



MOUNT BARKER  
DISTRICT COUNCIL

# Annual Report

## 2015/16



# Mount Barker District Council Annual Report 2015/16

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# Message from the Mayor & CEO



**We would like to welcome you to this year's Annual Report. This Report demonstrates the concerted effort across all services to ensure Council meets the needs of our growing community.**

As part of planning for the future, the Strategic Plan was finalised and adopted. This document's content arose from extensive community consultation to help guide Council until 2035. Other key planning initiatives undertaken include the completion of the Development Plan Amendment for the Mount Barker Regional Town Centre and progress towards another for the Nairne Township in addition to rural areas.

In a developing Council such as Mount Barker there has been a strong focus on putting in place necessary infrastructure. After many years of advocacy and a financial contribution from Council, the additional freeway interchange neared completion by the end of the financial year and is expected to have a significant impact on reducing traffic movements in and around the township.

Council has sought to enhance the wetland environment with the provision of an additional wetland, called Springs Wetland, adjacent existing CWMS with access from Springs Road. The community too are integral to improving ecological outcomes and have contributed 47% to recycled or composted kerbside collections.

Provisions of treated wastewater have been enhanced with the commissioning of the Meadows Township Treatment Plant jointly funded with a local developer. Design and planning in wastewater for future growth is continuing at the Springs Road Plant.

**Thank you to all our many volunteers and others whom participate in making our District such a success.**

I invite you to read this report which I hope you find informative.

Andrew Stuart  
CEO



Ann Ferguson  
Mayor



# Key Achievements





## Strategic Plan

A new, long term strategic plan (Mount Barker 2035) was developed in consultation with the community and adopted by Council.

## New Freeway Interchange – Bald Hills Road

Following many years of Council action and advocacy, the new freeway interchange was nearing completion as at end June 2016.

This long awaited \$27 million infrastructure project will deliver significant community benefits and is an excellent example of the three tiers of Government working together.

## Updating the Development Plan

Council completed a Development Plan Amendment (DPA) for the Mount Barker Regional Town Centre, and significantly progressed DPAs for Nairne township and the Rural areas of the District. These will introduce more effective policy to meet strategic objectives for the Council area and improve the quality of development outcomes.

## Economic Development

There were a range of actions to promote the region for its heritage towns, landscape quality, environment, farming opportunities and lifestyle. Initiatives to build investment and business opportunity through networking, education and training events and capacity building included a networking and events program, website information upgrades and development of information and communication materials.



## New Infrastructure

Council officers worked closely with the developers of residential estates in Mount Barker, Littlehampton, Nairne and Meadows on the delivery of around \$28 million in roads, footpaths, stormwater drainage and wastewater infrastructure.

## Springs Wetland

*(Yeronna Paintyi Laratinga Kauwie)*

Construction by Council of this award winning, new environmental and community asset in Mount Barker includes many elements such as stormwater treatment, bird habitats and vegetation rehabilitation and was supported by the State Government.



## Callington Township Roads Upgrade

With Federal Government funding support, Council undertook an upgrading of the Callington road network to improve this important community asset.

## Meadows Water

The new Meadows Water Treatment Plant which services the entire township was commissioned and resulted from Council partnering with the Federal Government and Devine Communities.

## Main Street Strategies

Council completed Main Street strategies for Gawler Street, Mount Barker and Main Road, Nairne. These strategies will assist Council to improve the economic performance, vibrancy and liveability of town centres, activity nodes and main streets.

## Youth Initiatives

Geared2Drive assists Learner Drivers to achieve their supervised driving time by providing a vehicle and volunteer driver.

A new junior skate park was constructed in Davenport Square, Macclesfield as part of the reserve upgrade. This was the result of a partnership with the Macclesfield Community Association.

## Key Achievements

### Branding and Marketing

Two editions of 'The Barker' magazine were produced in partnership with The Advertiser with a readership of approximately 400,000 people.

### Biodiversity Strategy

A comprehensive district wide biodiversity strategy has been developed and adopted by Council. The implementation of the actions outlined in this strategy will aim to mitigate biodiversity loss and guide a sustainable, adaptive and achievable approach to biodiversity conservation and urban growth.

### Revegetation Program

A successful revegetation program was planned and implemented in the 2015 and 2016 planting seasons, spanning both financial years. This involved approximately 10,000 seedlings being planted by schools and volunteers across the district

### Bushland and Natural Area Management

Proactive management of Bushland and Natural areas by coordinating volunteers, management plans and programs and partnerships within the district.

### Environmental Education Program

Implementation of various community events and publications to educate and inspire the community to become more sustainable.

### Landscape assessment

Final design approvals have been granted for 13 land division development stages, with construction completed, in progress or pending.

This equates to 4.75 ha of developed reserves in total and 488 street trees.

Assessments and provisional approval of Landscape Master Plans for 4 major land division developments has also been completed.



### Development Assessment

In 2015/16 Council approved 397 residential dwellings which was 80 more than the previous year. In 2015/16 there were 451 completed lots deposited which was an increase of 150 from the 2014/15 year.

Assessment and approval of significant growth area land divisions resulted in the creation of approximately 2000 allotments.

There was also assessment and approval of several Regional Town Centre commercial development applications.

### GET Proud Graffiti Removal Program

The GET Proud volunteer team removed almost 1300 square metres of graffiti from public infrastructure around the District.







### Immunisation Service

Council's immunization service provides an excellent level of service to the District serving essential public health outcomes. The school based program visit our local schools to administer the vaccines according to the approved schedule.

### Waste Services

Council, in partnership with partner Councils, have successfully implemented a new waste contract that is proving to be efficient given Council's population growth.

### Hahndorf's Adelaide Hills Visitor Information Centre

The Hahndorf Visitor Information Centre in the Hahndorf Academy building had a record high 47,759 visitors through the doors in 2015/16 financial year.

### Nixon's Mill Redevelopment

In partnership with a community reference group Council has restored the State Heritage listed Nixon's Mill near Hahndorf. Painting, stonework repairs and improved access form part of this important heritage preservation project.

# Vision & Values



## Vision

The Mount Barker district will be recognised as being highly liveable, prosperous and safe, built from a foundation of community spirit and energy, quality of lifestyle and unique heritage, environment and landscape.

## Values

### Accessibility

Ready to listen to ideas and concerns of individuals, groups or institutions and respond with straightforward answers.

### Commitment

Working hard to deliver appropriate and quality services and projects and build resilient communities.

### Involvement

Decision making processes are transparent and open to community scrutiny. Individuals and communities can be involved in influencing policies and local activities.

### Fairness

All people working, living and visiting the Mount Barker District Council make this a rich community and we aim to represent them equally.

### Resourcefulness

Making the most of Council and community assets and strengths and building on local resources by attracting investment from outside the District.

### Long term thinking to inform decision making

Council will consider all the consequences of decisions and ensure they reflect the Strategic Plan. We need to act for now and the future. Council will have regard to the long term and cumulative effects of its decision.





# Council Members



## Mayor

### Ann Ferguson



- Council's Strategic Planning and Development Policy Committee
- Council's Community Grants Assessment Committee
- Local Government Association – State Executive
- Regional Development Australia – Adelaide Hills, Fleurieu & Kangaroo Island
- South Australian Region of Councils
- Business Mt Barker.

## South Ward

### Roger Irvine



- Council's Development Assessment Panel
- Echunga Recreation Grounds Committee
- Macclesfield Recreation Grounds Committee Inc
- Meadows Recreation Grounds Committee Inc.

### Greg Morrison



- Council's Strategic Planning and Development Policy Committee
- Macclesfield Community Association Committee (for the Macclesfield Institute only)
- Meadows Memorial Hall Inc
- Prospect Hill Community Association (for Prospect Hill Hall only).

## Central Ward

### Carol Bailey



- Council's Development Assessment Panel
- Hills Area Health Advisory Council
- Ranges to River Local Government NRM Advisory Group
- Kanmantoo-Callington Consultative Committee.

### Ian Grosser



- Council's Strategic Planning and Development Policy Committee
- Mt Barker High School Council
- Ranges to River NRM Advisory Group.

### Lindsay Campbell



- Chairperson Council's Strategic Planning and Development Policy Committee
- Mount Barker Football Club (manage Mt Barker Oval).

### Trevor Keen



- Council's Strategic Planning and Development Policy Committee
- Council's Community Grants Assessment Committee
- Anembo Park Sport and Recreation Association.

## North Ward

### Jeff Bettcher



- Council's Strategic Planning and Development Policy Committee
- Council's Audit Committee
- Hahndorf Business & Tourism Association
- Hahndorf Academy Board
- Hahndorf Memorial Institute Committee
- Hahndorf Community Recreation and Sports Ground Inc.

### Trevor Corbell to Aug 2015



- Council's Strategic Planning and Development Policy Committee
- Council's Audit Committee
- Council's Community Grants Assessment Committee
- Nairne Institute Committee Inc
- Nairne Market Inc
- Nairne Oval Committee Inc.

### Debs Buchmann from Dec 2015



- Council's Strategic Planning and Development Policy Committee
- Council's Community Grants Assessment Committee
- Nairne Institute Committee Inc
- Nairne Market Inc
- Proxy for Nairne Oval Committee Inc.

### Susan Hamilton

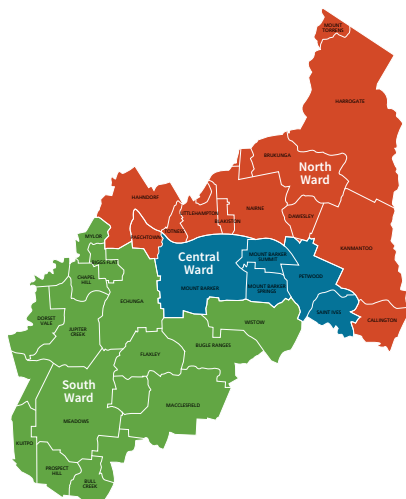


- Council's Strategic Planning and Development Policy Committee
- Council's Audit Committee
- Chairperson Council's Community Grants Assessment Committee
- Littlehampton Peace Memorial Hall Inc
- Mount Barker Community Centre
- Proxy Hahndorf Academy
- Littlehampton Peace Memorial Hall.

### Harry Seager



- Council's Development Assessment Panel
- Nairne Oval Committee Inc
- Brukung Hall Committee Inc
- Callington Memorial Hall Committee
- Kanmantoo Grounds Committee.



# Community Profile





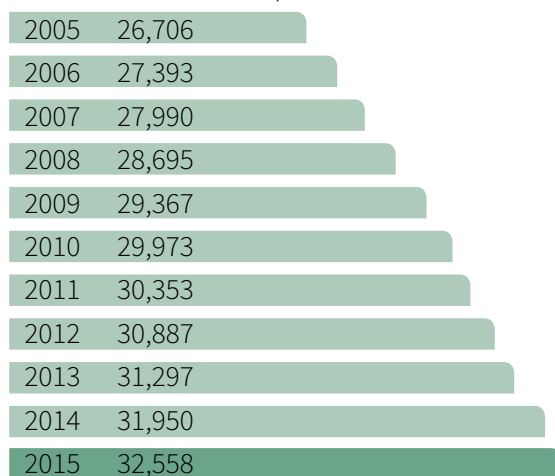
## Population growth & residential development

The official resident population of the Mount Barker District Council was 32,558 in 2015. This is an increase of 611 people on the previous year.

Between the 2006 and 2011 Censuses, the District's population increased by 3,338 people, or 12.6%. This represents an average population change of 2.4% per year over the period, more than double the State's growth rate of 1.1%.

In 2015/16 Council approved 397 residential dwellings which is higher than the 2014/15 figures (317 dwellings were approved). In 2015/16 there were 451 completed lots deposited which was an increase of 150 from the 2014/15 year.

### Mount Barker District Council Estimated Resident Population



## Projections & trends

Council has commissioned an independent population forecast to inform the management of urban growth. The forecast indicates the District's population will continue to grow by an average of 2.2% over the next 20 years. This would result in a total population of 41,000 in 2025 and 51,000 in 2035. Almost 75% of this growth is expected to occur in the Mount Barker township.

Council has estimated that when current residential areas are fully developed, the town of Mount Barker will be home to 42,000 people, and the District will reach a population of around 65,000.

The District currently has above average proportions of children and young people, with 26% of the population under 18 years of age (compared to 21.6% in Greater Adelaide). This is likely to continue as new homes are marketed towards first homebuyers and young families. Families with dependent children make up 45% of all households, compared with 39% in Greater Adelaide.

At the same time, the number of older people in the District is rising as the resident population ages. While there are large numbers of families in the District, average household sizes are declining, meaning fewer people will be living in each dwelling, and there will be more one and two person households.

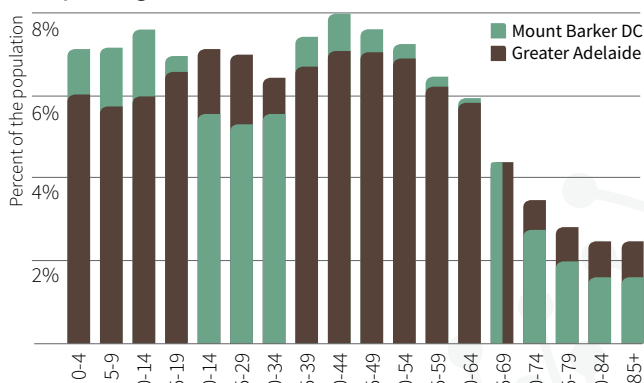
Increase in the over 60s age bracket accounts for 40% of population growth since 2006, partly in response to more 'retirement housing' available in the District.

## Characteristics of the population

As at the 2011 Census, the District's population had the following characteristics:

- Residents live in 12,178 dwellings with an average household size of 2.6 people
- The resident population is very mobile, with 38% having moved into or within the District since the 2006 Census
- Single person households make up 21% of the District's households, but the greatest growth since the 2006 Census was in 2 person households.
- A high proportion of houses are being bought (45%) and there are fewer households renting (23%) than for Greater Adelaide.
- Both median mortgage payments and median weekly rent are higher than in Greater Adelaide.
- The median household income is also higher at \$1,254 per week, compared with \$1,106 in Greater Adelaide
- Only 7% of housing is medium or high density, compared to 24% for Greater Adelaide
- The unemployment rate is lower than Greater Adelaide at 4.5% compared with 5.9%
- 47.9% of the population aged 15 and over held educational qualifications compared with 44.1% for Greater Adelaide
- Only 4% of the population are from Non-English speaking backgrounds, compared to 15% in Greater Adelaide.
- There is a very high rate of community involvement in the District as measured by volunteering rates, with 26% of the population volunteering, compared to 18% for Greater Adelaide.

### Five year age structure, 2011



## Community Profile

## Decision making structure of Council

Decisions are made through either Council meetings, Committee meetings or by staff through delegated authority. Council's decision making structure comprised:

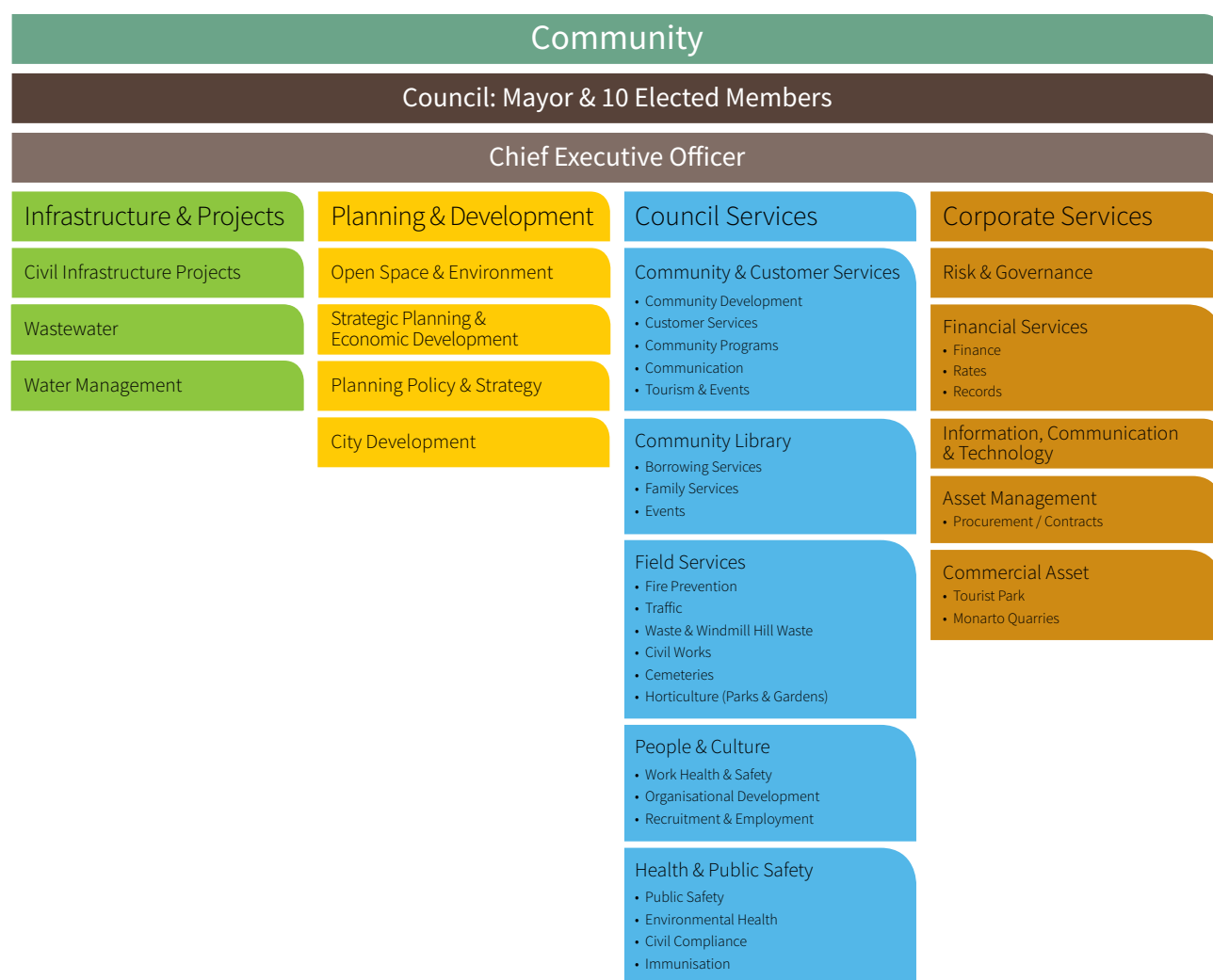
- Council meetings which are held on the 1st and 3rd Monday of every month (other than January and July)
- Strategic Planning and Development Policy Committee meetings which are held on bi-monthly on the second Monday
- Audit Committee meetings which are held at least five times per year
- Community Grants Assessment Committee meetings which are held at least once per year
- Rates Review Committee meetings are held in the first year of the Council term
- Development Assessment Panel meetings are held every third Wednesday or when required.

All these meetings are open to the public. Notice of meetings, agenda with reports and attachments and minutes are available from the Local Government Centre and on Council's website. A limited number of hard copies are provided at the meeting.

As part of this decision making, Council may engage with particular community groups or undertake widespread consultation.

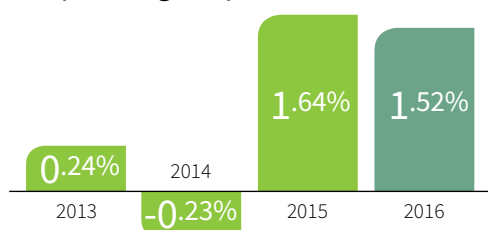
Once a decision is determined the outcome is advised to the relevant person or authority.

## Organisation Chart



## Financial Indicators

### 1. Operating Surplus Ratio



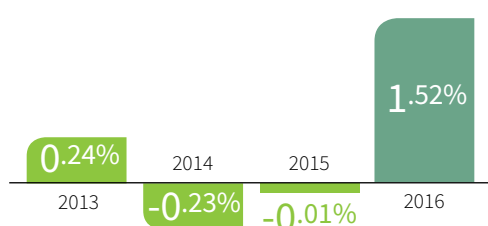
#### Purpose of Operating Surplus Ratio

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

2015/16 Ratio 1.52%

Council's strategy in providing for the operating result is to allow for surplus funds equivalent to budgeted annual loan repayments plus any additional exceptional funding commitments e.g Roads to Recovery additional payments.

### 1a. Adjusted Operating Surplus Ratio



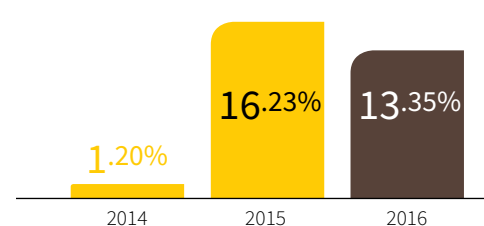
#### Purpose of Adjusted Operating Surplus Ratio

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

2015/16 Ratio 1.52%

Cessation of the one year forward payment by the Federal Government of the Financial Assistance Grants means that the adjustment only effects 2015 Operating Surplus Ratio.

### 2. Net Financial Liabilities Ratio



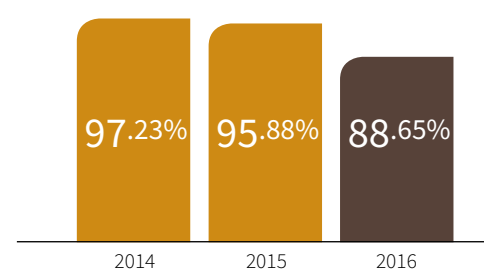
#### Purpose of Net Financial Liabilities Ratio

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

2015/16 Ratio 13.35%

Council for the first time in many years entered into new loans in 2014/15 in line with its Long Term Financial Plan. The level of debt was not increased in 2015/16 due to low levels of capital investment in new infrastructure, with the NFL ratio well within Council's adopted target.

### 3. Asset Sustainability Ratio



#### Purpose of Asset Sustainability Ratio

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

2015/16 Ratio 88.65%

Council accelerates or reduces the level of asset renewal expenditure over time whilst ensuring the value of its existing asset stock is maintained in the long term. The costs are shared equitably between generations of ratepayers relative to the consumption of those assets.



# Annual Business Plan



## Planning and Development

### Open Space and Environment

Performance Measure	Outcome
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Landscaping guidelines to be endorsed	Achieved
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Completion of a Biodiversity Strategy	Achieved
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Seedlings planted with success rate of 70% of seedling survival	Partially Achieved 50%-70%
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Delivery of Big Green (now known as Springs Wetland) revegetation State 2	Partially Achieved
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### Planning Policy and Strategy

Performance Measure	Outcome
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DPA's implemented in accordance with Strategic Directions Report	Achieved Regional Town Centre DPA – consultation concluded, DPA endorsed and forwarded to Minister Rural (Primary Production Protection) DPA – consultation completed but deferred for further consideration by the Committee Nairne DPA – consultation only completed
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Strategic projects implemented in accordance with priorities	Achieved Regional Recreation Plan – completed Aquatic Feasibility Study – completed and draft Aquatic Business Case received. Showgrounds Masterplan – endorsed Littlehampton and Blakiston Town plan – consultation on draft plan completed
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Recreation and Community Hub planning projects commenced for Bollen Road and Polo Grounds

Regional Sports Hub – federal funding commitment

Town Centre strategy initiatives pursued	Achieved Main Street Masterplan (Nairne and Mount Barker) completed and being implemented Intersection improvements continuing
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Strategic infrastructure plan initiatives pursued	Achieved Continued advocacy for key road and intersection upgrades Continued engagement with infrastructure providers regarding alignment, efficiencies etc Community Facilities Delivery Strategy initiated Detailed Recreation Sport facility and site planning undertaken
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Successful introduction of Development Plan policies aligning with outcomes in Council's Strategic Plan and Strategic Directions Report	Achieved Completion of Regional Town Centre and Rural DPA and progress on Nairne DPA is directly aligned with Council's Strategic Directions Report
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## Annual Business Plan

## Council Services

## Development Services

Performance Measure	Outcome
100% compliance with statutory assessment timeframes	Not Achieved – average of 86%
100% of known breaches of the Development Act investigated	Achieved
Comply with statutory building inspection regulation requirements	Achieved
14 day turnaround for new housing planning applications	Not Achieved Only 30% of applications achieved

## Strategic Planning and Economic Development

Performance Measure	Outcome
Strategic Plan finalized	Achieved
An integrated Strategic Planning framework developed including process for prioritising goal area plans actions into corporate planning process	Not Achieved
Economic development strategy initiatives pursued	Achieved
Demonstrable progress of Council's involvement in World Heritage listing	Achieved Work progressing on submission of the bid in February 2017

## Community and Customer Services

Performance Measure	Outcome
Maintain a vibrant calendar of community events and tourism services	Achieved Approx 57 events supported The Adelaide Hills Visitor Information Centre continues to attract high visitor numbers
Deliver Home and Community Care Services including transport to eligible residents	Achieved
Continue the monitoring and review of the community bus objectives	Achieved Council resolved to continue with the hire of a 19-21 seat bus and to purchase a 12 seat bus
Coordinate the GET Proud Graffiti Service volunteers	Achieved Service standard of 7 day turn around
Promote the corporate image and brand of Council through innovative communication, media and marketing including social media channels	Achieved Marketing Strategy and Plan adopted. New logo adopted, new web domain name adopted, new stationery, corporate style guide and website developed, translator tool installed on website, new email addresses
Establish, broker and maintain relationships with community groups	Achieved The Connect-Learn-Lead model has been implemented
Engage with government departments and within council to ensure improved community outcomes	Achieved Good collaborative community outcomes through the Hills Connected Communities Program
Update the Customer Service Framework and Strategy	Not Achieved Project approved for 2016/17
Implement the Community Development review recommendations	Partially Achieved Implementation Plan developed and Connect/Learn/Lead model adopted



Review the Community Centre Key Performance Indicators	Partly Achieved Project commenced
Work with Hahndorf Academy on a sustainable funding model	Partially Achieved Communication commenced
Finalise and maintain management agreements with all incorporated associations	Substantially Achieved Two (2) management agreements remain unsigned Amended Management Agreement for all Incorporated Associations presently being formulated for next term
Manage contractual arrangements at major Council facilities eg Adelaide Hills Recreation Centre, Mountain Pool	Achieved
Undertake council and community initiatives that represent local youth needs	Achieved Geared2Drive program for young learner drivers; Party Safe workshop for parents, Regional Youth Round Table, Public Art and Skate Park Coaching Programs; Regional Collaborations
Continue identifying positive outcomes for older citizens	Achieved Age Friendly Cities strategy commenced. Top Hat forums conducted
Oversee the co-ordination of volunteers delivering services on behalf of Council	Achieved
Respond to Commonwealth & State HACC funding and system changes	Achieved Systems in place to respond to new Commonwealth portal requirements. New grants received and extended until 30 June 2018. Impact on funds likely when transition to NDIS Scheme is finalised

## Building and Recreation Assets

Performance Measure	Outcome
Maintain the service levels for building and built recreation assets	Partially Achieved Asset management plans to be further developed
Implement the annual Identified prioritised projects within the 3 year capital works program	Not Achieved 65% of 2015/16 prioritised projects completed due to influences outside of Council's control eg weather



## Library

Performance Measure	Outcome
Strategic and financial options developed for Mt Barker Community Library	Partially Achieved Negotiations with TAFE SA are ongoing
Income from events increased to 12% of expenditure	Not Achieved 0.25 %
Local history user survey conducted with 80% response rate from targeted audience	Not Achieved Local History position remained vacant in 2015/16

## Annual Business Plan

## Council Services continued

## Field Services

Performance Measure	Outcome
<b>Kerbside Waste</b>	
Reduce the amount of waste to landfill below 8.9kg per household per week	Achieved
Maintain diversion levels of recycling from landfill of 46.5% per year	Achieved
Reduce contamination in recycling by 2% annually	Achieved Reduced from 27.17% in 2014/15 to 19.29%
<b>Transfer Station</b>	
Maintain the net cost of Transfer Station Operations	Achieved
Continue to identify and improve waste stream management	Achieved DrumMuster; mobile phone recycling arranged for the Transfer Station; improvement in recording of waste streams via the receipting system
<b>Transport Assets</b>	
Deliver 100% of the budgeted capital works program for unsealed roads and footpath renewal	Partially Achieved 100% completed or 17.5km of unsealed roads program Only 75% of footpath renewal achieved or 1.5km due to unfavourable weather
Deliver 100% of the budgeted new footpath connectivity program	Not achieved Only 34% of new footpath construction completed
Complete the annual line marking program in identified townships	Achieved
Complete the street sweeping program	Achieved

