
Kerbing	60 to 70 years
Footpaths	30 to 50 years
Bridges	80 to 100 years
Traffic Devices	20 to 45 years
Stormwater Drainage	80 to 100 years
Open Space Furniture and Playgrounds	5 to 40 years
Plant and Machinery	2 to 20 years
Office Furniture and Library	5 to 10 years
Artworks	indefinite

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022**Note 1. Summary of Significant Accounting Policies (continued)****(7) Payables****7.1 Goods & Services**

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

7.2 Payments Received in Advance & Deposits

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

(8) Borrowings

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

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

(9) Employee Benefits**9.1 Salaries, Wages & Compensated Absences**

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

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

Weighted avg. discount rate 2021/22 = 3.31% (2020/21, 0.50%)

Weighted avg. settlement period 2021/22 = 5 years (2020/21, 5 years)

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.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

(10) Leases

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

10.1 Council as a lessee

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

i) Right-of-Use-Assets

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

- Property - 2 to 16 years

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

ii) Lease Liabilities

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

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

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

(11) Equity Accounted Council Businesses

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

(12) 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.

(13) New accounting standards and UIG interpretations

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.

Standards issued by the AASB not yet effective

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2022

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)

Effective for NFP annual reporting periods beginning on or after 1 January 2025

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2021-7))

(14) Comparative Figures

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

Agency staff employed by a third party - a prior period adjustment has been processed to correctly classify amounts paid as Materials, Contracts and Other Expenses as they are not employed by City of Victor Harbor. The amount is not considered material and with correct treatment moving forward no further adjustments are anticipated.

(15) Disclaimer

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

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 2. Income

\$ '000	2022	2021
(a) Rates		
General Rates		
General Rates	24,575	23,387
Less: Mandatory Rebates	(254)	(249)
Less: Discretionary Rebates, Remissions & Write Offs	(40)	(37)
Total General Rates	24,281	23,101
Other Rates (Including Service Charges)		
Landscape Levy	409	405
Total Other Rates (Including Service Charges)	409	405
Other Charges		
Penalties for Late Payment	63	63
Legal & Other Costs Recovered	35	-
Total Other Charges	98	63
Total Rates	24,788	23,569
(b) Statutory Charges		
Development Act & Town Planning Fees	429	360
Health & Septic Tank Inspection Fees	32	22
Animal Registration Fees & Fines	145	143
Parking Fines / Expiation Fees	26	36
Search Fees	61	69
Other Statutory Charges	17	15
Total Statutory Charges	710	645
(c) User Charges		
Cemetery/Crematoria Fees	163	164
Parking Fees	103	141
Caravan Park	258	251
Community Transport	102	96
Recreation Centre	82	69
Tourism Marketing & Sales	744	679
Other Leases, Hire & Rentals	346	282
Other User Charges	31	72
Horse Drawn Tram (Note 19)	430	442
Total User Charges	2,259	2,196

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 2. Income (continued)

\$ '000	2022	2021
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(d) Investment Income

Interest on Investments		
- Local Government Finance Authority	30	23
- Banks & Other	-	1
- Loans to Community Groups	12	28
Total Investment Income	42	52

(e) Reimbursements

Private Works	5	5
Community Assistance Program Contributions	566	616
Employee Reimbursements	4	6
Utilities, Insurance and Cleaning	72	69
Other Reimbursements	174	192
Total Reimbursements	821	888

(f) Other income

Sundry	48	56
Donations and Contributions	74	8
Total Other income	122	64

(g) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	1,828	1,949
Total Amounts Received Specifically for New or Upgraded Assets	1,828	1,949
Untied - Financial Assistance Grants	452	269
Roads to Recovery & LRCI Program	274	916
Other Grants, Subsidies and Contributions	980	1,001
Individually Significant Item - Additional Grants Commission Payment (refer below)	577	340
Total Other Grants, Subsidies and Contributions	2,283	2,526
Total Grants, Subsidies, Contributions	4,111	4,475

The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth Government	1,938	2,133
State Government	2,149	2,090
Other	24	252
Total	4,111	4,475

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 2. Income (continued)

\$ '000	2022	2021
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(ii) Individually Significant Items

Grant Commission (FAG) Grant Recognised as Income	577	340
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Grant Commission

The Grant Commission item was a prepayment of part of Council's 2022/23 Grant Commission (FAG) Grant.

(h) Physical Resources Received Free of Charge

Roads, Bridges & Footpaths	370	277
Stormwater Drainage	-	130
Kerbing	-	76
Total Physical Resources Received Free of Charge	370	483

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 3. Expenses

\$ '000	Notes	2022	2021
(a) Employee costs			
Salaries and Wages		7,335	7,694
Employee Leave Expense		1,490	1,192
Superannuation - Defined Contribution Plan Contributions	18	811	767
Superannuation - Defined Benefit Plan Contributions	18	111	125
Workers' Compensation Insurance		240	195
Other Employee Related Costs		280	225
Less: Capitalised and Distributed Costs		(388)	(483)
Total Operating Employee Costs		9,859	9,735
Total Number of Employees (full time equivalent at end of reporting period)		112	106
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		17	9
Elected Members' Expenses		191	206
Election Expenses		6	5
Operating Lease Rentals - Non-Cancellable Leases			
- Minimum Lease Payments		79	81
Subtotal - Prescribed Expenses		293	301
(ii) Other Materials, Contracts and Expenses			
Contractors		2,477	1,664
Legal Expenses		111	136
Levies Paid to Government - Landscape Levy		409	405
Levies - Other		21	49
Professional Services		546	738
Materials		682	579
Energy, Fuel and Water		824	728
Insurances		551	504
Waste and Cleaning Services		2,273	1,913
Information and Communications		935	802
Donations and Contributions		337	220
Regional Board Contributions		544	416
Horse Drawn Tram (Note 19)		709	735
Sundry		1,360	1,435
Subtotal - Other Material, Contracts & Expenses		11,779	10,322
Total Materials, Contracts and Other Expenses		12,072	10,623
(vi) Individually significant items			
Fleurieu Regional Waste Authority (FRWA)		-	3,446
In March 2021, FRWA undertook testing of its recycled road base materials at the Goolwa Waste Recycling Depot and found that the stockpile contained asbestos.			
FRWA notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of materials containing			

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 3. Expenses (continued)

asbestos from identified properties in South Australia, in accordance with specific remediation plans.

FRWA raised a provision for remediation costs of \$9,877,286 at 30 June 2021 representing the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of material containing asbestos from identified properties.

The City of Victor, as at 30 June 2022, holds a 30% equity share of FRWA (35% in 2020/21).

\$ '000	2022	2021
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings & Other Structures	1,245	1,218
Infrastructure		
- Sealed Roads	2,290	2,283
- Unsealed Roads	457	444
- Stormwater Drainage	531	523
- Kerbing	314	310
- Footpaths	361	324
- Bridges	305	305
- Open Space	708	857
- Carparks & Traffic	277	283
- Other Infrastructure	179	172
Right-of-use Assets	86	86
Plant & Equipment	647	523
Furniture & Fittings	86	85
Library Books	-	154
Goodwill (Victa Cinema)	38	21
Subtotal	7,524	7,348
(ii) Impairment		
Goodwill (Victa Cinema)	-	73
Subtotal	-	73
Total Depreciation, Amortisation and Impairment	7,524	7,421
(d) Finance Costs		
Interest on Loans	279	380
Charges on Operating Finance Leases	10	13
Total Finance Costs	289	393

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2022	2021
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	246	29
Less: Carrying Amount of Assets Sold	(1,384)	(1,086)
Gain (Loss) on Disposal	(1,138)	(1,057)
<u>Net Gain (Loss) on Disposal or Revaluation of Assets</u>	<u>(1,138)</u>	<u>(1,057)</u>

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 5. Current Assets

\$ '000	2022	2021
(a) Cash & Cash Equivalent Assets		
Cash on Hand at Bank	594	139
Deposits at Call	1,516	1,724
Total Cash & Cash Equivalent Assets	2,110	1,863
(b) Trade & Other Receivables		
Rates - General & Other	442	794
Council Rates Postponement Scheme	202	164
Accrued Revenues	402	238
Debtors - General	101	109
State Government Programs & Reimbursements	572	12
GST Recoupment	-	33
Prepayments	167	28
Loans to Community Organisations	28	27
Other - Victa Cinema Distributer Bonds	-	2
Subtotal	1,914	1,407
Total Trade & Other Receivables	1,914	1,407
(c) Inventories		
Stores & Materials	271	297
Trading Stock	20	39
Total Inventories	291	336

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 6. Non-Current Assets

\$ '000	2022	2021
(a) Financial Assets		
Receivables		
Loans to Community Organisations	183	211
Subtotal	183	211
Total Receivables	183	211
Total Financial Assets	183	211

\$ '000	Notes	2022	2021
(b) Equity Accounted Investments in Council Businesses			
Fleurieu Regional Aquatic Centre Authority	19(a)i	9,124	9,466
Fleurieu Regional Waste Authority	19i	(2,515)	(3,141)
Total Equity Accounted Investments in Council Businesses		6,609	6,325

(c) Other Non-Current Assets

Other			
Capital Works-in-Progress		4,504	4,782
Total Other		4,504	4,782
Total Other Non-Current Assets		4,504	4,782

Disclosure

Intangible Assets

During the 2020/21 financial year, Council purchased the Victa Cinema including the land, building, furniture and fittings, plant and equipment and the business itself. The purchase of the business is represented as Goodwill within the statements and whilst classification as an intangible asset would normally see reporting in Note 6 - it continues to be included in Note (7a) for ease of presentation to users of the Financial Statements to adequately disclose the purchase, impairment and future amortisation.

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment

(a(i)) Infrastructure, Property, Plant & Equipment

	Fair Value Level	Asset movements during the reporting period																		
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions / New Uppgrades	Asset Additions / Reversals	MOV of Depreciation Expense in P/L (Note 30) & Transfers	Impairment Loss (reversed in P/L) (Note 30) & Transfers	Revaluation Increment to Equity (ASR) Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount						
\$ '000																				
Lands - Community	3	48,423	-	-	48,423	2,329	-	-	-	979	-	49,401	2,330	-	51,731					
Lands - Other	3	16,209	856	-	17,065	-	-	-	-	(979)	-	15,230	856	-	16,086					
Buildings & Other Structures	3	53,645	1,245	(15,747)	39,143	-	202	(74)	(1,237)	-	-	54,890	94	(16,950)	38,034					
Buildings & Other Structures	2	401	-	(349)	42	-	-	-	(8)	-	-	401	-	(367)	34					
Infrastructure																				
- Sealed Roads	3	94,931	4,143	(29,346)	69,728	232	746	(199)	(2,290)	-	27,092	141,927	-	(46,617)	95,310					
- Unsealed Roads	3	8,301	261	(3,995)	4,567	-	117	(61)	(467)	-	4,792	12,927	-	(3,969)	8,958					
- Stormwater Drainage	3	59,732	-	(15,947)	43,785	513	-	(20)	(531)	-	2	59,732	484	(16,467)	43,749					
- Kerbing	3	23,500	1,315	(9,036)	17,179	169	68	(37)	(314)	-	21,382	50,427	-	(11,990)	38,437					
- Footpaths	3	11,508	3,094	(4,129)	10,473	709	665	(129)	(361)	-	1,663	18,865	-	(6,944)	12,921					
- Bridges	3	26,878	-	(5,105)	21,773	-	-	-	(305)	-	-	26,878	-	(6,411)	21,467					
- Open Space	3	15,657	3,236	(5,654)	13,239	1,542	322	(81)	(708)	-	68	15,657	6,028	(6,304)	14,381					
- Carparks & Traffic	3	9,481	2,228	(2,999)	8,710	578	-	(102)	(277)	-	2,044	13,033	-	(2,060)	10,973					
- Other Infrastructure	3	-	5,749	(1,729)	4,020	-	426	(326)	(179)	-	-	-	5,794	(1,953)	3,841					
Plant & Equipment		491	-	(172)	319	-	-	(86)	(86)	-	-	491	-	(258)	233					
Right-of-Use Assets		-	10,171	(5,380)	4,791	195	939	(354)	(647)	-	-	(1)	10,425	(5,441)	4,983					
Furniture & Fixings		-	2,181	(1,453)	728	-	29	(1)	(86)	-	-	-	2,205	(1,535)	670					
Artworks	3	354	-	-	354	-	-	-	-	-	-	354	-	-	354					
Geobvill (Vista Cinema)		-	290	(94)	196	-	-	-	(38)	-	-	-	290	(131)	159					
Total Infrastructure, Property, Plant & Equipment		359,911	34,769	(100,145)	304,535	6,257	3,574	(1,384)	(7,524)	-	56,943	460,212	27,506	(125,317)	392,401					
Comparatives		336,601	34,919	(99,754)	272,966	9,144	2,333	(1,086)	(7,348)	(73)	29,599	369,911	34,769	(100,145)	304,535					

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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

(b) Valuation of Infrastructure, Property, Plant & Equipment

Valuation of Assets

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

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

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Intangible Assets - Goodwill relates to the purchase of the Victa Cinema business.

Whilst Goodwill is not classified as Infrastructure, Property, Plant and Equipment, it has been included in Note (7a) for ease of presentation to users of the Financial Statements and to adequately disclose the purchase, impairment and future amortisation of the Goodwill.

Information on Valuations

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 buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

Transfers between fair value hierarchy levels

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

Other Information

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

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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

depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

The following non financial assets of Council are being utilised at other than their 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 1991. 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 provincial 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

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below. Other adjustments for found or re-measured assets not included below have been processed against the revelation reserve as shown in Note 7 and do not represent a formal revaluation of these asset classes.

Capitalisation Thresholds

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.

Software	\$50,000
Buildings	\$10,000
Roads, Drainage and other infrastructure	\$10,000
Plant and Machinery	\$5,000
Reserve Furniture and Equipment	\$1,000
Office Furniture and Equipment	\$1,000
Minor Plant and Loose Tools	\$1,000

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 a greater or lesser amount:

Buildings and Other Structures	10 to 100 years
Sealed Roads	16 to 60 years
Unsealed Roads	10 to 15 years
Kerbing	80 to 70 years
Footpaths	30 to 50 years
Bridges	80 to 100 years
Traffic Devices	20 to 45 years
Stormwater Drainage	80 to 100 years
Open Space Furniture and Playgrounds	5 to 40 years
Plant and Machinery	2 to 20 years
Office Furniture and Library	5 to 10 years
Artworks	indefinite

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

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

Asset Revaluations

Land & Land Improvements

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2020
- Valuer: Public Private Property

The next scheduled revaluation of these assets is to be undertaken in **2023/24**

Buildings

- Basis of valuation: Fair Value / Market Value / At Cost
- Date of valuation: 1 July 2020
- Valuer: Public Private Property

The next scheduled revaluation of these assets is to be undertaken in **2023/24**

Infrastructure

Car Parks and Traffic Devices

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2022
- Valuer: Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in **2025/26**

Open Space

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2018
- Valuer: Assetic Pty Ltd

The next schedule revaluation of these assets is to be undertaken in **2023/24**

Roads, Kerbs and Footpaths

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2022
- Valuer: Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in **2025/26**

Bridges

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2020
- Valuer: City of Victor Harbor

The next scheduled revaluation of these assets is to be undertaken in **2023/24**

Other Infrastructure

These assets are recognised at cost

Plant & Equipment

These assets are recognised at cost.

Furniture & Fittings

Artworks

- Basis of valuation: Fair Value
- Date of Valuation: 1 July 2019
- Valuer: Theodore Bruce Auctions

The next scheduled revaluation of these assets is to be undertaken in **2024/25**

All other assets are recognised at cost.

As a result of the valuation undertaken in 2022 it is estimated that depreciation expense for the following financial year will increase by \$1.25M.

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 8. Liabilities

\$ '000	2022		2021	
	Current	Non Current	Current	Non Current
(a) Trade and Other Payables				
Goods & Services	4,427	-	1,971	-
Payments Received in Advance	452	-	995	-
Accrued Expenses - Employee Entitlements	126	-	79	-
Accrued Expenses - Finance Costs	30	-	61	-
Accrued Expenses - Other	298	-	256	-
Deposits, Retentions & Bonds	10	-	128	-
Total Trade and Other Payables	5,343	-	3,490	-

\$ '000	Notes	2022		2021	
		Current	Non Current	Current	Non Current
(b) Borrowings					
Loans		803	6,808	1,746	8,005
Lease Liabilities	17b	20	230	84	250
Total Borrowings		623	6,836	1,830	8,255

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

(c) Provisions

Long Service Leave	989	115	1,170	138
Annual Leave	1,205	-	1,146	-
Landfill Depot Remediation Liability	10	123	10	154
Total Provisions	2,204	238	2,326	292

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 9. Reserves

\$ '000	as at 30/06/21	Increments (Decrements)	Transfers	as at 30/06/22
	Opening Balance			Closing Balance
(a) Asset Revaluation Reserve				
Land - Community	47,698	-	-	47,698
Land - Other	1,432	-	-	1,432
Buildings & Other Structures	34,105	-	-	34,105
Infrastructure				
- Sealed Roads	72,132	27,092	-	99,224
- Unsealed Roads	-	4,792	-	4,792
- Stormwater Drainage	26,907	2	-	26,909
- Kerbing	8,446	21,382	-	29,828
- Footpaths	6,092	1,563	-	7,655
- Bridges	19,595	-	-	19,595
- Open Space	10,047	68	-	10,115
- Carparks & Traffic	4,623	2,044	-	6,667
- Other Infrastructure	1,536	-	-	1,536
Artworks	177	-	-	177
Total Asset Revaluation Reserve	234,790	56,943	-	291,733
Comparatives	206,377	29,599	(1,186)	234,790
(b) Other Reserves				
\$ '000	as at 30/06/21	Tfrs to Reserve	Tfrs from Reserve	as at 30/06/22
	Opening Balance			Closing Balance
Car Park Development	2	-	-	2
Developers Contributions	278	1	-	279
Economic Development	484	169	(316)	337
Open Space	142	1	-	143
Renewable Energy	33	-	(1)	32
SCOTS Bequest	-	56	-	56
Major Unspent Grants	-	584	-	584
Total Other Reserves	939	811	(317)	1,433
Comparatives	878	350	(269)	939

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9. Reserves (continued)

Purposes of Reserves

Asset Revaluation Reserves

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

Other Reserves

Car Park Development

Developer Contributions are used for planning, design and construction of car parking facilities within the prescribed area.

Developers Contributions

Developer contributions are used for the construction of footpaths, drainage and other infrastructure.

Economic Development

From commercial/industrial rates and used for economic development initiatives including tourism.

Renewable Energy

Contributions from solar programs participants and contractors and used for renewable energy initiatives.

Open Space

Monies held from creation of sub-divisions to be utilised for future open space projects.

SCOTS Bequest

Monies held from the a estate bequest to be utilised for the Southern Communities Transport Scheme.

Note 10. Assets Subject to Restrictions

Council does not hold any assets subject to restrictions

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2022	2021
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(a) Reconciliation of Cash

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

Total Cash & Equivalent Assets	5	2,110	1,863
Balances per Statement of Cash Flows		2,110	1,863

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

Net Surplus/(Deficit)		2,179	(655)
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		7,524	7,421
Equity Movements in Equity Accounted Investments (Increase)/Decrease		162	3,404
Non-Cash Asset Acquisitions		(370)	(483)
Grants for capital acquisitions treated as Investing Activity		(1,828)	(1,949)
Net (Gain) Loss on Disposals		1,138	1,057
Other (WIP expensed from prior years)		197	-
Asset register disposal adjustment		62	(474)
		<u>9,064</u>	<u>8,321</u>
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(506)	(131)
Net (Increase)/Decrease in Inventories		45	5
Net Increase/(Decrease) in Trade & Other Payables		1,971	(2,964)
Net Increase/(Decrease) in Other Provisions		(176)	(203)
Net Increase/(Decrease) in Other Liabilities		(316)	474
Net Cash provided by (or used in) operations		<u>10,082</u>	<u>5,502</u>

\$ '000	Notes	2022	2021
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(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:			
Physical Resources Received Free of Charge	2h	370	483
Amounts recognised in Income Statement		<u>370</u>	<u>483</u>
Total Non-Cash Financing and Investing Activities		<u>370</u>	<u>483</u>

(d) Financing Arrangements

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

Corporate Credit Cards		60	36
LGFA Cash Advance Debenture Facility		13,874	13,055



City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 11. Reconciliation to Statement of Cash Flows (continued)

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

City of Victor Harbor

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 12(a). Functions

\$ '000	INCOME		EXPENSES		SURPLUS (DEFICIT)		OPERATING		GRANTS INCLUDED		TOTAL ASSETS HELD	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Income, Expenses and Assets have been directly attributed to the following Functions / Activities.												
Details of these Functions/Activities are provided in Note 12(b).												
	1,461	1,280	1,733	1,736	(272)	(456)	-	-	813	600	9,547	10,351
Business Undertakings	1,841	1,855	2,836	2,646	(995)	(791)	813	600	116	485	6,604	6,264
Community Services	180	546	1,707	1,522	(1,527)	(976)	116	485	10	320	512	550
Culture	87	509	1,490	1,134	(1,403)	(625)	10	320	23	32	-	-
Economic Development	211	48	4,352	7,565	(4,141)	(7,517)	23	32	-	-	43,750	43,785
Environment	188	154	3,385	2,903	(3,217)	(2,748)	-	5	-	-	27,196	26,454
Recreation	661	593	2,422	2,425	(1,761)	(1,842)	-	-	274	274	235	246
Regulatory Services	286	294	4,908	4,730	(4,622)	(4,446)	274	274	-	-	188,213	132,482
Transport & Communication	73	56	2,435	2,013	(2,362)	(1,957)	-	-	-	-	4,708	4,548
Plant Hire & Depot/Indirect	252	218	1,049	1,156	(797)	(938)	-	-	-	-	81,417	78,449
Unclassified Activities	195	233	3,766	4,141	(3,571)	(3,908)	17	1	1,030	609	15,830	16,330
Council Administration	25,787	24,174	-	-	25,787	24,174	1,030	609	-	-	-	-
Revenue	31,202	29,940	30,083	31,971	1,119	(2,031)	2,283	2,526	378,012	319,459		
Total Functions/Activities												

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 12(b). Components of Functions

The activities relating to Council functions are as follows:

Business Undertakings

Caravan Parks, Victa Cinema, Private Works, Horse Drawn Tram and Whale Centre.

Community Services

Crime Prevention, Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Health Services, Community Support, Senior Citizens Facilities, Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Cemeteries, Public Conveniences, Car Parking and Star Club.

Culture

Library Services, Town Hall and Other Cultural Services.

Economic Development

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

Environment

Waste Services, Coastal Protection, Environment Projects, Stormwater Drainage, Natural Resource Management, Street Cleaning, Street Lighting and Streetscaping.

Recreation

Parks and Gardens, Indoor and Outdoor Sporting Facilities.

Regulatory Services

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

Transport

Bridges, Community Bus Service, Footpaths and Kerbing, Roads – sealed and unsealed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

Plant Hire & Depot

Plant and Machinery, Depot and Indirect Works.

Unclassified Activities

Other Property, Loans and Interest.

Council Administration

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

Revenue

General Rates, Separate Rates, LG Grants Commission.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 13. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 0.30% and 1.05% (2021: 0.30% and 0.45%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - Rates & Associated Charges

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 5.05% (2021: 5.2%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Fees & Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

Liabilities - Creditors and Accruals

Accounting Policy:

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

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities - Interest Bearing Borrowings

Accounting Policy:

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

Terms & Conditions:

Secured over future revenues, borrowings are repayable half yearly for fixed rate loans and periodically within the term for variable (Cash Advance Debenture) borrowing; interest is charged at fixed rates between 3.25% and 6.75% (2021 4.40% and 6.75%), and variable rates between 1.30% and 2.05% (2021 1.30% and 2.20%).

Carrying Amount:

Approximates fair value.

Liabilities - Leases

Accounting Policy:

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

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets and Liabilities					
2022					
Financial Assets					
Cash & Cash Equivalents	2,110	–	–	2,110	2,110
Receivables	1,758	–	–	1,758	1,747
Other Financial Assets	–	119	112	231	183
Total Financial Assets	3,868	119	112	4,099	4,040
Financial Liabilities					
Payables	4,891	–	–	4,891	4,891
Current Borrowings	853	–	–	853	803
Non-Current Borrowings	–	3,831	3,847	7,678	6,806
Leases	28	88	196	312	250
Total Financial Liabilities	5,772	3,919	4,043	13,734	12,350
2021					
Financial Assets					
Cash & Cash Equivalents	1,863	–	–	1,863	1,863
Receivables	1,391	–	–	1,391	1,379
Other Financial Assets	–	129	141	270	211
Total Financial Assets	3,254	129	141	3,524	3,453
Financial Liabilities					
Payables	2,495	–	–	2,495	2,495
Current Borrowings	2,003	–	–	2,003	1,746
Non-Current Borrowings	–	7,399	1,446	8,845	8,005
Leases	93	94	218	405	334
Total Financial Liabilities	4,591	7,493	1,664	13,748	12,580

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

\$ '000	2022		2021	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	3.61%	7,459	5.34%	10,085
		<u>7,459</u>		<u>10,085</u>

Net Fair Value

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any 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.

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 14. Capital Expenditure Commitments

\$'000	2022	2021
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	278	83
Infrastructure	5,927	182
Plant & Equipment	1,450	–
	<u>7,655</u>	<u>265</u>
These expenditures are payable:		
Not later than one year	7,164	285
Later than one year and not later than 5 years	491	–
	<u>7,655</u>	<u>265</u>

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 15. Financial Indicators

	Indicator 2022	Indicators 2021	Indicators 2020
<p>Financial Indicators overview <i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i></p>			
1. Operating Surplus Ratio			
Operating Surplus			
<hr/> Total Operating Income	3.6%	(6.8)%	0.6%
<p><i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i></p>			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities			
<hr/> Total Operating Income	35%	42%	44%
<p><i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i></p>			
Adjusted Operating Surplus Ratio			
Operating Surplus			
<hr/> Total Operating Income	2.5%	(6.7)%	0.4%
Adjustments to Ratios			
<p><i>In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i></p>			
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities			
<hr/> Total Operating Income	36%	42%	44%
3. Asset Renewal Funding Ratio			
Asset Renewals			
<hr/> Infrastructure & Asset Management Plan required expenditure	53%	54%	97%
<p><i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i></p>			

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 16. Uniform Presentation of Finances

\$ '000	2022	2021
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	31,202	29,940
less Expenses	(30,083)	(31,970)
Operating Surplus / (Deficit)	1,119	(2,030)
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(3,574)	(2,332)
add back Depreciation, Amortisation and Impairment	7,524	7,421
add back Proceeds from Sale of Replaced Assets	246	29
	4,196	5,118
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(6,257)	(8,144)
add back Amounts Received Specifically for New and Upgraded Assets	2,467	1,949
	(3,790)	(6,195)
Net Lending / (Borrowing) for Financial Year	1,525	(3,107)

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Property Leases

Council continues to recognise the following two (2) Right of Use leases that have been accounted for since 1 July 2020:

The portion of the Victor Harbor Foreshore Reserve known as the Visitor Information Centre. Council holds a lease over this property until 28 July 2022, with fixed monthly repayments subject to annual review, and

The portion of land known as the Civic Centre carpark, which provides a first ten (10) year right of renewal through to 30 September 2026, and a further second right of renewal commencing 1 October 2026 expiry 30 September 2036. Annual rent is payable in monthly instalments, with an annual CPI increment. Council has valued this Right of Use Asset on the basis that the second right of renewal will be taken up.

