City of Charles Sturt

Annual Report 18/19

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OVERVIEW

Executive Summary

We are proud of our diverse and vibrant City. We have one of the largest metropolitan councils with nearly 120,000 residents, from over 105 cultures, who call the City of Charles Sturt home.

The 18/19 Annual Report is a detailed document which outlines the work and achievements of the financial year together with a summary of the services provided to our community.

Our Community Plan 2016 – 2027 sets the context for the Annual Report, where we provide information and analysis on the key target areas of the Community Plan.

Over the last financial year, we undertook a significant number of key projects as part of our Building for Tomorrow projects creating infrastructure for generations to come. These have been funded by the City of Charles Sturt and our funding partners to ensure we are providing infrastructure that meets not only the current but also the future needs of our community and include:

- Port Road Drainage Project
- St Clair Recreation Centre Precinct
- Rebuilding the West Beach Rock Wall
- The replacement of street lights with more energy efficient LED lighting
- Reinventing our reserves.

Reinventing our Reserves – of our 115 playgrounds, 5 were renewed including the $1.6m MJ McInerney Reserve. A new playspace for all ages has been created with revitalised facilities and a skatepark, making it a destination point for those in and outside of our Council area.

Reducing flooding – Stage 2 of the Port Road Drainage project has now been completed and Stage 3 is now underway. This project is part of our Building for Tomorrow projects and will reduce the risk of flooding along Port Road and the surrounding neighbourhoods. Stage 2 involved drainage installation, and landscaping works with more than 450 trees, 7,300 plants and nearly 60,000m2 turf together with associated recycled water irrigation system.

Rebuilding the West Beach Rock Wall – Construction is nearing completion for the 2 sections under Council responsibility (central and northern) of the damaged wall which will help to withstand significant storm events, projected sea level rise and act as a barrier along Seaview Road, at a total cost of $7.5m.

OVERVIEW

Revitalising St Clair Recreation Centre – the state-of-the-art Centre is now open and is home to a number of clubs as well as sporting groups and activities. We are now looking forward to completing the outdoor precinct works which include roads and footpaths, a nature play space, event area, 6 tennis courts and a skatepark, set for 19/20.

Our capital works program has also seen a budgeted investment of $94m into roads and footpaths, traffic management initiatives, playground renewals, and upgrades of local sporting clubs, supporting safety and recreation facilities.

This financial year we also completed the $240K Changing Places at Henley Beach, a facility for those with a disability and their carers at Henley Beach. Coupled with beach mats and the beach wheelchairs, has realised our commitment to make our beaches accessible to all.

Our upgraded Waste Management Centre at Beverly has resulted in 40% more recycling diverted from landfill, with $150k saved as well as 1,300 tonnes less of waste being disposed.

From a financial perspective, all this was achieved while delivering a rate rise of 2.0% and debt levels that remain well within target parameters. We also continued with our strategy to again deliver an operating surplus, ensuring Council remains financially sustainable over the long term.

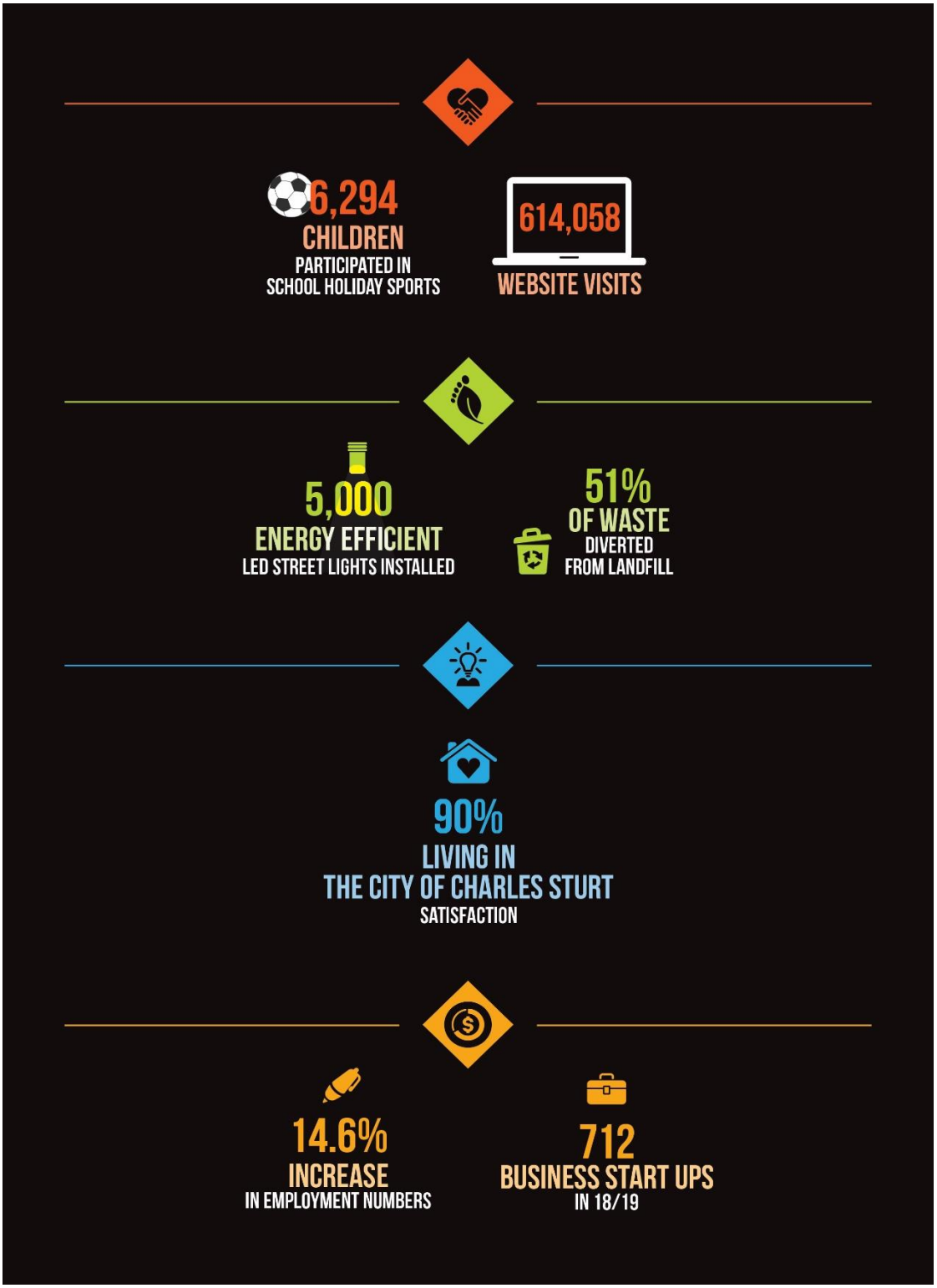
Through community connections we provide five libraries, seven community centres with programs, events and resources. This year we encouraged our local community to connect, discover and be inspired by their local library.

We value our community's contributions, whether it be our wonderful volunteers who have contributed 23,000 hours, those who belong to a club, who visit and interact with one another at our community centres, libraries and open spaces all help shape our community.

Thank you also to the Elected Council who have a continued vision to create such a wonderful place, and to our staff who have worked passionately to deliver on that vision. Lastly thank you to our community members, both residents and businesses for your contribution to making Charles Sturt such an inclusive and desirable place to live, work or visit.

CEO PAUL SUTTON

Snapshot of our City



Fast Facts about Charles Sturt in 2018/19

Mayor Angela Evans

Chief Executive Officer Paul Sutton

Staff 441.33 full time equivalent (FTE) staff as at 30 June 2019. **Key Statistics**

- Total Area – 5,557 hectares
- Length of coast – 11.5km
- Length of roadway (approx.) – 557km of sealed roads
- Open space (approx.) – 424 parks and reserves contributing to a total 435.5 hectares of open space

Key Locations

- *Civic Centre and Library*
  72 Woodville Road, Woodville 5011
- *Beverley Centre*
  66 East Avenue, Beverley 5009
- *Hindmarsh Library*
  149 Port Road, Hindmarsh 5007
- *Henley Beach Library*
  378 Seaview Road, Henley Beach 5022
- *Findon Library*
  Cnr Findon and Grange Roads, Findon 5023
- *West Lakes Library*
  Cnr West Lakes Boulevard and Brebner Drive, West Lakes 5021
- Seaton North Neighbourhood Centre
  16 Cairns Avenue, Seaton 5023.
- *Bower Cottages Community Centre Inc*
  200 Bower Road, Semaphore Park 5019
- *Cheltenham Community Centre Inc*
  62 Stroud Street North, Cheltenham 5014
  (Cheltenham Station)
- *Findon Community Centre*
  222 Findon Road, Findon 5023
  (Bus stop 214)
- *Henley & Grange Community Centre*
  196A Military Road, Henley Beach 5022
- *West Lakes Community Centre*
  Cnr Brebner Drive and West Lakes Boulevard, West Lakes 5021
- *Youth Central*
  The Brocas, 111 Woodville Road, St Clair
- *19 on Green*
  Bowden Brompton Community Centre
  19 Green Street, Brompton 5007

Key Financials – Overview

This year Council's Operating Expenditure was $118.930m and Capital Expenditure $60.329m. We received $114.338m in rates and other income, $22.489m in grants from the State and Federal Government and $33m from a revaluation of infrastructure assets.

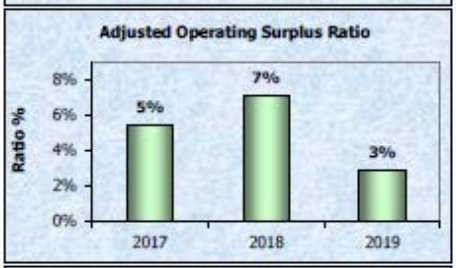
	2019 $'000	2018 $'000
Rates Income	106,223	103,706
Total grants* (includes grants for new/upgraded assets)	22,489	23,681
Statutory charges	4,018	4,151
Other income	6,095	5,484
Gain Equity Accounted council businesses	62	-
Gain on disposal of assets*	(7,243)	(7,630)
Physical resources received free of charge*	5,183	42
Other Comprehensive Income (includes changes in revaluation, surplus and impairment expense)	33,000	-
Income Sub Total	**169,827**	**129,434**
Loss Equity Accounted council businesses	-	12
Employee costs	41,807	40,398
Depreciation	28,859	27,100
Finance costs	943	507
Materials, Contracts, Other expenses	47,321	46,193
Expenditure Sub Total	**118,930**	**114,210**
Operating Surplus (excludes profit on disposal, physical resources received free of charge and grants for new/upgraded assets*)	**6,797**	**10,750**
Net Surplus (excludes other comprehensive income)	**17,897**	**15,224**
Total Comprehensive Income (Income less Expenditure Subtotal – includes other comprehensive income)	**50,897**	**15,224**
Key Sustainability Ratios		
Operating surplus ratio (target >=0%)	**3%**	**7%**
Net Financial Liabilities ratio (target <100%)	**44%**	**36%**
Asset Sustainability ratio (target >80%)	**80%**	**201%**
Interest cover ratio (target <10%)	**0.7%**	**0.3%**

**Sustaining an operating surplus is important to maintaining our community assets and ensuring rate payers are paying for what they consume.*

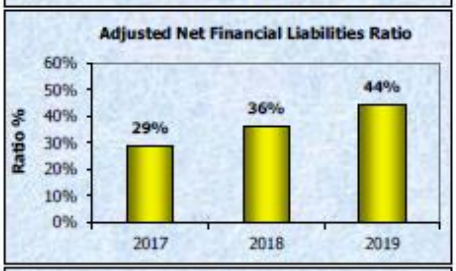
ABOUT COUNCIL

Purpose of Operating Surplus Ratio	2018/19 Ratio 5%
This indicator is to determine the percentage the operating revenue varies from operating expenditure	Council's Long Term Financial Plan (LTFP) objective is to generate a sustainable operating surplus ratio between 0% and 10%. When Council's performance is within this range, each generation is paying for the assets and services that it consumes. A positive ratio demonstrates the percentage of operating income available to fund capital expenditure and decrease reliance on borrowings.

Purpose of Net Financial Liabilites Ratio	Commentary on 2018/19 Result 2018/19 Ratio 44%
This indicator shows the significance of the net amount owed to others, compared to operating revenue	Council has determined that a Net Financial Liabilities (NFL) ratio of between 0% and 100% is an acceptable range. The result shows Council's ability to meet financial obligations, including borrowings, employee leave provisions from operating revenue.



Purpose of Adjusted Operating Surplus Ratio	Commentary on 2018/19 Result 2018/19 Ratio 3%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Operating Surplus ratio includes the impact of general purpose funding expected in 2019/20 but was received in advance in June 2019.



Purpose of Adjusted Net Financial Liabilities Ratio	Commentary on 2018/19 Result 2018/19 Ratio 44%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Net Financial Liabilities ratio includes the effect of the gneral purpose funding originally budgeted for 2019/20 that was received in June 2019. The cash surplus has ben used to reduce borrowings required.

Purpose of Asset Renewal Funding Ratio	Commentary on 2018/19 Result 2018/19 Ratio 80%
This indicator aims to determine if assets are being renewed and replaced in an optimal way	Council has set a minimum target of 80% of expenditure on capital renewals as compared to the level that the adopted Asset Management Plans (AMP) require. Although the target in the LTFP is 100%, there is often an impact caused by timing of completion of renewal projects before or after the year end. The 2018 value was dominated by the St Clair Recreation Centre renewal.

About Council – Council Members

The City of Charles Sturt is comprised of 17 members - Her Worship the Mayor and 16 Councillors, two for each of the eight wards.

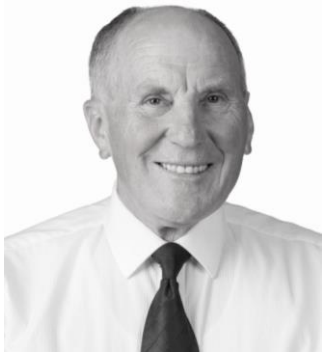
Mayor	
	Mayor Angela Evans

Semaphore Park Ward			
	Cr Stuart Ghent JP		**Cr Gerard Ferrao JP**

COUNCIL MEMBERS

Grange Ward			
	Cr Tom Scheffler		**Cr Sarah McGrath**
Henley Ward			
	Cr Kenzie van den Nieuwelaar		**Cr Paul Sykes JP**
Woodville Ward			
	Cr Oanh Nguyen		**Cr Charlotte Watson**

COUNCIL MEMBERS

West Woodville Ward			
	Cr Kelly Thomas		**Cr Tolley Wasylenko JP**
Findon Ward			
	Cr Helen Hibeljic		**Cr George Turelli**
Hindmarsh Ward			
	Cr Paul Alexandrides		**Cr Alice Campbell**

COUNCIL MEMBERS

Beverley Ward

Cr Edgar Agius OAM, JP

Cr Matt Mitchell

Council and Committee Structure from July 2018 to November 2018 (pre-election)

Full Council

Presiding Member: Mayor Angela Evans

Membership: Mayor and all Councillors (Deputy Mayor elected)

Meets: Second and fourth Monday of each month at 7pm (except January and December where only one meeting is held) to deal with:

- reports from Mayor, Council Members and Chief Executive;
- deputations, petitions, questions and motions on notice or without notice; and
- statutory business, committee reports and recommendations.

Full Council – Record of attendance from 1 July 2018 to 22 October 2018

	Meetings attended (of 8)	Leave of absence granted	Apology recorded
Mayor Evans	8	-	-
Cr Agius	7	-	1
Cr Alexandrides	5	-	3
Cr Campbell	7	-	1
Cr Ghent	8	-	-
Cr Grant	5	1	2
Cr Harley	4	4	-
Cr Nguyen	8	-	-
Cr Randall	-	8	-
Cr Scheffler	5	3	-
Cr Sykes	6	-	2
Cr Thomas	8	-	-

Cr Tullio	6	-	2
Cr Turelli	8	-	-
Cr Wasylenko B	8	-	-
Cr Wasylenko T	7	-	1
Cr Wood	8	-	-

Council and Committee Structure from November 2018 to June 2019 (post-election)

Full Council

Presiding Member: Mayor Angela Evans

Membership: Mayor and all Councillors (Deputy Mayor elected)

Meets: Second and fourth Monday of each month at 7pm (except January and December where only one meeting is held) to deal with:

- reports from Mayor, Council Members and Chief Executive;
- deputations, petitions, questions and motions on notice or without notice; and
- statutory business, committee reports and recommendations.

Full Council – Record of attendance from 26 November 2018 to 30 June 2019

	Meetings attended (of 13)	Leave of absence granted	Apology recorded
Mayor Evans	13	-	-
Cr Agius	12	-	1
Cr Alexandrides	11	-	2
Cr Campbell	9	-	4
Cr Ferrao	11	-	2
Cr Ghent	10	2	1
Cr Hibeljic	8	4	1
Cr McGrath	13	-	-
Cr Mitchell	12	-	1
Cr Nguyen	13	-	-
Cr Scheffler	11	2	-
Cr Sykes	11	-	2
Cr Thomas	13	-	-

COUNCIL COMMITTEES & MEETINGS

	Meetings attended (of 13)	Leave of absence granted	Apology recorded
Cr Turelli	12	-	1
Cr Wasylenko T	13	-	-
Cr Watson	10	-	3
Cr van den Nieuwelaar	11	2	-

Committees from July 2018 to June 2019

(pre-election)

Charles Sturt Council Assessment Panel CAP

Presiding Member: Ms S Johnston

Membership: Independent Presiding Member, three independent experts, one Council Member and one Deputy Council Member (Deputy Council Member only required to attend in the absence of the Council Member).

Meets: First and third Wednesday of each month at 6.30 pm to deal with:

- all development applications referred to it by Council officers for decision;
- applications for development where representors have requested to be heard in response to a Category 2 or 3 notification;
- comments to the Development Assessment Commission on development that is significant, controversial or contentious;
- category 2 or 3 non-complying development with representations;
- applications for development involving State or local heritage places or in Historic Conservations Areas where:
    - The officer's recommendation is contrary to Council's Heritage Advisor's advice; or
    - Council's Heritage Advisor's advice is at odds with the recommendation of State Heritage;
- All refusals including declining to proceed with non-complying development
- Any form of new dwelling application in the Residential Zone or Residential Character Zone that involves the establishment of a new site area 10% or more below the minimum area specified for a semi-detached dwelling in the relevant Policy Area or Precinct but not including those proposed on site areas appropriate for the relevant form of dwelling in the Policy Area or Precinct; and
- Any dwelling of two or more stories located to the rear of another dwelling within the Residential Zone or Residential Character Zone (except in Policy Areas 20, 22 and 23).

Operates with delegated authority from Council under the Development Act 1993

COUNCIL COMMITTEES & MEETINGS

Charles Sturt Council Assessment Panel - Record of attendance for 1 July 2018 – 30 June 2019

	Meetings attended (of 20)	Leave of absence granted	Apology recorded
Ms Johnston – Independent	18	-	2
Cr Sykes	18	-	2
Ms Tully – Independent	18	-	2
Ms Caddy – Independent Resigned from 15/5/2019 meeting	14	-	3
Mr J Rutt – Independent	20	-	-

COUNCIL COMMITTEES & MEETINGS

Asset Management Committee

(pre-election)

Presiding Member: Cr T Wasylenko

Membership: Mayor (ex-officio), Presiding Member and seven Councillors

Meets: Third Monday of each month at 6.00 pm to deal with:

- all strategic asset management issues facing the Council; and
- forward program planning.

Reports to Council with recommendations in the form of committee minutes.

Asset Management Committee - Record of attendance for 1 July 2018 to 19 November 2018

	Meetings attended (of 3)	Leave of absence granted	Apology recorded
Mayor Evans (ex officio)	N/A	N/A	N/A
Cr Ghent	3	-	-
Cr Campbell	3	-	1
Cr Nguyen	3	-	-
Cr Scheffler	2	1	-
Cr Turelli	3	-	-
Cr Wasylenko T	3	-	-
Cr Harley	3	-	-
Cr Wood	3	-	2

As the Mayor is an Ex Officio member apologies are not required to be recorded.

COUNCIL COMMITTEES & MEETINGS

Asset Management Committee

(post-election)

Presiding Member: Cr K Thomas

Membership: Mayor (ex-officio), Presiding Member and seven Councillors

Meets: Third Monday of each month at 6.00 pm to deal with:

- all strategic asset management issues facing the Council; and
- forward program planning.

Reports to Council with recommendations in the form of committee minutes.

Asset Management Committee - Record of attendance for 1 January 2019 to 20 June 2019

	Meetings attended (of 5)	Leave of absence granted	Apology recorded
Mayor Evans (ex officio)	N/A	N/A	N/A
Cr Campbell	4	-	1
Cr Ferrao	3	-	2
Cr Mitchell	3	-	2
Cr Nguyen	5	-	-
Cr Scheffler	3	2	-
Cr Sykes	5	-	-
Cr Thomas	5	-	-
Cr Turelli	5	-	-

As the Mayor is an Ex Officio member, apologies are not required to be recorded.

COUNCIL COMMITTEES & MEETINGS

Audit Committee

(pre-election)

Presiding Member: Cr Wood

Membership: Presiding Member, two other Councillors and two independent members.

Meets: Quarterly at 6.00 pm on the first Monday of the month to deal with:

- monitoring the risk management and internal control environment of Council's operations and
- the oversight of Council's internal and statutory audit responsibilities and functions.

Reports to Council with recommendations in the form of committee minutes.

Audit Committee - Record of attendance for 1 July 2018 to 30 June 2018

	Meetings attended (of 2)	Leave of absence granted	Apology recorded
Cr Wood	1	-	1
Cr Turelli	2	-	-
Cr Agius	1	-	1
Mr Brass – Independent	2	-	-
Ms Scinto - Independent	2	-	-

COUNCIL COMMITTEES & MEETINGS

Audit Committee

(post-election)

Presiding Member: Cr Nguyen

Membership: Presiding Member, two other Councillors and two independent members.

Meets: Quarterly at 6.00 pm on the first Monday of the month to deal with:

- monitoring the risk management and internal control environment of Council's operations and
- the oversight of Council's internal and statutory audit responsibilities and functions.

Reports to Council with recommendations in the form of committee minutes.

Audit Committee - Record of attendance for 1 November 2018 to 30 June 2019

	Meetings attended (of 3)	Leave of absence granted	Apology recorded
Cr Nguyen	3	-	-
Cr Scheffler	2	1	0
Cr Watson	2	-	1
Mr Brass – Independent	3	-	-
Mr Bria - Independent	3	-	-

COUNCIL COMMITTEES & MEETINGS

City Services Committee

(pre-election)

Presiding Member: Cr Alexandrides

Membership: Mayor (ex-officio), Presiding Member and six Councillors (note there is one vacant position).

Meets: Monthly at 6.00 pm on the third Monday of the month (commenced February 2016) to deal with:

- All social and community services issues and framework.
- Strategic Planning
- Economic Development
- Development Policy.

Reports to Council with recommendations in the form of committee minutes

City Services Committee - Record of attendance for 1 July 2018 to 15 November 2018

	Meetings attended (of 4)	Leave of absence granted	Apology recorded
Mayor Evans (ex officio)	3	-	1
Cr Alexandrides	4	-	-
Cr Sykes	2	-	2
Cr Thomas	4	-	-
Cr Tullio	2	-	2
Cr B Wasylenko	4	-	-
Cr Agius	2	-	2
Cr Randall	-	4	-

As the Mayor is an Ex Officio member, apologies are not required to be recorded.

COUNCIL COMMITTEES & MEETINGS

City Services Committee

(post-election)

Presiding Member: Cr Alexandrides

Membership: Mayor (ex-officio), Presiding Member and six Councillors (note there is one vacant position).

Meets: Monthly at 6.00 pm on the third Monday of the month (commenced February 2016) to deal with:

- All social and community services issues and framework.
- Strategic Planning
- Economic Development
- Development Policy.

Reports to Council with recommendations in the form of committee minutes

City Services Committee - Record of attendance for 1 January 2019 to 20 June 2019

	Meetings attended (of 5)	Leave of absence granted	Apology recorded
Mayor Evans (ex officio)	N/A	N/A	N/A
Cr Alexandrides	5	-	-
Cr Agius	4	-	1
Cr Ghent	4	-	1
Cr Hibeljic	1	2	2
Cr McGrath	4	-	1
Cr van den Nieuwelaar	3	2	-
Cr Wasylenko	4	-	1
Cr Watson	3	-	2

As the Mayor is an Ex Officio member, apologies are not required to be recorded.

COUNCIL COMMITTEES & MEETINGS

Corporate Services Committee

(pre-election)

Presiding Member: Cr Campbell

Membership: Mayor (ex-officio), Presiding Member and ten Councillors

Meets: Monthly at 6.00 pm on the first Monday of the month and when the Committee may otherwise deem necessary to deal with:

- all financial issues affecting Council's business activities.
- Annual budget; and
- Budget review
- Review of Council Policies & Delegations.