## Stormwater

Deliver the stormwater maintenance program	Achieved
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## Parks, Gardens, Sporting Grounds and Streetscapes

Percentage of open space maintained to the service level	Partially Achieved Handover of reserves resulted in some reserves being under appropriate maintenance service levels
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Evaluate costs to maintain the service level per hectare per category of open space	Not Achieved Service levels still under review
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Continue to develop and implement the rural roadside reserves corridor pruning program	Achieved
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## Cemeteries

Cemeteries maintained to the service level	Service levels were met for all cemeteries
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Implement the John Dunn Crypt restoration project	Not Achieved Project scope still being defined by the community
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## Fire Prevention and Emergency Management

Identify the number of non-compliance properties within the District	Achieved 387 properties identified for 2015/16
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Complete 3 year fire prevention program of rural roads to be slashed/sprayed	Achieved
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Percentage of kilometres of rural roads sprayed / slashed (target 40%)	Achieved
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Completion of the Local Emergency Management Plan	Achieved Needs to be presented to Council
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## Monarto Quarries

Rehabilitation program as required by State Government	Achieved Rehabilitation completed
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## Environmental Health

Performance Measure	Outcome
Percentage inspection of food premises in accordance with risk schedule (100% target)	Not Achieved Average of 64% due to increased demand on waste control system inspections and staff vacancies
Percentage of health premises inspected (piercing, tattooists, public pools) according to the schedule (100% target)	Achieved
Percentage of waste control applications (100% target)	Achieved
Report annually to SA Health regarding activities undertaken under the Food Act 2001	Achieved
5 public Immunisation Clinics held per month	Achieved



## Public Safety

Performance Measure	Outcome
One subsidised microchipping day	Not Achieved Due to anticipated change in legislation in relation to microchipping
Update private parking areas contracts	Achieved
Premises providing outdoor dining to be registered (100% target)	Not Achieved 94%
100% of Council infrastructure damaged by new developments reinstated	Achieved

## People and Culture

Performance Measure	Outcome
Implementation of targets in the Work Health & Safety & Injury management plan	Achieved
Organisational Development Strategy developed and implemented	Achieved

## Annual Business Plan

## Infrastructure and Projects

## Civil Infrastructure Projects

Performance Measure	Outcome	
85% of capital projects completed within the approved construction budget (including contingency)	Achieved	
85% of budgeted construction projects are substantially completed by 30 June 2015	Not achieved 65% of projects over \$100,000 completed	
100% of available grant funding is utilised within the prescribed time limits	Achieved	
Stormwater Management Plan for Mt Barker, Littlehampton and Totness is completed and adopted by Council and implementation commenced	Not achieved, in progress	
Continue to meet agreed internal performance targets with the Development Assessment team for development applications:	Not fully achieved There is increasing development demand in the growth area. Targets are being negotiated between Planning and Engineering as to priority and timing	
	Additional Information is Required	No Additional Information Required
Land Use Application	1 week	2 weeks
Land Division Minor	2 weeks	3 weeks
Land Division Major	3 weeks	6 weeks

## Wastewater

Performance Measure	Outcome
Finalise the medium to long-term wastewater and recycled water strategy	Partially Achieved One treatment plant strategy adopted and commissioned consultants to undertake recycled water strategy
100% compliance with the EPA, Essential Services Commission of South Australia (ESCOSA) and Department for Health and Ageing requirements	Achieved
Develop a comprehensive asset management plan including planned maintenance program	Partially Achieved Staff have continued documenting planned maintenance tasks for major plant
Reduction in discharge to Mt Barker & Nairne creeks and eliminate where possible	Partially Achieved In the last quarter substantial wet weather events resulted in discharges to the Mount Barker Creek
Achieve target of 100% recycling of wastewater collected	Partially Achieved In the last quarter less water was required by Hillgrove Resources resulting in not all wastewater being recycled
Target of zero complaints received via the Energy and Water Ombudsman that are considered by the Ombudsman to require Council action	Achieved



## Corporate Services

### Risk and Governance

Performance Measure	Outcome
Risk Management Review is equal or above regional average results	Achieved Results were above the regional average
High Risks provided to senior management team and Audit Committee quarterly	Achieved

### Finance

Performance Measure	Outcome
Internal control framework tested and high risk function action plans implemented	Achieved
Training of staff and uptake of online leave management processes	Achieved
Internal Audit function implemented	Achieved

### Information, Communication and Technology

Performance Measure	Outcome
Less than 5% downtime of ICT Corporate Systems	Achieved

### Asset Management and Procurement

Performance Measure	Outcome
Valuation of Road Infrastructure completed	Achieved
Continuous improvement in procurement systems.	Achieved Internal Audit recommendations implemented Procurement Policy redrafted Improvements made to Vendor Panel and with an additional module (Contracts Monitor)

### Rates and Records

Performance Measure	Outcome
Upgrade from Trim version 7 to Records Manager version 8	Achieved

### Tourist Park

Performance Measure	Outcome
Minor asset replacement program	Achieved



# Community Wellbeing



## Community Spirit and Participation

### Volunteering – Regionally

1039 Volunteers celebrated the 8th annual Regional Volunteer Movie Day at Wallis Cinemas Mount Barker on Friday 13 May 2016 and 1400 completed a survey. The event is held to recognise and celebrate volunteering across the region.

Valuable data from the volunteer survey is used to identify volunteer needs, training, as well as plan and develop future volunteer programs across the region. An increase in younger volunteers attending the event was recorded for the second year in a row.

### Council Volunteers

A demonstration of volunteer recognition in reverse was demonstrated by the GET Proud team. To show the teams recognition, appreciation and thanks to a local business partner of the program, they presented the Principal Dealer and staff with a Certificate of Appreciation for the ongoing support they receive with free weekly use of a vehicle.

Council currently maintains a pool of around 143 active volunteers across seven programs. Activities include Community Programs (Hills Community Transport, Friendly Visiting and Social Options), Library (Local History, Toy Library, Story-time, Collection, and Maintenance), Justice of the Peace Day Room Services, Adelaide Hills Visitor Information Centre - Hahndorf (and Events), GET Proud Graffiti Program, Laratinga Wetlands and Youth programs (Pyro Graphix Public Artists and Barker Crew Skate Park Coaches).

Council has worked with Hills Volunteering to deliver identified volunteer training needs using funds received from an Office of Volunteering grant in 2015. Volunteer training is delivered across Council and regional community groups. The majority of sessions were provided free of charge, or at a minimal cost to regional volunteers. Non volunteering community members were also invited and encouraged to attend.

In 2011 the Office for Volunteers, Government of South Australia released a report on the Economic value of volunteering, and valued volunteer hours at \$27.45 per hour.

Applying this formula to Council's 143 volunteers who gifted 16,290 hours during the 2015/16 period, this equates to an amazing dollar value of approximately \$447,160 contribution to the community.

### Hills Community Transport

Hills Community Transport (HCT) is funded by the State Department for Communities and Social Inclusion, State Department of Planning Transport & Infrastructure, Commonwealth Department of Health, Mount Barker, Adelaide Hills and Alexandrina Councils.

The Program provides volunteer or brokered transport for eligible people who live in the Adelaide Hills region and do not have any other transport options and has grown by 24% since last year. In the 2015/16 financial year, Hills Community Transport assisted 329 people undertake 4,039 one-way trips mostly for medical, health and specialist appointments. HCT also assisted people to visit their spouses in hospitals and nursing homes, attend social activities and assist with shopping and paying bills.

The Mount Barker Shopping Shuttle, funded by Council and administered by HCT delivered 1,742 one-way trips to residents across the District who needed transport assistance to access shops, banks and other services. This was an increase of 12% on the previous year.

These services could not be provided without the assistance of the 23 volunteers who contributed 3,816 hours to their local community.

### Home Assist, Social Options and Respite

The Community Programs Unit is funded by the State Government's Home and Community Care (HACC) Program, the Commonwealth Home Support Program (CHSP) and Council to deliver the Home Assist, Social Options and Respite programs. These programs support people over 65, people with a disability and their carers to continue to remain living in their homes by providing minor home and garden maintenance and short-term or long-term cleaning.

Community Wellbeing

In 2015/16 Home Assist provided the following assistance:

	Occasions of Service	Hours of Service
Cleaning	1,980	2,350
Home maintenance	845	1,443

The Social Options Program continues to provide vital social connection to Council residents including information sessions at the Library, cinema outings, Barker Blokes, Coffee Club and full day bus trips.

	Occasions of Service	Hours of Service
Social Options Program		
Individual social support	301	436
Group outings	1,349	6,381
Transport for social support program	90	628 one-way trips

The ‘Take a Break’ respite program provided 15 carers of people with a disability with 95 occasions of respite totalling 656 hours. The Siblings Retreat was delivered in collaboration with the Carer Wellness Centre. Feedback received from families about the Siblings Retreat was extremely positive.

The successful delivery of these programs relies upon the support of volunteers and volunteer groups to assist in providing these much needed services to support people in need to remain living independently in their own homes.

A total of 19 volunteers provided 1,418 hours of assistance with social support.

Global Care and Kiwanis of the Adelaide Hills volunteers provided 230 hours of garden and home maintenance tasks to 14 residents over the year.

Youth

Council funded a key new program to support young Learner Drivers in collaboration with specialist youth agency Helping Young People Achieve (HYPA). Geared2Drive assists Learner Drivers to achieve their supervised driving time by providing a vehicle and volunteer driver. With a focus on addressing youth issues across the region, The Regional Youth Round Table has continued to meet regularly, developing an Action Plan to focus their effort to addressing the needs of young people.

The passion and interests of young people has been responded to with a number of opportunities from high quality dance events/programs to Public Art and Skate Park based events. Participants in the Public Art Crew and Barker Crew were presented with their Duke of Edinburgh Award by Mayor Ann Ferguson during a celebration with their families. These highlights complement the remainder of the youth development program that continues to support the local chapter of Operation Flinders, local youth sector development and participation in key youth affairs peak groups and agencies.

Macclesfield Skate Park

Council also demonstrated its commitment to providing facilities which support families and young people with the construction of a junior skate park in Davenport Square, Macclesfield. The Skate park was opened in February 2016, and has proved extremely popular with local children and families.

The Macclesfield Community Association has provided valuable input to the project from inception to completion, including a funding contribution of \$30,000 towards construction of the facility. Total project cost \$214,000.





# Community Safety, Public Health and Wellbeing

## Public Health and Wellbeing

Council played a lead role in the development of a Regional Public Health Plan to improve health and wellbeing across the Southern and Hills region. This Plan is a collaboration between Mount Barker District Council and 5 other Councils. 2015/16 was the first year of the Plan's implementation, and Council has made progress on its Action Plan. Much of Council's ongoing work and significant projects contribute to community wellbeing, and these are included in the Regional Public Health Plan.



## Environmental Health

The Environmental Health (EHO's) team perform a variety of tasks which ensure the public health of the community. Routine food premises inspections are undertaken and food premises complaints are also investigated.

EHO's also assess wastewater applications and inspect plumbing for waste control systems. Public health complaints such as stormwater pollution, odour issues and vermin complaints are investigated.

Immunisation – Council's immunisation team provide an excellent level of service to the community. There is a public clinic every Tuesday Morning and on the third Saturday of every month in the Civic Centre.

The school based immunisation program is also delivered by Council's immunisation team and they regularly visit our local schools to administer the vaccines according to the schedule.

## Public Safety

Public Safety Officers play an important role by performing the following activities:

- School patrols at drop off and pick up times to ensure the safety of children.
- Responding to dog attacks and barking dog complaints.
- Patrolling reserves and parks to monitor animal management issues.
- Responding to parking complaints.
- Monitoring timed parking areas to ensure the turnover of vehicles which benefits local businesses.

## Fire Prevention

The following fire prevention activities were undertaken this year as part of an annual schedule:

- Roadside Maintenance Program (Slashing and Spraying)
- General Reserve Maintenance (Parks and Gardens Department)
- Extra Reserve Maintenance (Open Space and Environment Department)
- Community Education (SA Country Fire Service)
- Issuing of Burning Permits
- Property and vacant block inspections
- EPA (Air Quality) inspections
- Bushfire Prevention Section 105F Notices
- Annual Bushfire Prevention pamphlet
- Fire Track Maintenance.



## Community Wellbeing

### Quality Community Facilities and Infrastructure

Council prepared a Master Plan for the Mount Barker Showgrounds that will enable the Showgrounds site to continue to be an important place for the community, and provide quality facilities and more diverse recreation opportunities into the future.

A major upgrade to Davenport Square, Macclesfield was completed in December 2015. The park upgrade implemented the Davenport Square Masterplan developed by Council in 2010, and included new toilets, play equipment, signage fencing, landscaping, BBQ shelter and a renewal of the stage. Funding from the State Government contributed to the project.

Building and built recreation asset service levels have been maintained according to the Management Agreements in place with each incorporated association who manage Council properties on its behalf. The Management Agreements provide clarity for repair and maintenance responsibilities.

In line with managing the delivery of a prioritized building and active recreation asset capital works and renewal program, 90% prioritized capital works projects for the 2015/16 financial year have been completed. The remaining 10% of projects have been delayed due to external issues such as weather interruptions.

Contractual arrangements for major Council facilities such as the Adelaide Hills Recreation Centre and Mountain Pool have been renegotiated and implemented to 30 June 2017.

### Cultural Development

A review of the function of Community Development was undertaken for Council during 2015 and resulted in the endorsement and implementation of the CONNECT – LEARN – LEAD model which is now embedded into the Mount Barker 2035 District Strategic Plan.



This community development approach guides the delivery of programs, activities and initiatives for better outcomes for both the community and Council.

In support of the community development model, the team has implemented a stronger project management discipline and approach. This approach enables the organisation to efficiently and effectively communicate within and external to the organisation in order to deliver more effective project outcomes for the benefit of the community.

Council's Community Development budget funds staff activities, the Community Grants Program and Rate Rebates for eligible organisations. It also contributes significantly to the Mount Barker Community Centre and Hahndorf Academy, Inkpot Arts, Operation Flinders, cultural development, aboriginal, volunteer, youth and senior sector collaborative activities.

## Recreation and Physical Activity Development

### Recreation

Council has completed concept design work for a Regional Recreation Hub on Springs Road on Council Land and secured \$3.75m funding from the Federal Government for a first stage development. Council is pursuing and further investigating partnership models to progress a Stage 1 implementation.

Council has also commenced design work for two further sporting hubs in the Mount Barker growth area (Polo Grounds and Bollen Road) which have been purchased by Council previously to accommodate the growing sport and recreation demands.

### Trail Network

The existing Trail Network plan was reviewed and will now include Hahndorf and intra township links. The review will consider prioritised actions to provide guidance for future work programs.



## Education and Learning

### Library

	2015/16	2014/15
New Items	5,886	5,744
Program Activities	347	406
Program Attendance	17,420	21,813



214,000 visitors

340,000 loans



Nearly 214,000 visitors came through the doors of the Mount Barker Community Library and approximately 340,000 books, DVDs, CDs, magazines, eBooks, eAudiobooks, eMagazines and toys were loaned out to members of the community, TAFESA staff and students.

With a keen eye on popular culture and social trends, the Council's Community Library continued to engage the community by adapting to the changing social environment and being innovative and responsive in the delivery of services, resources and programs.

17,420 people participated in 347 library programs and activities over the year which included:

- Preschool storytime and Baby Giggle Time
- Author events featuring Nicole Alexander, Esme Barratt and Kane Cornes
- Cooking demonstrations with Laura Cassai and Callum Hann
- Theatrical Performances including: McNirt Hates Dirt Ticklish Allsorts and Splash Theatre Company's Book Week Show.
- Active, creative and inspirational Family Holiday activities
- Exhibitions including the annual ALAS – Hills Schools Art Expo.

# Economic Prosperity





## Employment Growth

### Economic Development

A number of initiatives to progress the Economic Development Strategy have been pursued. These have included:

- Engagement with training providers, business and industry groups to pursue employment generation and training and development opportunities
- Development of a business case to establish a facility/s to accommodate teleworking and co-working spaces.

Several commercial developments are contributing to employment growth including the Beerenberg and Jurlique expansions.

## District Investment and Export Growth

### Main Street Strategies

Council completed Main Street strategies for Gawler Street, Mount Barker and Main Road, Nairne. These strategies will assist Council to improve the economic performance of town centres, activity nodes and main streets. The strategies provide direction for the future upgrade of the public realm (eg landscaping, paving and street furniture). They also encourage more cultural activity and the contribution by private business to the success of these wonderful and historic Main Streets.



### Primary Production and the Rural Economy

Council completed the draft Rural (Primary Production Protection) Development Plan Amendment (DPA). This is a significant overhaul of the planning policy and controls that apply to the rural parts of the District in the Council's Development Plan. The aim of the DPA is to stimulate the rural economy by providing more flexible land use policy that allows primary producers to diversify their activities. Policy regarding tourism accommodation, conservation areas, landscape protection and watershed protection were also updated.

## Economic Prosperity

## Recycled Water Management

Council achieved approximately 92% re-use of the total wastewater treated at the Springs Road plant.

The largest customer continues to be the Hillgrove Resources mine although this demand decreased in comparison to the two previous years.

There was significant wet weather flows into the plant due to the higher than average rainfall (stormwater intrusion in the network). Given the above, it was necessary to discharge some water to the creek via the wetlands during winter. The Laratinga Wetland's water requirements were fully met with a combination of recycled water and storm water harvesting.

Council has continued to meet EPA licence requirements and Health SA and Office of the Technical Regulator requirements.

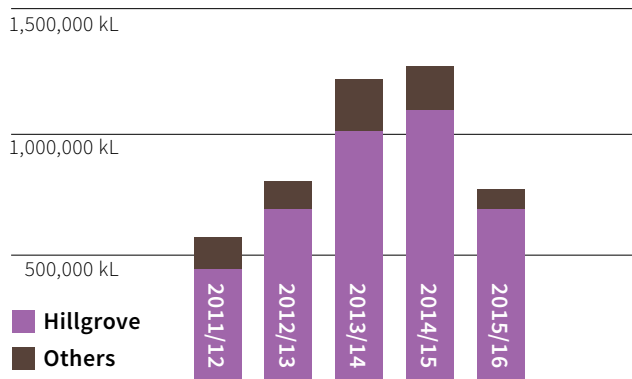
Council services customers in:

- Mount Barker, Littlehampton, Nairne, Brukunga, Echunga, Meadows, and Macclesfield with a wastewater service; and
- Meadows with a domestic residential non drinking water supply (bore water or recycled water).

Council endorsed the Wastewater Service and Residential Non Drinking Water Supply Customer Charter. The aim of the Customer Charter is to provide Council's residential non drinking water and/or wastewater customers with a clear understanding of the standards of service they can expect from Council and their rights and responsibilities.

Council is licenced by the Essential Services Commission of SA (ESCOSA) as a Water Industry Entity. This year, with the adoption of the Customer charter and other improvements implemented, Council was assessed as fully compliant with all of ESCOSA's requirements.

## Recycled Water Supply



Mount Barker District Council currently operates the largest South Australian Council wastewater scheme.

## Branding and Promotion

### Economic Development

A number of initiatives to progress the Economic Development Strategy have been pursued. These have included:

- Appointment of an Economic Development Officer to implement the Economic Development Strategy
- An events program designed to engage with the business community and raise the profile of local economic development. This has included involvement in expos and trade missions for international investment.
- Media and marketing initiatives including two editions of 'The Barker' magazine published by The Advertiser with the support of Council.
- A range of actions to promote the region for its heritage towns, landscape quality, environment, farming opportunities and lifestyle
- Progressing the Mount Lofty Ranges Cultural Landscape World Heritage bid.



## Marketing and Communications

To ensure optimal internal and external communication, Marketing and Communications ensures the development and management of Council's corporate identity, media and marketing through digital and print publications, signage, advertising, video and website.

A number of successful marketing initiatives were coordinated this year:

- An interactive trade display showcasing our district at the inaugural 'Discover' event at Parliament House, Canberra
- An innovative 'chalkboard' video and direct mail advertising designed to increase community participation regarding Council's Strategic Plan
- A promotional campaign for the official launch of Barka Park (Council's new dog park) including an online GoPro video (attached to dogs at the official opening)
- Development of a corporate style guide providing details regarding the use of Council's new logo and new corporate signage
- An interactive display at an Immigration SA Chinese Expo, providing a 'stand-out' 360 degree vision of the district through 3D glasses
- Design and implementation of the initial Barker Bulletin internal magazines.



## Economic Prosperity

# The District as a Destination

### Visitor Information Centre

The Adelaide Hills Visitor Information Centre in Hahndorf is resourced by a full time Visitor Centre Co-ordinator and 23 volunteers who provide 5,000 hours of their time annually.

The Centre has shown increased visitor numbers servicing the needs of 47,759 consumers/visitors in 2015/16.

Council works collaboratively with Adelaide Hills Tourism and Adelaide Hills Council in the Visitor Servicing sector.

A study into the Visitation & Economic benefits of Accredited Visitor Centres in South Australia 2011/12 - 2015/16, attributes the Adelaide Hills Visitor Information Centre with creating and maintaining 21.2 full time equivalent jobs (Federal Government Tourism Research Australia's economic model). This has been achieved as a result of the Centre creating a touch point with consumers. Increased spend in the region and state of approximately \$17 million over five years is the result of that touch point.



### Tourism and Events

A number of significant events occurred throughout the District. These included the All British Day at Echunga, the MRA Toy Run at Callington, Meadows Country and

Easter Fairs, Callington and Mount Barker Shows, Power of the Past and the Inaugural 'In the Raw' and 'MayBeMusic' Festivals.

Council's Australia Day Celebrations at Auchendarroch House attracted a large crowd and the 2015 Christkindlmarkt hosted by the C3 Church in Hahndorf was named as Council's Event of the Year for bringing 25,000 people to the village over three days.

50 other Community events throughout the district were recipients of Council sponsorship and other assistance.





## Nixon Mill Redevelopment

Council has been working closely with a community reference group to identify, prioritize and progress much needed maintenance and improvements to the State Heritage listed Nixon's Mill which was constructed in 1842.

An \$85,000 budget for work completed to-date includes stonework repairs and painting, access improvements and connection of electricity to the site.

The project will continue into the 2016/17 year to deliver further elements such as security lighting, interpretive signage and a shelter constructed using traditional carpentry techniques such as mortise and tenon joints.



## Mount Barker Caravan & Tourist Park

New managers were appointed in September 2015 and they have undertaken improvements of cabins such as new flooring, furniture, air conditioning and appliances. Current projects include relocating the boom gate for safer access and upgrading of the existing gazebo to a camp kitchen.



# The Urban Environment



## Quality Open Space

### Open Space Projects

Guidelines and plans have been developed in a number of areas by Open Space and Environment staff. These include:

- Landscape guidelines for new developments.
- Electranet plan for the development of the corridor in Bluestone stage 3.
- Heysen Boulevard landscape guidelines.
- Guidelines for planting on Council verges.
- Playground Policy and Guidelines.

These have been completed to draft stage and will in future inform (and be included in) a Landscape Plan for the Council.

### Tree audit

Tree Audit data is used predominantly in asset management allowing for proactive arboriculture works programming and allows for record keeping of completed works, displaying a proactive risk management history. It also informs the type, quantities and locations of the public tree stocks. It enables quick, desk top reviews saving time and resources, often eliminating the need to visit the site and can assist in informing management decisions. The data is useful for all staff with a tree issue or query including Planners, Engineers and Customer Service staff.

It is estimated the project has captured approximately one third to one half of the District's public trees in prominent areas. Approximately 12,000 - 24,000 more sites are to be captured across the district not including the MDP lands.

### Reserve Maintenance

New reserves within Bluestone Estate, Meadows and Littlehampton totalling approx. 12,000 square metres of gardens and lawns have been transferred from the responsibility of the developer to Council to maintain. Additional irrigation has been provided to some of these areas with the majority using recycled water.

There are 12 hectares that require mowing in the district. The frequency of mowing varies depending on the category of reserve and weather conditions.

750 cubic metres of mulch has been distributed to gardens beds which assists in reducing the use of herbicides to manage weeds and assists in retaining the moisture in the soil. The mulch is provided from the Transfer Station which has been recycled from green waste in the district.

Over 2,000 hours of community service were supplied by Department of Corrections labour including mulching, brush cutting and rubbish removal.

### Avenue of Honour

Council's commitment to the Centenary of ANZAC 2015-2018 resulted in The Avenue of Honour where 72 Magnolia Grandiflora (Bull Bay Magnolia) were planted within Keith Stephenson Park adjacent to the major trail route. It is intended these will replace the degraded and disappearing original World War One Avenue which was planted either side of Wellington Road Mount Barker. It is hoped the Avenue of Honour will rekindle community interest in this history so that current and future generations using Keith Stephenson Park are exposed to the meaning of ANZAC.

The Avenue will honour the 65 service personnel from Mount Barker who lost their life serving the country between World War 1 and following conflicts, up until and including the Vietnam War. The remaining 7 trees represent the following:

- all the women who served in various roles
- those with no known resting place
- all those deployed on war service
- those deployed on peacekeeping operations
- those deployed on humanitarian operations
- all others who have served
- all the animals which have served (horses, dogs, camels etc).

It is hoped that public donations will enable the purchase of 72 ornate hardwood bollards, and Council is in discussion with the Mount Barker RSL in relation to the additional name plaques.



## The Urban Environment

### Arboretum

In 2015/16 concepts for an arboretum were considered. The Arboretum will feature species considered in high standing around the world and functions that provide opportunity for many different positive social and economic outcomes. The 43,170 square metres of space at Keith Stephenson Park between the Dumas Street Park'N'Ride and the lake on Adelaide Road was chosen for its ideal display potential and association with adjacent properties of Auchendarroch, Library, TAFE, skate facility, the Avenue of Honour and the trails network.

### Dementia Garden

Weld Park has been selected as a trial site for redevelopment focused on establishing 'Dementia Friendly' open space facilities. University of Adelaide design students assessed the site in late 2015 and produced a series of concept plans which will proceed to a preferred concept in 2016/17.

### Martindale Playground Relocation

Following community consultation, the Martindale Playground was relocated to the reserve between Tremayne Drive and Burnbank Way, Mount Barker. This location provides various benefits including a larger reserve area around the playground for picnics and playing as well as greater opportunities for future expansion over time. Total Project Cost \$40,000.

### Land Development

Council's engineering staff have been closely involved in numerous land development projects across the district, and have worked closely with Developers and their consultants and contractors throughout the approval, design and construction phases.

Council has been involved in the construction of a total of twenty-two (22) Stages of development across eleven (11) different medium to large development sites in the 2015/16 financial year. Approximately half of these 22 stages were completed before the end of financial year, and the remainder are works in progress.

These 22 stages account for around 750 residential allotments, primarily in the Mount Barker growth area but also within parts of Nairne, Littlehampton and Meadows. Total value of infrastructure assets that will be vested in Council on completion of these current stages is anticipated to be in the order of \$28M, including roads, footpaths, stormwater drainage and sewer infrastructure.

In addition to the construction of these medium-large developments, works continued on the assessment and detailed design phases of several large developments in the growth area, as well as the assessment and implementation of numerous Land Use applications and small-scale land divisions.