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

(a) Right of use assets

\$ '000	Right of Use Asset	Total
2022		
Opening balance	319	319
Depreciation charge	(86)	(86)
Balance at 30 June	233	233
2021		
Opening balance	405	405
Depreciation charge	(86)	(86)
Balance at 30 June	319	319

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 17. Leases (continued)

(b) Lease liabilities

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

\$ '000	2022	2021
Balance at 1 July	334	414
Accretion of interest	10	13
Payments	(94)	(93)
Balance at 30 June	250	334
Classified as:		
Current	20	84
Non Current	230	250

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

The Group had total cash outflows for leases of \$92,050.

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	86	86
Interest expense on lease liabilities	10	13
Total amount recognised in profit or loss	96	99

(ii) Council as a lessor

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable).

Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

\$ '000	2022	2021
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	330	336
Later than one year and not later than 5 years	1,207	1,277
Later than 5 years	3,170	3,429
	4,707	5,042

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 18. Superannuation

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (10.00% in 2021/22; 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 2020/21) 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.

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 19(a). Interests in Other Entities

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

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2022	2021	2022	2021
Council's Share of Net Income				
Joint Ventures	(162)	(3,798)	6,609	6,325
Total Council's Share of Net Income	(162)	(3,798)	6,609	6,325

(i) Joint Ventures, Associates and Joint Operations

(a) Carrying Amounts

\$ '000	Principal Activity	2022	2021
Fleurieu Regional Aquatic Centre Authority	Aquatic Centre	9,124	9,466
Fleurieu Regional Waste Authority	Waste Management	(2,515)	(3,141)
Total Carrying Amounts - Joint Ventures & Associates		6,609	6,325

Fleurieu Regional Aquatic Centre Authority

A joint initiative between the City of Victor Harbor and Alexandrina Council, the Fleurieu Regional Aquatic Centre is owned by the Fleurieu Regional Aquatic Centre Authority (FRACA). The City of Victor Harbor and Alexandrina Council are joint owners of the FRACA owing 50% each.

Fleurieu Regional Waste Authority

Established by the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council in July 2010, this organisation is responsible for the waste management function across the Fleurieu and Kangaroo Island Council areas.

(b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2022	2021	2022	2021	2022	2021
Fleurieu Regional Aquatic Centre Authority	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Fleurieu Regional Waste Authority	30.00%	35.00%	30.00%	35.00%	25.00%	25.00%

(c) Movement in Investment in Joint Venture or Associate

\$ '000	Fleurieu Regional Aquatic Centre Authority		Fleurieu Regional Waste Authority	
	2022	2021	2022	2021
Opening Balance	9,466	9,818	(3,141)	308
Share in Operating Result	(339)	(352)	177	(3,447)
Share in Other Comprehensive Income	(3)	-	-	-
Adjustments to Equity	-	-	449	-
Council's Equity Share in the Joint Venture or Associate	9,124	9,466	(2,515)	(3,141)

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 19(a). Interests in Other Entities (continued)

(d) Summarised Financial Information of the Equity Accounted Business

\$ '000	Fleurieu Regional Aquatic Centre Authority		Fleurieu Regional Waste Authority	
	2022	2021	2022	2021
Statement of Financial Position				
Cash and Cash Equivalents	688	749	2,590	1,385
Other Current Assets	159	79	576	987
Non-Current Assets	17,590	18,245	4,536	4,327
Total Assets	18,437	19,073	7,702	6,699
Current Trade and Other Payables	190	137	2,614	2,270
Current Financial Liabilities	–	–	599	811
Current Provisions	–	3	5,647	10,154
Non-Current Trade and Other Payables	–	–	7,179	182
Non-Current Financial Liabilities	–	–	–	2,191
Non-Current Provisions	–	–	46	65
Total Liabilities	190	140	16,085	15,673
Net Assets	18,247	18,933	(8,383)	(8,974)
Statement of Comprehensive Income				
Other Income	2,704	2,785	10,407	9,221
Total Income	2,704	2,785	10,407	9,221
Employee Costs	43	58	3,082	3,085
Materials, Contracts & Other Expenses	2,650	2,758	5,847	15,239
Depreciation, Amortisation and Impairment	689	686	813	659
Finance Costs	–	–	75	99
Total Expenses	3,382	3,502	9,817	19,082
Other Revenue / Expense Items	–	14	–	13
Operating Result	(678)	(703)	590	(9,848)

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 19(b). Controlled Entities

Subsidiaries

Council's consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 10 and the accounting policy described in Note 1(c).

Name of Operation/Entity	Principal Activity and Place of Business
Victor Harbor Horse Tram Authority	Tourism Services, Victor Harbor Causeway

Interests in Subsidiary \$ '000	Ownership 2022	Ownership 2021	Voting Rights 2022	Voting Rights 2021
Council's Interest in Subsidiary	100%	100%	100%	100%
Non-Controlling Interest in Subsidiary	0%	0%	0%	0%
Total Interests in Subsidiary	100	100	100	100

The nature and extent of significant restrictions relating to the Subsidiary

The Victor Harbor Horse Tram Authority is a subsidiary of the City of Victor Harbor established under section 42 of the *Local Government Act 1999* to oversee the operations, business development and marketing of Victor Harbor's iconic Horse Tram service.

The Authority is subject to the direction and control of the City of Victor Harbor.

The Horse Tram Authority has 5 members - one elected member and four independent members. The independent members are appointed by the City of Victor Harbor.

The City of Victor Harbor is partially funding the Authority covering any deficit that the Authority makes.

A Board has been established to ensure that all plans, targets, structures, systems and practices required or applied to the Authority by the City of Victor Harbor are in place.

The nature of risks associated with Council's interests in the Subsidiary

All property held by the Authority is accounted for by the City of Victor Harbor. Written Down Value of Non-Current Assets of \$814,455 as at 30 June 2022.

The Annual Budget of the Authority is approved by the City of Victor Harbor.

Council intends to continue to partially fund the Authority with a service level and lease agreement under development as at 30 June 2022.

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 19(b). Controlled Entities (continued)

Summarised Financial Information for the Subsidiary

Summarised Financial Information for the Subsidiary

\$ '000

Summarised Statement of Comprehensive Income

Revenue	845	857
Expenses	(831)	(878)
Profit for the Period	14	(21)
Total Comprehensive Income	14	(21)

Summarised Statement of Financial Position

Current Assets	99	108
Non Current Assets	163	152
Total Assets	262	258
Current Liabilities	162	145
Non Current Liabilities	102	129
Total Liabilities	264	274
Net Assets	(2)	(16)

Summarised Statement of Cash Flows

Cash Flows from Operating Activities	16	5
Net increase (decrease) in Cash and Cash Equivalents	16	5

Transactions with Council

Aggregate amount of transactions with Council

Note 20. Non-Current Assets Held for Sale & Discontinued Operations

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

1. Land under roads

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

At reporting date, Council controlled 391.0 km of made road surface of average width 6.5 metres.

2. Potential insurance losses

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

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

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

3. Bank guarantees

Council 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 Planning Development and Infrastructure Act 2016 (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 notice of appeals against planning decisions made prior to reporting date.



City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2022, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Council is unaware of any "adjusting events" that merit disclosure.

City of Victor Harbor

Financial Statements 2022

Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 23. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel (KMP) of the Council include the Elected Members, Chief Executive Officer and certain prescribed officers under section 112 of the *Local Government Act 1999*.

In 2021/22, Council paid allowances to nine Elected Members (2020/21 = 10 Elected Members).

In 2021/22 there were 18 employees classified as Key Management Personnel (2020/21 = 19 employees). This year had minimal movement, with one staff leaving their position and one role re-classified.

In all, 27 persons were paid the following total compensation:

\$ '000	2022	2021
The compensation paid to Key Management Personnel comprises:		
Salaries, allowances & other short term benefits - Employees	2,212	2,162
Salaries, allowances & other short term benefits - Elected Members	183	195
Total	2,395	2,357

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

One KMP has a relationship with Oops Security Pty Ltd.
Council paid this entity \$4,511 in 2021/22 (\$3,763 in 2020/21).

Independent Auditor's Report

To the members of the City of Victor Harbor

Opinion

We have audited the accompanying financial report of City of Victor Harbor (the Council), which comprises the statement of financial position as at 30 June 2022, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Council determines is necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

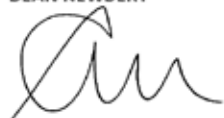
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Council.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DEAN NEWBERY



Samantha Creten
Partner

Signed on the 30th day of November 2022,
at 214 Melbourne Street, North Adelaide

DeanNewbery

Chartered
Accountants

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North Adelaide SA 5006

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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF CITY OF VICTOR HARBOR

Opinion

In our opinion, the City of Victor Harbor (the Council) has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating 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 2021 to 30 June 2022.

Basis for opinion

We have audited the Internal Controls of the Council under 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 2021 to 30 June 2022 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

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* 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 Independence and Quality Control

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

Assurance Practitioner's Responsibilities

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 have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) 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.

Limitations of Controls

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

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

DEAN NEWBERY



SAMANTHA CRETEN
PARTNER

Signed on the 30th day of November 2022
at 214 Melbourne Street, North Adelaide, South Australia, 5006

City of Victor Harbor

Financial Statements 2022

General Purpose Financial Statements
for the year ended 30 June 2022

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the City of Victor Harbor for the year ended 30 June 2022, the Council's Auditor, Dean Newbery has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Karen Rokicinski
Acting Chief Executive Officer



David Papa
Presiding Member, Audit Committee

Date: 28 November 2022

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of City of Victor Harbor for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



SAMANTHA CRETEN

Partner

DEAN NEWBERY

Dated this 30th day of November 2022



GLOSSARY



KEY TERMS AND ACRONYMS

ABS - Australian Bureau of Statistics

Advocacy - campaigning on behalf of constituencies to state and federal levels of government, statutory authorities and other sectors.

Asset - A facility or part of a facility that is owned and controlled by the Council.

Asset Management Plans - Developed in accordance with the Local Government Act 1999, strategies to guide management, inspection, maintenance and replacement of the Council's key assets.

Budget - Council's planned allocation of monetary resources for a financial year.

By-Law - Regulations established by the Council pursuant to the Local Government Act 1999.

CAP - Council Assessment Panel

Capital Expenditure - Expenditure made by the Council which results in the creation or improvement of an asset.

Capital Works - Any work undertaken to establish, renew, expand and upgrade Council assets.

CASPAC - City Activation and Strategic Planning Advisory Committee

CEO - Chief Executive Officer

CFS - Country Fire Service

Civic Centre - The premises where municipal offices are situated. The City of Victor Harbor's Civic Centre is also home to the Council Chambers where formal meetings of the Council are held, the Victor Harbor Library, and the customer service desk that handles requests, enquiries and payment from ratepayers and the general public.

Community - The City of Victor Harbor's community can refer to the collective group of residents, businesses, ratepayers, visitors, investors and stakeholders who have an interest in happenings in the region.

Community Plan 2030 - The Council's Strategic Management Plan which sets out the Vision and future strategic directions for the Council.

Council - The elected representatives of the Council or the City of Victor Harbor organisation as a whole.

Councillors - The elected representatives of the Council.

CSAS - Coral Street Art Space

Depreciation - Reduction in the value of an asset over time.

DEW - Department for Environment and Water

DIT - Department for Infrastructure and Transport

Elected Members - The elected representatives of the Council.

Engagements - Measures the public shares, likes, comments and interactions of content posted on social media.

Enterprise Bargaining - The process of negotiation between management and employees or their representatives to reach agreement regarding terms and conditions of employment.

Environmental Sustainability - The management of resources (anything obtained from the natural environment to meet our needs, such as water, air, fossil fuels etc.) in our natural system to ensure that these are available in the long-term.

EOI - Expression of Interest

Equity - The residual interest in the assets of the Council after deductions of its liabilities. Total equity is also equal to net assets.

Expense - An outgoing payment made by the Council.

FOGO - Food Organics and Garden Organics

FOI - Freedom of Information

FRACA - Fleurieu Regional Aquatic Centre Authority

FRWA - Fleurieu Regional Waste Authority

FTE - full-time equivalent

Governance - The systems established by the Council to ensure compliance with legislative requirements.

Green Waste - Unwanted household organic materials such as food scraps, lawn clippings, prunings, animal droppings, paper towels and tissues, which can be disposed through the Council's kerbside collection service (green bin).

GST - Goods and Services Tax

Infrastructure - The basic facilities required for the functioning of the community such as parks, roads, footpaths, drainage and waste systems.

ICT - Information and Communications Technology

LGA - Local Government Association of South Australia

LGEA - Local Government Enterprise Agreement

Liabilities - A financial debt or obligations owed by the Council.

Local Government Act 1999 - Outlines the legal framework in which Local Government operates. The Act contains information on how councils are established, how elections should be run, how and when councils should meet, how rates are to be charged, how councils can spend money and what things councils can do.

Long-Term Financial Plan - Sets out the long-term financial projections for the Council's planned activities.

Mainstreet Precinct - The City of Victor Harbor's Mainstreet Precinct refers to the areas and streets surrounding Ocean Street in the town centre.

MHFA - Mental health first aid

Net Financial Liabilities - Total borrowings owed by the Council less cash held, loans made or other assets able to be readily collected.

Net Financial Liabilities Ratio - Measures the extent to which the net financial liabilities of the Council are met by its operating revenue.

Open Space - Land or areas which have been reserved for the purposes of providing formal and informal sport and recreation activities, preserving natural environments, and providing green space. Essentially, this refers to parks, reserves and gardens.

Operating Surplus/Deficit - The difference between income earned and expenditure to provide ongoing services and programs.

Operating Surplus Ratio - Measures the Council's Operating Surplus/Deficit as a percentage of rates revenue.

Ordinary Council Meetings - Formal meetings of the Council, typically held on the fourth Monday of each month in the City of Victor Harbor.

Organisation Culture - The collection of values, expectations, and practices that guide and inform the actions of all team members.

Presiding Member - A member of a panel or committee responsible for chairing meetings in accordance with Terms of Reference and legislative requirements. The Presiding Member has a deliberative vote on all matters considered by a committee or panel, and a casting vote in the event of a tied decision.

Prudential Report - A report outlining financial and governance considerations to ensure transparent management.

Public Consultation - A process that involves engaging and consulting the public or relevant stakeholders to gain their feedback, views and ideas in relation to a project, service or plan.

Railway Plaza Precinct - The City of Victor Harbor's Railway Plaza Precinct refers to the areas and streets surrounding Railway Terrace and the Cockle Train station.

RAP - Reconciliation Action Plan

Rate Capping - The Council, subject to certain conditions, may grant a rebate of rates to the principal ratepayer of a residential assessment where there is a significant increase in the rates payable as a result of a rapid change in the property value.

Rates - Council rates are a property tax and the Council's primary source of income, which enables the delivery of services and facilities for the community.

Regional Subsidiary - Formed by two or more councils to provide specified service/s or to perform a function of the councils under the Local Government Act 1999 (or another Act).

Regulatory Services - A business unit of the Council responsible primarily for the enforcement of Council By-Laws, parking and animal management.

Representation Quota - A ratio of the number of electors per Elected Member.

Representation Review - A representation review is a requirement of Section 12 of the Local Government Act 1999, and must be undertaken every eight years. The review examines the appropriate number of councillors for the Council; whether Council has wards or no wards; and if so, the appropriate ward boundary size, number of wards and appropriate number of councillors per ward; and whether the Mayor continues to be elected by the community or is appointed from within the elected members.

Revenue - The amount of money the Council receives from its activities, including from rates and services provided to the community.

SAMSOA - South Australian Municipal Officers Enterprise Agreement

S&HLGA - Southern and Hills Local Government Association

SCOTS - Southern Communities Transport Scheme

SES - State Emergency Service

SMT - Senior Management Team

Stakeholder - A person with an interest or concern in the City of Victor Harbor or Council business.

Supplementary Election - A supplementary or bi-election is held when there is a vacancy in the Council.

Sustainability - Sustainability refers to achieving economic, environmental, social and cultural growth without irreversibly exhausting the systems which support that growth. In practice, this means integrated decision-making which generates mutually beneficial economic, social, cultural and environmental outcomes, wherever possible.

VIC - Visitor Information Centre

Victor Viewpoint - The Council's monthly email newsletter, sent to subscribers on the 10th day of each month.

Vision - A Vision statement describes what we would like to be or what we intend to do, in broad terms. It provides a unifying statement of intent and an overarching framework, which guides strategic and operational planning and program implementation.

WHS - Work Health and Safety

city of
Victor Harbor



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VICTOR HARBOR



**VICTOR HARBOR
HORSE TRAM AUTHORITY**

2021/22 Annual Report



Victor Harbor Horse Tram Authority Annual Report 2021/22

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Introduction from the Chair

During 2021/22 the Board of Directors of the Company has been very busy with a number of key initiatives. The Board has been focused on ensuring the Company is well positioned for the future and has been successful in achieving its strategic objectives. The Board has also been successful in securing funding for the development of the new tram and in ensuring the Company is well positioned for the future.

The Board has also been successful in securing funding for the development of the new tram and in ensuring the Company is well positioned for the future. The Board has also been successful in securing funding for the development of the new tram and in ensuring the Company is well positioned for the future.

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Our annual report is a key document for our stakeholders and provides a comprehensive overview of our performance over the past year. It details our financial results, operational achievements, and the challenges we have overcome. We are proud of the progress we have made in growing our business and improving our services to our customers. This report is a testament to the hard work and dedication of our employees and the support of our shareholders and other stakeholders.

We have a strong focus on sustainability and social responsibility, and we are committed to making a positive impact on the community. Our environmental, social, and governance (ESG) strategy is a key part of our business plan, and we have implemented a range of initiatives to reduce our carbon footprint, improve our social performance, and enhance our governance. We believe that these initiatives will help us to build a more sustainable and resilient business for the future.

Regular board meetings are held to discuss the company's performance and to make decisions on key strategic issues. The board is composed of independent non-executive directors, and we have a diverse range of skills and experiences. The board's role is to provide oversight and guidance to the management, and to ensure that the company is acting in the best interests of its shareholders. The board also oversees the company's risk management and internal control systems.

Management is responsible for the day-to-day operations of the company and for implementing the board's strategy. The management team consists of experienced professionals with a strong track record in the industry. We have a clear line of responsibility, and each member of the management team has a specific role to play. We are committed to providing our employees with the resources and support they need to succeed, and to fostering a culture of innovation and continuous improvement.



Nigel M. Catt
Dip.Ag., Grad.Dip.Sc.

Chairman
Horse Drawn Tram Society of Queensland



About the Authority

The Victor Harbor Horse Tram Authority was established as a statutory authority under section 2 of the *Local Government Act 1999*. The Authority is governed by a Council established by the Minister on 17 October 2011. The Council's primary role is to ensure the tramway is operated in a safe, efficient and sustainable manner. The Council also oversees the tramway's financial performance and ensures it meets its obligations to the community. The Authority's Board was established in 2011.

The tramway is a unique attraction in Victor Harbor, offering a scenic and historical experience. It is a key part of the town's heritage and tourism industry. The tramway is operated by the Victor Harbor Horse Tram Authority, which is a statutory authority of the Council. The tramway is a popular attraction for both locals and tourists, and it plays a significant role in the town's economy and community.

Strategic Direction

The Victor Harbor Horse Tram's Annual Business Plan outlines the strategic direction for the Authority.

Vision Statement: To provide a world-class tramway experience for all.

Mission: To showcase Victor Harbor through the world's oldest horse-drawn tramway.

Goals: To ensure the tramway is operated in a safe, efficient and sustainable manner, and to provide a world-class experience for all.



The Board



Nigel Catt (Chair)

Nigel is a former senior executive in the Australian and New Zealand industry sectors. In 2013, he was awarded the Australian Business Award for the Best CEO of a Public Company. He is a former Chairman of the Australian Industry Group and a former member of the Australian Industry Group's Board of Directors. He is also a former member of the Australian Industry Group's Board of Directors.

During his time in the industry, Nigel has been involved in a number of projects and initiatives, including the development of the Australian Industry Group's strategic plan, the implementation of the Australian Industry Group's digital strategy, and the development of the Australian Industry Group's environmental and social governance strategy. He has also been involved in a number of industry associations and committees, including the Australian Industry Group's Board of Directors, the Australian Industry Group's Board of Directors, and the Australian Industry Group's Board of Directors.

Nigel is a former senior executive in the Australian and New Zealand industry sectors. He has spent the majority of his focus and life in the Fleurieu region, where he has been involved in a number of projects and initiatives, including the development of the Australian Industry Group's strategic plan, the implementation of the Australian Industry Group's digital strategy, and the development of the Australian Industry Group's environmental and social governance strategy.



Councillor Carol Schofield AM

Councillor Carol Schofield AM is the City of Victor Harbor's elected Member of Parliament for the City of Victor Harbor's Authority Board. Carol was Chair of the City of Victor Harbor's Council from 2017 to 2021. She has a long history of public service and community involvement, including serving as a member of the Victorian Legislative Assembly and as a member of the Victorian Government's Ministerial Council on the Environment and Heritage.

Carol is a former senior executive in the Australian and New Zealand industry sectors. She has spent the majority of her focus and life in the Fleurieu region, where she has been involved in a number of projects and initiatives, including the development of the Australian Industry Group's strategic plan, the implementation of the Australian Industry Group's digital strategy, and the development of the Australian Industry Group's environmental and social governance strategy.



Rachel Kennedy

Rachel is a former senior executive in the Australian and New Zealand industry sectors. She has spent the majority of her focus and life in the Fleurieu region, where she has been involved in a number of projects and initiatives, including the development of the Australian Industry Group's strategic plan, the implementation of the Australian Industry Group's digital strategy, and the development of the Australian Industry Group's environmental and social governance strategy.

Rachel is a former senior executive in the Australian and New Zealand industry sectors. She has spent the majority of her focus and life in the Fleurieu region, where she has been involved in a number of projects and initiatives, including the development of the Australian Industry Group's strategic plan, the implementation of the Australian Industry Group's digital strategy, and the development of the Australian Industry Group's environmental and social governance strategy.



Paul Brown

Paul Brown is the Director of Operations and is responsible for the day-to-day running of the business. He has over 20 years of experience in the industry and has held various senior positions in both the public and private sectors. He is a member of the Institute of Directors and is also a qualified Chartered Accountant.

He is currently a member of the Board of Directors of the company and is also a member of the Board of Directors of the Regional Development Corporation (RDC) of the Fleurieu Peninsula. He is also a member of the Board of Directors of the Fleurieu Peninsula Development Authority.

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Natasha Hunt

Natasha has over 10 years' experience in the industry and has held various senior positions in both the public and private sectors. She is a member of the Institute of Directors and is also a qualified Chartered Accountant. She is currently a member of the Board of Directors of the company and is also a member of the Board of Directors of the Regional Development Corporation (RDC) of the Fleurieu Peninsula. She is also a member of the Board of Directors of the Fleurieu Peninsula Development Authority.

Natasha grew up on the Fleurieu Peninsula on her family's farm. She has a strong passion for the industry and has been involved in various community activities, including the Normanville New Year's Eve celebrations, the Yankalilla Festival and the Fleurieu Festival.

Audit and Risk Committee

The Board has the pleasure to announce that the Audit and Risk Committee (ARC) has completed its duties for the financial year ended 30 June 2021. The ARC has performed its duties in accordance with the provisions of the Companies Act 2006 and the Listing Rules. The ARC has also performed its duties in accordance with the provisions of the VHTA's Constitution and the VHTA's Risk Management Policy. The ARC has also performed its duties in accordance with the provisions of the VHTA's Audit and Risk Committee Charter. The ARC has also performed its duties in accordance with the provisions of the VHTA's Audit and Risk Committee Charter. The ARC has also performed its duties in accordance with the provisions of the VHTA's Audit and Risk Committee Charter.

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Audit Committee Membership

Member	Representative	Appointed	Expires
Independent Non-Executive Director	John Martin	23 October 2020	23 October 2022
Independent Non-Executive Director	John Martin	22 February 2021	22 February 2023
Independent Non-Executive Director	Laura Bennett	20 July 2021	20 July 2023
Executive Director Company Secretary	Rachel Bennett	23 October 2020	23 October 2022
Executive Director Company Secretary	John Martin	20 July 2021	20 July 2023
Office Bearers			
Chairman	John Martin	22 February 2021	23 October 2022
Deputy Chairman	Rachel Bennett	22 February 2021	23 October 2022

Our Team

Our team consists of over 100 volunteers who work tirelessly to ensure the success of our organization. We are proud to have a diverse group of people who bring their skills and experiences to the table.

Our team is made up of people from all walks of life, and we value the unique perspectives that each member brings. We are committed to providing a supportive and inclusive environment for all our volunteers.

Our team is dedicated to providing the highest quality of service to our members and the community. We are constantly looking for ways to improve and grow our organization.

Our team is the backbone of our organization, and we are grateful for their dedication and hard work. We are committed to supporting and recognizing their contributions.

Our team is a mix of experienced volunteers and newcomers, and we provide training and support to help everyone get the most out of their experience.

Our team is an invaluable team of existing volunteers. The new and inviting space allows the VHHTA to cater for volunteers' needs in a way that is more comfortable and convenient.

During 2021/22, our team was supported by a total of 13 volunteers who worked on various projects and events. We are grateful for their time and effort, and we look forward to continuing our partnership in the future.



Our Horses

Our horses are a mix of breeds and colors, and they are all very special. They are the heart and soul of our organization, and we are proud to have them with us.



Albert

Albert is our oldest and most experienced horse. He has been with us since the beginning and has seen it all. He is a gentle giant and is always ready to help. He is the one who knows the way to the stable and the way to the field. He is the one who has seen it all and he is the one who has lived it all.



Jay Jay

Jay Jay is a very special horse. He is the one who has been with us since the beginning and he is the one who has lived it all. He is a gentle giant and is always ready to help. He is the one who knows the way to the stable and the way to the field. He is the one who has seen it all and he is the one who has lived it all. He is the one who has been with us since the beginning and he is the one who has lived it all.