Reports to Council with recommendations in the form of committee minutes.

Corporate Services Committee - Record of attendance for 1 July to 1 November 2018

	Meetings attended (of 2)	Leave of absence granted	Apology recorded
Mayor Evans (ex officio)	1	N/A	N/A
Cr Campbell	2	-	-
Cr Nguyen	2	-	-
Cr Sykes	1	-	1
Cr Tullio	2	-	-
Cr Turelli	2	-	-
Cr T Wasylenko	2	-	-
Cr B Wasylenko	2	-	-
Cr Agius	2	-	-
Cr Harley	2	-	-

As the Mayor is an Ex Officio member, apologies are not required to be recorded.

COUNCIL COMMITTEES & MEETINGS

Corporate Services Committee

(post-election)

Presiding Member: Cr Campbell

Membership: Mayor (ex-officio), Presiding Member and ten Councillors

Meets: Monthly at 6.00 pm on the first Monday of the month and when the Committee may otherwise deem necessary to deal with:

- all financial issues affecting Council's business activities.
- Annual budget; and
- Budget review
- Review of Council Policies & Delegations.

Reports to Council with recommendations in the form of committee minutes.

Corporate Services Committee - Record of attendance for 26 November 2018 to 30 June 2019

	Meetings attended (of 5)	Leave of absence granted	Apology recorded
Mayor Evans (ex officio)	5	N/A	N/A
Cr Campbell	5	-	-
Cr Ferrao	1	-	3
Cr Hibeljic	2	1	2
Cr Mitchell	5	-	-
Cr Nguyen	5	-	-
Cr Ghent	5	-	-
Cr Turelli	5	-	-
Cr T Wasylenko	5	-	-

As the Mayor is an Ex Officio member, apologies are not required to be recorded.

Other Legislated Committees from July to November 2018

Charles Sturt Building Fire Safety Committee

The Building Fire Safety Committee was established in accordance with the requirements of Section 71 of the Development Act 1993. The purpose of the Building Fire Safety Committee is to maintain proper levels of fire safety in all buildings within the Council area:

Membership: *Council's Building Surveyor and Assistant Building Surveyor and a representative from the Metropolitan Fire Service.*

Meets: Bi-monthly, usually on the first Tuesday.

Other Legislated Committees from 26 November 2018 to 30 June 2019

Charles Sturt Building Fire Safety Committee

The Building Fire Safety Committee was established in accordance with the requirements of Section 71 of the Development Act 1993. The purpose of the Building Fire Safety Committee is to maintain proper levels of fire safety in all buildings within the Council area:

Membership: *Council's Building Surveyor and Assistant Building Surveyor and a representative from the Metropolitan Fire Service.*

Meets: Bi-monthly, usually on the first Tuesday.

COUNCIL MEMBER TRAINING & DEVELOPMENT

July 2018 to June 2019 Conference Attendance

2018 LGA Conference and Annual General Meeting	Mayor Evans
2019 Inaugural LG Summit and Public Speaking Workshop	Councillor Watson
2019 LGA Showcase and Ordinary General Meeting	Mayor Evans
2019 ALGA National General Assembly	Mayor Evans
2019 ALGA National General Assembly	Councillor McGrath
2019 ALGA National General Assembly	Councillor Agius
2019 ALGWA Networking Breakfast	Councillor McGrath

December 2018 to June 2019 – Training Attendance

LGA Elected Member Leadership Program	Councillor McGrath
LGA Elected Member Leadership Program	Councillor Thomas
LGA Elected Member Leadership Program	Councillor Turelli
LGA Elected Member Leadership Program	Councillor van den Nieuwelaar
LGA Reputation and the Media	Councillor van den Nieuwelaar
ICAC Elected Member Forum	Mayor Evans
ICAC Elected Member Forum	Councillor Agius
ICAC Elected Member Forum	Councillor McGrath
ICAC Elected Member Forum	Councillor Mitchell
ICAC Elected Member Forum	Councillor Nguyen
ICAC Elected Member Forum	Councillor Thomas
ICAC Elected Member Forum	Councillor Turelli

COUNCIL MEMBER TRAINING & DEVELOPMENT

ICAC Elected Member Forum	Councillor van den Nieuwelaar
State Planning Commission Briefing	Councillor McGrath
State Planning Commission Briefing	Councillor Thomas
State Planning Commission Briefing	Councillor Turelli
State Planning Commission Briefing	Councillor Nguyen
State Planning Commission Briefing	Councillor van den Nieuwelaar
LGA Waste Essentials for Elected Members	Councillor Thomas
Recognise and Respond to DV	Councillor Thomas

Council Member Allowances

Section 76 of the Local Government Act 1999 provides that each member of a council is entitled to receive an annual allowance for performing and discharging official functions and duties.

Council 2018/19

Council Members' allowances are determined by the Independent Remuneration Tribunal and the nominated allowances came into effect post November 2014 local government Elections. In accordance with the Local Government 1999 Section 76(9) Allowance & Benefits the allowance is to be adjusted on the first, second and third anniversaries of the relevant periodic elections to reflect changes in the Consumer Price Index under scheme prescribed by the regulations. This section sets out allowances available to Council Members. A loading is paid to members dependent on whether or not they have chaired a committee across the relevant period.

Council Member	**Annual Allowance** **July to 16 November 2018**
Mayor Evans	$36,807.50
Presiding Members/Deputy Mayor:	
Councillor R Randall (Deputy Mayor to 22 January 2018)	$ 9,340.00
Councillor T Scheffler (Deputy Mayor from 22 January 2018)	$11,675.00
Councillor P Alexandrides (Presiding Member – City Services Committee)	$11,675.00
Councillor J Wood (Presiding Member – Audit Committee	$11,675.00
Councillor T Wasylenko (Presiding Member – Asset Management Committee)	$11,675.00
Councillor A Campbell (Presiding Member - Corporate Services Committee)	$11,675.00

COUNCIL MEMBER ALLOWANCES

Council Member	Annual Allowance July to 16 November 2018
Councillor E Agius	$ 9,340.00
Councillor S Ghent	$ 9,340.00
Councillor R Grant	$ 9,340.00
Councillor M Harley	$ 9,340.00
Councillor O Nguyen	$ 9,340.00
Councillor R Randall (from 22 January 2018)	$ 9,340.00
Councillor T Scheffler (to 22 January 2018)	$ 9,340.00
Councillor P Sykes	$ 9,340.00
Councillor K Thomas	$ 9,340.00
Councillor R Tullio	$ 9,340.00
Councillor G Turelli	$ 9,340.00
Councillor B Wasylenko	$ 9,340.00

COUNCIL MEMBER ALLOWANCES

Council Member	Annual Allowance 16 November 2018 to 30 June 2019
Mayor Evans	$53,568.07
Presiding Members/Deputy Mayor:	
Councillor T Scheffler (Deputy Mayor)	$17,605.48
Councillor P Alexandrides (Presiding Member – City Services Committee)	$17,605.48
Councillor O Nguyen (Presiding Member – Audit Committee	$17,605.48
Councillor K Thomas (Presiding Member – Asset Management Committee)	$17,605.48
Councillor A Campbell (Presiding Member - Corporate Services Committee)	$17,605.48
Councillor E Agius	$13,660.07
Councillor Ferrao	$14,581.22
Councillor S Ghent	$13,660.07
Councillor H Hibeljic	$14,581.22
Councillor S McGrath	$14,581.22
Councillor M Mitchell	$14,581.22
Councillor P Sykes	$13,660.07
Councillor G Turelli	$13,660.07
Councillor K van den Nieuwelaar	$14,581.22
Councillor T Wasylenko	$13,660.07
Councillor C Watson	$14,581.22

Note: Continuing Elected Members were paid for the November period as included in the tables on page 29-30.

Representation & Elections

The City's total representation quota (the number of electors for each Councillor) is 1:4,966 (84,425 electors).

Elected Members and Elector Representation

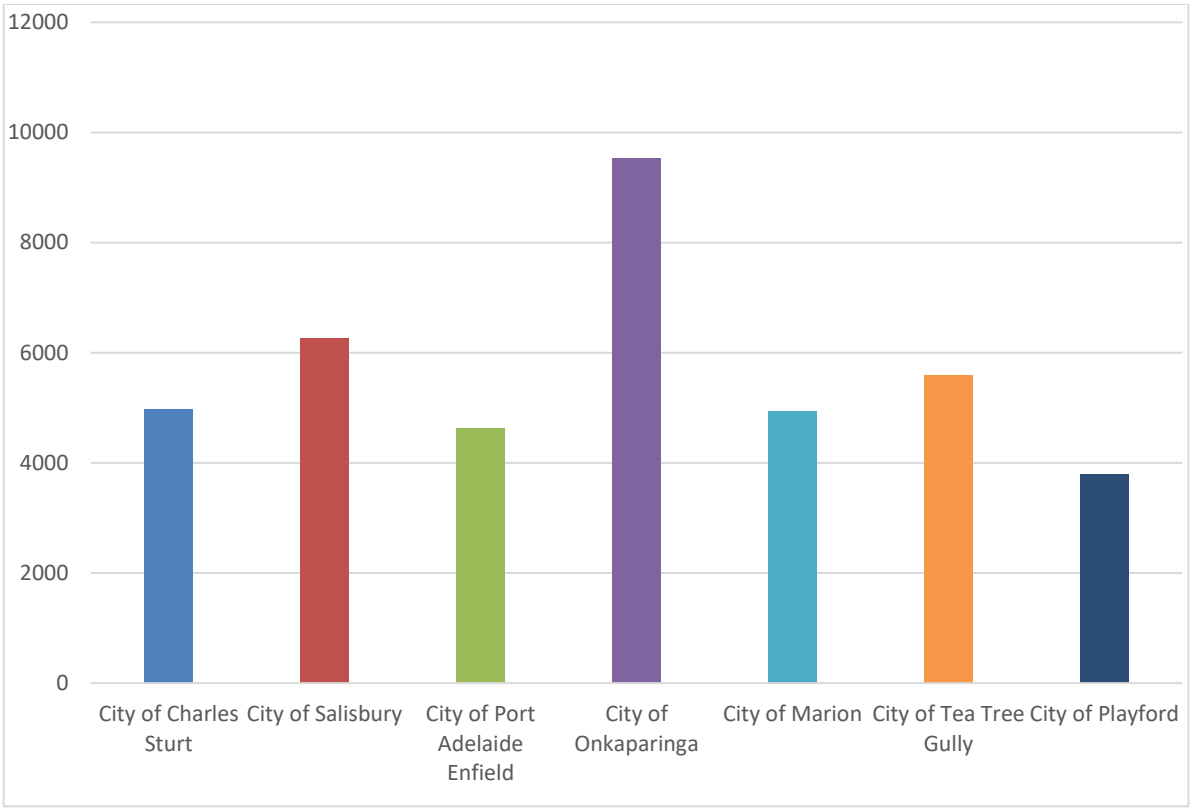
The Council has seventeen Elected Members, including the Mayor. The Mayor is elected from the whole community and the 16 Elected Members are elected by the residents of the City's eight wards.

The following table compares the City of Charles Sturt's representation quota with neighbouring and other comparable councils. The Representation Quota is determined by dividing the total number of electors for the area of the council by the number of members of the Council.

Metropolitan Councils	No. of Elected Members	No. of Electors	Ratio
City of Charles Sturt	17	84,425	1:4,966
City of Salisbury	15	94,017	1:6,267
City of Port Adelaide Enfield	18	83,240	1:4,624
City of Onkaparinga	13	123,939	1:9,533
City of Marion	13	64,219	1:4,939
City of Tea Tree Gully	13	72,663	1:5,589
City of Playford	16	60,775	1:3,798

REPRESENTATION & ELECTIONS

The graph below compares the number of electors per Elected Member in Charles Sturt against other Adelaide metropolitan Councils. This data was sourced from the Local Government Association of SA in July 2019.



The Process for Elector Representation Reviews

Section 12 of the *Local Government Act 1999* sets out the process that councils are required to follow when undertaking an elector representation review. The commencement of the review is triggered by the release of a Representation Options Paper which outlines the representation structures available. The *Local Government Act 1999* sets out the requirements for conducting a review as well as setting timeframes to provide opportunity for members of the public to make submissions at key stages of the review.

In undertaking the review, the Council must prepare a report on the public consultation undertaken and any proposal that the council considers should be carried into effect. A final report must be compiled that includes a summary of amendments resulting from any considerations in respect of the public consultation process, with the report then submitted to the Electoral Commissioner for certification. The Electoral Commissioner must determine whether the requirements of the review have been satisfied.

A review of Council composition and ward is determined by the Minister from time to time, and the City of Charles Sturt undertook a Periodic Review in April 2013.

Management & Staffing

Staff and management at the City of Charles Sturt work for and on behalf of the community and implement policies and directions set by the Council.

The Chief Executive Officer is responsible for overall administration and for ensuring that Council's policies and directions are implemented. The Chief Executive has an executive team of three General Managers, responsible for Asset Management; City Services and Corporate Services. Managers are responsible for individual portfolios within each of these divisions.

Paul Sutton

Chief Executive Officer

Jan Cornish

General Manager Asset Management Services

Sam Adams
A/Manager Engineering Strategy and Assets

Peter Kinnersly
Manager Field Services

Sam Higgins
Manager Open Space, Recreation & Property

Bruce Williams

General Manager City Services

Adam Filipi
Manager Public Health & Safety

Julie Vanco
Manager Planning & Development

Jacqui Stretton
Manager Community Connections

Craig Daniel
Manager Urban Projects

Donna Dunbar

General Manager Corporate Services

Karin Mahoney
Manager Information Services

Annette Martin
Manager Financial Services

Kerrie Jackson
Manager Governance & Operational Support

Jo McCarthy
A/Manager People & Culture

More information on structures, function and service to the community is provided in Appendix 1: Freedom of Information – Information Statement.

Leadership Team Salary Packages

The 18 members of the Leadership Team are paid a salary package which varies from individual to individual. These packages are summarised below.

- All packages included the 9.5% compulsory superannuation.
- 12 packages include the provision of a motor vehicle for unrestricted private use on a salary sacrifice basis.

People and Culture Programs

1. The Leadership and People & Culture Teams have worked in partnership to implement a Culture Roadmap 2018-2021 across the organisation. The outdoor workforce was reintroduced back in the culture program having not participated in the culture survey for several years. Our strategy for focusing on our Culture in 2019 incorporates our 'Working on We' internal campaign, 'Living Blue' culture program and alignment with the Customer Experience strategy which is our commitment to build a high performing organisation for our culture and employees and our customers and community. As part of the program Organisational Culture Inventory (OCI) surveys were completed in March with 89% response rate for the administration workforce and 91% response rate for the outdoor workforce. 93% of teams have had their results debriefed and many teams have commenced culture action planning, working through key areas for improvement in our 'Living Blue' Culture program.

2. Culture Education has been the key focus for leaders in the Dare to Lead 2020 leadership development program. An external consultant was engaged to facilitate workshops with the Executive, Managers, the Leadership Team and Team Leaders/Coordinators to prepare them in debriefing their team culture results, with outcomes identified and key actions committed to improving the culture at a senior leadership level.

3. Charles Sturt's participation in the Ageing and Work Health Pilot project concluded on 30 June 2019 resulting in several resources and guidelines being developed for Field Services leaders and employees. Organisational Health Services (Aust), in partnership with the Local Government Association Workers Compensation Scheme (LGAWCS) have project managed the Ageing and Work Health Pilot project with the aim of supporting employees in high physical demanding roles as they age, particularly those aged 45+, through trialling the effectiveness of a range of strategies.

4. The facilitation of an Early Retirement initiative for field employees was offered as part of Council's commitment to the Active Ageing project and workforce strategy. Statewide Super attended an overview session with eligible employees which resulted in a number of individuals attending follow up appointments for retirement planning and financial advice, providing them greater awareness in relation to their retirement options.

5. A review of the Operations Classification Structure was undertaken in relation to relativity of pay and conditions, roles and responsibilities and capabilities for leadership roles. Following a comprehensive benchmarking process, a consultant was engaged to facilitate the development of additional levels and associated definitions at Field leadership levels. In addition, the non-supervisory levels have been modernised and simplified, with the view of the proposed Classification Structure forming part of the next Enterprise Bargaining (Operations) Agreement.

Employee Overview as at 30 June 2019

Employee numbers as at 30 June 2019 shown as Full -Time Equivalent (FTE) and by Headcount showing gender. All numbers exclude agency, casuals and employees on extended leave as at 30 June 2019.

Full-Time Equivalent (FTE) excluding Casuals

Division	Permanent	Contract	Total
Chief Executive's Office	2	1.8	3.8
Corporate Services	57.8	12.4	70.28
City Services	119.6	22.2	141.8
Asset Management Services	220.6	4.8	225.45
Total	400.1	41.2	441.33

MANAGEMENT & STAFFING

Employee Headcount and Gender Ratio excluding Casuals

Division	Males	Females	Total
Chief Executive's Office	1	3	4
Corporate Services	25	48	73
City Services	45	117	162
Asset Management Services	204	31	235
Total	275	198	474

Our culture is a key part of delivering outcomes for our community, providing excellent customer service and meaningful, challenging and rewarding careers at the City of Charles Sturt.

We recognize our employees in a way that supports our values of Innovation, Encouragement, Enjoyment and specifically Achievement; where we celebrate success and accomplishments both individually and through great teamwork.

We are committed to meeting all legislative and best practice requirements associated with the recruitment and selection of our employees which is merit based according to their skills, aptitude, qualifications and experience relevant to the work to be performed.

Exits and Absenteeism

For the 2018-19 year:

- Employees turnover was 11.4% in the white collar workforce and 10.8% in the blue collar workforce and was 10% (white collar) and 10.3% (blue collar) when excluding casuals, fixed term contract employees and Council initiated terminations.
- Absenteeism due to sick leave was 10.69 average days per employee per year.

Corporate Indicators 2018/19

The City of Charles Sturt's Community Plan 2016-2027 and Corporate Plan 2016-2020 are the leading strategy documents in Council's strategic planning framework. The plans identify 5 Theme Areas that were developed in consultation with our residents. These themes are:

- Our Community – A strong and connected community
- Our Liveability – A liveable City of great places
- Our Environment – An environmentally responsible and sustainable City
- Our Economy – An economically thriving City
- Our Leadership – A leading and transformational Local Government Organisation

Indicators and measures are identified to enable monitoring of performance and key priorities within the themes. Significant projects have been identified that will be delivered over the 4 year period of the Corporate Plan.

The following pages report on our indicators and progress towards our key priorities. Each Theme has its own section with:

1) A table identifying progress on key priorities.

2) Statistical information and/or commentary on each indicator.

The symbols used to report on key priorities are as follows:

Our Community

A strong and connected community

We set ourselves some key priorities that when delivered will significantly improve our City's social infrastructure and build our community's health and wellbeing. These priorities are 4 year goals and each project is at varying stages of development and completion. This is our second reporting period for these key priorities and here's how we progressed in 2018:

OUR COMMUNITY
A STRONG & CONNECTED COMMUNITY

Key Priority	Status	Comments
Creating West Lakes Hub	⊘	Construction due to commence early 2020. Completion forecast for mid-2021.
Redeveloping the St Clair Recreation Precinct	⊘	6 court Recreation Centre with function centre completed November 2018.
Facilitating Place Making Grants	✓	28 grants approved and $150,000 funding for Place Makers, Main Street Trader, Events and Business Improvements across the city.
Celebrating Citizenship at formal ceremonies	✓	471 candidates, from 57 countries, conferred as Australia Citizens.
Implementing the Local Nuisance and Litter Control Act	✓	Implementation completed June 2018.
Upgrading the Bowden/Brompton Community Centre	✓	Centre opened Oct 2017.

Indicator 1 - Our social infrastructure and services are highly valued and engaging

We will know this by:

- Our community positively rates the provision of services and facilities.
- % of Charles Sturt residents that are active library members.
- Membership of sporting facilities provided by the City of Charles Sturt as a % of our population.
- The number of participant contacts at Council's Community Centres.
- The number of Community Care service outputs compared to our Commonwealth funding targets.
- The utilisation of Council owned halls is growing with an increase of 20% by 2020.
- Number of people participating in community programs.

Our community positively rates the provision of services and facilities

We surveyed our community to gain some insight into satisfaction with our social infrastructure including libraries, community centres, sporting clubs and halls. 56% of our survey respondents had recently used one or more of these facilities and overall 89% of these people indicated that they were satisfied or very satisfied.

Facility membership and participation

The City of Charles Sturt has 5 libraries, 7 community centres and over 70 Council owned sporting club facilities. Participation in community programs, membership of our City's libraries and sporting clubs demonstrates the value our community places on these facilities. The following table shows program participants and membership numbers at our various social infrastructure facilities.

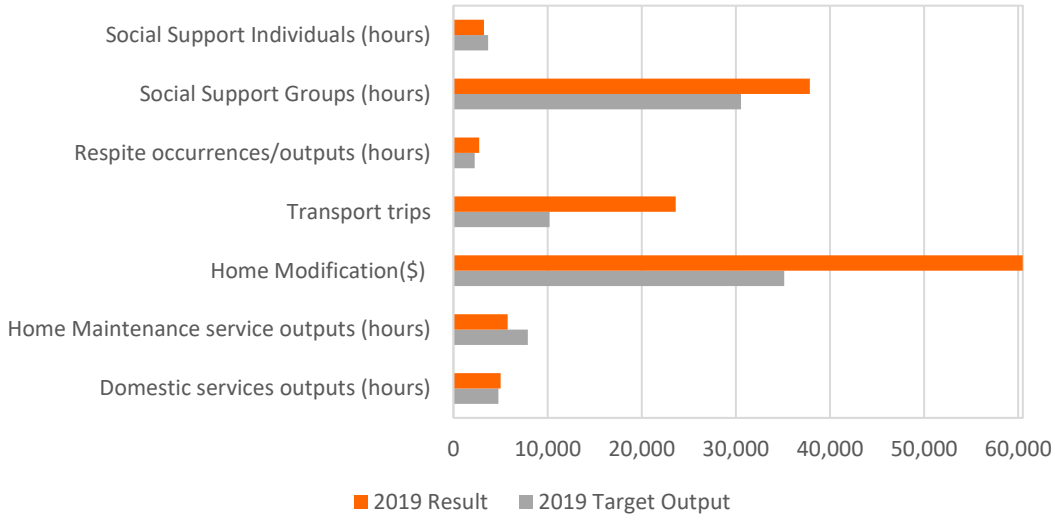
	2019	2018	2017	Trend
Library members	35,423	35,212	35,408	↑
% of Charles Sturt residents that are library members	25.17	25.7%	25.9%	↓
Playing members at Charles Sturt sports clubs	20,500	18,000	16,715	↑
Total members of Charles Sturt sports clubs	28,000	26,750	25,438	↑
Total membership of Charles Sturt sporting clubs as a % of our population.	23.9%	23.1%	22.2%	↑
Participant contacts at Charles Sturt Community Centres	92,328	95,749	95,304	↓
People participating in community programs (library and sports programs)	35,054	34,518	37,541	↓
% increase/decrease in regular hall hirers (no. hirers)	-16.7% (15)	5.9% (18)	6.3 % (17)	↓
% increase/decrease in casual hall hires (no. hires)	-12.1% (29)	83.3% (33)	12.5% (18)	↓
Income from hall hire*	$38,931	$50,484 New baseline*		↓

*Reported income is for all regular and casual hall hire from all Council owned halls except Woodville Town Hall.

STRATEGIES & PERFORMANCE | CORPORATE INDICATORS

The number of Community Care service outputs compared to our Commonwealth funding targets.

The City of Charles Sturt currently receives funding from the Commonwealth to provide support services to the community through the Commonwealth Home Support Program. The chart shows the number of outputs achieved for this program, against funding agreement targets. These services assist people to remain actively engaged and independent in their community.



Indicator 2 - Our community feels connected and supported.

We will know this by:

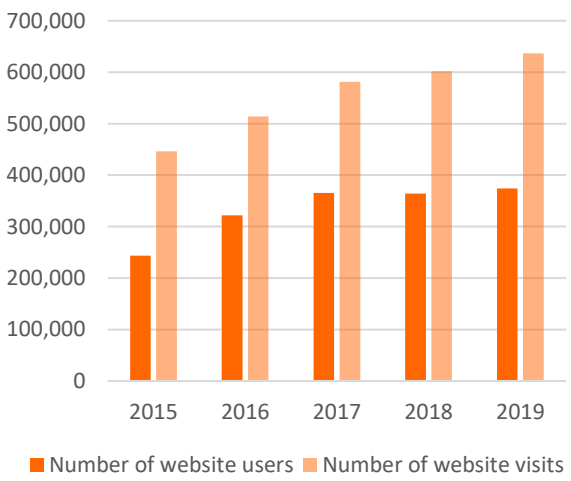
- % of volunteer positions occupied.
- Number of website visits and disengagement rate within social media platforms.
- People have strong networks of support from family, friends and neighbours.