## Integrated spaces and movement

### Infrastructure

The following roads (or part of road) were sealed during the year:

Blakiston	Macclesfield
Dairy Ct	Pursell Rd
Davison Rd	Meadows
Brukung	Kondoparinga Rd
Mine View Rd	Morris Rd
Playford Cr	Razor Back Rd
Pyrites Rd	Mount Barker
Smillie St	Barrow Ct
Watts Rd	Cameron Rd
Bugle Ranges	Chapman Cr
Stamps Rd	Daddow Rd
Dawesley	Hawthorn Rd
Harrogate Rd	Hutchinson St
Echunga	Mann St
Darby Rd	Marston Ct
Marianna St	Ray Orr Dr
Sophia St	Robin St
Flaxley	Skipper St
Stamps Rd	Waterford Ave
Green Hills Range Rd	Nairne
Greenhills – Flaxley Rd	Britannia Rd
Hahndorf	Easter St
Hunt Road	Edinburgh Ct
Kavel Dr	Gladstone St
Kramm Ave	Totness
Thiele Gr	Nixon Dr
Harrogate	Woodside
Charcoal Pit Rd	Military Rd
Littlehampton	
Bolto Ct	
Cowan Ave	
Hall Ct	
Smeaton Cr	

The following unsealed roads (or part thereof) were renewed:

BiggsFlat	Kanmantoo
Hampton Rd	Sawpit Gully Rd
Liebelt Rd	Littlehampton
Brukung	Blakiston Rd
Military Rd	Nairne
Dawesley	Chambers Rd
McIntyre Rd	Totness
Hahndorf	Windsor Ave
Windsor Av	
Jupiter Creek,	
Kangarilla, Meadows	
Razor Back Rd	

The following footpaths were renewed:

Hahndorf
Pine Av (from Auricht Rd to 17 Pine Ave)
Littlehampton
North Tce (from Willow Park Reserve to Cleggett Rd)
Mount Barker
Albert Rd (from Alexandrina Rd to Wellington Rd) picture right
Carlson St (from No. 3 - No. 19)



New footpaths were installed at:

Meadows
Expedition Blvd to 50 Mawson Rd
Nairne
Britannia Rd to Preiss Cl

## The Urban Environment

# Quality built environment

## Planning projects for townships

Council completed and endorsed the *Mount Barker Regional Town Centre Development Plan Amendment*. This will introduce changes to the Council's Development Plan to reinforce the Mount Barker Town Centre as the primary retail, commercial, cultural and service centre of the Adelaide Hills region.

A draft Nairne and Environs Development Plan Amendment was also prepared to implement the Nairne Township Masterplan and the Nairne Main Street Strategy through updated planning controls. This DPA will reinvigorate the historic Main Street of Nairne, and support redevelopment of the Chapman's factory site on the eastern edge of Nairne.

A draft Littlehampton and Blakiston Neighbourhood Plan was prepared to address strategic opportunities in the Littlehampton area, guide future development and local improvements, and address long standing community concerns. The draft Plan included a proposal for a major new park at the Glebe land that will benefit the broader District as well as the local residents of this area.



## Infrastructure Projects

A number of capital projects were completed in 2015/16, providing a safer and better environment for residents and visitors to the district.

### New Freeway Interchange – Bald Hills Road

Following many years of Council action and advocacy, the construction of the new freeway interchange at Bald Hills Road was nearing completion.

The interchange construction project is for four ramps, improvements to the Bald Hills Road tunnel and has also included a roundabout at the junction of Bald Hills Road and the Old Princes Highway.

## Community benefits are substantial including a much safer road network for all users.

In addition to undertaking land acquisitions several years ago, Council is also contributing an advance of up to \$3 million to the total project budget of \$27 million with the Federal Government contributing \$16 million and State Government \$8 million. Significant funding is being provided over time via contributions from developers in the growth area.

Council has previously upgraded Bald Hills Road over a number of years with the assistance of grant funding.

The project is an excellent example of the three tiers of Government working in collaboration.



### North Road Nairne Safety Upgrade Stage 3

The Nairne Township Masterplan identified a need for traffic management improvements on North Road, Nairne. In 2015/16 the final stage of construction was complete. This included the two additional driveway links; one immediately to the east of the Federation Way intersection and the other between the intersection with William Street and Nixon Street. Total project cost of the three stages were \$675,000.

Pavement renewal and drainage works were also undertaken on portions of North Road.

### Albert Road Mount Barker Stormwater

The 2015/16 footpath renewal and kerb renewal programs included the construction of kerb and gutter and an asphalt footpath on the southern side of Albert Road from Alexandrina Road to Wellington Road. The 2015/16 minor stormwater program provided for new underground stormwater infrastructure in the road. Project cost \$201,650.

### North Tce, Littlehampton Footpath

The next stage of North Tce footpath construction has been completed, with a new footpath installed from the Railway Line at Willow Park to Cleggett Road. The project cost \$145,000 and used Clay Brick Pavers, supplied by Littlehampton Brick Company.

### Alston Rd Blakiston Stormwater Drainage

Council conducted a public information session about the upgrade of Alston Rd, Blakiston. The road design needed to consider multiple objectives regarding road performance, user safety, traffic volumes, drainage and road side vegetation. The underground stormwater drainage along Alston Road has been completed with pavement to be completed in spring/summer 2016. Project Cost of Stormwater \$64,000.

### Compson/Dalebank Road Safety Improvements

The upgrade included squaring up the Compson Road junction with Old Princes Highway in Blakiston to improve road safety and separated Dalebank Court from direct connection to the Old Princes Highway intersection.

The Project has delivered substantial benefits to the community including improved safety, major renewal of road pavement, kerbing, lighting upgrade, relocated bus stop and indented bus bay and landscaping.

The total cost of the project is in the order of \$315,000. The State Black Spot Program committed 50% funding of the total project cost plus 100% of the cost to install one additional light pole at DPTI's request. The total Black Spot Funding is in the order of \$162,000.

### Callington Township Road Reconstruction and Sealing

In June 2015, the Australian Government reintroduced the indexing of an excise on fuel, under an arrangement that will allocate an additional \$89.7 million to South Australian Councils over the next two years. Mount Barker District Council will receive an extra \$1.2 million in grants from the Roads to Recovery Program, which helps fund Council's investments in road infrastructure construction and maintenance.

In November 2015, Council endorsed a new program using its Roads to Recovery allocation, aimed at rehabilitating and sealing approximately 8.2km of unsealed roads within various townships in the district by June 2019. Callington was the first town addressed under the new Township Sealing Program.

The Mount Barker District Council side of Callington contains approximately 3.5km of local roads; 2.5km of which were classified as 'unsealed' until recently. Many of these roads were badly potholed and patched, and most other pavements were showing early signs of failure.

The aim of the Township Sealing Program is to rebuild these roads wherever necessary, and seal all township roads, to extend the life of these Council assets by another 15 to 20 years and improve road conditions in these towns.

## The Urban Environment

### Environmental Services Centre Access Road and Car Parks

Following construction of the new Springs Wetlands as part of the broader Environmental Services Centre development, construction of a new access road/car parks to service the site has been completed.

The new access road services Council's existing wastewater treatment plant, the new Springs Wetland, car park and a drop off/pick up facility for the adjoining St Francis de Sales College plus provides access for future development such as the proposed Environmental Services Centre.

Construction included two car parks providing a 40 space wetlands car park (to be enlarged to 70 spaces when the Environmental Services Centre is constructed) and a 22 space (plus 4 pick-up/drop-off spaces) school car park.

St Francis de Sales College agreed to fully fund the pick-up/drop off facility and car park on its land plus 50% of the access road costs between the entrance to the new wetlands car park and the school car park. Total Project cost \$750,000.



### Mt Barker, Totness and Littlehampton Stormwater Management Planning

Considerable investigation work has come to a close that has assessed creek flooding and stormwater pipe network capacity with a view to identifying upgrade and improvement strategies and priorities across the stormwater catchment in the three towns mentioned. Once adopted in the new financial year the Stormwater Management Plan for these towns will provide a lead strategy for use in planning for stormwater management by developers of new land development and in priority setting for improvements over time within the existing stormwater network and the effects of creek flooding.

### Development Assessment

This year 1,189 development applications and 68 land divisions were lodged.

1,055 development applications were approved and 56 land divisions approved. 5 were refused and 54 development applications were withdrawn, lapsed or cancelled.

1,072 planning assessments and 461 building rules assessments were completed.

587 building assessments were privately certified.

### Development Plan

Council has continued to pursue development outcomes in accordance with the provisions of its Development Plan which guide development to ensure quality built form. Staff have sought improved development outcomes through the assessment process with proponents and developers.



## Development of the Mount Barker Regional Town Centre

### Mount Barker Regional Town Centre DPA

Council has been pursuing the finalisation and gazettal of the Mount Barker Regional Town Centre DPA. The DPA seeks to implement the directions of the Mount Barker Town Centre Strategy 2012 and will see a policy regime which encourages high quality built form outcomes.

Several significant developments have been approved/developed in the Mount Barker Regional Town Centre over 2015/16 which are now being developed or commencing shortly including (but not limited to);

- Aldi Supermarket redevelopment
- Dan Murphy's Construction
- Foodland Supermarket Redevelopment
- AM/PM Service Station.

Council is also implementing directions from the Gawler Main Street Strategy and will continue to develop projects that are currently in detailed design phases.

### Morphett Street Pedestrian Crossing and Walker Street Intersection Upgrade

Council's Transport Masterplan (adopted 2009) identified the Morphett Street / Walker Street intersection for road safety improvements while Council's Town Centre Strategy identifies Walker Street as a key pedestrian route.

The first stage of this project was completed in June 2015 with a further stage completed in December 2015 and delivers substantial benefits to the community and road users, including improvements to road safety through protected right turns, pedestrian refuge street lighting, sight lines and upgraded road pavement.

Total project cost \$235,000. In addition \$215,000 was invested into the road pavement renewal of Morphett Street as part of the Roads to Recovery Program. The project received grant funding of \$50,000 from the Motor Accident Commission as a merit based road safety project.



## The Urban Environment

# Integrated Water Management

## Meadows Township Treatment Plant

The new Meadows Water Treatment Plant was commissioned in 2015/16. The project involved the construction of a new 50ML storage lagoon plus a mechanical treatment plant including primary treatment, secondary ultra-filtration and tertiary ultra-violet disinfection and chlorination. The new treatment plant treats effluent from the existing township together with sewage from Mawson Green and is providing recycled water back to the development and the town's oval.

The \$3 million project was jointly funded by Devine Communities, Council and Federal Government with a \$750,000 grant.

## Wastewater Infrastructure

Further planning was undertaken to advance the wastewater infrastructure expansion and recycled water strategies.

With the exception of only one developer, the remainder of the growth area is being serviced by Council with sewer. This will be achieved through the progressive expansion over time of the existing wastewater infrastructure network.

The capacity of the existing wastewater treatment plant on Springs Road will be progressively expanded to cater for growth.

Design work for the upgrade of Council's sewer network collection system has continued including the proposed Western Sector Trunk Main servicing the western side of town.

Various capital works were completed including the Littlehampton gravity main upgrade, manhole and pipe refurbishment/replacement program and rehabilitation of the Macclesfield lagoons.

## Wastewater Management System Littlehampton

Council has identified that the wastewater infrastructure that services Littlehampton requires upgrading to cater for existing flows and is staging the works to meet demand into the future.

The third stage of this project cost \$545,000 and involved replacing the sewer main from Anembo Park through Willow Park and the Steam Ranger rail corridor to Cleggett Road Littlehampton. The work was completed using the directional boring method, meaning fewer disturbances to the surrounding environment.

Subject to future budgets, further works will be undertaken to improve service levels in Littlehampton.



## Graffiti

The GET Proud Graffiti Team started as a 3 month Pilot Project in January 2013 and has gone from strength to strength with the support of its founding partners.

This year the team of 4 highly skilled and dedicated volunteers have gifted 456 hours of their time, visited 391 sites and removed 1298.5 square metres of graffiti vandalism. The team has identified graffiti vandalism hotspots and provides weekly patrols in and around the Mount Barker District maintaining Council assets, electricity boxes, stobie poles and utilities.



# The Natural Environment & Sustainable Living





## Environmental Leadership

### Springs Wetland (Yeronna Paintyi Laratinga Kauwie)

Mayor Ann Ferguson and the Honourable Ian Hunter MLC, Minister for Sustainability, Environment and Conservation officially opened the Springs Wetland in Mount Barker on Sunday 8 November 2015.

Bringing together a number of experts, construction of the new wetland has been completed and includes many elements such as stormwater treatment, bird habitats and vegetation rehabilitation.

While it will take several years for plantings to fully mature, once established these areas will provide a natural habitat, encouraging birds, insects, reptiles and mammals to make the wetland home.

Connection to the existing linear trail and the adjacent oval and school provides very easy access to the wetland from the Mount Barker Town Centre right through to the Laratinga Wetlands for the whole community to enjoy.

Named by Peramangk Elder: Ivan-Tiwu Copley as Yeronna Paintyi Laratinga Kauwie (Wide Place on the side of Laratinga Water) this area will be commonly known as Springs Wetland.

Constructed at a cost of 1.2 million dollars, Council gratefully acknowledges the support of the Minister for Planning's Local Government Stimulus Grant Funding Program of \$100,000.



### Laratinga Wetland

Various environmental and community projects have been implemented at Laratinga Wetland over the last year. These have included volunteer events, revegetation projects, community events, fauna surveys and educational programs. The wetland has attracted over 160 bird species, 5 frog species, and various mammals and also attracts local, interstate and international visitors. It provides a passive and active recreational area and forms part of the district's trail network.

Educational tours on the environmental benefits of Laratinga Wetlands remains popular with Parks and Gardens staff assisting in the tours for local groups, international visitors and schools.



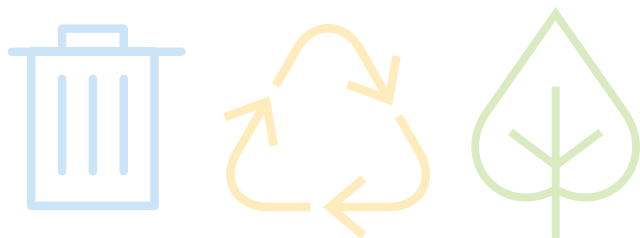
# Ecological footprint and waste management

Council has successfully implemented a new waste, recycling and green organics collection service contract in the 2015/16 year.

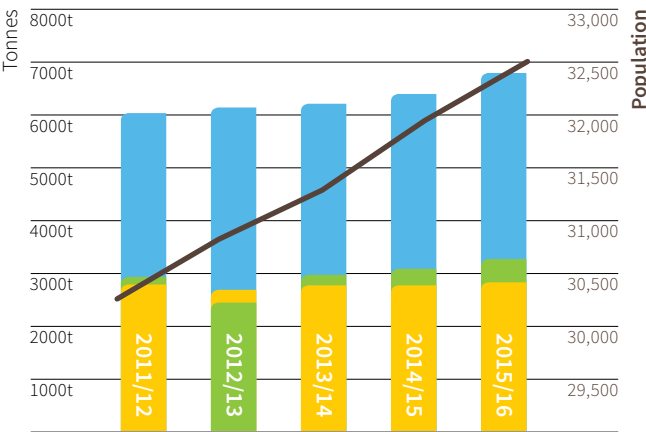
The Graph below shows the waste, recycling and green organics tonnes collected over the past five financial years along with the population over those years. In 2015/16 we recycled a total of 2,751 tonnes, 94 tonnes more than 2014/15 and composted 3,163 tonnes, 182 tonnes more than 2014/15.

The Council continues to experience population growth and the Council area has a greater proportion of households with children and couples, when compared to greater Adelaide. These factors contribute to the waste produced within our Council area, as households consisting of families are likely to produce more waste than single household families.

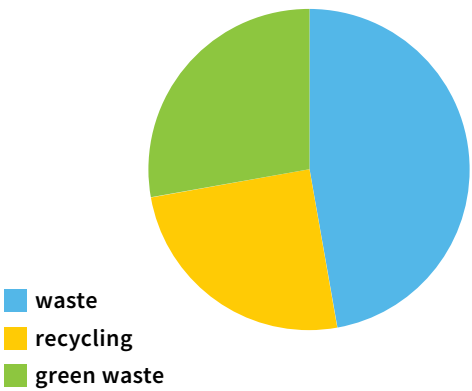
In 2015/16 residents disposed of 9.2kg of waste per household per week, which is 0.3kg more than 2014/15. This year we have achieved a diversion rate of 47%, in line with previous years, meaning that 47% of all material collected from the kerbside services was recycled or composted and not disposed to landfill.



Waste, recycling and green organics



Kerbside material collected 2015/16



## The promotion and protection of natural areas

### Community land Management Plans

Staff are looking to develop site specific management plans for key areas. These will link to community asset plans where these occur on reserves. Recent works include the Stone Reserve Macclesfield.

### Bushcare

Council continues to support community groups and individual care for native vegetation sites. This includes support to Bush For Life to coordinate an extensive volunteer program.

Over 6000 new plants have been planted by both school and community groups to revegetate Council's reserves.

## Climate change and resilience

Council has been involved in a regional project to develop a Climate Change Adaptation Plan. The plan, when adopted, will provide a platform for cooperation and collaboration both at the local and regional level to address the threats as well as embrace the opportunities presented by a changing climate. While the primary focus of the plan is on adapting to climate change, many of the actions will also serve to mitigate the effects of climate change by reducing greenhouse gas emissions.



# Governance & Leadership





## Active democracy and effective representation

### Freedom of Information Requests

Council received 7 Freedom of Information Requests during this period.

### Council Member Training and Development

Council has a Training and Development Policy and Training and Development Plan. In addition Council has an Induction Policy and Plan to ensure the new Council is able to fulfil its roles and build a positive team relationship with senior staff.

The following training was undertaken by some Council Members:

- Conflict of Interest Training
- Positive Ageing Seminar
- National General Assembly Canberra
- Norman Waterhouse Local Government Conference
- Municipal Association of Victoria (MAV) Conference.

### Internal Review of a Council Decision

One request for an internal review was received in relation to the decision to contribute \$1.5m to the Heysen Foundation. The request was refused on the grounds that it was vexacious.

### Supplementary Election

The resignation of Councillor Trevor Corbell resulted in a Supplementary Election for North Ward which closed on 7 December 2015. The Election was completed entirely by post. Ms Debs Buchmann was the successful nominee. Voter turnout was 18.55%.



### Community Consultations

The following consultations took place during 2015/16:

- Proposed Council Name Change
- Playground Refurbishment
- Stormwater Management Plan
- Mount Barker Showground Draft Master Plan
- Alano Sewer Pipeline Traffic Restrictions
- Regional town Centre DPA
- Mount Barker and Nairne Main Streets
- Revised Code of Practice (for Access to Council, Committee meetings and Documents)
- Draft Biodiversity Strategy
- Littlehampton and Blakiston Plan
- Mount Barker 2035 – a draft Strategic Plan for the Mount Barker District
- Roads (Opening and Closing) Act 1991 – Portion of Samuels Road Callington
- Martindale Playground Proposed Relocation
- Roads (Opening and Closing) Act 1991 – in the area name Petwood
- Rural (Primary) Production Protection Development Plan Amendment
- Road Opening Hahndorf
- Draft Annual business Plan 2016/17
- Proposal to revoke the classification as community land – former Quarry Reserve
- Draft Littlehampton and Blakiston Plan
- Nairne and Environs DPA.

## Governance and Leadership

**Council Member Allowances and Benefits**

The Mayor's allowance was \$64,069 the Deputy Mayor's and Chair of Strategic Planning and Development Policy Committee allowance was \$20,021, and other Councillors' allowance was \$16,017.

To assist Council Members with their role an iPad, business cards, insurance and training is provided. The Mayor is additionally provided with a vehicle, a phone, an office and administrative support.

**Council Member Meeting Attendance at Council Meetings**

Between July 2015 - June 2016 Council had 22 meetings

Council Member	Attendance
Mayor Ann Ferguson	20
Cr Roger Irvine	22
Cr Jeff Bettcher	19
Cr Carol Bailey	22
Cr Greg Morrison	21
Cr Susan Hamilton	22
Cr Harry Seager	19
Cr Ian Grosser	18
Cr Lindsay Campbell	17
Cr Trevor Keen	19
Cr Trevor Corbell (July – August)	3
Cr Debs Buchman (from December)	12

**Corporate capacity and leadership****Strategic Plan**

A new strategic plan has been developed and adopted by Council. Mount Barker 2035 has a long term planning horizon with goals, objectives and strategies looking 20 years into the future. It has been developed to:

- Provide a vision for our district that reflects community issues and needs
- Guide Council and its community in ensuring a healthy society, economy and environment
- Align Council's vision and strategies with operational activities and work programs and
- Align Council activities with Federal, State and Regional priorities through linkages with relevant strategies such as the SA Strategic Plan and Planning Strategy.

Mount Barker 2035 will be implemented via 4 year Corporate Implementation Plans aligned with budgets and work programs.

**Policies Reviewed**

The following policies were reviewed:

- Town Entrance Statement and Wall Policy
- Tourism Signs Policy
- Use of Council Logo by External Organisations Policy
- Council Publications Policy
- Media Contract Policy
- Road and Public Place Names Policy
- Revised Complaints Handling Procedure under the Council Members Code of Conduct
- Code of Practice (for Access to Council Meetings and Documents)
- Heritage Plaques Policy
- Volunteer Policy
- Hardship Policy
- Enforcement Policy
- Code of Practice for Meeting Procedure
- Equality and Diversity Policy
- Flags Policy
- Informal Briefings policy.

## Representation Quota

The table below shows a grouping of similar Councils in South Australia using the Australian Classification of Local Governments. The Council's below fit in the classification of Urban Regional Small:

	Electors	Total Council Members	Representation Quota
Coober Pedy	1,082	9	120
<b>Mount Barker</b>	<b>22,060</b>	<b>11</b>	<b>2,005</b>
Mount Gambier	19,146	11	1,740
Port Augusta	9,496	10	949
Port Lincoln	10,258	11	932
Roxby Downs#			
Whyalla	15,168	10	1,516

# Roxby Downs does not have an elected Council

Source: Electoral Commission of SA, 29 February 2016.

## Representation review

The last undertook a Representation Review in 2013 where the only change was Paechtown moving from Central Ward into North Ward.

In accordance with the existing provisions in Section 12 of the Local Government Act 1999, each Council is required to review all aspects of the composition of the Council, including ward boundaries, at least once in each relevant period that is prescribed by the regulations. Section 12 also provides the process and timeframes for Councils to following when undertaking the elector representation review. Community submissions are invited at key stages of the review. The Council is then provided with a report on the consultation and the proposals for amendment (if any). The report is then submitted to the Electoral Commissioner to determine if the requirements of the review have been satisfied.



## List of Registers

- Register of Interest
- Register of Allowances and Benefits
- Register of Remuneration, Salaries and Benefits
- Register of Community Land
- Register of Public Roads
- Register of By-Laws
- Register of Delegations
- Register of Fees and Charges
- Register of Campaign Donations
- Register of Gifts and Benefits to Council Members
- Register of Gifts and Benefits to Employees.

## List of Codes

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

- Code of Conduct for Council Members (prescribed by Regulation)
- Code of Conduct for Council Employees (prescribed by Regulation)
- Code of Practice – Access to Council Meetings, Committees and Documents.

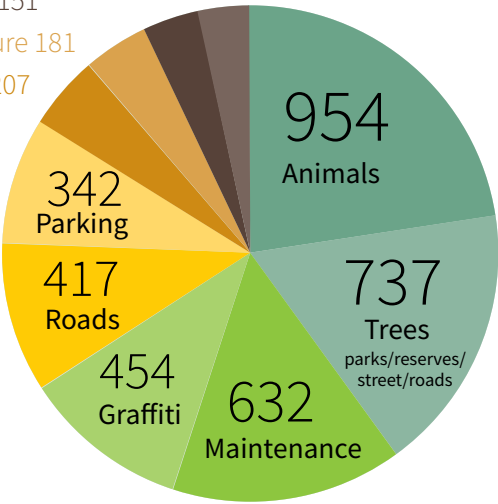
In addition Council has adopted an optional Code – a Code of Practice for Meeting Procedures.

Governance and Leadership

Customer Request Management (CRMs)

Mount Barker District Council  
 Top 10 Customer Request Categories 2015/16

Bushfire Prevention  
 related enquires/issues 147  
 Drainage 151  
 Horticulture 181  
 Rubbish 207



Sitting Fees/ Remuneration

The following sitting fees are paid:	Per Meeting
Chair of the Community Grants Assessment Committee	\$150
Chair of the Audit Committee (independent member)	\$460
Other independent Audit Committee members	\$345
Chair of DAP (independent member)	\$450
DAP members (both Council and independent member)	\$380

Council’s Auditor for 2015/16 was BDO. Remuneration paid for the annual audit of Council’s financial statement was \$29,200 plus GST.

Executive Officers Salaries / Benefits are noted below:	
Chief Executive Officer	\$233,536
4 General Managers	\$145,860 - \$173,997

Additionally superannuation, a mobile phone, a laptop/iPad and private use of a vehicle are provided.

People and Culture

The following People and Culture policies and procedures were reviewed or created:

- Child Safe Environment Policy and Procedure
- Police Clearance & Screening Procedure
- Christmas/New Year Leave Management & Functions Procedure
- Corporate Uniform Policy
- Employee Assistance Guideline
- Managing Unsatisfactory Performance Guideline
- Purchased Leave Procedure.

Council’s Organisation Development Strategy was developed and implemented with the delivery of various initiatives in the following areas:

- Integration and Planning – Development of the Strategic Plan 2035 and supporting framework. Alignment of Councils strategic direction with workforce planning and performance development processes.
- Leadership Development – Design and delivery of a leadership development program. Developed and implemented a suite of Leadership Values and Behaviours which have been embedded through the program, as well as Position Descriptions, Recruitment, Selection, Induction and Performance Development processes.
- Communication – Various initiatives have been implemented to improve internal communications across all levels of Council including a monthly all staff newsletter and staff briefings.

The next phase of the Organisation Development Strategy will focus on:

- Customer Service
- Leadership Development (Phase 2)
- Innovation & Continuous Improvement.



Council implemented a Wellbeing Program where all staff were provided with the opportunity to participate in health assessments, skin cancer screening, audiometric testing, health coaching sessions and yoga.

## Work Health & Safety

Council has endorsed a Work Health Safety & Return to Work Plan to systematically address legislative requirements as well as local government workers compensation scheme requirements. The aim of the Plan is to:

- Review, develop and implement a robust Hazard Management System for the Public Health & Safety team, and
- Develop a Workplace Emergency Evacuation Plan for all of Council's worksites.

Council had 2 Return to Work Claims which resulted in a total of 94 lost time days.

### + Rebate / Penalty Summary

Contributions: 48 month period	\$2,073,740
Claims Paid: 48 month period	\$330,784
Loss ratio	15%
Rebate entitlement	48.75%
Gross contribution 2015/2016	\$605,062
Total rebate available	\$282,866
Component of claims rebate paid	\$141,433
WHS rebate component	\$128,074
<b>Total rebate paid</b>	<b>\$297,150</b>

### + Hazard, Injury & Incident Report

Incident report with no injury	13
Incident report with injury sustained	16
Hazard Report	2
Vehicle /Property Damage	5

## Committees and Development Assessment Panel

### Audit Committee

The Audit Committee met five times this year.

Its purpose is to enquire, observe and then report to Council its concerns and observations that relate to Council operations, policies, risk and compliance. The Audit Committee introduced a new internal audit function this year for additional compliance and assurance focussing on high risk corporate areas. It does not have a management function nor any power to direct or bind the Council.

Members of the Committee were:

Independent Members – Michael Bails (Chairperson), Chris Howis, Greg Holman

Council Members – Cr Trevor Corbell (resigned August 2015), Cr Jeff Bettcher and Cr Susan Hamilton (since December 2015)

### Community Grants Assessment Committee

The Community Grants Assessment Committee met twice this year.

Its purpose is to report to Council appropriate recipients of community grants and discretionary rate rebates. It does not have a management function nor any power to direct or bind the Council.

Members of the Committee were:

Cr Susan Hamilton (Chairperson), Mayor Ann Ferguson, Cr Trevor Keen, Cr Debs Buchmann.

### Strategic Planning Development Policy Committee

The Strategic Planning Development Policy Committee met eight times this year.

Its purpose is to provide advice to Council on strategic planning and development policy matters pursuant to Section 101A of the Development Act 1993. It does not have a management function nor any power to direct or bind the Council.

Members of the Committee were:

Cr Lindsay Campbell (Chairperson), Mayor Ferguson, Cr Greg Morrison, Cr Ian Grosser, Cr Trevor Keen, Cr Jeff Bettcher, Cr Susan Hamilton and Cr Debs Buchman.