Murray

Murray is a very special horse. He is the one who has been with us since the beginning and he is the one who has lived it all. He is a gentle giant and is always ready to help. He is the one who knows the way to the stable and the way to the field. He is the one who has seen it all and he is the one who has lived it all. He is the one who has been with us since the beginning and he is the one who has lived it all.



Isabella

Isabella is a very special horse. She is the one who has been with us since the beginning and she is the one who has lived it all. She is a gentle giant and is always ready to help. She is the one who knows the way to the stable and the way to the field. She is the one who has seen it all and she is the one who has lived it all. She is the one who has been with us since the beginning and she is the one who has lived it all.



Elliot

Elliot is one of our younger animals and is very friendly and easy to handle. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride.



Scotty

Scotty is the VHHTA's smallest tram horse but is still a sizeable guy at 16'3 hands. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride.



Archer

Archer is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride.



Leo

Leo is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride. He is a very good natured horse and is very easy to ride.

Our Volunteers

VHHTA's volunteers are the backbone of the organization. They are the ones who make it possible for us to provide the services we offer to our members and the wider community. Without their dedication and hard work, we would not be able to achieve our goals.

Our volunteers are a mix of people from all walks of life, with different skills and experiences. They are committed to the organization and its mission, and they work hard to make a difference. We are grateful for their time and effort, and we hope to continue to support and grow our volunteer base in the future.

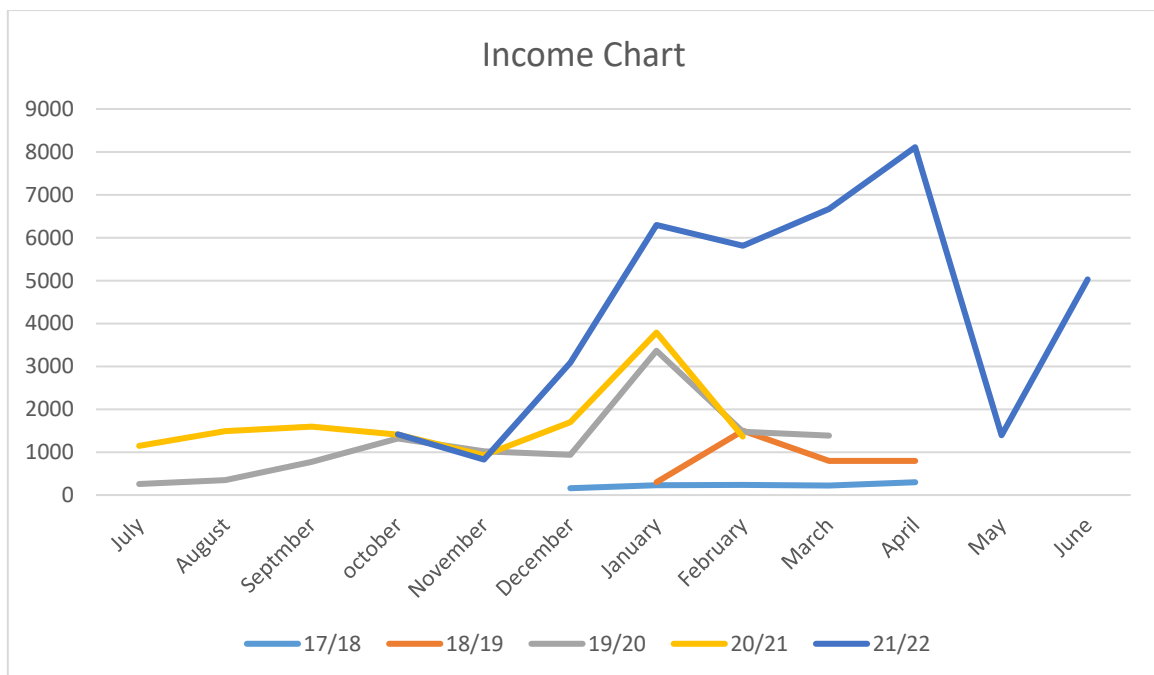
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Tram Office Renovation / Merchandise Store

The tram office renovation project was a significant undertaking for the organization. It involved the complete overhaul of the existing office space, which was previously used for administrative purposes. The new design focused on creating a functional and welcoming environment for staff and visitors alike. Key features included the installation of modern office furniture, such as desks, chairs, and shelving units, to enhance productivity. Additionally, the renovation incorporated a dedicated area for a merchandise store, showcasing a variety of items related to the organization's activities. The project was completed on time and within budget, resulting in a state-of-the-art facility that reflects the organization's commitment to excellence and customer service.



Tram Office Renovation – Team Work!

Over the past few months, the City of Victor Harbor's dedicated and hardworking team has been busy renovating the tram office. The project involved a complete overhaul of the interior and exterior, ensuring the building is modern, functional, and aesthetically pleasing. The team worked tirelessly to complete the renovation on time and within budget, resulting in a beautiful new tram office that is a true reflection of the City's commitment to excellence.



Horse Team Expansion

In October 2021, the team acquired a new yearling horse named Archer, who is a dark brown horse with white markings on his face and legs.



Archer is a young horse who is still learning and growing. He is a very intelligent and curious horse who loves to learn new things. He is a very friendly horse who gets along well with everyone. He is a very hardworking horse who loves to work and is a very reliable horse. He is a very beautiful horse who is a true gem of the team.

The team is very excited to have Archer join them and is confident that he will be a valuable member of the team. Archer has been highly recommended by the VHHTA's and is currently being trained by the team. Archer is a very intelligent horse who is a true gem of the team. Archer is a very hardworking horse who loves to work and is a very reliable horse. Archer is a very beautiful horse who is a true gem of the team.

The rest of the horse team are performing amazingly and haven't missed a beat during the challenges thrown their way. The team is very proud of their achievements and is confident that they will continue to excel in the future.

In March 2022, the team acquired a new horse named Archer, who is a dark brown horse with white markings on his face and legs. Archer is a young horse who is still learning and growing. He is a very intelligent and curious horse who loves to learn new things. He is a very friendly horse who gets along well with everyone. He is a very hardworking horse who loves to work and is a very reliable horse. He is a very beautiful horse who is a true gem of the team.

Renovation of Tram 3

The Authority has completed the renovation of Tram 3 during the year. The tram was purchased in 2011 and was due for replacement. The Authority has completed the renovation of Tram 3 during the year. The tram was purchased in 2011 and was due for replacement. The Authority has completed the renovation of Tram 3 during the year. The tram was purchased in 2011 and was due for replacement.



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VHHTA Independent Capital Budget Established

The Authority has established an independent capital budget for 2021/22. This budget is used to fund capital projects and is separate from the operating budget. The Authority has established an independent capital budget for 2021/22. This budget is used to fund capital projects and is separate from the operating budget.

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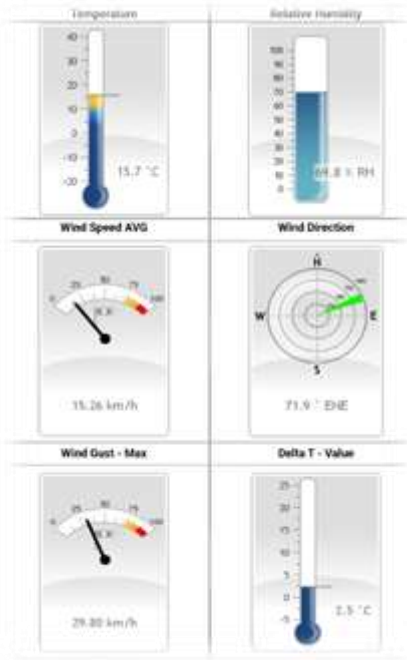
Land Development

The Authority has completed land development projects during the year. These projects include the acquisition of land for future tram lines and the development of new tram stops. The Authority has completed land development projects during the year. These projects include the acquisition of land for future tram lines and the development of new tram stops.

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Wind Monitoring



The 2021/22 was a record year for the club with the highest number of members and the highest number of members who have been inducted into the club. The club has also seen a record number of members who have been inducted into the club.

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The VHHTA Junior Program

The VHHTA Junior Program is a program that provides a safe and fun environment for all our current members and their children. The program is designed to provide a safe and fun environment for all our current members and their children.

As we move forward with our current members and their children, the VHHTA expects to soon be in a position to recruit a new group of members.

Successful Grant Application

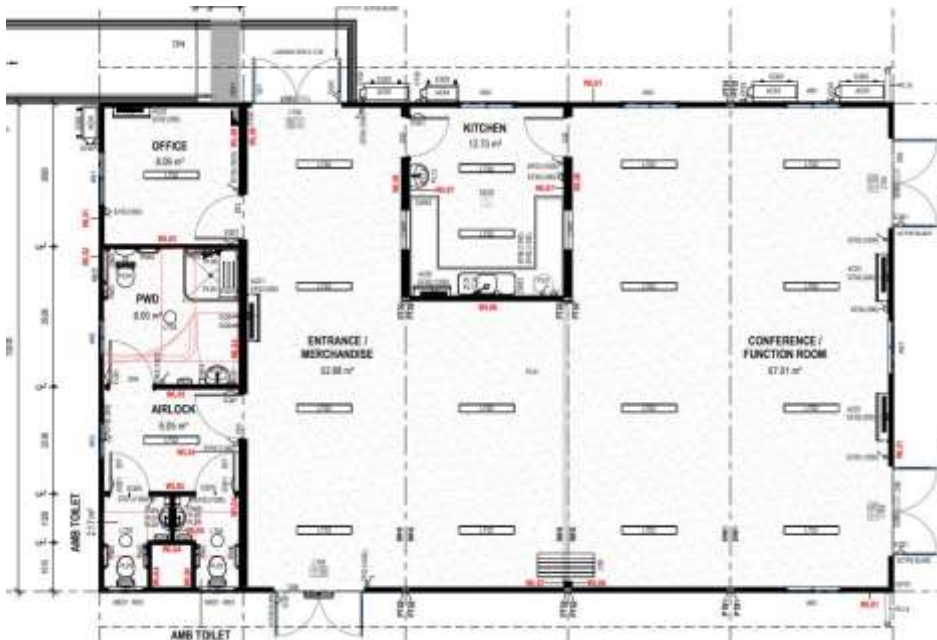
The club has successfully received a grant from the Australian Government to fund the construction of a new building. The grant is for the construction of a new building.

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Stable Complex Progress

Our stable complex is currently under construction and is expected to be completed by the end of 2022. The complex will provide a range of facilities for our members and guests, including a 'Behind the Scene's Experience' which is being fabricated off site, and then delivered and installed on site.

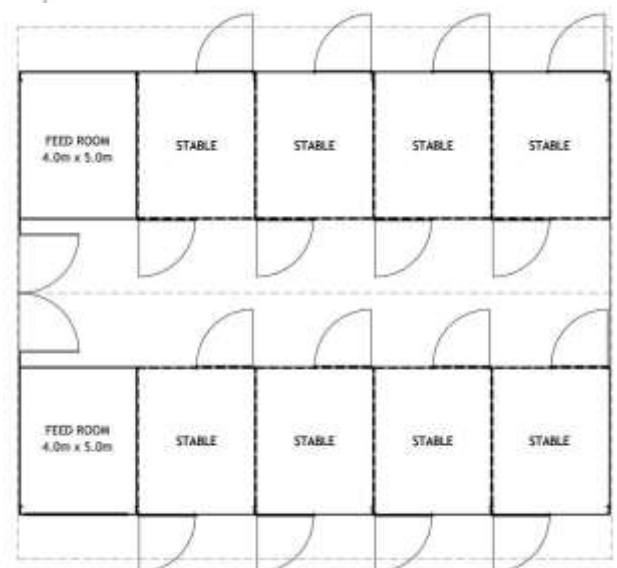


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The Development of the Behind the Scenes Experience Packages

The development of the Behind the Scenes Experience Packages is a key strategic initiative for the Trust. It aims to provide visitors with a unique and immersive experience that showcases the rich history and heritage of the Trust's operations. The packages are designed to be engaging, educational, and fun, offering a behind-the-scenes look at the various aspects of the Trust's work. This includes everything from the daily operations of the tramway to the maintenance and restoration of the historic rolling stock. The packages are also designed to be accessible to all visitors, including children and families, ensuring that everyone can enjoy the experience.

The packages are available in a range of formats, including:

- A range of packages to suit all budgets and interests, from a simple 15-minute tour to a full-day experience.
 - A range of packages that include access to the Trust's museum, library, and other facilities.
 - A range of packages that include access to the Trust's tramway, including the historic tram and the modern tram.
 - A range of packages that include access to the Trust's workshops, where visitors can see the restoration of the historic rolling stock.
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 - More information on a range of other activities and events that the Trust offers, including the annual gala dinner and the Christmas lights switch-on.
 - A range of packages that include access to the Trust's tramway, including the historic tram and the modern tram.
 - All of the Trust's activities and events are designed to be accessible to all visitors, including children and families.

Grant Application - Building Better Regions Fund – Round 6

The Trust is pleased to have been successful in securing a grant from the Building Better Regions Fund (BBRF) for the development of the Behind the Scenes Experience Packages. This grant will support the Trust in developing a range of new and exciting experiences for visitors, including the development of a new tramway, the restoration of historic rolling stock, and the development of a new museum and library. The Trust is committed to providing a high-quality experience for all visitors, and this grant will help to ensure that the Trust's operations are sustainable and profitable in the long term.

The Trust is also pleased to have been successful in securing a grant from the Building Better Regions Fund (BBRF) for the development of the Behind the Scenes Experience Packages. This grant will support the Trust in developing a range of new and exciting experiences for visitors, including the development of a new tramway, the restoration of historic rolling stock, and the development of a new museum and library. The Trust is committed to providing a high-quality experience for all visitors, and this grant will help to ensure that the Trust's operations are sustainable and profitable in the long term.

Key Performance Results against 2020/23 Annual Business Plan What we will do from 2020 to 2023

The 2019/20 financial year was a successful one for the Club. We have achieved our financial targets and are well positioned for the 2020/23 financial year. The Club's financial performance is a reflection of the Club's commitment to financial soundness and the Club's ability to manage its resources effectively.

Priority 1: Finance & Operational growth

Priority 2: The Stables Project

Priority 3: Communication Strategy

Priority 4: Office & Shop Renovation Planning

The Club's financial performance is a reflection of the Club's commitment to financial soundness and the Club's ability to manage its resources effectively.

Priority 1: Finance & Operational Growth

The Club's financial performance is a reflection of the Club's commitment to financial soundness and the Club's ability to manage its resources effectively.

1.1 Secure Operational and Capital budget			
Actions	Indicator	Target	Achievement
Operational budget approved by Board and Executive	Operational performance	2020-21-22	✓
Capital budget approved by Board and Executive	Operational performance	2020-21-22	✓
Quarterly budget/financial reports to the Club Executive	Quarterly reports	2020-21-22 Quarterly 2021-22	✓
Operational budget/financial reports to the Club Executive	Operational performance	2020-21-22 Mid Year Report	✓
1.2 WHS Processes			
Actions	Indicator	Target	Achievement
Operational budget/financial reports to the Club Executive	Operational performance	July 2021-22-23	Operational
Operational budget/financial reports to the Club Executive	Operational performance	Operational performance 2021-22 Mid Year Report	Operational
Operational budget/financial reports to the Club Executive	Operational performance	Operational performance	✓ Operational

1.3 Project & Development Funds			
Actions	Indicator	Target	Achievement
Secure & manage 'Stables Project' budget	Number of stables	1000 by 2021	✓ 1000
Secure & manage 'Stables Project' budget	\$100000 spent	100000 by 2021	100000
Rebuild and upgrade of stables	10000 m ² of stables	July 2023	100000
Budget of \$100000 for 2021/22	Rebuilt by 2021	July 2021	✓ 100000
Budget of \$100000 for 2022/23	Rebuilt by 2022	July 2022	✓ 100000
Rebuild of stables	Rebuilt by 2021	100000 - Mar 2021/22/23	✓ 100000



Priority 3: Communication Strategy

Our communication strategy aligns with VHHTA's vision of a united and thriving industry. In July 2020, we developed a communication strategy to support our business objectives. The strategy focuses on building a strong brand identity, increasing our visibility, and engaging with our stakeholders. We have achieved significant milestones in the first 12 months, including the launch of our new website, the development of our social media presence, and the implementation of our communication plan. We are committed to continuing to build a strong and sustainable communication strategy for the future.

2.1 Effective Communication			
Actions	Indicator	Target	Achievement
Regular communication with stakeholders	20% increase in engagement	2020/21	✓
Regular communication with stakeholders	1 / 100000	100000	✓
Regular communication with stakeholders		March 2023	Partially achieved ✓
2.2 Strategic Partnerships			
Actions	Indicator	Target	Achievement
Monthly communication with stakeholders	100% Monthly	100000	✓
Regular communication with stakeholders	100% Monthly	100000	Partially achieved ✓
Regular communication with stakeholders	100% Monthly	100000	Partially achieved ✓
2.3 Marketing			
Actions	Indicator	Target	Achievement
Develop a communication strategy	100% Communication	July 2021	Partially achieved ✓
Develop a communication strategy	100% Communication	100000	100000 ✓
Develop a communication strategy	100% Communication	100000	100000 ✓
Develop a communication strategy	100% Communication	100000	100000 ✓
Develop a communication strategy	100% Communication	2023	Partially achieved 100000

Priority 4: Office & Shop Renovation Planning

Our business plan is based on a long-term vision of providing a world-class experience for our customers. We are committed to providing a high-quality, safe and enjoyable experience for our customers. We are committed to providing a high-quality, safe and enjoyable experience for our customers. We are committed to providing a high-quality, safe and enjoyable experience for our customers.

3.1 Office and Shop Renovation			
Actions	Indicator	Target	Achievement
Complete renovation of office and shop	Renovation completed by	June 2021	Completed ✓
Draw up and submit plans for office and shop renovation	Plans received by	February 2021	Completed ✓
Obtain quotes for office and shop renovation	Quotes received	January 2021	Completed ✓
Obtain quotes for office and shop renovation	Quotes received	February 2021	Completed ✓
3.2 Merchandise			
Actions	Indicator	Target	Achievement
Review current merchandise	Review completed	July 2021 July 2022 July 2023	Completed ✓ Completed ✓ Completed ✓
Order new merchandise	Orders placed	March 2023	Completed ✓



Financial Results

Our financial results for year 2021/22 are really encouraging compared to the year we were sure would be a difficult one. We had a sixteen thousand dollar deficit and far more trading days, this year's results are very encouraging.

As we have mentioned before, we are a small business and our financial results are not required to be as good as those of a large company. However, we are proud to have achieved a surplus of \$10,000 in our first year of trading. This is a significant achievement for a small business like ours.

Our first year of trading was a success. We had a surplus of \$10,000 in our first year of trading. This is a significant achievement for a small business like ours. We are proud to have achieved this result and we are confident that we will continue to grow and succeed in the future.

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Due to the \$1,000 surplus we have achieved in our first year of trading, we are able to reduce our financial burden on Council. This is a significant achievement for a small business like ours. We are proud to have achieved this result and we are confident that we will continue to grow and succeed in the future.

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Budget Variance (1 July 2021 to 30 June 2022)

	Actual	Budget	Var AUD
Income			
Income	1,000,000	1,000,000	0
Depreciation	21	0	21
City Council	2,727	0	1,773
Revenue	72	0	27
Interest	0	0	0
Other	1,000	0	1,000
Subtotal	3,830	3,000	30
Income	3,837	37,000	30,700
Total Income	\$804,414	\$834,900	-\$30,486
Gross Profit	\$804,414	\$834,900	-\$30,486
Plus Other Income			
City Council	0	0	0
Total Other Income	\$40,850	\$40,000	\$850
Less Operating Expenses			
Depreciation	1,000	0	1,000
Depreciation	1	0	30
Depreciation	3	0	3
City Council	331	0	331
City Council	11,000	1,000	3,300
City Council	3,137	0	1,000
City Council	13,000	1,000	1,370
Depreciation	17	300	121
Depreciation	237	0	237
City Council	17,000	31,200	1,130
City Council	2,000	1,700	0
Depreciation	2,073	0	2,073
Depreciation	0	1,700	1,700
Revenue	30,170	3,000	1,200
City Council	21	3,000	1
City Council	2,007	3,000	3
City Council	12,031	1,000	1,100
City Council	0	0	2,000
City Council	2,727	3,000	273
office costs			
City Council	1,000	0	0
City Council	3,000	1,000	0
City Council	2,730	2,000	230
City Council	7,000	7,000	2,000
City Council	1,000	3,200	1,700
City Council	21,321	1,000	3,321
Total office costs	\$68,756	\$69,900	-\$1,144
Total Operating Expenses	\$830,546	\$874,900	-\$44,354
Net Profit	\$14,718	\$0	\$14,718

VICTOR HARBOR HORSE TRAM AUTHORITY

General Purpose Financial Report
for the year ended 30 June 2022

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VICTOR HARBOR HORSE TRAM AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2022**

CERTIFICATION OF FINANCIAL STATEMENTS

I have been authorised by Victor Harbor Horse Tram Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards*.

- the financial statements present a true and fair view of the Authority's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year.

- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.

- the financial statements accurately reflect the Authority's accounting and other records.



Megan Whibley
General Manager



Nigel Catt
Chairperson

Date: 14.9.2022

VICTOR HARBOR HORSE TRAM AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Income			
User charges	2	384	408
Other	2	461	449
Total Income		845	857
Expenses			
Employee costs	3	524	595
Materials, contracts & other expenses	3	271	267
Finance costs	9	3	2
Depreciation, amortisation & impairment	9	33	14
Total Expenses		831	878
Operating Surplus / (Deficit)		14	(21)
Asset disposal & fair value adjustments		-	-
Amounts received specifically for new/upgraded assets		-	-
Net Surplus / (Deficit)		14	(21)
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income		14	(21)

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

VICTOR HARBOR HORSE TRAM AUTHORITY

STATEMENT OF FINANCIAL POSITION as at 30 June 2022

Assets	Notes	2022 \$'000	2021 \$'000
Current Assets			
Cash and cash equivalents	4	91	75
Trade & other receivables		8	31
Total Current Assets		99	106
Non-current Assets			
Infrastructure, Property, Plant & Equipment	9	163	152
Total Non-current Assets		163	152
Total Assets		262	258
Liabilities			
Current Liabilities			
Trade & Other Payables	5	81	67
Provisions	5	48	46
Borrowings	9	33	32
Total Current Liabilities		162	145
Non-Current Liabilities			
Provisions	5	15	9
Borrowings	9	87	120
Total Non-current Liabilities		102	129
Total Liabilities		264	274
Net Assets		(2)	(16)
Equity			
Accumulated Surplus		(2)	(16)
Total Equity		(2)	(16)

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

VICTOR HARBOR HORSE TRAM AUTHORITY

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2022

	Accumulated Surplus	Total Equity
	\$'000	\$'000
Balance at start of period - 1 July 2021	(16)	(16)
Net Surplus/ (Deficit) for Year	14	14
Balance at end of period - 30 June 2022	(2)	(2)
Balance at start of period - 1 July 2020	5	5
Net Surplus/ (Deficit) for Year	(21)	(21)
Balance at end of period - 30 June 2021	(16)	(16)

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

VICTOR HARBOR HORSE TRAM AUTHORITY

STATEMENT OF CASH FLOWS
for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Cash Flows from Operating Activities			
Operating receipts from customers		868	881
Investment receipts		-	-
Employee Costs		(517)	(574)
Materials, contracts & other expenses		(335)	(302)
Finance payments		-	-
Net Cash provided by (or used in) Operating Activities	6	<u>16</u>	<u>5</u>
Cash Flows from Investing Activities			
Net Cash provided by (or used in) Investing Activities		<u>-</u>	<u>-</u>
Cash Flows from Financing Activities			
Net Cash provided by (or used in) Financing Activities		<u>-</u>	<u>-</u>
Net Increase (Decrease) in cash held		16	5
Cash & cash equivalents at beginning of period	6	75	70
Cash & cash equivalents at end of period	6	<u>91</u>	<u>75</u>

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

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2022

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 equivalents to International Financial Reporting 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*.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of THE City of Victor Harbor.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards which requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

2 The Local Government Reporting Entity

The Victor Harbor Horse Tram Authority operates as a subsidiary pursuant to the Local Government Act 1999.

These financial statements have been prepared for use by the Constituent Council of the Authority.

3 Income Recognition

The Authority recognises revenue under AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) or AASB 15 *Revenue from Contracts with Customers* (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficient specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into a transaction where the consideration to acquire the 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 that has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the Authority satisfies its obligations under the transfer.



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VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2022

4 Cash, Cash Equivalents and other Financial Instruments

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

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 forms part of Note 7.

5 Property, Plant & Equipment

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".

5.1 Initial Recognition

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

The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

As at reporting date, the Authority held no property, plant & equipment assets.

All plant and equipment assets deployed to provide services are hired by the Authority from the City of Victor Harbor as/when needed.

6 Payables

6.1 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 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

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

The logo for Galpins, featuring the word "Galpins" in a white, serif font on a dark blue rectangular background.

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VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2022

7.2 Superannuation

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with Superannuation Guarantee Legislation (10% in 2021/22; 9.5% in 2020/21). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions as determined by the Fund's Trustee based on advice for the appointed Actuary. The rate is currently 6.3% (6.3% in 2020/21) of 'superannuation' salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), the Authority does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

8 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards. Comparative information has not been amended for any changes to accounting standards.

9 Critical Accounting Estimates and Judgements

The Board evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and based on current trends and economic data, obtained both externally and within the Authority.

10 GST Implications

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

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VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2022

- 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 Accounting Standards

New accounting standards have come into effect as at 1 July 2019. The Authority has assessed that there is no impact to the accounting policies of the Authority as a result of the new requirements under these accounting standards given it has no deferred revenue arrangement nor long-term operating leases in existence.

12 Economic Dependence

The Authority provides horse tram services to the City of Victor Harbor and annually charges a fee to the Council to fund the costs of operating the Authority. The Authority is economically dependent on the Council annually funding the cost of the Authority's operations given insufficient income is generated through other services provided to fund the costs of operating the Authority.

For the 2021/22 financial year, the Council's contributed income accounted for 49.14% (2021: 50.39%) of total Operating Income recorded by the Authority.

