

# ANNUAL REPORT

2018 – 2019



CLARE & GILBERT  
VALLEYS COUNCIL



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# OVERVIEW

## Council Snapshot

Council is committed to transparent reporting and accountability to the community. This Annual Report provides the community with information about Council's operations and performance during the financial year, and meets all obligations under Section 131 of the Local Government Act 1999.

### COUNCIL AREA

1,892km<sup>2</sup>

### ELECTORS

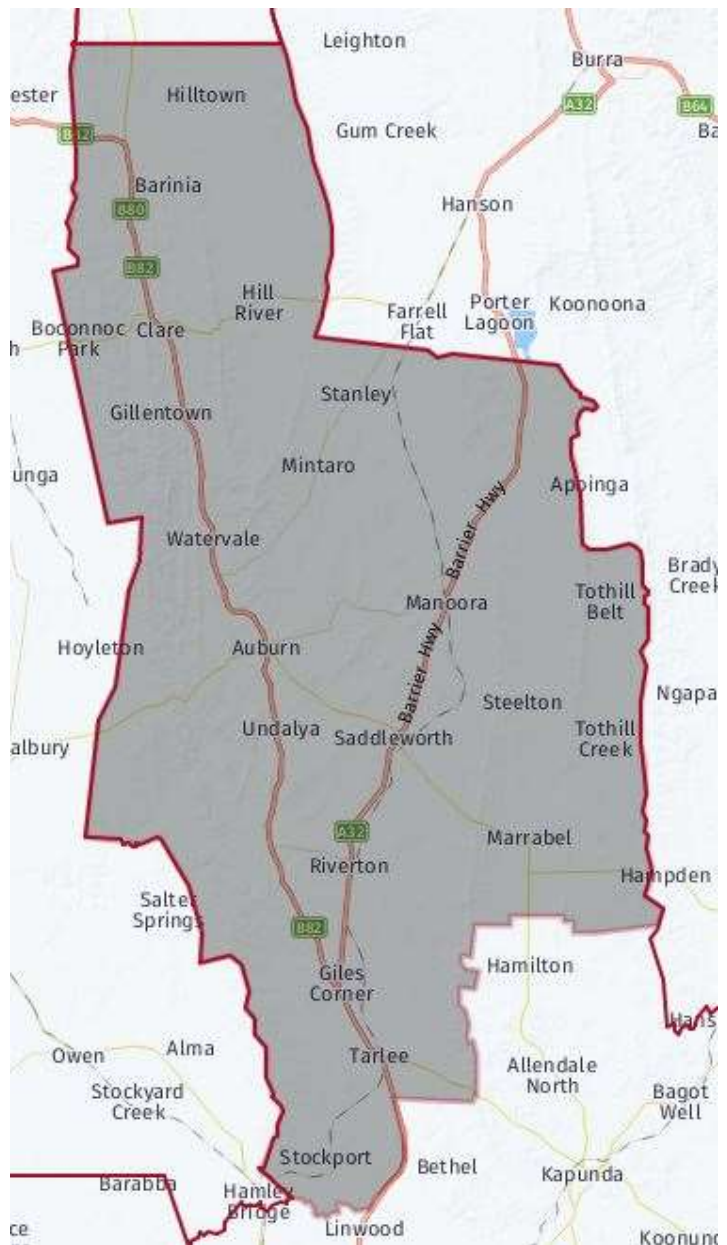
6,693

### POPULATION

9,379

### ROADS

1,681KM



## Elected Members



*Left to Right*

*Back Row*

**Councillor Brian Koch, Councillor Ian Burfitt, Councillor Ann Alder, Councillor Malcolm Bartholomaeus, Councillor Nedd Golding**

*Front Row*

**Councillor Leon Bruhn, Deputy Mayor Elizabeth Calvert, Mayor Wayne Thomas, Councillor Cate Hunter, Councillor Lucy Drummond**

## Representation Structure & Quota

The Council is the decision making body on all matters of policy and strategic direction. It consists of the Mayor and 9 Councillors who are all elected by the whole community. The Council appoints a Deputy Mayor.

Clare & Gilbert Valleys' total number of electors is 6,687. The quota for Clare & Gilbert Valleys is 1 elected member to 668 electors.

## Council at a Glance

The Clare & Gilbert Valleys form part of the traditional lands of the Ngadjuri and Kaurna peoples and their rich connection and association with this place is recognised.

Our district comprises some of the most productive lands and scenic landscapes in Australia, which deliver premium products and experiences. Located adjacent to the outer metropolitan area of South Australia's capital, Adelaide, the Clare & Gilbert Valleys enjoy the advantages of proximity and accessibility with an enviable rural lifestyle.

The Clare Valley wine region is famous for its world class Riesling and has achieved recognition as Australia's Capital of Riesling. Combined with Shiraz as another staple, and emerging wine varieties, the Clare Valley continues to have a strong future in viticulture and winemaking.

The cornerstones of the economy are productive and fertile lands of the Clare & Gilbert Valleys, combined with favourable climatic conditions which result in excellent broad acre cropping opportunities and livestock production. This strength provides a strong foundation for enviable food experiences and an increasing trend towards value-adding before and beyond the farm gate.

The Clare & Gilbert Valleys has a population of 9,379 spread across service towns of Clare, Riverton, Saddleworth and Auburn and the villages of Stockport, Tarlee, Rhynie, Manoora, Mintaro, Watervale, Sevenhill, Armagh, Waterloo, Hilltown, Leasingham, Stanley Flat and Marrabel.

The Clare & Gilbert Valleys is a focal point for South Australia's trails network. Home to the renowned Riesling Trail, which hosts cycling and walking from Barinia in the north to Auburn in the south, it covers more than 35kms along the old railway corridor.

A southern extension through the Rattler Trail, from Auburn through to Riverton, makes a total distance of 60kms. The Heysen, Mawson, Kidman and Lavender Trails also traverse the Council's landscape offering a diversity of active experiences.

Education is a focus for the Clare & Gilbert Valleys with excellent public and private schools and a number of training organisations. A quality library service is provided through full time libraries at Clare, Saddleworth and Riverton, with an agency in Auburn. The University of the Third Age is also located within the region.

There is a high level of health and associated services available locally, including two hospitals and an ambulance service. The Mid North Community Passenger Network Scheme helps fill the gaps for a region that has no public transport.

The Clare & Gilbert Valleys has active and efficient emergency services throughout the region provided by dedicated and well trained volunteers of the Country Fire Service, State Emergency Services and SA Ambulance.

The region has a number of State and Federal Government agencies including: Primary Industries and Regions SA, Natural Resource Management and Department of Environment and Water, Regional Development Australia Yorke and Mid North, Department of Education and Children's Services, Country Health SA, SA Water, Department of Planning, Transport and Infrastructure and Centrelink.

## Councils of similar size and type

Council	Electors	Elected Members (inc. Mayor)	Representation Quota
Clare & Gilbert Valleys	6,693	10	668
Grant	5,458	10	545
Adelaide Plains	5,975	10	597
Mid Murray	6,442	10	644
Naracoorte Lucindale	5,830	11	530
Renmark Paringa	6,462	9	718
Tatiara	4,513	10	451
Wakefield Regional	4,765	10	476

### Representation Review

Every 8 years, in accordance with Section 12 of the Local Government Act 1999, the Clare & Gilbert Valleys Council is required to review the composition of the Council. Clare & Gilbert Valleys Council completed a review in 2017 of its composition and elector representation arrangements which was approved by the Electoral Commissioner.

The result of the review confirmed the principal member of Council be the Mayor elected by the community, the Council area not be divided into wards and, the elected body of Council to comprise of the Mayor and 9 area Councillors. This was used at the first periodic Local Government election in November 2018.

### Council Members Allowances

The Local Government Act 1999 and the Local Government (Members Allowances and Benefits) Regulation 2010, provides for the payment of Council Member allowances. The annual allowance for a Council Member was determined by the Remuneration Tribunal of South Australia in November 2018. Those allowances have since been subject to an adjustment by CPI on the first, second, third and fourth anniversary of the periodic elections.

Allowances effective for November 2019 are:

Mayor	\$55,600
Deputy Mayor	\$17,375
Councillor	\$13,900

Travel time allowance for members on non Metropolitan Councils has also been determined where the Members residence is located:

> 30kms to < 50km from Council's principal office	\$410 per annum
> 50kms to < 75kms from Council's principal office	\$700 per annum
> 75kms to < 100kms from Council's principal office	\$1,050 per annum
> 100kms from Council's principal office	\$1,490 per annum

In addition, Council Members are provided with an iPad to receive information from Council, including a communication allowance of \$600 per annum. A travel allowance for "eligible journeys" as defined in Regulation 3 of the Local Government (Members Allowance and Benefits) Regulations 1999 at the rate per kilometre prescribed in the Income Tax Assessment Act 1936 is available.

### **Council Members Training**

The Local Government Act 1999 states that Council must ensure that its Council Members undertake regular training in accordance with the Council Members Training and Development Policy and that training complies with the Local Government Association training standards.

Training and development opportunities focus on assisting Council Members in the performance and discharge of their functions and duties and contribute to achieving the strategic and good governance objectives of Council. Council maintains a register of training and development activities attended by Council Members.

Over the last 12 months, activities have included:

- LGA Training Standards - Pursuant to Regulation 8AA of the Local Government (General) Regulations 2013
- Governance & Code of Conduct training - Facilitated by EMA Legal

### **Decision Making Structure of the Council**

Decisions of Council are made through Council meetings, Committee meetings or by employees through delegated authority. Informed decision making is critical to ensuring that decisions are made in the best interests of the wider community. During 2018/2019 Council's formal decision making structure comprised of Council, Audit Committee, Council Assessment Panel and Section 41 Committees.

All Council and Committee meetings are open to the public. Documentation for each meeting (notice of meeting, agendas with reports, attachments and minutes) are available from Council offices and on Council's website.



## Council Meetings

As at 30 June 2019, Council held a total of 12 ordinary Council meetings and 9 special Council meetings. Council Members attended the following meetings from 1 July 2018 to 30 June 2019:

(Note that due to an election, there was a change of Council Members in November 2018.)

Ordinary Meetings	Ordinary Meetings	Special Meetings	Special Meetings
16 July 2018 – October 2018	26 November 2018 – 30 June 2019	July 2018 – October 2018	November 2018 – 30 June 2019
<i>4 meetings held</i>	<i>8 meetings held</i>	<i>4 meetings held</i>	<i>5 meetings held</i>
Aughey – 3	Thomas - 8	Aughey – 4	Thomas - 5
Bruhn – 3	Alder - 8	Bruhn – 3	Alder - 5
Burfitt – 4	Bartholomaeus - 8	Burfitt – 4	Bartholomaeus - 5
Calvert – 4	Bruhn - 8	Calvert – 3	Bruhn - 5
Drummond – 4	Burfitt - 8	Drummond – 2	Burfitt - 5
Golding – 4	Calvert - 8	Golding – 4	Calvert - 4
Kells – 3	Drummond - 6	Kells – 3	Drummond – 3
Perry – 4	Golding - 7	Perry – 4	Golding - 4
Schwarz – 3	Hunter - 5	Schwarz – 3	Hunter - 3
Siv – 3	Koch – 8	Siv – 1	Koch – 5

## Audit Committee

The Audit Committee is established in accordance with the Local Government Act 1999 to operate as an independent and objective advisory committee to Council. It assists Council to evaluate and improve the effectiveness of financial reporting, internal controls and risk management systems. Clare & Gilbert Valleys Council has three independent members on Council's Audit Committee, one being the Presiding Member.

Allowances for Council's Audit Committee are:

Presiding Member	\$1,320 per meeting
Independent Members	\$275 per meeting

In addition, independent members are paid for travel.

The Audit Committee met on four occasions during the 2018-2019 financial year with the following attendance:

Committee Members	No of Meetings Attended
Mr Mark Jeffreson	2/2
Mr John Comrie	2/2
Mr Ian Swan	4/4
Ms Patricia Flood	3/4
Mayor Wayne Thomas	2/2
Cr Ian Burfitt	2/2
Mayor Allan Aughey OAM	1/2
Cr Jeremy Kells	1/2

The Audit Committee Annual Report for 2018-2019 is included in this Annual Report.



## Council Assessment Panel

Council has a Council Assessment Panel established in accordance with the Development Act 1993. The Panel's functions are to act as a delegate of the Council in accordance with the requirements of the Development Act 1993.

The Clare & Gilbert Valleys Council - Council Assessment Panel consists of four Independent Members and one Council Member. The Presiding Member is one of the Independent Members.

Allowances for Council Assessment Panel:

Presiding Member	\$449 per meeting
Independent Members	\$208 per meeting

In addition, independent members are paid for travel and overnight accommodation if required.

Committee Members	No of Meetings Attended
Mr Stephen Haines	2/2
Mr Paul Mickan	2/2
Mr Greg Pulford	2/2
Mr Ben Plowman	2/2
Cr Malcolm Bartholomaeus	1/2

## Section 41 Committees

Council has the following Committees established under Section 41 of the Local Government Act 1999:

- Auburn Recreation Park Management Committee
- Clare Town Hall Committee
- Riverton Recreation Ground Committee
- Fire Prevention Committee
- Mid North Community Passenger Network Committee
- Dry Zone Committee
- CEO Performance Management Panel

## Delegations to the Chief Executive Officer

The Council has provided the Chief Executive Officer with the delegated authority to make decisions on a number of specified administrative and policy matters. A copy of the Delegations are available on the website [www.claregilbertvalleys.sa.gov.au](http://www.claregilbertvalleys.sa.gov.au)  
Council review these delegations annually.

In keeping with legislative requirements Council:

- Determines the policies to be applied by the Council in exercising its discretionary powers.
- Determines the type, range and scope of projects to be undertaken by the Council.

## Confidentiality

Under Section 90 (2) & 91 (7) of the Local Government Act, the following information is provided with regard to the Confidential Items raised at Council Meetings from 1 July 2018 to 30 June 2019.

- The number of orders that expired or ceased to apply during the 2018/19 year: 17
- The number of orders that were revoked during the 2018/19 year: 0
- The number of orders that remained operative during the 2018/19 year: 6

Council undertakes a review of any orders made under Section 91 (7). A confidential Items Register is kept on any orders made under Section 91 (7) which contains the date of original meeting, subject, section and date of release.

Date	Subject	Section	Released
16/7/18	CEO Performance Review	(a)	16/07/18
20/8/18	Riverton CWMS Tender	(b)	15/04/19
26/11/18	William Street Stormwater Tender	(b)	26/11/18
10/12/18	Bridge Safety Barrier Tender	(b)	12/01/19
10/12/18	Clare Footpath Tender	(b)	12/01/19
10/12/18	Schedule of Rates Tender	(b)	12/01/19
10/12/18	Australia Day Awards	(a)	11/12/18
10/12/18	The Domain Sale – 202 Main North Road, Clare	(b)	
18/3/19	The Domain Sale – 202 Main North Road, Clare	(b)	
18/3/19	Employee Performance and Development Process	(a)	19/03/19
18/3/19	CEO Performance Review Panel Minutes	(a)	19/03/19
15/4/19	Riverton Stormwater	(b)	15/04/19
15/4/19	Torrens Road Riverton Stormwater Upgrade Tender	(b)	15/04/19
27/5/19	The Domain Sale – 202 Main North Road, Clare	(b)	
17/6/19	Office additions to the Clare Valley Wine Food & Tourism Centre Tender	(b)	
17/6/19	The Domain Sale – 202 Main North Road, Clare	(b)	
17/6/19	CEO Performance Review Panel minutes	(a)	17/06/19

## **Management Team**

The Management Team is led by Chief Executive Officer, Dr Helen Macdonald.

Director Corporate Services	Mrs Leanne Kunoth
Director Development & Community	Mr Andrew Christiansen
Director Works & Infrastructure	Mr Ken Dolan

Salary packages for these officers include over Award salary in a band from \$147,865 to \$221,928 and may also include private use of a motor vehicle, superannuation and mobile phone.

Total Employees: 60 employees, with a full time equivalent of 51.8.

## **Equal Employment Opportunity**

Clare & Gilbert Valleys Council maintains its commitment to equal employment opportunities. Council has staff who span a wide range of age groups and Council maintains a balanced gender representation. The Chief Executive Officer is appointed as the Equal Opportunity Officer.

The Chief Executive Officer is responsible for:

- Developing and implementing an equal employment opportunity program relating to employment with the Council.
- Developing and implementing other initiatives to ensure that employees have equal employment opportunities in relation to that employment.

Human resource and personnel practices, policies and procedures are reviewed annually.

## **Work Health and Safety**

Clare & Gilbert Valleys Council continues its endeavours to maintain a high standard of Work Health and Safety. Pursuant to the WorkCover Exempt Employer Standards, Council is required as an exempt employer, to set its own Work Health & Safety objectives based on the organisation's own gap analysis and to integrate Work Health and Safety into Council's Strategic Plan.