## Governance and Leadership

## Development Assessment Panel (DAP)

The DAP met eleven times this year and considered:

- 4 Merit applications
- 7 Non-complying applications

DAP acts as a delegate of the Council in accordance with Part 4 of the Development Act 1993 and Regulations 2008. It can also provide reports to Councils on planning or development matters.

Members of DAP were:

Roger Freeman (Presiding Member), Mike Canny (Deputy Presiding Member), Roger Irvine, Ross Bateup, Harry Seager, Dr Lissa van Camp, and Carol Bailey

## Confidential items to Council and Committee

The following confidential orders were made:

## Order made under 90(3)(a)

- (a) Information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

Section 91(7) Order:

21 Sep 15    CEO's Review    Yes

## Orders made under 90(3)(b)

- (b) Information the disclosure of which:

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting or proposing to conduct, business or to prejudice the commercial position of the Council.

Section 91(7) Order:

7 Sept 15	Mount Barker Town Centre Commercial Strategies update	Yes
19 Oct 15	Mt Barker Town Centre Land Strategy	Yes
21 Dec 15	Mt Barker Town Centre Land Strategy Update	Yes
15 Feb 16	The Cedars Marketing and Pre-Feasibility	Yes
18 Apr 16	Aquatic Facility Site Investigations	Yes

## Orders made under 90(3)(d)

- (d) Commercial information of a confidential nature (not being a trade secret) the disclosure of which:
- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
  - (ii) would on balance, be contrary to the public interest.

Section 91(7) Order:

21 Mar 16    Council Wastewater Service – New Customer    Yes

## Orders made under 90(3)(g)

- (g) Matters that must be considered in confidence in order to ensure that the Council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty.

Section 91(7) Order:

6 Jun 16    Mount Barker Tourist and Caravan Park    Yes

## Orders made under 90(3)(h)

- (h) Legal advice

Section 91(7) Order:

21 Dec 15    Recycled Water Supply Agreement    Yes

## Orders made under 90(3)(h) &amp; (i)

- (h) Legal advice

- (i) Information relating to actual litigation, or litigation that the Council or Council Committee believes on reasonable grounds will take place, involving the Council or an employee of the Council.

Section 91(7) Order:

6 Jun 16    AHRWMA offer from Resource Co    Yes

No confidential items expired, ceased to apply or were revoked during the financial year.

22 items remain operative or part operative at the end of the financial year as listed below (excluding orders made before November 2010):

Date	Topic
20/2/12	Monarto Quarries Expression of Interest
19/3/12	Monarto Quarries Expression of Interest
2/10/12	Monarto Quarries Expression of Interest
3/12/12	Adelaide Hills Region Waste Management Authority (AHRWMA)
17/6/13	October 2008 Ombudsman's report
17/6/13	December 2008 Ombudsman's report
17/6/13	2009 Ombudsman's report
16/12/13	AHRWMA
16/12/13	Outcome of First Stage Office and Multi-level Carpark EOI
23/6/14	Multi-Deck Car Park & Council Office Accommodation
4/8/14	Monarto Quarries
1/9/14	Proposed Road Closure and Sale of Land
18/5/15	Regional Tender for Waste, Recycling, Green Organics & Street Litter Bin Collection Services for Recycling / Green Organics Processing Services
7/9/15	Mount Barker Town Centre Commercial Strategies Update
21/9/15	CEO's Annual Performance Review
19/10/15	Mount Barker Town Centre Land Strategy
21/12/15	Mount Barker Town Centre Land Strategy
15/2/16	The Cedars Marketing & Pre-Feasibility Study
21/3/16	Council Wastewater Services New Customer
18/4/16	Aquatic Facility Site Investigations
6/6/16	Mount Barker Tourist and Caravan Park
6/6/16	AHRWMA – Offer from Resource Co.

## Confidential Item – Audit Committee

Orders made under 90(3)(b)

(b) Information the disclosure of which:

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting or proposing to conduct, business or to prejudice the commercial position of the Council.

Section 91(7) Order:

8 Oct 2015 Meeting with the Auditors

No

## National Competition Policy

The following statement has been prepared in accordance with the reporting requirements of Clause 7 State on the application of competition principles to Local Government under the Competition Principles Agreement.

The Council did not commence or cease any significant business activity and the competitive neutrality measures applied to each significant business activity has continued.

Council's By-laws related to Moveable Signs, Local Government Land and Roads have potential to restrict competition, however the benefits outweigh that potential.

### Category 1

Category 1 applies to business activities with annual revenue in excess of \$2 million or employing assets with a value in excess of \$20 million which includes:

- Community Wastewater Management Scheme (CWMS).

### Category 2

Category 2 applies to all other significant business activities which includes:

- Mount Barker Tourist Park
- Windmill Hill Waste Transfer Station
- Various Council owned building / properties which are leased.

No complaints were received and therefore none were referred to the State Competition Commissioner.



## Governance and Leadership

### Program and project delivery

#### Leases/Licences (commercial only)

A new lease for the former local government centre at 23 Mann Street, Mount Barker was granted to the Minister for Transport & Infrastructure until 2020. Council itself extended its lease for the current premises at 6 Dutton Road until 2022. All other commercial leases remain in place and reviewed periodically.

#### Competitive Tenders

Some of the larger competitive tenders throughout the year include:

- Bituminous treatment works: \$7.2 m over 6 years
- Littlehampton gravity main upgrade stage 3: \$545,000
- Environmental Services Centre road upgrade: \$574,000
- Fire system upgrade at the Adelaide Hills Recreation Centre: \$200,000.

Council coordinated joint tenders with Adelaide Hills Council and Alexandrina Council for (a) supply of quarry rubble and (b) freight contractor panel.

Council has implemented VendorPanel, an on line request for quotes/tenders system which is proving successful. Council's contractor panel details are stored in VendorPanel simplifying the request for quotation/tender process. VendorPanel also has the ability to evaluate, survey performance and monitor contracts.

### Effective management and financial sustainability

#### Risks

Council has in place a Risk Management Framework and risk register. The highest risks are reported to the Audit Committee quarterly.

To comply with financial regulations Council has developed internal controls based on The Better Practice Model – Internal Financial Controls and utilizing ControlTrack software. Council has completed the second round of assessments. Regular reports will be provided to the Audit Committee.

In addition there is now in place an Internal Audit Work Plan. The first of these audits involved procurement and the resulting improvement plan will be progressively implemented in 2016. Further Internal Audits will be reported to the Audit Committee.



# Financial Statements





Mount Barker District Council  
**General Purpose Financial Statements**  
**for the year ended 30 June 2016**



# Mount Barker District Council

## General Purpose Financial Statements

for the year ended 30 June 2016

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## General Purpose Financial Statements for the year ended 30 June 2016

### 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 2016 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.



Andrew Stuart  
**CHIEF EXECUTIVE OFFICER**



Ann Ferguson  
**MAYOR**

**Date:** 17/10/2016



## General Purpose Financial Statements for the year ended 30 June 2016

### Understanding Council's Financial Statements

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#### Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

#### About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as "presenting a true & fair view" of the Council's financial results for the year, and ensuring both responsibility for and ownership of the Financial Statements across Council.

#### What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2016.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements.

The Financial Statements incorporate 4 "primary" financial statements:

##### **1. A Statement of Comprehensive Income**

A summary of Council's financial performance for the year, listing all income & expenses.

##### **2. A Balance Sheet**

A 30 June snapshot of Council's financial position including its assets & liabilities.

##### **3. A Statement of Changes in Equity**

The overall change for the year (in dollars) of Council's "net wealth".

##### **4. A Statement of Cash Flows**

Indicates where Council's cash came from and where it was spent.

#### About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 4 Primary Financial Statements.

#### About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In South Australia, the Auditor provides an audit report, with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

#### About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditors that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

#### Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the principal office of the Council and on Council's website.

## Statement of Comprehensive Income

for the year ended 30 June 2016

\$ '000	Notes	2016	2015
<b>Income</b>			
Rates Revenues	2a	32,398	30,660
Statutory Charges	2b	1,182	1,057
User Charges	2c	2,218	3,423
Grants, Subsidies and Contributions	2g	2,503	2,944
Investment Income	2d	127	78
Reimbursements	2e	735	709
Other Income	2f	544	574
Net Gain - Equity Accounted Council Businesses	19	-	4
<b>Total Income</b>		<b>39,707</b>	<b>39,449</b>
<b>Expenses</b>			
Employee Costs	3a	13,238	12,665
Materials, Contracts & Other Expenses	3b	17,165	17,777
Depreciation, Amortisation & Impairment	3c	8,315	8,297
Finance Costs	3d	264	64
Net loss - Equity Accounted Council Businesses	19	120	-
<b>Total Expenses</b>		<b>39,102</b>	<b>38,803</b>
<b>Operating Surplus / (Deficit)</b>		<b>605</b>	<b>646</b>
Asset Disposal & Fair Value Adjustments	4	(1,813)	(3,244)
Amounts Received Specifically for New or Upgraded Assets	2g	2,672	3,391
Physical Resources Received Free of Charge	2i	3,457	6,728
<b>Net Surplus / (Deficit) <sup>1</sup></b>		<b>4,921</b>	<b>7,521</b>
<b>Other Comprehensive Income</b>			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	12,931	11,842
<b>Total Other Comprehensive Income</b>		<b>12,931</b>	<b>11,842</b>
<b>Total Comprehensive Income</b>		<b>17,852</b>	<b>19,364</b>

<sup>1</sup> Transferred to Equity Statement

## Statement of Financial Position

as at 30 June 2016

\$ '000	Notes	2016	2015
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5a	5,983	3,166
Trade & Other Receivables	5b	2,726	4,913
Inventories	5c	9	15
<b>Total Current Assets</b>		<b>8,718</b>	<b>8,094</b>
<b>Non-Current Assets</b>			
Financial Assets	6a	18	21
Equity Accounted Investments in Council Businesses	6b	656	776
Infrastructure, Property, Plant & Equipment	7a	477,227	460,029
Other Non-Current Assets	6c	2,081	2,404
<b>Total Non-Current Assets</b>		<b>479,982</b>	<b>463,230</b>
<b>TOTAL ASSETS</b>		<b>488,700</b>	<b>471,324</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	3,932	3,919
Borrowings	8b	1,998	8,064
Provisions	8c	1,988	2,098
<b>Total Current Liabilities</b>		<b>7,918</b>	<b>14,081</b>
<b>Non-Current Liabilities</b>			
Borrowings	8b	5,719	34
Provisions	8c	390	388
<b>Total Non-Current Liabilities</b>		<b>6,109</b>	<b>422</b>
<b>TOTAL LIABILITIES</b>		<b>14,027</b>	<b>14,503</b>
<b>Net Assets</b>		<b>474,673</b>	<b>456,821</b>
<b>EQUITY</b>			
Accumulated Surplus		166,154	160,545
Asset Revaluation Reserves	9a	297,876	284,945
Other Reserves	9b	10,643	11,331
<b>Total Council Equity</b>		<b>474,673</b>	<b>456,821</b>

## Statement of Changes in Equity

for the year ended 30 June 2016

\$ '000	Notes	Asset			Total Equity
		Accumulated Surplus	Revaluation Reserve	Other Reserves	
2016					
Balance at the end of previous reporting period		160,545	284,945	11,331	456,821
a. Net Surplus / (Deficit) for Year		4,921	-	-	4,921
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	12,931	-	12,931
Other Comprehensive Income		-	12,931	-	12,931
Total Comprehensive Income		4,921	12,931	-	17,852
c. Transfers between Reserves		688	-	(688)	-
Balance at the end of period		166,154	297,876	10,643	474,673
2015					
Balance at the end of previous reporting period		150,024	273,103	14,330	437,457
a. Net Surplus / (Deficit) for Year		7,521	-	-	7,521
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	11,842	-	11,842
Other Comprehensive Income		-	11,842	-	11,842
Total Comprehensive Income		7,521	11,842	-	19,364
c. Transfers between Reserves		2,999	-	(2,999)	-
Balance at the end of period		160,545	284,945	11,331	456,821



# Statement of Cash Flows

for the year ended 30 June 2016

\$ '000	Notes	2016	2015
<b>Cash Flows from Operating Activities</b>			
<u>Receipts</u>			
Operating Receipts		41,798	36,892
Investment Receipts		127	78
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(30,537)	(30,794)
Finance Payments		(264)	(64)
<b>Net Cash provided by (or used in) Operating Activities</b>	11b	<b>11,124</b>	<b>6,112</b>
<b>Cash Flows from Investing Activities</b>			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		2,672	3,391
Sale of Replaced Assets		233	161
Sale of Surplus Assets		175	361
Repayments of Loans by Community Groups		3	3
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(5,989)	(5,332)
Expenditure on New/Upgraded Assets		(5,034)	(13,726)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(7,940)</b>	<b>(15,142)</b>
<b>Cash Flows from Financing Activities</b>			
<u>Receipts</u>			
Proceeds from Borrowings		-	7,940
Proceeds from Bonds & Deposits		14	62
<u>Payments</u>			
Repayments of Borrowings		(381)	(13)
Repayment of Finance Lease Liabilities		-	(121)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(367)</b>	<b>7,868</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>2,817</b>	<b>(1,162)</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>	11	3,166	4,328
<b>Cash &amp; Cash Equivalents at end of period</b>	11	<b>5,983</b>	<b>3,166</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

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n/a - not applicable

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 17 October 2016.

##### 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 these Notes.

##### 1.4 Rounding

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

#### 2 The Local Government Reporting Entity

Mount Barker District Council is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 6 Dutton Road, Mt Barker, SA 5251. 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 income 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
2013/14	\$1,249,595	\$1,249,595	\$0
2014/15	\$2,861,238	\$2,213,106	+ \$648,132
2015/16	\$562,285	\$1,207,494	- \$645,209

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 1. Summary of Significant Accounting Policies (continued)

had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

#### 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 13.

#### 5 Inventories

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

##### 5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 102 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. Any amount by which cost exceeds the net

realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

##### 5.2 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

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

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

##### 6.1 Initial Recognition

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

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

##### 6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by



## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 1. Summary of Significant Accounting Policies (continued)

Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Furniture, Plant & Equipment	\$5,000
Buildings - new construction/extensions	\$10,000
Recreation & Other Structures	\$5,000
Road construction & reconstruction	\$5,000
Paving & Footpaths, Kerb & Gutter	\$5,000
Stormwater Drainage	\$5,000
Wastewater & Water Assets	\$5,000

#### 6.3 Subsequent Recognition

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

#### 6.4 Depreciation of Non-Current Assets

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

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

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

Building & Other Structures	20 to 300 years
Road Assets	20 to 300 years
Footpaths	10 to 150 years
Bridges	80 to 100 years
Wastewater	5 to 100 years
Drainage	80 to 100 years

Plant, Furniture & Equipment

5 to 20 years

#### 6.5 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 inflows 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.

#### 6.6 Borrowing Costs

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

### 7 Payables

#### 7.1 Goods & Services

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

#### 7.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery, and security

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 1. Summary of Significant Accounting Policies (continued)

deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

#### 8 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

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

#### 9 Employee Benefits

##### 9.1 Salaries, Wages & Compensated Absences

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

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Weighted avg. discount rate	0.27% (2015, 0.41%)
Weighted avg. settlement period	0.52 years (2015, 0.57 years)

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

##### 9.2 Superannuation

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

#### 10 Provisions

##### 10.1 Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

##### 10.2 Provision for Carbon Tax

Council has equity in a regional subsidiary which operates on landfill facility, which is substantially below the taxation threshold of 25,000 tonnes of carbon dioxide equivalent (CO<sub>2</sub>e) gas emissions.

Council considers that it has no current or likely future liability for this tax.

Refer to Note 19.

#### 11 Leases

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 1. Summary of Significant Accounting Policies (continued)

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

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

#### 12 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".

For works undertaken on a fixed price contract basis, revenues and expenses are recognised on a percentage of completion basis. Costs incurred in advance of a future claimed entitlement are classified as work in progress in inventory. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

#### 13 Equity Accounted Council Businesses

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

#### 14 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.

#### 15 New accounting standards and UIG interpretations

Mount Barker District Council has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective with the exception of AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities*. Generally Council applies standards and interpretations in accordance with their respective commencement dates. The retrospective application of AASB 2015-7 has exempted Council from the disclosure of quantitative information and sensitivity analysis for some valuations categorised within Level 3 of the fair value hierarchy.

At the date of authorisation of the financial report, AASB 9 *Financial Instruments* and AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* are the only new accounting standards with a future application date that are expected to have a material impact on Council's financial statements.

From 1 July 2016 AASB 124 *Related Party Disclosures* will apply to Council, which means that Council will disclose more information about related parties and transactions with those related parties.

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 1. Summary of Significant Accounting Policies (continued)

January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met.

As a result, Council will be required to measure its financial assets, at fair value. It is expected that there will be no financial impact on the consolidated financial statements.

Council is still reviewing the way that revenue is measured and recognised to identify whether AASB 15 Revenue from Contracts with Customers will have a material impact. To date no impact has been identified.

AASB 15 is effective from 1 January 2018 and will replace AASB 118 Revenue, AASB 111 Construction Contracts and a number of Interpretations. It contains a comprehensive and robust framework for the recognition, measurement and disclosure of revenue from contracts with customers.

Other amended Australian Accounting Standards and Interpretations which were issued at the date of authorisation of the financial report, but have future commencement dates are not likely to have a material impact on the financial statements.

As at the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective.

#### Effective for periods commencing 1 January 2016:

- AASB 14 *Regulatory Deferral Accounts*
- AASB 1057 *Application of Australian Accounting Standards*
- AASB 2014-3 *Amendments to Australian Accounting Standards-Accounting for Acquisitions of Interests in Joint Operations*

- AASB 2014-4 *Amendments to Australian Accounting Standards-Clarification of Acceptable Methods of Depreciation and Amortisation*
- AASB 2014-6 *Amendments to Australian Accounting Standards-Agriculture: Bearer Plants*
- AASB 2014-9 *Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements* [AASB 1, 127 & 128]
- AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [AASB 10 & AASB 128]
- AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle* [AASB 1, AASB 2, AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 & AASB 140]
- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015-5 *Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception* [AASB 10, AASB 12 & AASB 128]
- AASB 2014-1 *Amendments to Australian Accounting Standards (Part D)*

#### Effective for periods commencing 1 July 2016:

- AASB 1056 *Superannuation Entities*
- AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities* [AASB 10, AASB 124 & AASB 1049]

#### Effective for periods commencing 1 January 2017:

- AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*



## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 1. Summary of Significant Accounting Policies (continued)

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- AASB 2015-8 *Amendments to Australian Accounting Standards – Effective Date of AASB 15*

#### **Effective for periods commencing 1 January 2018:**

- AASB *Financial Instruments (December 2009)*
- AASB 15 *Revenue from Contracts with Customers*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*
- AASB 2014-1 *Amendments to Australian Accounting Standards (Part E)*
- AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*

#### **Effective for periods commencing 1 January 2019:**

- AASB 16 *Leases*

### 16 Comparative Figures

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

### 17 Disclaimer

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 2. Income

\$ '000	Notes	2016	2015
<b>(a). Rates Revenues</b>			
<b>General Rates</b>			
General Rates		24,334	23,056
Less: Mandatory Rebates		(306)	(291)
Less: Discretionary Rebates, Remissions & Write Offs		(32)	(33)
<b>Total General Rates</b>		<b>23,996</b>	<b>22,732</b>
<b>Other Rates (Including Service Charges)</b>			
Wastewater		4,811	4,505
Refuse		2,508	2,452
Natural Resource Management Levy		616	576
Mount Barker Separate Rate		115	105
Hahndorf Separate Commerce Rate		96	76
Meadows Water Supply		15	11
Water Supply		4	-
<b>Total Other Rates</b>		<b>8,165</b>	<b>7,725</b>
<b>Other Charges</b>			
Penalties for Late Payment		162	155
Legal & Other Costs Recovered		75	48
<b>Total Other Charges</b>		<b>237</b>	<b>203</b>
<b>Total Rates Revenues</b>		<b>32,398</b>	<b>30,660</b>
<b>(b). Statutory Charges</b>			
Building & Development Act Regulatory Fees		566	467
Animal Registration Fees & Fines		272	251
Septic Tank Inspection Fees		142	110
Parking Fines / Expiation Fees		88	111
Sundry		114	118
<b>Total Statutory Charges</b>		<b>1,182</b>	<b>1,057</b>
<b>(c). User Charges</b>			
Mount Barker Tourist Park		771	769
Sale of Reclaimed Water		498	1,275
Rental of Council Facilities		421	416
Waste Dumping Fees		404	396
Sundry		107	101
Monarto Quarries		17	466
<b>Total User Charges</b>		<b>2,218</b>	<b>3,423</b>

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 2. Income (continued)

\$ '000	Notes	2016	2015
<b>(d). Investment Income</b>			
Interest on Investments			
- Local Government Finance Authority		79	40
- Banks & Other		47	37
- Loans to Community Groups		1	1
<b>Total Investment Income</b>		<b>127</b>	<b>78</b>
<b>(e). Reimbursements</b>			
Library		289	271
Immunisation		46	35
Landfill		31	46
Sundry		369	357
<b>Total Reimbursements</b>		<b>735</b>	<b>709</b>
<b>(f). Other Income</b>			
Contributions and Donations		317	534
Insurance & Other Recoupments - Infrastructure, IPP&E		56	-
Sundry		171	40
<b>Total Other Income</b>		<b>544</b>	<b>574</b>
<b>(g). Grants, Subsidies, Contributions</b>			
Amounts Received Specifically for New or Upgraded Assets		2,672	3,391
Other Grants, Subsidies and Contributions		2,503	2,296
Individually Significant Item - Additional Grants Commission Payment (refer below)		-	648
<b>Total Grants, Subsidies, Contributions</b>		<b>5,175</b>	<b>6,335</b>
The functions to which these grants relate are shown in Note 12.			
<b>(i) Sources of grants</b>			
Commonwealth Government		1,409	1,472
State Government		1,372	3,009
Other		2,394	1,854
<b>Total</b>		<b>5,175</b>	<b>6,335</b>
<b>(ii) Individually Significant Items</b>			
Additional Grants Commission (FAG) Grant Recognised as Income		-	648

Refer to Note 1 for details of Grant Commission (FAG) grant payment recognised as income.

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 2. Income (continued)

\$ '000	Notes	2016	2015
<b>(h). Conditions over Grants &amp; Contributions</b>			
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:			
<b>Unexpended at the close of the previous reporting period</b>		1,177	2,736
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Road Assets		-	(817)
Recreation Infrastructure		(500)	(1,201)
Other		(340)	(41)
<b>Subtotal</b>		<b>(840)</b>	<b>(2,059)</b>
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Road Assets		2,921	500
Recreation Infrastructure		26	-
Other		1,503	-
<b>Subtotal</b>		<b>4,450</b>	<b>500</b>
<b>Unexpended at the close of this reporting period</b>		<b>4,787</b>	<b>1,177</b>
<b>Net increase (decrease) in assets subject to conditions in the current reporting period</b>		<b>3,610</b>	<b>(1,559)</b>
<b>(i). Physical Resources Received Free of Charge</b>			
Roads, Bridges & Footpaths		1,402	1,072
Land & Improvements		779	-
Stormwater Drainage		674	1,364
Wastewater		602	2,346
Recycled Water		-	1,946
<b>Total Physical Resources Received Free of Charge</b>		<b>3,457</b>	<b>6,728</b>



## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 3. Expenses

\$ '000	Notes	2016	2015
<b>(a). Employee Costs</b>			
Salaries and Wages		10,590	10,295
Employee Leave Expense		1,747	1,611
Superannuation	18	1,149	1,080
Workers' Compensation Insurance		303	314
Other		190	139
Less: Capitalised and Distributed Costs		(741)	(774)
<b>Total Operating Employee Costs</b>		<b>13,238</b>	<b>12,665</b>
Total Number of Employees (full time equivalent at end of reporting period)		150	149
<b>(b). Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Elected Members' Expenses		245	236
Bad and Doubtful Debts		95	-
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		31	90
Auditor's Remuneration			
- Auditing the Financial Reports		29	21
Election Expenses		9	9
<b>Subtotal - Prescribed Expenses</b>		<b>409</b>	<b>356</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		4,498	5,126
Waste Collection & Disposal		2,171	2,198
Parts, Accessories & Consumables		1,573	1,380
Energy		884	1,039
Levies Paid to Government - NRM levy		609	569
Septic Tank Clean Outs		415	463
Street Lighting		402	406
Water		204	189
Professional Services		159	271
Legal Expenses		151	193
Cartage - Monarto Quarries		-	90
Sundry		5,919	5,569
Less: Capitalised and Distributed Costs		(229)	(72)
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>16,756</b>	<b>17,421</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>17,165</b>	<b>17,777</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 3. Expenses (continued)

\$ '000	Notes	2016	2015
<b>(c). Depreciation, Amortisation and Impairment</b>			
<b>(i) Depreciation and Amortisation</b>			
- Road Assets		3,836	3,758
- Wastewater		1,050	942
- Furniture, Plant & Equipment		790	884
- Recreation & Open Space		578	558
- Drainage		522	492
- Footpaths		495	458
- Buildings & Other Structures		379	376
- Bridges		339	335
- Recycled Water		183	168
<b>Subtotal</b>		<b>8,172</b>	<b>7,971</b>
<b>(ii) Impairment</b>			
Capital Work in Progress		143	326
<b>Subtotal</b>		<b>143</b>	<b>326</b>
<b>Total Depreciation, Amortisation and Impairment</b>		<b>8,315</b>	<b>8,297</b>
<b>(d). Finance Costs</b>			
Interest on Loans		264	59
Charges on Finance Leases		-	5
<b>Total Finance Costs</b>		<b>264</b>	<b>64</b>

### Note 4. Asset Disposal and Fair Value Adjustments

#### Infrastructure, Property, Plant & Equipment

##### (i) Assets Renewed or Directly Replaced

Proceeds from Disposal	233	161
Less: Carrying Amount of Assets Sold	(2,072)	(3,380)
<b>Gain (Loss) on Disposal</b>	<b>(1,839)</b>	<b>(3,219)</b>

##### (ii) Assets Surplus to Requirements

Proceeds from Disposal	175	361
Less: Carrying Amount of Assets Sold	(149)	(385)
<b>Gain (Loss) on Disposal</b>	<b>26</b>	<b>(24)</b>

<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>	<b>(1,813)</b>	<b>(3,244)</b>
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## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 5. Current Assets

\$ '000	Notes	2016	2015
<b>(a). Cash &amp; Cash Equivalents</b>			
Deposits at Call		3,769	842
Cash on Hand at Bank		2,214	2,324
<b>Total Cash &amp; Cash Equivalents</b>		<b>5,983</b>	<b>3,166</b>
<b>(b). Trade &amp; Other Receivables</b>			
Rates - General & Other		1,309	1,257
GST Recoupment		279	506
Accrued Revenues		212	7
Prepayments		135	130
Council Rates Seniors Postponement Scheme		12	5
Loans to Community Organisations		3	3
Sundry		877	3,005
<b>Subtotal</b>		<b>2,815</b>	<b>4,913</b>
Less: Allowance for Doubtful Debts		(89)	-
<b>Total Trade &amp; Other Receivables</b>		<b>2,726</b>	<b>4,913</b>
Amounts included in receivables that are not expected to be received within 12 months of reporting date.			
Private Works		120	-
<b>(c). Inventories</b>			
Stores & Materials		6	13
Trading Stock - Quarries		3	2
<b>Total Inventories</b>		<b>9</b>	<b>15</b>

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 6. Non-Current Assets

\$ '000	Notes	2016	2015
<b>(a). Financial Assets</b>			
<b>Receivables</b>			
Loans to Community Organisations		18	21
<b>Total Financial Assets</b>		<b>18</b>	<b>21</b>
<b>(b). Equity Accounted Investments in Council Businesses</b>			
Adelaide Hills Regional Waste Management Authority	19	656	776
<b>Total Equity Accounted Investments in Council Businesses</b>		<b>656</b>	<b>776</b>
<b>(c). Other Non-Current Assets</b>			
<b>Other</b>			
Capital Works-in-Progress		2,081	2,404
<b>Total Other</b>		<b>2,081</b>	<b>2,404</b>
<b>Total Other Non-Current Assets</b>		<b>2,081</b>	<b>2,404</b>



Notes to and forming part of the Financial Statements  
for the year ended 30 June 2016

**Note 7a. Infrastructure, Property, Plant & Equipment**

	Fair Value Level	as at 30/6/2015				Asset Movements during the Reporting Period						as at 30/6/2016			
		At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
						New / Upgrade	Renewals								
\$ '000															
- Land - Community	3	64,005	-	-	64,005	789	-	(149)	-	-	-	64,635	-	-	64,635
- Land - Other	2	17,139	3,259	-	20,398	1,743	-	-	-	-	-	17,139	5,012	-	22,151
- Buildings & Other Structures	3	49,816	-	6,719	43,097	271	156	(240)	(379)	-	-	49,505	427	7,027	42,905
- Road Assets	3	198,216	12,086	41,510	168,792	2,222	3,464	(1,440)	(3,836)	-	12,931	227,434	-	45,302	182,132
- Wastewater	3	78,734	-	19,206	59,528	743	845	(37)	(1,050)	-	-	79,247	986	20,204	60,029
- Drainage	3	41,831	2,724	9,282	35,273	1,094	16	(0)	(522)	-	-	42,505	3,160	9,804	35,861
- Bridges	3	29,368	704	5,717	24,355	-	15	-	(339)	-	-	29,368	719	6,056	24,031
- Footpaths	3	19,362	-	3,336	16,026	558	258	(62)	(495)	-	-	19,579	471	3,765	16,285
- Recreation & Open Space	3	15,067	3,438	5,878	12,627	1,227	191	(82)	(578)	-	-	14,909	4,856	6,380	13,385
- Furniture, Plant & Equipment	3	-	8,492	4,359	4,133	-	1,041	(212)	(790)	-	-	-	7,910	3,738	4,172
- Recycled Water	3	12,366	-	571	11,795	-	28	-	(183)	-	-	12,367	28	754	11,641
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>525,904</b>	<b>30,703</b>	<b>96,578</b>	<b>460,029</b>	<b>8,647</b>	<b>6,015</b>	<b>(2,221)</b>	<b>(8,172)</b>	<b>-</b>	<b>12,931</b>	<b>556,688</b>	<b>23,569</b>	<b>103,030</b>	<b>477,227</b>
<b>Comparatives</b>		498,345	17,436	87,104	428,677	23,803	5,702	(3,766)	(7,971)	(855)	12,698	525,904	30,703	96,578	460,029

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

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\$ '000

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#### Valuation of Assets

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

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

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

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

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

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

#### Information on Valuations

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

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

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

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\$ '000

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#### Valuation of Assets (continued)

##### Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

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

##### Highest and best use

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

##### Transition to AASB 13 - Fair Value Measurement

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

##### Land & Land Improvements

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

Land - Level 2, Council officers applied the market approach for valuation of non specialised land, the market value was deemed to be as per the Valuer General values as at 30 June 2015 or where material valuation information inputs were available such as recent sales of similar land parcel this input was applied. Additions in the current year are held at cost.