Volunteer positions occupied

A strong level of volunteering in a community is an indicator of community engagement and social connectedness. Our registered volunteers contribute to vibrant community life in Charles Sturt. In 2018/19, we had 340 volunteer positions and we partnered with 322 volunteers to deliver valued programs and services to our community. The **% of volunteer positions occupied was 95%** and our volunteer program delivered over 29,128 hours of volunteer service.

Connecting via our website and social media platforms

Our website remains a key medium for communicating with our residents. The chart shows website visits and users over the past 5 years and the growing upward trend of users and visits.



The use of social media remains an important communication tool. There were 1,372,338 impressions* with a very low disengagement rate of 0.025% (754 negative views).

* Impressions are the number of times any content associated with our page was seen (posts, photos, events, videos, comments). Each view is an opportunity for a user to provide negative feedback.

People have strong networks of support from family, friends

We asked our community about the level of support they have available to them, as an indicator of connectedness. This is what our surveyed community told us: 97% indicated that they could draw on support from family, friends or neighbours should they need it, for example in a time of emergency.

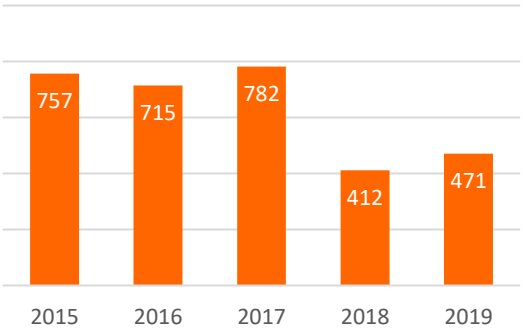
Indicator 3 - Our community members are participating in active citizenship.

We will know this by:

- Number of new Australian Citizens conferred in CCS
- Number of people participating in consultation projects.
- % of sports clubs participating in Council's professional development program.
- Voter turnout
- Number of people and projects supported through Young Changemakers program.

Number of new Australian Citizens conferred in CCS

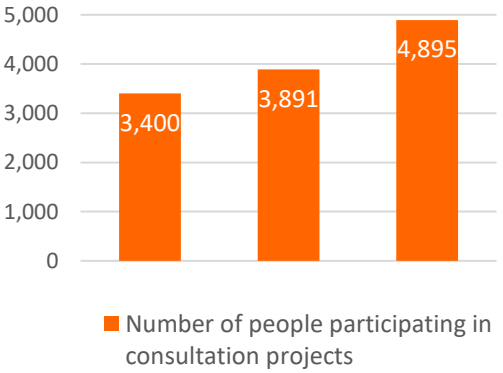
This year, 471 citizens were conferred by the City of Charles Sturt, with the largest portion of these new citizens, at 37%, coming from India. The remainder came from the UK (11%), Philipines (8%), Vietnam (5%) and China (4%)



Number of people participating in consultation projects.

In 2019 there were 81 consultation projects completed with 4,895 people participating in consultation activities.

The number of consultation projects is significantly higher compared to 2018, with participation lower averaging 60 people per consultation compared to 105 in 2018.



Voter turn out (% of eligible population voting in Council elections)

In the 2018 Local Government Election, 29.4% of the eligible voting population participated by voting.

Sports club professional development program and Young Changemakers program

	2019	2018	2017	Trend
Clubs participating in Council's professional development program	65	45	45	↑
% of sports clubs participating in professional development program	58%	60%	60%	↓
Number of projects supported through Young Changemakers program	10	8	2	↑
Number of people supported through Young Changemakers program	670	365	184	↑

Indicator 4 - Our proactive and compliance activities support positive health and safety outcomes.

We will know this by:

- **Our citizens feel safe in their neighbourhood.**
- **% of immunisation coverage in Charles Sturt.**
- **% of dogs desexed compared to State average.**
- **% of building inspection policy quotas completed.**
- **% of food premises inspections that resulted in an Improvement Notice being issued.**

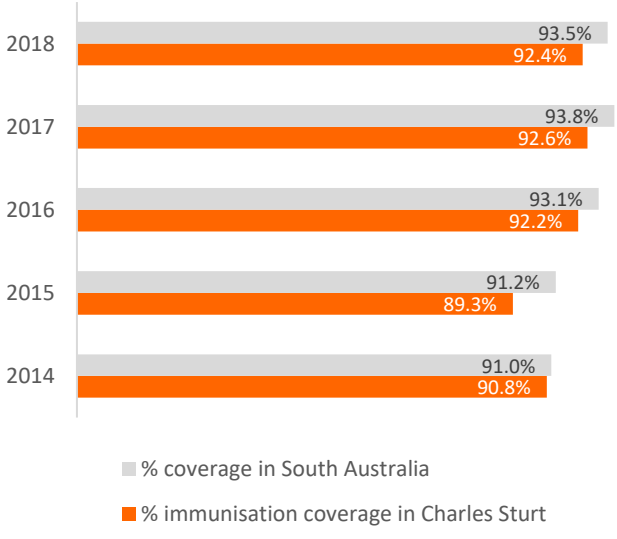
Our citizens feel safe in their neighbourhood.

We asked our community about how safe they felt in their neighbourhood. This is what our surveyed community told us: 69% of residents feel safe in their neighbourhood day or night.

Immunisation coverage in Charles Sturt

Immunisation protects people against harmful infections before they come into contact with them in the community. It is a vital health protection strategy that our Environmental Health Team provide through Council's immunisation clinics. The childhood immunisation rates in Charles Sturt remain at a high level, 92.4%, close to the State average*.

*Data provided is for the calendar year stated and shows coverage rates for all children aged 0- 5years.

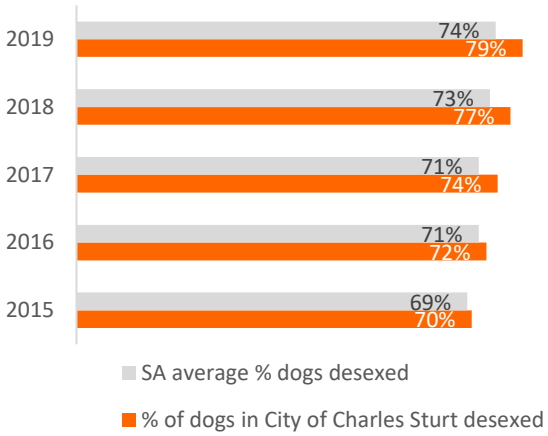


STRATEGIES & PERFORMANCE | CORPORATE INDICATORS

Percentage of dogs desexed

Desexing dogs is a critical factor in the reduction of bites and attacks, and therefore remains a priority for the Community Safety Team.

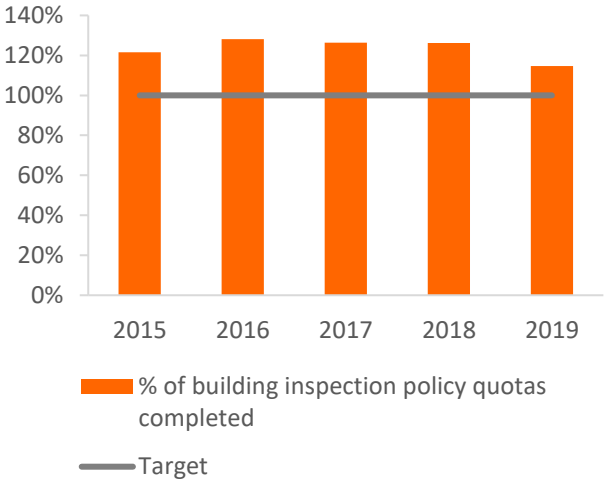
The percentage of registered dogs desexed in Charles Sturt has been steadily climbing and above State averages over the past few years, this year our rate of desexing climbed to 79% of registered dogs, sitting above the SA state average of 74%.



Building inspection policy quotas completed.

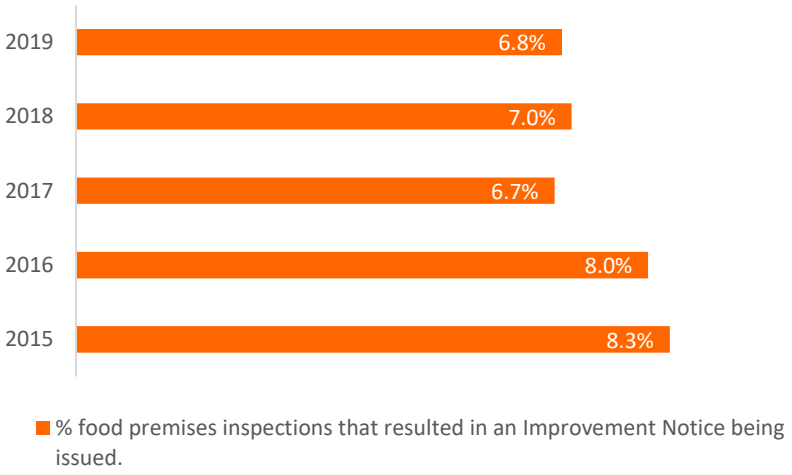
Building inspections carried out under the Development Act are an important factor in detecting and remedying unsafe building practices.

We carried out 1,514 inspections this year, exceeding our policy target to achieve 115% of the required building inspection quota.



Food premises inspections that resulted in an improvement notice being issued.

Food premises have been inspected to assess the level of compliance to food safety standards. This year 6.8% of premises inspections (30 out of 440) resulted in the issuing of an improvement notice. Issuing of an improvement notice indicates that a serious breach of standards has been detected.



Our Liveability - A liveable City of great places

We set ourselves some key priorities that when delivered will further enhance our City's liveability and build on our great places. These priorities are 4 year goals and each project is at varying stages of development and completion. Here's how we progressed in 2019:

OUR LIVEABILITY A LIVEABLE CITY OF GREAT PLACES		
Key Priority	**Status**	**Comments**
Completing Coast Park		On hold.
Implementing place making initiatives in key precincts: Hindmarsh Woodville Henley Jetty St, Grange.	✓	Hindmarsh: Hindmarsh Place Making Master Plan completed March 2018. Prototype creative lighting of the Hindmarsh bandstand and wayfinding complete. Woodville: Woodville Business Association completed 2 street art projects. Place activation activities including outdoor cinema at St Clair Oval, Fringe Festival weekend and annual Christmas show held. Woodville Town Hall activation through annual program of events launched in June 2019. Henley: Business Association participated in SALA 2017; Henley Happenings. Place Marker Grants supported Henley Market, Henley Community Garden mural and children's sandpit. A traffic calming project including a road mural complete.
Upgrading Pt Malcolm Reserve and MJ McInerney Reserve	✓ ✓	Pt Malcolm Reserve completed November 2017. MJ McInerney completed July 2019.

OUR LIVEABILITY
A LIVEABLE CITY OF GREAT PLACES

Key Priority	Status	Comments
Pedestrian and cyclist facility upgrades, including path widening and Disability Discrimination Act (DDA) access	✓	New footpaths constructed at 18 locations in 2019: Beverley, Findon, Flinders Park, Fulham Gardens Grange, Henley Beach, Pennington, Seaton, Semaphore Park, Tennyson, West Beach West Lakes Shore and Woodville. New footpaths constructed at 8 locations in 2018, including sections of Pennington, West Beach, West Lakes, Grange, Beverley, Findon, and Henley Beach. 47 bus stops upgraded to DDA requirements in 2018. 38 bus stops upgraded to DDA requirements in 2019. DDA access ramp to West Lakes lake constructed at Cooba Way, West Lakes and Sir Alex Ramsay Reserve, Semaphore Park. Wombat crossings installed at Corcoran Drive West Lakes and Humphries Terrace, Kilkenny in 2018. Emu Crossing installed at Albermarle Street, West Hindmarsh
Implementation of 40km/hr zones City wide.	✓	40km/h speed limits have been implemented in areas of Findon, Seaton, Grange, Flinders Park, Allenby Gardens, Woodville South, Beverley.
Upgrading River Torrens Linear Park, Outer Harbour Greenway and Grange Lakes corridor.	✓	Lighting installed along St Clair Greenway. Wayfinding signage installed on Outer Harbour Greenway. Consultation and concept design – Grange Lakes Shared Use Path Stage 4A and Outer Harbor Greenway at Belmore Terrace Woodville and Woodville Park. Shared use link path construction – Grange Greenway (Alma Terrace near Seaton Park Station, Seaton).

OUR LIVEABILITY
A LIVEABLE CITY OF GREAT PLACES

Key Priority	Status	Comments
Supporting the completion of major developments, including WEST, St Clair, Bowden, Seaton and ROSAS	✓	West development stages 1 and 2 complete, Stage 3 advanced and Stage 4 is now on market.
	✓	St Clair Commonwealth Local Government Housing Affordability fund completed in June 2018 delivering 220 dwellings over a 9 year period.
	✓	Bowden Stages 1 and 2 complete, advanced planning for third Street and Origin site commenced.
	✋	Seaton not progressed by Renewal SA

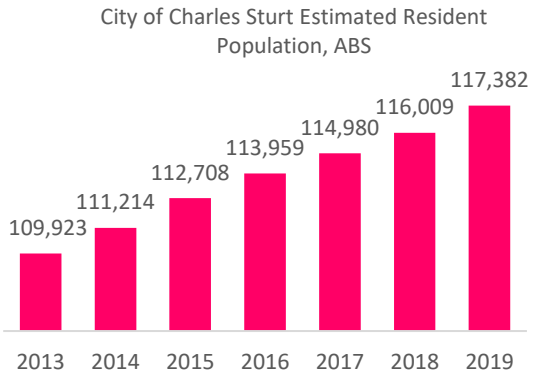
Indicator 1 – Our City is meeting the needs of a changing community.

We will know this by:

- ✓ Monitoring our City's population growth
- ✓ The number of new dwellings that deliver housing choice in the City.
- ✓ Number of (%increase/decrease) development applications lodged.

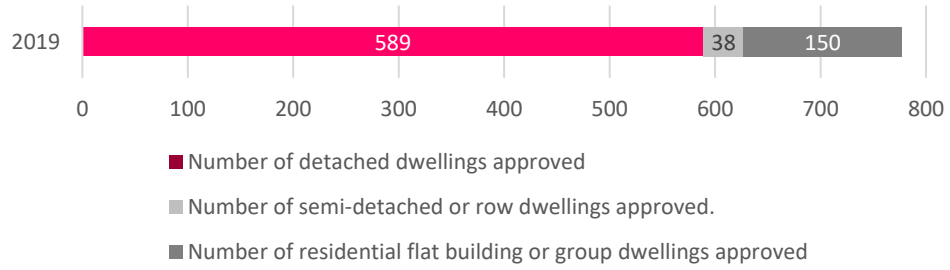
Monitoring our City's population growth

Our population has continued to grow over the past 12 months with the current estimated resident population being 117,382. The chart below shows the growth in our City's population in the past 7 years, increasing in that time by 7,459 people.



Housing choice

Our City is supporting and facilitating residential development that delivers housing choice and affordability. In 2018, we approved 777 new residential dwellings. The chart below shows the number of approvals by dwelling type.



The total number of development applications lodged was 2,852 and 2636 applications were approved.

Indicator 2 – Our asset renewal is in line with Asset Management Plans and community needs.

We will know this by:

- Our asset sustainability ratio*
- % of assets actually renewed in line with AMP renewal schedule

* Asset sustainability ratio is reported on in the Finances and Accountability section of this report.

% of assets actually renewed in line with AMP renewal schedule

Asset renewal remains a priority for Charles Sturt. This year we renewed 88% of the assets identified for renewal in asset management plans.

Indicator 3 - Our City comprises vibrant and unique precincts.

We will know this by:

- Number of collaborative partners involved in delivering events funded by the Strategic Events Partnership budget.
- Average participation in business association meetings.
- Designated place community satisfaction survey.

	2019	2018	2017	Trend
Number of collaborative partners involved in delivering events funded by the Strategic Events Partnership budget	3	4*	2*	↓
Participation in Woodville business association meetings	0**	3	8	↓
Participation in Henley business association meetings	0**	5	2	↓

* figures for 2018 and 2017 have been corrected to reflect an improved reporting process.

** The business associations were inactive during 2018-2019.

Designated place community satisfaction survey

This has not been completed. Measurement of place metrics continues to be investigated.

Indicator 4 - Our roads are safe and our citizens are exercising choice of travel mode.

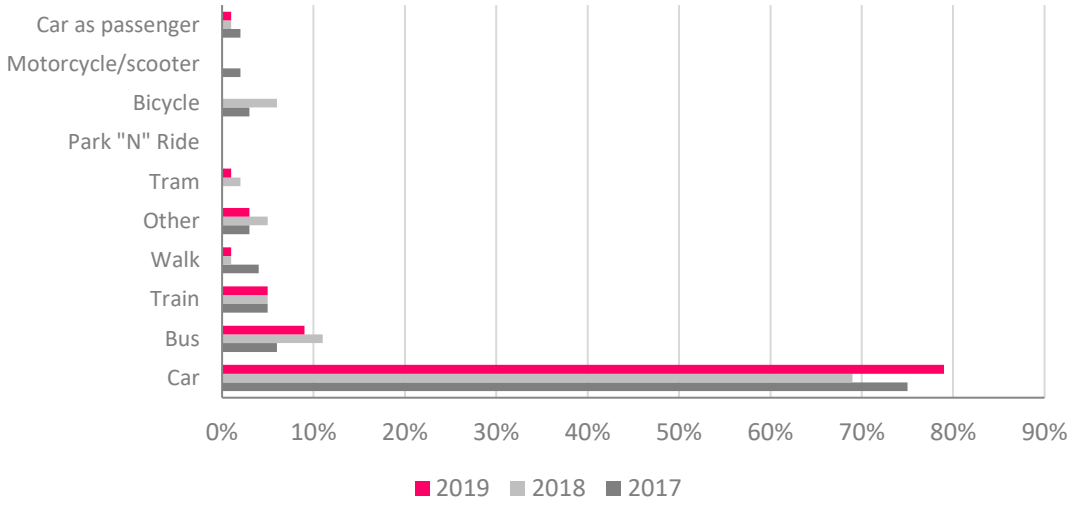
We will know this by:

- % of population utilising non-car travel modes to travel to work.
- Public transport patronage*.
- Number of motor vehicles per household.
- % of local roads with a 40km/hr speed limit.
- Number of road crashes is reducing.

* Public transport patronage is no longer being tracked.

Travel Modes to work

Our City Survey told us that 70% of our population is in paid employment. We asked this group what mode of transport they utilised to commute to and from work. 79% indicated that they drove a motor vehicle to work, with much smaller percentages for alternate modes of transport. The chart shows the modes of transport utilised by our residents to commute to work. Use of a motor vehicle remains the most utilised transport mode.



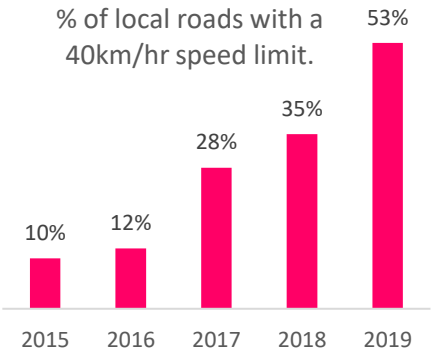
Motor vehicles per household

Car ownership in Charles Sturt is increasing. According to the 2016 ABS Census, in Charles Sturt the proportion of households with one or more motor vehicles has grown, 84.3% in 2016, compared to 83.6% in 2011. There are more households with two or three plus motor vehicles, whilst the number of households with just one motor vehicle is in decline.

ABS Census Data	2016	2011	Trend
% of households with one motor vehicle	36.7%	38.5%	↓
% of households with two motor vehicles	33.3%	32.5%	↑
% of households with three or more motor vehicles	14.3%	12.6%	↑
% of households with no motor vehicles	9.2%	10.8%	↓
Overall % of households with 1 or more motor vehicles	84.3%	83.6%	↑

40km/hr speed limit and road crashes

We are making our local roads safer and working towards reducing crashes through reduced speeds. In 2019, the 40km/h roll out continued with precincts implemented in Seaton (northeast), Flinders Park/Allenby Gardens and Woodville South/Beverley/Findon. These works bring our total percentage of eligible local streets with 40km/h limits to 53%.



Crash statistics for 2019 recorded 322 crashes resulting in a casualty/fatality on roads in our City, 60 of those crashes being on Council owned local roads. This is a reduction of 21 crashes compared to 2018, where there were 343 crashes in total (260 non-local, 83 local). The most significant reduction of crashes occurred on Council owned local roads, down to 60 compared to 83 in the previous year.

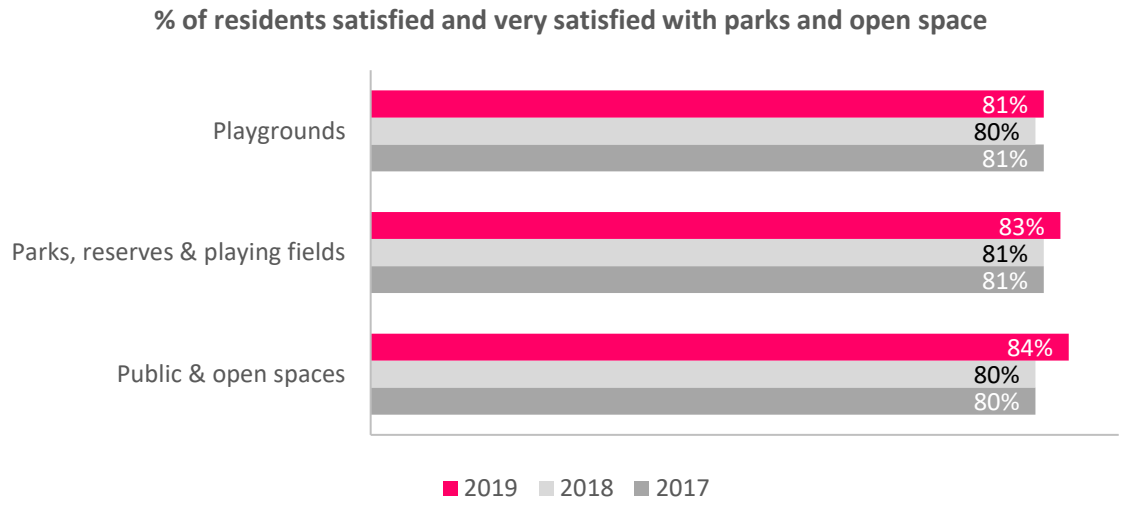
Council is currently undertaking a detailed review of the outcomes of the recently installed 40km/h Area Speed Limits to determine the impact they have had on road users, expected to be complete late 2020.

Indicator 5 - Our public and open spaces are well maintained and utilised.

We will know this by:

- % of surveyed residents positively rating their satisfaction with our public spaces.
- % of residents that live within 300m of quality open space.
- % programmed tree pruning completed.
- % programmed reserve mowing completed.

We surveyed our community and asked them how satisfied they were with our public and open spaces. The chart shows the percentage of residents satisfied for the past 3 years. The mean satisfaction rating scores out of 10 for Playgrounds was 7.6, with public and open spaces and parks, reserves and playing fields achieving a mean score 7.8 out of 10.



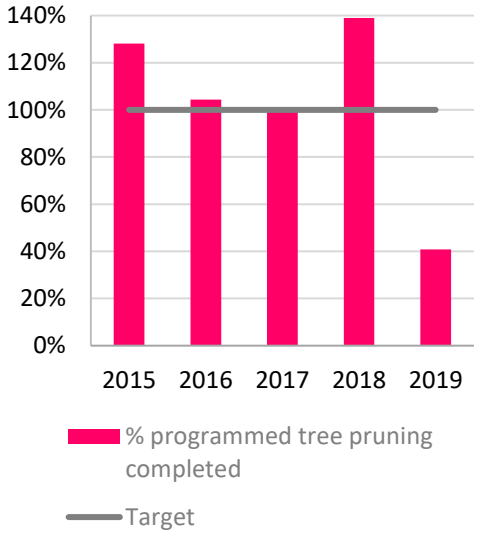
STRATEGIES & PERFORMANCE | CORPORATE INDICATORS

% of residents that live within 300m of open space

Open spaces are important as they provide areas for recreation, exercise, and socialising. Central to the use of open space is accessibility. As an indicator of accessibility, we have measured the proportion of residential properties that are within 300m of an open space. Accessibility as you would walk via the road network shows that the percentage of residential properties within 300m of an open space is 85%. 300m is a short distance for most people, being approximately a 5 minute walk.