## **Risk Management**

Clare & Gilbert Valleys Council is committed to a high standard of governance and accountability. Council manages its strategic, operational and financial risks in accordance with the Australian Standard. This framework ensures that risks and internal controls are identified, assessed, managed and reported, whilst ensuring that effective policies, operating guidelines and actions are in place.

In 2016 an Organisational Risk Register was developed profiling Council's corporate and operational risk. This register has been reviewed and further refined in 2018. Risks identified through this process are managed and mitigated through inclusion in annual work area plans and other programs.

### **External Auditor and Remuneration**

Galpins, Accountants, Auditors and Business Consultants have been appointed by Council as the External Auditors for a five year contract expiring at the completion of the 2019/2020 financial audit. This appointment is in accordance with the Local Government Act 1999. The remuneration paid to Galpins, Accountants, Auditors and Business Consultants for the audit in 2018/2019 was \$20,460 (GST inclusive).

The external Auditors findings are reported to the Audit Committee and Council at the completion of the Audit each year. The Audit Committee meets with Council's Auditors on an annual basis to discuss internal controls, risk management and to seek clarification on financial matters.

### **Registers**

The following is a list of registers that are held at Council's Clare office:

Members Register of Interests	Officers Register of Salaries
Members Register of Allowances & Benefits	Officers Register of Interests
Fees and Charges	Register of Confidential Items
Community Land	Development Register
Public Roads	Gifts and Benefits Register
Contracts, Agreements, Leases, Licences, Registers Members)	Register of Interests (CAP

### **Codes**

The following is a list of Codes required under the Local Government Act 1999:

- Code of Practice Access to Council and Committee Meetings
- Code of Conduct – Council Members
- Code of Conduct – Council Employees

### **Policies**

Council has adopted the following Policies:

- Additional Connection to CWMS Policy
- Art Collection Policy
- Asset Policy
- Asset Strategy
- Australia Day Awards Policy
- Budget Policy
- Car Parking Contribution Policy
- Caretaker Policy

CAP Complaint Handling Policy  
Community Financial Assistance Policy  
Compliant Handling Policy  
Complaint Handling Procedure for Code of Conduct Council Members  
Corporate Purchasing Card Procedure Policy  
Council Meeting Procedures  
Council Members Allowances and Benefits Policy  
Council Members Appointment to External Boards  
Council Member Casual Vacancy Policy  
Council Members Training and Development Policy  
Customer Service Protocol  
CWMS Customer Service Charter Policy  
Debt Collection Policy  
Deferment Rates Due to Hardship Policy  
Development Assessment Procedures Policy  
Development Plan Consent Delegations Policy  
Disposal of Land & Assets Policy  
Dog Management After Hours Policy  
Enforcement & Order Making Policy  
Informal Gatherings Policy  
European Wasp Policy  
Event Management Strategy  
Financial Hardship CWMS Policy  
Fraud & Corruption Prevention Policy  
Informal Gatherings Policy  
Inspection of Building Work Policy  
Interaction of the Development Act, the State Records Act, the Freedom of Information Act with the Copyright Act.  
Internal Financial Controls Policy  
Internal Review of Council Decisions Policy  
Media Contact Policy  
Opening Prayer Policy  
Outdoor Dining Policy  
Procurement Policy  
Public Consultation Policy  
Rate Policy  
Rate Rebate Policy  
Records Management Policy  
Request for Service Policy  
Risk Management Policy and Framework  
Safe Environment Policy  
Scholz Park – August Scholz Travelling Trunk Policy  
Second hand Transportable Dwellings Policy  
Shipping and or Sea Container Policy  
Media Policy

Treasury Management Policy  
Unreasonable Complaint Policy  
Tree Management Policy  
Volunteer Policy  
Waiving of Development Fees for not for Profit Organisations Policy  
Welcome to Country – Acknowledgement of Country

## **Review of Decisions**

As required by the Local Government Act 1999, Council has an Internal Review of Council Decisions Policy, outlining how decisions of Council or decisions of people acting on behalf of Council are reviewed. No applications for review of a decision were received during 2018/2019.

## **Community Land Management Plans**

All local government land became classified as Community Land when the Local Government Act 1999 came into effect from 2000. The Clare & Gilbert Valleys Council progressively determined which lands should be excluded pursuant to Section 193 of the Local Government Act 1999, with community consultation occurring throughout that process. Following consideration of submissions, Council made its decision on the land to be excluded. A Community Land Register is maintained by Council. Community Land Management Plans have been prepared for all remaining Community Land.

## **Freedom of Information - Information Statement**

### **Public Access to Official Documents and Records**

The Freedom of Information Act 1991 (the FOI Act) gives the right to request access to documents held by Councils and plays a vital role in the overall transparency of government. To meet the requirements of Section 9(1a) of the FOI Act, Councils are required to publish an Information Statement. The purpose of this is to provide the public with an overview of information held by Council and details how to access the information. The information Statement is updated annually and published on Council's website.

### **Information Requests**

During the 2018-2019 financial year, the Clare & Gilbert Valleys Council received 4 requests for information under the provisions of the Freedom of Information Act (compared to 2 in the previous year). Freedom of Information application forms, as well as details of applicable processing fees and conditions can be obtained from Council's website [www.cgvc.sa.gov.au](http://www.cgvc.sa.gov.au)

All applications should be submitted in writing and forwarded to:

The FOI Officer  
Clare & Gilbert Valleys Council  
4 Gleeson Street CLARE SA 5453

## **Competitive Tendering & Cost Effective Services**

Clare & Gilbert Valleys Council continues to strive to provide value for money in service delivery to the ratepayers of the Clare & Gilbert Valleys Council through the adoption and utilisation of purchasing and procurement Policies.

Clare & Gilbert Valleys Council aims to ensure that its methods of service provision, including the carrying out of works and purchasing goods are transparent, cost effective and represent best value for money while meeting the needs of Council and the community. At the same time, Council is committed to pursuing a convention of purchasing locally wherever possible and practical. More detailed information is available in the Procurement Policy.

## **National Competition Policy – Clause 7 Statement Reporting**

Local Government is required to comply with the Competition Policy Reform (South Australia) Act 1996 to ensure the application of competitive neutrality principles and practices when significant “business activities” are being carried out by Councils. Whether an activity is a significant business activity to which competitive neutrality principles should be applied is a matter for Council to determine.

This determination should be made taking into account:

- The intent of the National Competition Policy
- Whether the business activity possesses sufficient market power to create a competitive impact in the market that is more than normal or trivial.
- Whether the size of the business activity relative to the size of the market as a whole is more than nominal or trivial

The National Competition Policy categorises significant business activities as:

- Category 1 – business activities with an annual revenue in excess of \$2 million or employing assets in excess of \$20 million
- Category 2 – all other significant activities

Competitive Neutrality Principles under National Competition Policy require that Councils must report annually on:

- The determination of significant business activities undertaken by Council, and the creation or cessation of significant business activities
- The application, or change in application, of competitive neutrality
- Complaints about the application of competitive neutrality and the structural reform or public monopolies



## **Significant Business Activities**

### Category 1

- Council has determined that it has no significant business activities to declare under Category 1

### Category 2

- Council has determined that it has no significant business activities to declare under Category 2

## **Commencement or Cessation of Significant Business Activities**

Council has neither commenced or ceased a significant business activity during the course of the reporting period.

## **Complaints Concerning the Application of Competitive Neutrality**

Council has not received any complaints concerning the application of competitive neutrality principles during the 2018-2019 financial year.

## **Structural Reform of Public Monopolies**

These provisions do not apply to any Council activity.



**DROUGHT COMMUNITIES FUNDING**  
**Linking Pinks Reserve to the Riesling Trail**

# THE YEAR IN REVIEW

## Works

The works department had a busy year with the completion of the September 2016 flood damage repairs, as well as the capital and programmed maintenance works. A total of 51km of the rural road network was re-sheeted and approximately 6km of rural and township sealed roads had pavement failures repaired, widening works done and failing sections reconstructed.

The Neagles Rock Road received a capital upgrade that resulted in the sealing of approximately 2km of the unsealed road.

Footpath upgrades were completed on Main North Road and Old North Road, Clare and Torrens Road, Riverton.

Lokans bridge on Woolshed Flat Road, Smart Road bridge and The Camels Hump Road bridge at Hilltown were replaced. Safety barriers were installed on 6 other bridges throughout the Council area.

The dog pound was upgraded and perimeter fencing at the Clare transfer station replaced. The Mill Street, Clare public toilets were refurbished and a Dry Sand Storage shed was constructed in Tarlee.

Stormwater and drainage works continued in Clare, Tarlee, Rhynie, Mintaro and Riverton, with all works completed.

Channel remediation works continued in the Hutt River from the Gleeson Wetlands to the Clare Township to assist with directional flow management.

Pump station upgrades were completed on the Community Waste Water Management Scheme systems in Clare and the installation of the balance tank at the Clare Pump Station.

## YMCA

The YMCA had another successful year of managing both The Valleys Lifestyle Centre and Riverton Outdoor Pool. It was a challenging year with a changing landscape in the mid north region seeing two new health facilities moving into the region. Despite this The Valleys Lifestyle Centre saw a record number of memberships with 491 members in January 2019. Both centres undertook numerous capital works projects ensuring the centers remain as the leading fitness/aquatic facilities in the region.

Key achievements for The Valleys Lifestyle Centre:

- 21% Attendance growth from the previous year
- Memberships peaked at an all-time record of 491 members
- Swimming Lessons saw 11.5% enrolment growth

- Favourable to budget \$45,000
- Finalist in the Fitness Australia Centre of the Year Award
- 2018 YMCA Centre of the Year
- Introduced MyZone technology

Key achievements for the Riverton Outdoor Pool:

- Introduced reciprocal rights with The Valleys Lifestyle Centre
- Held community pool parties – Australia Day & Grand Opening
- Major maintenance completed including change room re-tiling, operational plant upgrades, picnic benches installed, and the pool being retiled
- Continued growth of Free Saturdays attendance

## **Libraries**

The Clare & Gilbert Valleys Council Libraries services the needs of a broad range of people, both young and mature. They are places of connection to information, to stories and to other people. They are safe spaces and places to inspire ideas, creativity and innovation. The Clare and Gilbert Valleys Library service brings people together around the physical and digital worlds of information. It provides opportunities for learning, leisure, and linking people to each other and the world. In 2018-19 Clare, Auburn and Saddleworth Libraries hosted 60,120 visitors. (Numbers of people counted as they entered the library.)

285 children's library programs, were run at the Clare Library during the year, 35% more than in the previous year. Preschool storytime (Toddler Tales), School holiday programs were well attended and help to build essential literacy skills. Two Baby Bounce and Rhyme Time sessions were programmed weekly, for babies 0-18 months and their caregivers, which aims to stimulate language and literacy development in the very young and facilitate community connections for their care providers. Two new STEM programs for preschoolers were introduced during the year. The Little Bang Discovery program was delivered twice at Clare and the Little Bang Discovery Plus program was delivered once in the lead up to Science week. The teen book club, facilitated by library team members, allows high school students to connect with books and their peers. Children's Book Week saw every class group, kindy to year 7, from every primary school in the district north of Riverton visit or participate in a public library Book Week session.

Clare and Saddleworth branches have access to free internet and WiFi provided by the Libraries Board of SA, and all branches are part of the South Australian One card network, which enables members to access resources from every public library in the state. Digital literacy lessons were provided through the Tech Savvy Seniors program and one-on-one assistance has been provided through lifelong learning programs and has helped bridge the digital divide by building foundation information and digital literacy skills across the community.

Assistance was provided to 128 people with one-on-one digital help sessions during the year, and 1125 adults participated in programs such as Adult Learners Week, Be Connected or Get Online Week, which was 42% more than in the previous year. The Home Library Service connected less mobile community members to the Library.

The library has a focus on lifelong learning and seeks to build the skills of the community through the provision of materials for informal learning, and through forming partnerships with education providers. STEM (Science Technology Engineering and Math). The partnership continues with the University of Adelaide through the Children's University program and Inspiring Australia, through Science Week and the Little Bang Discovery Club programs. Science literacy enables the next generation of innovators and a fortnightly Coding Club has been established this year to help develop vital skills in young people. Maker space tables and Lego in the Library continue to provide opportunities for children to explore and learn in a safe and creative space. The Clare Valley Backyard science fair held during National science week, presented a weeklong festival of science which aimed to engage the widest cross-section of the community. The theme focused on the accessibility of science and understanding the world around you. Building and designing through the principle of reuse, remake and recycle were central. The major event for the week was the inaugural Clare Valley Science Fair in the Function Room and Clare Town Hall. Children from all local schools were invited to produce "science fair projects" as a class, small group of students or individuals, to encourage research, exploration and creativity. Students were encouraged to engage with other students to learn from each other. 720 students participated.

The Library also hosted community displays and celebrated community events. Friends of the Library provided valuable assistance through fundraising and through assistance with events such as the literature competition for young writers which celebrated farms.



**CELEBRATING NATIONAL SCIENCE WEEK  
At the Clare Town Hall**



## Citizenship Ceremonies

Australian citizenship is an important bond for all Australians and lies at the heart of a unified, cohesive and inclusive Australia. Citizenship celebrates Australian values including democracy and equality under the law and respect for each other's beliefs. It is a unique symbol of formal identification with Australia, acknowledging responsibilities and conferring substantive privileges which allow people to participate fully in the community.

During 2018-2019, 18 Citizenship ceremonies were performed – 2 by Mayor Wayne Thomas, 3 by Deputy Mayor Elizabeth Calvert and 13 by Mayor Allan Aughey OAM.

## Australia Day

Council hosted Australia Day breakfasts in Clare, Riverton, Saddleworth and Auburn. These functions are open to all residents of the Council area, with attendances for the 2019 breakfasts being approximately 800 people.

Council presents awards to acknowledge outstanding efforts by local people and groups who contribute to community development.

## Australia Day Awards 2019

### Northern Area:

Peter Wood  
No Award  
No Award

Australia Day Citizen of the Year  
Australia Day Young Citizen of the Year  
Community Event of the Year

### Central Area:

Nathan Voigt  
No Award  
No Award

Australia Day Citizen of the Year  
Australia Day Young Citizen of the Year  
Community Event of the Year

### Southern Area:

Ruth Stevens  
No Award  
Stockport Community Association

Australia Day Citizen of the Year  
Australia Day Young Citizen of the Year  
Community Event of the Year



## **Mid North Community Passenger Network**

The Mid North Community Passenger Network (MNCNP) provided transport services to support the needs of the transport disadvantaged in our region. These services are provided with the assistance of a group of highly dedicated and fully accredited volunteer drivers. Clare & Gilbert Valleys Council hosts the services, which cover Adelaide Plains Council, Wakefield Regional Council and Regional Council of Goyder.

- MNCNP has seven SUVs and a wheelchair access vehicle
- MNCNP has 57 volunteers
- MNCNP has a ten seater wheelchair accessible bus contracted to the Network.

## **Fire Prevention**

Prior to the commencement of the Fire Danger Season, Council's Fire Prevention Officers carry out inspections in line with the requirements of the Flinders, Mid North, & Yorke Bushfire Management Area Plan. These inspections are conducted in locations of elevated risk, with the intent of modifying fuel loads in areas susceptible to bushfire.

In the 2018-2019 Fire Danger Season:

- Council issued 452 105F notices requiring private landowners take action on their properties.
- Council inspected Government Properties 28 times to ensure fuel loads were adequately managed.
- Council enforced non-compliance against 20 landowners who failed to take action on their properties.

In addition to the modification of fuel loads, Council continued to work with the South Australian Country Fire Service in educating the community on the importance of bushfire prevention and preparedness.

## **Development Applications**

Council staff assess development applications to ensure their consistency with Council's Development Plan. Development applications may be required to proceed to public consultation. Category 2 applications require Council to notify adjoining land owners and Category 3 applications require the notification of adjoining landowners and public notification in the local newspaper. Both categories can be assessed by the Council Assessment Panel which meets as required.

2018-2019 Development Applications

Developments are diverse within the Council area with a high percentage being:

- sheds (including farm sheds)
- garages and carports
- offices
- shops and factories

Development Applications	225
Category 2 application	0
Category 3 applications	12
Land Division applications	9
New allotments created	11
Boundary realignment applications	6

## Animal Management

Council has continued to maintain the accuracy of the information stored in Dogs and Cats Online. Council has continued to hold Chipblitz \$10 microchipping days to help facilitate the mandatory requirement to microchip all dogs and cats.