Land - Level 3, Land which is subject to restriction for its use or sale. ie Community Land, etc or land where there is no active market such as Drainage Reserves or subject to Community Service Obligations. Land assets revaluation was undertaken by Council officers using the Valuer Generals values as at 30 June 2015.

##### Buildings & Other Structures

Council's Buildings and other structures were revalued at 30th June 2014 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use. The valuation technique applied was the depreciated replacement cost approach. The valuation has been indexed at 30th June 2015 based on the Rawlinson's 'Australian Construction Handbook 2015' estimated comparative rates for Adelaide. Unobservable inputs have been utilised and therefore these assets are classified as level 3.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

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\$ '000

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#### Valuation of Assets (continued)

##### Infrastructure

For the purpose of AASB 13 Fair value Measurement, Council has determined classes of infrastructure and level of fair value hierarchy to be Level 3. Level 3 inputs have been applied to these classes of assets as there are no relevant observable inputs (Markets) available and other unobservable inputs have been utilised such as estimates of useful lives, residual values and asset conditions. Therefore these assets are classified as level 3.

**Recreation and Open Space Assets** were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. The values have been adjusted based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide. All additions post 30 June 2013 are held at cost.

**Road Assets** were revalued as at the 30th June 2016 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Road infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors.

**Bridges Assets** were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Available Current prices for materials and labour, the value of each being based on recent experience of Mount Barker District Council, and benchmarked with Rawlinson's 'Australian Construction Handbook 2013' comparative rates for Adelaide. All additions post 30 June 2013 are held at cost.

**Footways Assets** were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Available Current prices for materials and labour, the value of each being based on recent experience of Mount Barker District Council, and benchmarked with Rawlinson's 'Australian Construction Handbook 2013' comparative rates for Adelaide. All additions post 30 June 2013 are held at cost.

**Wastewater Assets** were revalued as at the 30th June 2015 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Wastewater infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. All additions post 30 June 2015 are held at cost.

**Recycled Water Assets** were revalued as at the 30th June 2015 by an independent valuer Ashay Prabhu, MIE(Aust) CPEng, Assetic Pty Ltd. There were no assets valued where it was assumed that the highest and best use was other than its current use.

All Wastewater infrastructure assets were valued using Level 3 valuation inputs using the cost approach.

This approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. All additions post 30 June 2015 are held at cost.

**Drainage Assets** were valued by Council officers at depreciated current replacement costs during the reporting period ending 30 June 2013. Based on Rawlinson's 'Australian Construction Handbook 2013' estimated comparative rates for Adelaide.

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

##### Furniture, Plant & Equipment

These assets are recognised on a cost basis.

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 8. Liabilities

\$ '000	Notes	2016 Current	2016 Non Current	2015 Current	2015 Non Current
(a). Trade and Other Payables					
Goods & Services		1,911	-	2,070	-
Accrued Expenses - Employee Entitlements		1,562	-	1,417	-
Deposits, Retentions & Bonds		262	-	248	-
Accrued Expenses - Other		156	-	169	-
Payments Received in Advance		41	-	15	-
Total Trade and Other Payables		3,932	-	3,919	-
(b). Borrowings					
Loans		1,998	5,719	8,064	34
Total Borrowings		1,998	5,719	8,064	34
All interest bearing liabilities are secured over the future revenues of the Council					
(c). Provisions					
Employee Entitlements (including oncosts)		1,988	390	1,887	388
Future Reinstatement / Restoration, etc		-	-	211	-
Total Provisions		1,988	390	2,098	388



## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 9. Reserves

\$ '000	1/7/2015	Increments (Decrements)	Transfers	Impairments	30/6/2016
<b>(a). Asset Revaluation Reserve</b>					
- Road Assets	123,106	12,931	-	-	136,037
- Land - Community	50,271	-	-	-	50,271
- Buildings & Other Structures	35,628	-	-	-	35,628
- Wastewater	23,024	-	-	-	23,024
- Bridges	19,442	-	-	-	19,442
- Land - Other	10,569	-	-	-	10,569
- Footpaths	7,907	-	-	-	7,907
- Recreation & Open Space	6,594	-	-	-	6,594
- Drainage	5,706	-	-	-	5,706
- Recycled Water	2,700	-	-	-	2,700
<b>Total Asset Revaluation Reserve</b>	<b>284,945</b>	<b>12,931</b>	<b>-</b>	<b>-</b>	<b>297,877</b>
<b>Comparatives</b>	<b>273,103</b>	<b>11,842</b>	<b>-</b>	<b>-</b>	<b>284,945</b>
<b>(b). Other Reserves</b>					
Wastewater Maintenance Reserve	5,592	1,076	(3,583)	-	3,085
Indirect Developer Contributions	2,785	869	(752)	-	2,902
Infrastructure Fund	709	14	(17)	-	706
Refuse Reserve	695	188	-	-	883
Car Park Reserve	301	-	-	-	301
Open Space Development	238	-	-	-	238
MDPA Recreation & Open Space	131	26	-	-	157
Wastewater Infrastructure Fee	0	1,722	(230)	-	1,492
Other Reserves	881	-	-	-	881
<b>Total Other Reserves</b>	<b>11,331</b>	<b>3,894</b>	<b>(4,582)</b>	<b>-</b>	<b>10,643</b>
<b>Comparatives</b>	<b>14,330</b>	<b>6,332</b>	<b>(9,331)</b>	<b>-</b>	<b>11,331</b>

### PURPOSES OF RESERVES

#### Asset Revaluation Reserves

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

#### Wastewater Reserves

Wastewater maintenance reserve - Surplus Wastewater service charges raised for the specific purpose of establishing, operating, maintaining, improving and replacing (including by future capital works and depreciation of assets) as per Section 155 of the Local Government Act 1999, LGA Costing Principles for Local Government and ESCOSA Principles.

Wastewater Infrastructure fee reserve - Surplus Wastewater connection fee funds specifically for capital expansion of the Wastewater network.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 9. Reserves (continued)

\$ '000

#### Refuse Reserve

Surplus refuse service charges raised for the specific purpose of maintaining the Council's domestic rubbish collection requirement.

#### Infrastructure Reserve

A percentage of budgeted general rate for future Infrastructure which is reviewed by council on a annual basis.

#### Open Space Development

Capital grants from State Government and developers for the development of open space.

#### Car Park Reserve

Developers capital contribution for the purpose of car parking facilities.

#### Indirect Developer Contributions

Developers capital contribution for the development of infrastructure within Mt Barker precinct.

#### MDPA Recreation & Open Space Reserve

Developer contributions which contribute to Recreation, Sport and Community Infrastructure required due to growth within the 2010 Mount Baker Urban Growth DPA.

### Note 10. Assets Subject to Restrictions

\$ '000

Notes

2016

2015

The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

#### Cash & Financial Assets

##### Unexpended amounts received from Federal Government

Open Space Contributions	238	238
Developer Contributions	180	180
DPTI Open Space Bollen Land	-	500
DPTI State Bicycle Fund Shared Path	20	-
<b>Total Assets Subject to Externally Imposed Restrictions</b>	<b>438</b>	<b>918</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2016	2015
<b>(a). Reconciliation of Cash</b>			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	5,983	3,166
<b>Balances per Statement of Cash Flows</b>		<b>5,983</b>	<b>3,166</b>
<b>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
<b>Net Surplus/(Deficit)</b>		<b>4,921</b>	<b>7,521</b>
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		8,315	8,297
Equity Movements in Equity Accounted Investments (Increase)/Decrease		120	(4)
Non-Cash Asset Acquisitions		(3,457)	(6,728)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(2,672)	(3,391)
Net (Gain) Loss on Disposals		1,813	3,244
		<b>9,040</b>	<b>8,939</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		2,098	(2,288)
Change in Allowances for Under-Recovery of Receivables		(89)	-
Net (Increase)/Decrease in Inventories		6	245
Net (Increase)/Decrease in Other Current Assets		178	-
Net Increase/(Decrease) in Trade & Other Payables		(1)	(1,173)
Net Increase/(Decrease) in Unpaid Employee Benefits		103	178
Net Increase/(Decrease) in Other Provisions		(211)	211
<b>Net Cash provided by (or used in) operations</b>		<b>11,124</b>	<b>6,112</b>
<b>(c). Non-Cash Financing and Investing Activities</b>			
<b>Acquisition of assets by means of:</b>			
- Physical Resources Received Free of Charge	2i	3,457	6,728
<b>Amounts recognised in Income Statement</b>		<b>3,457</b>	<b>6,728</b>
<b>Total Non-Cash Financing &amp; Investing Activities</b>		<b>3,457</b>	<b>6,728</b>
<b>(d). Financing Arrangements</b>			
<b>Unrestricted access was available at balance date to the following lines of credit:</b>			
Corporate Credit Cards		150	150
LGFA Cash Advance Debenture Facility		13,010	10,510

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

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015	Actual 2016	Actual 2015
<b>\$ '000</b>										
Rates	25,101	23,735	1,795	1,479	23,307	22,256	12	86	-	-
Wastewater & Recycled Water	5,363	5,833	4,873	4,831	490	1,002	-	-	71,670	71,323
Field Services	1,856	1,492	7,265	7,093	(5,409)	(5,601)	1,272	1,047	258,309	244,450
Commercial Assets	831	1,293	907	1,699	(76)	(405)	9	31	-	15
Community & Customer Services	1,532	1,395	5,258	4,763	(3,727)	(3,369)	1,043	1,366	-	-
Corporate Services	516	1,263	1,430	1,997	(914)	(734)	33	106	8,736	8,873
Health & Public Safety	605	561	1,708	1,711	(1,103)	(1,150)	33	56	-	-
Planning Policy & Development	590	912	4,251	4,193	(3,662)	(3,281)	42	148	-	-
Infrastructure & Projects	304	21	1,930	1,798	(1,626)	(1,777)	14	52	-	-
Asset Management	53	43	6,668	6,380	(6,615)	(6,337)	45	53	149,985	146,663
Waste Management	2,955	2,901	3,017	2,858	(61)	43	-	-	-	-
<b>Total Functions/Activities</b>	<b>39,707</b>	<b>39,449</b>	<b>39,102</b>	<b>38,803</b>	<b>605</b>	<b>646</b>	<b>2,503</b>	<b>2,944</b>	<b>488,700</b>	<b>471,324</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 12b. Components of Functions

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\$ '000

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**The activities relating to Council functions are as follows:**

#### **RATES**

General, separate & other rates.

#### **CORPORATE SERVICES**

Chief Executive Officer, Information Communication & Technology, Financial Services, Records & Information Management, People & Culture, Governance & Administration.

#### **ASSET MANAGEMENT**

Asset Management, Contracts, Procurement & Depreciation of Assets.

#### **COMMUNITY & CUSTOMER SERVICES**

Visitor Information Centre, Library, Home & Community Care, Community Development, Family & Children, Customer Services, Hills Community Transport, Community Bus, Aged & Disabled Persons Homes, Marketing & Tourism.

#### **FIELD SERVICES**

Works Depot, Sanitary & Garbage, Street Cleaning, Refuse Management, Sealed & Unsealed Roads, Bridges, Footways, Traffic Management, Vandalism, Cemeteries, Parks & Gardens & Sporting Facilities. Property Management, Halls & Civic Centres, Public Conveniences, Fire Prevention & Stormwater.

#### **PLANNING & STRATEGIC DEVELOPMENT**

Planning Policy & Development Assessment, Building Act, Strategic Planning & Economic Development, Open Space.

#### **HEALTH & PUBLIC SAFETY**

Animal Control, Health Inspection, Immunisation, Impounding Livestock, Council By Laws & Parking.

#### **INFRASTRUCTURE & PROJECTS**

Project Management, Engineering, Major Capital Works.

#### **WASTEWATER**

Water Supply, Community Waste Water Schemes, Sewage & Recycled Water.

#### **COMMERCIAL ASSETS**

Monarto Quarries, Caravan Park & Pool.



## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 13. Financial Instruments

\$ '000

#### Recognised Financial Instruments

##### Bank, Deposits at Call, Short Term Deposits

##### Accounting Policy:

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

##### Terms & Conditions:

Deposits are returning fixed interest rates at an average interest rate of 1.96% (2015: 2.03%). Short term deposits are held either in LGFA or NAB at call deposit accounts.

##### Carrying Amount:

Approximates fair value due to the short term to maturity.

##### Receivables

##### Rates & Associated Charges

(including legals & penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

##### Accounting Policy:

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

##### Terms & Conditions:

Secured over the subject land, arrears attract interest of 7.25% (2015: 7.75%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

##### Carrying Amount:

Approximates fair value (after deduction of any allowance).

##### Receivables

##### Fees & Other Charges

##### Accounting Policy:

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

##### Terms & Conditions:

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

##### Carrying Amount:

Approximates fair value (after deduction of any allowance).

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 13. Financial Instruments (continued)

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\$ '000

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#### Recognised Financial Instruments

##### Receivables

##### Other Levels of Government

##### Accounting Policy:

Carried at nominal value.

##### Terms & Conditions:

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

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Creditors and Accruals

##### Accounting Policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

##### Terms & Conditions:

Liabilities are normally settled on 30 day terms.

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Interest Bearing Borrowings

##### Accounting Policy:

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

##### Terms & Conditions:

Secured over future revenues, Fixed borrowings are repayable by two instalments annually; interest is charged at a fixed rate of 4.75% (2015: 6.83%). Variable interest Cash advance loans are drawdown for short term cash requirements and are charged at a variable interest rate.

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Finance Leases

##### Accounting Policy:

Accounted for in accordance with AASB 117.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2016</b>					
<b>Financial Assets</b>					
Cash & Equivalents	5,983	-	-	5,983	5,983
Receivables	2,397	-	-	2,397	2,397
<b>Total Financial Assets</b>	<b>8,380</b>	<b>-</b>	<b>-</b>	<b>8,380</b>	<b>8,380</b>
<b>Financial Liabilities</b>					
Payables	3,891	-	-	3,891	3,891
Current Borrowings	1,998	-	-	1,998	1,998
Non-Current Borrowings	-	854	4,865	5,719	5,719
<b>Total Financial Liabilities</b>	<b>5,889</b>	<b>854</b>	<b>4,865</b>	<b>11,608</b>	<b>11,608</b>

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2015</b>					
<b>Financial Assets</b>					
Cash & Equivalents	3,166	-	-	3,166	3,166
Receivables	4,797	-	-	4,797	4,797
<b>Total Financial Assets</b>	<b>7,963</b>	<b>-</b>	<b>-</b>	<b>7,963</b>	<b>7,963</b>
<b>Financial Liabilities</b>					
Payables	3,904	-	-	3,904	3,904
Current Borrowings	8,064	-	-	8,064	8,064
Non-Current Borrowings	-	34	-	34	34
<b>Total Financial Liabilities</b>	<b>11,968</b>	<b>34</b>	<b>-</b>	<b>12,002</b>	<b>12,002</b>

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

	30 June 2016		30 June 2015	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	4.22%	1,775	4.25%	8,000
Fixed Interest Rates	4.76%	5,942	6.83%	98
		<b>7,717</b>		<b>8,098</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.

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 13. Financial Instruments (continued)

\$ '000

#### Risk Exposures

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

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

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

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

### Note 14. Commitments for Expenditure

\$ '000

Notes

2016

2015

#### (a). Capital Commitments

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

Infrastructure	3,342	688
Furniture, Plant & Equipment	21	216
Recreation	1,500	-
	<b>4,863</b>	<b>904</b>

**These expenditures are payable:**

Not later than one year	4,863	904
	<b>4,863</b>	<b>904</b>

#### (b). Finance Lease Commitments

Council has no Finance Leases.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 15. Financial Indicators

\$ '000	Amounts 2016	Indicator 2016	Prior Periods	
			2015	2014

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

#### 1. Operating Surplus Ratio

Operating Surplus	605	1.52%	1.64%	-0.23%
Total Operating Revenue	39,707			

*This ratio expresses the operating surplus as a percentage of total operating revenue.*

#### 1a. Adjusted Operating Surplus Ratio

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. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.

	605	1.52%	-0.01%	-0.23%
	39,707			

#### 2. Net Financial Liabilities Ratio

Net Financial Liabilities	5,300	13.35%	16.23%	1.20%
Total Operating Revenue	39,707			

*Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.*

#### 3. Asset Sustainability Ratio

Net Asset Renewals	5,756	88.65%	95.88%	97.23%
Infrastructure & Asset Management Plan required expenditure	6,493			

*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.*



## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 15. Financial Indicators - Graphs (continued)

<div><div>1. Operating Surplus Ratio</div><div><div>Ratio %</div><div><div><div><div>3%</div><div>2%</div><div>1%</div><div>0%</div><div>-1%</div><div>-2%</div></div><div><div>2013</div><div>2014</div><div>2015</div><div>2016</div></div><div><div>0.24%</div><div>-0.23%</div><div>1.64%</div><div>1.52%</div></div></div></div></div></div>	<div><div>Purpose of Operating Surplus Ratio</div><div><div>This indicator is to determine the percentage the operating revenue varies from operating expenditure</div></div></div>	<div><div>Commentary on 2015/16 Result</div><div><div>2015/16 Ratio1.52%</div></div><div><div>Council's strategy in providing for the operating result is to allow for surplus funds equivalent to budgeted annual loan repayments plus any additional exceptional funding commitments e.g Roads to Recovery additional payments.</div></div></div>
<div><div>1a. Adjusted Operating Surplus Ratio</div><div><div>Ratio %</div><div><div><div>2%</div><div>1%</div><div>0%</div><div>-1%</div><div>-2%</div></div><div><div>2013</div><div>2014</div><div>2015</div><div>2016</div></div><div><div>0.24%</div><div>-0.23%</div><div>-0.01%</div><div>1.52%</div></div></div></div></div>	<div><div>Purpose of Adjusted Operating Surplus Ratio</div><div><div>This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure</div></div></div>	<div><div>Commentary on 2015/16 Result</div><div><div>2015/16 Ratio1.52%</div></div><div><div>Cessation of the one year forward payment by the Federal Government of the Financial Assistance Grants means that the adjustment only effects 2015 Operating Surplus Ratio.</div></div></div>
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## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 16. Uniform Presentation of Finances

\$ '000	2016	2015
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	39,707	39,449
less Expenses	(39,102)	(38,803)
<b>Operating Surplus / (Deficit)</b>	<b>605</b>	<b>646</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	5,991	5,332
less Depreciation, Amortisation and Impairment	(8,315)	(8,297)
less Proceeds from Sale of Replaced Assets	(233)	(161)
<b>Subtotal</b>	<b>(2,557)</b>	<b>(3,126)</b>
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	5,034	13,726
less Amounts Received Specifically for New and Upgraded Assets	(2,672)	(3,391)
less Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	(175)	(361)
<b>Subtotal</b>	<b>2,187</b>	<b>9,974</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>975</b>	<b>(6,202)</b>

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2016

### Note 17. Operating Leases

\$ '000	2016	2015
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Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

#### Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of Plant and Equipment & Property

#### Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Not later than one year	516	666
Later than one year and not later than 5 years	33	548
Later than 5 years	-	-
	<b>549</b>	<b>1,214</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 18. Superannuation

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\$ '000

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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 2015/16; 9.50% in 2014/15). 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 2014/15) 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, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. 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.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 19. Interests in Other Entities

\$ '000

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

	Council's Share of Net Income		Council's Share of Net Assets	
	2016	2015	2016	2015
Regional Subsidiaries	(120)	4	656	776
<b>Total</b>	<b>(120)</b>	<b>4</b>	<b>656</b>	<b>776</b>

#### (i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

##### (a) Carrying Amounts

Name of Entity	Principal Activity	2016	2015
Adelaide Hills Regional Waste Management Authority	Waste Management	656	776
<b>Total Carrying Amounts - Joint Ventures &amp; Associates</b>		<b>656</b>	<b>776</b>

##### (b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity	
	2016	2015	2016	2015
Adelaide Hills Regional Waste Management Authority	30%	28%	36%	35%

##### (c) Movement in Investment in Joint Venture or Associate

	Adelaide Hills Regional Waste Management Authority	
	2016	2015
Opening Balance	776	772
Share in Operating Result	(120)	4
<b>Council's Equity Share in the Joint Venture or Associate</b>	<b>656</b>	<b>776</b>

### Note 20. Non-Current Assets Held for Sale & Discontinued Operations

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



## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

#### 1. LAND UNDER ROADS

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

At reporting date, Council controlled 808 km of road reserves of average width 20 metres.

#### 2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

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

#### 3. LEGAL MATTERS

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 1 appeal against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

#### 4. CONTINGENT LIABILITY - REGIONAL SUBSIDIARY

Mount Barker District Council is a member of the Adelaide Hills Regional Waste Management Authority. The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge

The Authority has disclosed in their Audited financial statements the following contingent liability:

"The Authority as at 30 June 2016 is a defendant in Supreme Court proceedings in which it is asserted that the Authority made misleading representations at the time that it transferred its interests in the Hartley Landfill to a third party. The Authority is defending the claim and legal costs will continue to be incurred. The claim for damages is approximately \$2.42 million. The Authority's legal advisors have stated the claim is denied and has been "fully defended"

Mount Barker District Councils share of this liability is restricted to its ownership share of the Authority (refer Note 19) as at 30 June 2016 this was reported as 36%.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2016

### Note 22. Events after the Balance Sheet Date

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Events that occur after the reporting date of 30 June 2016, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Accordingly, the "authorised for issue" date is 20/10/16.

**Council is unaware of any material or significant "non adjusting events" that should be disclosed.**

### Note 23. Equity - Retained Earnings and Revaluation Reserves Adjustments

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#### Correction of Error/s relating to a Previous Reporting Period

##### **Correction of errors disclosed in this year's financial statements:**

A correction has been retrospectively applied to opening balances of the 2014-15 financial reporting period due to the recognition of land & buildings that had mistakenly not previously been recorded. This resulted in an adjustment to the opening balances of Asset Revaluation Reserves, and Infrastructure, Property, Plant & Equipment of \$1.74m.

**In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.**



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## INDEPENDENT AUDITOR'S REPORT TO THE PRINCIPAL MEMBER OF MOUNT BARKER DISTRICT COUNCIL

### Report on the Financial Report

We have audited the accompanying financial report of Mount Barker District Council ("the Council"), which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the certification of the financial statements by the Chief Executive Officer and the Principal Member of the Council.

### Council's Responsibility for the Financial Report

The Council's officers are responsible for the preparation of the financial report in accordance with Australian Accounting Standards, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal controls as the Council's officers determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council's officers, as well as evaluating the overall presentation of the financial report.

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



### Opinion

In our opinion the financial report of Mount Barker District Council presents fairly, in all material respects, the Council's financial position as at 30 June 2016 and its financial performance for the year ended on that date in accordance with Australian Accounting Standards, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

A handwritten signature in blue ink, appearing to read 'G K Edwards'.

**BDO Audit Partnership (SA)**

A handwritten signature in blue ink, appearing to read 'G K Edwards'.

G K Edwards  
Partner

Adelaide, 20 October 2016



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## INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF MOUNT BARKER DISTRICT COUNCIL

We have audited the compliance of Mount Barker District Council (the Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2015 to 30 June 2016 have been conducted properly and in accordance with law.

### The Council's Responsibility for the Internal Controls

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

### Our Responsibility

Our responsibility is to express a conclusion on the Council's compliance with Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law in all material respects,. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements, issued by the Australian Auditing and Assurance Standards Board, in order to provide reasonable assurance that, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2015 to 30 June 2016. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies. Our procedures included assessing the controls of the Council based on the criteria in the Better Practice Model—Internal Financial Controls, specifically:

1. Obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities
2. Evaluating management's assessment of these controls
3. Assessing the risk that a material weakness exists
4. Testing and evaluating the design and implementation of controls on a sample basis based on the assessed risk

These procedures have been undertaken to form a conclusion as to whether the Council has complied in all material respects, with the Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, for the period 1 July 2015 to 30 June 2016.





### **Inherent Limitations**

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

The conclusion expressed in this report has been formed on the above basis.

### **Independence**

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

### **Conclusion**

In our opinion, the Council has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law for the period 1 July 2015 to 30 June 2016.

A stylized signature of the BDO firm, written in blue ink.

**BDO Audit Partnership (SA)**

A handwritten signature in blue ink, appearing to read 'G K Edwards'.

G K Edwards  
Partner

Adelaide, 20 October 2016

## General Purpose Financial Statements for the year ended 30 June 2016

### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Mount Barker District Council for the year ended 30 June 2016, the Council's Auditor, BDO Audit Partnership (SA) 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*.



Andrew Stuart  
**CHIEF EXECUTIVE OFFICER**



Michael Bails  
**PRESIDING MEMBER, AUDIT COMMITTEE**

**Date:** 17/10/2016



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Level 7, BDO Centre  
420 King William Street  
Adelaide SA 5000  
GPO Box 2018, Adelaide SA 5001  
AUSTRALIA

## CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of Mount Barker District Council for the year ended 30 June 2016, 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.

A handwritten signature in blue ink, appearing to read 'G K Edwards'.