Programmed maintenance for trees and mowing

Keeping our City well maintained and looking great is a vital role of our field operations. The resultant amenity is a key contributor to our City's liveability. Mowing and pruning are 2 major areas of our field operations and the outputs from these are shown in the following charts. Major weather storms in December 2018 and extreme hot weather in January & February 2019 has impacted particularly on the programmed work of tree pruning.



Our Environment - An environmentally responsible and sustainable City.

We set ourselves some key priorities that when delivered will further develop our resilience to the impacts of a changing climate and enhance our City's natural environment and biodiversity. These priorities are 4 year goals and each project is at varying stages of development and completion. Here's how we progressed in 2018:

OUR ENVIRONMENT AN ENVIRONMENTALLY RESPONSIBLE & SUSTAINABLE CITY		
Key Priority	**Status**	**Comments**
Completing the Port Road Drainage project.	✓ ✓ ✓	Drainage component of Port Road Drainage complete July 2018. Stage 2 Flood Mitigation and Median Landscaping project was completed in February 2019. Stage 3/4 Flood Mitigation and Median Landscaping commenced, expected completion December 2020.
Implementation of AdaptWest.	✓	AdaptWest Regional Coordinator appointed April 2018. 3 year action plan developed August 2019 and implementation progressing.
Integration of climate change considerations into Asset Management Plans and projects.	✓	Climate change considerations are incorporated into Asset Management Plans and projects where relevant as they are reviewed.
Undertaking the i-Tree Canopy benchmark assessment.	✓	The i-tree canopy study was completed in 2016. This information is being used to drive the tree canopy improvements.
Implementing the Biodiversity Action Plan	✓	Biodiversity Action Plan completed October 2017. Baseline biodiversity surveys and report completed June 2019.

OUR ENVIRONMENT
AN ENVIRONMENTALLY RESPONSIBLE & SUSTAINABLE CITY

Key Priority	Status	Comments
Completing the Urban Island Heat project	✓	Completed and endorsed by Council November 2017.
Management strategy for West Beach developed and implemented.	✓	City of Charles Sturt commenced advocating to the Coast Protection Board in June 2016 to investigate options for sand management at West Beach. These efforts are ongoing. West Beach coastal process modelling – Assessment of Coastal Management Options report completed March 2019. West Beach Rock wall West Beach rock wall reconstruction commenced in 2018/19.
Redevelopment of the Beverley Recycling and Waste Centre.	✓	Centre complete June 2018.

Indicator 1 - Our adaption and resilience projects are progressing

We will know this by:

- The Urban Heat Island project stage 1 is complete.
- Integration of climate change considerations into Asset Management Plans.
- Stage 3 Adapt West is complete and adaption pathways considered.

The Urban Heat Island project stage 1 is complete

The Urban Heat Island project is complete. The project provides insight into how urban design, green infrastructure and different materials may affect temperatures at the local scale. The final report, endorsed by Council in November 2017, and the heat mapping is helping to inform key decisions, strategies and operations across Council, as well as to raise community awareness about urban heat and climate change adaptation.

Integration of climate change considerations into Asset Management Plans

As Asset Management Plans come up for review, climate change considerations are being considered for inclusion.

Stage 3 Adapt West is complete and adaption pathways considered

Stage 3 of the AdaptWest program was completed in 2016, upon adoption of the final Western Adelaide (AdaptWest) Regional Climate Change Adaptation Plan.

The project entered into the implementation phase (AdaptWest in Action) in 2017/18. With support from the State Government and AdaptWest partners (Cities of Port Adelaide Enfield and West Torrens), an AdaptWest Regional Coordinator commenced in April 2018. Initiatives to date include the establishment of a new website (www.adaptwest.com.au), trials considering the use of irrigation for urban cooling in Council reserves, research into the cooling effects of garden treatments (based on previous Urban Heat Island study), and grant funding received for preliminary investigations into funding to improve climate change preparedness in homes of disadvantaged and vulnerable residents.

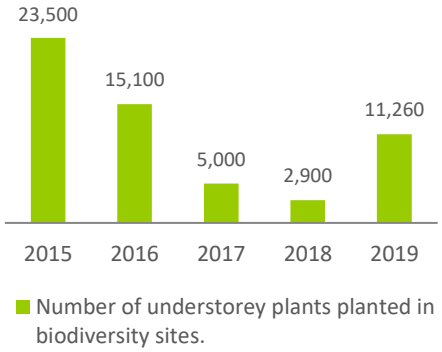
Indicator 2 – Our biodiversity & tree canopy cover are improving

We will know this by:

- Number of understorey plants planted in biodiversity sites.
- % of tree canopy cover

Number of understorey plants planted in biodiversity sites

In 2019, 900 understory plants were planted in biodiversity sites and a further 10,300 were planted in the coastal dunes.



Tree canopy cover

The i-tree canopy study was completed in 2016 and measured trends in changes to tree canopy cover, plantable space cover and impervious surface cover. **The study revealed that City wide canopy coverage is 14.28%.** Work has commenced integrating the findings from this study into planting programs, specifically planting programs for local parks and street tree planting. Further, the study is being used to drive the tree canopy regional improvement strategy which is being developed in consideration with adjoining Councils.

It is envisaged that the next year of measurement will be 2019 contingent upon budget processes.

Indicator 3 - Our environmental management & efficiency is improving

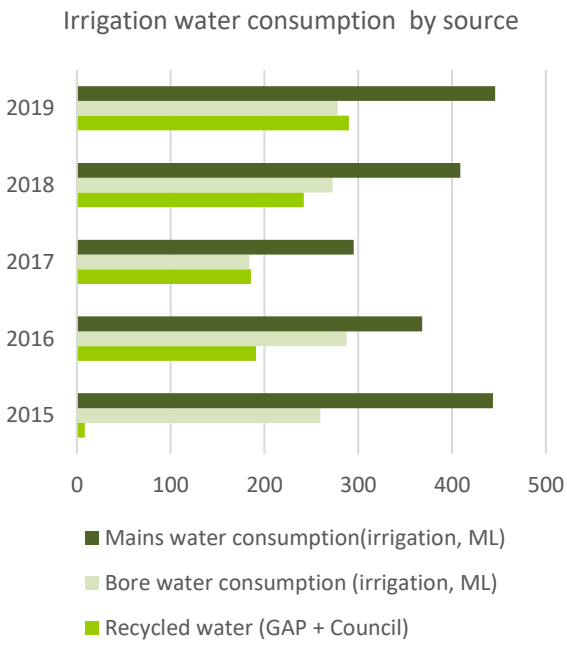
We will know this by:

- Decrease in reliance of potable water.
- Decrease in waste sent to landfill.
- Stability or a reduction in our Greenhouse Gas emissions.

Reliance on potable water

The weather conditions experienced during the year, extreme heat and lack of rainfall from December to March, resulted in a longer watering season of 237 days, an additional 39 watering days compared to 2018.

Our total area of irrigated open space has not changed since 2018, however our consumption of water for irrigation was greater, increasing overall by 9.8%. Our use of water from recycled sources was slightly higher at 28.6% up from 26.2% in 2018. Mains consumption as a percentage of overall consumption for irrigation remained stable at 44% (44.3% in 2018).



Waste sent to landfill

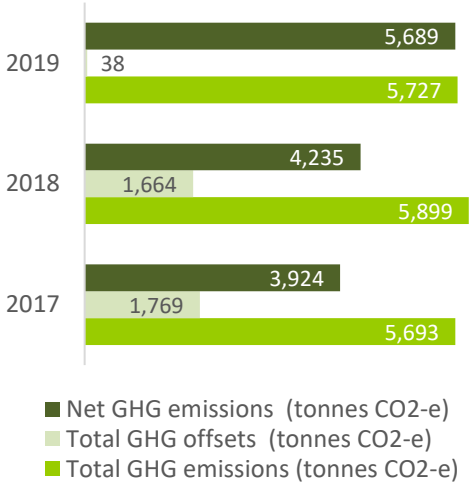
The City of Charles Sturt collected 61,792 tonnes of waste in 2019. 53.9% of this waste, namely compostable waste, recyclables and E-waste, was diverted from landfill. 48,228 tonnes of waste was collected from the kerbside collection, with an average of 0.85 tonnes produced/collected per serviced rateable property.

	2019	2018	2017	Trend
Number of tonnes of waste collected City wide	61,792	61,830	65,453*	↓
City wide collection diversion from landfill rate	53.9%	51.8%	52.7%	↑
Number of tonnes collected via kerbside collection	48,228	48,529	51,520	↓
Kerbside collection diversion from landfill rate	50.4%	50.5%	52.4%	↓

* Figure corrected from 2017 with more accurate data of waste collected from the Beverley Recycling and Waste Centre.

Greenhouse Gas emissions

Greenhouse gas emissions for Council operations were 5,727 tonnes CO2-e. This is a decrease of 172 tonnes CO2-e compared to 2018. Whilst overall emissions have decreased, net GHG emissions have increased by 34%. This is attributable to a change in direction ceasing the purchase of offsets, in favour of pursuing on-ground carbon reduction opportunities.



Our Economy – An economically thriving City

We set ourselves some key priorities that will continue to influence economic expansion and prosperity in western Adelaide. These priorities are 4 year goals and each project is at varying stages of development and completion. Here's how we progressed in 2019:

OUR ECONOMY
AN ECONOMICALLY THRIVING CITY

Key Priority	Status	Comments
Support the Australia China Aged Care Consortium (ACACC)	✓	ACACC restructured and formed into a not for profit incorporated association. Recognition as the State's industry lead aged care export association involving 250 enterprise and government representatives. Comprehensive Annual Program developed in support of in market activities and professional development. Member portal developed promoting capability on offer.
Implement the Western Adelaide Tourism Destination Action Plan	✓	Western Region 'Adelaide Beaches' Visitor Website launched February 2018. Western Alliance of Councils received the *Excellence in Cross Council Collaboration Award* at the May 2019 SA Local Government Professionals Awards and have been short listed as a finalist for the National Awards in August 2019.
Implement the Economic Development Strategy 2016 – 2021	✓	Strategy endorsed Feb 2017. Implementation progressing, eight actions complete and remainder of actions underway or approaching completion.

STRATEGIES & PERFORMANCE | CORPORATE INDICATORS

Promote Charles Sturt as 'Open for Business'		Council representation on the State – Local Government Business Red Tape Reduction Taskforce. Developed a series of tools to promote economic development in Charles Sturt and Western Adelaide plus the availability of Council support. Review of the Business pages of Council's website completed. Revised content to be implemented in 2019/20.
Completing the Employment Land Development Plan Amendment	✓	The Employment Land Development Plan Amendment was authorised and incorporated into the Development Plan in October 2017. Employment Land Strategy to guide future of employment land prepared and to be presented to Council in August 2019.

Indicator 1 – Our strategic alliances are supporting the growth of our economy.

We will know this by:

- 5% increase per annum of business participation in the Western Region business development events.
- Increase in gross regional product for the Western Region.
- Increase in tourism visitation and expenditure*.

* Tourism visitation numbers and expenditure are no longer readily available. The number of tourism jobs and tourism sector output is being monitored and reported instead.

	2019	2018	2017	Trend
Number of businesses participating in Western Region business development events.	2,352	1,579	799	↑
Gross Regional Product – Western Region business	$23.72 billion	$22.69 billion	$20.393 billion	↑
Number of tourism jobs (City of Charles Sturt)	2,347	2,382	2,127	↓
Tourism sector output (City of Charles Sturt)	$407.79 million	$392.36 million	$363.28 million	↑

Indicator 2 – Our local businesses are growing

We will know this by:

- Increase in gross regional product for Charles Sturt.
- Increase in the number of businesses in Charles Sturt.
- An increase in employment/output in identified growth sectors.
- Growth in annual employment numbers.
- % of surveyed businesses satisfied with Council support for business.*
- Net increase in the annual number of business start ups.

*Surveying of businesses is under review. No surveying was completed in 2018-2019.

	2019	2018	Trend
Gross Regional Product – Charles Sturt	$5.654 billion	$5.406 billion	↑
Number of businesses in Charles Sturt	9,011	8,794	↑ (2.6%)
*Employment in growth sectors (number of jobs):			
• Health care & social assistance	7,813	7,813	-
• Construction	4,647	4,647	-
• Professional, Scientific & Tech services	1,619	1,619	-
*Number of local jobs (in City of Charles Sturt)	42,162	42,162	-
Number of business start ups	707	788	↓
Net increase/decrease in business start ups	-81	-13	↓

* 2016 ABS Census data, next update will be available following the 2021 Census.

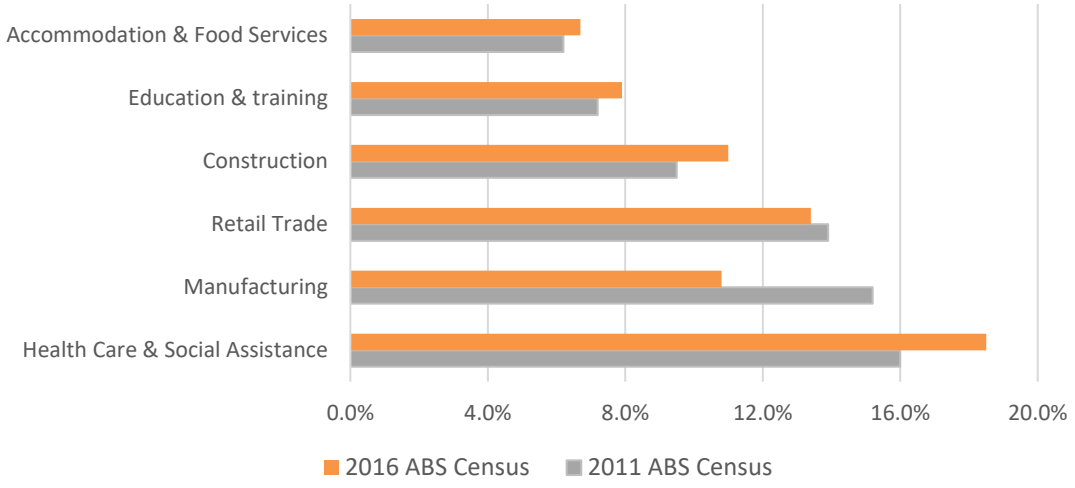
Indicator 3 – Our industry sectors are diversifying

We will know this by:

- % of employment in a range of sectors in Charles Sturt
- Growth in annual development application value by sector.

Employment in top 6 employment sectors

The chart shows our top 6 employment sectors and the percentage of employment in each sector in the last two Census periods, 2011 and 2016. This data is monitoring change, growth and diversification of our key industry sectors.



Health Care and Social Assistance is our biggest employer. It is projected that there will be further increases in employment in the health care and social assistance and professional, scientific and tech services sectors and construction in the next four years in Western Adelaide. It is anticipated that there may be further decline in employment in the manufacturing and mining sectors.

Value of development applications

Monitoring the value of development applications provides an understanding of the mix of development as well as the stability of each sector.

	2019	2018	2017	Trend
Value of development application - Commercial	$46,166,285	$98,365,478	$118,348,721	↓
Value of development application - Industrial	$31,158,609	$12,185,926	$11,621,290	↑
Value of development application - Public	$12,107,876	$11,060,894	$18,445,650	↑
Value of development application – Residential	$542,713,279	$340,302,047	$375,553,754	↑
Total value of all development applications lodged	$632,146,049	$461,914,344	$523,969,415	↑

Our Leadership

We set ourselves some key priorities that will build on our reputation as a forward thinking and high performing organisation. These priorities are 4 year goals and each project is at varying stages of development and completion. Here's how we progressed in 2019:

:

OUR LEADERSHIP A LEADING & TRANSFORMATIONAL LOCAL GOVERNMENT ORGANISATION		
Key Priority	**Status**	**Comments**
Developing the Smart Cities and e-commerce projects	✓	Smart City Plan 2018-2025 completed in 2018.
Customer Experience Program	✓	The Customer Experience Program has evolved with a name change to "Our Customer Experience Strategy 2018-2020". This strategy was endorsed during 2018 and implementation commenced. Implementation continued in 2019. Phase 3 of the project was finalised completing integration of requests reported via the My Local Service App directly into our Customer Request Management system.
Developing the organisation's ability to innovate.	✓	Planning work commenced to migrate IT applications and infrastructure to the cloud. This will create capacity and access to new cloud services for innovation. A range of joint (Cross Council Collaboration) initiatives undertaken aimed at learning from one another (best practice), reducing cost and minimising duplication. A governance framework to underpin collaborative initiatives has bene formalised and embedded. Organisational Cultural Index culture mapping tool was again used to measure culture including our capability to be innovative and constructive. Staff Forums held every two months have encouraged staff to share the stories of the work they do and encouraged others to think differently and collaboratively.

OUR LEADERSHIP
A LEADING & TRANSFORMATIONAL LOCAL GOVERNMENT ORGANISATION

Key Priority	Status	Comments
Workplace 2025 project - renamed to "Workplace of the Future".	✓	Digital Workplace Program implemented and 2-in-1 mobile device roll out completed June 2019.
Improving mobile device technology	✓	The Digital Workplace initiative was established in 2018. This initiative was implemented in 2019 with the completion of: • 2-in-1 mobile device rollout, enabling seamless mobile connectivity. • Field services rugged device rollout. • Work order process automation. • Fleet team mobility project. • Migration to Microsoft Office 365 and Exchange Online to enable staff to work anywhere anytime.

Indicator 1 - Our organisation is innovative and achieves business excellence

We will know this by:

- Customer service satisfaction.
- Smart City Gains.
- Identified reductions in Council Business processes.
- We are achieving our key priorities.

Customer Service Satisfaction

Organisation wide customer satisfaction measured at 68% and customer satisfaction with the Customer Contact Centre measured at 81%.

Results for previous years are show on the chart, results remain relatively stable over time.

STRATEGIES & PERFORMANCE | CORPORATE INDICATORS

Smart City Gains

The City of Charles Sturt is keen to see our City continue to grow and develop to be the best it can be. We are implementing our new strategy; Smart City Plan 2018-2025 which defines what Smart City means for Charles Sturt and identifies objectives and actions that will be implemented. Here's some of our progress and projects in 2018/19:

- Development of a new City Futures role to capitalise on potential synergies across the City.
- Automated notifications solution for customer requests (non-work orders) implemented, closing the customer feedback loop and enhancing the customer experience.
- My Local Services app streamlined to improve the customer experience.
- Completed the open data policy to enhance transparency and enable data driven decision-making.
- 'Smart' parking sign installed at entrance to Henley Square (North) car park.
- State Government funding obtained to undertake a trial of 'smart' lighting along the Outer Harbor Greenway through St Clair.
- Leveraged the recycled water solution and extended it for Operational Intelligence trials to provide a cloud enterprise data platform for SCADA recycled water data, weather, PV generation, lab files, stormwater management (water levels) and digital meter readings for Beverly.

Identified reductions in Council Business processes

Here's some of the business improvements for 2019, each aiming to achieve business excellence and great customer service:

City of Charles Sturt Cross Council Collaboration

Collaborative partnership initiatives have been undertaken including:

- Service review analysis and benchmarking across partner Councils.
- Establishment of an Irrigation Team to service the irrigation systems across the Cities of Charles Sturt, Port Adelaide Enfield and Marion.
- Establishment of a joint ICT Project delivery initiative.
- Analysis of Fleet Procurement and Management.
- Service review of utilities management and business case development.
- Undertaking collaborative approach with PAE and Marion Councils and DPTI regarding the introduction of the new State Government Planning Code and electronic lodgement portal.
- A staff exchange with the City of Port Adelaide Enfield to facilitate social media skills and systems improvements.
- Implementation of E-Meetings to assist in the distribution of Council and Committee Agendas.
- Integration of requests reported via the My Local Service App directly into our Customer Request Management system creating a significant processing efficiency and ultimately improves the customer experience.

LED street lighting rollout

In 2018/19 there was a 10% reduction in street light electricity use due to Council changing an additional 3,000 street lights to LEDs. The energy efficiency street light project has currently replaced 5,700 inefficient lights with ones that use less energy.

Charles Sturt's War on Waste

Impacts of the Chinese National Sword, and related waste issues and challenges, have been a major focus for Council in 2018/19. This emphasis has included a series of 'Charles Sturt's War on Waste' Council workshops on key topics, with work continuing into 2019/20.

Solar compacting public place bins

5 of these bins were installed in June 2018 in the Bowden Square precinct. These solar bins compact waste by a factor of up to 8 times, reducing the frequency with which litter bins must be emptied. This improves services to residents by reducing the likelihood of overfull and overflowing bins. 'Smart' bin caps are also being installed on a number of other (non-compacting) street litter bins, to monitor fullness and provide additional information to Council on efficient timing of bin emptying and frequency.

AdaptWest – irrigation efficiencies trial with SA Water

The 3 partner AdaptWest Councils have nominated one trial reserve each, and 1 control reserve each, to test the effects of carefully timed irrigation in achieving urban cooling effects in Council reserves. Temperature sensors were installed in late 2018 and early 2019. Trial outcomes will be made available following the 2019/20 summer period.

CoolSeal Trial

A trial to investigate the potential cooling benefits of using CoolSeal on roads has been completed. CoolSeal is an asphalt treatment that is grey in colour, far lighter than the traditional black road surface. Trial results have identified significant cooling benefits on the road surface, with further work recommended. Funding was secured from the LGA to assist with trial monitoring.

Council Solutions Waste Tender process

This tender involved a collaboration between 4 Councils – City of Charles Sturt, Port Adelaide Enfield, Marion and Adelaide City Council. The four Councils have worked together for several years to establish a joint tender process to ensure best services and pricing was secured for the Councils' waste and recycling contracts.

Streamlining of Property Search and incoming mail functions

Process reviews were completed for the Property Search and incoming mail processing functions resulting in the implementation of actions to streamline and improve service delivery.

IT Applications fitness reviews

Application fitness reviews were completed to determine the future direction for various applications, including Contracts module, Electronic Document and Records Management System, online forms, and Digital Asset Management software.

STRATEGIES & PERFORMANCE | CORPORATE INDICATORS

Ezybill electronic rates notices
Ezybill implementation continued, providing ratepayers with the option to receive and store quarterly rates notice electronically, accessible on any electronic device (phone, tablet, laptop or desktop), 24 hours a day, seven days a week. An increase of 103% on 2017/18 in ratepayers now receiving their rates notices electronically was achieved, providing convenience, saving paper and reduces waste.

Asset Management improvements
Review and consolidation of Asset Management Plans. Review and consolidation of rolling infrastructure condition audit and revaluation schedule. Transition to One Council data structure for infrastructure assets and adoption of Ci Anywhere. Implementation of Strategic Asset Management predictive modelling for Road & Path assets.

We are achieving our key priorities

Achievement towards our key priorities has been reported at the beginning of each theme reporting section. These key priorities are for the 4 year period of the City of Charles Sturt Corporate Plan 2016-2020 and progress will be tracked and reported for the duration.

Indicator 2 - Our finances are sustainable.

We will know this by:

- Operating surplus ratio is >0% and <15%.*
- Net financial liabilities ratio is >100%.*
- Asset sustainability ratio is >80%.*
- $ value of grants and co-funding received.
- Resident acceptance of Council rates as value for money.

* These indicators are reported on in the Finances and Accountability section of this report.

Grants and co-funding received

It is our desire to ensure that the City's finances are well managed and that our ratepayers are receiving good value for their rates. We are vigorously pursuing grant and co-funding opportunities to help fund projects in our City. This year, we successfully obtained $24,885,824 in grants and co-funding.

Value for money

We asked our residents to indicate how satisfied they are that their rates provide value for money. 43% of residents indicated that they were satisfied that they received value for money in exchange for their rates. This is a slight decrease on the results from 2018, where 47% of residents were satisfied with value for money.

Indicator 3 - Our Organisational culture is collaborative, agile and high performing

We will know this by:

- % of our Portfolios demonstrating the benchmark level of constructive culture.

Charles Sturt is aiming to continue building a constructive culture in our workforce. We aspire to be a high performing organisation of passionate people who work with resilience and confidence in responding to and adapting to our community's needs. The benchmark level of constructive culture is to have our actual culture results measuring at the 50th percentile or above in four constructive work styles. Our cultural surveying in 2019 showed that 14% of our Portfolios are demonstrating the benchmark level of constructive culture.

Indicator 4 - Our organisation is transparent and accountable.

We will know this by:

- % of Council and Committee items considered in confidence*.
- Number of website visits and interactions via our social media platforms.
- S270 review of decisions undertaken.
- Biannual review of marketing and communications benchmarking survey.**

* Information regarding items considered in confidence is provided in the Confidentiality section of this report.

** The marketing and communications survey has not been completed, it is being reviewed for inclusion in a new customer experience survey to be completed in 2019-20.