Registrations	2,383
Stray Dogs	129
Impounded Dogs	105
Harassment Incidents	36
Attack Incidents	20
Dog attacks	28



## Dog Pound Upgrade – Clare Waste Transfer Station



# PERFORMANCE AGAINST THE STRATEGIC PLAN

## 1. Community Well Being

**An exceptional quality of living for all, with opportunities available for people of all ages and abilities**

KEY PROPOSALS 2018-2019	ACTIONS
Provision of financial support for a Youth Development role.	Financial support provided for the Youth Development role by Council. Budget allocation contributed to Youth Week activities.
Provide for the Clare & Gilbert Valleys Library Service which endeavours to organise, inspire and inform community members and help build strong communities by supporting reading and literacy, research, digital literacy and provide social connection.	The Clare and Gilbert Valleys Library Service have provided resources and opportunities for community members to learn. Participation in library programs has risen by 35% (Children's programs) and 42% (Adult programs).

**Strong community leadership and an active and engaged volunteer sector**

KEY PROPOSALS 2018-2019	ACTIONS
Ongoing support of Peak Body Projects which range in diversity and complexity.	13 Peak Body organisations across the Council were provided financial support for community projects. At least 250 to 300 volunteers directly involved in these organisations.
Hold community forums including one for Peak Bodies and Council Committees	A joint Peak Body and Council Committee forum was held on 25 February 2019 at Auburn.
Support for Council Committees, including Auburn Recreation Ground, Riverton Recreation Ground and Clare Town Hall	Support provided for the 3 Section 41 Committees managing Council facilities at Riverton Recreation Park, Auburn Recreation Ground, Clare Town Hall.
Support town Christmas celebrations	Christmas celebrations for five towns have been financially supported.

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## **A united, transparent and equitable vision for the whole local area**

<b>KEY PROPOSALS 2018-2019</b>	<b>ACTIONS</b>
Undertake community consultation on the Annual Business Plan and Budget	Community consultation undertaken on Annual Business Plan and Budget which was adopted by Council on 1 July 2019.

## **2. Recreation and Lifestyle**

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### **A vibrant arts and cultural sector where creative people thrive and residents and visitors can enjoy visual arts and performances**

<b>KEY PROPOSALS 2018-2019</b>	<b>ACTIONS</b>
Stage 2 Disabled Access - Clare Art House – Clare	Disabled Access completed on the Clare Art House Mill Place Clare.
Continue to assist the community to risk manage community events	Provide support to community events including Christmas pageants, local markets and Anzac Day.
Sponsor Rotary Art Acquisitive Prize and Rotary Sculpture Acquisitive Prize	The 21st Rotary Art Exhibition supported by Council. Sculpture to be located in Auburn once site is selected by local community.
Completion of the Clare Art Gallery Concept design and preparation of grant funding applications to the State and Federal Governments.	Art Gallery Concept Design complete. Grant application made for Arts and Cultural Tourism Coordinator to Country Arts SA.

### **A healthy and active community supported by a range of tailored services and facilities**

<b>KEY PROPOSALS 2018/2019</b>	<b>ACTIONS</b>
Replace Playground items identified in 17/18 Audit (13 Playgrounds) – Playgrounds – Various	Surrounds and soft fall replaced at Hentschke Park.
Playground Surround and Soft fall - Marrabel Playground – Marrabel	Surrounds and soft fall replaced at the Marrabel Playground.
Playground Surround and Soft fall - Manoora Playground – Manoora	Surrounds and soft fall replaced at the Manoora Playground.
Caravan Park BBQ shelter – Auburn	Auburn Recreation Ground Committee chose not to proceed.

Outdoor Gym - for prep ground works/grant funding for equipment – Auburn	Auburn Recreation Ground Committee chose not to proceed.
Ongoing support for YMCA Management of The Valleys Lifestyle Centre & Riverton Swimming Pool	<p>The Valleys Lifestyle Centre</p> <p>491 Members 21 % increase</p> <p>Swimming Lessons increased by 11.5%</p> <p>Favourable to budget \$45,000</p> <p>Finalist in the Fitness Australia Centre of the Year Award</p> <p>2018 YMCA Centre of the Year</p> <p>Riverton Pool</p> <p>Major maintenance completed including change room re-tiling, operational plant upgrades, picnic benches installed, and the pool being retiled.</p> <p>Continued growth of Free Saturdays attendance.</p>
Support for a Star Club Officer with Regional Council of Goyder, Wakefield Regional Council and Clare & Gilbert Valleys Council	Star Club Officer working with 24 Sporting organisations within the Clare & Gilbert Valleys Council. Also assisting committees to achieve their goals, be sustainable, and be welcoming and well-run. Committees can see the direct benefits of their work in improved operations of their clubs, increasing membership, improved programming, and higher revenue.
Plan and deliver the Wine, Wheels and Whiting cycle event to link tourism & recreation with the District Council of Copper Coast	Wine Wheels and Whiting, joint cycling initiative with Copper Coast Council held in October 2018.

### **A warm and welcoming local area with a rich rural identity**

<b>KEY PROPOSALS 2018/2019</b>	<b>ACTIONS</b>
Work with the Clare Valley Alliance on opportunities to implement the Clare Valley brand more broadly	Successfully implemented the integration of the Clare Valley Brand into Council's branding collateral. Signage upgraded in Clare and branding implemented on new bins.
Provide in-kind support to Clare Valley Winemakers Inc. on the construction of new Clare Valley branded entrance signage	Assisted the Clare Valley Winemakers with the approval process required for the Clare Valley branded entrance signage and undertook earthworks for the new sign.

### 3 Natural & Built Environment

#### Sustainable land use development, affordable, appropriate and accessible housing

KEY PROPOSALS 2018/2019	ACTIONS
Completion of the Clare Township Development Plan Amendment and submission to the Department of Planning, Transport and Infrastructure (DPTI)	Completed and gazetted by the Minister for Planning in the current Development Plan.
Encourage development that reflects the desired character outcomes for the Clare & Gilbert Valleys	Continue to process development applications in accordance with Development Plan requirements. Inaugural year of the "Renewing our Built Heritage Grant Program" with 6 successful projects funded.

#### Distinctive heritage buildings are protected and celebrated

KEY PROPOSALS 2018/2019	ACTIONS
Ongoing financial support for Clare Regional History Group Collection, Riverton History Centre and Mt Horrocks Historical Society	Financial support provided for Clare Regional History Group, Riverton History Group and Mt Horrocks Historical Society.
Implementation of the "Renewing our Built Heritage Grant Program" which provides small grants for owners to improve their heritage listed properties	6 projects were granted funding through the first round of the "Renewing our Built Heritage Grant Program" enabling heritage property owners to improve their heritage listed properties.

#### Parks, streets and public spaces are attractive, safe and promote social interaction

KEY PROPOSALS 2018/2019	ACTIONS
Support ongoing improvement of visitor facilities and recreation parks in Riverton and Auburn	Ongoing improvement to the Riverton Caravan Park and Auburn Caravan Parks. Auburn Caravan Park 5145 night stays.
Manage lease of Clare Caravan Park to Discovery Holiday Parks Clare	Discovery Holiday Parks increased turnover at the Clare Caravan Park.

Consistent with the recommendations to the 'Colours of Clare Town Centre Study' - completion and implementation of the Clare Streetscape Plan from the Pedestrian Lights to Mitre 10	Implementation of Stage 1 works including new bins, tree grates, seating, bike racks, screens, water fountain and landscaping. New Parent Room was also included in the Clare Town Hall.
Funds to implement the recommendations from the 'Colours of Clare Town Centre Study	Successfully received \$159,000 from the State Government's Places for People Program for the completion of Stage 1 works.
Explore opportunities for State Government financial support to expand the project further.	\$200,000 was provided from the Federal Government's Drought Communities Program towards implementation of the Stage 1 works.
Upgrade of the existing Dog Pound	Clare Dog Pound upgraded through cementing of ground surfaces to improve dog health.

### **Natural bush land, river systems and habitats are healthy and protected**

<b>KEY PROPOSALS 2018/2019</b>	<b>ACTIONS</b>
As part of the implementation of the various Stormwater Management plans, Stormwater upgrades have been listed for Clare & Riverton as well as minor works in Tarlee, Rhynie, Stockport and Mintaro	The following Stormwater upgrades were completed in 2018/2019.
<b>STORMWATER</b> Riverton - Torrens Road, Riverton Horrocks Highway, Tarlee Harriet, Milne & Bernard Streets, Rhynie Torr Park, Mintaro - Adjacent to Public Toilets, Mintaro Stockport - Gardiner Terrace Stage 1, Stockport	Torrens Road, Riverton Horrocks Highway, Tarlee Harriet, Milne & Bernard Streets, Rhynie Torr Park, Mintaro  In addition, survey work was completed on Stage 1 Gardiner Terrace, Stockport.
Ongoing financial and physical support for five Bush for Life sites, including Neagles Rock Trail	Five "Bush for Life" sites at the following locations were financially supported: Emu Flat Reserve – Clare Neagles Rock Reserve– Clare Pinks Reserve – Clare Auburn Cemetery – Auburn Hughes Park Road - Clare

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## 4 Business & Economy

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**The local area is internationally recognised for its high quality, niche products and services attracting investment and talent**

KEY PROPOSALS 2018-2019	ACTIONS
Continued financial support for Regional Development Australia, Yorke and Mid North	Ongoing financial support provided to Regional Development Australia Yorke and Mid North. This supports the Tourism Development Officer and other economic development activities.
Continued financial support for the operation of the Clare Valley Wine, Food & Tourism Centre	Ongoing financial support provided to the Clare Valley Wine, Food and Tourism Centre in accordance with current funding agreement.
Clare Valley Wine, Food & Tourism Centre office development (long term lease agreement)	Development Approval granted for extension to the Clare Valley Wine, Food & Tourism Centre and tendered for construction.

## 5 Transport & Infrastructure

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**The road network is safe and efficient**

KEY PROPOSALS 2018-2019	ACTIONS
<p>The following Township Sealed Roads/Intersection surfaces have reached intervention and end of life as per Council's Transport Asset Management Plan. Remediation works will include pavement repairs, rehabilitation and resealing</p> <p>TOWNSHIP SEALED</p> <p>Hill St - from Young St to Burra St – Mintaro</p> <p>Young St - from Burra St to Kingston Rd - Mintaro</p> <p>Burra St &amp; Jolly St intersection – Mintaro</p> <p>Quelltaler Rd - from Main North Rd to Great Northern Rd - Watervale</p> <p>James Rd intersection at Blyth Rd - Clare</p> <p>Benbournie Rd intersection at Blyth - Clare</p> <p>Heath Dr intersection at Blyth Rd - Clare</p>	<p>The following Township Sealed Roads resurfacing was completed in 2018/2019.</p> <p>Hill Street – Mintaro</p> <p>Young Street – Mintaro</p> <p>Burra Street – Mintaro</p> <p>Quelltaler Road – Watervale</p> <p>James Road – Clare</p> <p>Benbournie Road - Clare</p> <p>Heath Drive - Clare</p> <p>Old North Road – Clare</p> <p>Gillen Street - Clare</p>

Old North Rd, Ness St to Lennon St - Clare Gillen St, Main North Rd to Gleeson St - Clare Saddle Road Intersection at Bridle Street - Saddleworth	Saddle Road - Saddleworth
<p>The following Rural Sealed Road surfaces have reached intervention and end of life as per Council's Transport Asset Management Plan. Remediation works will include pavement repairs, shoulder reinstatement and resealing</p> <p>RURAL SEALED</p> <p>Copper Ore Rd, Merildin Rd to Wookie Creek Rd –shoulder reinstatement Mintaro</p> <p>Leasingham to Mintaro Rd - various pavement failure repairs</p> <p>Angas Crt, White Hut Rd to end of seal Clare</p> <p>Quarry Rd - various pavement failure repairs</p> <p>Main Rd 45, Rowett Rd to Slant Rd + 1km north – reseal</p> <p>Spring Gully Rd, Horrocks Hwy to Gillentown Rd – reseal</p> <p>Waterloo Rd, Powerline Road North to Carlsruhe Rd – reseal Waterloo</p> <p>Waterloo Rd, Main Road 45 to Powerline Rd North – reseal Waterloo</p>	<p>The following Rural Sealed Road resurfacing were completed in 2018/2019.</p> <p>Leasingham Road – Leasingham</p> <p>Angas Court Road – Clare</p> <p>Quarry Road - Clare</p> <p>Main Road 45 – Marrabel</p> <p>Spring Gully Road – Gillentown</p> <p>Copper Ore Road and Waterloo Road re sealing works were not completed in 2018/2019 due to unsuccessful grant allocation from Special Local Roads.</p>



**Resheeting - Bruce Road, Riverton**



<p>The following Rural Sheeted Road surfaces have reached intervention and end of life as per Council's Transport Asset Management Plan. Remediation works will include reshaping existing formation, upgrading drainage (where required) and re-sheeting</p> <p>RURAL SHEETED SURFACE</p> <p>Muanu Rd - from Spring Gully Rd to Jacobs Range Rd Spring Gully</p> <p>Flagstaff Rd - from Fairview Rd to RRD 4150 Black Springs</p> <p>Garryowen Rd, Mitchells Rd to Slape Rd Riverton</p> <p>Garryowen Rd, Horrocks Hwy to Slape Rd Riverton</p> <p>Salter Springs Rd, Woolshed Flat to RDD 1500 Rhynie</p> <p>Bruce Rd, Ettrick Rd to end of seal – (old name Riverton/Marrabel Rd) Riverton</p> <p>Bruce Rd, Peters Hill Rd to Hondows Rd – (old name Riverton/Marrabel Rd) Riverton</p> <p>Finnis Point Rd, Molineux Rd to Charles St Tarlee</p> <p>Vogts Road, Barrier Hwy to RRD 2345 Saddleworth</p> <p>Bowmans Road, Hogbens Road to start of seal Manoora</p> <p>Bowmans Road, farm driveway 8790 to Hogben Road Manoora</p> <p>Priors Rd, Roehr Rd to Kelly Rd (Council boundary) Marrabel</p> <p>Benbournie Rd - from McDonald Rd to Stradbroke Rd Armagh</p> <p>Carlsruhe Rd - from Waterloo Rd to Powerline North Rd Waterloo</p> <p>Carlsruhe Rd, Powerline North Rd to Main Rd 45 Waterloo</p> <p>Lower Skilly Rd - from farm driveway at RRD 1560 to farm driveway at RRD 3155 Auburn</p> <p>Lower Skilly Rd - from farm driveway at RRD 3155 to Greenwood Park Rd Auburn</p> <p>Dee Rd, Hilltown Rd to Riverview Rd Hilltown</p> <p>Miss Martin Rd - from Martin Rd to Toringa Rd Stanley</p> <p>Miss Martin Rd - from Toringa Rd to Copper Ore Rd Stanley</p> <p>MacDonald Rd from Horrocks Hwy to Basham Rd Stanley Flat</p> <p>Masters Rd - from Barrier Highway to Hentschkes Rd Riverton</p> <p>Hubbe Rd - from Roach Rd to Koorama Rd Stanley Flat</p> <p>Hubbe Rd from Koorama Rd to White Hut Stanley Flat</p> <p>Dennis Rd - from North St to Tank Auburn</p> <p>Bryksys Hill Rd - from end of seal to Mt Horrocks Rd Watervale</p> <p>Avondale Rd - from Horrocks Hwy to end at private driveway RRD 1810</p> <p>McAuliffes Rd - from Hazeleigh Rd to Saddle Rd Saddleworth</p> <p>Buchanan Road - from Old Kapunda Road to Council boundary Tarnma</p> <p>Belvidere Rd - from Saddleworth Rd to Ulandi Rd Marrabel</p> <p>Raglan St - from Saddleworth Rd to Globe St Auburn</p> <p>Globe St - Raglan St to Moores Rd Auburn</p> <p>Granny Creek Rd, RRD 2000 to RRD 3890 Halbury</p>	<p>All roads scheduled for resurfacing were completed in 2018/2019.</p>
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<p>Council has 32 Bridge Structures listed on the Transport Asset Database. Following detailed bridge inspections in 2017, significant repairs and replacement of existing structures are required to maintain the continuity of the road network.</p>	<p>After the adoption of the Annual Business Plan, Council carried out a more detailed inspection of the Bridges and identified that the following bridges would be replaced / repaired in this financial year:</p>
<p><b>BRIDGES</b></p> <p>Lokans Bridge - Woolshed Flat Road - total replacement required Rhynie</p> <p>Blanche Street - bearing repairs, channel remediation Clare</p> <p>Leasingham Road - girder strengthening, safety barrier upgrade &amp; deck repairs Mintaro</p> <p>Copper Ore Road - wingwall stabilisation and channel clearing MIntaro</p>	<p>Lokans Bridge Woolshed Flat Road– Rhynie</p> <p>2 x Bridges on Copper Ore Road guardrail replacement – Mintaro</p> <p>2 x Bridges on Steelton Road guardrail replacement – Saddleworth</p> <p>Giles Corner Bridge – Guardrail replacement – Giles Corner</p> <p>Smart Road Bridge – Hilltown</p> <p>Harvey Highway Bridge - Hilltown</p> <p>Bruce Road Bridge – Riverton - Vegetation clearing</p> <p>Camels Hump Road – Hilltown</p>
<p>White Hut Road - bridge deck repairs, safety barrier upgrades channel clearing Clare</p> <p>Bruce Road - girder strengthening, safety barrier upgrades &amp; deck/abutment repairs Riverton</p> <p>Harvey Highway - repair of wingwalls, bridge deck &amp; safety barrier upgrade Hilltown</p> <p>Camels Hump Road - girder strengthening, painting &amp; safety barrier upgrade Hilltown</p>	<p>After further inspection, the following bridges were not required to have work undertaken:</p> <p>White Hut Road - Clare</p> <p>Blanche St – Clare</p> <p>Leasingham Bridge - Mintaro</p>
<p><b>RURAL UPGRADE AND SEAL</b></p> <p>Neagles Rock Road – from Spring Gully Road to end of existing seal</p>	<p>Neagles Rock Road – Clare, upgrade and seal was completed in 2018/2019.</p>