13 Leases

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

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

13.1 Right-of-Use Assets

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

13.2 Lease Liabilities

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

13.3 Short-term leases and leases of low-value assets

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

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VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2022

	Notes	2022 \$'000	2021 \$'000
Note 2 - INCOME			
USER CHARGES			
Ticket Sales		348	382
Souvenir Sales		36	26
		<u>384</u>	<u>408</u>
OTHER INCOME			
Council Contributions		415	415
DfT Payment		41	33
Other		5	1
		<u>461</u>	<u>449</u>
Note 3 - EXPENSES			
EMPLOYEE COSTS			
Salaries and Wages		450	506
Employee leave expense		6	23
Superannuation		41	45
Workers' Compensation Insurance		3	6
Other		24	15
		<u>524</u>	<u>595</u>
The Authority had 9 full time equivalent employees as at reporting date.			
MATERIALS, CONTRACTS & OTHER EXPENSES			
Auditor's Remuneration		3	3
Board Expenses		12	12
Advertising		4	1
Contractor Labour Costs (including on-costs)		-	-
Equipment Rental		6	20
External Contractors		3	6
Horse & Tram Maintenance Costs		72	76
Insurance		35	30
Other Expenses		59	36
Printing, Stationery & Postage		1	3
Professional services		76	80
		<u>271</u>	<u>267</u>
Note 4 - CURRENT ASSETS			
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		91	75
Deposits at Call		-	-
		<u>91</u>	<u>75</u>

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2022

Note 5 - LIABILITIES

	Notes	2022 \$'000		2021 \$'000	
		Current	Non-current	Current	Non-current
Trade & Other Payables					
Goods & Services		81	-	67	-
Accrued expenses - other		-	-	-	-
		<u>81</u>	<u>-</u>	<u>67</u>	<u>-</u>
Provisions					
Annual Leave		16	-	18	-
Long Service Leave		32	15	28	9
		<u>48</u>	<u>15</u>	<u>46</u>	<u>9</u>

Note 6 - 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 Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows

	Notes	2022 \$'000	2021 \$'000
Total cash & equivalent assets	4	91	75
Less: Short-term borrowings		-	-
Balances per Cash Flow Statement		<u>91</u>	<u>75</u>

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

Net Surplus (Deficit)		14	(21)
Non-cash items in Income Statement			
Leave provision movement		7	40
		<u>21</u>	<u>19</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		23	24
Net increase (decrease) in trade & other payables		(28)	(38)
Net increase (decrease) in other provisions		-	-
Net Cash provided by (or used in) operations		<u>16</u>	<u>5</u>

(c) Financing Arrangements

The Authority had no additional financing arrangements to disclose.

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2022

Note 7 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.
Short Term Deposits

Terms & conditions: Deposits on Call do not have a maturity period.

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

Receivables - Gate Fees & Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful Associated Charges debts is recognised (and re-assessed annually) when collection in full is no longer probable.

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

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

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

Carrying amount: approximates fair value.

Net Fair Value

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

Risk Exposure

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

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VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2022

Note 7 - FINANCIAL INSTRUMENTS

Liquidity Analysis

	2022	Maturity			Non- interest bearing	Total
		≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Financial Assets		\$'000	\$'000	\$'000	\$'000	\$'000
Amortised Cost						
Cash Assets		91	-	-	-	91
Receivables		-	-	-	88	8
Total		91	-	-	88	99
Financial Liabilities						
Payables		-	-	-	81	81
Borrowings		-	-	-	-	-
Total		-	-	-	81	81

	2021	Maturity			Non- interest bearing	Total
		≤ 1 year	> 1 year ≤ 5 years	> 5 years		
Financial Assets		\$'000	\$'000	\$'000	\$'000	\$'000
Amortised Cost						
Cash Assets		75	-	-	-	75
Receivables		-	-	-	31	31
Total		75	-	-	31	106
Financial Liabilities						
Payables		-	-	-	67	67
Borrowings		-	-	-	-	-
Total		-	-	-	67	67

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2022

Note 8 - COMMITMENTS FOR EXPENDITURE

	Notes	2022 \$'000	2021 \$'000
Expenditure Commitments			
The Authority has no expenditure commitments to disclose.			

Note 9 - LEASES

Lease payment commitments of Authority

The Authority has no operating lease commitments to disclose.

The Authority has entered into a hire agreement with the City of Victor Harbor for the use of all plant and equipment used in the delivery of horse tram services provided.
Set out below are the carrying amount of right of use assets recognized within Infrastructure, Property, Plant and Equipment and the movements during the period.

Right of use assets

	2022 \$'000	2021 \$'000
Opening Balance	152	166
Additions	-	-
Depreciation charge	(32)	(14)
At 30 June 2022	120	152

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

	2022 \$'000	2021 \$'000
Opening Balance	152	166
Payments	(32)	(14)
At 30 June 2022	120	152

Lease Liabilities are classified as:

	2022 \$'000	2021 \$'000
Current	33	32
Non-current	87	120
Total lease liabilities	120	152

The following are the amounts recognized in the profit and loss statement:

	2022 \$'000	2021 \$'000
Depreciation Expense	33	14
Interest Expense	3	2



VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2022

Note 10 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events that occurred after reporting date that requires to be disclosed.

Note 11 - RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other prescribed officers as defined under Section 112 of the *Local Government Act 1999*. In all, 1 person was paid the following compensation:

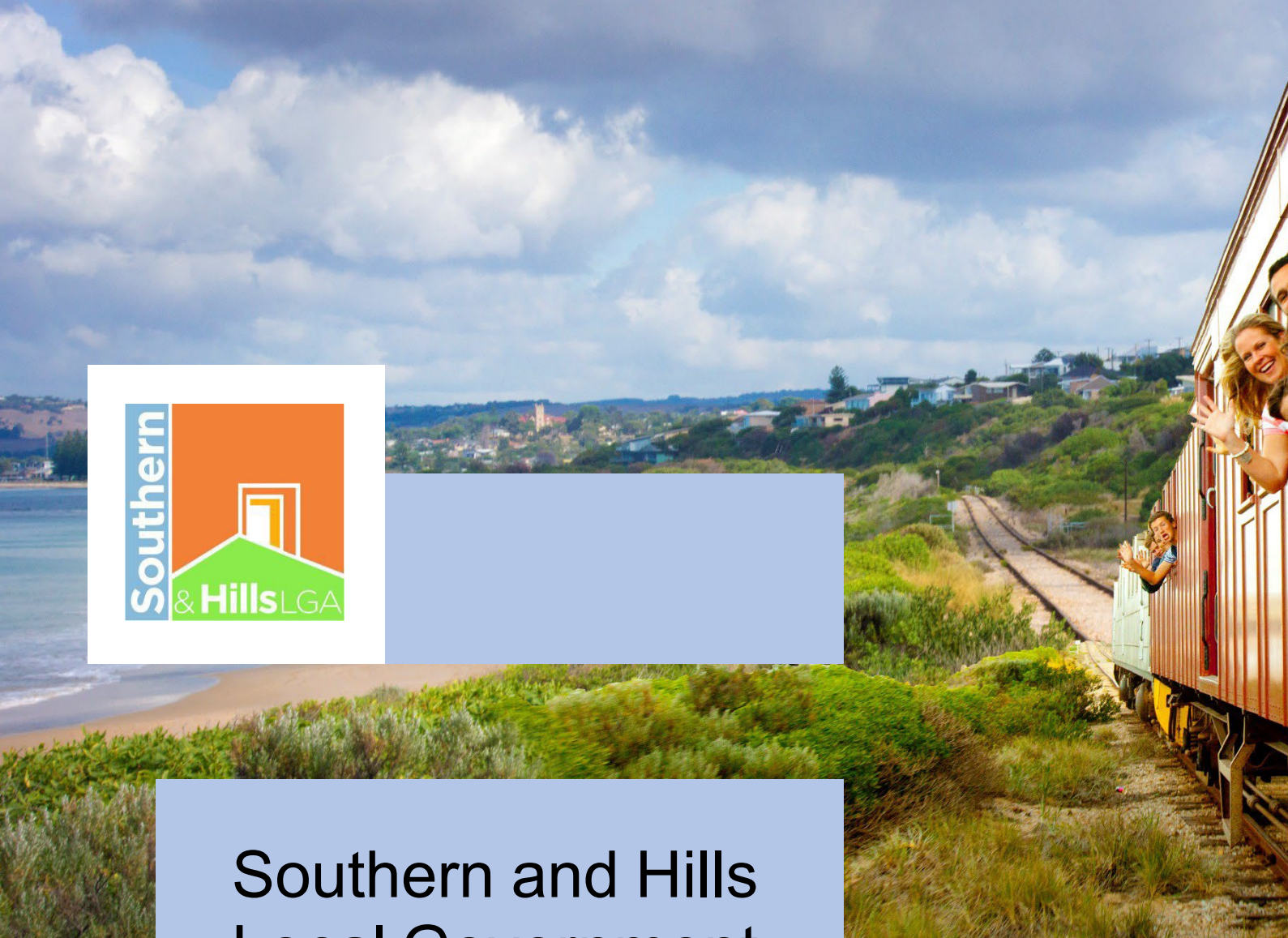
	2022 \$'000	2021 \$'000
Salaries, allowances & other short term benefits	113	118
Long term benefits	-	-
TOTAL	113	118

Transactions with Related Parties:

The following transactions occurred with Related Parties

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Victor Harbor	415	0	Provision of Horse Tram services to local community

The Related Parties disclosed is the 100% equity owner of the Authority and are referred to as the Member Council. The Member Council has 100% control and influence on the financial and operating decisions of the Authority.



Southern and Hills Local Government Association Annual Report 2021-2022



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Southern and Hills Local Government Association – Snapshot

6
Councils

SIZE
8,656
Square Kilometres

\$5.36b
GROSS
REGIONAL
PRODUCT

63,519
EMPLOYED
RESIDENTS

5,539
KILOMETERS OF
LOCAL ROADS

132,206
REGIONS
POPULATION

TOURISM
Destination

Councils Total
Revenue
\$192 MILLION

OCEAN COASTLINE OF
652
Kilometres

Largest Industry
Employment
**Health Care and
Social Assistance**



About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

Collectively these six (6) Councils have:

- ☑ More than 131,000 people as of 30th June 2022.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

President's Report

It has been my pleasure to serve as President and Chair once again during 2021-2022.

I wish to thank all S&HLGA member councils, all the elected members and the staff for their strong efforts to support each other and their own communities during these still post covid challenging times.

We have continued the excellent work with many of our important regional programs and projects such as:

- the work of the S&HLGA Roads Working Party and the completion of a new 2030 Regional Transport Plan
- monitoring the current S&HLGA Regional Public Health plan and commencing our new 2022-2027 S&HLGA Regional Public Health Plan
- successfully completing our two critical social inclusion projects and the Community Wellbeing Indicators project. These projects have been well received by the sector and have been award winners.
- implementing and monitoring the region's Climate Change Adaptation Plan and the Resilient Hills and Coasts 2020-2025 Regional Action Plan

We have continued to cement our many regional stakeholder and partner relationships, working very closely with the RDA to further the regional economic growth strategies and Infrastructure Plan, input into our two regional Landscape Boards Strategic and operational plans, continued support for the SA Coastal Councils Alliance as well as maintaining and reviewing key strategy and performance documents such as the Annual Action Items, Annual Budget and completing and endorsing our new 2021-2025 Strategy and Business Plan. These activities are all designed to drive and improve the wellbeing of our communities.

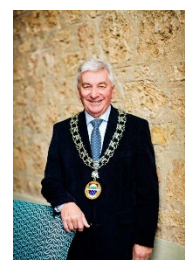
I would once again point out the S&HLGA Value proposition report documents a consistent four figure percentage return on member Council subscriptions demonstrating amazing value for member councils.

S&HLGA has been an active participant on the LGA regional SAROC committee.

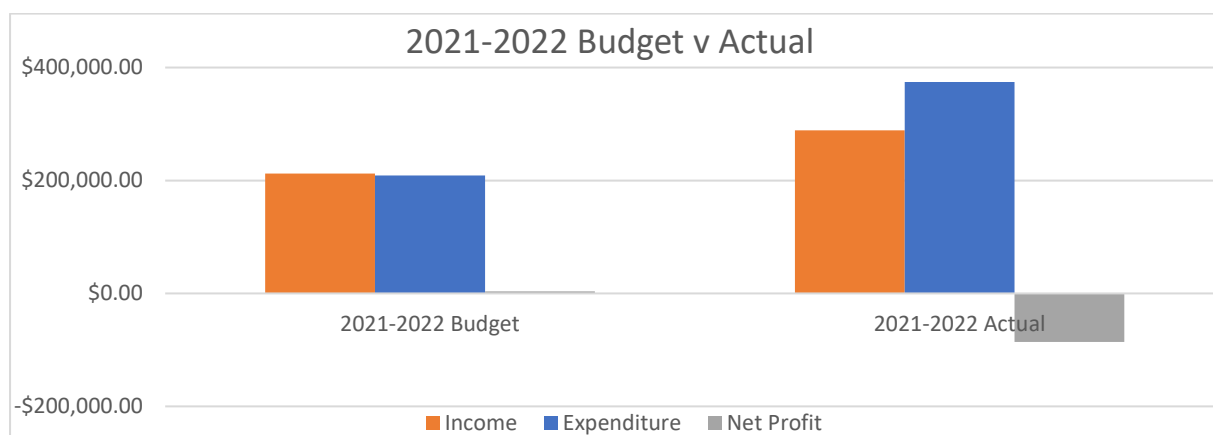
Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2021-2022 by Penny Worland in the Regional Public Health space and Jen St Jack and Olivia Davies as co-ordinators of the Regional Climate Adaption Plan and associated projects. A big thank you to Sara O'Dea who has provided very valuable assistance to the Board.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs to the S&HLGA Board.

Mayor Keith Parkes
President



Dashboard 2021-2022



Transport

- Completed the new 2030 S&HLGA Transport Plan
- Recommended for Special Local Roads Funding of \$2,140,000
- Progressed the South Coast Freight Route concept

Health and Wellbeing

- The Community Wellbeing Indicators project regional winner of the Health & Wellbeing Ministers Excellence in Public Health Award for 2021
- Implemented and monitored the regional and member Council actions of the “Wellbeing in our Community” Regional Public Health Plan for S&HLGA and commenced the development of the new S&HLGA Regional Public Health & Wellbeing Plan 2022-2027
- Successfully completed the two S&HLGA disability and inclusions projects, \$76,464 Regional Champions for Accessible Destinations and \$81,408 Regional Champions for Accessible Communications with the former winning the Planning Institute of Australia award for Community Wellbeing & Diversity

Environment

- Successful application to Commonwealth Government for Balancing Bushfire & Biodiversity
- Implemented and monitored the actions of the Resilient Hills and Coasts Climate Change 2020-2025 Regional Action Plan
- Actively worked with the LGA and our regional Landscape Boards on developing regional strategies

2022 S&HLGA Value Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$376,227	\$1,878,300
Capacity building	\$7,130	\$42,783
Total	\$403,357	\$2,041,083

ORGANISATION

S&HLGA Organisation and its Board structure,
members and office bearers

The Southern and Hills Local Government Association Board

July 2021

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken
Alexandrina Council	Mayor Keith Parkes	CEO Glenn Rappensberg*
		* Resigned May 2022
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopolous
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Simon Rothwell	CEO Nigel Morris

Council	Proxy Representative	Role
Adelaide Hills	Lachlan Miller	Executive Manager Governance
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Councillor
City of Victor Harbor		
District Council of Yankalilla		Deputy Mayor

Office Bearers 2021 – 2022

President	Mayor Keith Parkes, Alexandrina Council
Deputy President	Mayor Moira Jenkins, City of Victor Harbor
Executive Officer	Mr Graeme Martin
Auditor	Ms Katerina Galvan, Jon Colquhoun - HLB Mann Judd

Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes	
	Mayor Jan – Claire Wisdom (via Metro/GAROC)	
Delegates to SAROC	Mayor Keith Parkes	Alexandrina Council
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association
Past Presidents and Secretaries / Executive Officers**

Years	President	Council	Secretary / EO
2021 - 2022	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 - 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 - 2018	Mayor Keith Parkes ^g	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg ^f Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler ^d Graeme Martin ^e
2010 - 2011	Mayor Ann Ferguson ^c Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler ^b
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2002 - 2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 th July 1969	First Constitution for S&HLGA Adopted		

^a Until 12th May 2003 ^b Executive Officer ^c From February 2011 ^d To December 2011 ^e From January 2012

^f From February 2015 ^g From December 2017

REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

S&HLGA Administration - Flow



The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
20 August 2021	Mt Barker
22 October 2021	Yankalilla
10 December 2021	Alexandrina
25 February 2022	Kangaroo Island
22 April 2022	Adelaide Hills
24 June 2022	City of Victor Harbor

Key Issues acted on by the Board included:

- o Updating and maintaining of the S&HLGA Website to the LGA Squiz platform
- o Implementing and monitoring the S&HLGA Regional Public Health Plan, commencing new 2022-2027 Regional Public Health Plan
- o Completed the two ILC disability and social inclusion projects
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Commissioned the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o Approved and gazetted the new Charter for S&HLGA

Regional Consultations and briefings were usually coordinated to occur on the day of Board meetings. 6 various speakers addressed meetings of the Board.

The Board reviewed its achievements to date via the 2021-2022 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2022-2023

At the commencement of 2021-2022 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

S&HLGA Value proposition

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The table 1 below summarise the ongoing value per council and for the region as a total.

2022 Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$376,227	\$1,878,300
Capacity building	\$7,130	\$42,783
Total	\$403,357	\$2,041,083

Table 1

The table 2 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years

	2018	2019	2020	2021	2022
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202	\$21,570
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087	\$403,357
Return on Investment	3,375%	3,385%	2,968%	2,466%	1,870%

Table 2

COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs and projects undertaken during 2021-2022

Committees and Working/Task Groups

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

	Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
1	Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
2	Resilient Hills & Coast - Climate change Adaptation	Secretarial/Administration	Every 2 months	ongoing
3	Regional Economic Development Officers	Committee member	Every 2 months	ongoing
4	Regional EO Management Group	Committee member	Every 2 months	Precedes SAROC
5	S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
6	S&HLGA Roads Works Group	Secretarial/Administration	Ad hoc but at least 3 times per annum	ongoing
7	S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
8	SAROC	Advisor/Observer	Every 2 months	ongoing



S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
1 October 2021	HDS (Aust) Pty Ltd offices
16 December 2021	On Line
13 April 2022	HDS (Aust) Pty Ltd offices

Key achievements and outcomes:

- Continued the development of the 2030 S&HLGA Transport Plan.
- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2022 – 2023 based on the new 2030 Transport Plan critical Roads database.

- Reviewed Part A and part B drafts of the next 2030 S&HLGA Transport plan.
- Further input into the South Coast Freight Corridor concept and SE Freeway issues.
- The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2022 – 2023.

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Ten Trees Lagoon Rd	Kangaroo Island	\$2,000,000	\$1,340,000	\$660,000	Stage 1 of 1
Nangkita Rd	Alexandrina	\$900,000	\$600,000	\$300,000	Stage 1 of 1
Three Gullies Rd	Victor Harbor	\$300,000	\$200,000	\$100,000	Stage 1 of 1
Total		\$3,200,000	\$2,140,000	\$1,060,000	



S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
20 July 2021	Alexandrina, Strathalbyn
21 September 2021	On Line
30 November 2021	On Line
1 March 2022	On Line
29 March 2022	On Line

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

Key achievements and outcomes:

- Of significant importance was the winning of the Ministers Health & Wellbeing Public Health Award for the Community Wellbeing Indicators project.
- In addition, the region successfully completed the two ILC grants for disability and inclusion projects for Communications and Destinations.
- The commencement of the new 2022-27 S&HLGA Regional Public Health Plan.



S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
15 July 2021	District Council of Yankalilla
16 September 2021	City of Victor Harbor
9 December 2021	Mt Barker District Council
10 February 2022	On Line
9 April 2022	Adelaide Hills, Stirling
9 June 2022	City of Victor Harbor

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various “Climate Change” State Government agencies and authorities

Key achievements and outcomes:

- Successful application for Federal funding for a regional and community Resilience study – Balancing Bushfire & Biodiversity
- Established a working group to develop Yankalilla Carbon Farming Pilot
- Successful Council & partner funding for the continuance of the Resilient Hill & Coasts project co-ordinator
- Liaised with Hills and Fleurieu Landscape Board and had input into its climate smart Farming forum



Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
9 August 2021	City of Victor Harbor
8 November 2021	Alexandrina, Goolwa
7 February 2022	On Line
16 May 2022	Mt Barker

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Grade them according to Local, District or Regional category, dollar value and impact and probability
- Review the criteria to insure relevant social and environmental impacts are captured
- Generally, identify and develop regional economic growth strategies and opportunities

Key achievements and outcomes:

- Continued to Advocate for the Regional university hubs
- Guided and assisted in the development and re-opening of the Strathalbyn Abattoir
- Noted the regional Housing crisis and active in the KI pilot housing projects
- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs
- Worked with the Mayo Communications group on addressing the Mobile blackspots in the region



Regional LGA Organisations EO Management Group

The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
8 July 2021	Mt Gambier
6 September 2021	Loxton
8 February 2022	Mintaro
28 April 2022	On Line
27 June 2022	On Line

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Have input into SAROC Business Plans and the Agenda
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support
- Develop a priority issues and action list

Key achievements and outcomes:

- Input into the SAROC 2022-2023 Business Plan
- Identified critical issues with the regional recycling (MRF) concept
- Input into Joint Planning Boards and Regional Plans
- Guidance and assistance with the regional road mapping exercise (QGIS)
- Advocacy on the regional housing crisis, regional workforce development and regional mental health services



SAROC

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings for S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

Key achievements and outcomes:

- Review of the 2022 SAROC Annual Business Plan and development of the 2023 SAROC Annual Business Plan
- Development of a Regional Housing Policy Toolkit
- Progressing the development of a Regional Health Workforce Toolkit
- Advocated to address deteriorating medical services in regional areas
- Reviewed the LGA Community Waste Water Management Systems program
- Provided input into the LGA 2022 State Election Platform and Campaign Advocacy kit for Councils
- Advocacy on Hoarding and Squalor issues
- Development of the QGIS digital mapping of Regional Roads hierarchy



MP Relationships

The EO S&HLGA met regularly with the regions State government Members of Parliament (Finniss, Mawson, Kavel and Heysen) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings along with the regions State government MPs.

Regional Research Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- 2022 Value proposition
- Advocacy Proposal on Hoarding and Squalor
- LGA Building Capacity progress report
- LGA Building Capacity final report 2020-2021
- Comment and input into the Independent review of the LGA Regional Building Capacity Grant program
- Audit Committee Exemption report
- State Election regional priorities and advocacy report

LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council) along with Mayor Keith Parkes (Alexandrina Council) have represented the Southern and Hills Region at the Local Government Association State Board meetings.

Resources

The continuation of the *capacity building grant from the Local Government Research and Development Scheme* has improved the capacity of the Executive Officer that has been applied across a range of Association projects and programs during the year.

Part of the additional capacity has supported the processes and project outcomes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC, the regional EO group, the regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Penny Worland has provided under contract, project oversight of the S&HLGA Community Wellbeing Indicators project, ILC Champions for accessible destinations, ILC Champions for accessible communications and a preliminary review of the current S&HLGA Regional Public Health plan in anticipation of a new S&HLGA 2022 Regional Public Health plan as required under legislation.

Josh Spiers from Adelaide Hills Council is co-ordinating and developing the new S&HLGA 2022-2027 Regional Public Health and Wellbeing Plan.

Jen St Jack and *Olivia Davies* have provided under contract, project oversight and co-ordination of the work program of the Resilience Hills and Coasts, S&HLGA's Climate Change Committee.

Sara O'Dea from *RDA AHF&KI* provides meeting minutes secretarial services to the S&HLGA Board

2021-2022 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2021-2022



2021-22 S&HLGA ANNUAL KEY ACTION PLAN

KEY CATEGORIES & THEMES

THE 2021-2025 S&HLGA BUSINESS PLAN


KEY STRATEGIC OBJECTIVES
1. Advocate and Assist – Provide leadership and advocacy for its member Councils on regional and state issues
2. Promote and Partner - To market & promote the Southern & Hills Local Government Association as a credible and capable advocate on behalf of its member Councils. Partner with relevant organisations and regional drivers
3. Research and Recommend - To conduct research and communicate on important or emerging issues for Councils and their communities
4. Capacity and Capability – Build the capacity of its member Councils. Provide valuable information. Explore opportunities both external and internal to build capacity and capability in our region
5. Good Governance - Provide sound financial management. Ensure compliance with all regulatory obligations. Continually review, evaluate and mitigate risks





THE 2021-2022 S&HLGA ANNUAL KEY ACTION PLAN

Theme	Items & Actions
General Administration (sound financial and compliance management)	Budget, Complete Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
Projects and support (sustainability and development)	New Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, ILC Accessibility and Destinations projects, Implement new 2030 Transport Plan and SLRP applications.
Leadership, advocacy and marketing	LG reform, Continue relationship building with Government MPs, Website information & maintenance, Peri-Urban grouping Overabundant species (Little Corella) Strategy and Management, SLRP review
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, Membership and External Funding, Regional Development Assessment Panel, Telecommunications and 5G

Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial)	Budget, Charter Review, Board meetings,	Budget		Adopted
		2021-2025 S&HLGA Business Plan		Complete

Theme	Items & Actions	Item	Status	Comment
and compliance management)	Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals, 4 year 2021-2025 S&HLGA Business Plan	Charter review		Complete
		Subscriptions & levies		Issued and received
		Audit		Complete
		Annual Report		Complete and issued
		LGA Grants		Capacity Grant received
		Website		WIP
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		WIP Phase 2 Community Wellbeing Indicators grant application submitted but rejected. Winner Minister's Excellence in Public Health Award
		Resilient Hills & Coast Climate adaptation Plan		Co-ordinator appointed. Implementing Regional Action Plan
		Regional Transport Plan		Completed May 2022
		ILC Accessibility/Destinations		WIP ILC Destinations finalised 30/09/2021 Winner PIA award Nov 2021
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs,	LGA peri Urban Governance review		Peri-urban regional conference/organisation to be investigated
		LG reform		Continue to work with the LGA/SAOC
		Relationship with MPs		Regularly meeting
		Overabundant species (Little Corellas)		WIP
		SLRP Review		Completed
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, External Funding, Regional Development Assessment Panel, Regional Plan and telecommunications	CWMS		Committee to meet regularly. Liaise with Legatus. Workshop forums planned for April 2022
		Waste		Liaise with the regional Waste Authorities to co-ordinate the regional strategy around waste management and the circular economy
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based and WIP.
		Telecommunications		Seek funding opportunities as presented Mayo Advisory Group to be investigated RDA/S&HLGA to partner preliminary information for the Advisory Group.
		SA Coastal Councils Alliance		WIP.