	2019	2018	2017	2016	Trend
Number of website visits	636,954	601,559	581,585	514,416	↑
Number of Facebook fans	7,855	6,681	5,200	1976	↑
Number of Instagram followers	2,145	1,735	1,473	601	↑
Number of Twitter followers	3,876	3,806	3,630	2,546	↑
S270 review of decisions undertaken	9	4	3	3	↑

Finances & Accountability

Section 270 Local Government Act

The City of Charles Sturt is committed to delivering the highest level of customer service to the community and strives to achieve service excellence that is delivered in a professional, coordinated and timely manner. As part of this commitment Council recognises the importance of complaints, requests for service increase, compliments and all requests received are dealt with in a prompt, impartial and fair manner. The requests received provide the opportunity to gather information which may assist in the improvement of Council's services and operations.

Council has a corporate system where all requests are logged and managed and the tables below detail the 1280 requests which fall within section 270 of the Local Government Act 1999 for the last financial year to June 2019.

Internal Review of Council Decision	9
Complaints	552
Service Increase/Change	292
Compliments	335
New Service	92
	1280

FINANCES & ACCOUNTABILITY

Internal Review of Council Decisions

Council's Internal Review of Council Decision Policy and Procedure provide clarity and definition on what constitutes a Council decision. This is important to understand when assessing requests received for an internal review of a Council decision.

Council received 9 formal requests for internal review of a Council decision for the 2018/19 period and the table below provides details of the subject matter and outcome of each request. These 9 requests were made by 5 different individuals

Applicants are always advised of their right to also make a complaint directly to the Ombudsman.

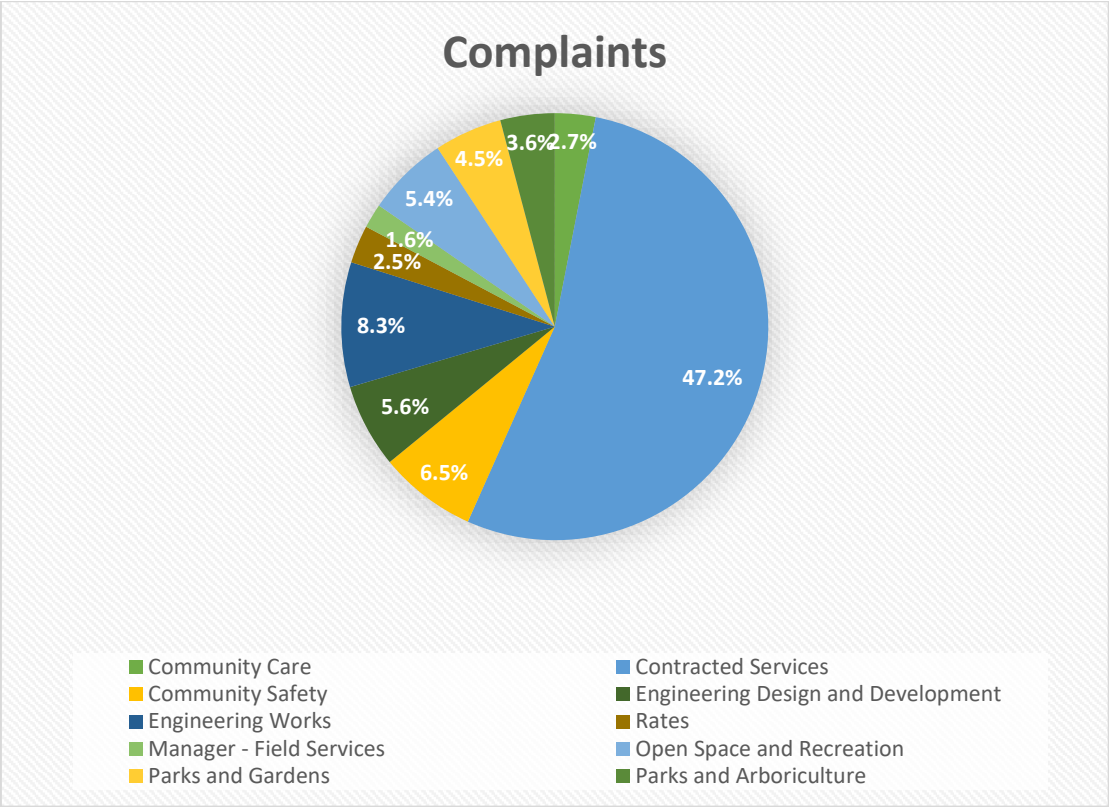
Subject Matter	Outcome
Complainant A requested a review of a decision to issue a permit for road closure including traffic restrictions to construction business without consultation.	Declined as investigation would be materially similar to the outcome of a previous request for a previous Internal Review of a Council Decision which had been investigated and recommendations implemented.
Complainant A requested a review of a decision not to provide information requested relating to noise complaints and authorised officers alleged incorrect application of legislation.	Review undertaken and decisions made by Council were found to be consistent with Council policies and not unreasonable.
Complainant B requested a review of a decision regarding assessment of a Code of Conduct Complaint.	Declined as a decision had not been made. At the time of the request the Code of Complaint was being assessed by Council's lawyers
Complainant B requested a for review of decision to decline a Code of Conduct Request.	Declined under Unreasonable Requests for Service, Information and Complaints Policy on the grounds that it was a frivolous and vexatious complaint.
Complainant C requested a review of a decision to not take further action against a resident following the issue of a Fire Prevention Notice.	Council Officer undertook investigation and concluded that actions undertaken were consistent with Policy and not unreasonable.
Complainant A requested a review of a decision to grant permit for road occupation to a construction business for an alleged retrospective date range.	Declined under the Internal Review of Council Decision Policy on the basis that the request was frivolous and vexatious.

FINANCES & ACCOUNTABILITY

Complainant A requested a review of an Internal Review of Council decision alleging the original request for review was modified and not in its original form.	Declined as it falls outside of the scope of the Internal Review of Council Policy. Applicant advised to go to the Ombudsman if unhappy with Council's action.
Complainant D requested a review of an internal employment decision relating to alleged harassment.	Declined as extensively reviewed through other legislative means and as the decision occurred 12 months prior to review request.
Complainant E requested a review of a decision to install traffic controls	Declined as decision made more than 6 months prior to review request and DPTI are the authority for installing/removing controls.

Complaints

During 2018/19, 552 complaints were received by various departments of Council, with 260 (47.2%) of these actioned by our Contracted Services team. A breakdown of the complaints actioned by Contracted Services reveal that 243 of these complaints related to rubbish collection or verge mowing.



Note: The chart above provides a visual of complaints received by the 10 highest categories only.

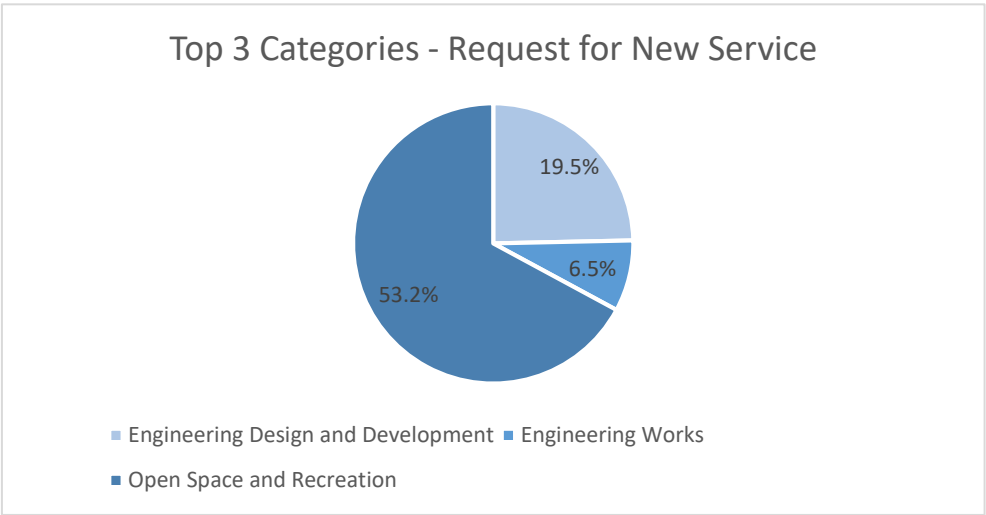
Service Increase or Change, Compliments and New Services

In 2018/19, 719 customers contacted Council to provide feedback on our great service (335 requests), to request an increase or change in our service (292 requests) or to request a new service (92 requests).

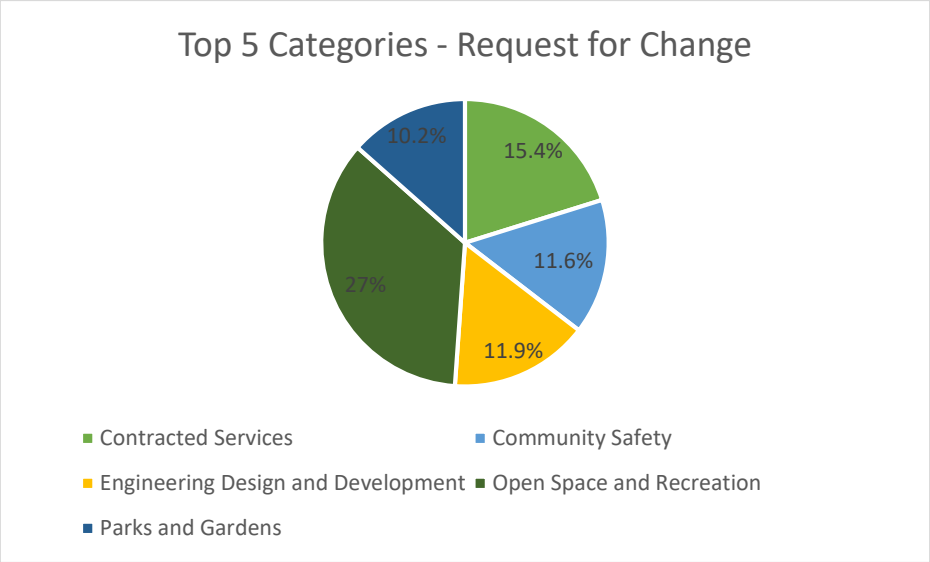
Of the 335 compliments that we received, 83 (24.7%) of these were apportioned to our Community Care team for their Home Assist, Easy Care Garden, Community Transport and Graffiti Removal programs. The Engineering Works team received 41 compliments (12.2%) and the Parks and Arboriculture team received 39 compliments (11.6%) for their services.

Our Open Space, Recreation and Property team actioned the most requests for new services during 2018/19 with 49 (53.2%) of the 92 received. The ideas received from our customers ranged from:

- Improvements in Henley Square
- Installation of additional furniture, bins, drinking fountains, bike racks, shade sails, toilets, at reserves and playgrounds
- Dog Parks
- Nesting Boxes for Wildlife
- New Local Playgrounds or Exercise Equipment
- Street Tree Planting
- Community Gardens



Similarly, to the above figures, the Open Space, Recreation and Property team received 79 (27%) requests for Service Increase or Change during 2018/19. Contracted Services received 45 (15.4%) requests, and Engineering Design and Development received 35 (11.9%).



Finances & Accountability

Confidentiality Summary

Business conducted by Council and its Committees

The following table shows the number of items considered by Council and its various Committees during 2018/19, compared with figures from the previous three years.

`	Number of items considered			
	2018/19	**2017/18**	**2016/17**	**2015/16**
Council [1]	147	168	161	156
Asset Management	88	75	119	122
City Services Committee	81	86	80	72
Audit Committee	31	26	21	25
Development Assessment Panel [2]	-	11	79	70
Council Assessment Panel [2]	69	46	-	-
Corporate Services Committee	42	56	53	72
Total	**458**	**468**	**513**	**517**

Notes:

(1) This does not include the consideration and adoption of the reports and minutes of Council's standing committees, Deputations, Petitions, Notices of Motion/ Motions without Notice or Questions on/without Notice.

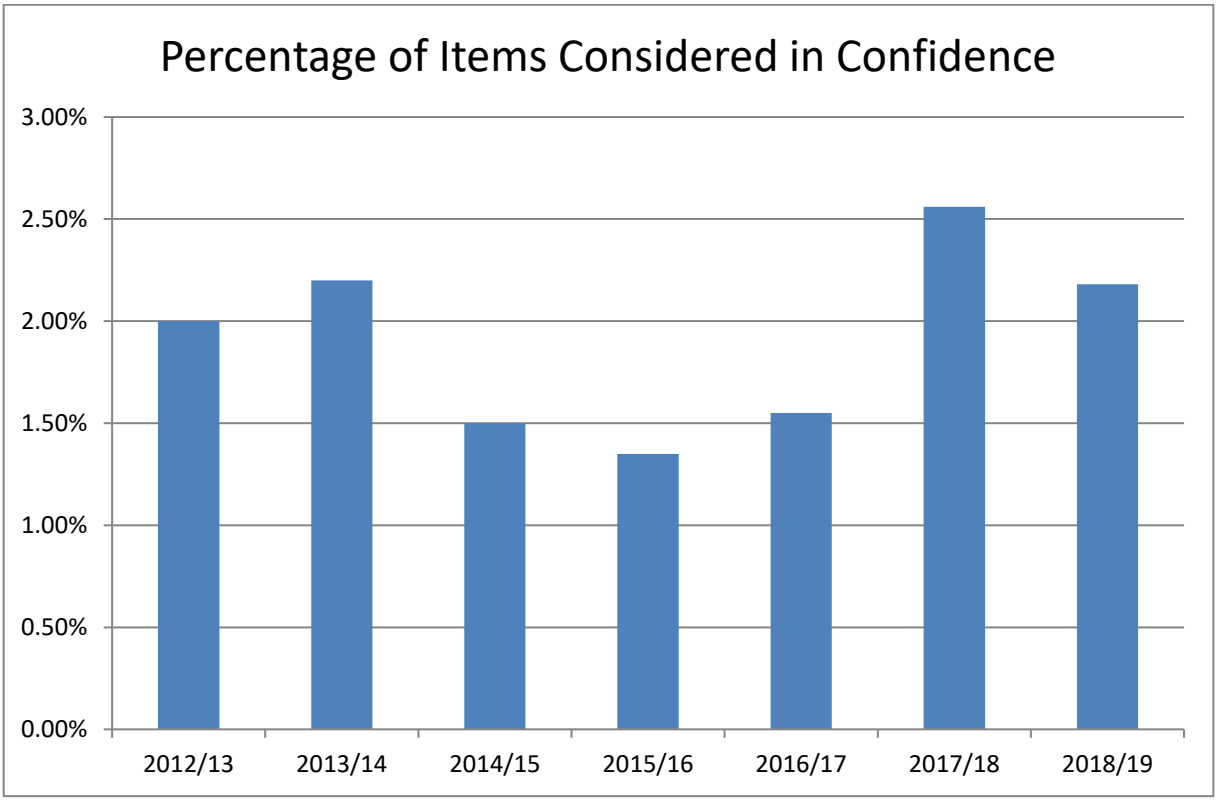
(2) Under changes to the Development Act 1993 and introduction of Planning, Development and Infrastructure Act 2016 the Development Assessment Panel ceased to exist as of September 2017 and was replaced by the Council Assessment Panel.

FINANCES & ACCOUNTABILITY

Use of Confidential Provisions

Council and Committee meetings are generally conducted in a public environment; however there are some circumstances where it may be necessary or appropriate for specific items from a meeting to be considered in confidence. Section 90 of the Local Government Act 1999 and section 56A of the Development Act 1993, sets out the specific circumstances where this may occur.

Of the 458 items considered in 2018/19, 9 (2.18%) were treated as confidential items under section 90 of the Local Government Act 1999 and section 56A of the Development Act 1993. This compares with 468 items considered in 2017/18 of which 12 (2.56%) were treated under the confidential provisions in the previous year.



FINANCES & ACCOUNTABILITY

The following table shows the number of occasions each of the confidential provisions of the Act were used during 2018/19, categorised by the section of the Act relied upon.

Section of the Local Government Act 1999	**No of Occasions used**
Section 90(3)(a) … unreasonable disclosure of information concerning the personal affairs of any person (living or dead)	1
Section 90(3)(b) … prejudice the commercial position of Council or be contrary to the public interest	4
Section 90(3)(c) … would reveal a trade secret	-
Section 90(3)(d) commercial information …prejudice the commercial position … or a commercial advantage on a third party and be contrary to the public interest	2
Section 90(3)(e) matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person	-
Section 90(3)(f) … prejudice the maintenance of the law prevention, detection or investigation of criminal offence, or right to a fair trial	-
Section 90(3)(g) … not breach any law	-
Section 90(3)(h) legal advice	1
Section 90(3)(i) information relating to actual litigation, or litigation that the council or council committee believe on reasonable grounds will take place	-
Section 90(3)(j) …divulge information provided on a confidential basis by or to a Minister of the Crown, or public authority … be contrary to the public interest	-
Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works	1
Section 90(3)(m) information relating to a proposed amendment to a Development plan under the Development Act 1993 before a Plan Amendment Report relating to the amendment is released for public consultation under that Act	-

Section 90(3)(n) information relevant to the review of a determination of council under the Freedom of Information Act 1991.	-
Section of the Development Act 1993	
Section 56A(12) information relating to actual litigation	-
Total Confidential Items	-
Total Confidential Orders made under Section 90(3)	-

Summary of Confidential Items as at 30 June 2019

A high level summary of confidential orders for 2018/19 is provided below:

Total orders made under Section 91(7) in 2018/19	9
Total orders that expired, ceased to apply, revoked or partial released during 2018/19 (Including orders remaining in confidence from previous financial years)	12
Total orders remaining operative as at 30 June 2019	15

FINANCES & ACCOUNTABILITY

The table below is an extract of Council's Register of Confidential Items for all documents covered by confidentiality orders during 2018/19 (pursuant to section 91 of the Local Government Act 1999 and section 56A of the Development Act 1993), with their status as at 30 June 2019.

Council / Committee	Date	Item No.	Report Title	Reason / Section No.	Confidentiality order duration	Status at 30 June 2019
Council	24/08/2015	11.5	Woodville Town Hall Roof Claim	90(3)(h)(i)	Until such time as the claim for damages by Council has been finalised and all legal recourses have been exhausted.	Report appendices and minutes are released.
Council	14/06/2016	11.1	Waste and Recycling Contracts – Update and Strategic Direction	90(3)(k)	That the report and the minutes of this item be kept confidential until waste and recycling contracts established under the Council Solutions Waste Project process have been executed by all participating Councils.	Remains in Confidence
Corporate Services Committee	06/02/2017	8.1	Non Payment of Rates – Sale of Properties	90(3)	That the report and appendices of this item be kept confidential until the property is sold or the arrears are paid in full.	Remains in Confidence.

FINANCES & ACCOUNTABILITY

Council	27/03/2017	11.2	Review of Potential Sale of Assets	90(3)	That the report, Appendices and/or the minutes of this item be kept confidential until such time as the decision has been made to divest these assets and a prospective purchaser has been identified and the sale process is concluded or alternatively that a decision has been made to not proceed with the sale process.	Remains in Confidence
Council	24/04/2017	11.3	West Lakes Hub Update	90(3)	That the report, Appendices and/or the minutes of this item be kept confidential for until the Request for Proposal (RFP) and associated commercial negotiations have been finalised.	Remains in Confidence
Council	31/07/2017	11.7	Commercial Considerations Water Business Unit Assets	90(3)(b)(i)(ii)	That the report, Appendices and/or the minutes of this item be kept confidential until such time as the decision has been made on the future direction of the Water Business Unit.	Remains in Confidence.

FINANCES & ACCOUNTABILITY

Council	27/11/2017	11.9	Commercial Considerations Water Business Unit Assets	90(3)(b)(i)(ii)	That the report, Appendices and/or the minutes of this item be kept confidential until such time as the decision has been made on the future direction of the Water Business Unit.	Remains in Confidence.
Council	22/01/2018	11.1	West Beach Rock Sea Wall	90(3)(k)	That Appendix A to this item and Appendix B and C of the Prudential Review Report within Appendix B to this item be kept confidential until the contract for all construction works related to this project has been executed.	Report appendices and minutes are released.
Corporate Services Committee	05/02/2018	8.1	Non Payment of Rates – Sale of Properties Under Section 184	90(3)(a)	That the report and appendices of this item be kept confidential until the property is sold or the arrears are paid in full.	Report appendices and minutes are released.
Council	12/02/2018	11.2	Woodville Town Hall Roof Claim	90(3)(h)(i)	That the report and the minutes of this item be kept confidential until such time as the claim for damages by Council has been finalised or for 12 months (whichever is greater).	Report appendices and minutes are released.

FINANCES & ACCOUNTABILITY

Council	26/02/2018	11.3	West Lakes Hub	90(3)(b)(i)(ii)	That the Report and Appendices of this item be kept confidential until the conclusion of the Interim Project Agreement and award of contract.	Remains in Confidence Minutes are released.
Council Assessment Panel	21/03/2018	7.1	10, 12-12a Estcourt Road Tennyson - ERD Court Compromise	56A(12)	That pursuant to Section 56A(12) of the Development Act 1993, the Panel hereby orders that the report to the panel, Appendix B and/or minutes of this item be kept confidential until resolution of the 10,12-12A Estcourt Road Tennyson appeal and/or as agreed by the parties.	Report appendices and minutes are released.
Council	09/07/2018	11.5	Commercial Opportunity	90(3)(b)(i)(ii) and 90(3)(d)(i)(ii)	That the Report, Appendices and Minutes be kept confidential until the property is sold or is removed from sale or by the end of December 2019.	Remains in Confidence
Council	13/08/2018	11.6	St Clair Recreation Centre Facility Management	90(3)(d)(i)(ii) and 90(3)(k)	That the Report, Appendices and Minutes be kept confidential until the end of the first term of the Management Agreement with the YMCA being 2 years.	Remains in Confidence.

FINANCES & ACCOUNTABILITY

Council	13/08/2018	11.7	Chief Executive Officer Performance Review 2017/18	90(3)(a)	That the Report, Appendices and Minutes be kept confidential until the contract of employment documents have been updated and signed by the Mayor and CEO.	Report appendices and minutes are released.
Council	27/08/2018	11.8	West Lakes Hub	90(3)(b)(i)	That the report, appendices A, B and D of this item be kept confidential until the conclusion of the Interim Project Agreement and award of contract.	Remains in Confidence.
Council	11/02/2019	11.01	Public Consultation Policy Judicial Review	90(3)(h) and 90(3)(i)	The report and appendices of this item be kept confidential until the conclusion of the judicial review process.	Remains in Confidence.
Council	08/04/2019	11.02	Local Response to Chinese National Sword	90(3)(b)(i)(ii)	The report, appendices and minutes of this item be kept confidential until Council's position has been determined and all associated contracts and arrangements executed.	Remains in Confidence.
Council	11/06/2019	11.03	Strategic Procurement Directions	90(3)(d)(i)(ii)	The report, appendices and/or the minutes of this item be kept confidential until Council has finalised their Strategic Directions considerations.	Remains in Confidence.

FINANCES & ACCOUNTABILITY

Audit Committee	12/06/2019	8.1	Consideration of Council's Internal Audit Contract	90(3) (k)	The report, appendices and minutes of this item be kept confidential until the contracts have been executed.	Remains in Confidence.
Council	24/06/2019	11.04	Prudential Review - Local Response to Chinese National Sword	90(3)(b)(i)(ii)	The report, appendices and the minutes of this item be kept confidential until Council's position has been determined and all associated contracts and arrangements executed.	Remains in Confidence.

Code of Practice

A 'Code of Practice for Public Access to Council and Committee Meetings and Associated Documents' was initially adopted by Council in November 2000 following the required public consultation process, and most recently reaffirmed at its meeting on 11 February 2019.

The principles and practices of the Code have been adhered to since it was adopted and have achieved the desired outcomes via: *"The City of Charles Sturt will conduct all formal Council and Council Committee meetings in public and will provide public access to all documents considered at these meetings except where the Council or Committee meeting is clearly satisfied that the need for confidentiality outweighs the principle of open decision making."*

FINANCES & ACCOUNTABILITY

Purchasing and Tendering

The City of Charles Sturt is committed to ensuring an efficient, effective and ethical use of resources and accountable and transparent processes of goods and services. Our Procurement Policy aims to deliver best value services to the community.

When considering the most appropriate form of service delivery the following factors are considered:

- Council's strategic directions;
- A need to control specific services;
- Risks in adopting the various options;
- Number of competitors in the market place;
- Current service delivery arrangements;
- Existing skills and resources of Council's staff;
- Relevant industrial awards and Enterprise Bargaining Agreements;
- Benefits associated with entering into a commercial activity or project.