## Footpaths are safe, attractive and well maintained

KEY PROPOSALS 2018/2019	ACTIONS
<p>As part of the continual upgrade of the Clare &amp; Riverton Main Streets, footpath &amp; kerbing works are to be completed as follows</p> <p>KERBS</p> <p>Old North Rd, Clare from Mill St to Lennon St Clare</p> <p>Torrens Rd, Riverton from Masters St to Moorhouse Street in conjunction with footpath works Riverton</p> <p>Main North Rd, Clare from pedestrian lights to Mitre 10 in conjunction with footpath works Clare</p>	<p>The following upgrade of Clare &amp; Riverton footpaths and kerbing was completed in 2018/2019</p> <p>Old North Road Clare</p> <p>Torrens Road – Riverton</p> <p>Main North Road - Clare</p>
<p>FOOTPATH SURFACE</p> <p>Main North Road, Clare from Pedestrian Lights to Mitre 10 opposite Burke Park Clare</p> <p>Old North Road, Clare from Mill St to Lennon St - tie in with kerb Clare</p> <p>Torrens Road, Riverton from Masters Street to Moorhouse Street Riverton</p> <p>Spur Street, Saddleworth from Belvidere Road to Stirrup Street Saddleworth</p>	<p>The following upgrade of Clare &amp; Riverton footpaths and kerbing was completed in 2018/2019</p> <p>Old North Road Clare</p> <p>Torrens Road – Riverton</p> <p>Main North Road - Clare</p> <p>Spur Street - Saddleworth</p>

## Bicycle and walking trails are connected, safe and attractive

KEY PROPOSALS 2018/2019	ACTIONS
<p>Trail Concept Design Neagles Rock Trail Clare</p>	<p>Neagles Rock Trail and associated works was completed with the assistance of Drought Communities Funding</p>
<p>Ongoing financial support for Riesling Trail &amp; Rattler Trail</p>	<p>Financial support provided to the Riesling Trail and Rattler Trail, both trails showing an increase in users:</p> <p>Riesling Trail: 77,549 an increase of 6%</p> <p>Rattler Trail at this point in time are not equipped for counting.</p>

## Community transport is accessible and well used

KEY PROPOSALS 2018/2019	ACTIONS
Promote the Mid North Community Passenger Network which is hosted by Council to continue the improvement of services to the community	Ongoing support provided for the Mid North Community Passenger Network; Passenger Trips – Social 263, Medical 1606 Volunteer Drivers - 22 Female 35 Male 142,384 KMs covered in passenger trips Number of Clients 752 2,411 Volunteer Hours
Mid North Community Passenger Network Vehicle Mallala - Hyundai Tuscon equivalent	Hyundai Tuscon Vehicle purchase and located at Mallala for the Mid North Community Passenger Network.
Mid North Community Passenger Network Vehicle Hamley Bridge - Hyundai Tuscon equivalent	Hyundai Tuscon Vehicle purchase and located at Hamley Bridge for the Mid North Community Passenger Network.

## Council owned land and buildings are fulfilling a useful function and providing public value

KEY PROPOSALS 2018/2019	ACTIONS
Replace Emergency Exit Doors Manoora Hall Supper Room, Manoora	Emergency exit doors at Manoora Hall completed
Replace Perimeter Fence Clare Transfer Station, Clare	Perimeter fence at Clare Waste Transfer Station completed
Ceiling Replacement Auburn Caravan Park Kiosk Auburn	Ceiling in Auburn Caravan Park Kiosk completed
Shelter Saddleworth Cemetery, Saddleworth	Cemetery Shelter at Saddleworth completed
Northern Wall Stone Clare Town Hall Replacement & repointing, Clare	Repointing on northern stone wall of Clare Town Hall completed
Financial Support for Building Better Regions Mintaro Hall renovations & developing a History Centre, Mintaro	Funding provided to support Building Better Regions successful grant application Mintaro Progress Association for renovations to Mintaro Town Hall.
Replacement Works Depot Roller Door Clare	Works Depot Roller Door Clare completed

## 6 Council Leadership & Organisational Sustainability

### A resilient community

KEY PROPOSALS 2018/2019	ACTIONS
Support the provision of a dry sand shed through National Disaster Resilience Program funding at Tarlee	Sand Shed located at DPTI managed parking bay at Tarlee, has been built and filled with sand.

### Improved financial sustainability

KEY PROPOSALS 2018/2019	ACTIONS
Ensure sustainable management of Council's asset portfolio	The purchase of following items of plant and machinery were undertaken.
PLANT	
Combi Roller - Broons equivalent	Combi Roller
Mechanic Service Vehicle	Mechanic Service Vehicle
Patrol Grader Vehicle	Patrol Grader Vehicle
Patrol Grader Vehicle	Patrol Grader Vehicle
Asset Officer Vehicle	Asset Officer Vehicle
General Admin Vehicle - Building, Planning, Governance,	General Administration Vehicle
Front Deck Mower - Kubota equivalent	Front Deck Mower
Uncosted Small Plant, chainsaw, pole saw, push mower,	Changeover all pole saws and a number of chainsaws to new
CWMS	The following upgrade of the Riverton and Clare Community Wastewater
Riverton - pipework rectification from flushing report	Management Systems was completed in 2018/2019
Riverton - irrigation to Golf Course	Riverton Pipework Rectification
Clare - Main North Road - Toyota pump station	Discussions were held with the Riverton Golf Club re irrigation to the Riverton Golf Course.
Clare - Stanley Street pump station	Clare Main North Road – Pump Station Clare Stanley Street – Pump Station
OTHER	
Libraries - Books and Information Technology (I.T.)	Stage 1 of Council's IT Implementation strategy was completed.
Valleys Lifestyle Centre - Air conditioner and exercise equipment	Valleys Lifestyle Centre – installed a new air conditioner, and pool heater pumps.

Review the 10 Year Long Financial Plan in conjunction with the Asset Management Plan	Council adopted the reviewed and consulted Long Term Financial Plan. Asset Management Reviews are being undertaken on an ongoing basis.
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### **Streamlined Council processes/ procedures that meet legislative requirements**

<b>KEY PROPOSALS 2018/2019</b>	<b>ACTIONS</b>
Continued review of work practices and procedures to ensure a 'best value' approach to the delivery of projects and services to the community	Council has adopted 35 reviewed or new policies and undertaken a review of its delegation register in October 2018.

### **A modern, efficient and accessible IT system and Council website**

<b>KEY PROPOSALS 2018/2019</b>	<b>ACTIONS</b>
Information Communication Technology - Administration upgrades	Stage 1 of Council's IT Implementation strategy was completed
Increase the level of online transactions including email newsletters, rates delivery and Facebook	480 rates notices are delivered by email this represents approx 3%. Council has 2797 'likers' on Councils Facebook page. Facebook has an average reach of 10,000 Facebook users for popular posts. The electronic newsletter is distributed to 469 residents Commenced use of interactive website for Community engagement called "talk to us" for consultation on Annual Business Plan.

### **Strong Leadership**

<b>KEY PROPOSALS 2018/2019</b>	<b>ACTIONS</b>
Promote and support the role of Mayor including the conduct of the following: Civic Reception Australia Day - Clare, Saddleworth, Riverton & Auburn Twinning arrangements - Bizen	Australia Day celebrations were held in Riverton, Saddleworth, Auburn and Clare with 4 awards presented. 18 Citizenship ceremonies were conducted by Mayor. Twinning celebrations with Bizen City held with a visit to Clare in 2018.
Hold regular Council Meetings, including 2 meetings per year in the community	Regular Council Meetings held with 1 in Auburn and 1 in Rhynie.
Oversee the conduct of the November 2018 Council Election	Council Election conducted by postal vote in November 2018 with 44.1% voter turnout.

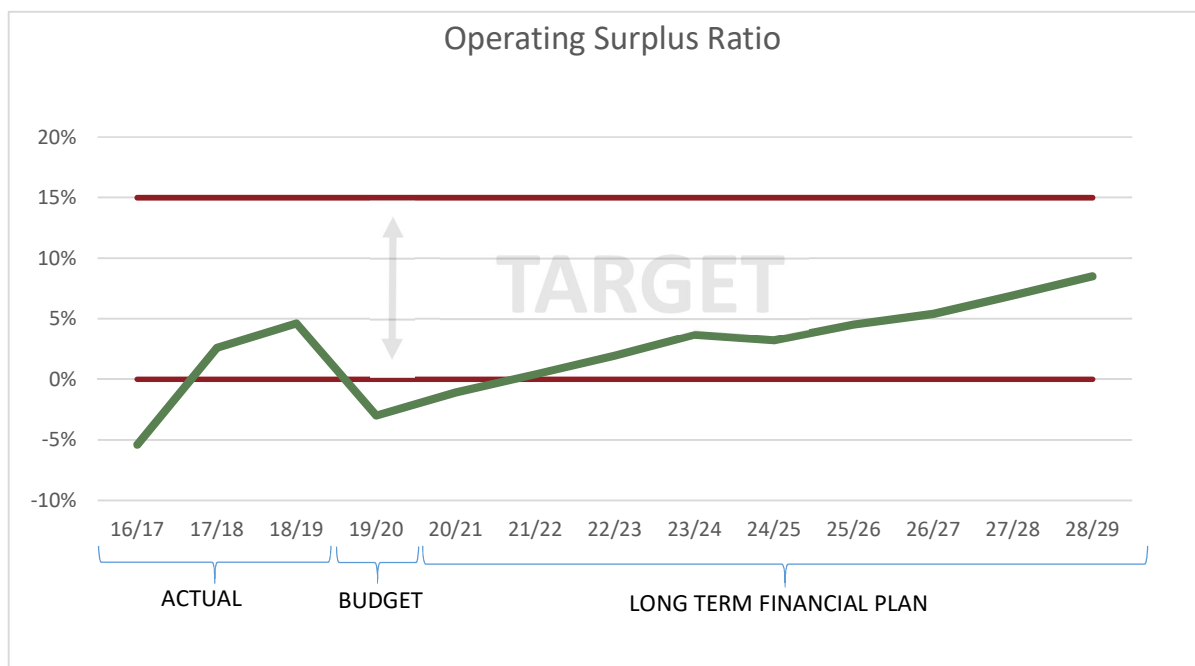
# FINANCE

## Financial Statements

The Clare & Gilbert Valleys Council 2018/19 positive financial results and the associated trends show the Council moving towards a financially sustainable long-term outlook.

In the 2018/19 financial year the Council recorded an \$843,000 operating surplus. The advance payment of two years allocation of Supplementary Local Roads Financial Assistance Grants, operational savings from the YMCA management of The Valleys and reduced financing costs made up this surplus.

Council continues to move closer to the target of an operating surplus ratio of between zero (0) and fifteen (15) percent over any five-year period.

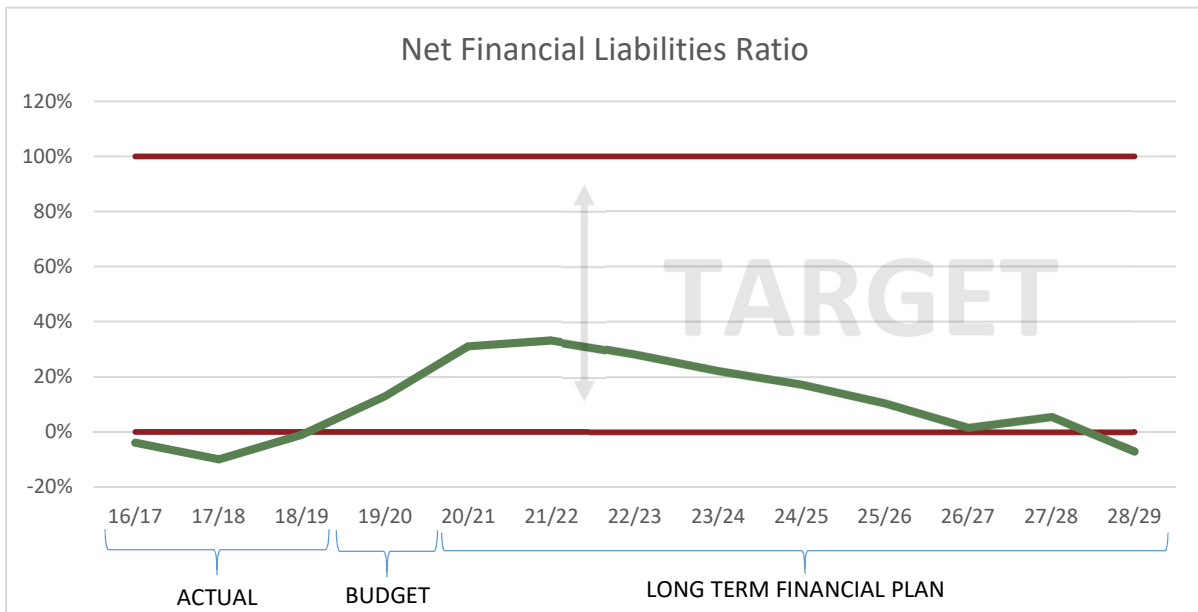


### Operating Surplus Ratio

An operating surplus (or deficit) arises when operating income exceeds (or is less than) operating expenses for a period (usually a year). Over time Council will be financially sustainable if its expenses are less than income. The Operating Surplus Ratio expresses the surplus (or deficit) as a percentage of total operating income. The operating surplus ratio has been adjusted consistent with the treatment in the model financial statements.

Council's net financial liabilities ratio was -1%, highlighting a net financial asset position. With the delay of some capital projects Council has maintained cash balances and not taken out new borrowings. These cash reserves will be applied to the completion of those projects and the renewal of infrastructure assets over the next few years.





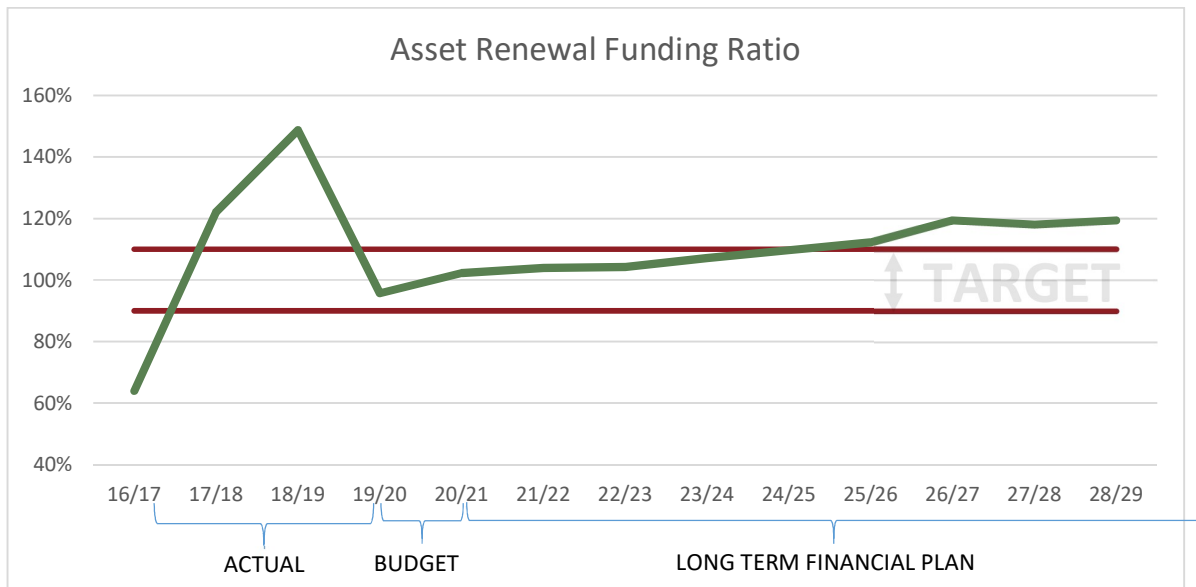
#### Net Financial Liabilities Ratio

Net Financial Liabilities is equal to Council's total liabilities less its financial assets providing information on Council's overall indebtedness.