Theme	Items & Actions	Item	Status	Comment
		Regional Assessment Panel		

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	Charter Review	Adopted and Gazetted 27 Jan 2022
	Active/Lead	Budget 2021-2022	Adopted June 2021
	Active/Lead	Key Action 2021-2022	Adopted June 2021
	Active/Lead	Regional Capacity grant acquittal 2020-2021	Acquitted 2020-21 Received for 2021-22
	Active/Lead	Audit 2020-2021	Complete August 2021
	Active/Lead	Annual Report 2020-2021	Complete September 2021
	Active/Lead	2021-2025 S&HLGA Business Plan	Adopted Dec 2021
Projects – Lead/S&HLGA Committee	Active/Lead	Regional Public Health Plan	WIP. Applied for Phase 2 Community Wellbeing Indicators LGA R&D grant. Winner of Regional category Ministers Excellence in Public Health 2021 award. AHC developing new 2021-2025 regional Public Health Plan. Awaiting Ministerial approval of draft for stakeholder consultation
	Active/Lead	Resilient Hills & Coast	re-appointed a co-ordinator. Contract signed. Sub contractor from June – Dec 2022
	Active/Lead	S&HLGA Advisory Group	2022 Meeting schedule issued
	Active/Lead	2030 Transport Plan/ Road Works Party	S&HLGA 2030 Regional Transport Plan. complete. SLRP funding recommendations lodged May 2022
	Active/Influence	CWMS	Legatus Group now leading sector review. Regional forums set up April 2022. State Conference April 19/20 Mt Gambier.
Projects – Lead	Active/Lead	ILC Communications/Destinations Projects	Destinations project complete. Destinations project winner of 2021 PIA award. Communications project WIP and successfully

Category	S&HLGA Role	Item	Comment/Description
			negotiated with LGA for final delivery
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects in conjunction with SAROC
Projects - Partner	Partner/Influence	Coastal Alliance project	Supported Funding Proposal. Subscriptions paid. Key plank in LGA state election advocacy
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G. Potential Mayo user group. RDA/S&HLGA joint project underway
	Partner/Influence	Economic Development Officers Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public Transport.
	Partner/Influence	Waste Management Strategy	
	Partner/Advocate	Northern Freight Bypass. SE Transport Corridor studies	Final reports released. Minister for Transport to attend Aug meeting
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas. Cherp have application for State and Federal funding with support from 11 Councils and S&HLGA
	Partner/Influence	SLRP Review	Working with LGA assessing Hudson Howell recommendations. Review completed and now most recommendations being implemented
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2021-2022 Meetings with MP Finniss and Kavel during March 2022 in lead up to election
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation. Option to pursue an annual conference

Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MP.....	Members of Parliament
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

FINANCIALS

S&HLGA Audited Financial statement for 2021-2022

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ended 30th June 2022

	Notes	2022 \$	2021 \$
Income			
Subscriptions	1.8	129,423	91,214
Operating Grants	2.2	42,783	42,151
Investment Income	1.7	665	1,258
Other		115,694	39,833
Total Income		<u>288,565</u>	<u>174,456</u>
Expenditure			
Employee Costs		150,733	137,149
Materials, Contracts and other expenses	3	218,354	219,153
Finance Charges		5,536	4,036
Total Expenditure		<u>374,623</u>	<u>360,338</u>
Surplus (Deficit) from Operations		<u>(86,058)</u>	<u>(185,882)</u>

The above Income Statement should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2022

	2022	2021
Notes	\$	\$
Current Assets		
Investments	218,876	201,700
Debtors	0	0
Total Current Assets	218,876	201,700
Current Liabilities		
Accounts Payable	2,673	0
Grants in Advance	81,818	0
GST	(1,808)	(9,912)
PAYG Payable	5,152	2,576
Employee provisions	36,169	23,194
Rounding	(15)	(15)
Superannuation payable	0	906
Wages payable	(599)	3,406
Total Current Liabilities	123,390	20,156
Net Current Assets	95,486	181,544
Net Assets	95,486	181,544
Equity		
Accumulated Surplus	95,486	181,544
Total Equity	95,486	181,544

The above Balance Sheet should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Changes in Equity for the Year Ended 30th June 2022

	2022	2021
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	181,544	367,426
Net Surplus / (Deficit)	<u>(86,058)</u>	<u>(185,882)</u>
Balance at end of period	<u>95,486</u>	<u>181,544</u>
Total Equity	<u>95,486</u>	<u>181,544</u>

The above Statement of Change in Equity should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2022

	Notes	2022	2021
		\$	\$
Cash Flows from Operating Activities			
Receipts		406,690	202,013
Payments		(382,437)	(390,984)
GST Paid (received)		(2,205)	17,179
Finance Costs		(5,537)	(4,037)
Interest Receipts		665	1,258
		17,176	(174,571)
Net Cash Provided by (Used in) Operating Activities		17,176	(174,571)
Net increase/(decrease) in Cash Held		17,176	(174,571)
Cash at the beginning of the reporting period		201,700	376,271
Cash at the end of the reporting period		218,876	201,700

Reconciliation of Change in Net Assets to Cash from operating activities

		2022	2021
			\$
Net Surplus		(86,058)	(185,882)
Decrease / (Increase) in Provisions		8,063	
Decrease / (Increase) in Debtors		0	10,450
(Decrease) / Increase in Accounts Payable		13,353	860
(Decrease) / Increase in Grants in Advance		81,818	-
		17,176	(174,571)
Net Cash provided by Operating Activities		17,176	(174,571)

The above Statement of cash Flows should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Note 1 - Significant Accounting Policies

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 31 July 2022.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general-purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, interpretations and relevant South Australian legislation

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

1.5 Non-Current Assets and Non-Current Liabilities

The Association has nil non-current assets or non-current liabilities.

1.6 Employees

The Association has one employee having converted the CEO from contractor to employee in February 2019.

1.7 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal. The Charter has since been amended in January 2022 allowing flexible subscriptions.

Constituent Council Subscription 2022	\$20,000
Constituent Council Subscription 2021	\$13,667

1.9 Income recognition

The Association recognises revenue under AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058) or AASB 15 *Revenue from Contracts with Customers* (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Association expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when the Association enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the Association.

1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

Administration: The operation of the Office of the Association and its decision making forums.

Special projects: The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
2022	0	131,295	131,295	45.5%	196,452	52.4%	(65,157)
2021	0	92,472	92,472	53.0%	205,278	57.0%	(93,728)
Projects							
2022	157,270	0	157,270	54.5%	178,171	47.6%	(20,901)
2021	62,251	19,732	81,984	47.0%	155,060	43.0%	(73,077)
Total							
2022	157,270	131,295	288,565	100%	374,623	100%	(86,058)
2021	62,251	112,204	174,456	100%	360,338	100%	(185,882)

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

		2022	2021
Consultants:	Jeanette Pope	\$13,723	\$20,400
	URPS	\$2,443	\$47,496
	HDS Australia Pty Ltd	\$33,025	\$28,810
	Centre for Inclusive design	\$23,850	\$10,500
	Seed Consulting	\$0	\$0
	Jack Jensen	\$33,000	\$7,500
	Penny Worland Consulting	\$21,944	\$27,455
	ILC Advisors	\$0	\$1,580
	AHC	\$10,000	\$0
Totals		\$137,985	\$153,741
Material and other expenses		\$ 80,369	\$ 65,412
Total		\$218,354	\$219,153

4. Comparison of Budget and Actual Results

	2022		2021	
	Budget	Actual	Budget	Actual
	\$	\$	\$	\$
Revenue				
Administration	131,281	131,295	92,214	92,472
Projects	144,270	157,270	63,910	81,984
Total Revenue	275,551	288,565	156,124	174,456
Expenditure				
Administration	186,028	196,452	184,449	205,278
Projects	171,424	178,171	100,559	155,060
Total Expenditure	357,452	374,623	285,008	360,338
Surplus (Deficit)	(81,901)	(86,058)	(128,884)	(185,882)

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

- o the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- o the financial statements present a true and fair view of the Association’s financial position at 30 June 2022 and the results of its operations and cash flows for the financial year.
- o internal controls implemented by the Authority provide a reasonable assurance that the Association’s financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association’s accounting and other records.

Dated 19th September 2022



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2022, the Association’s Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Dated 19th September 2022



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

The Board
C/- Graeme Martin
Executive Officer
Southern & Hills Local Government Association
13 Ringmer Drive
Burnside SA 5066

TO THE BOARD MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

**STATEMENT OF AUDITORS INDEPENDENCE
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2022**

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

HLB Mann Judd

**HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants**

**Adelaide, South Australia
19 September 2022**

A handwritten signature in blue ink, appearing to read 'Jon Colquhoun'.

**Jon Colquhoun
Director**

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Independent Auditor's Report to the Members of Southern & Hills Local Government Association

Opinion

We have audited the financial report of Southern & Hills Local Government Association ("the Association") which comprises the Balance Sheet as at 30 June 2022, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2022, and its financial performance and its cash flow for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Association in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Board Members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Board Members are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
19 September 2022



Jon Colquhoun
Director

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**Southern and Hills Local Government Association
Independent Assurance Report**

Qualified Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2021 to 30 June 2022 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2021 to 30 June 2022.

Basis for Qualified Opinion

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the *Local Government Act 1999*. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3150 Assurance Engagement on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies

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

The Associations Responsibility for Internal Control

The Association is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

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Our Independence and Quality Control

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

Auditor's responsibility

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the Local Government Act 1999 in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Information and ASAE 3150 Assurance Engagements on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the Local Government Act 1999 in relation only to the internal controls specified above for the period 1 July 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitations of Use

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



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
19 September 2022



Jon Colquhoun
Director

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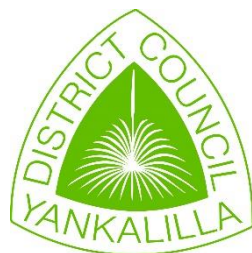
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Fleurieu Regional Waste Authority

Annual Report 2021-22



FLEURIEU REGIONAL
WASTE AUTHORITY



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Message

From the Independent Chairperson

It is my pleasure to present the Fleurieu Regional Waste Authority Annual Report for 2021-22.

In a society that continues, albeit increasingly less so, to be disrupted by COVID-19 pandemic and world events, the 2021-22 financial year saw the Authority continue to build on initiatives commenced in previous years and to continue its success in the delivery of services to its Constituent Councils and their communities.

Following detailed and rigorous consultation, the revised (updated and more progressive) Fleurieu Regional Waste Authority Charter was published in the Government Gazette on 19 August 2021. This has provided for the formation of a new Board with Councils nominating a mix of Elected Members and staff to the Board with breadth of experience across finance and operations, together with passion and business acumen. There are now also two independent Board members, one with experience in state government, governance and an entrepreneur, with a background in compostable packaging.

This mix has provided the Authority with a highly skilled Board that is guiding and driving the Authority to achieve its strategic objectives.

The Authority also formed a new Audit Committee comprising one independent member, a Board Member and finance and governance staff from member Councils. This will continue to build on work of the previous Audit Committee, in conjunction with our internal auditors.

The Authority has continued to diligently work through the remediation of properties impacted by asbestos contaminated material. The Board has closely monitored the progress of the remediation project and I am pleased to report that the project is on schedule, due to be completed in October 2022 and under budget. Our project team including McMahon Services, Greencap and Prominent Loss Adjusting Services have worked closely with affected parties to minimise disruptions, whilst maintaining a safe environment. This has been a challenging project but one that has, again, demonstrated that by working together even the most difficult matters can be resolved.

Financially, the Authority provided a positive outcome for most of its Councils, this on the back of increased commodity prices for recycled materials and increased patronage through the waste and recycling depots. The Authority has also reviewed its transport activities and implemented a range of changes that will provide positive benefits into the 2022-2023 financial year.

Environmentally, kerbside waste collection diversion rates have remained static but with waste and recycling depot diversion rates falling, predominately due to an increase in waste but also a change in the classification of material for recycling.

To ensure that our Councils continue to reduce the impact of their communities on the environment, the Authority has progressed the Summer Recycling Collections Program. I am pleased to report that all Council have endorsed this program for implementation this coming 2022-23 summer. This will reduce waste to landfill and increase the amount of material recycled, resulting in a diversion rate of over 70%.

Finally, I again recognise and thank the staff of FRWA - the waste collections drivers, the site operators, the waste education and customer service team, as well as the finance and administration staff who drive and run our business every day at such high standards and providing critical services to the community.

I also recognise and thank my fellow Board members for their vision, wise counsel and support over the past twelve months. In particular, Cr Peter Denholm from Kangaroo Island who has indicated that he will not be continuing from the November council elections. Peter has been a passionate supporter of FRWA since 2015, his sage advice, enthusiasm, historical knowledge and considered approach has, in large part, made the Authority what it is today. We wish Peter all the best in his future endeavours as he steps back from his Council duties in November 2022.

Thank you, all.

Michael Kelledy

Independent Chairperson
Fleurieu Regional Waste Authority



FRWA Governance

FRWA is administered by a Board in accordance with the requirements of the *Local Government Act 1999* and the Fleurieu Regional Waste Authority Charter 2021. This year the Authority formed a new Board to broaden the skills and increase the diversity of its membership. The membership of the Board comprises seven members including, one person from each member council, two independent members and an independent Chairperson.

This year we welcomed Cr Bryan Littlely from the City of Victor Harbor and independent members, Ms Marion Vigot and Mrs Vicki Tomlinson. Marion Vigot is an entrepreneur with a background in start up businesses and compostable packaging, and Vicki Tomlinson has experience in highest levels of state

government working in the areas of governance and risk.

Our Board will change again in the coming year due to local government elections with our two Elected Members not standing for Council and staff changes at our member Councils may also produce some change.

Board Members: Peter Denholm (Kangaroo Island Council), Vicki Tomlinson (Independent Member), Elizabeth Williams (Alexandrina Council), Marion Vigot (Independent Member), Michael Kelledy (Independent Chairperson), Simon Grenfell (Executive Officer). Absent Bryan Littlely (City of Victor Harbor), Andy Baker (District Council of Yankalilla



The Board held six meetings during the 2021-22 financial year. Given the wide area that the Authority covers, it holds Board meetings in each Council area during the year. The table below details the Board Member attendance.

Board Member	Meetings
Mr Michael Kelledy (Independent Chairperson)	6 of 6
Cr Peter Denholm (Kangaroo Island Council)	6 of 6
Cr Bryan Littlely (City of Victor Harbor)	3 of 6
Mr Andy Baker (District Council of Yankalilla)	6 of 6
Ms Elizabeth Williams (Alexandrina Council)	6 of 6
Ms Marion Vigot (Independent Member)	5 of 5
Mrs Vicki Tomlinson (Independent Member)	5 of 5

Schedule 2 to the *Local Government Act 1999*, requires local government subsidiaries to establish an Audit Committee to ensure that the Authority meets its legislative and probity requirements as required by the Act and other relevant legislation, standards and codes.

The membership of the FRWA Audit Committee change mid-way through 2021-22 due to the implementation of the new FRWA Charter and changes to the FRWA Board. The Audit Committee held five meetings during the 2021-22 financial year. The table below details the Audit Committee Member attendance

Audit Committee Member	Meetings
Mr Peter Fairlie-Jones (Independent Chairperson)	5 of 5
Cr Alistair Christie (District Council of Yankalilla Board Member)	1 of 1
Ms Elizabeth Williams (Alexandrina Council Board Member)	5 of 5
Ms Karen Rokicinski (City of Victor Harbor)	3 of 5
Mr Gary Lewis (District Council of Yankalilla)	5 of 5

Executive Officer's Report

Over the past year the team at FRWA have demonstrated how flexible and resilient they can be. Despite the challenges of COVID-19, lockdowns, changing community behaviours and managing contaminated materials; we achieved the priority actions in the 2021-22 Business Plan.

Our staff are the backbone of our organisation and to ensure that we can continue to thrive, we have invested in a Work Health and Safety Co-ordinator with a focus on "Health" as well as risk management. These investments are already providing return to our business and will continue to do so well into the future.

With the adoption of the new Charter, the changes to our governance structure have been invigorating and stimulating with new Board Member and Audit Committee Members providing a fresh and different perspective on our operations and the services we provide to the community.

The Board has provided valuable input into our programs in particular the Summer Recycling Collection Program which progressed this year with a community survey, bin audits and data analysis to determine the optimal kerbside waste collection service for the summer period. After workshops and consideration of all the research the FRWA Board endorsed the weekly collection of Food Organics and Garden Organics (FOGO) and Co-mingled recycling and fortnightly collection of general waste for six weeks over the summer period.

The response to the community survey was outstanding with over 1,300 people responding and 700 of these signing up to be 'Friends of FRWA' and receive our quarterly newsletter. The survey showed that the community is passionate about recycling and want to recycle more with 73% of respondents believing they could do more to reduce their waste to landfill. It also demonstrated that we need to look at different ways to communicate our messages around recycling with 80% of people confused and wanting to know more about recycling items and 19% of people thinking that plastic bags can go into recycling bins.

After carefully considering the options and for the collection of kerbside waste and recycling over summer the Board recommended the weekly collection of FOGO and Co-mingled recycling and fortnightly collection of general waste over the summer period.

The member Councils then endorsed the service to commence in December 2022. It is estimated that this will increase the kerbside waste diversion rate from 59% to over 70%. Ensuring that this region continues to lead the State in diverting waste from landfill and achieves our goal of 70% diversion of waste from landfill by 2030.

Food Waste is still the number one contributor of waste to landfill. We have continued to promote our Weekly Food Waste collection service for businesses by joining up with Plastic Free SA and holding two Managing Food Waste Responsibly sessions in Yankalilla and Victor Harbor. We also supported the City of Victor Harbor in extending their FOGO collection to an additional 260 households that further increased the collection of FOGO by 54 tonnes for the year.

FRWA continues to progressively remediate properties affected by Asbestos Contaminated Material with 89 properties of 123 full remediated so far. We have recovered 16,234 tonnes and expect to recover 25,000 tonnes. This material has been managed within a waste derived fill site management plan authorised by an independent auditor. Regular project reviews have identified a number of efficiencies that will see the majority of the project completed within the allocated budget by the end of 2022.

While still undertaking our normal operations we have continued to improve our digital resources by upgrading and refreshing our website. The new website reflects all our modern branding while providing the community with a one stop shop for waste information and resources. In particular an improved Bin Collection search function with personalised calendars.

We also installed a point of sale system at the Strathalbyn Waste and Recycling Depot to improve data transfer and security while making it easier for our staff.

This year's achievements would not have been possible without the dedication and hard work of our staff, our consultants and contractors, the commitment of the FRWA Board, the support of the constituent Councils.

I look forward to continuing to work with member Councils and the Board to build on these achievements and deliver our Strategic objectives.

Simon Grenfell

Executive Officer

Fleurieu Regional Waste Authority



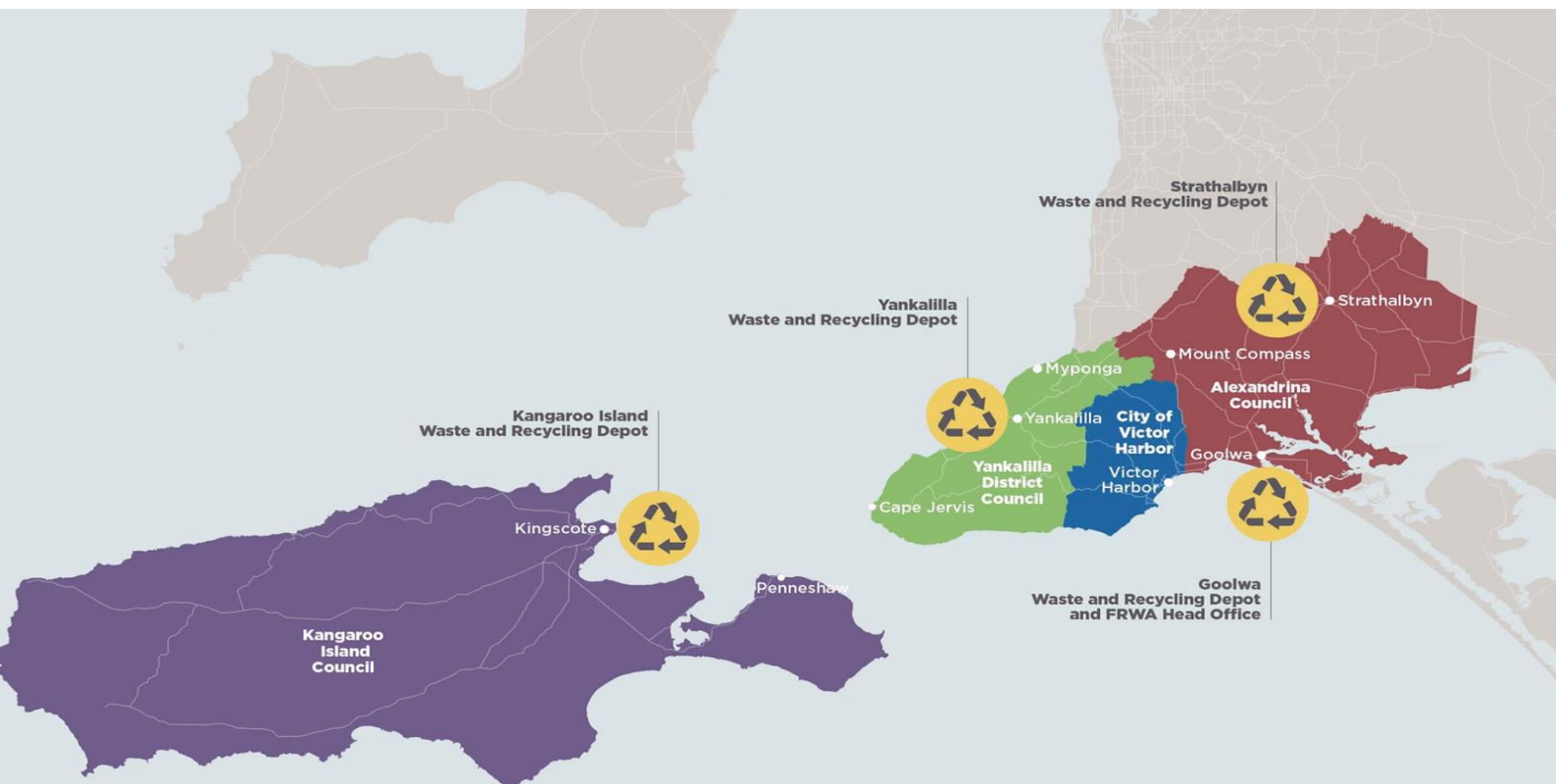
Our Services

The Fleurieu Peninsula and Kangaroo Island covers 7,341km² and has a resident population of 54,000 which increases by up to 50% in coastal areas during holiday periods.

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

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

- 3-bin fortnightly collection of kerbside waste
- Public Waste and Recycling Depots in Goolwa, Yankalilla, Strathalbyn and Kingscote
- Public Litter Bin collections
- Additional Waste Collection Services including: Event Bins, Weekly commercial FOGO collections, Exceptional Circumstances Bins
- Community Waste Education
- Customer Service
- Sale of composting equipment, kitchen caddies, bins and supplies
- Representation and advocacy on behalf of constituent Councils.



Our Mission and Objectives

About FRWA

The Fleurieu Regional Waste Authority (FRWA) is a local government regional subsidiary of the Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council. With a vision of *“FRWA will provide diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community are proud of”*.

To achieve the vision of the Strategic Plan a number of objectives were adopted with corresponding key performance indicators. Below is a summary of progress the Authority has made in achieving its objectives.

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

Key Performance Indicators

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

Objective 2: Advocate and facilitate a local circular economy

Key Performance Indicators

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

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

Key Performance Indicators

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

Objective 4: Provide efficient and effective regional subsidiary

Key Performance Indicators

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

Our Performance

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

FRWA continues to develop its performance measurement ensuring it can demonstrate it is achieving its objectives. The information below is a qualitative description of our performance against key performance indicators.

Indicator	Target	2021-22 Budget	2021-22 Actual
Operating Surplus Ratio	0% to 1%		
- Including ACM Borrowings		6%	5.7%
- Excluding ACM Borrowings		6%	6.7%
Net Financial Liabilities Ratio	30% to 50%		
- Including ACM Borrowings		129%	125%
- Excluding ACM Borrowings		58%	29%
Asset Renewal Funding Ratio	80% to 100%	102%	52%*
Own Source Revenue Ratio	23% to 28%	31%	31%

*The Asset Renewal Ratio was lower than planned due to delayed renewal of a prime mover and walking floor trailer.

The following is a qualitative and quantitative report on the achievements of the Strategic Plan key performance indicators.

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

One of FRWA's main performance indicators, the kerbside waste diversion rate has increased from 50% in 2018-19 to 59% in 2021-22 due to the introduction of fortnightly collection of waste. It is anticipated that this will increase to above 70% due to the changes in waste collection cycle during summer.

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

FRWA are continuing to develop methods to reduce our greenhouse gas emissions, including the review of transport activities. These changes will be further analysed in 2022-23.

Objective 2: Advocate and facilitate a local circular economy

The value of recovered materials has increased since 2020 with changes in processes to recover high value metals and landscape rock from council projects and the production of high quality wood chip from tree logs. These changes have increased revenue at waste and recycling depots. FRWA have also increased the amount of cardboard recycled through the Goolwa Waste and Recycling depot by separately collecting and transporting 19.6 tonne of cardboard to the Southern Materials Recycling Facility.

To reduce the freight kilometres by 5% by 2025 from 2020 a number of changes have been made to our operations. FRWA has had the opportunity to change where our co-mingled recycling is processed from Edinburgh to Seaford Downs this has reduced the travel distance for 114km to 50.6km for 5,500 tonnes of material. FRWA staff are continuing to analysis our freight movements and have recently changed operations at the transfer stations that has seen payloads increase by on average 15%. FRWA kerbside collection vehicles are now depositing the majority of kerbside waste at the Goolwa Waste and Recycling Depot for transport to the disposal site. This has increased payloads, reduced travel time and fuel use across our operations.

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

FRWA continues to improve services for its residents and has removed 15 bin banks (from 113 total bin banks across the Fleurieu and KI) in the Alexandrina Council and DC Yankalilla over the past two years and provided roadside collections for over 200 rural properties. This is a 12% reduction in the number of bin banks.

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

- Weekly Business Food Waste collection service
- On-demand collection of kerbside waste
- Caravan Park Collection Service

Our Waste and Recycling Depots now also provide rubber bin latches for bins and we also accept paint as part of the Paintback scheme that recycles unwanted paint.

Objective 4: Provide efficient and effective regional subsidiary

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

Kerbside Collection Services

FRWA has a fleet of 13 collection vehicles and provides fortnightly collection of waste, recycling and Food Organics Garden Organics to over 32,000 properties.

Waste creation has normalised after COVID-19 increasing by 2.4% this year. FOGO increased 3% and continues to increase more than general waste and co-mingled recycling increasing by just 1.1%.

Diversion rates remained steady across the region with a 59% diversion rate achieved with minor changes at Council level.

The summer period continues to be a period of high waste production with general waste increasing by 33% compared to October and November. This year the kerbside collections team provided stats and analysis to demonstrate that weekly collection of FOGO and Recycling would provide a positive impact for the community and while being financially achievable.

To cater for the increase in FOGO waste and reduce travel times, FRWA staff this year will develop alternative collection schedules for the Boards consideration. This will include changing what waste streams are collected together and the collection of DC Yankalilla waste across five days.