In fulfilling Council's procurement role, the following principles apply:

- Transparency and accountability in purchasing procedures and practices to ensure responsibilities are clearly defined and decisions are made in a transparent manner;
- Open and fair competition to ensure that potential suppliers are given reasonable opportunity to bid for the required goods and services;
- Compliance with statutory and other obligations;
- The highest standard of professionalism and probity by making decisions in an ethical and impartial manner;
- Opportunities to enter into joint procurement initiatives;
- Risk management practices and procedures in place to effectively manage risk exposure to Council with allocation of risk to the party best able to manage that risk;
- Adopt practices that are consistent with the principles of ecological sustainability, to the greatest extent that is practicable; and
- Encourage economic development through longer term contracts.

If all factors are equal when evaluating quotes and tender bids, preference will be given to local business.

Council also has a commitment to maximising the skills, development and employment opportunities available in the City. Consideration may be given, where practicable and appropriate, to incorporate strategies in the procurement process that support local employment and training, which may include Contractors engaging apprentices, trainees and cadets in their work practices.

The appropriate method of purchase is determined by the levels of expenditure established within the Procurement Policy. In 2018/19 a total of 33 tenders were called.

FINANCES & ACCOUNTABILITY

Council Solutions

Council Solutions is a Regional Authority (subsidiary) established in accordance with the Local Government Act (1999) SA and is a joint initiative of the cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully. Council Solutions has been established to collectively on behalf of constituent Councils implement professional contracts and purchasing arrangements which aggregate volume to deliver:

- Value for money;
- Represent best commercial practice;
- Aims to achieve uniformity in specification of works and services across the Council Solutions Councils;
- Will achieve purchasing savings; and
- Will protect Council's interests both jointly and separately.

National Competition Policy

It is an obligation under the Clause 7 statement on the Application of Competition Principles to Local Government and under the Competition Principles Agreement for each Council to include in its annual report certain relevant information as follows:

• Council has determined it has no significant business activities as defined in the Clause 7 statement.

• Where Council has submitted a tender as part of a tender process it has applied cost effective pricing to ensure it complies with competitive neutrality.

• No complaints were received during 2018/19

Bylaws Currently Gazetted

The City of Charles Sturt's By-laws were made by Council on 11 August 2014 and published in the SA Government Gazette on 21 August 2014 and these came into effect on 1 January 2015. Council's by-laws are:

1. Permits and penalties
2. Moveable signs
3. Local Government Land
4. Roads
5. Dogs and Cats
6. Domestic Livestock Management

These by-laws expire on 1 January 2022.

FINANCES & ACCOUNTABILITY

Council Member Code of Conduct Policy

Council members in South Australia have a commitment to serve the best interests of the people within the community they represent and to discharge their duties conscientiously, to the best of their ability, and for public, not private, benefit at all times.

Council members will work together constructively as a Council and will uphold the values of honesty, integrity, accountability and transparency, and in turn, foster community confidence and trust in Local Government.

As representatives of open, responsive and accountable government, Council members are committed to considering all relevant information and opinions, giving each due weight, in line with the Council's community consultation obligations.

In the performance of their role, Council members will take account of the diverse current and future needs of the local community in decision-making, provide leadership and promote the interests of the Council.

Council members will make every endeavour to ensure that they have current knowledge of both statutory requirements and best practice relevant to their position. All Councils are expected to provide training and education opportunities that will assist members to meet their responsibilities under the Local Government Act 1999.

During 2018/19 2 complaints were received of which both were resolved.

FINANCES & ACCOUNTABILITY

Freedom of Information Requests

There were 57 requests for information from 1 July 2018 to 30 June 2019 made under the Freedom of Information Act.

In summary,

2018/19

Number of Applications:	33
Access granted in full:	9
Access granted in part:	13
Access refused:	7
Transferred:	1
Closed/Withdrawn:	1
Undetermined at 30 June:	2

Enquiries or requests for information under the Act, should be forwarded to:

Freedom of Information

City of Charles Sturt

PO BOX 1

WOODVILLE SA 5011

FINANCES & ACCOUNTABILITY

City of Charles Sturt

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Charles Sturt - A Leading, Liveable City

City of Charles Sturt

General Purpose Financial Statements
for the year ended 30 June 2019

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City of Charles Sturt

City of Charles Sturt

General Purpose Financial Statements
for the year ended 30 June 2019

Certification of Financial Statements

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

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.

Paul Sutton
CHIEF EXECUTIVE OFFICER

Angela Evans
MAYOR

Date: 1/11/19

City of Charles Sturt

Statement of Comprehensive Income
for the year ended 30 June 2019

$ '000	Notes	2019	2018
Income			
Rates Revenues	2a	106,223	103,706
Statutory Charges	2b	4,018	4,151
User Charges	2c	2,881	2,849
Grants, Subsidies and Contributions	2g	9,329	11,619
Investment Income	2d	98	179
Reimbursements	2e	2,947	2,274
Other Income	2f	169	182
Net Gain - Equity Accounted Council Businesses	19	62	-
Total Income		125,727	124,960
Expenses			
Employee Costs	3a	41,807	40,398
Materials, Contracts & Other Expenses	3b	47,321	46,193
Depreciation, Amortisation & Impairment	3c	28,859	27,100
Finance Costs	3d	943	507
Net loss - Equity Accounted Council Businesses	19	-	12
Total Expenses		118,930	114,210
Operating Surplus / (Deficit)		6,797	10,750
Asset Disposal & Fair Value Adjustments	4	(7,243)	(7,630)
Amounts Received Specifically for New or Upgraded Assets	2g	13,160	12,062
Physical Resources Received Free of Charge	2i	5,183	42
Net Surplus / (Deficit) [1]		17,897	15,224
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	33,000	-
Total Other Comprehensive Income		33,000	-
Total Comprehensive Income		50,897	15,224

[1] Transferred to Statement of Changes in Equity

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies. page 3

City of Charles Sturt

Statement of Financial Position
as at 30 June 2019

$ '000	Notes	2019	2018
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	4,616	2,983
Trade & Other Receivables	5b	5,294	8,064
Inventories	5c	135	107
Total Current Assets		10,045	11,154
Non-Current Assets			
Equity Accounted Investments in Council Businesses	6a	138	76
Infrastructure, Property, Plant & Equipment	7a	1,205,866	1,124,834
Other Non-Current Assets	6b	20,319	39,899
Total Non-Current Assets		1,226,323	1,164,809
TOTAL ASSETS		1,236,368	1,175,963
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	23,289	27,270
Borrowings	8b	1,513	1,451
Provisions	8c	8,348	8,298
Total Current Liabilities		33,150	37,019
Non-Current Liabilities			
Borrowings	8b	30,675	17,685
Provisions	8c	1,507	1,120
Total Non-Current Liabilities		32,182	18,805
TOTAL LIABILITIES		65,332	55,824
Net Assets		1,171,036	1,120,139
EQUITY			
Accumulated Surplus		486,640	468,743
Asset Revaluation Reserves	9a	684,396	651,396
Total Council Equity		1,171,036	1,120,139

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies. page 4

City of Charles Sturt

Statement of Changes in Equity

for the year ended 30 June 2019

$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Total Equity
2019				
Balance at the end of previous reporting period		468,743	651,396	**1,120,139**
a. Net Surplus / (Deficit) for Year		17,897	-	**17,897**
b. Other Comprehensive Income				
- Gain (Loss) on Revaluation of I,PP&E	7a	-	33,000	**33,000**
Other Comprehensive Income		-	33,000	**33,000**
Total Comprehensive Income		**17,897**	**33,000**	**50,897**
Balance at the end of period		**486,640**	**684,396**	**1,171,036**
2018				
Balance at the end of previous reporting period		453,519	651,396	**1,104,915**
a. Net Surplus / (Deficit) for Year		15,224	-	**15,224**
Total Comprehensive Income		**15,224**	-	**15,224**
b. Transfers between Reserves		-	-	-
Balance at the end of period		**468,743**	**651,396**	**1,120,139**

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies. page 5

City of Charles Sturt

Statement of Cash Flows

for the year ended 30 June 2019

$ '000	Notes	2019	2018
Cash Flows from Operating Activities			
Receipts			
Operating Receipts		125,294	123,379
Investment Receipts		98	179
Payments			
Operating Payments to Suppliers and Employees		(90,864)	(90,782)
Finance Payments		(943)	(507)
Net Cash provided by (or used in) Operating Activities	11b	33,585	32,269
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets		13,160	12,062
Sale of Replaced Assets		948	2,581
Sale of Surplus Assets		10	1,101
Distributions Received from Equity Accounted Council Businesses		62	12
Payments			
Expenditure on Renewal/Replacement of Assets		(22,574)	(55,486)
Expenditure on New/Upgraded Assets		(37,755)	(8,321)
Capital Contributed to Equity Accounted Council Businesses		(62)	(12)
Net Cash provided by (or used in) Investing Activities		(46,211)	(48,063)
Cash Flows from Financing Activities			
Receipts			
Proceeds from Borrowings		13,052	9,808
Proceeds from Bonds & Deposits		438	90
Proceeds from Aged Care Facility Deposits		1,140	-
Payments			
Repayment of Aged Care Facility Deposits		(371)	(183)
Net Cash provided by (or used in) Financing Activities		14,259	9,715
Net Increase (Decrease) in Cash Held		1,633	(6,079)
plus: **Cash & Cash Equivalents at beginning of period**	11	2,983	9,062
Cash & Cash Equivalents at end of period	11	4,616	2,983

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies. page 6

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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n/a - not applicable

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies

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

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 1 November 2019.

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

City of Charles Sturt is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 72 Woodville Road Woodville. 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.

Other entities in which Council has an interest but does not control are reported in Note 19.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. Funds held at 30 June 2019 $256,904 (2018 $253,393).

3 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the transaction gives rise to a liability of other performance obligations related to an asset received by the entity. Special purpose grants for which there is a reasonable likelihood that the grants will have to be refunded if obligations are not discharged in accordance with terms and conditions will be recognised as a liability until funds are expended in accordance with relevant agreements.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained without specific performance obligations 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.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

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

	Cash Payment Received	Annual Allocation	Difference
2016/17	$5,207,556	$3,436,852	+$1,770,704
2017/18	$4,294,414	$4,137,445	+$156,969
2018/19	$5,507,999	$4,247,466	+ $1,260,533

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

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

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

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

6.2 Materiality

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

Land	$5,000
Buildings	$5,000
Computer Equipment	$1,000
Office Furniture and Fittings	$1,000
Roads	$5,000
Stormwater	$5,000
Recycled Water	$5,000
Bridges	$5,000
Footpaths	$5,000
Plant and Equipment	$1,000
Vehicles	$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.

Plant, Furniture & Equipment	2 to10 years
Furniture and Fittings including IT equipment	2 to 10 years
Building & Other Structures	
Buildings - Superstructure	25 to 125 years
Buildings - Substructure	25 to 125 years
Building - Services	20 to 110 years
Building - Finishes	23 to 100 years
Playgrounds, Park furniture and Park Structures etc.	10 to 80 years
Infrastructure	
Bridges - Superstructure	25 to 100 years
Bridges – Substructure	25 to 125 years
Bridges – Decking surface	15 to 100 years
Bridges – Guardrails parapets	25 to 100 years
Roads - Base	60 to 120 years
Roads - Kerbing	50 to 90 years
Roads - Seal	35 to 90 years
Roads – Sub base	95 to 200 years
Paving & Footpaths, Kerb & Gutter	15 to 60 years
Stormwater - Recycled water	60 to 80 years
Stormwater - Drains	60 to 100 years
Stormwater - Pits	50 to 80 years
Traffic Controls	30 years

6.5 Impairment

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

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

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

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 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". 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.

Annual Leave:
Weighted avg. discount rate 1.38% (2018, 1.97%)
Weighted avg. settlement period 1.4 years (2018, 1.19 years)

LSL:
Weighted avg. discount rate 1.81% (2018, 3.39%)
Weighted avg. settlement period 1.78 years (2018, 1.83 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.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

10 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.

11 Leases

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

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 Non Interest Bearing Liabilities

Accommodation Bonds and Aged Care Facility Deposits are amounts payable under the Aged Care Act 1997 and the SA Retirement Villages Act 1987 and are controlled by legislation and individual contracts. Funds received from the occupants entering Council's aged complexes are shown as liabilities except for those who pay an entry contribution where those amounts are treated as revenue. Revenue is bought to account as it accrues. These complexes are included in non-current assets

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

as land and buildings. The repayment of the loan balances is required within a short period of time of the resident leaving the retirement unit. To recognise this requirement all accommodation bonds are recorded as a current liability as per AASB101: Presentation of Financial Statements even historical experience indicates the bonds may not be repaid within one year.

16 New accounting standards and UIG interpretations

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

City of Charles Sturt has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

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

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

The effect on profit and loss in future years will be non-material.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective.

The standards that are expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 July 2019

Transition method

- AASB 16 Leases – The Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its consolidated financial statements, however, the actual impacts may differ as the new accounting policies are subject to change until the Council presents its first financial statements that include the date of initial application.

  AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Leases in which the Council is a lessee

Based on Councils assessment, it is expected that the first-time adoption of AASB 16 for the year ending 30 June 2020 will have the following impacts:

- Right of Use Asset (ROUA) and Lease Liabilities on the Balance Sheet will increase by approximately $3.54m respectively (based on the information available to Council at the date of assessment).

- There will be a reduction in the reported equity as the carrying amount of Right of Use Asset reduces more quickly than the carrying amount of the Lease Liability.

- Net result will be lower on initial application as depreciation and the lease liability interest will be initially higher than operating lease expenses previously recorded.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Leases in which the Group is a lessor

No significant impact is expected for other leases in which the Council is a lessor.

Peppercorn Leases

Council is the lessee of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council does not intend to elect to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

Transition method

The Council intends to apply AASB 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

The Council intends to apply the practical expedient for the definition of a lease on transition. This means that it will apply AASB 16 on transition only to contracts that were previously identified as leases applying AASB 117 Leases and Interpretation 4 Determining whether an Arrangement contains a Lease.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements.

The standards are expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 1059 Service Concession Arrangements: Grantors (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities
- AASB 2017-1 Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement
- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors
- AASB 2018-5 Amendments to Australian Accounting Standards - Deferral of AASB 1059

Effective for annual reporting periods beginning on or after 1 January 2021

- AASB 17 Insurance Contracts

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

- AASB 17 Insurance Contracts (Appendix D)

The standards are not expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1058 Income of Not-for-Profit Entities
- AASB 1058 Income of Not-for-Profit Entities Appendix D)
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 1059 Service Concession Arrangements: Grantors (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities
- AASB 2017-1 Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement
- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors
- AASB 2018-5 Amendments to Australian Accounting Standards - Deferral of AASB 1059

Effective for annual reporting periods beginning on or after 1 January 2021

- AASB 17 Insurance Contracts
- AASB 17 Insurance Contracts (Appendix D)

17 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.

18 Disclaimer

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

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 2. Income

$ '000	Notes	2019	2018
(a). Rates Revenues			
General Rates			
General Rates		106,024	103,133
Less: Mandatory Rebates		(2,832)	(2,139)
Less: Discretionary Rebates, Remissions & Write Offs		(392)	(572)
Total General Rates		102,800	100,422
Other Rates (Including Service Charges)			
Natural Resource Management Levy		2,884	2,714
Total Other Rates		2,884	2,714
Other Charges			
Penalties for Late Payment		330	331
Legal & Other Costs Recovered		209	239
Total Other Charges		539	570
Total Rates Revenues		106,223	103,706
(b). Statutory Charges			
Development Act Fees		1,135	1,348
Health & Septic Tank Inspection Fees		11	7
Animal Registration Fees & Fines		789	809
Parking Fines / Expiation Fees		1,504	1,489
Other Registration Fees		378	304
Other Licences, Fees & Fines		201	194
Total Statutory Charges		4,018	4,151
(c). User Charges			
Commercial Activity Revenue		63	258
Aged Facilities Rental		380	356
Hall & Equipment Hire		1,018	861
Waste Management Fees		605	562
Facilities & Equipment Hire		60	59
Other		755	753
Total User Charges		2,881	2,849

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 2. Income (continued)

$ '000	Notes	2019	2018
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		40	46
- Banks & Other		58	133
Total Investment Income		98	179
(e). Reimbursements			
Private Works		5	12
Waste Disposal		-	342
General		1,193	898
Infrastructure Works		1,749	-
Insurance		-	1,022
Total Reimbursements		2,947	2,274
(f). Other Income			
Insurance & Other Recoupments - Infrastructure, IPP&E		133	136
Sundry		36	42
Other		-	4
Total Other Income		169	182
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		13,160	12,062
Other Grants, Subsidies and Contributions		9,329	11,619
Total Grants, Subsidies, Contributions		22,489	23,681
The functions to which these grants relate are shown in Note 12.			
(i) Sources of grants			
Commonwealth Government		11,753	5,842
State Government		9,852	17,823
Other		884	16
Total		22,489	23,681
(ii) Individually Significant Items			
Grant Commission (FAG) Grant Recognised as Income		1,989	1,928

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 2. Income (continued)

$ '000	Notes	2019	2018
(h). Conditions over Grants & Contributions			
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:			
Unexpended at the close of the previous reporting period		2,528	1,771
Less:			
Expended during the current period from revenues recognised in previous reporting periods			
Roads Infrastructure		(1,333)	(1,170)
General Purpose		(1,195)	(601)
Subtotal		**(2,528)**	**(1,771)**
Plus:			
Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions			
Roads Infrastructure		1,957	1,333
General Purpose		1,231	1,195
Subtotal		**3,188**	**2,528**
Unexpended at the close of this reporting period		3,188	2,528
Net increase (decrease) in assets subject to conditions in the current reporting period		**660**	**757**
(i). Physical Resources Received Free of Charge			
Roads, Bridges & Footpaths		5,183	42
Total Physical Resources Received Free of Charge		5,183	42

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 3. Expenses

$ '000	Notes	2019	2018
(a). Employee Costs			
Salaries and Wages		38,119	36,952
Employee Leave Expense		1,155	923
Superannuation - Defined Benefit and Accumulation Fund Contributions	18	3,633	3,534
Workers' Compensation Insurance		949	1,113
Other		225	21
Less: Capitalised and Distributed Costs		(2,274)	(2,145)
Total Operating Employee Costs		41,807	40,398
Total Number of Employees (full time equivalent at end of reporting period)		464	474
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		27	25
- Other Services		7	7
Elected Members' Expenses		493	470
Operating Lease Rentals - Cancellable Leases		37	88
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		854	879
Subtotal - Prescribed Expenses		**1,418**	**1,469**
(ii) Other Materials, Contracts and Expenses			
Contractors		11,718	12,289
Energy		2,691	2,587
Maintenance		3,370	3,242
Legal Expenses		705	1,455
Levies Paid to Government - NRM levy		3,351	3,160
Levies - Other		857	416
Parts, Accessories, Consumables & Supplies		3,111	3,338
Professional Services		491	459
Sundry		1,262	1,878
Infrastructure Works		1,749	-
Advertising / Promotional		419	516
Agency Staff		2,003	1,594
Communication		598	725
Consultants		678	612
Donations/Contributions		579	668
Insurance		1,271	1,318
Training / Seminars & Conferences		506	534
Waste Costs		8,274	7,942
Water		2,270	1,991
Subtotal - Other Material, Contracts & Expenses		**45,903**	**44,724**
Total Materials, Contracts and Other Expenses		47,321	46,193

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 3. Expenses (continued)

$ '000	Notes	2019	2018
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings & Other Structures - Specialised		7,150	5,899
Stormwater		5,039	4,920
Roads		7,908	7,803
Footpaths		4,241	4,185
Bridges		526	332
Plant & Equipment		2,827	2,808
Furniture & Fittings		954	1,153
Subtotal		**28,645**	**27,100**
(ii) Impairment			
Infrastructure		214	-
Total Depreciation, Amortisation and Impairment		28,859	27,100
(d). Finance Costs			
Interest on Loans		943	507
Total Finance Costs		943	507

Note 4. Asset Disposal & Fair Value Adjustments

Infrastructure, Property, Plant & Equipment

(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		948	2,581
Less: Carrying Amount of Assets Sold		(8,050)	(10,822)
Gain (Loss) on Disposal		**(7,102)**	**(8,241)**
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		10	1,101
Less: Carrying Amount of Assets Sold		(151)	(490)
Gain (Loss) on Disposal		**(141)**	**611**
Net Gain (Loss) on Disposal or Revaluation of Assets		(7,243)	(7,630)

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 5. Current Assets

$ '000	Notes	2019	2018
(a). Cash & Cash Equivalents			
Cash on Hand at Bank		2,369	1,240
Deposits at Call		2,247	1,743
Total Cash & Cash Equivalents		4,616	2,983
(b). Trade & Other Receivables			
Rates - General & Other		2,247	2,229
Council Rates Postponement Scheme		59	51
Accrued Revenues		46	28
Debtors - General		2,058	3,356
GST Recoupment		793	1,861
Prepayments		406	627
Sundry		120	225
Subtotal		**5,729**	**8,377**
Less: Allowance for Doubtful Debts		(435)	(313)
Total Trade & Other Receivables		5,294	8,064
(c). Inventories			
Stores & Materials		135	107
Total Inventories		135	107

Note 6. Non-Current Assets

(a). Equity Accounted Investments in Council Businesses			
Council Solutions	19	138	76
Total Equity Accounted Investments in Council Businesses		138	76
(b). Other Non-Current Assets			
Capital Works-in-Progress		20,319	39,899
Total Other Non-Current Assets		20,319	39,899

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 7a (i). Infrastructure, Property, Plant & Equipment

$ '000	Fair Value Level	as at 30/6/2018 At Fair Value	At Cost	Accumulated Dep'n	Accumulated Impairment	Carrying Value	Asset Movements during the Reporting Period: Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in P/L) (Note 3c)	Adjustments & Transfers	Revaluation Increments to Equity (ARR) (Note 9)	as at 30/6/2019 At Fair Value	At Cost	Accumulated Dep'n	Accumulated Impairment	Carrying Value
Land	2	281,483	-	-	-	281,483	3,064	289	-	-	-	128	28,089	313,053	-	-	-	313,053
Buildings & Other Structures - Specialised	3	223,749	-	106,526	-	117,223	27,768	4,832	(1,401)	(7,150)	-	(90)	1,930	278,170	-	135,077	-	143,093
Stormwater	3	372,976	-	161,045	-	211,931	21,761	1,579	(1,233)	(5,039)	(214)	12	-	390,167	-	161,180	214	228,773
Roads	3	628,141	-	241,496	-	386,645	3,988	10,656	(3,708)	(7,908)	-	236	-	635,142	-	245,250	-	389,892
Footpaths	3	206,184	-	108,080	-	98,104	2,381	5,217	(1,622)	(4,241)	-	(183)	-	208,636	-	108,999	-	99,637
Bridges	3	23,730	-	6,417	-	17,313	-	-	-	(526)	-	(103)	2,981	27,756	-	8,091	-	19,665
Plant & Equipment		-	20,350	10,590	-	9,760	-	-	-	(2,827)	-	-	-	-	20,580	11,163	-	9,417
Furniture & Fittings		-	17,676	15,301	-	2,375	-	-	-	(954)	-	-	-	-	18,528	16,192	-	2,336
Total Infrastructure, Property, Plant & Equipment		**1,736,263**	**38,026**	**649,455**	-	**1,124,834**	**58,962**	**22,573**	**(7,964)**	**(28,645)**	**(214)**	-	**33,000**	**1,852,924**	**39,108**	**685,952**	**214**	**1,205,866**
Comparatives		1,589,506	144,094	639,648	315	**1,093,637**	14,885	21,596	(10,631)	(27,100)	-	-	-	1,736,263	38,026	649,455	-	**1,124,834**

Note 7a (ii). Investment Property

Nil

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

$ '000

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.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

$ '000

Valuation of Assets (continued)

Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are restated 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.

Current use is presumed to be its highest and best use unless market or other factors suggest a different use by market participants would maximise the value of the asset.

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

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restriction also exist. For land subject to these restrictions, "highest and best use" is taken to be the "highest and best use" available to Council with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue. For buildings and other structures on the land, including infrastructure "highest and best use" is determined in accordance with the land on and in which they are situated.

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.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

$ '000

Valuation of Assets (continued)

Land & Land Improvements

A full revaluation of land assets was completed by Kate Tynan Senior Valuer B Bus Property (Valuation) AAPI Certified Practising Valuer at JLL Infrastructure Advisory, Pty Ltd, Property Consultants and Valuers as at 1 July 2018.

The valuation of all excluded/revoked land has been undertaken using the market approach, more specifically the direct comparison method of valuation and by reference to comparable market data. Each of council's land assets are considered with reference to full range of attributes inclusive of location, land area, development potential and general market appeal using market research as evidence from which to draw conclusions regarding market value.

Community land has been undertaken using the market approach, more specifically the direct comparison method of valuation by reference to comparable market data and subsequently adjusting to reflect the community use of the asset and the likelihood of alienating the land to make it available for disposal.