The Net Financial Liabilities Ratio expresses Net Financial Liabilities as a percentage of total operating income.

The net financial liabilities ratio has been adjusted consistent with the treatment in the model financial statements.

Council spent \$6.91 million on the renewal and replacement of its physical assets. Over \$3 million was applied to Council's transport network, which includes flood damage remediation.

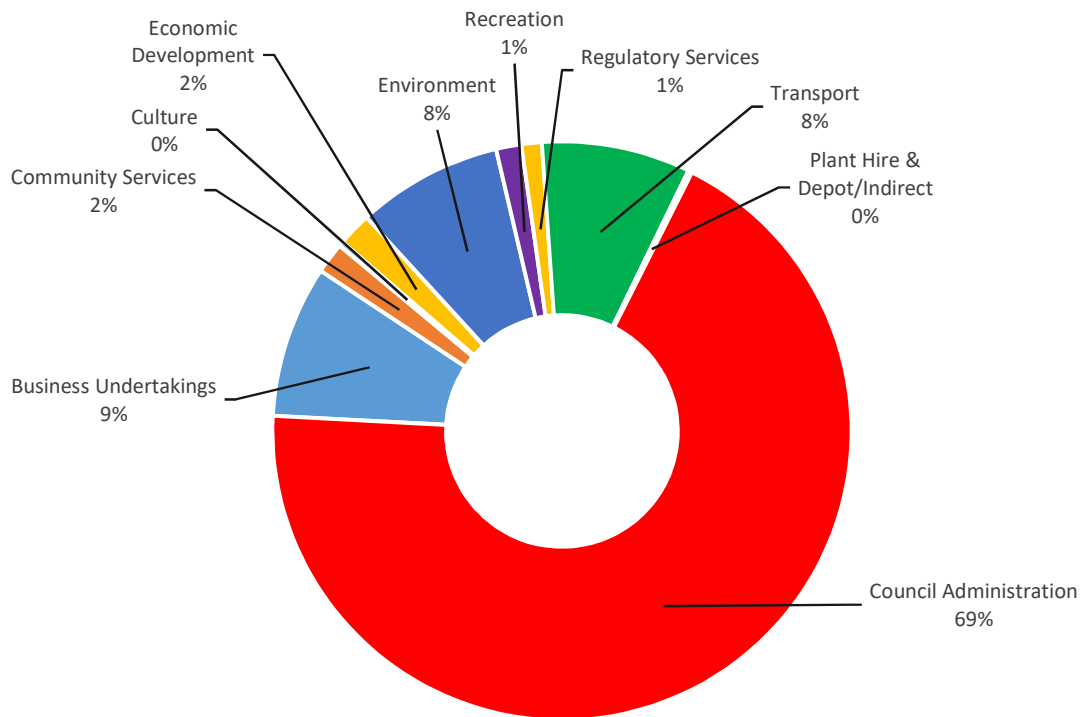


#### Asset Renewal Funding Ratio

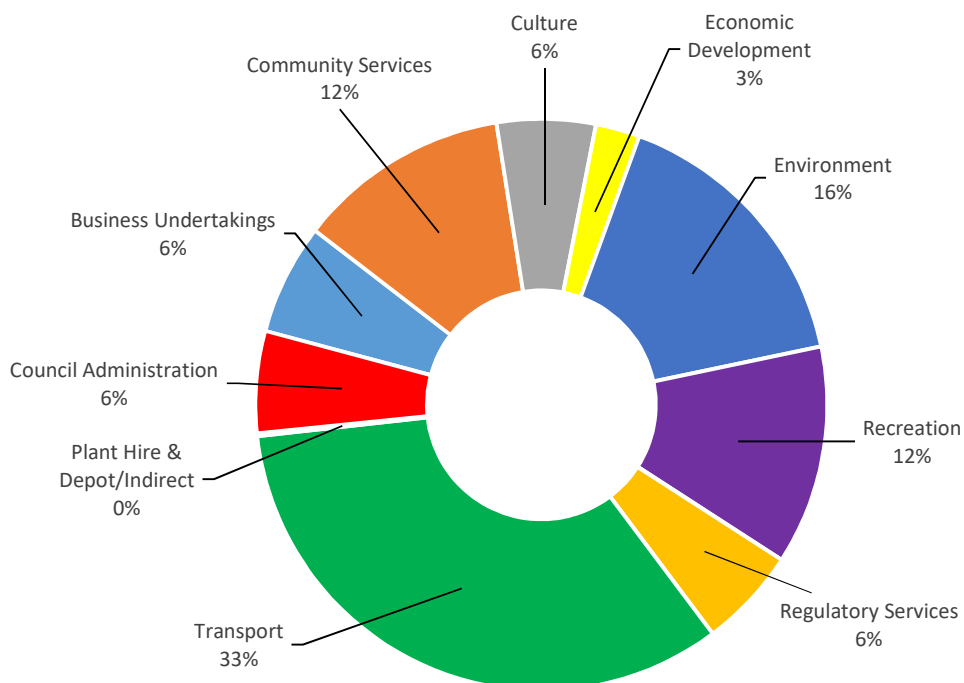
The Asset Renewal Funding Ratio expresses the total funds expended on asset replacement and renewal as a percentage of asset replacement and renewal identified as warranted in Council's Asset Management Plan.

The Actual results are based on Council's current adopted Asset Management Plan, 2017. The budget and long term financial plan depicted is based off Council draft Asset Management Plans

## 2018/19 Income by Function (\$18.9m)



## 2018/19 Expenses by Function (\$18.1m)



# CLARE AND GILBERT VALLEYS COUNCIL

## General Purpose Financial Reports

### for the year ended 30 June 2019

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# CLARE & GILBERT VALLEYS COUNCIL

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

### 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 2019 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.

  
.....  
Dr Helen ANNE MACDONALD  
**CHIEF EXECUTIVE OFFICER**  
.....  
Wayne THOMAS  
**MAYOR**

Date: 18 November 2019

# CLARE AND GILBERT VALLEYS COUNCIL

## Statement of Comprehensive Income

for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
<b>INCOME</b>			
Rates	2	13,158	12,612
Statutory charges	2	229	233
User charges	2	884	814
Grants, subsidies and contributions	2	4,078	5,470
Investment income	2	205	218
Reimbursements	2	288	255
Other income	2	65	60
<b>Total Income</b>		<b>18,907</b>	<b>19,662</b>
<b>EXPENSES</b>			
Employee costs	3	4,218	3,753
Materials, contracts & other expenses	3	8,051	7,634
Depreciation, amortisation & impairment	3	5,399	5,156
Finance costs	3	396	469
<b>Total Expenses</b>		<b>18,064</b>	<b>17,012</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>843</b>	<b>2,650</b>
Asset disposal & fair value adjustments	4	(1,019)	(1,766)
Amounts received specifically for new or upgraded assets	2	591	327
<b>NET SURPLUS / (DEFICIT) (transferred to Equity Statement)</b>		<b>415</b>	<b>1,211</b>
<b>Other Comprehensive Income</b>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	5,998	3,327
Impairment (expense) / recoupments offset to asset revaluation reserve	9	(44)	-
<b>Total Other Comprehensive Income</b>		<b>5,954</b>	<b>3,327</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>6,369</b>	<b>4,538</b>

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

# CLARE AND GILBERT VALLEYS COUNCIL

## Statement of Financial Position

as at 30 June 2019

		2019	2018
<b>ASSETS</b>	<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current Assets</b>			
Cash and cash equivalents	5	7,380	7,893
Trade & other receivables	5	1,059	1,879
Other financial assets	5	264	260
Inventories	5	456	211
		<u>9,159</u>	<u>10,243</u>
Non-current Assets held for Sale	20	310	-
<b>Total Current Assets</b>		<u>9,469</u>	<u>10,243</u>
<b>Non-current Assets</b>			
Financial assets	6	199	265
Infrastructure, property, plant & equipment	7	147,428	140,723
Other non-current assets	6	989	731
<b>Total Non-current Assets</b>		<u>148,616</u>	<u>141,719</u>
<b>Total Assets</b>		<u>158,085</u>	<u>151,962</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	8	1,838	1,012
Borrowings	8	1,078	1,164
Provisions	8	1,066	941
<b>Total Current Liabilities</b>		<u>3,982</u>	<u>3,117</u>
<b>Non-current Liabilities</b>			
Borrowings	8	3,729	4,808
Provisions	8	16	93
Liability - Equity accounted Council businesses	8	292	247
<b>Total Non-current Liabilities</b>		<u>4,037</u>	<u>5,148</u>
<b>Total Liabilities</b>		<u>8,019</u>	<u>8,265</u>
<b>NET ASSETS</b>		<u>150,066</u>	<u>143,697</u>
<b>EQUITY</b>			
Accumulated Surplus		9,808	9,393
Asset Revaluation Reserves	9	131,115	125,161
Other Reserves	9	9,143	9,143
<b>TOTAL EQUITY</b>		<u>150,066</u>	<u>143,697</u>

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

# CLARE AND GILBERT VALLEYS COUNCIL

## Statement of Changes in Equity for the year ended 30 June 2019

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	TOTAL EQUITY
2019	Notes	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period		9,393	125,161	9,143	143,697
<b>Net Surplus / (Deficit) for Year</b>		415			415
<b>Other Comprehensive Income</b>					
Gain on revaluation of infrastructure, property, plant & equipment			5,998		5,998
Impairment (expense) / recoupments offset to asset revaluation reserve			(44)		(44)
<b>Balance at end of period</b>		<b>9,808</b>	<b>131,115</b>	<b>9,143</b>	<b>150,066</b>

2018	Notes	\$'000	\$'000	\$'000	\$'000
Balance at end of previous reporting period		8,730	121,834	8,595	139,159
<b>Net Surplus / (Deficit) for Year</b>		1,211			1,211
<b>Other Comprehensive Income</b>					
Changes in revaluation surplus - infrastructure, property, plant & equipment			3,327		3,327
Transfers between reserves		(548)		548	-
<b>Balance at end of period</b>		<b>9,393</b>	<b>125,161</b>	<b>9,143</b>	<b>143,697</b>

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



# CLARE AND GILBERT VALLEYS COUNCIL

## Statement of Cash Flows

for the year ended 30 June 2019

		2019	2018
	Notes	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i><b>Receipts:</b></i>			
Rates - general & other		13,391	12,932
Fees & other charges		229	252
User charges		1,491	1,015
Investment receipts		217	233
Grants utilised for operating purposes		4,078	4,865
Reimbursements		288	282
Other revenues		29	1,338
<i><b>Payments:</b></i>			
Employee costs		(4,206)	(4,164)
Materials, contracts & other expenses		(7,825)	(9,371)
Finance payments		(363)	(472)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>7,329</b>	<b>6,910</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i><b>Receipts:</b></i>			
Amounts specifically for new or upgraded assets		591	327
Sale of replaced assets		32	134
Sale of surplus assets		-	59
Repayments of loans by community groups		61	46
<i><b>Payments:</b></i>			
Expenditure on renewal/replacement of assets		(6,910)	(6,944)
Expenditure on new/upgraded assets		(447)	(450)
Net purchase of investment securities		(4)	(7)
Loans made to community groups		-	(30)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(6,677)</b>	<b>(6,865)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<i><b>Payments:</b></i>			
Repayments of borrowings		(1,165)	(1,094)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(1,165)</b>	<b>(1,094)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(513)</b>	<b>(1,049)</b>
Cash & cash equivalents at beginning of period	11	7,893	8,942
<b>Cash &amp; cash equivalents at end of period</b>	11	<b>7,380</b>	<b>7,893</b>

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

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

### 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*.

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

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

##### 1.4 Rounding

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

### 2 The Local Government Reporting Entity

The Clare & Gilbert Valleys Council is incorporated under the SA Local Government Act 1999 and has its principal place of business at 4 Gleeson Street, Clare. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

### 3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference	
	\$	\$	%	\$
2016/17	1,417,990	935,724	52%	482,266
2017/18	1,110,916	1,152,443	(4%)	(41,527)
2018/19	1,825,436	1,140,695	38%	684,741

# **CLARE & GILBERT VALLEYS COUNCIL**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019**

### **Note 1 - Significant Accounting Policies (cont)**

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

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

### **3.1 Construction Contracts**

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

### **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. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

### **5 Inventories**

Inventories held in respect of stores have been valued at the cost of acquisition.

### **6 Infrastructure, Property, Plant & Equipment**

#### **6.1 Land under roads**

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

#### **6.2 Initial Recognition**

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

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

### Note 1 - Significant Accounting Policies (cont)

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

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

#### 6.3 Materiality

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

#### 6.4 Subsequent Recognition

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

#### 6.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets. Depreciation of operating plant is based on usage and minor plant, furniture and fittings are depreciated using a diminishing balance method.

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

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

#### 6.6 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For 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, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

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.

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

### Note 1 - Significant Accounting Policies (cont)

#### 6.7 Borrowing Costs

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

#### 7 Payables

##### 7.1 Goods & Services

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

##### 7.2 Payments Received in Advance & Deposits

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

#### 8 Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

#### 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.

No accrual is made for sick leave except where the accrued entitlement is in excess of 400 hours. This entitlement is dependent on years of service upon retirement, resignation, redundancy or death. The entitlement is paid based on the following sliding scale;

Years of Service	Entitlement
10 years	2 weeks
15 years	3 weeks
20 years	4 weeks

##### 9.2 Superannuation

The Council 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. Contributions are also made to other superannuation schemes selected by employees under the "choice of fund" legislation. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 16.

# **CLARE & GILBERT VALLEYS COUNCIL**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019**

### **Note 1 - Significant Accounting Policies (cont)**

#### **10 Joint Ventures and Associated Entities**

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

#### **11 GST Implications**

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

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.

Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

#### **12 New Accounting Standards**

AASB 7 Financial Instruments – Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (E.g. rates & charges) are now treated as financial instruments. Although the disclosures made in Note 12 Financial Instruments have changed, there are no changes to the amounts disclosed.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities, which will commence from 1 July 2019, affect the timing with which revenues, particularly special purpose grants, are recognised. Amounts received in relation to contracts with sufficiently specific performance obligations will in future only be recognised as these obligations are fulfilled. In these Statements, the sum of \$316,000 has been recognised as revenue, in accordance with the current Standards, but would in future be recorded as a liability "Amounts in Advance" until the performance obligations have been fulfilled.

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for non-material amounts - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2019, Council has no leases to which this treatment will need to be applied.