This year we focused on efficiency improvements and route scheduling. We removed 6 bin banks in the Strathalbyn area and provided 150 properties with roadside collections. We also removed bin banks at Myponga Beach and Sellicks Hill providing roadside collections for another 50 properties.

The removal of bin banks increases the level of service for the householder, reduces the amount of litter in the environment and reduces the risk of incidents for our collection drivers so will continue to be a focus for FRWA moving forward.

COUNCIL	WASTE	FOGO	RECYCLING	DIVERSION from landfill
Alexandrina	+1% 4749t	+4% 4274t	+1% 2757t	+1% 60%
Victor Harbor	+8% 2818t	+3% 2690t	+1% 1665t	61% -1%
Yankalilla	+6% 1230t	+1% 871t	+3% 655t	55% -1%
Kangaroo Island	906t -8%	+1% 400t	+0% 528t	+3% 51%
Total (tonnes)	+2.5% 9702t	+3% 8236t	+1.1% 5605t	NO CHANGE 59%

Kerbside waste statistics from July 2021 to June 2022 compared to the same period last year.

Waste and Recycling Depots

The FRWA Waste and Recycling Depots continue to provide an important service to the communities.

All waste and recycling depots reported a more stable year this year coming off significant busier year due to COVID-19. Changes to the way waste for recycling is classified has seen a 43% increase in waste to landfill and a 7% reduction in waste diverted from landfill resulting in an overall 3% increase in waste managed at our waste transfer stations.

This has resulted in the diversion rate from 84% to 74%.

We have progressed and implemented Recycled Product Plans for our Goolwa site to ensure that the material we are recycling meets all the required standards and is safe for its intended use.

To further increase the services, we provide to the community we have introduced the Paint Back scheme to our mainland depots. The scheme allows the community to bring in unwanted paint tins which are then returned to Paint Back for recycling.

We have replaced two old front end loaders at Strathalbyn and Yankalilla. These loaders were loaders that were purchased from Councils prior to 2010 and had reached their useful life. The new loaders have quick hitch attachments which has increased their versatility and capacity with a four-in-one bucket and forklift attachments.

We also refreshed our Strathalbyn and Yankalilla depots with new signage and a spring clean in June 2022.

The team at the Goolwa WRD have also successfully managed the incoming Asbestos Contaminated Material so that it complies with the site management plan and SA Environment Protection Authority requirements.

Transport and logistics are a major focus of our business and in the latter half of the year our staff identified a number of efficiencies that would provide beneficial outcomes for the organisation. These included bringing all kerbside collected general waste back to the Goolwa WRD for transport to landfill and closer monitoring of payloads out of our transfer stations.

FRWA had budgeted and ordered a new prime-mover and walking floor trailer to replace the current unit that had reached the end of its useful life. Using this unit and the existing prime-mover, from May, FRWA were able to bring all waste back to the Goolwa Waste and Recycling Depot. While full analysis of the trial is still being undertaken, we have reduced fuel usage, reduced travel times of our RACV's and increased our payloads by approximately 15%. These changes will further increase our capacity to manage increases in waste collections and changes in collection schedules into the future.

Waste Education and Projects

Waste Education and projects this year have focused on creating a stronger online presence to reach the community, partially motivated by the challenges presented by COVID-19 restricting some in person activities.

Updating the FRWA website has helped to raise our public image and to simplify some of our communication and business processes. Online fillable forms and updating our payment gateway have streamlined procedures for services such as additional collections and event bins. The new address search function now makes it easy for residents to find their next collection and download a personal zoned calendar in place of the full council calendar.

Social media campaigns for specific projects this year have enabled a wider engagement with the community, informing us of current attitudes and key issues so we can more effectively target waste education. We had over 1,300 respondents to our online Summer Recycling Collection community survey, with 800 signing up to our new 'Friends of FRWA' newsletter, which is sent out bi-monthly.



Bin audits were undertaken both during fortnightly collection and during the peak of summer weekly collections, to provide data for the summer collection change (part of the recommended actions from the Summer Recycling Collections Trial 2020/21 Final Report).

A total of 600 bins were audited during fortnightly collection, and a further 300 bins audited during peak summer weekly collection. The audit showed there is more food, including packaged food and drink in all waste streams over the summer peak, adding further confirmation for a change to summer collections.

Summer Recycling Survey For residents of our member councils



Be in the draw to win a \$200 visa gift card



With support from City of Victor Harbor Council, FRWA delivered 256 green bins, kitchen caddies, compost bags and education material to households in the expanded rural area of Victor Harbor. FRWA supported the City of Victor Harbor in promoting the program through local publications and social media.

FRWA partnered with Plastic free SA to deliver two events for hospitality businesses across our region to help them manage their food and compostable waste responsibly. We now have 24 businesses taking part in our weekly commercial FOGO collections.



SMILING SAVHOYED BREWERY

The brewery's organic waste is composted right here in SA, thanks Bec from FRWA for enabling food retailers to divert organics from landfill.



As part of a DC Yankalilla education campaign, FRWA took a community group to Peats soils to learn where our green waste goes to be commercially composted.



A FRWA truck demonstration provided some excitement for Science Week at Kingscote library.

In the past year, FRWA has strengthened working relationships with community and business groups across the region including the Fleurieu Environment Centre, Sealink, KI Tourism Alliance, Business Victor Harbor, KI business hub and others. FRWA has delivered 14 in person community sessions and been involved in supporting many council and community programs and events such as the Science Fair, the Festival of nature, Alexandrina council Food systems workshop, Science week and National Recycling week displays.

Your NEW Summer recycling collection
STARTS 19 December 2022
ENDS 27 January 2023

WEEKLY Organics **WEEKLY Recycling** **FORTNIGHTLY Waste**

More information www.frwa.com.au

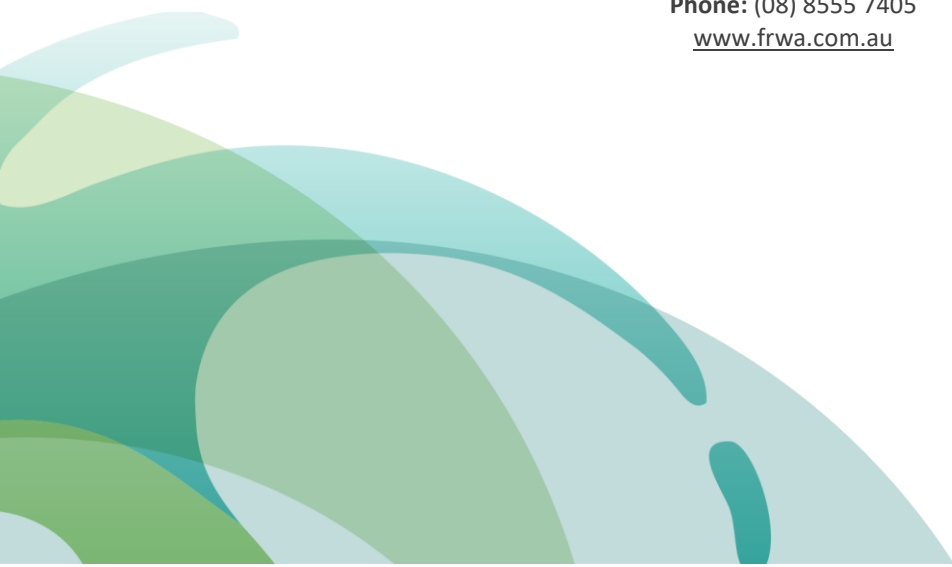
FLEURIEU REGIONAL WASTE AUTHORITY



FLEURIEU REGIONAL WASTE AUTHORITY

Financial Statements

PO Box 2375, Goolwa SA 5214
1226 Port Elliot Road, Goolwa
Phone: (08) 8555 7405
www.frwa.com.au



Fleurieu Regional Waste Authority
General Purpose Financial Reports
for the year ended 30 June 2022

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Fleurieu Regional Waste Authority
Annual Financial Statements
for the year ended 30 June 2022



CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.


Simon Grenfell

EXECUTIVE OFFICER

Date: 21 September 2022


Michael Kelledy

CHAIR OF THE BOARD

Fleurieu Regional Waste Authority
Statement of Comprehensive Income
for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
INCOME			
User charges	2	10,329,214	9,024,433
Grants, subsidies and contributions	2	68,477	159,570
Investment income	2	94	338
Reimbursements	2	2,309	7,140
Other income	2	6,416	30,009
Total Income		10,406,510	9,221,490
EXPENSES			
Employee costs	3	3,082,003	3,084,886
Materials, contracts & other expenses	3	5,846,845	15,238,693
Depreciation, amortisation & impairment	3	812,499	659,550
Finance costs	3	74,799	99,545
Total Expenses		9,816,146	19,082,674
OPERATING SURPLUS / (DEFICIT)		590,364	(9,861,184)
Asset disposal & fair value adjustments	4	-	12,821
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		590,364	(9,848,363)
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		590,364	(9,848,363)

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

Fleurieu Regional Waste Authority
Statement of Financial Position
as at 30 June 2022

ASSETS	Notes	2022	2021
		\$	\$
Current Assets			
Cash and cash equivalents	5	2,589,732	1,385,180
Trade & other receivables	5	505,597	894,345
Inventories	5	70,256	92,353
Total Current Assets		3,165,585	2,371,878
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,535,828	4,327,509
Total Non-current Assets		4,535,828	4,327,509
Total Assets		7,701,413	6,699,387
LIABILITIES			
Current Liabilities			
Trade & other payables	7	2,613,682	2,271,337
Borrowings	7	599,223	810,587
Provisions	7	5,646,493	10,335,665
Total Current Liabilities		8,859,398	13,417,589
Non-current Liabilities			
Borrowings	7	7,179,209	2,190,843
Provisions	7	46,066	64,579
Total Non-current Liabilities		7,225,275	2,255,422
Total Liabilities		16,084,673	15,673,011
NET ASSETS		(8,383,260)	(8,973,624)
EQUITY			
Accumulated Surplus		(8,383,260)	(8,973,624)
TOTAL EQUITY		(8,383,260)	(8,973,624)

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

Fleurieu Regional Waste Authority
Statement of Changes in Equity
for the year ended 30 June 2022

2022	Notes	Acc'd Surplus \$	Asset Rev'n Reserve \$	Other Reserves \$	TOTAL EQUITY \$
Balance at end of previous reporting period		(8,973,624)	-	-	(8,973,624)
Net Surplus / (Deficit) for Year		590,364			590,364
Balance at end of period		(8,383,260)	-	-	(8,383,260)
2021					
Balance at end of previous reporting period		874,739	-	-	874,739
Net Surplus / (Deficit) for Year		(9,848,363)			(9,848,363)
Other Comprehensive Income					
Balance at end of period		(8,973,624)	-	-	(8,973,624)

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

Fleurieu Regional Waste Authority

Statement of Cash Flows

for the year ended 30 June 2022

		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
Receipts:			
User charges		10,888,223	9,115,302
Investment receipts		94	338
Grants utilised for operating purposes		68,477	159,570
Reimbursements		2,309	-
Other revenues		6,416	-
Payments:			
Employee costs		(3,130,843)	(3,084,886)
Materials, contracts & other expenses		(10,357,668)	(5,948,671)
Finance payments		(28,640)	(104,056)
Net Cash provided by (or used in) Operating Activities	8	(2,551,632)	137,597
 CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts:			
Sale of replaced assets		-	153,956
Payments:			
Expenditure on renewal/replacement of assets		(609,263)	(948,344)
Expenditure on new/upgraded assets		(411,555)	(22,370)
Net Cash provided by (or used in) Investing Activities		(1,020,818)	(816,758)
 CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts:			
Proceeds from borrowings		5,587,589	785,980
Payments:			
Repayments of borrowings		(810,587)	(704,867)
Net Cash provided by (or used in) Financing Activities		4,777,002	81,113
Net Increase (Decrease) in cash held		1,204,552	(598,048)
 Cash & cash equivalents at beginning of period	8	1,385,180	1,983,228
Cash & cash equivalents at end of period	8	2,589,732	1,385,180

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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 21 September 2022.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

1.5 Covid-19

The COVID-19 pandemic has impacted the 2021/22 financial statements. The financial impacts are a direct result of either the Authority's response to the pandemic or due to mandatory shutdowns as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

Examples include; The closure of sites between the 21 July and 27 July 2021 whereby only contractors disposing of waste from septic tanks were permitted on site and other economic losses were incurred through sick leave and additional wages required to ensure critical functions were maintained.

To reduce the impact of Covid-19 the Authority has worked to reduce discretionary expenditure in the short term to help mitigate the effect of the reduced revenue and increased costs. It is expected further financial impacts will flow into the 2022/23 financial year but these have been largely taken into account during the development of the budget process for 2022/23. The budget assumptions for 2022/23 assume a continued easing of restrictions put in place by the government. the Authority has determined that there is no material uncertainty that casts doubt on the Authority's ability to continue as a going concern.

2 The Local Government Reporting Entity

The Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa South Australia. These consolidated financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1 - Significant Accounting Policies

3 Income recognition

3.1 Revenue

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

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

In other cases, AASB 1058 applies when 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Council Contributions

Revenue from Council contributions is recognised as the services are performed over the financial year.

Waste Disposal Operations

Revenue from waste disposal operations is recognised at the point in time the service is provided to the customer.

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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

4.2 Other Financial Instruments

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 9.

5 Inventories

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1 - Significant Accounting Policies

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

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 the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 6. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 6.

6.4 Depreciation of Non-Current Assets

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

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

6.5 Impairment

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

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

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1 - Significant Accounting Policies

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 Authority assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

8 Contract Liabilities

Contract liabilities represent the Authority's obligation to transfer goods and services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

8 Borrowings

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

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". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

9 Provisions

9.1 Employee Benefits

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

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

Weighted average discount rate	1.25% (2021: 0.26%)
Weighted average settlement period	1.6 years (2021: 1.6 years)

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

Superannuation:

The Authority makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and the Authority's involvement with the schemes are reported in Note 12.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1 - Significant Accounting Policies

9.2 Provisions for reinstatement, restoration, rehabilitation.

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

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

12 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.

13 New and amended standards and interpretations

The Authority applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. New standards and amendments relevant to the Authority are listed below. The Authority has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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 was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, in 2021 the AASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021. This amendment had no impact on the consolidated financial statements of the Group.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 2 - INCOME

	Notes	2022	2021
		\$	\$
USER CHARGES			
Council Contributions		7,131,793	6,271,291
Waste Disposal Operations		3,197,421	2,753,142
		10,329,214	9,024,433
INVESTMENT INCOME			
Interest on investments:			
Banks & other		94	338
		94	338
REIMBURSEMENTS			
- other		2,309	7,140
		2,309	7,140
OTHER INCOME			
Sundry		6,416	30,009
		6,416	30,009
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions		68,477	159,570
		68,477	159,570
Sources of grants			
<i>State government</i>		68,477	159,570
		68,477	159,570

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 3 - EXPENSE

	Notes	2022 \$	2021 \$
EMPLOYEE COSTS			
Salaries and Wages		2,505,927	2,458,191
Employee leave expense		150,275	204,117
Superannuation - defined contribution plan contributions	12	228,280	217,712
Superannuation - defined benefit plan contributions	12	13,110	19,876
Workers' Compensation Insurance		127,995	126,584
Other		56,416	58,406
Total Operating Employee Costs		3,082,003	3,084,886
Total Number of Employees		29	32
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		13,600	13,000
- Auditing of internal controls		-	2,000
Bad and Doubtful Debts		4,602	-
Board member expenses		35,763	23,217
Rental Charge		85,764	85,764
Subtotal - Prescribed Expenses		139,729	123,981
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,753,377	11,632,823
Energy		664,472	554,708
Waste Disposal		2,111,289	1,853,719
Maintenance		572,909	413,486
Legal Expenses		2,319	4,741
Parts, accessories & consumables		168,928	154,317
Professional services		66,814	93,384
Sundry		367,008	407,534
Subtotal - Other Materials, Contracts & Expenses		5,707,116	15,114,712
INDIVIDUALLY SIGNIFICANT ITEMS			
<i>Provision for remediation costs</i>	1.3,7,15	-	9,877,286

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 3 - EXPENSE Cont...

DEPRECIATION, AMORTISATION & IMPAIRMENT

Depreciation

Plant, Machinery & equipment	<u>812,499</u>	<u>659,550</u>
	<u>812,499</u>	<u>659,550</u>

FINANCE COSTS

Interest on Loans	<u>74,799</u>	<u>99,545</u>
	<u>74,799</u>	<u>99,545</u>

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	Notes	2022 \$	2021 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		-	153,956
Less: Carrying amount of assets sold		-	141,135
Gain (Loss) on disposal		<u>-</u>	<u>12,821</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		<u>-</u>	<u>12,821</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 5 - CURRENT ASSETS

	Notes	2022 \$	2021 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		2,506,160	455,186
Deposits at Call		<u>83,572</u>	<u>929,994</u>
		<u>2,589,732</u>	<u>1,385,180</u>
TRADE & OTHER RECEIVABLES			
Debtors - general		251,898	892,920
GST Recoupment		255,437	-
Prepayments		1,788	1,425
Total		509,123	894,345
Less: Allowance for Doubtful Debts		<u>(3,526)</u>	<u>-</u>
		<u>505,597</u>	<u>894,345</u>

Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 9.

INVENTORIES

Stores & Materials		<u>70,256</u>	<u>92,353</u>
		<u>70,256</u>	<u>92,353</u>

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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

		2021 \$'000				2022 \$'000			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Plant, Machinery & equipment	2	-	7,268,743	(2,941,234)	4,327,509	-	8,289,561	(3,753,733)	4,535,828
Total IPP&E		-	7,268,743	(2,941,234)	4,327,509	-	8,289,561	(3,753,733)	4,535,828
Comparatives			7,370,860	3,216,090	4,154,770	-	7,268,743	(2,941,234)	4,327,509

	2021	Carrying Amounts Movement During the Year							2022	
	\$	\$							\$	
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
	New / Upgrade	Renewals	In				Out			
Plant, Machinery & equipment	4,327,509	411,555	609,263	-	(812,499)	-	-	-	-	4,535,828
Total IPP&E	4,327,509	411,555	609,263	-	(812,499)	-	-	-	-	4,535,828
Comparatives	4,154,770	22,370	951,054	(141,135)	(659,550)	-	-	-	-	4,327,509

This note continues on the following pages.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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

Valuation of Assets

General Valuation Principles

Plant, Machinery & Equipment

Plant, Machinery & Equipment are recognised on a cost basis.

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

Office Equipment	5,000
Other Plant & Equipment	5,000
Buildings - new construction/extensions	10,000

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

Plant, Furniture & Equipment	3 to 20 years
Building & Other Structures	30 to 80 years

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 7 - LIABILITIES

	Notes	2022		2021	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		718,505	-	742,722	-
Payments received in advance - contract liabilities		747,380	-	829,393	-
Accrued expenses - employee entitlements		232,819	-	189,781	-
Accrued expenses - other		669,199	-	509,441	-
GST Payable		245,779	-	-	-
		<u>2,613,682</u>	-	<u>2,271,337</u>	-

BORROWINGS

Loans		599,223	7,179,209	810,587	2,190,843
		<u>599,223</u>	<u>7,179,209</u>	<u>810,587</u>	<u>2,190,843</u>

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

PROVISIONS

LSL Employee entitlements (including oncosts)		217,425	46,066	219,956	64,579
Provision for rock crushing		383,788	-	182,021	-
Provision for remediation costs	1.3,7,15	4,977,505	-	9,877,286	-
Other Provisions		67,775	-	56,402	-
		<u>5,646,493</u>	<u>46,066</u>	<u>10,335,665</u>	<u>64,579</u>

In March 2021, the Authority undertook testing of its recycled road base material at the Goolwa Waste and Recycling Depot and found that the stockpile contained asbestos. The Authority notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of asbestos containing material from identified properties in South Australia, in accordance with specific remediation plans.

A provision for remediation costs was recognised at 30 June 2021 and represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Remediation works commenced in July 2021 and have continued during the financial year ended 30 June 2022. The Board estimate that the majority of the remediation costs will be incurred, and remediation works completed, within the next 12 months.

This provision is a significant estimate as outlined in Note 1.3.

CONTRACT LIABILITIES

Revenues received in advance					
Additional collection services		83,125	-	83,125	-
Council contributions		746,268	-	746,268	-
		<u>829,393</u>	-	<u>829,393</u>	-

The Authority's Board approved the retention of Surplus Council Contributions as at 30 June 2021 for each constituent Council to fund the asbestos contaminated material remediation project.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 8 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2022 \$	2021 \$
Total cash & equivalent assets	5	2,589,732	1,385,180
Balances per Cash Flow Statement		<u>2,589,732</u>	<u>1,385,180</u>

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

Net Surplus (Deficit)	590,364	(9,848,363)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	812,499	659,550
Net increase (decrease) in unpaid employee benefits	21,994	8,460
Change in allowances for under-recovery	3,526	
Net (Gain) Loss on Disposals	-	(12,821)
	<u>1,428,383</u>	<u>(9,193,174)</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	631,001	(401,773)
Net (increase) decrease in inventories	22,097	1,920
Net (increase) decrease in other current assets	-	(10,317)
Net increase (decrease) in trade & other payables	53,528	9,892,287
Net increase (decrease) in other provisions	(4,686,641)	(151,346)
Net Cash provided by (or used in) operations	<u>(2,551,632)</u>	<u>137,597</u>

(d) Financing Arrangements

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

Bank Overdrafts		
Corporate Credit Cards	10,000	10,000
LGFA Cash Advance Debenture facility	6,421,863	857,115

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

**Bank, Deposits at Call, Short
Term Deposits**

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

Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 1.05% (2021: 0.01% and 0.05%).

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

**Receivables - Fees & other
charges**

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

Terms & conditions: Unsecured, and do not bear interest. The Authority is not materially exposed to any individual debtor.

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

**Receivables - other levels of
government**

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

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

Carrying amount: approximates fair value.

Liabilities - Creditors and Accruals

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

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

Carrying amount: approximates fair value.

**Liabilities - Interest Bearing
Borrowings**

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

Terms & conditions: secured over future revenues, debenture loan borrowings are repayable in six-monthly instalments; interest is charged at fixed rates between 1.8 % and 4.8% (2021: 1.8% and 4.8%) and cash advance debentures require interest only at variable rates between 2.05% and 2.8% (2021: 1.3% and 2.2%).

Carrying amount: approximates fair value.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2022	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
	\$	\$	\$	\$	\$
Cash & Equivalents	2,589,732	-	-	2,589,732	2,589,732
Receivables	505,597	-	-	505,597	503,809
Total	3,095,329	-	-	3,095,329	3,093,541
Financial Liabilities					
Payables	1,711,664	-	-	1,711,664	1,711,664
Current Borrowings	813,799	-	-	813,799	599,223
Non-Current Borrowings	-	2,951,149	5,734,924	8,686,073	7,179,209
Total	2,525,463	2,951,149	5,734,924	11,211,536	9,490,096
2021	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
	\$	\$	\$	\$	\$
Cash & Equivalents	1,385,180	-	-	1,385,180	1,385,180
Receivables	894,345	-	-	894,345	894,345
Total	2,279,525	-	-	2,279,525	2,279,525
Financial Liabilities					
Payables	1,572,115	-	-	1,572,115	1,572,115
Current Borrowings	503,853	-	-	503,853	433,250
Non-Current Borrowings	-	1,817,422	877,975	2,695,397	2,545,657
Total	2,075,968	1,817,422	877,975	4,771,365	4,551,022

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

	30 June 2022		30 June 2021	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Other Variable Rates	2.63	1,743,117	1.73	1,532,865
Fixed Interest Rates	3.65	6,035,315	2.55	1,468,565
		7,778,432		3,001,430

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - 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 Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

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

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

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 10 - FINANCIAL INDICATORS

	2022	2021	2020
Operating Surplus Ratio			
<u>Operating Surplus</u>	5.7%	-107.0%	0.6%
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>	125%	145%	37%
Total Operating Income			

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

The Authority's current Net Financial Liabilities Ratio is a result of borrowings required to remediate properties affected by asbestos contaminated material. These borrowings will be paid down over 15 years to return the Net Financial Liabilities Ratio to a similar level as 2020.

Asset Renewal Funding Ratio

<u>Outlays on Existing Assets</u>	52%	107%	87%
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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 11 - 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.

	2022		2021
	\$		\$
Income	10,406,510		9,221,490
Expenses	(9,816,146)		<u>(19,082,674)</u>
Operating Surplus / (Deficit)	590,364		<u>(9,861,184)</u>
 Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	(609,263)		(948,344)
Add back Depreciation, Amortisation and Impairment	812,499		659,550
Proceeds from Sale of Replaced Assets	<u>-</u>		<u>153,956</u>
	203,236		<u>(134,838)</u>
 Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(411,555)		(22,370)
Amounts received specifically for New and Upgraded Assets	-		-
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-		-
	<u>(411,555)</u>		<u>(22,370)</u>
Net Lending / (Borrowing) for Financial Year	382,045		<u>(10,018,392)</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 12 – SUPERANNUATION

The Authority 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 (10.0% in 2020-21; 10.0% in 2021-22). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2020-21) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2022. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 13 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the balance sheet.

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Independent Board Chair, External Member of the Audit Committee and Executive Officer under section 112 of the Local Government Act 1999. In all, 3 persons were paid the following total compensation:

	2022	2021
	\$	\$
Salaries, allowances & other short term benefits	199,463	183,379
Post-employment benefits	14,740	14,740
Long term benefits	-	4,803
Termination benefits	-	-
TOTAL	214,203	202,922

Note 15 - ECONOMIC DEPENDENCE

A provision for remediation costs of \$4,977,505 has been recognised at 30 June 2022 (2021: \$9,877,286) (refer to Notes 1.3, 3 and 7). As a result, the Authority's current liabilities exceed its current assets at 30 June 2022 by \$5,693,813 (2021: \$11,045,711) and the Authority has a net deficiency of \$8,383,260 (2021: \$8,973,627).

The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils.

Bentleys SA Audit Partnership

Level 3
3rd Floor
1000

1000 3rd
1000

1000 3 77 0 03

1001 372 700
1001 372 700

1000 1000
1000 1000

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

Our audit was conducted in accordance with the requirements of the Fleurieu Regional Council of the Fleurieu Regional Waste Authority for the period ending 30 June 2022. The financial statements were prepared in accordance with the requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants. The financial statements are true and fair in all material aspects.

Our audit was conducted in accordance with the requirements of the Fleurieu Regional Council of the Fleurieu Regional Waste Authority for the period ending 30 June 2022. The financial statements were prepared in accordance with the requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants. The financial statements are true and fair in all material aspects.

Basis for Opinion

Our audit was conducted in accordance with the requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants. The financial statements are true and fair in all material aspects.

Our audit was conducted in accordance with the requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants. The financial statements are true and fair in all material aspects.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and presentation of the financial statements in accordance with the requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants. The financial statements are true and fair in all material aspects.