G K Edwards  
Partner

**BDO Audit Partnership (SA)**

Adelaide, 20 October 2016



# Regional Subsidiary Annual Reports







## Southern & Hills Local Government Association

Adelaide Hills, Alexandrina, Barossa, Kangaroo Island, Mt Barker, Victor Harbor and Yankalilla



# ANNUAL REPORT 2015-2016



THE SEVEN COUNCILS OF THE SOUTHERN & HILLS REGION 2015-2016



**Regional Population in excess of 140,800**



**Total operating revenue of the Regional Councils in excess of \$203,000,000**



**Total area of 9,658 km<sup>2</sup>**



**Total Road network of 7,274 kilometres**

### About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of seven (7) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- The Barossa Council
- Kangaroo Island Council
- District Council of Mt Barker
- City of Victor Harbor
- District Council of Yankalilla

Collectively these seven (7) Councils have:

- ☑ More than 140,800 people as at 30<sup>th</sup> June 2015.
- ☑ 7,274 kilometres of local roads of which 2,585 are sealed, 4,440 are formed unsealed and the remaining 249 are unformed.
- ☑ Area consists of 9,658 square kilometres.
- ☑ An ocean coastline of 653 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$3 billion in gross value to the State economy in 2006/07 or 4.4% of gross state product.
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Barossa Valley, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

Southern &amp; Hills Local Government Association

Annual Report 2015 - 2016

**Office Bearers 2015 – 2016**

President	Mayor Bill Spragg, Adelaide Hills Council (Feb 15-
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Deputy President	Mayor Keith Parkes, Alexandrina Council (Feb 15-
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Executive Officer	Mr Graeme Martin
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Auditor	Mr Trevor Hirth, FCA, HLB Mann Judd
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Elected under the provisions of the Constitution of the Local Government Association

Delegates to LGA Board	Mayor Ann Ferguson Mayor Bill Spragg
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Proxy Delegate to LGA Board	Mayor Keith Parkes, Alexandrina Council
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Delegates to SAROC	Mayor Ann Ferguson Mayor Bill Spragg Mr Graeme Martin
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Proxy Delegate to SAROC	Mayor Keith Parkes, Alexandrina Council
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### **President's Forward**

The 2015-2016 year has been one of consolidation for the Southern and Hills Local Government Association.

The 2015-2016 year has seen our energies devoted to the core business of the continuing work of the existing Roads Working Party and the 2020 Transport Plan review, the continuing work to monitor the very comprehensive S&HLGA Regional Public Health plan, working very closely with the RDA to complete the region's Climate Change Adaptation Plan and Regional Infrastructure Plan and maintaining and reviewing key strategy and performance documents such as the Annual Action Items and Annual Budget.

As in the past once again the key to our future success will be in our continued collegiate co-operation and development of efficient shared services particularly in the face of continuing economic headwinds at regional, state and national level. Ensuring financial sustainability for the region's Councils and developing key quantitative and qualitative criteria around this issue is a main focus going forward.

We have continued to build our strong relationship with our peak representative body the LGA (SA) as it undergoes a full governance and organisational review and the State Government's Office of Local Government. We have partnered with our regional economic development organisation, Regional Development Australia as well as PIRSA and the Natural Resource Management Boards as we continue to confront the many impacting regional issues.

Sadly we will be saying farewell to Barossa Council as its membership of the Southern and Hills LGA has expired.

Thank you to our Executive Officer, Graeme Martin for his continued support and commitment.

In closing, I once again thank all the member councils for their support, and the ongoing contribution of member Mayors and CEOs.

**Mayor Bill Spragg**  
**President**





## The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain first hand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

28 August 2015	–	Victor Harbor
23 October 2015	-	Adelaide Hills
11 December 2015	-	Mt. Barker
26 February 2016	-	Kangaroo Island
22 April 2016	-	Adelaide Hills
1 July 2016*	-	Alexandrina (17 June deferred to 1 July)

Key Issues acted on by the Board included:

- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to review the Regional Roadmap, develop the regional Infrastructure Plan, the regional China Engagement strategy, the regional Climate Change Adaptation project and a regional workplan in partnership with PIRSA. The S&HLGA and the RDA partnered in the first "Discover Mayo" event in Canberra showcasing the region represented by the federal seat of Mayo.
- o Continued working with the LGA and the lobbying on the review of the business plans, administrative fee and levy proposals of the Natural Resource Management Boards, continuing lobbying for a more balanced & nationally consistent approach to planning, regulation for rural and regional road safety & speed limits, continuing the development of a balanced and consistent policy approach to Council sustainability, finances and rate revenue in the face of the call for a State Rate Capping policy, negotiating a suitable rebate package for Councils impacted by the Rubble Royalties policy as well as roadside vegetation management and the impacts of the Emergency Services levy hikes.
- o Monitoring and implementing the S&HLGA Regional Public Health Plan.
- o Input into the LGA response to the SA State Government Planning Reform project.
- o Completed the updating of the Roads Database component of the regional 2020 Transport Plan and continued the comprehensive review of the Regional Transport Plan including the adoption of the success fee policy on SLRP funding.
- o Developing key quantitative and qualitative criteria for Council sustainability
- o Updating and maintaining of the S&HLGA Website and developing new promotional material.

Regional Consultations and briefings were coordinated to occur on the day of Board meetings. 11 various speakers addressed meetings of the Board.

In addition the CEO's group conducted several of their meetings in the morning preceding the Board meeting.

The Board reviewed its achievements to date and developed a new Action Plan for 2015-2016

At the conclusion of the period 2015-2016 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance.

### **S&HLGA Roads Working Party**

The Working Party, with membership drawn from directors /managers of technical services of Councils and regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure held its annual meeting in March to review the S&HLGA 2020 Transport Plan (Plan) Roads database priority summary list and to make recommendations on regional priorities for the Special Local Roads Program (SLRP). The work of the committee included:

- Co-ordinate the annual review of HDS Australia Pty Ltd's summary assessment and update of the 2020 Transport Plan Roads Database.
- Co-ordinated and supported the application process of Councils to the SLRP.
- The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2016 – 2017
  - Ocean Road – City of Victor Harbor, Requested Grant \$636,000
  - Waitpinga Road - City of Victor Harbor, Requested Grant \$200,000
  - Nine Mile Road – Alexandrina Council, Requested Grant \$900,000

### **CWMS Group**

The S&HLGA Community Waste Water Management Systems (CWMS) User group has been formally constituted with member establishment levies set comprising a base rate plus a percentage based on the number of connections.

Following on the Essential Services Commission of SA (ESCOSA) to review Water Industry reform and the implications of the Water Industry Act 2012, The S&HLGA Council CEO group has been reviewing options for CWMS assets in light of:

- The risk factors and increasingly time and resource consuming compliance regime associated with this critical asset management.
- The opportunity for regional scale
- Continued investment interest from the private sector.

This work will be a regional priority and a particular focus for the CEO group which should continue during the following years along with the recommendations for CWMS owners to seek and implement best practices and efficient maximum return operations.

**Regional Papers and Submissions**

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- To the LGA on behalf of the S&HLGA region – Discussion paper on alternative LGA and Regional organisation relationship model

**Task Force and Working Groups**

The S&HLGA EO was a member of the following Task Force and Working Groups during the course of the year:

- Regional LGA CEOs group.
- 2020 S&HLGA 2020 Transport Review task force.
- Implementation and Monitoring of the S&HLGA Regional Public Health Plan
- The Climate Change Adaptation Plan for the region (Resilient Hills & Coast)

**Workshops and seminars**

The Executive officer represented the member Councils at various workshops and seminars during the course of the year:

- LGA Regional Collaboration Partnerships Workshop
- China Outward mission - Shandong LG Working Group
- LGA Managing Waste Assets
- SA Health / LGA Public Health Conference
- LGA/RO/DPTI Regional Transport & Infrastructure Service Delivery
- Regional Tourism organisations review
- Expert Panel Planning Reform workshop
- LGA Procurement forum
- LGA Rate Capping Forum

## **SAROC**

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

- Continuing lobbying and input into the ongoing review of the business plans, administrative fee and levy proposals of the Natural Resource Management Boards
- Continuing lobbying for a more balanced & nationally consistent approach to planning, regulation for rural and regional road safety & speed limits
- Lobbying and continuing the development of a balanced and consistent policy approach to Council sustainability, finances and rate revenue in the face of the call for a State Rate Capping policy.
- Further Development of a Mining Engagement Protocol and implementation of a pilot program
- Lobbying on Emergency Services Levy impacts
- Input into the LGA submissions on Planning Reform

## **LGA Board**

Mayor Ann Ferguson (Mt Barker) along with Mayor Bill Spragg (Adelaide Hills Council) have represented the Southern and Hills Region at the Local Government Association State Board meetings as the region's Delegates. Alexandrina Mayor Keith Parkes has acted as proxy delegate.

## **Resources**

The continuation of the capacity building grant from the Local Government Research and Development Scheme and the new Outreach Grant has improved the capacity of the Executive Officer that has been applied across a range of Association activities during the year.

Part of the additional capacity has supported the administrative processes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC, the regional EO group, the regional working groups and various reports, submissions and forums throughout the year.

Mr Graeme Martin, Director of Grange Advisors Pty Ltd has provided Executive Officer services to the Association under a contract services agreement for the period 2015 - 2016.

**Acronyms**

AMLRNRM.....	Adelaide and Mt Lofty Ranges Natural Resources Management Board
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEWNR.....	Department of Environment, Water & Natural Resources
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
LGA.....	Local Government Association
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RDA.....	Regional Development Australia
SAROC.....	South Australian Regional Organisation of Councils
SEB.....	Significant Environmental Benefits
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program



**Southern & Hills Local Government Association  
Past Presidents and Secretaries / Executive Officers**

<b>Years</b>	<b>President</b>	<b>Council</b>	<b>Secretary / EO</b>
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg <sup>f</sup>	Adelaide Hills Council	Graeme Martin
	Mayor Ann Ferguson	DC Mount Barker	
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler <sup>d</sup>
			Graeme Martin <sup>e</sup>
2010 - 2011	Mayor Ann Ferguson <sup>c</sup>	DC Mount Barker	Fred Pedler <sup>b</sup>
	Mayor Brian Hurn OAM	The Barossa Council	
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler <sup>b</sup>
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler <sup>b</sup>
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler <sup>b</sup>
2002 - 2003	Mayor John Crompton <sup>a</sup>	City of Victor Harbor	Fred Pedler <sup>b</sup>
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler <sup>b</sup>
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler <sup>b</sup>
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 <sup>th</sup> July 1969	First Constitution for S&HLGA Adopted		

Attendance register maintained for annual and half yearly conferences from 1968 to 1990

<sup>a</sup> Until 12<sup>th</sup> May 2003

<sup>b</sup> Executive Officer

<sup>c</sup> From February 2011

<sup>d</sup> To December 2011

<sup>e</sup> From January 2012

<sup>f</sup> From February 2015

Southern &amp; Hills Local Government Association

Annual Report 2015 - 2016

**SUMMARY FINANCIAL STATEMENTS****For the Year Ending 30<sup>th</sup> June 2016**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>		
Subscriptions	84,037	107,235
Operating Grants	38,726	88,395
Investment Income	2,384	1,829
Other	323	28,282
Total Income	125,470	225,650
<b>Expenditure</b>		
Contractual Services	146,025	164,320
Finance Charges	3,126	3,121
Other	15,729	14,135
Total Expenditure	164,880	181,576
<b>Surplus (Deficit) from Operations</b>	<b>(39,410)</b>	<b>44,074</b>
	<b>\$</b>	<b>\$</b>
<b>Current Assets</b>		
Investments	69,597	107,772
Debtors	0	4,118
Total Current Assets	69,597	111,890
<b>Current Liabilities</b>		
Accounts Payable	20,062	22,945
Total Current Liabilities	20,062	22,945
<b>Net Current Assets</b>	<b>49,535</b>	<b>88,945</b>
<b>Net Assets</b>	<b>49,535</b>	<b>88,945</b>
<b>Equity</b>		
Accumulated Surplus	49,535	88,945
<b>Total Equity</b>	<b>49,535</b>	<b>88,945</b>



# **SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

## **Constituent Councils**

Adelaide Hills Council  
Alexandrina Council  
The Barossa Council  
Kangaroo Island Council  
District Council of Mount Barker  
City of Victor Harbor  
District Council of Yankalilla

## **S&HLGA KEY ACTION PLAN**

### **2015 - 2016**

Address:  
Telephone:  
Mobile:  
Email:  
Web Site:

13 Ringmer Dr. Burnside, South Australia 5066  
(08) 7122 4348  
0418 502 311  
graeme@shlga.sa.gov.au  
www.shlga.sa.gov.au

The Business Plan 2013 – 2017 has been prepared in accordance with Clause 18 of the Charter, and to comply with Clause 24 of Schedule 2 of the Local Government Act 1999, was adopted on 21 June 2013. The Business Plan should be read in conjunction with the Budget of each of the Financial Years covered by the plan. These provide the resources for the Plan.

An Annual Key Action Plan is prepared based on a framework of the Business Plan that incorporates the Key Issues identified by the Councils and the Executive Officer in various Board meetings and forums during the preceding period. The Key Action Plan is the framework for review and reporting against the Business Plan.

This report format will facilitate the reviews required by Clause 18.3 of the Charter to be conducted by the Board during the course of the year.

The Executive Officer will report to Ordinary Board meetings against the following criteria

1. To keep maintained the business office of the Authority
2. To prepare the Business Plan, Budgets and reports in a timely manner
3. To liaise with Councils, and Stakeholders to foster the outcomes of the Business Plan
4. To attend all meetings of the Authority, to prepare agendas, minutes and correspondence as required.

AND against recognised and documented success indicators (Key Performance Outcome KPO, Key Performance Indicator, KPI).

Business Plan	Action Plan 2015 - 2016		Success Indicators Action Plan 2015-2016		Achievements
	Key Actions	Performance Targets	KPO	KPI	
1. To provide leadership and advocacy for Member Councils on regional issues.	<p>Bi-Monthly Meetings to focus on Local Government issues that support Councils to achieve their Business Plan outcomes by:</p> <ul style="list-style-type: none"> <li>Meetings to include presentations, workshops and forums on Key Issues</li> </ul> <p>Respond as necessary to State and Federal Government Policies which impact on the region</p>	<p>Strategies that give priority to S&amp;HLGA issues</p> <p>Satisfaction data on the meeting format, speakers</p> <p><input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/></p>	To maintain a vibrant responsive format for the S&HLGA Board	Key issues are addressed and format of meetings constantly meet the needs of the Association's members.	1. ABS 2014-2015 survey on Energy, Water & Environment Oct 2015
2. To promote & market the Southern & Hills Local Government Association	<p>Ensure the new website is current and marketed appropriately</p> <p>To provide sound financial management and manage resources effectively</p>	<p><input checked="" type="checkbox"/> Update the website as required and review</p> <p><input checked="" type="checkbox"/> To prepare annual Budget and review as required</p> <p><input checked="" type="checkbox"/> Oversee Annual Audit</p>	Maintain an informative, current and appealing S&HLGA website	Budget is maintained and reports meet timelines. Objectives and actions within Business Plan have been addressed to meeting agreed to timelines.	1. Incorporating changes to Mt Barker name
			To manage the financial affairs within budget and to prepare reporting within the required timeframes. Business Plan objectives and actions are addressed.		1. Annual External Audit commenced July 2015 2. Annual Report completed and distributed Sept 2015 3. Mid year Budget Review completed Feb 2016 4. Draft 2016-2017 Budget issued 9 May 2016



Southern & Hills Local Government Association				Key Action Plan 2015 – 2016	
Business Plan	Action Plan 2015 - 2016		Success Indicators Action Plan 2015-2016		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI	
	<div>Regular CEO's meetings</div> <div><div><div>○</div><div>CEO's to inform EO of issues for each meeting</div></div><div><div>○</div><div>Stakeholders to inform EO of issues for each meeting</div></div><div><div>○</div><div>Strengthen interaction with State government and opposition MP's</div></div></div>	<div><div><div><input checked="" type="checkbox"/></div><div>Maintain the CEO's forum</div></div></div>	<div>Management of key stakeholder relationships with the S&amp;HLGA Board</div>	<div>CEO meeting recommendations and feedback.</div> <div>Key Stakeholder feedback and Board satisfaction</div>	<div>1. Meetings with KI Commissioner 7/9/15, 12/2/16 to discuss regional issues and priorities</div> <div>2. Meeting with NRM Strategy &amp; Planning 18/3</div>
	<div>Regional issues to be raised with LGA through SAROC</div>	<div><div><div><input checked="" type="checkbox"/></div><div>Number of issues raised with LGA / SAROC / Agencies</div></div><div><div><input checked="" type="checkbox"/></div><div>Number of LGA/SAROC Task groups and Committees involved in</div></div></div>			<div>1. NRM report to SAROC 27/1/16</div> <div>2. LGA Regional Organisations Funding Discussion Paper Dec 2015</div>

Business Plan	Action Plan 2015 - 2016	Success Indicators Action Plan 2015-2016	Achievements
Objective	Key Actions	Performance Targets	KPI
3. To support sustainable economic, environmental, & social development in the region	<p><b>Environment</b></p> <p>Liaise with the regions NRM's</p> <ul style="list-style-type: none"> <li>Actively participate in the regional Climate Change Vulnerability Assessment and/or Climate change adaptation study</li> <li>Actively support the region's position in the LGA review of the current NRM model and NVC SEB offset review</li> </ul> <p><input checked="" type="checkbox"/> Regional study report presented to S&amp;HLGA Board</p> <p><input checked="" type="checkbox"/> SAROC/LGA Reports/Papers produced</p>		<p>1. RDA Climate Change workshops 28/7/15, 6/10/15, 2/2/16</p> <p>1. S&amp;HLGA - NRM Forum 22 April 2016 Levy collection issues</p>
	<p><b>research</b></p> <p>Explore (with the LGA) research and /or pilot programs for the Region.</p> <p><input checked="" type="checkbox"/> Successful Research or funding applications or projects facilitated in the region</p>		<p>1. PIRSA Functional &amp; Luxury Foods seminar 8/9/15</p>
	<p><b>Health</b></p> <p>Complete all compliance requirements of the regional Health Plan in accordance with the State Public Health Plan</p> <p><input checked="" type="checkbox"/> Completed reporting and monitoring implementation aspect of the Regional Health Plan</p>	Reports lodged with SA Health	<p>1. Regional Public Health Plan completed and lodged with SA Health 1/7/15</p> <p>2. Regional Public Health plan nominated in LG Professionals 2016 leadership awards</p> <p>3. LG Public Health Forum 9 May 2016</p>

## Key Action Plan 2015 – 2016

## Southern &amp; Hills Local Government Association

Business Plan	Action Plan 2015 - 2016		Success Indicators Action Plan 2015-2016		Achievements
	Key Actions	Performance Targets	KPO	KPI	
<b>Objective</b>	<b>Regional Development</b> Support the RDA in all regional economic issues and projects	<input checked="" type="checkbox"/> Regular meetings with the RDA <input checked="" type="checkbox"/> RDA reports to the Board against the agreed KPIs <input checked="" type="checkbox"/> Successful joint Regional funding application		Key Stakeholder feedback and Council satisfaction	1. RDA meeting with Bob Goreing to map next steps Regional Infrastructure Plan 3/8/15 2. Assisted planning & setup and attended the Discover Mayo event in Canberra 11/8/15 3. RDA Boundary adjustment review – Onkaparinga request 2/11/15  1. Successful RDA/S&HLGA Regional funding package achieved

## Southern &amp; Hills Local Government Association

## Key Action Plan 2015 – 2016

Business Plan	Action Plan 2015 - 2016		Success Indicators Action Plan 2015-2016		Achievements
Objective	Key Actions	Performance Targets	KPO	KPI	
4. To improve infrastructure to meet the community's needs.	<b>Transport</b> Continue to manage the S&HLGA Road Works committee and the 2020 Transport Plan.	<input checked="" type="checkbox"/> 2016/2017 SLRP funding applications assessed and submitted	Roads Database Report is updated and meeting critical timelines. This provides a reference for the SLRP and other Road and infrastructure recommendations for funding		1. Extra SLRP funds EOI with LGA 28/7/15 2.HDS/S&HLGA regional drive to review key regional freight routes 10/3/16 3. RWP meeting 1/4/16 to discuss SLRP applications for 16/17 funding round 4. 2016-2017 SLRP applications lodged 30/4/2016
	<b>Waste/Water</b> Activate the CWMS user group	<input checked="" type="checkbox"/> Documented CWMS meetings and outcomes	The updated 2020 Transport Study provides the basis of a regional infrastructure plan.		
	Support the LGA review of waste levy management and projects and participate in discussions of the creation of a post zero waste entity	<input checked="" type="checkbox"/> Waste management issues and progress reported to the Board			
	<b>Telecommunication</b> Monitor regional NBN rollout & continue to lobby for equitable access for the region for digital technology including broadband upgrades and mobile coverage			Completed Blackspot submissions and NBN requests	
					1. Meeting with CWMS/Water Utilities Group 9/7/15,16/7/15,28/8/15,19/11/15  1. Waste Management stakeholder engagement meeting Chris Colby 2/11/15 2. Successfully recommended LGA monitor and report on Alexandrina move to fortnightly bin collection  1. Mobile Black Spot regional priorities advised to LGA April 2016

## Southern &amp; Hills Local Government Association

## Key Action Plan 2015 – 2016

Business Plan	Action Plan 2015 - 2016		Success Indicators Action Plan 2015-2016		Achievements
	Key Actions	Performance Targets	KPO	KPI	
5. <i>To strengthen the capacity of the Association to meet its service obligations.</i>	The Executive Officer to work with the Council CEO's, LGA and Key Stakeholders to explore identified opportunities to share resources that will build capacity in the region and its networks	<input checked="" type="checkbox"/> LGA Regional Capacity Building Grant successfully applied for			1. 2014-2015 LGA Regional Capacity Grant acquitted 13/7/15 2. 2015-2016 LGA Regional Capacity Grant invoiced & received 14/7/15
	Continue to Review the membership base of the S&HLGA and explore the possibility of a Peri Urban Region or identify additional members	<input checked="" type="checkbox"/> Joint S&HLGA and Central Region LGA approach for assistance & funding on an organisational review and investigation of a peri-urban region	Project Assistance & Funding identified & successfully obtained.  Issues have been identified, investigations into a Peri Urban Region has been completed and reported back to the LGA, S&HLGA & Central Regions, including recommendations.		1. Potential Onkaparinga membership to the S&HLGA canvassed May 2016
	Benchmark and review the Long term financial sustainability of Councils including future growth trends, alternative revenue options and optimal size and boundaries	<input checked="" type="checkbox"/> Workshop participation and Progress and Outcome Reports to the Board  <input checked="" type="checkbox"/> Project management with the LGA of the Fleurieu Futures Project	Key Stakeholder feedback and Council satisfaction		1. Fleurieu Futures/Regional Collaboration and partnerships Advisory Service Workshops 6/8/15, 30/10/15, 13/1/15, 1/12/15 2. Feb 2016 Tenders received for FFP lead Consultant 3. LKS Quaero appointed FFP lead March 2016

## Southern &amp; Hills Local Government Association

## Key Action Plan 2015 – 2016

Business Plan	Action Plan 2015 - 2016		Success Indicators Action Plan 2015-2016		Achievements
	Key Actions	Performance Targets	KPO	KPI	
Objective	Manage S&HLGA Local Government compliance obligations in 2015-2016	<input checked="" type="checkbox"/> Input into Local Government Act review and proposed amendments  <input checked="" type="checkbox"/> Complete Charter Review	Revised Charter approved and published		1. Input into Audit Committee exemptions for LGA regional Organisations
	Partner LGA in efforts to progress action on Pensioner rate concessions, Supplementary Road Funding, Financial Assistance Grants indexing	<input checked="" type="checkbox"/> Participate in SAROC/LGA task groups, reports and negotiations			1. Regional Officer input into review of LGA Capacity Grant and Outreach Grant renewals and redistribution of Rubble Royalties rebate.
	Lead the Region in action on a review of FAGs methodology to better incorporate temporary population impact	<input checked="" type="checkbox"/> Number of presentations, workshops and submissions			

[https://d.docs.live.net/d2076c4f3b047043/documents/shlga/admin/annual report/2015-2016/s\11110h1ga key action plan 2015-16 update june 2016.doc](https://d.docs.live.net/d2076c4f3b047043/documents/shlga/admin/annual%20report/2015-2016/s%2015-2016%20key%20action%20plan%2015-16%20update%20june%202016.doc)



# **Southern & Hills Local Government Association**

## **Report to the Members of the Board**

**Year ended 30 June 2016**

■ Your Business | Our Specialty ■

**HLB Mann Judd**  
Accountants | Business and Financial Advisers

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## 1. Audit Overview

### 1.1 Purpose

The purpose of this closing report is to communicate any significant matters arising from our audit with the Board. The matters raised in this report have been discussed with management.

### 1.2 Scope

We conducted our audit of the financial report of Southern & Hills Local Government Association for the year ended 30 June 2016 in accordance with the terms of our engagement and with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.

### 1.3 Status

We have completed the audit including the following which were required in order to finalise the audit:

Matter	Responsibility
Management Representation letter	Completed 18.08.2016
Signed Financial Statements for the year ended 30 June 2016	Pending
Statement of Auditors Independence	Completed 18.08.2016
Independent Auditors Report	Pending

### 1.4 Access and co-operation

We can confirm that we were not restricted in any way from being able to perform our audit and were provided with access to all information when requested. Please express our thanks to the Executive Officer Graeme Martin for his co-operation and assistance.

### 1.5 Audit opinion

Subject to receiving the signed management representation letter and financial statements, an unqualified audit report will be issued for the year ended 30 June 2016.

### 1.6 Disclaimer

Other than our responsibility to the Board of Southern & Hills Local Government Association ("the Association") neither HLB Mann Judd nor any member or employee of HLB Mann Judd undertakes responsibility arising in any way from reliance placed by a third party, on this report. Any reliance placed is that party's sole responsibility.

Our report is for the sole use of the Association and is not to be used by any other person for any other purpose and may not be distributed, duplicated, quoted, referred to, in whole or in part, without our prior written consent.

## 2. Significant Accounting and Auditing Issues

Any matters raised during the course of our audit, were considered and discussed with management and appropriate action was taken by management to resolve any issues.

### 2.1 Accounting and Financial Statements

We again assisted the Executive Officer with balancing the Cashflow Statement, and assisted with some minor enhancements/corrections to the financial statements for the year ended 30<sup>th</sup> June 2016. We also acknowledge the improvement in reporting with upgrading to the Xero accounting system.

### 2.2 Audit Committee and Internal Control

We note that the Minister approved a further exemption from the requirement to establish an audit committee under Regulation 18 of the Local Government (Financial Management) Regulation 2011. An exemption was granted until 30<sup>th</sup> June 2021.

## 3. Specific matters to be reported to those charged with governance

### 3.1 Independence and ethics

All partners and staff on the Southern & Hills Local Government Association ("the Association") audit engagement team have confirmed that they have been independent for the year ended 30 June 2016.

Furthermore, audit engagement team members have confirmed their compliance with the ethical requirements of APES 110 Code of Ethics for Professional Accountants.

Regulation 22(5) of the Local Government (Financial Management) Regulation 2011 required the independent auditor to make a declaration to the Board regarding their independence.

HLB Mann Judd's policies relating to financial interests with audit clients (loans, shares in the client or share investments) are more stringent than the requirements imposed by the regulatory and professional bodies.

Specifically we represent to you:

- There are no business interests between the Association and HLB Mann Judd.
- No portion of fees paid by the company to HLB Mann Judd is paid on a contingency basis.
- There is no litigation between the company and HLB Mann Judd.
- We are satisfied that the policies and procedures we have in place adequately address any conflicts of interest.

### 3.2 Audit Considerations in relation to Fraud

Under Australian Auditing Standard ASA 240, The Auditors' Responsibility to Consider Fraud in an Audit of a Financial Report, the auditor is responsible for planning and performing the audit to obtain reasonable assurance about whether the financial report is free of material misstatements as a result of fraud or error.

Management have a responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

While our audit work during the year was not primarily directed towards the detection of fraud, as part of our annual procedures, we consider the following:

- likelihood of material misstatements arising from fraudulent financial reporting or omissions of amounts of disclosures designed to deceive financial statement users; and
- likelihood of material misstatements arising from misappropriation of assets involving theft and embezzlement of assets.