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 2 - INCOME**

	Notes	2019 \$'000	2018 \$'000
<b>RATES REVENUES</b>			
<u>General Rates</u>		11,069	10,578
Less: Mandatory rebates		(146)	(144)
Less: Discretionary rebates, remissions & write offs		(49)	(44)
		<b>10,874</b>	10,390
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		498	446
Waste collection		722	704
Community wastewater management systems		1,005	1,006
		<b>2,225</b>	2,156
<u>Other Charges</u>			
Penalties for late payment		59	66
		<b>59</b>	66
		<b>13,158</b>	12,612
<b>STATUTORY CHARGES</b>			
Development Act fees		48	52
Town planning fees		78	93
Health & Septic Tank Inspection fees		24	21
Animal registration fees & fines		51	47
Parking fines / expiation fees		2	-
Environment control fines		1	-
CWMS Fees		25	20
		<b>229</b>	233
<b>USER CHARGES</b>			
Cemetery/crematoria fees		43	50
Caravan park fees		471	417
Hall & equipment hire		23	18
Library services		11	13
Community transport		29	28
Recreation fees		92	89
Tourism		36	31
Waste management fees		59	63
Water Sales		17	29
Sundry		103	76
		<b>884</b>	814



**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 2 - INCOME (con't)**

<b>INVESTMENT INCOME</b>	<b>Notes</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
Interest on investments:			
Local Government Finance Authority		178	185
Banks & other		6	7
Loans to community groups		21	26
		<b>205</b>	<b>218</b>
<b>REIMBURSEMENTS</b>			
- by joint undertakings		-	42
- other		288	213
		<b>288</b>	<b>255</b>
<b>OTHER INCOME</b>			
Rebates received		-	1
Sundry		65	59
		<b>65</b>	<b>60</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets		591	327
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant		1,240	1,111
Roads to Recovery		-	525
Flood Damage Disaster Recovery		1,152	2,846
Home and Community Care Grant		202	158
Library & Communications		36	32
Transport		905	554
Auburn Cemetery Vandalism		-	120
National Disaster Resilience		231	-
Drought Communities		303	-
Sundry		9	124
		<b>4,078</b>	<b>5,470</b>
		<b>4,669</b>	<b>5,797</b>
<i>The functions to which these grants relate are shown in Note 11.</i>			
<b>Sources of grants</b>			
Commonwealth government		544	612
State government		3,716	4,969
Other		409	216
		<b>4,669</b>	<b>5,797</b>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 2 - INCOME (con't)**

<b>Conditions over grants &amp; contributions</b>	<b>2019</b>	<b>2018</b>
<b>Notes \$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>		
<i>Unexpended at the close of the previous reporting period</i>	<b>690</b>	280
<i>Less: expended during the current period from revenues recognised in previous reporting periods:</i>		
<i>Roads Infrastructure</i>	-	(28)
<i>Recreation</i>	<b>(80)</b>	-
<i>Cemeteries</i>	<b>(51)</b>	-
<i>Other</i>	<b>(2)</b>	-
<i>Subtotal</i>	<b>(133)</b>	(28)
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
<i>Libraries</i>	<b>9</b>	-
<i>Recreation</i>	-	330
<i>Cemeteries</i>	-	108
<i>Subtotal</i>	<b>9</b>	438
<i>Unexpended at the close of this reporting period</i>	<b>566</b>	690
<i>Net increase / (decrease) in assets subject to conditions in the current reporting period</i>	<b>(124)</b>	410

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 3 - EXPENSE**

	Notes	2019 \$'000	2018 \$'000
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		3,649	3,263
Employee leave expense		452	396
Superannuation - defined contribution plan contributions	16	291	258
Superannuation - defined benefit plan contributions	16	67	75
Workers' Compensation Insurance		104	116
Other		12	8
Less: Capitalised and distributed costs		(357)	(363)
<b>Total Operating Employee Costs</b>		<b>4,218</b>	<b>3,753</b>
 <b>Total Number of Employees</b>		 <b>52</b>	 <b>51</b>
<i>(Full time equivalent at end of reporting period)</i>			
 <b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		19	27
Elected members' expenses		226	215
Election expenses		44	9
Subtotal - Prescribed Expenses		<b>289</b>	<b>251</b>
 <u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		4,288	4,359
Energy		646	565
Insurance		416	415
Legal Expenses		96	99
Levies paid to government - NRM levy		503	441
- Other Levies		41	41
Parts, accessories & consumables		729	691
Sundry		780	544
Water		263	228
Subtotal - Other Materials, Contracts & Expenses		<b>7,762</b>	<b>7,383</b>
		<b>8,051</b>	<b>7,634</b>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 3 - EXPENSE con't**

	2019	2018
Notes	\$'000	\$'000
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
<b>Depreciation</b>		
Land Improvements	15	13
Buildings & Other Structures	1,096	1,071
Infrastructure		
- Roads, footways & kerbing	3,284	3,064
- Bridges	134	134
- Other road Infrastructure	73	73
- Stormwater Drainage	55	55
- CWMS	349	353
Plant, Machinery & Equipment	489	465
Furniture & Fittings	17	19
Library Books	61	11
	<b>5,573</b>	5,258
Less: Capitalised and distributed costs	(130)	(102)
Less: Impairment expense offset to asset revaluation reserve	9 (44)	-
	<b>5,399</b>	5,156
<b>FINANCE COSTS</b>		
Interest on Loans	384	457
Unwinding of present value discounts	12	12
	<b>396</b>	469

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS**

	2019	2018
Notes	\$'000	\$'000
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i><b>Assets renewed or directly replaced</b></i>		
Proceeds from disposal	32	134
Less: Carrying amount of assets sold	1,051	760
<b>Gain (Loss) on disposal</b>	<b>(1,019)</b>	<b>(626)</b>
<i><b>Assets surplus to requirements</b></i>		
Proceeds from disposal	-	59
Less: Carrying amount of assets sold	-	1,199
<b>Gain (Loss) on disposal</b>	<b>-</b>	<b>(1,140)</b>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	<b>(1,019)</b>	<b>(1,766)</b>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**  
**Note 5 - CURRENT ASSETS**

	Notes	2019 \$'000	2018 \$'000
<b>CASH &amp; EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank		749	119
Deposits at Call		6,631	7,774
		<u>7,380</u>	<u>7,893</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>			
Rates - General & Other		425	658
Accrued Revenues		14	26
Debtors - general		392	1,007
GST Recoupment		172	136
Prepayments		1	2
Loans to community organisations		55	50
		<u>1,059</u>	<u>1,879</u>
<b>OTHER FINANCIAL ASSETS</b>			
Investment		264	260
		<u>264</u>	<u>260</u>
<i>Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.</i>			
<b>INVENTORIES</b>			
Stores & Materials		456	211
		<u>456</u>	<u>211</u>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 6 - NON-CURRENT ASSETS**

		2019	2018
<b>FINANCIAL ASSETS</b>	<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Receivables</b>			
Loans to community organisations		<u>199</u>	<u>265</u>
<b>TOTAL FINANCIAL ASSETS</b>		<u><b>199</b></u>	<u><b>265</b></u>
 <b>OTHER NON-CURRENT ASSETS</b>			
Capital Works-in-Progress		<u>989</u>	<u>731</u>
		<u><b>989</b></u>	<u><b>731</b></u>



**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

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

		2018 \$'000				2019 \$'000			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land	2	2,166	-	-	2,166	<b>1,997</b>	<b>40</b>	-	<b>2,037</b>
Land	3	10,206	177	-	10,383	<b>10,206</b>	<b>177</b>	-	<b>10,383</b>
Land Improvements	2	-	-	-	-	-	<b>197</b>	-	<b>197</b>
Land Improvements	3	276	39	(42)	273	<b>263</b>	<b>69</b>	<b>(54)</b>	<b>278</b>
Buildings & Other Structures	2	3,933	-	(2,648)	1,285	<b>3,229</b>	<b>78</b>	<b>(2,188)</b>	<b>1,119</b>
Buildings & Other Structures	3	52,687	703	(26,555)	26,835	<b>52,388</b>	<b>1,189</b>	<b>(27,381)</b>	<b>26,196</b>
Infrastructure									
- Roads, footways & kerbing	3	115,759	9,139	(50,841)	74,057	<b>116,329</b>	<b>4,093</b>	<b>(40,224)</b>	<b>80,198</b>
- Bridges	3	11,050	417	(4,568)	6,899	<b>10,443</b>	<b>1,194</b>	<b>(4,122)</b>	<b>7,515</b>
- Other road Infrastructure		-	741	(368)	373	-	<b>741</b>	<b>(441)</b>	<b>300</b>
- Stormwater Drainage	3	4,340	65	(967)	3,438	<b>4,269</b>	<b>832</b>	<b>(1,013)</b>	<b>4,088</b>
- CWMS	3	20,630	3	(9,980)	10,653	<b>20,211</b>	<b>548</b>	<b>(10,030)</b>	<b>10,729</b>
Plant, Machinery & Equipment		-	7,134	(3,239)	3,895	-	<b>7,347</b>	<b>(3,430)</b>	<b>3,917</b>
Furniture & Fittings		-	539	(510)	29	-	<b>575</b>	<b>(513)</b>	<b>62</b>
Library Books	3	448	-	(11)	437	<b>423</b>	<b>58</b>	<b>(72)</b>	<b>409</b>
<b>Total IPP&amp;E</b>		221,495	18,957	(99,729)	140,723	<b>219,758</b>	<b>17,138</b>	<b>(89,468)</b>	<b>147,428</b>
<b>Comparatives</b>		<b>219,747</b>	<b>12,742</b>	<b>(95,205)</b>	<b>137,284</b>	<b>221,495</b>	<b>18,957</b>	<b>(99,729)</b>	<b>140,723</b>

*This Note continues on the following pages.*

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

	2018 \$'000	CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000							2019 \$'000	
	Carrying Amount	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	Carrying Amount
		New / Upgrade	Renewals				In	Out		
Land	2,166	40	-	-	-	-	-	(169)	-	2,037
Land	10,383	-	-	-	-	-	-	-	-	10,383
Land Improvements	-	-	197	-	-	-	-	-	-	197
Land Improvements	273	-	30	(10)	(15)	-	-	-	-	278
Buildings & Other Structures	1,285	-	78	(2)	(57)	(44)	-	(141)	-	1,119
Buildings & Other Structures	26,835	-	486	(130)	(995)	-	-	-	-	26,196
Infrastructure										
- Roads, footways & kerbing	74,057	444	3,649	(666)	(3,284)	-	-	-	5,998	80,198
- Bridges	6,899	-	778	(28)	(134)	-	-	-	-	7,515
- Other road Infrastructure	373	-	-	-	(73)	-	-	-	-	300
- Stormwater Drainage	3,438	-	767	(62)	(55)	-	-	-	-	4,088
- CWMS	10,653	-	545	(120)	(349)	-	-	-	-	10,729
Plant, Machinery & Equipment	3,895	-	545	(34)	(489)	-	-	-	-	3,917
Furniture & Fittings	29	-	50	-	(17)	-	-	-	-	62
Library Books	437	-	33	-	(61)	-	-	-	-	409
<b>Total IPP&amp;E</b>	<b>140,723</b>	<b>484</b>	<b>7,158</b>	<b>(1,052)</b>	<b>(5,529)</b>	<b>(44)</b>	<b>-</b>	<b>(310)</b>	<b>5,998</b>	<b>147,428</b>
<b>Comparatives</b>	<b>137,284</b>	<b>431</b>	<b>6,898</b>	<b>(1,959)</b>	<b>(5,258)</b>	<b>-</b>	<b>36</b>	<b>(36)</b>	<b>3,327</b>	<b>140,723</b>

*This note continues on the following pages.*

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

### Note 7 (cont) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

#### Valuation of Assets

##### **General Valuation Principles**

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

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

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

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

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

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

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

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

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

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

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

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

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

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

### Note 7 – Property, Plant & Equipment (cont)

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	20 to 75 years
Sealed Roads – Structure	60 to 120 years
Unsealed Roads	8 to 35 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	20 to 70 years
Drains	80 to 100 years
Culverts	50 to 70 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	7 years
Artworks	indefinite

### Land & Land Improvements

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 1 July 2016 by Maloney Field Services at current replacement cost. Additions are recognised at cost.

### Buildings & Other Structures

Buildings and other structures were valued as at 1 July 2016 by Maloney Field Services. The removal of residual values as required by the standards has impacted on the depreciation expense. Buildings for which leases exist which vest responsibility to the lessees have been excluded from the Balance Sheet.

# **CLARE & GILBERT VALLEYS COUNCIL**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019**

### **Note 7 – Property, Plant & Equipment (cont)**

#### **Infrastructure**

Roads, footways and kerbing were valued by Tonkin Engineering as at 1 July 2018 at written down current replacement cost, based on rates current at the time and removing residual values as required by the standards.

Bridge infrastructure were valued by Tonkin Engineering as at 1 July 2016 at written down current replacement cost, based on rates current at the time and removing residual values as required by the standards.

All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure were valued by Tonkin Consulting as at 1 July 2017 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system assets were valued by Tonkin Consulting as at 1 July 2017 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

#### **Plant, Furniture & Equipment**

These assets are recognised on the cost basis.

#### **All other assets**

Library books and other lending materials are capitalised in bulk when purchased and revalued annually based upon a stocktake applying a unit cost. Adjustments arising from the revaluation are recognised as an expense.

All other assets are recognised on the cost basis.

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 8 - LIABILITIES**

		2019 \$'000		2018 \$'000	
<b>TRADE &amp; OTHER PAYABLES</b>	<b>Notes</b>	<b>Current</b>	<b>Non-current</b>	<b>Current</b>	<b>Non-current</b>
Goods & Services		1,533		717	
Payments received in advance		22	-	30	-
Accrued expenses - employee entitlements		71	-	59	-
Accrued expenses - other		85	-	85	-
Deposits, Retentions & Bonds		87	-	82	-
Other		40	-	39	-
		<u>1,838</u>	<u>-</u>	<u>1,012</u>	<u>-</u>
<b>BORROWINGS</b>					
Loans		1,078	3,729	1,164	4,808
		<u>1,078</u>	<u>3,729</u>	<u>1,164</u>	<u>4,808</u>
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		1,066	16	941	93
		<u>1,066</u>	<u>16</u>	<u>941</u>	<u>93</u>
<b>LIABILITY - EQUITY ACCOUNTED COUNCIL BUSINESSES</b>					
Mid North Community Passenger Network	18		292		247
			<u>292</u>		<u>247</u>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 9 - RESERVES**

<b>ASSET REVALUATION RESERVE</b>	1/7/2018	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2019
<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Land	10,563	-	-	<b>10,563</b>
Land Improvements	222	-	-	<b>222</b>
Buildings & Other Structures	24,421	-	(44)	<b>24,377</b>
Infrastructure				
- Roads, footways & kerbing	75,165	5,998	-	<b>81,163</b>
- Bridges	4,871	-	-	<b>4,871</b>
- Stormwater Drainage	2,406	-	-	<b>2,406</b>
- CWMS	7,513	-	-	<b>7,513</b>
<b>TOTAL</b>	<b>125,161</b>	<b>5,998</b>	<b>(44)</b>	<b>131,115</b>
<b>Comparatives</b>	<b>121,834</b>	<b>3,327</b>	<b>-</b>	<b>125,161</b>

<b>OTHER RESERVES</b>	1/7/2018	Transfers to Reserve	Transfers from Reserve	30/6/2019
CWMS Reserve	3,738	-	-	<b>3,738</b>
Clare Off Street Car Parking Reserve	3	-	-	<b>3</b>
Clare Caravan Park Reserve	1,940	-	-	<b>1,940</b>
Waste Management Reserve	1,283	-	-	<b>1,283</b>
General Reserve	1,169	-	-	<b>1,169</b>
Clare Open Space Reserve	26	-	-	<b>26</b>
Riverton Open Space Reserve	12	-	-	<b>12</b>
Mid North Community Passenger Network reserve	191	-	-	<b>191</b>
Windfarm Roads Infrastructure Reserve	781	-	-	<b>781</b>
<b>TOTAL OTHER RESERVES</b>	<b>9,143</b>	<b>-</b>	<b>-</b>	<b>9,143</b>
<b>Comparatives</b>	<b>8,595</b>	<b>548</b>	<b>-</b>	<b>9,143</b>

**PURPOSES OF RESERVES**

**Asset Revaluation Reserve**

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

**(Other Reserves)**

**CWMS Reserve** - for maintenance and upgrade of Community Wastewater Management Systems in Clare, Riverton and Saddleworth

**Clare Off Street Parking Reserve** - for Developers' contributions to parking provision

**Clare Caravan Park Reserve** - proceeds from sale of Clare Caravan Park cabins and equipment to lessee

**Waste Management Reserve** - for provision of refuse collection and disposal

**General Reserve** - includes unexpended grants and other funds set aside for future expenditure

**Clare Open Space Reserve** - developer contributions towards future acquisition of open space areas

**Riverton Open Space Reserve** - developer contributions towards future acquisition of open space areas

**Mid North Community Passenger Network Reserve** - funding for community passenger network scheme

**Windfarm Roads Infrastructure Reserve** - for future works required on access roads to Waterloo Windfarm



**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 10 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

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

	<b>Notes</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
Total cash & equivalent assets	5	<u>7,380</u>	<u>7,893</u>
Balances per Cash Flow Statement		<u>7,380</u>	<u>7,893</u>

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

Net Surplus (Deficit)	415	1,211
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	5,399	5,156
Net increase (decrease) in unpaid employee benefits	48	(401)
Premiums & discounts recognised & unwound	12	12
Grants for capital acquisitions treated as Investing Activity	(591)	(327)
Net (Gain) Loss on Disposals	<u>1,019</u>	<u>1,766</u>
	<b>6,302</b>	<b>7,417</b>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	825	(626)
Net (increase) decrease in inventories	(245)	76
Net increase (decrease) in trade & other payables	402	28
Net increase (decrease) in other liabilities	<u>45</u>	<u>15</u>
<b>Net Cash provided by (or used in) operations</b>	<b><u>7,329</u></b>	<b><u>6,910</u></b>

**(c) Financing Arrangements**

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

Corporate Credit Cards	11	13
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**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 11 - FUNCTIONS**

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

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2019	2018	2019	2018
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000				
<b>Business Undertakings</b>	<b>1,607</b>	1,556	<b>1,134</b>	1,209	<b>473</b>	347	-	-	<b>12,461</b>	12,295
<b>Community Services</b>	<b>327</b>	445	<b>2,173</b>	1,685	<b>(1,846)</b>	(1,240)	<b>204</b>	278	<b>12,765</b>	13,802
<b>Culture</b>	<b>49</b>	52	<b>1,010</b>	881	<b>(961)</b>	(829)	<b>36</b>	32	<b>3,127</b>	2,740
<b>Economic Development</b>	<b>357</b>	32	<b>453</b>	395	<b>(96)</b>	(363)	<b>303</b>	-	<b>1,209</b>	1,032
<b>Environment</b>	<b>1,539</b>	1,272	<b>2,918</b>	2,536	<b>(1,379)</b>	(1,264)	<b>231</b>	32	<b>5,412</b>	4,748
<b>Recreation</b>	<b>265</b>	281	<b>2,238</b>	2,047	<b>(1,973)</b>	(1,766)	-	80	<b>18,740</b>	19,011
<b>Regulatory Services</b>	<b>215</b>	213	<b>1,021</b>	920	<b>(806)</b>	(707)	-	-	<b>56</b>	63
<b>Transport</b>	<b>1,573</b>	3,921	<b>6,048</b>	6,245	<b>(4,475)</b>	(2,324)	<b>1,471</b>	3,800	<b>88,468</b>	81,328
<b>Plant Hire &amp; Depot/Indirect</b>	<b>41</b>	19	<b>29</b>	66	<b>12</b>	(47)	<b>8</b>	13	<b>3,839</b>	3,973
<b>Council Administration</b>	<b>12,934</b>	11,871	<b>1,040</b>	1,028	<b>11,894</b>	10,843	<b>1,825</b>	1,235	<b>12,008</b>	12,970
<b>TOTALS</b>	<b>18,907</b>	19,662	<b>18,064</b>	17,012	<b>843</b>	2,650	<b>4,078</b>	5,470	<b>158,085</b>	151,962

# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

### Note 11 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

#### **Business Undertakings**

Caravan Parks  
Community Wastewater Management Systems (CWMS)

#### **Community Services**

Public Order and Safety - Emergency Services, Fire Protection, Other Public Order and Safety, Health Services  
Community Support – Community Halls, Services for the Aged and Disabled, Children and Youth Services,  
Community Assistance, Community Transport, Other Community Support  
Community Amenities – Cemeteries, Public Conveniences, Car Parking – non-fee-paying, Other Community Amenities.