Management is responsible for assessing the entity's ability to continue as a going concern. The financial statements are true and fair in all material aspects.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report that we audit based on the evidence we have obtained. We are not responsible for preparing the financial report, and we do not provide any assurance on the financial report. Our responsibility is to express an opinion on the financial report based on the evidence we have obtained. We are not responsible for preparing the financial report, and we do not provide any assurance on the financial report. Our responsibility is to express an opinion on the financial report based on the evidence we have obtained. We are not responsible for preparing the financial report, and we do not provide any assurance on the financial report.

Our audit is conducted in accordance with the auditing standards that apply in the United Kingdom. These standards require us to perform our audit in accordance with the auditing standards that apply in the United Kingdom. Our audit is conducted in accordance with the auditing standards that apply in the United Kingdom. These standards require us to perform our audit in accordance with the auditing standards that apply in the United Kingdom.

BENTLEYS SA AUDIT PARTNERSHIP



David Roper
Director

Dated and signed on the 2nd day of September 2022

Bentleys SA Audit Partnership

Level 3
300 West Street
Sydney NSW 2000

Level 3
300 West Street
Sydney NSW 2001

Level 3 77 Old Road

Level 3 372 7 Road
Level 3 372 7 Road

Level 3 372 7 Road
Level 3 372 7 Road

INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

We have audited the internal controls of Fleurieu Regional Council, the Authority, in accordance with Section 125 of the Local Government Act 1999 in relation to the internal controls established by the Authority to ensure compliance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Act 2009 for the period 1 July 2021 to 30 June 2022. Our audit was conducted in accordance with the requirements of the Local Government Act 1999.

In our opinion, the Authority has not complied with all the requirements of Section 125 of the Local Government Act 1999 in relation to the internal controls established by the Authority in relation to the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Act 2009 for the period 1 July 2021 to 30 June 2022.

Limitation on Use

This assurance report is prepared for the use of the Authority in accordance with Section 129 of the Local Government Act 1999 in relation to the internal controls established by the Authority. It is not intended to be used for any other purpose and we do not accept any responsibility for any reliance on this assurance report by any other person or user other than the Authority or its duly authorised officers who may have been provided.

Limitations of Controls

Internal controls are designed to manage risk and ensure compliance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Act 2009. However, internal controls are not intended to prevent or detect all errors or fraud. There are inherent limitations in any internal control system and we do not provide any assurance that the internal controls of the Authority are free from all errors or fraud.

The internal controls of the Authority are designed to ensure compliance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Act 2009. However, internal controls are not intended to prevent or detect all errors or fraud. There are inherent limitations in any internal control system and we do not provide any assurance that the internal controls of the Authority are free from all errors or fraud.

Independence

We have complied with the requirements of the Local Government Act 1999 in relation to the independence of the auditors. We are not related to the Authority and we do not have any financial interest in the Authority.

The Authority's Responsibility for the Internal Controls

The Authority is responsible for the design, implementation and maintenance of adequate systems of internal control in accordance with Section 125 of the Local Government Act 1999 in relation to the financial statements of the Authority and the financial statements of the Authority's wholly owned subsidiaries and the financial statements of the Authority's wholly owned subsidiaries and the financial statements of the Authority's wholly owned subsidiaries.

Our Responsibility

Our responsibility is to provide an independent assessment of the Authority's compliance with Section 125 of the Local Government Act 1999 in relation to the financial statements of the Authority and the financial statements of the Authority's wholly owned subsidiaries and the financial statements of the Authority's wholly owned subsidiaries and the financial statements of the Authority's wholly owned subsidiaries. Our procedures for this purpose are based on the 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and the 3100 Assurance Engagement on Controls issued by the Auditing Standards Board and the 3100 Assurance Engagement on Controls issued by the Auditing Standards Board. We have also performed procedures in accordance with Section 125 of the Local Government Act 1999 in relation to the financial statements of the Authority and the financial statements of the Authority's wholly owned subsidiaries and the financial statements of the Authority's wholly owned subsidiaries.

Our procedures included the use of the 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and the 3100 Assurance Engagement on Controls issued by the Auditing Standards Board and the 3100 Assurance Engagement on Controls issued by the Auditing Standards Board. We have also performed procedures in accordance with Section 125 of the Local Government Act 1999 in relation to the financial statements of the Authority and the financial statements of the Authority's wholly owned subsidiaries and the financial statements of the Authority's wholly owned subsidiaries.

BENTLEYS SA AUDIT PARTNERSHIP



David R...
 RR...

David ... 2022 day ... 2022

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2022, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in blue ink, appearing to read 'M J Kelledy', is written over a horizontal dotted line.

Michael Kelledy

CHAIR OF THE BOARD
Fleurieu Regional Waste Authority

Date: 21 September 2022

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2022, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in blue ink, appearing to read 'Simon Grenfell', is written over a horizontal dotted line. The signature is fluid and cursive.

Simon Grenfell
EXECUTIVE OFFICER
Fleurieu Regional Waste Authority

Date: 21 September 2022

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2022, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in blue ink, appearing to read 'Nigel Morris', positioned above a dotted line.

.....
Nigel Morris
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date:

14 / 7 / 22

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

CERTIFICATION OF AUDITOR INDEPENDENCE

I am pleased to announce that I have completed my audit of the financial statements of the Fleurieu Regional Waste Authority for the year ended 30 June 2022, the Authority's Auditor, in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and under the provisions of the *Local Government (Financial Management) Regulations 2011*.

I have also completed my audit of the financial statements of the District Council of Yankalilla for the year ended 30 June 2022, the Council's Auditor, in accordance with the requirements of the *Local Government (Financial Management) Regulations 2011*.



.....
[Signature]
CHIEF EXECUTIVE OFFICER
District Council of Yankalilla

Dated 13 July 2022

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

CERTIFICATION OF AUDITOR INDEPENDENCE

I am pleased to announce that I have been appointed as the Auditor for the year ended 30 June 2022, the Authority's Auditor, in accordance with the provisions of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and under the provisions of the *Local Government (Financial Management) Regulations 2011*.

I am pleased to announce that I have been appointed as the Auditor for the year ended 30 June 2022, the Authority's Auditor, in accordance with the provisions of the *Local Government (Financial Management) Regulations 2011*.



.....
Karen Rokianski
Acting CHIEF EXECUTIVE OFFICER
City of Victor Harbor

Dated 12 July 2022

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2022

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2022, the Authority's Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in blue ink, appearing to read 'Greg Georgopoulos', is written over a horizontal dotted line.

Greg Georgopoulos
CHIEF EXECUTIVE OFFICER
Kangaroo Island Council

Date: 13th July 2022

2021 | 2022





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Key Achievements	11		
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The Fleurieu Regional Aquatic Centre Authority acknowledge the traditional custodians of the land the Centre is on, and acknowledge their connections to the land, waters and community. We pay our respect to their Elders past, present and future, and extend that respect to all Aboriginal and Torres Strait Islander peoples across Australia. The Authority will commence consultation to form an agreed acknowledgement with Aboriginal and Torres Strait Islander peoples and to inform future plans and processes.



Chairperson's Message

It is my pleasure to report on behalf of the Fleurieu Regional Aquatic Centre Authority and reflect on a year of both challenges and successes for both the Fleurieu Aquatic Centre and the Authority.

As we learn to live with the changing and enduring effects of Covid-19 on our community and the challenges these have presented to our operations, we have also learnt the value of agility, focus and adaptability in reaching our aspirations.

The Board has drafted a revitalised Strategic Plan 2023-2032 which will be released in the latter half of this year. This plan solidifies our commitment to build on our current services to the community, working to improve our well-loved Centre and to enhance the delivery of health, fitness and lifestyle to the Fleurieu region and its visitors. The Plan is supported by our 3 Year Business Plan 2023-2025 that outlines how we will achieve our aspirations, identifying actions that will ensure we are accountable and stay on track to meet community expectations.

We continue with our plans to improve the energy efficiency of the Centre, research was undertaken in 2021-2022 to ensure we fully understood the market and our requirements before investing considerable public funds. In addition to this crucial project, we are also looking at ways we can improve access to the facility and increasingly meet the needs and expectations of our communities.

The Authority undertook a year of reflection to ensure our framework was as effective as possible in a changing environment, and this theme will continue into future years to maximise efficiency and effectiveness. A review of our structure saw a change to the makeup of our Audit and Risk Management Committee to include a suitably experienced independent member, and as a result we welcomed Claudia Goldsmith to this role. We also appointed a new Audit and Risk Management Committee Chairperson – Peter van der Eijk who brings a wealth of external Audit experience to the role. The Authority has appointed a new Executive Officer, Andrew Baker and new Independent

Board member – Vicki Tomlinson. Both appointments bring a wealth of experience across government, not for profit and commercial enterprises. I thank all outgoing officers for their contributions and support throughout the year, and also the current Board and Committee members for their ongoing commitment.

While we faced a challenging year in overall attendance due to a slow return in community confidence following Covid-19 closures and restrictions, as the financial year ended there was an improvement in attendance and membership levels.

Continuing their community-focused management of the Centre, the YMCA worked with several like-minded organisations to either deliver or facilitate programs that contributed to social value outcomes for the community of over \$2.6million. This figure is well above the social value return for similar facilities in South Australia and includes work with organisations such as Community Living Australia, the MS Society and the YWCA. Over 14,000 swimming lessons were also held, continuing to improve the safety of children and adults in our community, and the Centre saw almost 175,000 visitors overall.

The ability of the YMCA to adapt to an ever-changing environment, the resilience of their staff and demonstrated versatility in response to challenges while still delivering the same level of quality service for our whole community is to be commended.

Steve Mathewson

Chairperson, Fleurieu Regional Aquatic Centre Authority



As we learn to live with the changing and enduring effects of Covid-19 on our community and the challenges these have presented to our operations, we have also learnt the value of agility, focus and adaptability in reaching our aspirations.



“

Maximise participation in and use of the aquatic programs provided at the Aquatic Centre and the facilities and services of the Aquatic Centre by users of all ages and abilities;

”



Who we are...

The Fleurieu Regional Aquatic Centre Authority is a regional subsidiary of City of Victor Harbor and Alexandrina Council, established to enable joint ownership and management of the Fleurieu Aquatic Centre on behalf of the two Constituent Councils.



The Centre opened to the region in 2017 after an investment of \$6.5 million from each Constituent Council, \$7.5 million from the Australian Government, \$500,000 from the South Australian Government, and a generous land donation from Beyond Today.

Located at 50 Ocean Road in Hayborough, South Australia, this premier facility provides the community with access to:

- **an 8-lane, 25-metre lap swimming pool;**
- **a multi-use hydrotherapy pool;**
- **a children's pool;**
- **a zero-depth outdoor splash park;**
- **a crèche facility;**
- **fitness facilities; and**
- **a commercial kiosk.**

Centre operations are managed by YMCA South Australia, who work closely with the Authority Executive Officer to care for and maximise the asset on behalf of the community.

The Charter was reviewed in 2021, and is the guiding document of the Authority and sets out its key responsibilities in relation to the management of the Centre. These are to:

- manage the facilities of and services at the Aquatic Centre in accordance with the Charter and all applicable legislation;
- undertake the care, protection, management, operation and improvement of the Aquatic Centre and its associated facilities and services in an efficient, effective and sustainable manner;
- pro-actively manage the business of the Aquatic Centre in a competitive and changing environment;
- deliver effective and sustainable service provision for the Constituent Councils, customers of the Aquatic Centre and the regional communities of and surrounding the Constituent Councils;
- contribute to the education and welfare of the Constituent Councils and the wider community through the facilitation of various aquatic programs;
- foster social inclusion through the provision of a community place providing a variety of aquatic programs and associated services and facilities;
- maximise participation in and use of the aquatic programs provided at the Aquatic Centre and the facilities and services of the Aquatic Centre by users of all ages and abilities;
- undertake key strategic and policy decisions for the purpose of enhancing and developing the Aquatic Centre;
- establish and demonstrate ethical policies and standards, in accordance with the rights of customers and industry standards; and
- as far as possible, be financially self-sufficient.

More information about the Centre and the Authority is available on our website at www.fleurieuaquaticcentre.com.au.

Strategic Direction

The Authority completed a number of significant reviews of strategic documents in 2021-2022, starting with a review of the Charter, a revitalized Strategic Plan 2023-2032 presented to Constituent Councils, and the development of the 3 Year Business Plan 2023-2025 that supports the mission and vision in the new Strategic Plan.

Mission

A premier aquatic facility that enhances the health and wellbeing of our regional communities.

Vision

A vibrant, contemporary and inclusive facility, embraced by our communities.

Aspirations

1. Participation and Awareness

Increase participation and awareness of the Fleurieu Aquatic Centre and its program and facilities.

2. Social Inclusion

Foster and maximise social inclusion and social activities.

3. Collaboration

Build relationships and collaborate for improved social, community, and commercial outcomes.

4. Stewardship

Provide prudent stewardship, striving for sustainability, innovation and creativity.

Planning Context

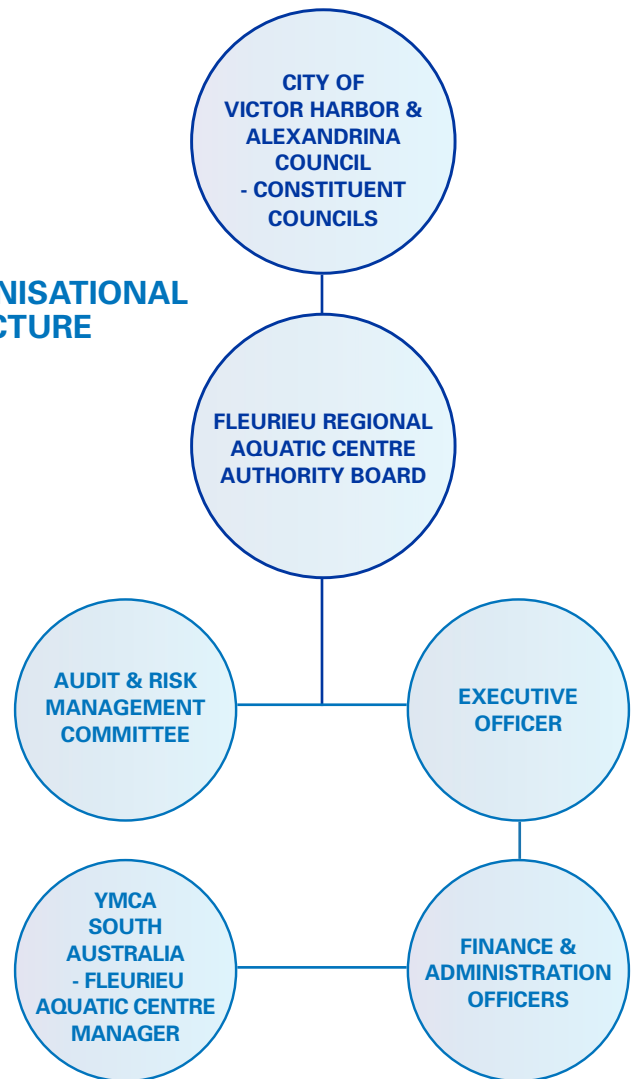
The Authority has a suite of strategic planning documents, including the Strategic Plan 2023-32 (subject to Constituent Council endorsement), Asset Management Plan 2018-2027 and Long-Term Financial Plan 2018-2027.

These strategic documents inform and are supported by the Authority 3-Year Business Plan, an annual Fleurieu Aquatic Centre Business & Marketing Plan, and annual budgets.

Organisational Structure

The Authority is a body corporate and is governed by the Local Government Act 1999 and its Charter.

THE ORGANISATIONAL STRUCTURE



Looking Ahead

With the Authority having finalised the review of its Charter, updated its Strategic Plan and drafted a new 3 Year Business Plan in 2021-2022, the focus is now on the renewal of its Asset Management Plan and Long-Term Financial Plan in 2022-2023.

The Authority will also move forward with plans to reduce carbon emissions and decrease our significant energy costs in 2022-2023 and is focused on future proofing solutions implemented.

The Board



Steve Mathewson
Independent Chairperson
Attended 7/7 meetings



Mark Easton
Independent Member
Attended 6/7 meetings



Cr Margaret Gardner
Alexandrina Council
Attended 7/7 meetings



Trish Kirkland
Independent Member
Attended 5/6 meetings
(resigned from Board April 2022)



Cr David Kemp
City of Victor Harbor
Attended 5/7 meetings



Cr Peter Charles
Deputy City of Victor Harbor
Attended 1/1 meetings
(resigned from Council August 2021)



The Authority is led by a Board of Management responsible for ensuring the Authority acts in accordance with its Charter and all other relevant legislation, while providing a premier regional aquatic centre to the community of behalf of its Constituent Councils.

Audit & Risk Management Committee



The Audit & Risk Management Committee provides assurance support to the Authority Board through the review of key documents and information.

In accordance with the Terms of Reference, the Committee's key responsibilities include:

- reviewing annual financial statements to ensure that they provide a timely and fair view of the state of affairs of the Authority;
- reviewing the adequacy of Authority risk management systems;
- proposing, and providing information relevant to, a review of the Authority's strategic management plans and annual business plan;
- liaising with the Authority's external auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Authority on a regular basis.

The Committee's Terms of Reference were reviewed in 2021-2022 and from that review an amendment was made to its makeup. This saw the Authority Board representation reduced from two to one and the introduction of an Independent Committee member.

The resulting composition was an Independent Chairperson engaged for their specialist skills and expertise, one Authority Board Member, a suitably qualified independent member and a professionally qualified staff representative from each Constituent Council.

The Audit & Risk Management Committee met five times in the 2021-2022 financial year.

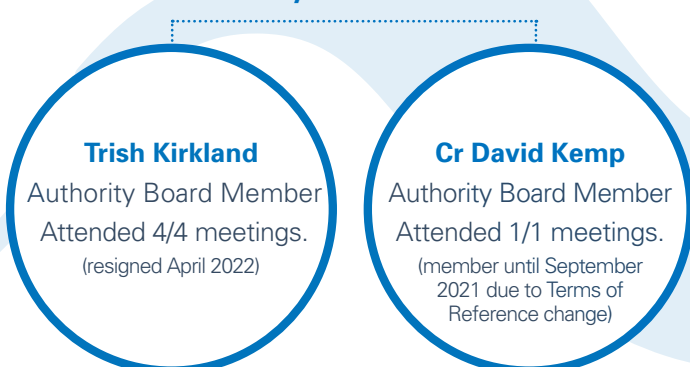
Independent Chairperson



Independent Member



Authority Board Member



Constituent Council Representatives



“

While we faced a challenging year in overall attendance due to a slow return in community confidence around Covid-19 closures and restrictions, as the financial year ended an improvement in attendance and membership levels was seen.

”

Competitive Neutrality

The Constituent Councils and the Authority must comply with the principles of competitive neutrality in the conduct of significant business activities. The principles of competitive neutrality do not limit the types of business activities which councils (hence the Authority) may engage in, but requires that where these business activities are significant they are provided in a manner which is competitively neutral (provided that the public benefits of doing so outweigh the costs). The Authority is obliged by its Charter to undertake a competitive neutrality assessment of its significant business activities each year. This was undertaken for the 2021-2022 Financial Year.

Fleurieu Aquatic Centre Performance

Key Achievements

- Membership peaked at 1229 with an average of 1158 over the year.
- Swimming lessons attendance grew across the year.
- Creations of a new free Social Walkers group.
- Creation of a new free Mynd Pump program to assist young people with mental health management.
- Significant staff recruitment and development after staff losses following the COVID-19 Centre closure in March 2020.
- Implementation of the capital expenditure plan, including a Café upgrade and water volleyball nets to ensure a competition could be delivered.
- Negotiation of all preventative maintenance contracts for the coming year.



Social Impact Highlights

The Fleurieu Aquatic Centre is a valuable community asset and represents a significant investment by City of Victor Harbor and Alexandrina Council in the health and wellbeing of our regional community.

Using the ActiveXchange business intelligence model, the social value of the Centre's activities can be quantified to demonstrate the facilities return on investment, derived from positive preventative health and wellbeing outcomes. In 2021-2022 the Centre provided \$2.65 million in social value.

YMCA work with several like-minded organisations to either deliver or facilitate programs at the Centre that deliver positive social impacts, examples include Community Living Australia who bring a group of adults living with a disability to the Centre 2-3 times per week to enjoy the facilities.

The MS Society also have a group session every Thursday in the Hydrotherapy pool. This provides people living with MS an opportunity to access water therapy and socialize with others in similar circumstances.

YMCA was successful in receiving a grant from the City of Victor Harbor for \$1000 through the recreation and sport small grants scheme. This was used to deliver an 8-week health and fitness program for the Victor Harbor schools Flexible Learning Options (FLO). This is a Department for Education student enrolment strategy to assist schools to support young people who have disengaged from school.

YMCA has worked with the YWCA to establish a breast cancer support group operating from the Centre on a weekly basis. This provides women living with breast cancer an opportunity to undertake physical activity and support each other in an 8-week program.

\$2.65

million in social
value

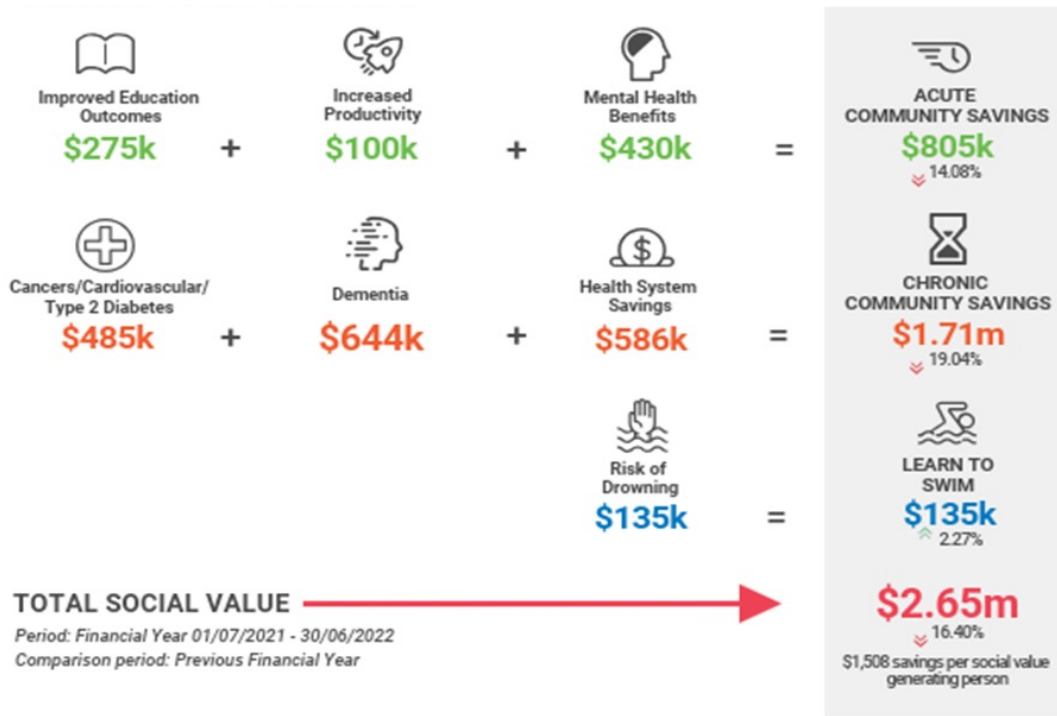


Assisting adults
living with a
disability to enjoy
the facilities

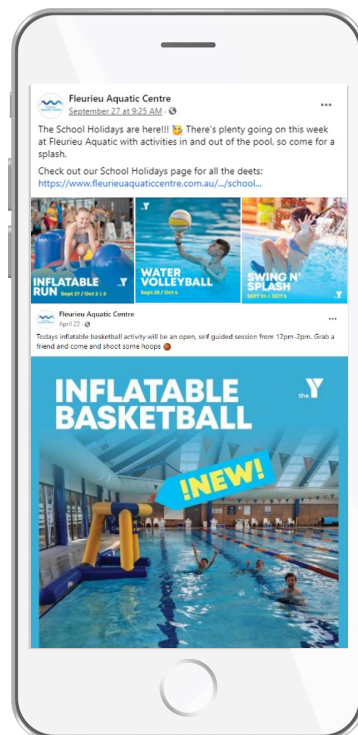
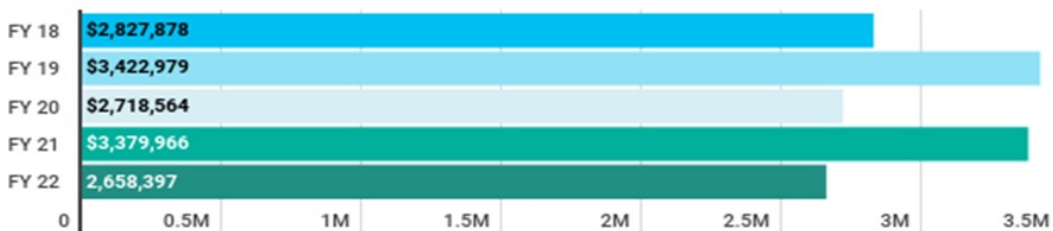
YMCA

work with several like-
minded organisations
to deliver programs

Social Impact Highlights (cont)



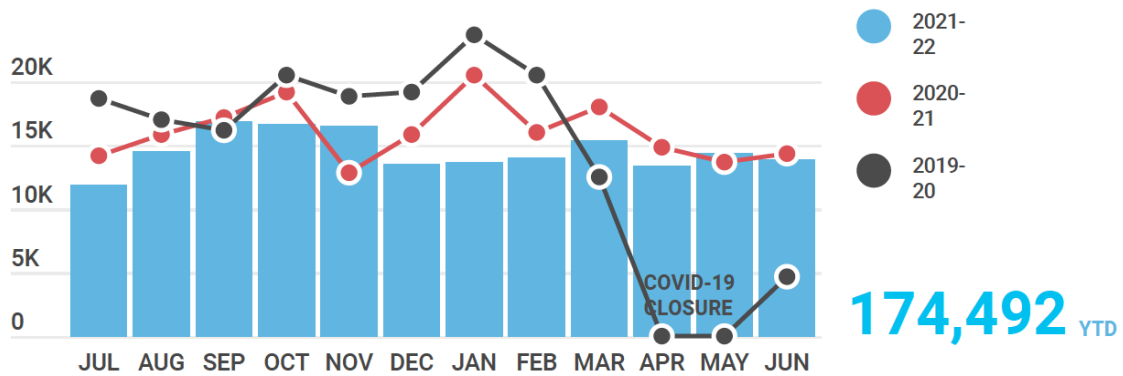
TOTAL SOCIAL VALUE COMPARED



The Centre saw a reduction in social value due to lower attendance numbers related to Covid-19 affecting participation by members of the community.