As a result of the above procedures, we have not become aware of any instances of fraud or non compliance with legislative, regulatory or contractual requirements, which have come to our attention during our procedures.

### 3.3 Other Matters

Apart from any issues detailed in section 2, we confirm that:

- We noted no errors or irregularities that would cause the financial report to contain a material misstatement, and noted no apparent illegal acts.
- There were no difficulties encountered in dealing with management relating to the performance of the audit.
- The accounting policies selected by the Association are appropriate to the particular circumstances of the Association.
- There are no financial report disclosures issues that we wish to bring to your attention.
- We are not aware of any significant unusual transactions in controversial or emerging areas for which there is a lack of authoritative accounting guidance or consensus.
- We are not aware of any material inconsistencies or material misstatements of fact in information accompanying the financial report that have been corrected.
- We are not aware of any significant matters arising during the audit in connection with the Association's related parties



#### 4. Internal Control Findings

---

As in previous years, during the course of our audit for the year ended 30 June 2016, we obtained an understanding of the Association's internal control structure and procedures sufficient to allow us to determine our audit procedures for the purpose of expressing our opinion on the financial report.

Our consideration of the control structure and procedures would not necessarily disclose all material weaknesses, as our audit is based on selective tests of accounting records and supporting data, and is not intended to provide specific assurance on the internal control structure.

Subject to earlier comments in this report we have not identified any significant matters that warrant the attention of management or the Board in this area.



HLB Mann Judd  
Chartered Accountants



Trevor Hirth  
Partner

Adelaide, South Australia  
18<sup>th</sup> August 2016



**SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**  
**FINANCIAL STATEMENTS**

**Statement of Comprehensive Income for the Year Ending**  
**30<sup>th</sup> June 2016**

		<b>2016</b>	<b>2015</b>
	Notes	\$	\$
<b>Income</b>			
Subscriptions	1.8	84,037	107,235
Operating Grants		38,726	88,395
Investment Income	1.7	2,384	1,829
Other		323	28,282
Total Income		125,470	225,650
<b>Expenditure</b>			
Contractual Services	3	146,025	164,320
Finance Charges		3,126	3,121
Other		15,729	14,135
Total Expenditure		164,880	181,576
<b>Surplus (Deficit) from Operations</b>		<b>(39,410)</b>	<b>44,074</b>

The above Income Statement should be read in conjunction with the accompanying notes

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## Balance Sheet as at 30<sup>th</sup> June 2016

		2016	2015
	Notes	\$	\$
<b>Current Assets</b>			
Investments		69,597	107,772
Debtors		0	4,118
Total Current Assets		69,597	111,890
<b>Current Liabilities</b>			
Accounts Payable		20,062	22,945
Total Current Liabilities		20,062	22,945
<b>Net Current Assets</b>		49,535	88,945
<b>Net Assets</b>	1.4	49,535	88,945
<b>Equity</b>			
Accumulated Surplus		49,535	88,945
<b>Total Equity</b>		49,535	88,945

The above Balance Sheet should be read in conjunction with the accompanying notes

**SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**  
**Statement of Changes in Equity for the Year Ended 30<sup>th</sup> June 2016**

	2016	2015
Notes	\$	\$
<b>Accumulated Surplus</b>		
Balance at beginning of period	88,945	44,871
Net Surplus / (Deficit)	(39,410)	44,074
	<hr/>	<hr/>
Balance at end of period	49,535	88,945
	<hr/>	<hr/>
<b>Total Equity</b>	<b>49,535</b>	<b>88,945</b>
	<hr/>	<hr/>

The above Statement of Change in Equity should be read in conjunction with the accompanying notes

**SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION****Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2016**

	2016	2015
Notes	\$	\$
<b>Cash Flows from Operating Activities</b>		
Receipts	127,204	223,425
Payments	(167,763)	(177,029)
Interest Receipts	2,384	1,829
Net Cash Provided by (Used in) Operating Activities	(38,175)	48,225
<b>Net increase/(decrease) in Cash Held</b>	<b>(38,175)</b>	<b>48,225</b>
<b>Cash at the beginning of the reporting period</b>	<b>107,773</b>	<b>59,548</b>
<b>Cash at the end of the reporting period</b>	<b>69,597</b>	<b>107,773</b>

**Reconciliation of Change in Net Assets to Cash from operating activities**

	2016
	\$
Net Surplus	(39,410)
Add	
Net Decrease in Debtors	4,118
Less	
Net Decrease in Accounts Payable	2,883
<b>Net Cash provided by Operating Activities</b>	<b>(38,175)</b>

The above Statement of cash Flows should be read in conjunction with the accompanying notes

## SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2016

#### **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 Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 Of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, The Barossa Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

##### **1.2 Historical Cost Convention**

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

##### **1.3 Critical Accounting Estimates**

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

##### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar.

##### **1.5 Non Current Assets and Non Current Liabilities**

The Association has no non current assets or non current liabilities.

##### **1.6 Employees**

The Association has no employees.

##### **1.7 Investments**

Investments are valued at cost. Interest revenues are recognized as they accrue.

##### **1.8 Subscriptions**

Clause 6 of the Charter of the Association prescribes that subscriptions by Constituent Councils are equal.

Constituent Council Subscription 2016	\$10,500
Constituent Council Subscription 2015	\$10,250

## SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

#### 1.9 Income recognition

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

#### 1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

#### 1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

## 2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

- Administration:** The operation of the Office of the Association and its decision making forums.
- Special projects:** The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.
- Transport and Communication:** The review and implementation of the S&H 2020 Transport Plan.

### Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

#### Administration

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
2016	38,726	86,744	125,470	100.0%	155,684	94.4%	(30,214)
2015	88,305	109,341	197,650	87.6%	151,385	83.4%	46,265

#### Projects

2016	0	0	0	0.0%	196	0.1%	(196)
2015	0	28,000	28,000	12.4%	28,871	15.9%	(871)

#### Transport and Communication

2016	0	0	0	0.0%	9,000	5.5%	(9,000)
2015	0	0	0	0.0%	1,320	0.7%	(1,320)



## SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
<b>Total</b>							
2016	38,726	86,744	125,470	100.0%	164,880	100.0%	(39,410)
2015	88,305	137,346	225,650	100.0%	181,576	100.0%	44,074

#### 3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

		2016	2015
Consultants:	Suter Planners	\$0	\$28,000
	Grange Advisors Pty Ltd	\$137,025	\$135,000
	HDS Australia Pty Ltd	\$9,000	\$1,320
	Totals	\$146,025	\$164,320

#### 4. Comparison of Budget and Actual Results

	2016		2015	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	173,192	125,470	121,827	147,650
Projects	0	0	53,000	78,000
Transport and Communication	0	0	0	0
Total Revenue	173,192	125,470	174,827	225,650
Expenditure				
Administration	157,650	155,684	159,150	151,385
Projects	10,850	196	28,000	28,871
Transport and Communication	1,200	9,000	1,200	1,320
Total Expenditure	169,700	164,880	188,350	181,576
Surplus (Deficit)	3,492	(39,410)	(13,523)	44,074

## Southern & Hills Local Government Association – Financial Statements Year Ended 30<sup>th</sup> June 2016

### CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

- o the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- o the financial statements present a true and fair view of the Association's financial position at 30 June 2016 and the results of its operations and cash flows for the financial year.
- o internal controls implemented by the Authority provide a reasonable assurance that the Association's financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association's accounting and other records.

Dated 30<sup>th</sup> August 2016



**Graeme Martin**  
**EXECUTIVE OFFICER**



**Mayor Bill Spragg**  
**PRESIDENT**

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2016, the Association's Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Dated 30<sup>th</sup> August 2016



**Graeme Martin**  
**EXECUTIVE OFFICER**



**Mayor Bill Spragg**  
**PRESIDENT**



## **SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION INDEPENDENT AUDITOR'S REPORT**

To the constituent councils of the Southern & Hills Local Government Association:

We have audited the accompanying financial report of Southern & Hills Local Government Association, which comprises the balance sheet as at 30 June 2016, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

### ***Board's responsibility for the Financial Report***

The board of the association 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 (Regulations) made under that Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the Financial Report that is free from material misstatement, whether due to fraud or error selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Southern & Hills Local Government Association, as well as evaluating the overall presentation of the financial report.

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

**HLB Mann Judd Audit (SA) Pty Ltd ABN: 32 166 337 097**

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Postal: PO Box 377, Kent Town SA 5071

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**SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION  
INDEPENDENT AUDITOR'S REPORT (continued)**

***Independence***

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies and the Local Government Act and Regulations.

***Auditor's Opinion***

In our opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Southern & Hills Local Government Association as at 30 June 2016 and its financial performance and its cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 and Regulations.

  
**HLB Mann Judd**  
Chartered Accountants

  
**Trevor Hirth**  
Partner

**Adelaide, South Australia**  
*19th* August 2016



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

# Annual Report 2015/2016





## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY



Cr. Ian Bailey – Chair AHRWMA

The 2015/16 financial year has included abnormal expenses due to an ongoing legal dispute, unfortunately this has resulted in a net deficit of \$399,341. Whilst we returned a loss this financial year the underlying business is still sound and would be returning a profit if not for the abnormal legal costs.

Despite the challenges that faced the Authority in the 2015/16 financial year, we have had a successful year operating the Brinkley Landfill and Council Transfer Stations in a professional manner while continuing to achieve results.

We have seen the first year of the combined waste, recycling and green organics kerbside collection service implemented across the Mount Barker District Council and the Rural City of Murray Bridge resulting in significant savings. At the Landfill we have obtained design approval for Cells 8/9 at and completed the excavation works for these cells.

At the Transfer Stations we extended the operating hours at the Brinkley Transfer Station to a 7-day operation, following a trial period to increase community usage of the site. Opening hours at the Heathfield Transfer Station's existing 7-day operation were also modified to reflect customer usage balanced against potential early morning noise effects to some surrounding houses on weekends.

The Authority's mobile bailing and crushing plants are also continuing to be used across Member Council sites.

The Authority is continuing with its Charter review process, to ensure that the Charter reflects the current environment in which we operate and provides certainty and continued benefits for its Member Councils.

I would like to thank Member Councils for their support of the Authority through what has been a very testing period with increased competition and a legal challenge. Thanks also goes to the Executive Officer and his team for achieving results in a difficult environment.

We are looking forward to an exciting period as the Authority continues to pursue opportunities where it can add value to Member Council waste and recycling services.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

THE BOARD

Mount Barker District Council



Lindsay Campbell  
Councillor



David Peters  
GM Corporate Services



Greg Morrison (Deputy)  
Councillor

Alexandrina Council



Madeleine Walker  
(Deputy Chair)  
Councillor



Simon Grenfell  
GM Infrastructure & Environment



Jim Davis (Deputy)  
Councillor

Adelaide Hills Council



Ian Bailey (Chair)  
Councillor



Marc Salver  
Director Strategy & Development



Lynton Vonow (Deputy)  
Councillor

Rural City of Murray Bridge



Theo Weinmann  
Councillor



Simon Bradley  
GM Infrastructure and Environment



Andrew Baltensperger (Deputy)  
Councillor

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

THE VISION

*"Sustainable Waste Management through Shared Services for the communities of Adelaide Hills, Alexandrina, Mt Barker and Murray Bridge".*

THE MISSION

- To meet the Zero Waste SA Resource Recovery Targets across the region where economically and environmentally justified.
- To continue to develop and manage the Authority's landfill as an EPA compliant model regional landfill that provides the most cost effective disposal option for Member Councils and commercial customers.
- To educate the regional community on responsible waste choices that enhance and maintain their environment.

THE OBJECTIVES

The Authority's vision and mission will be achieved through five key objectives:

1. To take a leadership role in resource recovery and community education.
2. Responsibly develop and manage the Authority's landfill to be a model regional landfill meeting all legislative requirements and operating benchmarks.
3. Financial sustainability in waste services for Member Councils by pursuing a shared services model.
4. Advocate, research and promote best practice waste management and actively represent Member Councils in all forums.
5. A fully compliant Regional Subsidiary that meets the highest standards in governance, financial and human resource management.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## SUMMARY OF 2015/16

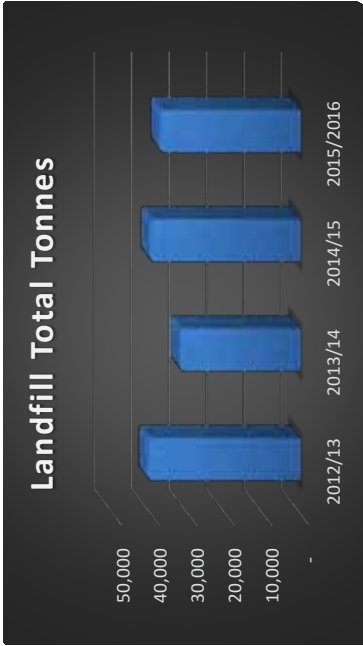
Some of the key activities for this year include:

- Continued legal response to SWR Claim
- Design approval for new Brinkley Cell 8/9 obtained and cells excavated
- Transfer Stations hours extended at Brinkley and reviewed at Heathfield
- Patronage at the Brinkley Transfer Station increase by 7% to 8,279 transactions.
- Continued consultancy service role offered and provided to Member Councils
- Combined collection contract commenced with the Mount Barker District Council and the Rural City of Murray Bridge, following a joint Tender process with has resulted in significant full year savings
- Authority's crushing plant will have crushed approximately 10,000 tonnes this financial year which is down by about 5,000 tonnes on last year's result. This business area will require additional focus to achieve our aim to grow this to 25-30,000 tonnes per annum
- The Authority's mobile bailing plant has been used at Heathfield and Windmill Hill Transfer Stations. In addition, the mobile baler has been utilised by the Mid Murray Council. Approximately 1000 tonnes of cardboard, paper and plastics were diverted from landfill, baled and supplied into the recyclables market. The sorting and baling plants were part funded by ZerowasteSA
- Landfill tonnages were down by approximately 2,500 tonnes compared to last year's result. There was a reduction of 3,500 tonnes in commercial waste due to discounting at Hartley. This was partially offset by a 1,000 tonne increase in non-commercial tonnes.



# Landfill Operations

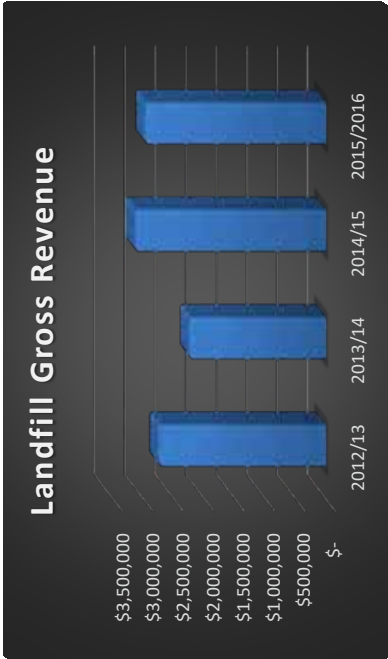
## Brinkley Landfill Statistics



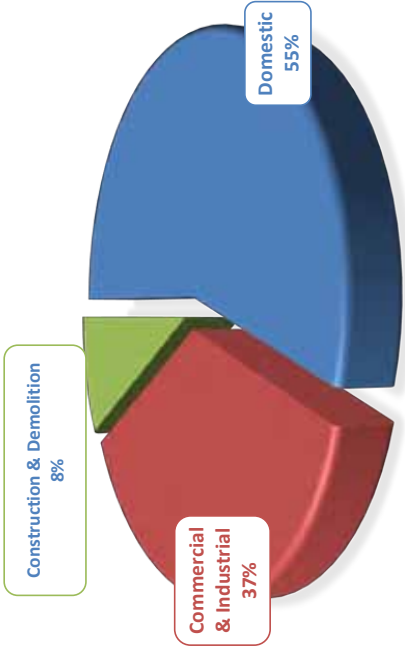
There has been continued high competition for waste streams in 2015/16. This is evident in the 2013/14 financial year where substantial discounts were offered by the Hartley operators and again in 2015/16. An increased focus will be needed in this area in future years. Ideally we will continue to focus on providing quality service and looking at opportunities to value add for customers.

It is important for Local Government that the waste and recycling industry be sustainable both now and into the future.

The tonnes to landfill for 2015/16 have continued to show improvement on 2013/14, however were down by approximately 2,500 tonnes when compared to 2014/15. We will continue to monitor the market effects on our longer term planning.



## WASTE TYPE PERCENTAGE TO LANDFILL

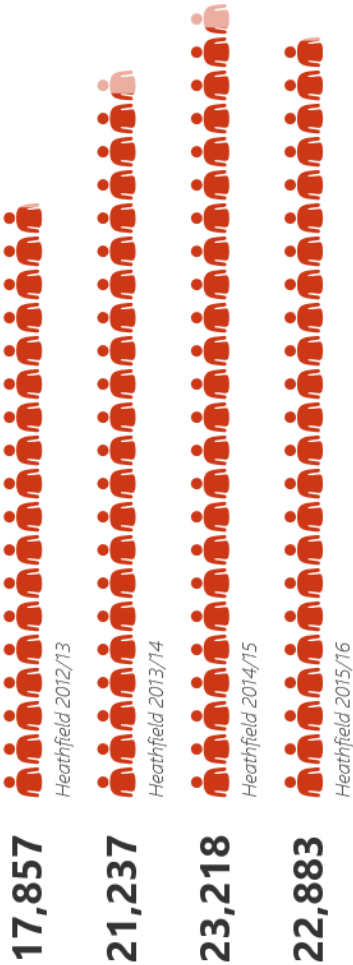




## Transfer Station Operations

The Authority currently manages two transfer stations on behalf of its Member Councils. These sites are the Heathfield Transfer Station which serves the Adelaide Hills Council area with an approximate population of 40,000 people and the Brinkley Transfer Station which serves the Rural City of Murray Bridge area with an approximate population of 21,000 people.

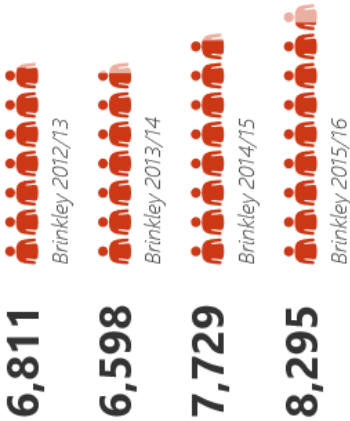
### HEATHFIELD TS TRANSACTIONS



The Heathfield Transfer Station has shown strong customer growth since the Authority commenced operations in 2012. This has been assisted by the continued and consistent use of the facility by the Adelaide Hills Council (AHC) operations area and joint projects to produce quality road base materials from recycled products.

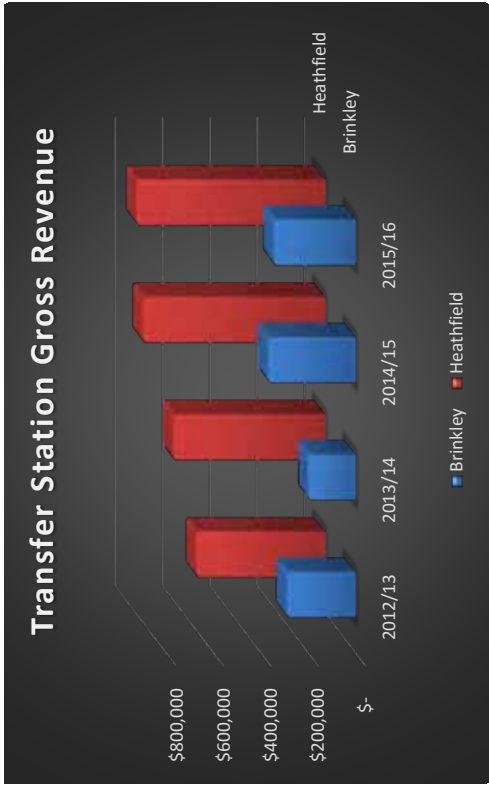
The Brinkley Transfer Station has shown improved usage in the 2015/16 financial year. The Authority has worked with the Rural City of Murray Bridge to extend the operating hours of the site to a 7-day operation. With this change an advertising campaign was completed, which may be assisting with the increased use of the site. The Authority in conjunction with Council also held a free green organics drop off day to assist residents with clean up following a storm, which may also assist with promotion of the facility.

BRINKLEY TS TRANSACTIONS



The Authority will continue to focus on expanding the construction and demolition resource recovery operations at the site which should further improve performance of the transfer station and will be investigating options to receive other waste streams for the benefit of the community.

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY



The Transfer Stations receive steel from customers, which is then sold to generate revenue for the Transfer Station operations. The 2015/2016 financial year saw a significant drop in the price of steel, which in turn impacted the Transfer Station budgets. The Heathfield Transfer Station finished the year with a net loss of approximately \$108,600, compared to its budgeted loss of \$42,600, a variance of \$66,000. Of this variance approximately \$43,000 is attributed to the drop in recycled steel income.

The Brinkley Transfer Station finished the year with a net loss of approximately \$110,500, which can be attributed to a drop in steel income, a Sunday trading trial and a reduction in material deposited by the Council.

The Authority has been addressing the challenge relating to low steel prices and has arranged for the hooklift truck to be used to transport scrap steel, resulting in a net improvement of approximately \$60 per tonne in the price received for steel, when taking into account transport costs. The Authority will continue to monitor the Transfer Station budgets and adjust operations where required.

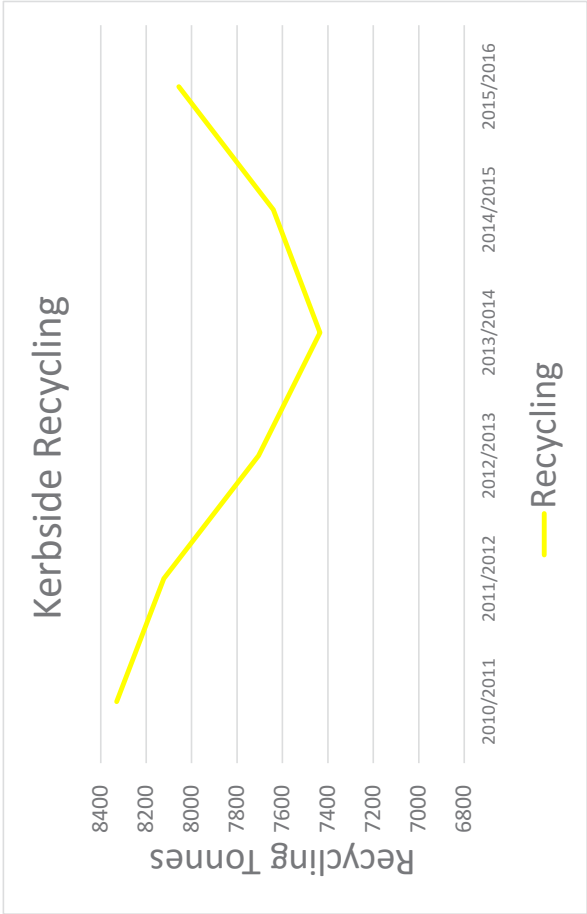
## Kerbside Waste and Recycling Collections

The Adelaide Hills Region Waste Management Authority employs a Waste Strategy Coordinator on behalf of three of its Member Councils. The Waste Strategy Coordinator manages waste services across the Adelaide Hills Council, the Mount Barker District Council and the Rural City of Murray Bridge.

### Recycling Service

Across the three Councils a total of 8,057 tonnes of recycling was collected via the kerbside service, which is an increase of 417 tonnes compared to the 2014/15 year.

Year	Recycling Tonnes Collected
2010-2011	8330
2011-2012	8122
2012-2013	7706
2013-2014	7435
2014-2015	7640
2015-2016	8057



There has been an increase in recyclables collected this year and recycling appears to be on an upwards trend. The overall tonnes of recyclables collected are still down in comparison to 2010-2011, which is likely due to an initial large uptake following the introduction the two/three bin service. The new collection contracts have been established across Murray Bridge and Mount Barker District Councils and Waste

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

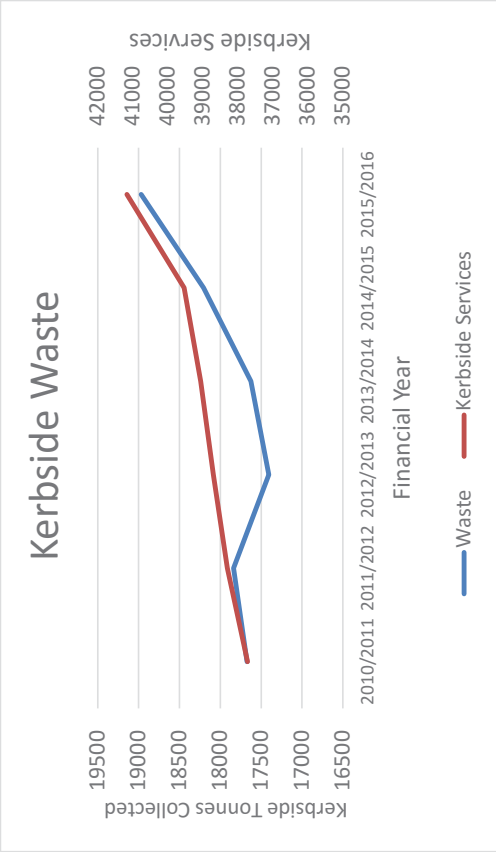
Strategies have also been prepared for Murray Bridge and Adelaide Hills Councils. A bin tagging trial was completed, which proved to be successful and education campaigns will continue to be implemented across the Councils.

Waste Service

The amount of waste collected through the kerbside service across the three member Councils has remained steady at 8.9kg/hh/wk. The waste disposed to landfill per property has seen a slight reduction over the past five years, from 9kg/hh/wk down to 8.9kg/hh/wk, with the lowest being 8.7kg/hh/wk in 2011/12 and 2012/13. Waste production has not exceeded population growth, which is positive when considering that the number of products and packaging generated for sale would likely have increased during this time.

Kerbside waste tonnage comparisons

Year	Services	Tonnes Collected
2010-2011	37722	17674
2011-2012	38298	17839
2012-2013	38696	17406
2013-2014	39059	17625
2014-2015	39533	18206
2015-2016	41168	18969

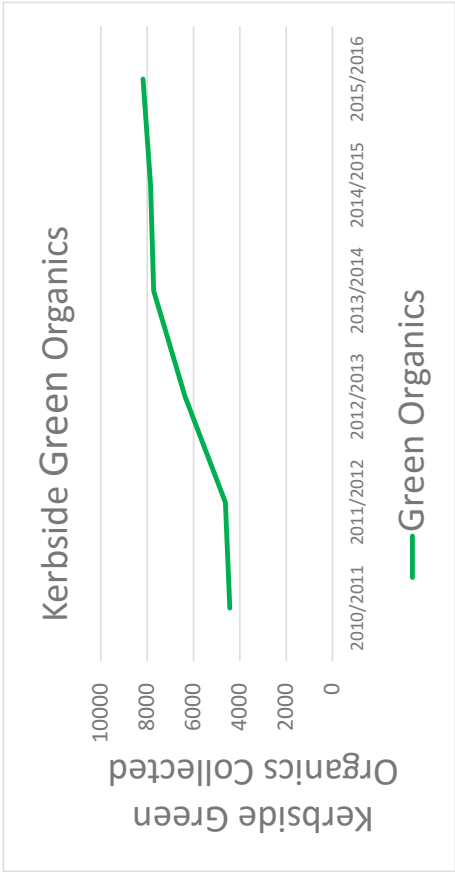


## Green Organics Service

Properties within the Township areas of the three Councils are entitled to a green bin service. The table and graph below shows that the amount of green organics collected has increased significantly over the last five years, with the introduction of the kerbside service to townships within the Adelaide Hills Council and the introduction of a complete food scraps collection program across the Mount Barker District Council and an optional program within the Adelaide Hills Council. In 2015/16 a total of 8,176 tonnes was collected, which is an increase of 326 tonnes.