#### **Culture**

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

#### **Economic Development**

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

#### **Environment**

Waste Management - Domestic Waste, Green Waste, Recycling, Transfer Stations, Other Waste Management  
Other Environment - Stormwater and Drainage, Street Cleaning, Street Lighting, Street scaping, Natural Resource Management Levy, and Other Environment.

#### **Recreation**

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

#### **Regulatory Services**

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

#### **Transport**

Bridges, Footpaths and Kerbing, Roads, Traffic Management, Other Transport.

#### **Plant Hire & Depot/Indirect**

Plant and machinery operations, Depot , Indirect Infrastructure.

#### **Council Administration**

Governance - Elected Members, Organisational  
Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication,  
Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services,  
Revenue – General Rates, Local Government Grants Commission Grants.

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**  
**Note 12 - FINANCIAL INSTRUMENTS**

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

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 0.01% and 1.50% (2018: 0.01% and 1.50%). Short term deposits have an average maturity of 100 days and an average interest rates of 2.11% (2018: 161 days, 2.06%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Rates &amp; Associated Charges</b> (including legal & penalties for late payment)	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 0.5500% (2018: 0.5625%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - other levels of government</b>	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Creditors and Accruals</b>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Interest Bearing Borrowings</b>	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 5.00% and 7.90% (2018: 5.00% and 7.90%)</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Finance Leases</b>	<p><b>Accounting Policy:</b> accounted for in accordance with AASB 117.</p>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 12 - FINANCIAL INSTRUMENTS (con't)**

**Liquidity Analysis**

<b>2019</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Financial Assets</u></b>					
Cash & Equivalents	7,379			7,379	7,380
Receivables	886	190	9	1,085	1,258
Other Financial Assets	264	-	-	264	264
<b>Total</b>	<b>8,529</b>	<b>190</b>	<b>9</b>	<b>8,728</b>	<b>8,902</b>
<b><u>Financial Liabilities</u></b>					
Payables	1,553	-	-	1,553	1,682
Current Borrowings	1,403	-	-	1,403	1,078
Non-Current Borrowings	-	4,509	23	4,532	3,729
<b>Total</b>	<b>2,956</b>	<b>4,509</b>	<b>23</b>	<b>7,488</b>	<b>6,489</b>

<b>2018</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Financial Assets</u></b>					
Cash & Equivalents	7,892			7,892	7,893
Receivables	1,741	232	33	2,006	2,144
Other Financial Assets	260	-	-	260	260
<b>Total</b>	<b>9,893</b>	<b>232</b>	<b>33</b>	<b>10,158</b>	<b>10,297</b>
<b><u>Financial Liabilities</u></b>					
Payables	717	-	-	717	868
Current Borrowings	1,565	-	-	1,565	1,164
Non-Current Borrowings	-	3,225	2,553	5,778	4,808
<b>Total</b>	<b>2,282</b>	<b>3,225</b>	<b>2,553</b>	<b>8,060</b>	<b>6,840</b>

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

	<b>30 June 2019</b>		<b>30 June 2018</b>	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	7.16	4,808	7.01	5,972
		<b>4,808</b>		<b>5,972</b>

**Net Fair Value**

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

**Risk Exposures:**

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

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

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

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

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 13 - COMMITMENTS FOR EXPENDITURE**

	2019	2018
Notes	\$'000	\$'000
<b>Capital Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Roads, Footpaths & Kerbing	123	68
CWMS	172	176
Land Improvements	14	-
Buildings & Other Structures	55	-
Bridges	16	-
Stormwater	27	-
Furniture and Fittings	2	-
Library Books	1	-
	<u>410</u>	<u>244</u>
These expenditures are payable:		
Not later than one year	<u>410</u>	<u>244</u>
	<u>410</u>	<u>244</u>
<b>Other Expenditure Commitments</b>		
Other non-capital expenditure commitments in relation to investment properties:		
Audit Services	29	48
Waste management services	969	1,656
Cleaning and caretaking contracts	683	815
CWMS plant maintenance contracts	163	242
YMCA management contracts	139	266
Outstanding purchase orders	258	253
	<u>2,241</u>	<u>3,280</u>
These expenditures are payable:		
Not later than one year	1,201	1,232
Later than one year and not later than 5 years	<u>1,040</u>	<u>2,048</u>
	<u>2,241</u>	<u>3,280</u>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 14 - FINANCIAL INDICATORS**

	2019	2018	2017
<b>Operating Surplus Ratio</b>			
<u>Operating Surplus</u>	4.5%	13.5%	(2.5%)
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>	(6.2%)	(12.0%)	(7.0%)
Total Operating Income			

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

**Adjustments to Ratios**

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

<b>Adjusted Operating Surplus Ratio</b>	4.8%	2.6%	(5.4%)
<b>Adjusted Net Financial Liabilities Ratio</b>	(1.0%)	(10.0%)	(4.0%)

**Asset Renewal Funding Ratio**

<u>Net Outlays on Existing Assets</u>	148.7%	122.0%	64.0%
Net Asset Renewals - IAMP			

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

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 15 - 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

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Income	<b>18,907</b>	19,662
Expenses	<b>(18,064)</b>	(17,012)
<b>Operating Surplus / (Deficit)</b>	<b>843</b>	2,650
 <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	<b>(6,910)</b>	(6,944)
Add back Depreciation, Amortisation and Impairment	<b>5,399</b>	5,156
Proceeds from Sale of Replaced Assets	<b>32</b>	134
	<b>(1,479)</b>	(1,654)
 <b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	<b>(447)</b>	(450)
Amounts received specifically for New and Upgraded Assets	<b>591</b>	327
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<b>-</b>	59
	<b>144</b>	(64)
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(492)</b>	932



# CLARE & GILBERT VALLEYS COUNCIL

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

### Note 16 – SUPERANNUATION

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

#### **Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018/19; 9.50% in 2017/18). 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 2017/18) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. 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.

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 17 - OPERATING LEASES**

***Leases providing revenue to the Council***

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.

**Investment Property:**

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

Lessees commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

	<b>2019</b>	2018
	<b>\$'000</b>	\$'000
Not later than one year	<b>397</b>	385
Later than one year and not later than 5 years	<b>1,711</b>	1,661
Later than 5 years	<b>3,042</b>	3,489
	<b><u>5,150</u></b>	<u>5,535</u>

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**  
**Note 18 - INTERESTS IN OTHER ENTITIES**

**Section 41 Committees**

The financial statements of the following Section 41 Committees have been consolidated into Council's statements for the year ended 30 June 2019.

(a) Mid North Community Passenger Network

This Committee is an advisory committee of interested parties including representatives of the Clare & Gilbert Valleys Council, Wakefield Regional Council, Regional Council of Goyder and Adelaide Plains Council.

A funding deed exists between the Clare & Gilbert Valleys Council and the Minister for Communities and Social Inclusion with additional funding coming from the partner Councils.

The aim of the MNCNP is to address the transport needs of communities in the region particularly the transport disadvantaged, by co-ordinating and brokering transport services within the region, providing an information service and delivering transport where no other appropriate services exist.

The liability to member Councils in the event of the dissolution of the network has been recognised in the Statement of Financial Position. (Note 8)

(b) Other

Auburn Recreation Park Committee

Clare Town Hall Committee

Riverton Recreation Grounds Committee

Clare & Gilbert Valleys Dry Zone Committee

Bushfire Prevention Committee

**Regional Subsidiaries**

Council is a member of the Central Local Government Region of South Australia (referred to as Legatus Group). The objects of the Region are set out in Clause 2 of the Charter as follows:

- (a) undertake co-ordinating, advocacy and representational roles for its constituent councils at a regional level.
- (b) facilitate and co-ordinate activities of Local Government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its constituent councils.
- (c) develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of Local Government when dealing with other governments, private enterprise and the community.
- (d) develop further co-operation between its constituent councils for the benefit of the communities of the region.
- (e) develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the for the communities of the region
- (f) undertake projects and activities that benefit the Region and its communities
- (g) associate, collaborate and work in conjunction with other regional local government boards for the advancement of matters of common interest
- (h) provide strong advocacy speaking with one voice on what matters most to the communities of the constituent councils
- (i) work together to make the best use of available resources
- (j) collaborate to deliver effective services
- (k) build partnerships with those who can contribute to stronger and more sustainable communities
- (l) develop and implement a robust Business Plan consistent with the Regions Plan

The financials of this regional committee have not been included into Council's statements as they are not considered to be material.

# **CLARE & GILBERT VALLEYS COUNCIL**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019**

### **Note 19 - ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION**

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

#### **LAND UNDER ROADS**

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

#### **BANK GUARANTEES**

No loans or banking facilities advanced to community organisations have been guaranteed by council.

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 20 - NON-CURRENT ASSETS HELD FOR SALE  
& DISCONTINUED OPERATIONS**

***Sale of 202 Main North Road***

Council resolved to sell 202 Main North Road, Clare in December 2018

At reporting date, the contract for the sale had been executed, and settlement is expected to occur on 28 July 2019.

The sale includes all land and buildings at 202 Main North Road, Clare.

***Financial Performance & Cash Flow Information***

	<b>2019</b>	2018
	<b>\$'000</b>	\$'000
<b><i>Carrying Amount of Assets and Liabilities</i></b>		
Infrastructure, property, plant and equipment	<b>310</b>	-
Total Assets	<b>310</b>	-
Net Assets	<b>310</b>	-

This disposal group was previously classified as part of community services in Note 11.

As the consideration expected to be received is less than the carrying amount, these assets have been recognised at the recoverable amount.

**CLARE AND GILBERT VALLEYS COUNCIL**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2019**

**Note 21 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 19 persons were paid the following total compensation:

	<b>2019</b>	2018
	<b>\$'000</b>	\$'000
Salaries, allowances & other short term benefits	640	809
Post-employment benefits	-	28
Long term benefits	7	6
Termination benefits	110	-
<b>TOTAL</b>	<b>757</b>	<b>843</b>

**PARTIES RELATED TO KEY MANAGEMENT PERSONNEL**

Key management personnel own retail and consulting business from which various supplies and services were purchased as required on account. Total purchases amounted to \$21,955, with nil unpaid at the end of the year.

An elected member or an employee is a member of the following management committees; Clare and District APEX Club, Zonta Clare and Districts Club, Riverton Community Management Committees, Riverton Recreation Ground Committee, Rattler Trail Committee, Riesling Trail Committee, Clare Town Hall Committee, Clare Regional History Group Inc, Stockport Community Association and the Yacka Community Development Committee. In accordance with the Local Government Act 1999, these persons declare a conflict of interest and leave the meeting environs when any matter affecting their club or group is discussed or voted upon. Council awarded a Community Asset Grant to the value of \$1,000 to the Clare Regional History Group Inc towards the purchase of a touch screen computer.

Key management personnel or close family members (including related parties) lodged one development application during the year. In accordance with the Local Government Act 1999, these persons declared conflicts of interest and took no part in the assessment or approval processes for these applications. All applications were approved during the year. Total fees paid to the Council in respect to the applications were \$1,664.

# CLARE & GILBERT VALLEYS COUNCIL

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Clare & Gilbert Valleys Council for the year ended 30 June 2019, the Council's Auditor, Galpins Accountants, Auditors & Business Consultant, 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*.

  
.....  
Dr Helen Macdonald  
**CHIEF EXECUTIVE OFFICER**  
.....  
Mark Jeffreson  
**PRESIDING MEMBER  
AUDIT COMMITTEE**

Date: 11 November 2019

# Clare & Gilbert Valleys Council

## General Purpose Financial Statements

For the year ended 30 June 2019

### Statement by Auditor

I confirm that, for the audit of the financial statements of **Clare & Gilbert Valleys Council** for the year ended 30 June 2019, 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*.



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**Timothy Muhlhausler, Partner**

**Galpins Accountants, Auditors & Business Consultants**

**Dated this 26<sup>th</sup> day of November 2019**



David Chant CA, FCPA  
Simon Smith CA, FCPA  
David Sullivan CA, CPA  
Jason Seidel CA  
Renae Nicholson CA  
Tim Muhlhausler CA  
Aaron Coonan CA  
Luke Williams CA, CPA  
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## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

### To the members of Clare & Gilbert Valleys Council

#### Opinion

We have audited the accompanying financial report of Clare & Gilbert Valleys Council (the Council), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of Clare & Gilbert Valleys Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Council's Responsibility for the Financial Report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal control as Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibility for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit of the financial report in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Tim Muhlhausler** CA Registered Company Auditor  
Partner

26 November 2019



# LEGATUS GROUP

## 2018-2019 ANNUAL REPORT & FINANCIAL STATEMENTS

The Legatus Group Charter requires that the AGM receive the Legatus Group's Annual Report which may incorporate reports from committees and any representative reports from other organisations. The Legatus Group AGM was held on Friday 30 August 2019 and adopted the report.

### 2018/2019 ANNUAL REPORT

The Legatus Group Charter clause 6.3 Annual Report

- 6.3.1 The Legatus Group must each year, produce an Annual Report summarising the activities, achievements and financial performance of the Legatus Group for the preceding Financial Year.
- 6.3.2 The Annual Report must incorporate the audited financial statements of the Legatus Group for the relevant Financial Year.
- 6.3.3 The Annual Report must be provided to the Constituent Councils by 30 September each year.

The Legatus Group is a regional subsidiary of:

- Adelaide Plains Council
- Barunga West Council
- Clare & Gilbert Valleys Council
- Copper Coast Council
- District Council of Mount Remarkable
- District Council of Orroroo/Carrieton
- District Council of Peterborough
- Light Regional Council
- Northern Areas Council
- Port Pirie Regional Council
- Regional Council of Goyder
- The Barossa Council
- The Flinders Ranges Council
- Wakefield Regional Council
- Yorke Peninsula Council

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by the provisions of Section 25 of the Local Government (Implementation) Act 1999. In 2016 the Central Local Government Region of South Australia adopted the trading name of Legatus Group to which it is referred. The Legatus Group is established to:

- undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils

- develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community
- develop further co-operation between its Constituent Councils for the benefit of the communities of the region
- develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
- undertake projects and activities that benefit the region and its communities
- associate collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Legatus Group is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the group and ensure that they act in accordance with its Charter.

**Contact Details:**

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 Website: [www.legatus.sa.gov.au](http://www.legatus.sa.gov.au)

Legatus Group Board of Management: The Board consists of all principal members (Mayor / Chairman) of the Constituent Councils which for 2018/2019 were:

Council	Delegate
Adelaide Plains Council	Mayor Tony Flaherty until 9 November 2018 Mayor Mark Wasley from 9 November 2018
Barunga West Council	Mayor Cynthia Axford until 9 November 2018 Mayor Leonie Kerley from 9 November 2018
Clare & Gilbert Valleys Council	Mayor Allan Aughey OAM until 9 November 2018 Mayor Wayne Thomas from November 2018
Copper Coast Council	Mayor Paul Thomas AM until 9 November 2018 Mayor Roslyn Talbot from 9 November 2018
District Council of Mount Remarkable	Mayor Colin Nottle until 9 November 2018 Mayor Phillip Heaslip from 9 November 2018
District Council of Orroroo Carrieton	Chairman Kathie Bowman
District Council of Peterborough	Mayor Ruth Whittle OAM
Light Regional Council	Mayor Bill O'Brien
Northern Areas Council	Mayor Denis Clark
Port Pirie Regional Council	Mayor John Rohde until 9 November 2018 Mayor Leon Stephens from 9 November 2018
Regional Council of Goyder	Mayor Peter Matthey OAM
The Barossa Council	Mayor Bob Sloane until 9 November 2018 Mayor Bim Lange from 9 November 2018
The Flinders Ranges Council	Mayor Peter Slattery
Wakefield Regional Council	Mayor Rodney Reid
Yorke Peninsula Council	Mayor Ray Agnew OAM until 9 November 2018 Mayor Darren Braund from 9 November 2018

## Office Bearers for 2017/18

Chairman:	Mayor Peter Matthey OAM
Deputy Chairs:	Chairman Kathie Bowman Mayor Bob Sloane until 9 November 2018 Mayor Bill O'Brien from 9 November 2018
South Australian Regional Organisation of Councils	Mayor Peter Matthey Mayor Bill O'Brien
Chief Executive Officer:	Mr Simon Millcock
Auditor:	Dean Newberry and Associates

## Meetings of the Legatus Group

The following meetings of the Board of Management were held during the 2018/19 year:

- Annual General Meeting 17 August 2018
- Ordinary Meeting 17 August 2018
- Ordinary Meeting 12 December 2018
- Ordinary Meeting 15 February 2019
- Ordinary Meeting 31 May 2019

There were four committees in 2018/2019 and all agendas and minutes are published on the Legatus Group Website and minutes were provided to the Legatus Group meetings.