Centre Utilisation

Site Attendance



Peak Membership

1,117



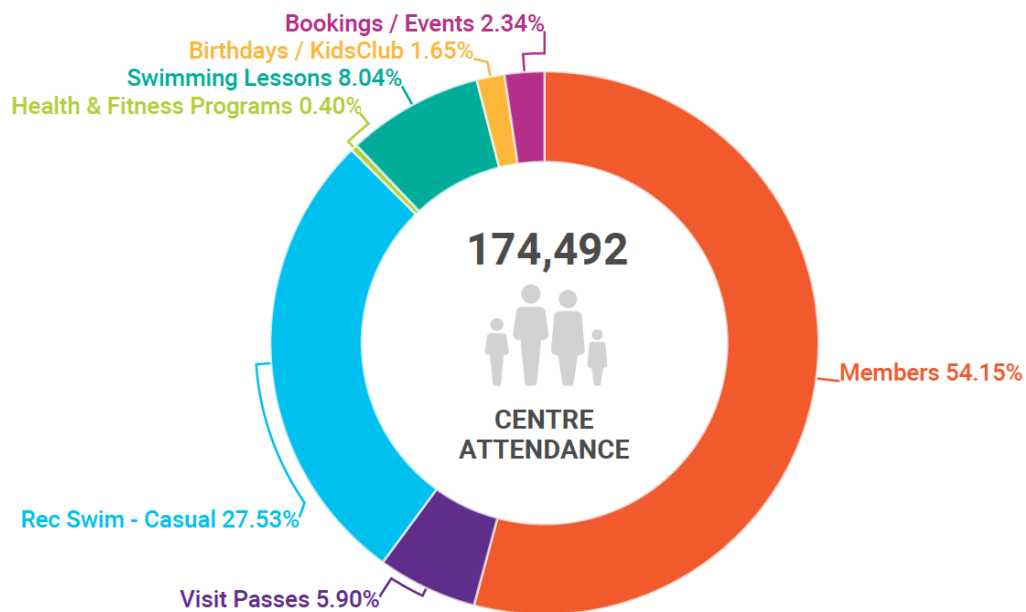
Peak Swimming Lessons Participants

492



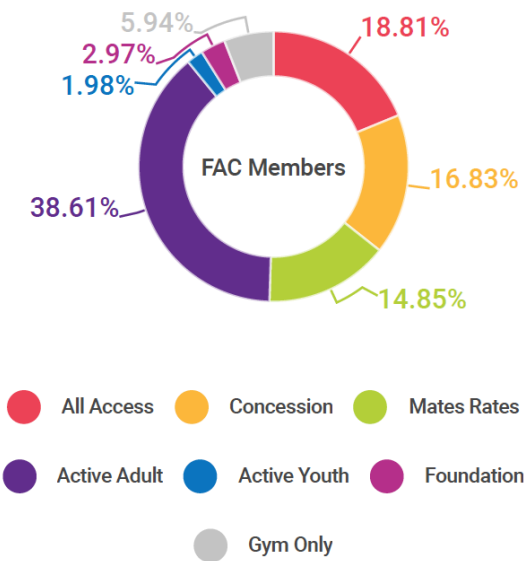
Employees as at 30 June 2022

16 FTE

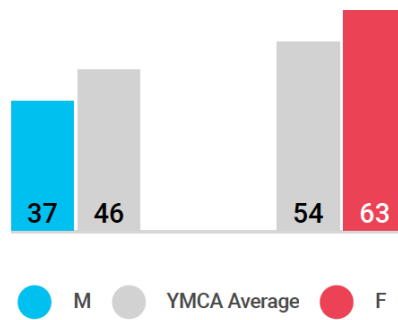


Members

MEMBERSHIP TYPE BREAKDOWN



GENDER



SWIMMING LESSON AVERAGE AGE

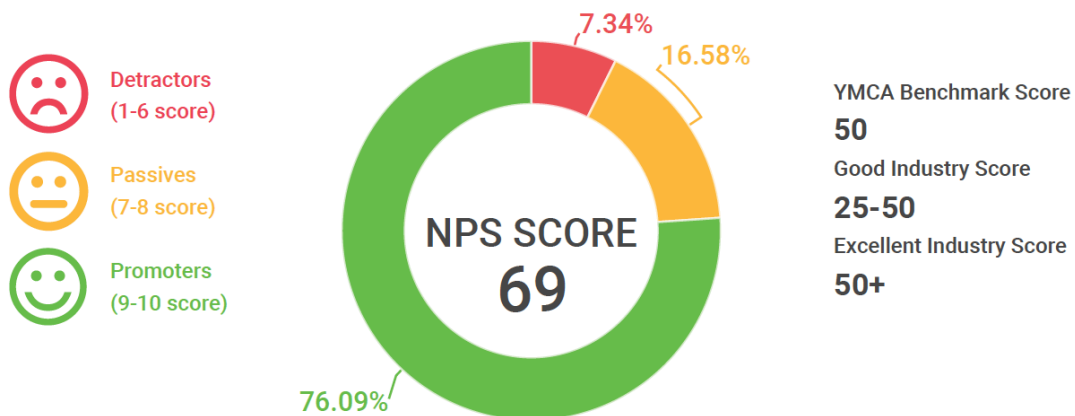


Community Feedback

The **Ask Nicely** system gathers customer feedback online via a short survey to calculate a Net Promoter Score for the Centre, with any concerns addressed by the Centre Manager. Throughout 2021-2022 the Centre continued to receive excellent ratings from surveyed customers.



NET PROMOTER SCORE



Marketing & Communication

Our marketing throughout the year focused on normalising our operations and working around often stringent covid restrictions particularly in the first 6 months of the year with density restrictions impacting participation through until mid-January.

The following campaigns were run throughout the year using a range of media to increase reach and target specific demographic groups:



Program retention for the swimming lessons program during autumn and winter with a fun prize book with rewards for regular attendance.



Promotion of school holiday programs through social media, and local print media.



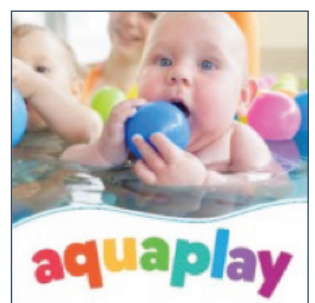
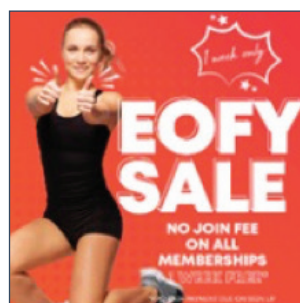
Local radio advertising for the Spring and Summer major membership acquisition campaigns.



Internal member communication via email E-Blast.



Promotion of new programs including Aqua Guard and school holiday activities through a range of marketing activity, local newspapers, online promotions including social media, website and sharing through likeminded partners including Alexandrina and the City of Victor Harbor Councils.



“

Undertake key strategic and policy decisions for the purpose of enhancing and developing the Aquatic Centre

”

Fleurieu Regional Aquatic Centre Authority

General Purpose Financial Reports
for the year ended 30 June 2022

Financial Statements

Fleurieu Regional Aquatic Centre Authority
General Purpose Financial Reports
for the year ended 30 June 2022

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Fleurieu Regional Aquatic Centre Authority
Annual Financial Statements
for the year ended 30 June 2022

CERTIFICATION OF FINANCIAL STATEMENTS

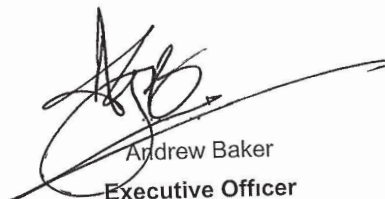
I have been authorised by the Fleurieu Regional Aquatic Centre Authority to certify the financial statements in their final form. In my opinion

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year
- the financial statements accurately reflect the Authority's accounting and other records



Steve Mathewson
CHAIR PERSON

Date: 30/9/2022



Andrew Baker
Executive Officer

Date: 30/9/2022

Fleurieu Regional Aquatic Centre Authority
Statement of Comprehensive Income
for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
INCOME			
User charges	2	1,828,655	2,111,162
Grants, subsidies and contributions	2	870,883	666,714
Investment income	2	4,632	5,896
Other income	2	-	1,361
Total Income		2,704,170	2,785,133
EXPENSES			
Employee costs	3	42,720	58,141
Materials, contracts & other expenses	3	2,650,148	2,758,042
Depreciation, amortisation & impairment	3	689,657	686,188
Total Expenses		3,382,525	3,502,371
		(678,355)	(717,238)
OPERATING SURPLUS / (DEFICIT)			
Asset disposal & fair value adjustments	4	(26,976)	-
Amounts received specifically for new or upgraded assets	2	20,322	14,336
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		(685,009)	(702,902)

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

Fleurieu Regional Aquatic Centre Authority
Statement of Financial Position
as at 30 June 2022

ASSETS	Notes	2022	2021
		\$	\$
Current Assets			
Cash and cash equivalents	5	687,900	749,123
Trade & other receivables	5	158,619	78,840
Total Current Assets		<u>846,519</u>	<u>827,963</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	17,590,407	18,245,053
Total Non-current Assets		<u>17,590,407</u>	<u>18,245,053</u>
Total Assets		<u>18,436,926</u>	<u>19,073,016</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	189,462	137,370
Provisions	7	-	3,173
Total Current Liabilities		<u>189,462</u>	<u>140,543</u>
Total Liabilities		<u>189,462</u>	<u>140,543</u>
NET ASSETS		<u>18,247,464</u>	<u>18,932,473</u>
EQUITY			
Accumulated Surplus		(2,821,097)	(2,136,088)
Capital Contributions		21,068,561	21,068,561
TOTAL EQUITY		<u>18,247,464</u>	<u>18,932,473</u>

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

Fleurieu Regional Aquatic Centre Authority
Statement of Changes in Equity
for the year ended 30 June 2022

		Acc'd Surplus	Capital Contributions	TOTAL EQUITY
2022	Notes	\$	\$	\$
Balance at end of previous reporting period		(2,136,088)	21,068,561	18,932,473
Net Surplus / (Deficit) for Year		(685,009)		(685,009)
Balance at end of period		(2,821,097)	21,068,561	18,247,464
		Acc'd Surplus	Capital Contributions	TOTAL EQUITY
2021	Notes	\$	\$	\$
Balance at end of previous reporting period		(1,433,186)	21,068,561	19,635,375
Net Surplus / (Deficit) for Year		(702,902)		(702,902)
Balance at end of period		(2,136,088)	21,068,561	18,932,473

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

Fleurieu Regional Aquatic Centre Authority
Statement of Cash Flows
for the year ended 30 June 2022

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2022	2021
		\$	\$
Receipts:			
User charges		1,754,944	2,048,367
Investment receipts		4,632	5,896
Grants utilised for operating purposes		870,883	666,714
Payments:			
Other revenues		(6,688)	1,361
Employee costs		(45,893)	(57,083)
Materials, contracts & other expenses		(2,567,202)	(2,752,694)
Finance payments		(30,234)	-
Net Cash provided by (or used in) Operating Activities	8	(19,558)	(87,439)
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts:			
Amounts specifically for new or upgraded assets		20,322	14,336
Payments:			
Expenditure on renewal/replacement of assets		(25,719)	-
Expenditure on new/upgraded assets		(36,268)	(14,336)
Net Cash provided by (or used in) Investing Activities		(41,665)	-
Net Increase (Decrease) in cash held		(61,223)	(87,439)
Cash & cash equivalents at beginning of period	5	749,123	836,562
Cash & cash equivalents at end of period	5	687,900	749,123

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

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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 Fleurieu Regional Aquatic Centre Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council and City of Victor Harbor.

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 Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

2 The Local Government Reporting Entity

The Authority was established on 6 August 2015 in accordance with Section 43 of the Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999. These financial statements have been prepared for use by the constituent councils of the Authority.

3 Income recognition

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

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

In other cases, AASB 1058 applies when 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Fleurieu Regional Aquatic Centre Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1 - Significant Accounting Policies

4 Cash, Cash Equivalents and Other Financial Instruments

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

5 Infrastructure, Property, Plant & Equipment

5.1 Initial Recognition

An asset is recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to the entity and the asset has a cost that can be measured reliably.

An asset that qualifies for recognition as an asset will be recognised at cost as at the date of acquisition, including costs directly attributed to bringing the asset to the location and in the required condition for operation by the Authority. Where it is practical from an administrative perspective that expenditure is capitalised.

5.2 Materiality

Assets should have a useful life of greater than one year to enable capitalisation of the expenditure and should also meet a materiality test. Materiality levels are set so as not to misstate financial statements and to provide a guide whether it is practical from an administrative perspective that expenditure is capitalised. No capitalisation threshold is applied to the acquisition of land or interests in land.

Materiality levels for capitalisation are set at:

Furniture, Fittings and Minor Equipment	\$1,000
Plant and Major Equipment	\$5,000
Buildings	\$5,000
Infrastructure	\$5,000

5.3 Subsequent Recognition

An item that qualifies for recognition as an asset shall be measured at its cost on the date of recognition. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition and all other costs incurred in getting the asset ready for use. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. The following years after asset recognition the asset will be valued at fair value according to the revaluation program as determined

5.4 Depreciation of Non-Current Assets

All non-current assets have a limited useful life except for land and land improvements. The depreciable amount of all non-current assets, excluding freehold land and land improvements, are systematically depreciated over their useful lives which reflects the consumption of the service potential embodied in those assets.

Depreciation of an asset begins when it is available for use i.e. when it is in the condition necessary for it to be capable of operating in the manner intended; and ends when it is classified as held for sale or when derecognised.

Depreciation of assets is calculated on a straight-line basis using the following standard estimates for useful lives. The useful lives for building, infrastructure; furniture and fittings; and plant and equipment assets have been estimated based on industry standards and consultancy advice. The actual useful life and therefore depreciation rates may be varied for specific assets where asset quality and environmental and/or operational conditions so warrant. Useful lives and residual values for each class of asset are reviewed annually and are included in the asset register which is updated following adoption of the annual financial statements each year.

Buildings & Other Structures	7 - 40 years
Furniture & Fittings	2 - 40 years
Plant & Equipment	6 - 40 years
Infrastructure	12 - 40 years

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022
Note 1 - Significant Accounting Policies

5.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed periodically for impairment. 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 value exceeds its recoverable amount in accordance with AASB 136.

External indicators for impairment may include significant adverse changes in the technological, market, economic or legal environment. Internal indicators may include obsolescence or physical damage of an asset.

Impairment shall be determined subject to the provisions AASB 108 Materiality, whereby the total change in the written down value for the asset or the total impact on the depreciation shall be material. An impairment loss is recognised in the Income Statement, unless the asset is carried at a revalued amount, whereby it is to be treated in the same way as a revaluation decrement against the same asset. An impairment loss can be reversed in subsequent years.

6 Payables

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 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.

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

Superannuation:

The Authority makes employer superannuation contributions in respect of its employee's choice of superannuation fund.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1 - Significant Accounting Policies

8 Constituent Council Contributions

The City of Victor Harbor and Alexandrina Council funded the construction of the Fleurieu Aquatic Centre facilities and purchased all plant and equipment for the Aquatic Centre. Each Council contributed 50% towards the cost of construction of the facility and purchase of the equipment. Both Councils transferred these assets to the Authority on 17 March 2017, as an equity contribution.

The Authority for 2018/19 received contributions from Constituent Councils towards net operating deficits excluding depreciation expense for the facility. The Constituent Councils during 2018/19 resolved not to cash fund depreciation expense for the Authority. As a result the Authority expects operating deficits close to the depreciation expense for future years.

9 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.

10 New and amended standards and interpretations

There were no new accounting standards implements during the financial year. There are no proposed changes in future accounting standards, interpretations or guidance statements which are expected to have a material impact on the accounting policies of the Authority in future periods as at the time of preparing the financial statements.

11 Comparative figures

To ensure comparability with the current reporting period's figures, the Authority has reviewed the allocation and classification of some transactions which has been updated in the comparative information presented.

Changes in classifications has resulted in no change to the previously reported financial performance and position of the Authority.

12 YMCA Management

The Authority has engaged the YMCA to manage the day to day running of the Fleurieu Aquatic Centre. This management encompasses the receipting of income and outgoing of expenditure of the facility. The following income and expenditure lines relate to those managed by the YMCA:

	2022	2021
FAC Income	\$1,828,656	\$2,111,162
FAC Expense	<u>\$1,993,733</u>	<u>\$2,177,279</u>
Net Result	(\$165,077)	(\$66,117)

13 Valuations

A full valuation of assets has commenced. Based on the asset values received to date, the asset values stated are reasonable.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 2 - INCOME

	Notes	2022 \$	2021 \$
USER CHARGES			
FAC Income		<u>1,828,655</u>	2,111,162
		<u>1,828,655</u>	<u>2,111,162</u>
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		4,541	5,896
Banks & other		91	-
		<u>4,632</u>	<u>5,896</u>
OTHER INCOME			
Sundry		-	1,361
		<u>-</u>	<u>1,361</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		20,322	14,336
Other grants, subsidies and contributions			
Council Contribution - Alexandrina Council		435,442	333,357
Council Contribution - City of Victor Harbor		435,442	333,357
		<u>870,883</u>	<u>666,714</u>
		<u>891,205</u>	<u>681,050</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 3 - EXPENSES

	Notes	2022 \$	2021 \$
EMPLOYEE COSTS			
Salaries and Wages		35,962	48,877
Employee leave expense		1,899	3,760
Superannuation - defined contribution plan contributions	18	3,808	4,900
Workers' Compensation Insurance		600	366
Other		451	238
Total Operating Employee Costs		42,720	58,141
Total Number of Employees		-	0.5
<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		5,085	5,078
Subtotal - Prescribed Expenses		5,085	5,078
<u>Other Materials, Contracts & Expenses</u>			
Contractors		109,545	37,439
Board Expenses		21,837	18,211
Administration		84,835	78,895
Fleurieu Aquatic Centre Site Expenses		435,113	441,140
Fleurieu Aquatic Centre Expenses		1,993,733	2,177,279
Subtotal - Other Materials, Contracts & Expenses		2,645,063	2,752,964
		2,650,148	2,758,042
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		365,016	365,016
Furniture & Fittings		154,372	153,512
Plant & Equipment		73,291	70,683
Infrastructure		96,978	96,977
		689,657	686,188

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2022	2021
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Less: Carrying amount of assets sold	<u>26,976</u>	<u>-</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>(26,976)</u>	<u>-</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 5 - CURRENT ASSETS

	Notes	2022 \$	2021 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		96,709	12,470
Deposits at Call		591,191	736,653
		<u>687,900</u>	<u>749,123</u>
TRADE & OTHER RECEIVABLES			
Accrued Revenues		453	452
Debtors - general		151,477	77,768
Prepayments		6,689	620
Total		<u>158,619</u>	<u>78,840</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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

	2021				2022			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Buildings & Other Structures	-	12,407,742	(1,565,069)	10,842,673	-	12,407,742	(1,930,085)	10,477,657
Furniture & Fittings	-	3,862,988	(656,433)	3,206,555	-	3,867,215	(807,378)	3,059,837
Plant & Equipment	-	1,196,425	(279,391)	917,034	-	1,216,378	(345,277)	871,101
Infrastructure	-	3,694,601	(415,810)	3,278,791	-	3,694,601	(512,789)	3,181,812
Total IPP&E	-	21,161,756	(2,916,703)	18,245,053	-	21,185,936	(3,595,529)	17,590,407
	-	21,147,420	(2,230,515)	18,916,905	-	21,161,756	(2,916,703)	18,245,053

Comparatives

This Note continues on the following pages.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	Carrying Amounts Movement During the Year										2022 \$
	\$										
	2021 \$	Additions		Disposals	Dep'n	Impairt	Transfers		Net Reval'n	Carrying Amount	
Carrying Amount	New / Upgrade	Renewals	In				Out				
Buildings & Other Structures	10,842,673	-	-	-	(365,016)	-	-	-	-	10,477,657	
Furniture & Fittings	3,206,555	8,414	11,585	(12,345)	(154,372)	-	-	-	-	3,059,837	
Plant & Equipment	917,034	27,854	14,136	(14,632)	(73,291)	-	-	-	-	871,101	
Infrastructure	3,278,791	-	-	-	(96,978)	-	-	-	-	3,181,812	
Total IPP&E	18,245,053	36,268	25,721	(26,977)	(689,657)	-	-	-	-	17,590,407	
Comparatives	18,916,905	14,336	-	-	(686,188)	-	-	-	-	18,245,053	

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 7 - LIABILITIES

	Notes	2022		2021	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		-	-	(2,086)	-
Accrued expenses - other		105,267	-	135,501	-
GST Payable		2,894	-	-	-
Other Payables		81,301	-	3,955	-
		<u>189,462</u>	<u>-</u>	<u>137,370</u>	<u>-</u>
PROVISIONS					
LSL Employee entitlements (including oncosts)		-	-	3,173	-
		<u>-</u>	<u>-</u>	<u>3,173</u>	<u>-</u>

Fluerieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 8 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2022	2021
Total cash & equivalent assets	5	687,900	749,123
Less: Short-term borrowings			
Balances per Cash Flow Statement		<u>687,900</u>	<u>749,123</u>

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

Net Surplus (Deficit)		(685,009)	(702,902)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		689,657	686,188
Net increase (decrease) in unpaid employee benefits		(3,173)	1,058
Grants for capital acquisitions treated as Investing Activity		(20,322)	(14,336)
Net (Gain) Loss on Disposals		26,976	
		<u>8,129</u>	<u>(29,992)</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(79,779)	(62,795)
Net increase (decrease) in trade & other payables		30,591	5,348
Net Cash provided by (or used in) operations		<u>(41,059)</u>	<u>(87,439)</u>

(c) Financing Arrangements

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

Corporate Credit Cards	5,000	-
------------------------	--------------	---

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

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

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

Terms & conditions: deposits at call have an average maturity of 90 days and an average interest rate of 0.70%. (2021: 90 days, 0.30%)

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

Receivables - Fees & other charges

Accounting Policy: carried at nominal values less any allowances for doubtful debts.

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

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

Liabilities - Creditors and Accruals

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

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

Carrying amount: approximates fair value.

Liquidity Analysis

2022	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	687,900			687,900	687,900
Receivables	151,930			151,930	151,930
Total	839,830	-	-	839,830	839,830
Financial Liabilities					
Payables	189,462			189,462	189,462
Total	189,462	-	-	189,462	189,462
2021	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	749,122			749,122	749,123
Receivables	78,220			78,220	78,220
Total	827,342	-	-	827,342	827,343
Financial Liabilities					
Payables	137,370			137,370	137,370
Total	137,370	-	-	137,370	137,370

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - 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 Authority.

Risk Exposures:

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

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

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 10 - COMMITMENTS FOR EXPENDITURE

Service	Contractor	Period of contract	Brief description
Operational Management – Fleurieu Aquatic Centre	YMCA SA	Two year extension to 30 June 2024	Provision of aquatic centre facility management and operating services for the Fleurieu Aquatic Centre (management of all aspects of daily operations and maintenance of the facility)
External Audit Services - Fleurieu Regional Aquatic Centre Authority	Dean Newbery & Partners	3 years (1 April 2020 - 31 December 2022)	Provision of an independent audit opinion of the accounts and annual financial reports of the Authority for financial years 2019/20, 2020/21 and 2021/22.
Administratoion & Finance Services	Alexandrina Council	8 March 2021 - 31 March 2023	Provision of 0.5FTE Administration Officer and 0.05FTE Finance Officer

Note 11 - OPERATING LEASES

The Authority as at 30 June 2022 had not entered into any operating leases.

Note 12 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED

The Authority as at 30 June 2022 had not recognised any contingencies.

Note 13 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2022 that need to be disclosed in the financial statements.

Note 14 - ECONOMIC DEPENDENCY

Per section 5.2 of the Authority's Charter there maybe a requirement for additional financial contributions to be made by Constituent Councils if there is insufficient working capital available to meet the Authority's financial obligations. The Authority may be reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 15 - UNIFORM PRESENTATION OF FINANCES

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

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

	2022	2021
	\$	\$
Income	2,704,170	2,785,133
Expenses	<u>(3,382,525)</u>	<u>(3,502,371)</u>
Operating Surplus / (Deficit)	(678,355)	(717,238)
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(25,719)	-
Add back Depreciation, Amortisation and Impairment	689,657	686,188
	<u>663,938</u>	<u>686,188</u>
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(36,268)	(14,336)
Amounts received specifically for New and Upgraded Assets	20,322	14,336
	<u>(15,946)</u>	<u>-</u>
Net Lending / (Borrowing) for Financial Year	<u>(30,363)</u>	<u>(31,050)</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 16 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel include the Chair, the Board and Executive Officer prescribed as officers under section 112 of the Local Government Act 1999. In all, Key Management Personnel were paid the following total compensation:

	2022	2021
	\$	\$
Salaries, allowances & other short term benefits	63,506	69,827
TOTAL	63,506	69,827

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

The following transactions occurred with Related Parties during the financial year ended 30 June 2022:

Related Party Entity	Sale of Goods & Services (\$)	Amounts Outstanding from Related Parties (\$)	Description of Services Provided to Related Parties
Alexandrina Council	445,603	74,638	Provision of regional aquatic facilities
City of Victor Harbor	445,603	74,638	Provision of regional aquatic facilities

Amounts recorded as outstanding from Related Parties are recorded in trade and other receivables in Note 5.

The Related Parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No one Constituent Council individually has control of those policies.

DeanNewbery

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY

Opinion

We have audited the financial report of the Fleurieu Regional Aquatic Centre Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2022, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information other than the Financial Report and Auditor's Report Thereon

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2022, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Authority for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

North Adelaide | Balaklava

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Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DEAN NEWBERY



SAMANTHA CRETEN
PARTNER

Signed on the 30th day of September 2022,
at 214 Melbourne Street, North Adelaide

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Annual Financial Statements
FOR THE YEAR ENDED 30 June 2022
CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2022, the Council's Auditor, Dean Newbery & partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Nigel Morris
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date. 29/9/2022

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Annual Financial Statements
FOR THE YEAR ENDED 30 June 2022
CERTIFICATION OF AUDITOR INDEPENDENCE

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



Karen Rokicinski
ACTING CHIEF EXECUTIVE OFFICER
City of Victor Harbor

Date. 29 September 2022

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Annual Financial Statements
FOR THE YEAR ENDED 30 June 2022

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2022, the Council's Auditor, Dean Newbery & partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Peter van der Eijk

CHAIRPERSON

Audit and Risk Management Committee

Date: 29 September 2022

DeanNewbery

Chartered
Accountants

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Auditor's Independence Declaration under Section 22 of the Local Government (Financial Management) Regulations 2011 to the Fleurieu Regional Aquatic Centre Authority

I confirm that, for the audit of the financial statements of the Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



SAMANTHA CRETEN
PARTNER

Signed on the 30th day of September 2022,
at 214 Melbourne Street, North Adelaide, South Australia 5006

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Fleurieu Regional
Aquatic Centre

Authority