All land and land improvements are classified as level 2 under the market based direct comparison method. Community land is classified as level 3 inputs.

Buildings & Other Structures

A full revaluation of building assets was completed by Kate Tynan Senior Valuer B Bus Property (Valuation) AAPI Certified Practising Valuer at JLL Infrastructure Advisory, Pty Ltd, Property Consultants and Valuers as at 1 July 2018.

Buildings have been valued using the market or cost approach. The factors in selecting the appropriate valuation technique include whether the underlying land is designated community land or excluded/revoked from community land status, together with other factors which determine whether observable market inputs exist.

Building assets situated on excluded/revoked land and which do not exhibit any particular degree of specialisation have been valued with reference to the market approach.

Non specialised buildings are classified as level 2 under the market based direct comparison method.

Building assets situated on community land have been valued using the cost approach on basis that community land cannot be traded on the open market.

For Council specialised buildings and other structures, depreciated replacement cost is used. Depreciated replacement cost is the cost of replacing the asset with its modern equivalent using market observations by the independent Valuer with regard to current costs and depreciation rates. Specialised buildings contain significant unobservable adjustments, therefore these assets are classified as level 3 fair value measurements.

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

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

$ '000

Valuation of Assets (continued)

Infrastructure

Roads, Footpaths

Roads and Footpaths are valued using the depreciated replacement cost method.

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 based on recent experience of this Council.

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 deprecation 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 labour and materials, and the potential for development of more efficient construction techniques.

Fair value assessments have been performed as at June 2019 which demonstrated fair value was materially similar to carrying value, therefore a full revaluation was not required this year.

A full revaluation of road assets was completed by Jeff Roorda and Associates (JRA) as at June 2017.

The valuation was based on depreciated replacement cost and involved the determination of the cost to construct the asset (or its modern equivalent) using a methodology that utilises observable rates and cost information from sources such as Rawlinsons Australian handbook and where a Rawlinson rate was not available, Councils' engineering staff provided a best estimate rate based on experience, recent quotations and tenders and past projects.

Roads and Footpaths contain significant unobservable inputs, therefore these assets are classified as level 3.

Irrigation assets are valued at written down replacements cost. A revaluation was undertaken by council officers as at 1 July 2018 based on depreciated replacement cost rates using rates from actual costs incurred during the reporting period ended 30 June 2018 from Council's external contract providers.

Stormwater Drainage

Stormwater assets are valued using the depreciated replacement cost method.

Fair value assessments have been performed as at June 2018 which demonstrated fair value was materially similar to carrying value, therefore a full revaluation was not required this year.

A full revaluation of stormwater assets (which excluded pump and pump stations was completed by Mr P.Cannons who is a registered professional Civil Engineer NZCE (Civil), BE (Civil) (Hons), MIPENZ,CP Eng (NZ), RPEQ,MIEAust with Opus International Consultants for the reporting period June 2016, with pumps and pump stations revalued as 1 July 2016. The valuation by Opus International Consultants was based on depreciated replacement cost using a methodolgy that utlises observable rates and cost information from their extensive data bases including Rawlinsons Australian Construction Handbook. Stormwater assets contain significant unobservable inputs, therefore these assets are classified as level 3.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

$ '000

Valuation of Assets (continued)

Bridges
Bridges are valued using the depreciated replacement cost method.

A full revaluation of bridge assets was completed Guilio Altamura, G-Force Building and Consulting Pty Ltd, subcontract to Ryder Levett Bucknall, certified by The Australian Institute of Quantity Surveyors. Valuations have been undertaken as at 1 July 2018.

This method involves the determination of the cost to replace the asset with its modern equivalent less deductions for physical deterioration and relevant forms of obsolescence.

As Bridges contain significant unobservable inputs, these assets are classified as level 3.

Plant & Equipment
Plant and Equipment is carried at cost, less any accumulated depreciation and impairment losses.

Furniture & Fittings
Furniture and Fittings which includes IT equipment is carried at cost, less any accumulated depreciation and impairment losses.

Note 8. Liabilities

$ '000	Notes	2019 Current	2019 Non Current	2018 Current	2018 Non Current
(a). Trade and Other Payables					
Goods & Services		6,049	-	9,685	-
Payments Received in Advance		4,597	-	7,419	-
Accrued Expenses - Employee Entitlements		2,185	-	2,037	-
Accrued Expenses - Other		3,759	-	2,637	-
Aged Care Facility Deposits		6,057	-	4,917	-
Deposits, Retentions & Bonds		642	-	575	-
Total Trade and Other Payables		23,289	-	27,270	-
(b). Borrowings					
Loans		1,513	30,675	1,451	17,685
Total Borrowings		1,513	30,675	1,451	17,685

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

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 8. Liabilities (continued)

$ '000	Notes	2019 Current	2019 Non Current	2018 Current	2018 Non Current
(c). Provisions					
Employee Entitlements (including oncosts)		8,279	1,507	8,199	1,120
Independent Living Unit Maintenance		69	-	99	-
Total Provisions		8,348	1,507	8,298	1,120

Note 9. Reserves

$ '000	1/7/2018	Increments (Decrements)	Transfers	Impairments	30/6/2019
(a). Asset Revaluation Reserve					
Land	-	28,089	-	-	28,089
Buildings & Other Structures - Specialised	-	1,930	-	-	1,930
Infrastructure	619,105	-	-	-	619,105
Stormwater	172	-	-	-	172
Roads	24,050	-	-	-	24,050
Bridges	8,069	2,981	-	-	11,050
Total Asset Revaluation Reserve	651,396	33,000	-	-	684,396
Comparatives	651,396	-	-	-	651,396

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).

Note 10. Assets Subject to Restrictions

$ '000	Notes	2019	2018
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			
Contribution to Specific Work Programmes		32	538
Hindmarsh Town Mission		61	62
Total Cash & Financial Assets		93	600
Total Assets Subject to Externally Imposed Restrictions		93	600

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 11. Reconciliation to Statement of Cash Flows

$ '000	Notes	2019	2018
(a). Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	4,616	2,983
Balances per Statement of Cash Flows		4,616	2,983
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		**17,897**	**15,224**
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		28,859	27,100
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(62)	12
Non-Cash Asset Acquisitions		(5,183)	(42)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(13,160)	(12,062)
Net (Gain) Loss on Disposals		7,243	7,630
		35,594	**37,862**
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		2,648	(2,339)
Change in Allowances for Under-Recovery of Receivables		(122)	244
Net (Increase)/Decrease in Inventories		(28)	(17)
Net (Increase)/Decrease in Other Current Assets		244	(488)
Net Increase/(Decrease) in Trade & Other Payables		(5,188)	(3,009)
Net Increase/(Decrease) in Unpaid Employee Benefits		467	27
Net Increase/(Decrease) in Other Provisions		(30)	(11)
Net Cash provided by (or used in) operations		33,585	32,269
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2i	5,183	42
Total Non-Cash Financing & Investing Activities		5,183	42
(d). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Corporate Credit Cards		200	200
LGFA Cash Advance Debenture Facility		55,000	55,000

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

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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)	
$ '000	**Actual 2019**	Actual 2018	**Actual 2019**	Actual 2018	**Actual 2019**	Actual 2018	**Actual 2019**	Actual 2018	**Actual 2019**	Actual 2018
Business Undertakings	**-**	-	**-**	-	**-**	-	**-**	-	**29**	28
Community Services	**2,093**	4,087	**3,876**	3,809	**(1,783)**	278	**1,802**	3,786	**14,978**	14,246
Contracted Services	**1,238**	1,211	**12,191**	12,321	**(10,953)**	(11,110)	**-**	-	**-**	-
Customer Relations	**5**	15	**1,990**	2,110	**(1,985)**	(2,095)	**-**	-	**-**	-
Engineering and Construction	**6,118**	4,647	**34,722**	33,329	**(28,604)**	(28,682)	**10,294**	9,706	**785,389**	747,017
Libraries	**898**	880	**5,733**	5,507	**(4,835)**	(4,627)	**829**	814	**6,404**	6,091
Open Space and Recreation	**238**	231	**16,629**	17,019	**(16,391)**	(16,788)	**6,199**	6,803	**305,583**	290,653
Planning and Development	**1,209**	1,428	**3,927**	3,924	**(2,718)**	(2,496)	**-**	-	**29**	28
Property Mgt & Maint	**1,422**	2,434	**12,566**	10,218	**(11,144)**	(7,784)	**-**	-	**119,950**	114,090
Public Health and Safety	**2,955**	2,980	**4,337**	4,046	**(1,382)**	(1,066)	**13**	166	**1,044**	993
Urban Projects	**153**	287	**1,478**	1,316	**(1,325)**	(1,029)	**28**	30	**109**	103
Council Administration	**521**	590	**12,727**	10,384	**(12,206)**	(9,794)	**-**	-	**-**	-
Governance and Risk	**152**	103	**8,754**	10,215	**(8,602)**	(10,112)	**-**	-	**-**	-
Unallocated (incl. Rates Income)	**108,663**	106,067	**-**	-	**108,663**	106,067	**2,440**	2,360	**2,853**	2,714
Total Functions/Activities	**125,665**	**124,960**	**118,930**	**114,198**	**6,735**	**10,762**	**21,605**	**23,665**	**1,236,368**	**1,175,963**

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets and physical resources received free of charge.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 12b. Components of Functions

$ '000

The activities relating to Council functions are as follows:

COMMUNITY SERVICES
Services provided to the elderly and disabled through community centres and other government funded community programs. It also includes programs to support youth, sporting clubs and crime prevention programs.

CONTRACTED SERVICES
Management and supervision of contracts for public toilets, verge mowing and waste management services.

COUNCIL ADMINISTRATION
Includes Information Systems, Records, Financial Sevices, Fleet and Rates Administration.

CUSTOMER RELATIONS
Management of the relationship between Council and the community via Council's internal and external communication activities and community events. It also includes management of Council call centres.

ENGINEERING AND CONSTRUCTION
Maintenance and construction of Council's Infrastructure which includes Council's roads, footpaths, pedestrian/cycle paths, stormwater drainage systems and bridges. Includes cost of Council's waste transfer station and Council's share in associated entities (Council Solutions).

GOVERNANCE
Administrative of governance activities including elected members allowances, elections.

LIBRARIES
Provision of 5 libraries and mobile library services.

OPEN SPACE AND RECREATION
Maintenance and development of Council's parks, reserves, trees and to foster the development of an aesthetically pleasing environment development throughout the City.

PLANNING AND DEVELOPMENT
Council is responsible for development and control of urban planning, thereby ensuring a successful blend of lifestyle and economic development throughout the City. Provision of regulatory activities under the Development Act.

PROPERTY MANAGEMENT AND MAINTENANCE
Management and maintenance of Council's commercial, community and residential properties. The handling of customer requests to make roads and footpaths safe and the maintenance of bus shelters, aged care accommodation and sporting facilities.

PUBLIC HEALTH AND SAFETY
Monitoring and control of Council's By-Laws, including dog and parking control. Protection and promotion of the health and wellbeing of Council's residents through programs designed to provide awareness, and through the provision of immunisation services, public health and pest control.

URBAN PROJECTS
Facilitates council's response to major urban development projects and drives the City's strategic land use and development policies. Encourages future economic development initiatives that will seek to generate positive local investment and employment outcomes.

UNALLOCATED
Where cost allocations cannot be reliably and consistently determined no allocation of cost has been made.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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 of 1.00% and (2018: 1.75%). Short term deposits are invested in the Local Government Finance Authority or in at call NAB bank accounts depending on the interest rate at time of investment.

Carrying Amount:
Approximates fair value due to the short term to maturity.

Receivables
Rates & Associated Charges
(including legals & penalties for late payment)

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 6.6% (2018: 6.75%). 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).

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

$ '000

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.

Receivables
Retirement Home Contributions

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:
Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

Carrying Amount:
Approximates fair value (after deduction of any allowance).

Liabilities
Creditors and Accruals

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

Terms & Conditions:
Liabilities are normally settled on 30 day terms.

Carrying Amount:
Approximates fair value.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

$ '000

Recognised Financial Instruments

Liabilities
Retirement Home Contributions

Accounting Policy:
To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

Terms & Conditions:
Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

Carrying Amount:
Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

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, borrowings are repayable by periodic instalments of principal and interest.
Interest rates are at an average of 3.25% (2018: 3.85%).

Carrying Amount:
Approximates fair value.

Liabilities
Finance Leases

Accounting Policy:
Accounted for in accordance with AASB 117.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2019					
Financial Assets					
Cash & Equivalents	4,616	-	-	4,616	4,616
Receivables	4,887	-	-	4,887	4,888
Total Financial Assets	9,503	-	-	9,503	9,504
Financial Liabilities					
Payables	18,805	-	-	18,805	18,692
Current Borrowings	1,513	-	-	1,513	1,513
Non-Current Borrowings	-	25,407	5,967	31,374	30,675
Total Financial Liabilities	20,318	25,407	5,967	51,692	50,880
2018					
Financial Assets					
Cash & Equivalents	2,983	-	-	2,983	2,983
Receivables	7,409	-	-	7,409	7,409
Total Financial Assets	10,392	-	-	10,392	10,392
Financial Liabilities					
Payables	19,855	-	-	19,855	19,851
Current Borrowings	1,451	-	-	1,451	1,451
Non-Current Borrowings	-	6,071	12,429	18,500	17,685
Total Financial Liabilities	21,306	6,071	12,429	39,806	38,987

The following interest rates were applicable to Council's Borrowings at balance date:	30 June 2019		30 June 2018	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	3.25%	20,000	3.60%	10,000
Fixed Interest Rates	3.85%	12,188	3.85%	9,136
		32,188		**19,136**

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.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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 Mangement 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	2019	2018
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings		7,564	5,657
Infrastructure		13,214	8,403
Furniture and Fittings including IT assets		52	26
		20,830	14,086
These expenditures are payable:			
Not later than one year		20,830	14,086
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
		20,830	14,086

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 15. Financial Indicators

$ '000	Amounts 2019	Indicator 2019	Prior Periods 2018	2017
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	6,797	5%	9%	7%
Total Operating Income	125,727			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net Financial Liabilities	55,422	44%	36%	29%
Total Operating Income	125,727			
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.				
Adjustments to Ratios				
In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.				
Adjusted Operating Surplus Ratio		3%	7%	5%
Adjusted Net Financial Liabilities Ratio		44%	36%	29%
3. Asset Renewal Funding Ratio				
Net Asset Renewals	21,626	80%	201%	101%
Infrastructure & Asset Management Plan required expenditure	27,017			
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.				

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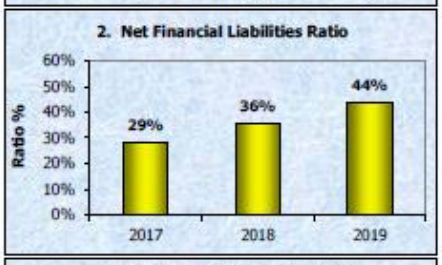
City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

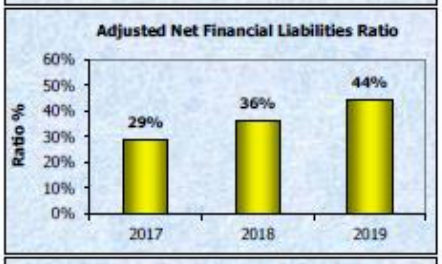
Note 15. Financial Indicators - Graphs (continued)

Purpose of Operating Surplus Ratio	2018/19 Ratio 5%
This indicator is to determine the percentage the operating revenue varies from operating expenditure	Council's Long Term Financial Plan (LTFP) objective is to generate a sustainable operating surplus ratio between 0% and 10%. When Council's performance is within this range, each generation is paying for the assets and services that it consumes. A positive ratio demonstrates the percentage of operating income available to fund capital expenditure and decrease reliance on borrowings.



Purpose of Net Financial Liabilites Ratio	Commentary on 2018/19 Result 2018/19 Ratio 44%
This indicator shows the significance of the net amount owed to others, compared to operating revenue	Council has determined that a Net Financial Liabilities (NFL) ratio of between 0% and 100% is an acceptable range. The result shows Council's ability to meet financial obligations, including borrowings, employee leave provisions from operating revenue.

Purpose of Adjusted Operating Surplus Ratio	Commentary on 2018/19 Result 2018/19 Ratio 3%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Operating Surplus ratio includes the impact of general purpose funding expected in 2019/20 but was received in advance in June 2019.



Purpose of Adjusted Net Financial Liabilities Ratio	Commentary on 2018/19 Result 2018/19 Ratio 44%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Net Financial Liabilities ratio includes the effect of the gneral purpose funding originally budgeted for 2019/20 that was received in June 2019. The cash surplus has ben used to reduce borrowings required.

Purpose of Asset Renewal Funding Ratio	Commentary on 2018/19 Result 2018/19 Ratio 80%
This indicator aims to determine if assets are being renewed and replaced in an optimal way	Council has set a minimum target of 80% of expenditure on capital renewals as compared to the level that the adopted Asset Management Plans (AMP) require. Although the target in the LTFP is 100%, there is often an impact caused by timing of completion of renewal projects before or after the year end. The 2018 value was dominated by the St Clair Recreation Centre renewal.

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City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 16. Uniform Presentation of Finances

$ '000	2019	2018
The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis. All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis. The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.		
Income	125,727	124,960
less Expenses	(118,930)	(114,210)
Operating Surplus / (Deficit)	6,797	10,750
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(22,574)	(55,486)
add back Depreciation, Amortisation and Impairment	28,859	27,100
add back Proceeds from Sale of Replaced Assets	948	2,581
Subtotal	7,233	(25,805)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(37,755)	(8,321)
add back Amounts Received Specifically for New and Upgraded Assets	13,160	12,062
add back Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments and Non-Current Assets Held for Resale)	10	1,101
Subtotal	(24,585)	4,842
Net Lending / (Borrowing) for Financial Year	(10,555)	(10,213)

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 17. Operating Leases

$ '000	2019	2018

Leases Providing Revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as Commercial Activity Rental, Aged Facilities Rental and Hall & Equipment Hire in Note 2.

(i) Investment Property

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

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

Not later than one year	196	239
Later than one year and not later than 5 years	422	741
Later than 5 years	564	653
	1,182	1,633

(ii) Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment and other library facilities.

No contingent rentals were paid during the current or previous reporting periods.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease return or acquire the equipment leased.

No lease contains any escalation clause.

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

Not later than one year	743	525
Later than one year and not later than 5 years	1,882	1,573
Later than 5 years	2,606	2,167
	5,231	4,265

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 18. Superannuation

$ '000

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018/19; 9.50% in 2017/18). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2017/18) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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	
	2019	2018	2019	2018
Joint Ventures	62	(12)	138	76
Total	62	(12)	138	76

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

(a) Carrying Amounts

Name of Entity	Principal Activity	2019	2018
Council Solutions	Procurement	138	76
Total Carrying Amounts - Joint Ventures & Associates		138	76

Council Solutions
Council Solutions was established to provide collaborative procurement arrangements for the following councils; the Cities of Charles Sturt, Marion, Adelaide, Onkaparinga, Salisbury and Tea Tree Gully in an effort to secure more competitive pricing. The City of Charles Sturt's equity share is one sixth and, as at June 2019 Council's share of the total equity of Council Solutions was $138,194 (2018: $75,848).

(b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
Name of Entity	2019	2018	2019	2018	2019	2018
Council Solutions	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%

(c) Movement in Investment in Joint Venture or Associate

	Council Solutions	
	2019	2018
Opening Balance	76	88
Share in Operating Result	62	(12)
Council's Equity Share in the Joint Venture or Associate	138	76

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 19. Interests in Other Entities (continued)

$ '000

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position

	Council Solutions	
	2019	2018
Cash and Cash Equivalents	90	29
Other Current Assets	57	94
Total Assets	147	123
Current Trade and Other Payables	9	47
Total Liabilities	9	47
Net Assets	138	76

Statement of Comprehensive Income

	Council Solutions	
	2019	2018
Other Income	222	283
Total Income	222	283
Materials, Contracts & Other Expenses	160	295
Total Expenses	160	295
Operating Result	62	(12)

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.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

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

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 606 km of road reserves of average width 7.7 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 deductable "insurance excesses", the amount of which varies according to the class of insurance.

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

3. BANK GUARANTEES
Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to $103,871 (2018: $121,938) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

4. 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 3 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2019, 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 Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 01/11/19.

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

Note 23. Related Party Transactions

$ '000	2019	2018

Key Management Personnel

Transactions with Key Management Personel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and Leadership Team prescribed under section 112 of the Local Government Act 1999. In all, 24 Councillors and 16 Professional Staff were paid the following total compensation:

The compensation paid to Key Management Personnel comprises:		
Short-Term Employee Benefits	4,629	4,178
Long-Term Benefits	47	64
Total	4,676	4,242

Sundry amounts paid as direct reimbursement of expenses incurred as a result of undertaking professional duties have not been included above.

Receipts from Key Management Personnel comprise:

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

Planning and Building Application Fees	-	1
Total	-	1

City of Charles Sturt

Notes to and forming part of the Financial Statements
for the year ended 30 June 2019

Note 23. Related Party Transactions (continued)

$ '000

Elected Members are members of the management committees of the following organisations:
Australian Centre for Asian Business Advisory Board; Adelaide Airport Consultative Committee; Charles Sturt Lions Club; Cheerio Netball Club; Grange Lawn Tennis Club; Grange Surf Life Savings Club; Gym West; Henley Sailing Club Inc; Local Government Metropolitan Board; Rowing South Australia Inc; Seaside Tennis Club Inc; Woodville Community Dog Training Centre; Woodville Hockey Club; Lion's Club of Charles Sturt; Local Government Financing Authority (LGFA); Local Government Metropolitain Board; Softball SA; Orion Woodville Tennis Club; Strata Corporation - Woodville South, Neighbourhood Watch Hendon, Maltese Community Council of SA Inc., Henley Primary and Henley High School, Parents and Friends Our Lady Mount Carmel College, Findon Skid Kids, Woodville High School Governing Council, Vietnamese Community in Australia SA chapter, Cypriot Community of SA Inc., West Lakes Sports Club, Italian Historical Association of South Australia, Woodville High School Governing Council; Korea & South East Asia Forces Association; Nazareth Catholic College teaching staff, Fort Glanville Historical Association, Delfin Island Neighbourhood Watch, West Beach Trust, Neighbourhood Watch Hendon, Western Adelaide Coastal Residents Association, Henley High School Council, Grange Primary School, Charles Sturt museum Trust, Allenby Gardens Primary School Governing Council, ALP Croydon Sub branch.

In accordance with the Local Government Act SA 1999, these persons declare a conflict of interest and leave the meeting environs when any matter affecting their Club/Association/Organisation is discussed or voted upon.

Many of the above-mentioned organisations use facilities maintained by Council for which there is no available arms length market pricing: these facilties are also used by other not-for-profit organisations and the general public.

Council received the following amounts $114,006 from the above organisations and the following amount $6,879 was due at 30 June 2019.

Council made the following identified payments $60,554 to the above organisations and $4,550 was payable at 30 June 2019.

Employees are members of the following organisation's Boards/Management Committees:
Local Government Financing Authority (LGFA), Unley Council Audit Committee, South Australian Local Government Financial Management Group (SALGFMG), Resthaven Inc., Institute of Public Works Engineering Australasia (IPWEA), Local Government Information Technology South Australia (LGITSA), Institute of Public Administration of Australia, Kingswood Tennis Club, Australian Institute of Company Directors member (AICD),

In accordance with the Local Government Act SA 1999, these persons declare a conflict of interest and leave the meeting environs when any matter affecting their Club/Association/Organisation is discussed or voted upon.

Any transactions between South Australian Local Government Financial Management Group and Council were incurred in the normal course of undertaking training and development.

Any transactions between Local Government Finance Authority and Council were incurred in the the normal course of undertaking Council endorsed Treasury Functions/ Processes.

Bentleys
THINKING AHEAD

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF CHARLES STURT

Opinion

We have audited the accompanying financial report of the City of Charles Sturt, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the City of Charles Sturt as of 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the committee and management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

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Advisors
Accountants
Auditors

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP

DAVID PAPA
PARTNER

Dated at Adelaide this 1st day of November 2019

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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE CITY OF CHARLES STURT

Opinion

We have audited the compliance of the City of Charles Sturt (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation 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 2018 to 30 June 2019 are in accordance with legislative provisions.

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with legislative provisions for the period 1 July 2018 to 30 June 2019.

Limitation on Use

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

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on internal controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Independence

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

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Advisors
Accountants
Auditors

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 are in accordance with legislative provisions.