Committee	Members	Meeting Dates
Audit Committee	<ul style="list-style-type: none"> <li>• Mayor Ray Agnew (Chair) until 9/11/18</li> <li>• Chair Kathie Bowman</li> <li>• Mayor Colin Nottle until 9/11/18</li> <li>• Mr Colin Davies until 1/12/18</li> <li>• Mr Peter Ackland</li> <li>• Mayor Denis Clark from 30/1/19</li> <li>• Mr Ian McDonald from 30/4/19</li> </ul>	3 August 2018 30 November 2018 30 January 2019 30 April 2019
Management Group (Council CEOs)	<ul style="list-style-type: none"> <li>• Mr Colin Byles (Northern Areas) (Chair)</li> <li>• Mr James Miller (Adelaide Plains)</li> <li>• Mr Martin McCarthy (Barossa)</li> <li>• Mr Andrew Cole (Barunga West)</li> <li>• Dr Helen Macdonald (Clare &amp; Gilbert Valleys)</li> <li>• Mr Peter Harder (Copper Coast) replaced by Mr Russell Peate</li> <li>• Mr Colin Davies (Flinders Ranges)</li> <li>• Mr David Stevenson (Goyder)</li> <li>• Mr Brian Carr (Light)</li> <li>• Mr Wayne Hart (Mt Remarkable)</li> <li>• Mr Kristen Clark (Orroroo/Carrieton) replaced by Mr Dylan Strong</li> <li>• Mr Peter McGuinness (Peterborough)</li> <li>• Mr Peter Ackland (Pirie Regional)</li> <li>• Mr Jason Kuchel (Wakefield) replaced by Mark McShane and Andrew MacDonald</li> <li>• Mr Andrew Cameron (Yorke Peninsula)</li> </ul>	3 August 2018 30 November 2018 1 February 2019 10 May 2019

Road & Transport Infrastructure Advisory Committee:	<ul style="list-style-type: none"> <li>• Lee Wallis (Goyder)</li> <li>• Peter Porch (Northern Areas)</li> <li>• Colin Davies (CEO Flinders Ranges) until 30/11/18</li> <li>• Jo-Anne Buchanan (RDA Yorke Mid North)</li> <li>• Steve Kaesler (Barossa)</li> <li>• Trevor Graham (Yorke Peninsula)</li> <li>• Martin Waddington replaced by Tom Jones (Adelaide Plains)</li> <li>• Steve Watson (Clare &amp; Gilbert Valleys)</li> <li>• Mike Wilde (Department of Planning, Transport and Infrastructure)</li> <li>• Dr Helen Macdonald (CEO Clare &amp; Gilbert Valleys Council) from 10/4/19</li> <li>• Wayne Hart (CEO Mt Remarkable) from 10/4/19</li> </ul>	2 August 2018 30 November 2018 5 February 2019 10 April 2019
Community Wastewater Management Advisory Committee	<ul style="list-style-type: none"> <li>• Wayne Hart (CEO Mt Remarkable)</li> <li>• Andrew Cole (CEO Barunga West)</li> <li>• Lee Wallis (Goyder)</li> <li>• Gary Easthope (Clare and Gilbert Valleys)</li> <li>• Chris Parish (Wakefield)</li> <li>• Adam Broadbent (Light)</li> </ul>	17 October 2018 15 March 2019 23 May 2019

## Chairman's Report

I would like to firstly acknowledge both the outgoing and incoming Mayors following the November 2018 Local Government elections and this has seen eight new Mayors join the Legatus Group Board. In particular I take the opportunity to thank those long serving Mayors who provided a valuable service to their communities and the region.

It has been my pleasure to serve as Chairman in 2018/19 and I would like to take this opportunity to report on some of the highlights of the year.

Following on from the key regional state-wide issues that the Legatus Group undertook reports for in the previous year we were extremely pleased to see that the State Government removed the impost to councils for rubble royalties. The formation of the SA Coastal Council Alliance was an outcome of the previous year's work.

The Legatus Group continues to play the lead role on issues around rating equity and impacts of the NDIS on local government. Whilst this year we have also taken a lead role in state-wide approaches to Community Wastewater Management and the Drought. These have all been progressed to the South Australian Regional Organisation of Councils (SAROC) and we continue to provide a strong partnership approach with our other regional local government associations.

We delivered a significant report on the Digital Maturity of Local Government and whilst the report sought to have a whole of SA approach the Legatus Group constituent councils took a lead and I will be interested to see how these findings progress.

This year has seen us actively involved in the issues around the new LGA constitutional changes and the formation of the new look LGA Board along with the new SAROC business plan and budget. It should be noted that Legatus has been active in representing members; as we raised our concerns to both SAROC and to the LGA Board. Given the amount of time and expense for regional councils to attend meetings in Adelaide; I was satisfied with the outcome in relation to the constitutional changes and gratified to see increased levels of consultation afforded to the regions.

The drought has seen a significant impact to regional SA and whilst it was pleasing to see support from the Australian Government through the Drought Communities Program there were levels of inconsistencies which the Legatus Group raised with the Prime Minister. I note our region gained extra support with a further 6 of our councils being added onto the program following the initial 7.

This program is providing up to \$13 million to our region for local infrastructure and other projects for communities and businesses who have been impacted by drought. Whilst we need to show that local government is able to deliver stimulus packages such as these in a timely manner and I note the role of the Legatus Group CEO who is currently working on a report for the Legatus Group and SAROC which will include issues of equity and clarity on the decision-making process.

The Legatus Group was active in its lobbying for road funding for a number of our major highways and I wrote to the State Minister on these matters. I was pleased to see the announcements by the Australian and South Australian Governments of funding for both the Horrocks and Barrier Highways. The Road and Transport Infrastructure Advisory Committee have been active this year in overseeing the delivery of stage 2 of the Legatus Group Regional Transport Plan which resulted in the Deficiency Action Plan and a robust assessment of this year's Special Local Roads Program funding applications. The Legatus Group 2019 Road and Transport Forum held on 12 July 2019 was a further successful outcome by the committee.

The region has been proactive in supporting the challenges and changing environment through the management of the Sector Agreement for the Climate Change Adaptation Plan and the subsequent release of the report on a Regional Sustainability Hub. This resulted in the Legatus Group being successful in their bid to project manage the Yorke Mid North Coastal Management Action Plan which is due for release later in 2019.

Our effort to encourage and foster closer working relationships with the three Regional Development Australia (RDA) organisations and Natural Resource Management Boards in our region; resulted in the successful Yorke Regional Planning Forum, workshops on the Creative Industries and the role of local government in supporting businesses and the South Australian Regional Development Conference. The Legatus Group Visitor Information Services report was undertaken and will soon be presented to the board for consideration.

The Audit and Risk Management Group Committee have ensured that the work plan has assisted us in improving our governance. There has been valuable feedback gained from the Legatus Group Management Group meetings that have included a series of workshops and information sharing opportunities by and for the CEOs and I note with interest their discussions on Local Government Risk.

This year saw the formation of the Legatus Group Community Wastewater Management Advisory Committee who have been overseeing the 2-year Joint CWMS program, staging of a successful SA conference and overseeing the development of a regional sludge viability report which will soon be presented to the board for consideration.

It has been pleasing to see the continued dialogue with the six State Government Members of Parliament, and many of them making time to attend our board meetings. During the year the Legatus Group commenced greater interaction with Universities on research projects and this opportunity provided tangible project work for Interns whilst delivering cost effective research for the region.

In closing I would like to thank everyone who has taken a proactive role in progressing the region and thank both Mayor Bill O'Brien and Chairman Kathie Bowman for your roles as Deputy Chairs.

**Mayor Peter Matthey**  
**Chairman Legatus Group**  
**CEO Report**



In 2018-2019 the Legatus Group consolidated the sub-regional approach to operations and support across the constituent councils whilst strengthening the partnerships with other regional bodies by expanding this to include research projects with Universities.

Following the November 2018 Local Government elections, a series of meetings were arranged with each constituent council and these took the form of either presentations at council meetings or workshops with councils.

Along with over 30 Legatus Group Board and committee, Yorke Mid North Alliance and SAROC meetings the Legatus Group CEO was actively involved in partnering with fellow regional local government association executive officers. This has seen the Legatus Group CEO take a leadership role and manage several state-wide and regional topics which include:

1. Regional LGAs:
  - a. SA Coastal Council Alliance – committee member
  - b. Rating Equity for Commercial and/or Industrial Land Uses Outside Towns in South Australia – LGA R&D grant  
<https://legatus.sa.gov.au/wp-content/uploads/2018/11/Final-Report-Rating-Equity-for-Commercial-Industrial-Land-Uses-Outside-Towns-in-SA-1.pdf>
  - c. Socio-Economic impacts from the NDIS on regional local governments – LGA R&D grant  
<https://legatus.sa.gov.au/wp-content/uploads/2018/11/KPPM-Legatus-NDIS-Report-FINAL-20-5-18-002.pdf>
  - d. Community Wastewater Management – State Conference and the regional Sludge Viability report (to be released following August 2018 Legatus Group meeting) – A PR Intern grant
  - e. Digital Maturity – funding LGA R&D grant  
<https://legatus.sa.gov.au/wp-content/uploads/2019/05/Legatus-Digital-Maturity-Index-Final-Report.pdf>
  - f. Regional representative on the working party for the LGA's Council Ready program
2. Regional Development South Australia
  - g. RDSA Conference – Tailem Bend
3. Yorke Mid North Alliance:
  - a. Yorke Mid North Regional Forum – Kadina  
Climate Change – Sector Agreement and Sustainability Hub report – A PR Intern grant  
<https://legatus.sa.gov.au/wp-content/uploads/2019/07/Final-report-May-2019.pdf>

Other regional projects that the Legatus Group CEO has been managing / supporting are:

- 2030 Legatus Group Regional Transport Plan Deficiency Action Plan 1 completed  
<https://legatus.sa.gov.au/wp-content/uploads/2019/07/Regional-Transport-Plan-Road-Deficiency-Action-Plans-Feb-19.pdf>
- Visitor Information Services review, which was completed, and this will be presented to the Legatus Group meeting on 30 August 2019 and published following their approval.
- Hummocks/Barunga Ranges Brighter Futures project commenced – funding from SA Government
- Yorke Mid North Coastal Management Action Plan commenced – funding NY NRM and APRIntern grants
- Youth into Volunteering – Building Better Futures grant
- Regional and sub/regional forums on the Music and Creative Industries
- Workshop on the role of local government in supporting local businesses

Support has been provided to constituent councils for the delivery of a regional / sub-regional approach for the Councils Disability Access Inclusion Action Plans which are due in 2020. There was an expression of interest submitted to the LGA for funding a regional wellbeing officer for the Legatus Group constituent councils which was not successful.



There continues to be work regarding the drought which includes collating the responses from all regional councils for a report to be developed for SAROC.

Support has been provided to the Legatus Management Group in their efforts to progress issues raised around Local Government Risk Management.

Through coordination by the Legatus Group, training was delivered by TafeSA for Certificate III in Water Industry Treatment (Wastewater) through the Small Regional Community funding with significant training costs being reduced and uptake by a total of 19 participants registering.

The Legatus Group continues to be in a healthy financial position with the balance from the year being \$166,358 and with an accumulated surplus and reserves at 30 June 2019 of \$1,000,821. There will be an assessment of the long-term financial coverage of the Legatus Group undertaken in the coming year and noting that the Rubble Royalties Funding ceases from 30 June 2020.

All grants were acquitted and reporting requirements for ongoing grants.

Benefits to constituent councils:

- Identify training needs for the Legatus Region Constituent Councils.
- Regional collaboration and priority setting and sharing of knowledge and resources in the areas outlined above.
- Delivery of regional strategic and business plans and annual work plans.
- Operate Legatus Group in accordance with legislative requirements and board policies and procedures.
- Well regarded by members and stakeholders as valid and relevant through regional collaboration and undertaking or supporting actions on identified priorities.
- Identify regional priorities through collaboration with members and stakeholders and develop agreed actions and/or support.
- Advocate with a single and united voice and in partnership with other Regional LGA's.
- Fostering of economic, environmental and social sustainability through pro-active, innovative, efficient and collaborative approaches to priority issues.

Benefits across the local government sector:

- Assistance with coordinating workshops and consultation sessions and improved regional delivery of LGA services.
- Identified and aided with regional and longer-term outcomes for Constituent Councils.
- Facilitates stronger regional collaboration on projects and areas for sharing of knowledge and services.
- Being able to undertake research projects on the needs specific to regional councils.

Observation:

Due to the November 2018 Local Government elections there was a slight slowdown in progressing regional projects and awareness of the Legatus Group given that there were 8 new board members. Since the election there has been stronger interest by constituent councils to bring issues forward and the formation of the committees has resulted in a more active interaction to address issues.

A focus has been on securing data to assist in decision making and to assist with raising policy issues through the board and SAROC. This year has seen the constructive dialogue with Constituent Councils, Members of Parliament, Ministers, the Local Government Association SA, public servants and other regional stakeholders. This is a result of the Legatus Group CEO position having been settled and by gaining greater clarity on the actions and projects.

**Simon Millcock CEO Legatus Group**

The Legatus Group Audit and Risk Committee summary of activities undertaken, and recommendations made during 2018-2019. The committee met on 4 occasions during 2018-2019 with the following attendance:

<b>Date</b>	<b>No of Members Attending</b>
3Aug 2018	4
30 Nov 2018	3
30 Jan 2019	3
30 Apr 2019	4

<b>Committee Member</b>	<b>No of Meetings Attended</b>
Mayor Ray Agnew	1
Chairman Kathie Bowman	4
Mayor Colin Nottle	1
Mayor Denis Clark	2
Colin Davies	2
Ian McDonald	1

The following table sets out the principal issues addressed by the Committee for 2018-19 year:

<b>Principal Issues Examined</b>	<b>Recommendations to Board</b>
Financial Report 2018-2019	No issues, unqualified audit, adopt
Review of budget against actuals	Noted the need for Legatus Group to endorse 2017-2018 adopted budget against actuals for annual financial report
Review of work plan, internal controls	Work planned developed
Charter	Variations to charter noted and recommended and adopted including the need for new auditor and Dean Newberry appointed
Business, Budget and Strategic Plan	Noted the development of the 2018-2019 business plan and budget
Membership	Recommendations to Board re membership
Equity / reserves	Recommendations to Board on levels to be held
Exemption for having committee	Supported the approach for exemption of committee

**Chairman Kathy Bowman**  
**Chairman Legatus Group Audit and Risk Management Committee**

Financial Statement year ending 30 June 2019 which was adopted at the 30 August 2019 Legatus Group AGM. The Legatus Group Charter requires that the AGM receive the audited financial statement for the preceding financial year.

The 2018/2019 Legatus Group audited annual financial report was undertaken by Dean Newberry and Partners. This report was prepared by Mr Sean Cheriton The Flinders Ranges Council Acting Finance and Administration Manager and was an agenda item at the Legatus Group Audit and Risk Committee meeting held on 22 August 2019. This meeting endorsed the Legatus Group annual financial statement for the year ending 30 June 2018 as presenting a fair view of the state of the financial affairs of the Legatus Group and that the board adopt the annual financial statement. The meeting also recommended that the Legatus Group retain Dean Newberry and Partners as Auditors for the year end 30 June 2020.

The reports and statements form part of the Legatus Group Annual Report which will be distributed to Constituent Councils for inclusion with their own annual reporting requirements.

The regulations also require that on an annual basis, the Chief Executive Officer of each Constituent Council, the Legatus Group Chair and the Chair of the Audit Committee provide a statement of certification that the auditor is independent of the subsidiary. This has been completed.