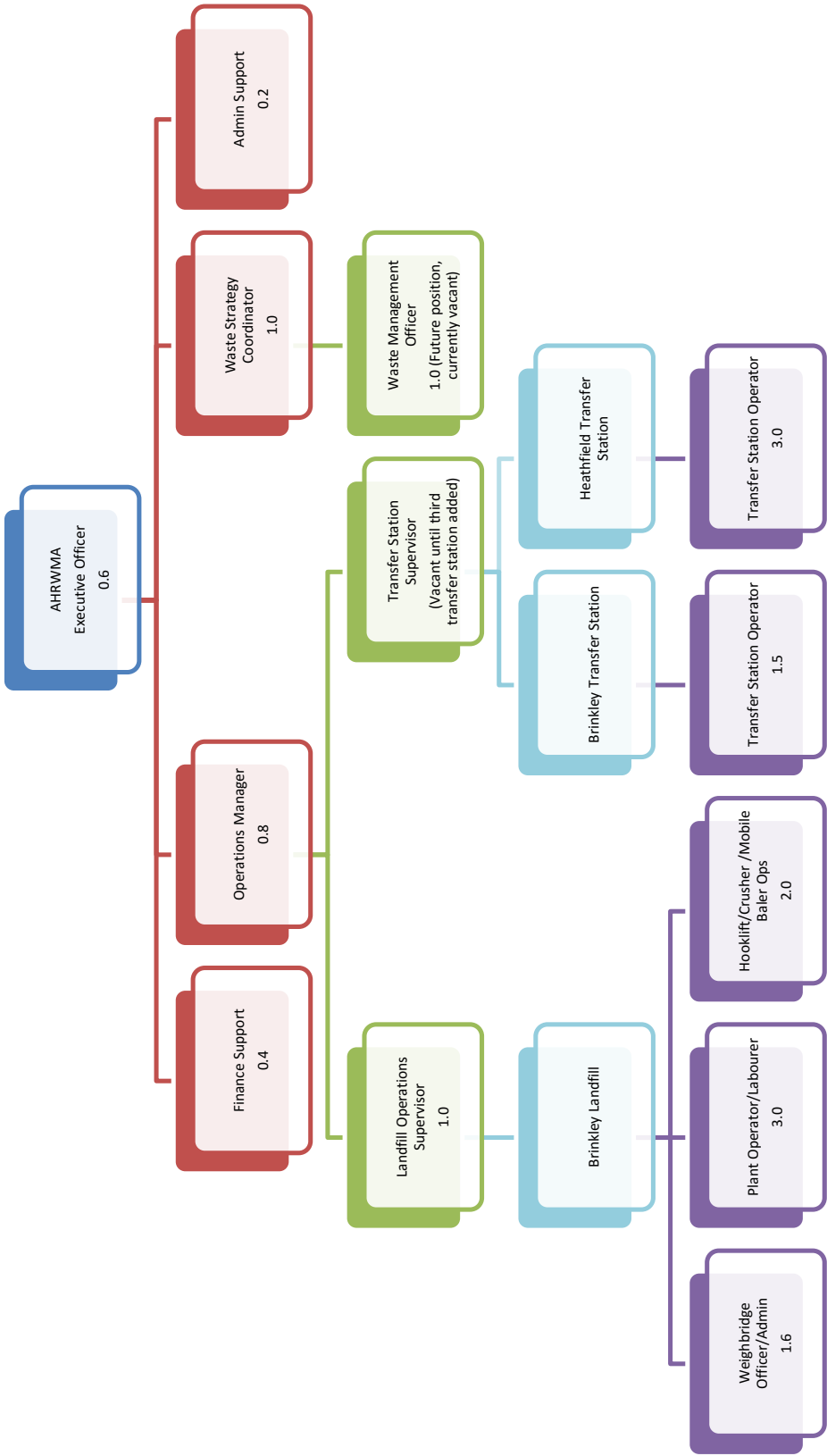
Kerbside green organics tonnage comparisons

Year	Tonnes Collected
2010-2011	4430
2011-2012	4624
2012-2013	6360
2013-2014	7718
2014-2015	7850
2015-2016	8176





# Organisational Chart



## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority****General Purpose Financial Reports  
for the year ended 30 June 2016**TABLE OF CONTENTS

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## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>INCOME</b>			
User charges	2	2,987,716	3,153,995
Investment income	2	1,087	1,196
Other income	2	1,882,276	1,865,424
<b>Total Income</b>		<b>4,871,079</b>	<b>5,020,615</b>
<b>EXPENSES</b>			
Employee costs	3	878,100	852,582
Materials, contracts & other expenses	3	3,678,129	3,415,025
Depreciation, amortisation & impairment	3	705,773	704,744
Finance costs	3	1,284	11,504
<b>Total Expenses</b>		<b>5,263,286</b>	<b>4,983,855</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>(392,207)</b>	<b>36,760</b>
Asset disposal & fair value adjustments	4	(7,134)	(20,989)
Amounts received specifically for new or upgraded assets	2	-	-
<b>NET SURPLUS / (DEFICIT)</b>		<b>(399,341)</b>	<b>15,771</b>
transferred to Equity Statement			
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(399,341)</b>	<b>15,771</b>

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

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

STATEMENT OF FINANCIAL POSITION  
as at 30 June 2016

	Notes	2016 \$	2015 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	236,715	309,028
Trade & other receivables	5	479,556	477,982
Inventories	5	6,283	6,430
<b>Total Current Assets</b>		<b>722,554</b>	<b>793,440</b>
<b>Non-current Assets</b>			
Infrastructure, Property, Plant & Equipment	6	3,102,524	3,104,599
<b>Total Non-current Assets</b>		<b>3,102,524</b>	<b>3,104,599</b>
<b>Total Assets</b>		<b>3,825,078</b>	<b>3,898,039</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	7	785,076	515,049
Provisions	7	96,284	71,891
<b>Total Current Liabilities</b>		<b>881,360</b>	<b>586,940</b>
<b>Non-current Liabilities</b>			
Borrowings	7	100,000	200,000
Provisions	7	1,010,954	878,994
<b>Total Non-current Liabilities</b>		<b>1,110,954</b>	<b>1,078,994</b>
<b>Total Liabilities</b>		<b>1,992,314</b>	<b>1,665,934</b>
<b>NET ASSETS</b>		<b>1,832,764</b>	<b>2,232,105</b>
<b>EQUITY</b>			
Accumulated Surplus	8	1,832,764	2,232,105
<b>TOTAL EQUITY</b>		<b>1,832,764</b>	<b>2,232,105</b>

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

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority****STATEMENT OF CHANGES IN EQUITY**  
for the year ended 30 June 2016

	Notes	Accumulated Surplus	TOTAL EQUITY
2016		\$	\$
Balance at end of previous reporting period		<u>2,232,105</u>	<u>2,232,105</u>
<b>Net Surplus / (Deficit) for Year</b>		<u>(399,341)</u>	<u>(399,341)</u>
<b>Balance at end of period</b>		<u>1,832,764</u>	<u>1,832,764</u>
<b>2015</b>			
Balance at end of previous reporting period		2,216,334	2,216,334
<b>Net Surplus / (Deficit) for Year</b>		15,771	15,771
<b>Balance at end of period</b>		<u>2,232,105</u>	<u>2,232,105</u>

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

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

## STATEMENT OF CASH FLOWS

for the year ended 30 June 2016

	Notes	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<u>Receipts</u>			
Operating receipts		5,298,941	5,536,594
Investment receipts		904	1,201
<u>Payments</u>			
Operating payments to suppliers & employees		(4,676,903)	(4,667,414)
Finance payments		(1,422)	(15,805)
<b>Net Cash provided by (or used in) Operating Activities</b>	10	<b>621,519</b>	854,576
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		-	-
Sale of replaced assets		32,806	20,555
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(67,611)	(80,994)
Expenditure on new/upgraded assets		(559,027)	(450,546)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(593,832)</b>	(510,985)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Borrowings		-	-
<u>Payments</u>			
Repayments of Borrowings		(100,000)	(227,000)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(100,000)</b>	(227,000)
<b>Net Increase (Decrease) in cash held</b>		<b>(72,313)</b>	116,591
Cash & cash equivalents at beginning of period	10	309,028	192,437
<b>Cash &amp; cash equivalents at end of period</b>	10	<b>236,715</b>	309,028

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



## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

### ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

#### 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 Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Adelaide Hills Council, Alexandrina Council, The District Council of Mt Barker and Rural City of Murray Bridge.

###### **1.2 Historical Cost Convention**

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

###### **1.3 Critical Accounting Estimates**

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

###### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar.

##### **2 The Local Government Reporting Entity**

Adelaide Hills Region Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the Local Government Act 1999 & Section 25 of the Local Government Implementation Act, and has its principal place of business at c/- of The District Council of Mt Barker, 6 Dutton Road, Mt Barker. These financial statements have been prepared for use by constituent Councils of the Authority.

##### **3 Income recognition**

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority 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 income 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 income in a previous reporting period which were obtained in respect of the Authority's operations for the current reporting period.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

### Adelaide Hills Region Waste Management Authority

#### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

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

#### **4 Cash, Cash Equivalents and other Financial Instruments**

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

Receivables are generally unsecured and do not bear interest.

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policy applied to financial instruments forms part of Note 11.

#### **5 Inventories**

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

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

##### **6.1 Initial Recognition**

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

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

##### **6.2 Materiality**

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

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Road Construction & Reconstruction	\$10,000
Paving & Footpaths, Kerb & Gutter	\$2,000

##### **6.3 Subsequent Recognition**

Certain 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.

##### **6.4 Depreciation of Non-Current Assets**

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

## Note 1 - Significant Accounting Policies (cont)

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment

Office Equipment	5 years
Other Plant & Equipment	5 years

Infrastructure

Unsealed Roads	15 years
Fencing	15 years
Water Tanks	30 years
Litter Fence	5 years
Pumps	5 years
Monitor Bore	10 years
Buildings	20 years
Roads	25 years

Cell construction expenditure for this year has been capitalised and will be amortised over the estimated life of the cell. Any further expenditure on the cell to complete its useful life will be amortised over that remaining life.

**6.5 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 inflows 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.

**6.6 Borrowing Costs**

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in 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.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

### Adelaide Hills Region Waste Management Authority

#### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

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

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

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

##### **8 Borrowings**

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

##### **9 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 as experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

##### **9.2 Superannuation**

The Authority makes employer superannuation contributions in respect to its employees to the Local Government Superannuation Scheme. The scheme has two types of membership, each of which is funded differently. The Authority's employees are only members of the accumulated fund.

Accumulated fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2015/16). No further liability accrues to the employer as the superannuation benefits accruing to the employees are represented by their share of the net assets of the Fund.

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

##### **10 Construction Contracts**

Construction works undertaken by Authority for third parties are generally on an agency basis where the third party reimburses the Authority 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".

##### **11 Joint Ventures and Associated Entities**

The Authority does not have or participates in cooperative arrangements with other Councils for the provision of services and facilities.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

Note 1 - Significant Accounting Policies (cont)

**12 Leases**

*The Authority does not have any leases.*

**13 GST Implications**

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

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

**14 Rehabilitation**

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
for the year ended 30 June 2016**Note 2 - INCOME**

	Notes	2016 \$	2015 \$
<b>USER CHARGES</b>			
Waste disposal fee - Adelaide Hills Council		824,591	818,331
Waste disposal fee - Alexandrina Council		203,322	223,370
Waste disposal fee - District Council of Mt Barker		565,552	497,793
Waste disposal fee - Rural City of Murray Bridge		388,523	411,876
Waste disposal fee - Other Customers		1,005,728	1,202,625
		<u>2,987,716</u>	<u>3,153,995</u>
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		1,087	1,196
		<u>1,087</u>	<u>1,196</u>
<b>OTHER INCOME</b>			
Consultancy service		-	38,128
Waste officer contribution		132,300	168,237
Waste Transfer Station Income		1,150,675	1,185,436
Waste Transfer Station Management		219,202	83,324
Transport Income		174,646	163,272
Fuel Tax Rebate		34,822	40,744
Machinery Charge Out		141,857	134,060
Recycled Income		4,575	12,975
Sundry		24,199	39,248
		<u>1,882,276</u>	<u>1,865,424</u>

AASB 15 Revenue from Contracts with Customers commences 1 January 2018 and hence will first affect the financial reports for 2018/19. (The commencement date has already been deferred once, and there may be further deferrals.)

The commencement of the new Standard will not result in any changes to the amounts recognised in the Authority's financial statements under this classification, as the Authority does not enter into contracts with customers.



## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016****Note 3 - EXPENSES**

	Notes	2016 \$	2015 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		684,456	644,196
Employee leave expense		84,847	89,710
Superannuation		68,406	65,959
Workers' Compensation Insurance		18,909	18,523
Other		21,482	34,194
<b>Total Operating Employee Costs</b>		<b>878,100</b>	<b>852,582</b>
<b>Total Number of Employees</b>		<b>10</b>	<b>10</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		3,620	3,420
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		116,560	245,880
Waste Transfer Station Expenses		893,033	907,030
Repairs and Maintenance		231,814	254,819
Leachate Monitoring/Pumping		-	1,385
Research and Development		435	6,660
Administration and Accountancy Service		51,800	43,148
EPA Waste Levy		1,236,687	1,221,150
EPA Licence Fees		7,922	7,741
Land Lease		47,487	48,878
Insurance		36,403	35,139
Legal		569,576	119,074
Professional Services		329,503	362,466
Parts, accessories & consumables		149,037	152,133
Sundry		4,253	6,102
Subtotal - Other Materials, Contracts & Expenses		3,674,509	3,411,605
		<b>3,678,129</b>	<b>3,415,025</b>

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

## Note 3 - EXPENSES (cont)

	Notes	2016 \$	2015 \$
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Road Infrastructure		5,534	5,534
Buildings		12,618	16,036
Vehicles		19,867	18,510
Plant & Equipment		263,708	273,535
Landfill Cells		276,116	270,694
Lechate Ponds		8,697	6,157
Landfill Rehabilitation		22,877	17,922
Landfill Cell Capping		96,356	96,356
		<u>705,773</u>	<u>704,744</u>
<b>FINANCE COSTS</b>			
Interest on overdraft and short-term drawdown		1,284	11,504
Interest on Loans		-	-
		<u>1,284</u>	<u>11,504</u>

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016****Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS**

	Notes	2016 \$	2015 \$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		32,806	20,555
Less: Carrying amount of assets sold		39,940	41,544
<b>Gain (Loss) on disposal</b>		<b>(7,134)</b>	<b>(20,989)</b>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>		<b>(7,134)</b>	<b>(20,989)</b>

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016****Note 5 - CURRENT ASSETS**

	2016	2015
<b>CASH &amp; EQUIVALENT ASSETS</b>	<b>\$</b>	<b>\$</b>
Cash on Hand and at Bank	226,733	299,741
Deposits at Call	9,982	9,287
	<u>236,715</u>	<u>309,028</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>		
Accrued Revenues	183	37,000
Debtors - general	479,373	440,982
Prepayments	-	-
	<u>479,556</u>	<u>477,982</u>
<b>INVENTORIES</b>		
Stores & Materials	6,283	6,430
	<u>6,283</u>	<u>6,430</u>

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

## Note 6 - INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT

	2015				2016			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
Road Infrastructure	-	138,352	(11,137)	127,215	-	138,352	(16,671)	121,681
Buildings	-	291,938	(52,757)	239,181	-	266,243	(37,942)	228,301
Vehicles	-	86,498	(17,559)	68,939	-	92,963	(16,784)	76,179
Plant & Equipment	-	2,482,326	(1,118,330)	1,363,996	-	2,603,780	(1,368,924)	1,234,856
Landfill Cells	-	1,104,236	(495,534)	608,702	-	1,527,521	(771,650)	755,871
Leachate Ponds	-	173,938	(10,621)	163,317	-	173,938	(19,318)	154,620
Landfill Rehabilitation	-	424,300	(83,762)	340,538	-	541,300	(106,639)	434,661
Landfill Cell Capping	-	390,400	(197,689)	192,711	-	390,400	(294,045)	96,355
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	-	5,091,988	(1,987,389)	3,104,599	-	5,734,497	(2,631,973)	3,102,524
<b>Comparatives</b>		<b>4,700,713</b>	<b>(1,329,066)</b>	<b>3,371,647</b>		<b>5,091,988</b>	<b>(1,987,389)</b>	<b>3,104,599</b>

This Note continues on the following page.

# Adelaide Hills Region Waste Management Authority

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2016

### Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

	CARRYING AMOUNT MOVEMENTS DURING YEAR							2016	
	\$							\$	
	2015							CARRYING	Net
	CARRYING	Additions		Disposals	Depreciation	Impairment	Transfers	Revaluation	AMOUNT
	AMOUNT	New/Upgrade	Renewals						
Road Infrastructure	127,215	-	-	-	(5,534)	-	-	-	121,681
Buildings	239,181	12,091	-	(10,353)	(12,618)	-	-	-	228,301
Vehicles	68,939	-	47,090	(19,983)	(19,867)	-	-	-	76,179
Plant & Equipment	1,363,996	123,651	20,521	(9,604)	(263,708)	-	-	-	1,234,856
Landfill Cells	608,702	423,285	-	-	(276,116)	-	-	-	755,871
Leachate Ponds	163,317	-	-	-	(8,697)	-	-	-	154,620
Landfill Rehabilitation	340,538	-	117,000	-	(22,877)	-	-	-	434,661
Landfill Cell Capping	192,711	-	-	-	(96,356)	-	-	-	96,355
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>3,104,599</b>	<b>559,027</b>	<b>184,611</b>	<b>(39,940)</b>	<b>(705,773)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,102,524</b>
<i>Comparatives</i>	<i>3,371,647</i>	<i>450,546</i>	<i>28,694</i>	<i>(41,544)</i>	<i>(704,744)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>3,104,599</i>



## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

## Note 7 - LIABILITIES

		2016		2015	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		764,657	-	437,512	-
Accrued expenses - other		175	-	313	-
Other		20,244	-	77,224	-
		<u>785,076</u>	<u>-</u>	<u>515,049</u>	<u>-</u>
<b>BORROWINGS</b>					
Loans		-	100,000	-	200,000
		<u>-</u>	<u>100,000</u>	<u>-</u>	<u>200,000</u>

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

## PROVISIONS

Employee entitlements (including oncosts)	96,284	79,254	71,891	64,294
Future reinstatement / restoration, etc	-	931,700	-	814,700
	<u>96,284</u>	<u>1,010,954</u>	<u>71,891</u>	<u>878,994</u>

*Movements in Provisions - 2016 year only  
(current & non-current)*

<i>Opening Balance</i>		<i>Future Reinstatement</i>	<i>Cell Capping</i>
<i>Add Additional amounts recognised</i>		424,300	390,400
<i>Closing Balance</i>		<u>117,000</u>	<u>-</u>
		<u>541,300</u>	<u>390,400</u>

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

## Note 8 - RESERVES &amp; EQUITY

## DISTRIBUTION SHARE OF SURPLUS/(DEFICIT)

The net surplus for the year has been distributed in proportion to the volumes of waste deposited by each respective constituent council.

	2016	%	2015	%
<b>Volumes of waste dumped (in tonnes)</b>				
Adelaide Hills Council	9,382	35.9%	9,763	36.3%
Alexandrina Council	2,881	11.0%	3,349	12.4%
District Council of Mt Barker	7,850	30.1%	7,470	27.8%
Rural City of Murray Bridge	5,993	23.0%	6,311	23.5%
	<u>26,106</u>	<u>100%</u>	<u>26,893</u>	<u>100%</u>

Distribution in accordance with the above percentages

	2016	2015
	\$	\$
Adelaide Hills Council	(143,523)	5,725
Alexandrina Council	(44,064)	1,956
District Council of Mt Barker	(120,079)	4,384
Rural City of Murray Bridge	(91,675)	3,706
	<u>(399,341)</u>	<u>15,771</u>

## DISTRIBUTION SHARE OF EQUITY

Adelaide Hills Council		
Balance at end of previous reporting period	837,114	831,389
Share of surplus	(143,523)	5,725
<b>Balance at end of period</b>	<u>693,591</u>	<u>837,114</u>

Alexandrina Council		
Balance at end of previous reporting period	231,375	229,419
Share of surplus	(44,064)	1,956
<b>Balance at end of period</b>	<u>187,311</u>	<u>231,375</u>

District Council of Mt Barker		
Balance at end of previous reporting period	776,255	771,871
Share of surplus	(120,079)	4,384
<b>Balance at end of period</b>	<u>656,176</u>	<u>776,255</u>

Rural City of Murray Bridge		
Balance at end of previous reporting period	387,361	383,655
Share of surplus	(91,675)	3,706
<b>Balance at end of period</b>	<u>295,686</u>	<u>387,361</u>

<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>1,832,764</b>	<b>2,232,105</b>
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ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016**

**Note 9 - ASSETS SUBJECT TO RESTRICTIONS**

The Authority as at 30 June 2016 had no assets subject to restrictions.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

## Note 10 - RECONCILIATION TO CASH FLOW STATEMENT

## (a) Reconciliation of Cash

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

	Notes	2016 \$	2015 \$
Total cash & equivalent assets	5	<u>236,715</u>	<u>309,028</u>
Balances per Cash Flow Statement		<u>236,715</u>	<u>309,028</u>

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

Net Surplus (Deficit)	(399,341)	15,771
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	705,773	707,675
Net increase (decrease) in unpaid employee benefits	39,353	22,219
Grants for capital acquisitions treated as Investing Activity	-	-
Net (Gain) Loss on Disposals	<u>7,134</u>	<u>20,989</u>
	<u>352,919</u>	<u>766,654</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(1,574)	151,835
Net (increase) decrease in inventories	147	6,259
Net (increase) decrease in other current assets	-	-
Net increase (decrease) in trade & other payables	270,027	(67,241)
Net increase (decrease) in other provisions	-	-
<b>Net Cash provided by (or used in) operations</b>	<u><b>621,519</b></u>	<u><b>857,507</b></u>

## (c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:		
- Estimated future reinstatement etc. costs	<u>117,000</u>	<u>6,300</u>

## (d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:		
Bank Overdrafts	450,000	450,000
Loan Facilities - Outstanding Principle	-	-
Corporate Credit Cards	6,000	6,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice, this facility is provided by the Local Government Finance Authority of SA.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016

## Note 11 - FINANCIAL INSTRUMENTS

## Recognised Financial Instruments

<b>Bank, Deposits at Call</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 at call have an average maturity of 90 days and an average interest rate of 1.96% (2015: 90 days, 2.35%).</p> <p><b>Carrying amount:</b> Approximates fair value due to the short term to maturity.</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p><b>Carrying amount:</b> Approximates fair value (after deduction of any allowance).</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 Authority.</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 charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> Secured over future revenues, borrowings are repayable by biannual instalments of principle and interest.</p> <p><b>Carrying amount:</b> Approximates fair value.</p>
<b>Liabilities - Overdraft</b>	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> Secured over future revenues interest is charged at an average variable rate of 4.48%.</p> <p><b>Carrying amount:</b> Approximates fair value.</p>

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

## Adelaide Hills Region Waste Management Authority

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2016

## Note 11 - FINANCIAL INSTRUMENTS (cont.)

## Liquidity Analysis

2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	236,715	-	-	236,715	236,715
Receivables	479,556	-	-	479,556	479,556
<b>Total</b>	<b>716,271</b>	<b>-</b>	<b>-</b>	<b>716,271</b>	<b>716,271</b>
<b>Financial Liabilities</b>					
Payables	784,901	-	-	784,901	784,901
Current Borrowings	-	100,000	-	100,000	100,000
<b>Total</b>	<b>784,901</b>	<b>100,000</b>	<b>-</b>	<b>884,901</b>	<b>884,901</b>
<b>2015</b>	<b>Due &lt; 1 year</b>	<b>Due &gt; 1 year; ≤ 5 years</b>	<b>Due &gt; 5 years</b>	<b>Total Contractual Cash Flows</b>	<b>Carrying Values</b>
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	309,028	-	-	309,028	309,028
Receivables	477,982	-	-	477,982	477,982
<b>Total</b>	<b>787,010</b>	<b>-</b>	<b>-</b>	<b>787,010</b>	<b>787,010</b>
<b>Financial Liabilities</b>					
Payables	514,736	-	-	514,736	514,736
Non-Current Borrowings	-	200,000	-	200,000	200,000
<b>Total</b>	<b>514,736</b>	<b>200,000</b>	<b>-</b>	<b>714,736</b>	<b>714,736</b>

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

	30 June 2016		30 June 2015	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft	4.70	100,000	4.7	200,000
Non Interest Bearing	-	784,901	-	514,736
		<b>884,901</b>		<b>714,736</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 Authority.

## Risk Exposures

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

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

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

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



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016**

**Note 12 - COMMITMENTS FOR EXPENDITURE**

The Authority as at 30 June 2016 had no commitments for expenditure.

**Note 13 - OPERATING LEASES**

The Authority as at 30 June 2016 has a commitment to lease the land on which the Brinkley landfill presides. The current lease expires on the 13th February 2019.

**Note 14 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED**

The Authority as at 30 June 2016 is a defendant in Supreme Court proceedings in which it is asserted that the Authority made misleading representations at the time that it transferred its interests in the Hartley Landfill to a third party. The Authority is defending the claim and legal costs will continue to be incurred. The claim for damages is approximately \$2.42 million. The Authority's legal advisors have stated the claim is denied and has been fully defended.

**Note 15 - EVENTS OCCURING AFTER REPORTING DATE**

There were no events subsequent to 30 June 2016 that need to be disclosed in the financial statements.

## ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the year ended 30 June 2016****Note 16 - UNIFORM PRESENTATION OF FINANCES**

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

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	2016 \$	2015 \$
Income	4,871,079	5,020,615
less Expenses	<u>5,263,286</u>	<u>4,983,855</u>
<b>Operating Surplus / (Deficit)</b>	<b>(392,207)</b>	<b>36,760</b>
<b>less Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	67,611	80,994
less Depreciation, Amortisation and Impairment	705,773	704,744
less Proceeds from Sale of Replaced Assets	<u>32,806</u>	<u>20,555</u>
	<b>(670,968)</b>	<b>(644,305)</b>
<b>less Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	559,027	450,546
less Amounts received specifically for New and Upgraded Assets	-	-
less Proceeds from Sale of Surplus Assets (including investment property and real estate developments)	<u>-</u>	<u>-</u>
	<b>559,027</b>	<b>450,546</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>(280,266)</u></b>	<b><u>230,519</u></b>

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**Adelaide Hills Region Waste Management Authority**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2016**

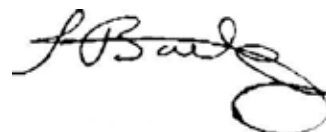
**CERTIFICATION OF FINANCIAL STATEMENTS**

We have been authorised by Adelaide Hills Region Waste Management Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2016 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



.....  
Michael Lorenz  
**EXECUTIVE OFFICE**



.....  
Councillor Ian Bailey  
**CHAIR PERSON**

Date: 15 August 2016

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2016**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2016, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Andrew Aitken  
**CHIEF EXECUTIVE OFFIER**  
Adelaide Hills Council

Date:

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2016**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2016, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Peter Dinning  
**CHIEF EXECUTIVE OFFICER**  
Alexandrina Council

Date: 06/07/2016

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

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FOR THE YEAR ENDED 30 June 2016**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

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This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Andrew Stuart  
**CHIEF EXECUTIVE OFFICER**  
District Council of Mount Barker

Date:

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2016**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

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This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.

  
Michael Sedgman  
**CHIEF EXECUTIVE OFFICER**  
Rural City of Murray Bridge

Date: 11.07.2016



ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2016**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2016, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) *Local Government (Financial Management) Regulations 1999*.



Michael Lorenz  
**EXECUTIVE OFFICER**



Peter Brass  
**CHAIR  
AUDIT COMMITTEE**

Date: 23 August 2016



ADLAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY  
**Dean Newbery & Partners**

CHARTERED ACCOUNTANTS ABN 30 164 612 890

### Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2016, 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*.

**JIM KEOGH**

**Partner**

**DEAN NEWBERY & PARTNERS**

**CHARTERED ACCOUNTANTS**

**Dated the 15<sup>th</sup> day of August 2016**

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North Adelaide SA 5006

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MOUNT BARKER  
DISTRICT COUNCIL