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the *Council* has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2018 to 30 June 2019. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

BENTLEYS SA AUDIT PARTNERSHIP

DAVID PAPA
PARTNER

Dated at Adelaide this 1st day of November 2019

72 Woodville Road, Woodville
South Australia 5011
PO Box 1, Woodville SA 5011

T 08 8408 1111
F 08 8408 1122
charlessturt.sa.gov.au

City of Charles Sturt

General Purpose Financial Statements
for the year ended 30 June 2019

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Charles Sturt for the year ended 30 June 2019, the Council's Auditor, Bentleys SA Audit Partnership has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Paul Sutton
CHIEF EXECUTIVE OFFICER

Oanh Nguyen
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 28th October 2019

APPENDICES

Bentleys
THINKING AHEAD

Bentleys SA Audit Partnership

Level 5
63 Pirie Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

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T +61 8 8372 7900
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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of City of Charles Sturt for the year ended 30 June 2019, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

Bentleys SA Audit Partnership

David Papa
Partner

Dated at Adelaide this 3rd October 2019

Allinial GLOBAL

A member of Bentleys, a network of independent advisory and accounting firms located throughout Australia, New Zealand and China that trade as Bentleys. All members of the Bentleys Network are affiliated only, are separate legal entities and not in partnership. Liability limited by a scheme approved under Professional Standards Legislation. A member of Allinial Global – an association of independent accounting and consulting firms.

Advisors
Accountants
Auditors

APPENDICES

Appendix 1

List of Registers

The following are the registers Council keeps as required under the Local Government Act 1999 and the Local Government (Elections) Act 1999:

- Assessment Record
- By-Law Register
- Delegations Register
- Fees and Charges Register
- Policy Register
- Register of Allowances and Benefits (Elected Members)
- Register of Community Land
- Register of Interests (Council members)
- Register of Interests (Council officers)
- Register of Public Roads
- Register of Salaries and Wages
- Register of Campaign Donation Returns

List of Codes of Conduct or Practice

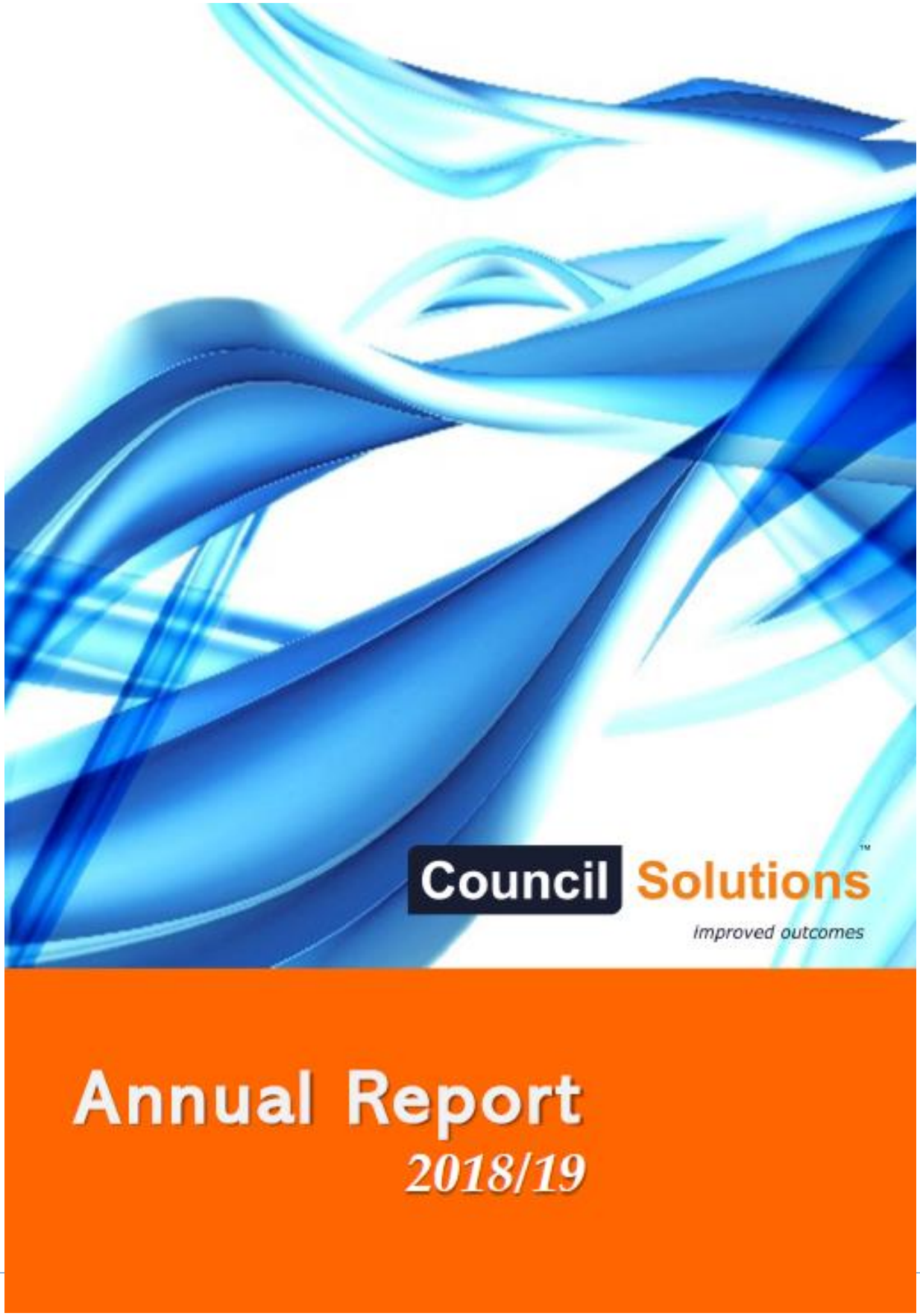
The following is a list of the Codes of Conduct or Practice that Council is required to keep under the Local Government Act 1999:

- Code of Conduct – Elected Members
- Code of Conduct – Employees
- Code of Practice – Public Access to Council and Committee Meetings and to associated documents
- Code of Practice for Meeting Procedures

APPENDICES

Appendix 2

Council Solutions Annual Report



APPENDICES

Council Solutions is a joint initiative of the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully that make up the Constituent Councils.

Established in 2012 as a Regional Authority in accordance with Section 43 of the *Local Government Act 1999*, Council Solutions provides a collaborative and strategic approach to the procurement of goods and services on behalf of its Constituent Councils, including negotiating and managing contracts, and investigating the provision of other shared functions.

This collaborative approach to procurement not only provides significant purchasing power to attain the best value for the community, but it also optimises the financial sustainability of each of the Constituent Councils by reducing administrative costs, the number of tender processes and replicated contract management activities.

The goal of Council Solutions is to improve community prosperity and wellbeing by undertaking local government procurement and collaborative services that:

- Deliver best value for money
- Explore innovative ways of delivering infrastructure and services
- Value partnership between councils and suppliers

Background

Council Solutions provides the legal structure to the G6 Procurement Group formed in 1994 by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully to address the combined $415 million annual spend on infrastructure and services by these Constituent Councils.

Ministerial approval was given for the Council Solutions Regional Authority to be established by notice in the SA Government Gazette on 20 December 2012. The Gazette states the purpose of the Authority as "*promoting procurement and service delivery amongst the constituent councils.*"

As a South Australian local government body, it is governed by the:

- Local Government Act 1999
- Local Government (Financial Management) Regulations 2011
- Council Solutions Regional Authority Charter 2012

Council Solutions Regional Authority
25 Pirie St, Adelaide SA 5000
councilsolutions.sa.gov.au

ABN 92 168 067 160

Date prepared: 30 September 2019

APPENDICES

Foreword from the Chair

Council Solutions continues to optimise the financial sustainability of Constituent Councils through the benefits of collaborative strategic procurement and contract management.

The benefits of aligning and managing contracts under the regional subsidiary are significant and resulted in estimated savings of $7.5m for the Constituent Councils and accession Councils.

Council Solutions achieved a favourable performance against budget and maintains a strong equity position. I thank our Audit Committee who supports us in achieving the highest standards of accountability, transparency and governance.

I commend the Council Solutions team for their ongoing commitment, dedication and professionalism during 2018/19. I would also like to acknowledge Oliver Barry for his significant contribution as Chief Executive Officer from May 2016 to July 2018, Tim Dawson for his contribution as Senior Procurement Officer from August 2016 to July 2018 and, Kerrie Jackson, Acting Chief Executive Officer from July 2018 to February 2019.

Finally, the Council Solutions Board of Management and I would like to acknowledge and thank Catherine Cooper, Chair of the Board November 2012 to December 2018 for her support in achieving the strategic goals of Council Solutions.

Jeff Tate
Chair of the Board
Council Solutions Regional Authority

APPENDICES

Report from the Council Solutions Manager

The past year has seen Council Solutions continue to work in partnership with our Constituent Councils to deliver optimum value for money from collaborative strategic procurement and contract management.

On behalf of our six Constituent and eight Accession Councils, Council Solutions has delivered 32 collaborative contract and panel agreements, across 110 suppliers, with a combined total value of over $68 million per annum. Council Solutions ensures best practice across its suite of contracts, actively promoting continuous improvement and developing opportunities for innovation.

The Council Solutions Governance Framework and Board-approved Key Performance Indicators ensures the effectiveness and efficiency of Council Solutions' operations when collaborating with Councils and industry partners.

I thank the Board for their support, and the Council Solutions team comprising Audrey Rangel, Bruce Wright, Colin Owen and Tammy Sheridan for their continuing professionalism.

Clare Coupar
Manager
Council Solutions Regional Authority

MR JEFF TATE
INDEPENDENT CHAIRPERSON

MS CATHERINE COOPER
INDEPENDENT CHAIR (TO DEC 18)

MR MARK GOLDSTONE
CITY OF ADELAIDE

MR PAUL SUTTON
CITY OF CHARLES STURT

MR ADRIAN SKULL
CITY OF MARION

MR MARK DOWD
CITY OF ONKAPARINGA

MR JOHN HARRY
CITY OF SALISBURY

MR JOHN MOYLE
CITY OF TEA TREE GULLY

APPENDICES

Board of Management 2018/19

Council Solutions is a body corporate, governed by a Board of Management, comprising seven members being the Chief Executive Officer from each Constituent Council: The Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully, and one person who is not a member or officer of a Constituent Council who holds the position of Chair.

The Board held three formal and two out-of-session meetings during the year to consider the strategic direction and financial integrity of the organisation. Meeting attendances were as follows:

Board Position	Board Member	Formal Meetings Attended
Independent Chairperson	Mr Jeff Tate	2
Independent Chairperson – till Dec 2018	Ms Catherine Cooper	1
City of Adelaide	Mr Mark Goldstone, CEO	3
City of Charles Sturt	Mr Paul Sutton, CEO	3
City of Marion	Mr Adrian Skull, CEO	3
City of Onkaparinga	Mr Mark Dowd, CEO	3
City of Salisbury	Mr John Harry, CEO	2
City of Tea Tree Gully	Mr John Moyle, CEO	3

Audit Committee

The Council Solutions Board is supported by one designated committee being the Audit Committee which is formally appointed pursuant to the requirements under the Local Government Act 1999 (the Act) and the Local Government (Financial Management) Regulations 2013.

The function of the Audit Committee includes reviewing annual financial statements to ensure that they present fairly the state of the Authority and reviewing the adequacy of financial management systems and practices. The Audit Committee is governed by Terms of Reference with the work flow controlled by an Audit Committee Work Program. The Audit Committee Work Program is updated after each meeting to reflect Committee achievements and actions arising from either the meeting for the Council Solutions Board Meeting.

Please refer to Appendix B for a report on the activities undertaken by the Audit Committee throughout the 2018/19 financial year.

Governance and Operating Framework

Council Solutions works in partnership with its Constituent Councils to deliver value outcomes. In accordance with the Council Solutions Governance Framework and Key Performance Indicators, the critical success factors that underpin the optimal effectiveness and value provided by the collaborative partnership with Council Solutions and its Constituent Councils are:

- Shared accountability and responsibility for achievement of goals and outcomes;
- Evidence-based opportunity identification, analysis and performance measurement via shared data and information; and
- Effective communication with key stakeholders to ensure clear understanding of goals, roles and responsibilities.

The Governance Framework assists in enhancing the effectiveness and efficiency of collaborative procurement by having the appropriate decision-making structure that ensures key staff have ownership in the management and success of the operations. It also plays the key role of developing and maintaining a strong partnership and collaborative culture and is underpinned by seven inter-related elements:

- **Direction** - shared understanding of our purpose and priorities through collaboration and effective planning and resource allocation;
- **Expectations** - agreed performance expectations through effective communication;
- **Delivery** - quality customer-focused service delivery through effective resource management, monitoring, review and reporting;
- **Improvement** - enhance our performance through review, intervention, capability-building and internal control mechanisms;
- **Risk Management** - regularly assess and respond to risk and opportunities;
- **Responsibilities** - accountability and transparency for decisions through information management, evaluation and Audit Committee and Board reporting; and
- **Alignment** - functions, structures and a culture that supports the success of Council Solutions through quality leadership, role clarity and empowered staff.

Key Performance Indicators provide the Board of Management oversight of the effectiveness and value that Council Solutions provide to its Constituent Councils.

Savings and Benefits

Expected outcomes of the procurement activity are achieved. These will be detailed as part of the procurement activity initiation and will be reported on upon the conclusion of the activity.

Timeliness

Procurement is undertaken within the agreed timeframes nominated as part of the procurement activity initiation and will be reported on upon conclusion of the activity.

APPENDICES

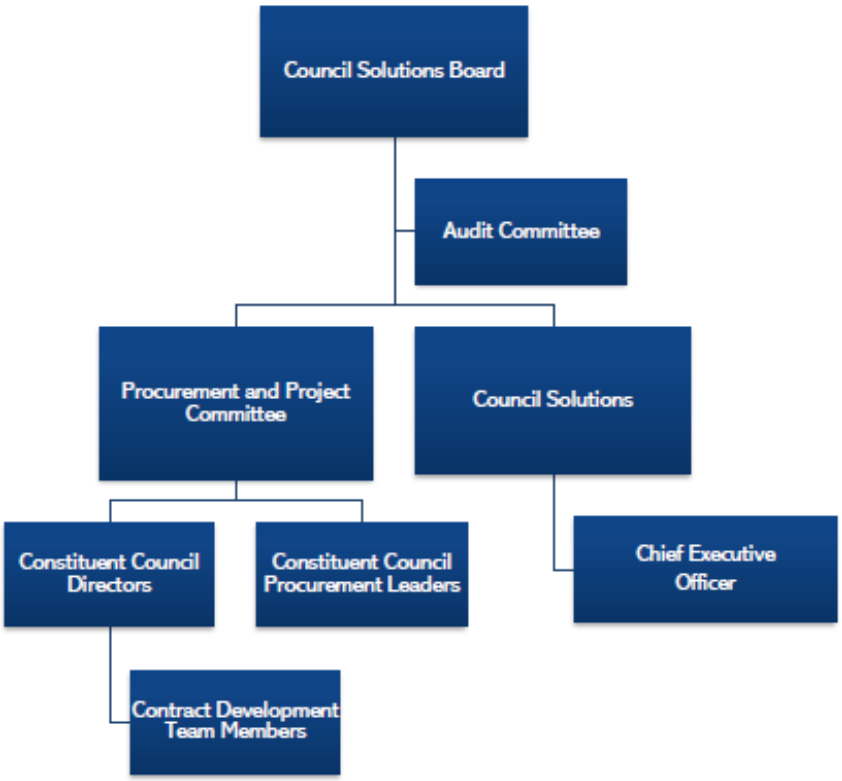
Structure and Staffing

As at 30 June 2019, Council Solutions comprised five staff (4.8 FTE) delivering expertise in management, procurement, contract management, governance, policy, data analysis and administration skills. In addition, support has also been provided to the team by Rex Mooney, Financial Consultant.

The Council Solutions team comprises:

- Manager - Clare Coupar
- Senior Procurement Officers - Bruce Wright, Colin Owen, Tammy Sheridan,
- Executive Support Officer - Audrey Rangel

Governance and Organisation Structure



Procurement and Contract Management Achievements 2018 /19

Council Solutions manages a growing suite of collaborative contracts for its Constituent Councils that continue to deliver significant contract management efficiencies. The Regional Forward Procurement Plan, approved by the Council Solutions by the Board of Management in 2016, provides a roadmap to target collaborative procurement opportunities to deliver improved outcomes for Councils and ratepayers.

During 2018/19 over $68 million of Council expenditure was undertaken utilising Council Solutions collaborative contract arrangements. This represents an increase of 15% on the previous year.

The Council Solutions suite of 32 collaborative contracts and panel agreements, across 110 suppliers, covers a diverse and comprehensive range of categories to include Finance and Professional Services, Human Resources, Roads and Infrastructure, Facilities Management and Parks and Gardens. Our strong focus on contract management is key to extracting value from the contracts for both Councils and suppliers.

The Regional Forward Procurement Plan remained on track in the scheduling of procurement activities across target expenditure categories, with Council Solutions established new contracts for use by Constituent Councils for Cleaning Services, Supply and Delivery of Concrete, Managed Services (Unified Communications) and Segmental Pavers.

The most significant procurement projects undertaken by Council Solutions' during 2018/19 were the Waste Management Services Project and the re-tendering of the Legal Service Panel.

- Waste Management Services Project

  Tenders for the Waste Management Services project were called in December 2018. The collaborative procurement of four Participating Councils will see alignment of waste management services across three service streams. The scale and value of the contracts will encourage industry competition to secure reliable tonnage of waste and strong cashflow to support investment in Material Recovery Facility infrastructure, improve data capture, reporting, encourage and support alternative waste technology and waste to energy as longer-term options for residual waste disposal. The new contract term will be for up to 10 years and will enable the support infrastructure investment as the total value of the three service streams is in the order of $25million per annum. Following evaluation and negotiation, contracts will be awarded in August 2019.

- **Legal Service Panel**

  The continuing collaboration in this category will provide the Constituent and accession Councils with a "Best of Breed" panel of legal firms to service the needs of the Councils. The benefit of maintaining the agreement is to provide a pre-approved panel of service providers, offering an agreed schedule of rates, with a mix of capability, experience and approach to ensure access to the best resources and information for councils.

Innovation and Continuous Improvement Initiatives

2018/19 saw the delivery of some exciting innovations and continuous improvement outcomes in collaboration with our infrastructure industry partners.

- **Bituminous Works Program (Downer EDI Works)**

  Approximately 100kms of the Participating Councils (the Cities of Charles Sturt, Marion, Onkaparinga, Salisbury, Tea Tree Gully and Mount Barker District Council) Councils' road network was resurfaced.

  The Councils lowered their carbon footprint by adopting sustainably manufactured asphalt products and reducing impacts on the environment.

  With the use of Recycled Asphalt Pavement (RAP), the Councils have re-used product that would have potentially ended up as landfill. Collectively this is a total savings of 992 tonnes of Co_2 emissions, which is the equivalent of removing 393 cars from our road network per year.

  In November 2018, Downer EDI Works introduced a new mix design 'Reconophalt', in response to increased demand from Councils to reduce landfill by using more recycled products. Reconophalt is an asphalt mix that included soft plastics and recycled glass and is capable of being developed to include other water materials. At total of 7467 tonne of Reconophalt was used by the Cities of Marion (3689t), Charles Sturt (3507t) and Onkaparinga (371t).

  The Councils and Downer EDI Works continue to collaborate on the compaction review. Downer introduced new roller technology in January 2019 and several alternative mix designs were trialled throughout the year.

  Several significant WHS initiatives were introduced to the contract during 2018/19 including engineered controlled reversing plant, forward sweeping brooms on skid steers, and traffic and pedestrian fencing segregation trials at Charles Sturt.

- **Crack Sealing Program (SuperSealing)**

  The Cities of Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully's crack sealing program resulted in approximately 1.4 million m² of Councils' combined road network being crack-sealed. In addition to extending the pavement life, this preventative maintenance saw the use of 550 recycled tyres that equates to the reduction of 115 household rubbish bins which are not going to landfill.

- **CoolSeal Product Trials (SuperSealing)**

  The Cities of Charles Sturt and Salisbury participated in trials of CoolSeal, a new and innovative road sealing product as part of studies to reduce the urban heat island effect in Council areas. This alternative product is a heat-reflective preservation treatment keeping roads cooler during warmer months and has the potential to significantly reduce surface temperatures of the road network.

  The City of Charles Sturt sealed approx. 20,000m² in the Hendon Business precinct and Albert Park. The City of Salisbury sealed approx. 22,000m² and together with SuperSealing, receiving the IPWEA 2018/19 Excellence in Sustainable Solutions in Public Works award for the 'The Bridges' CoolSeal project at Mawson Lakes.

Contract Extensions

In addition, over the past 12 months Councils Solutions has facilitated the extensions of 6 existing collaborative contract arrangements with a combined total value of approximately $33.2 million per annum.

COUNCIL SOLUTIONS CONTRACT MANAGEMENT LIST AS AT 30 JUNE 2019

Contract / Panel Arrangement	2018/19 Expenditure $000
Temporary Labour Hire	28,533
Bituminous Works	20,665
Cleaning Services	3,859
Legal Services	3,451
Segmental Pavers	2,321
Arboriculture Services Panel Agreements • Tree Works Panel • Consultancy	2,189
Irrigation Services Agreements • Parts • Design • Minor Works	1,319
Leasing Finance of IT Equipment	1,303
Concrete	1,109
Quarry Materials	903
Architectural Services Panel Agreements • Architectural • Landscape Architecture • Urban Design	823
Crack Sealing	759
Postal Services • Across Government Postal Services Postal Services – Post Bill Pay	616
Debt Collection Panel Agreement	494
Fencing Panel Agreement	338
Engineering Services Panel Agreements • Building Services • Civil & Structural Engineering • Geotechnical Engineering • Process • Traffic & Transport Planning • Water & Environmental Engineering	200
Pest Control Services	6
Managed Services (Unified Communications)	Not Applicable
Rate & Dog Registration	Not Applicable
Transactional Banking Services	Not Applicable

Finance

Operating Surplus Ratio

Council Solutions achieved a 21% favourable variance in its operating surplus ratio. This is reflective of the funding structure of this entity whereby revenue levels are maintained by contracts set up in prior years.

The better than budget operating result occurred primarily due to a few employee positions remaining vacant as a few employees moved on throughout the year. This accounts for most of the $440k better than budget result.

As fewer projects were undertaken than originally forecast, there were also savings in consultancy and legal fees. The lower levels of activity also delivered further savings in other non-salary expenditure lines.

Reimbursements are underbudget by $111k. This is primarily due to the overhead recoupment initially calculated to be reimbursed by Councils participating in the waste management services project that was recalculated at a lower level that reflected the reduction in operating costs referred to above. This is shown in 'Other Income' within the Statement of Comprehensive Income that follows.

Management fees were $44k less than budgeted for. This revenue varies from year to year in accordance with the level of Council usage of the various contracts in place.

Net Financial Liabilities Ratio

Net financial liabilities ratio saw a favourable variance of 18%. The data used to make this calculation is sourced from the Statement of Financial Position.

A negative result for this indicator means the Authority is in a Net Financial Assets situation.

Net Financial Assets have increased by $150k due to the better than budget operating result. The level of current assets is close to what was budgeted for, however current liabilities are less than originally budgeted for due to amounts payable to suppliers being settled late in June as well as the payment of the City of Adelaide loan account ('Other Current Liabilities').

The Authority continues to maintain high level of cash reserves.

APPENDICES

COUNCIL SOLUTIONS REGIONAL AUTHORITY
General Purpose Financial Reports
for the year ending 30 June 2019

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COUNCIL SOLUTIONS REGIONAL AUTHORITY
Certification Of Financial Statements
for the year ending 30 June 2019

I have been authorised by the Council Solutions Regional Authority Board to certify the financial statements of the Council Solutions Regional Authority in their final form. In my opinion:

- The accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- The financial statements present a true and fair view of the Council Solutions Regional Authority's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year.
- Internal controls implemented by the 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 Council Solutions Regional Authority's accounting and other records.

.....

Jeff Tate
Chair Of The Board
Date: 29 August 2019

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Appendix A

COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2019

	Notes	2019 $'000	2018 $'000
INCOME			
Investment Income	2	7	4
Management Fees	2	1,056	1,054
Other Income	2	270	641
Total Income		1,333	1,699
EXPENSES			
Materials, contracts & other expenses	3	960	1,770
Total Expenses		960	1,770
OPERATING SURPLUS / (DEFICIT)		373	(71)
NET SURPLUS / (DEFICIT)		373	(71)
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		373	(71)

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

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COUNCIL SOLUTIONS REGIONAL AUTHORITY
BALANCE SHEET
as at 30 June 2019

	Notes	2019 $'000	2018 $'000
ASSETS			
Current Assets			
Cash and cash equivalents		539	174
Receivables		342	564
Total Current Assets	4,7	881	738
Total Assets		881	738
LIABILITIES			
Current Liabilities			
Trade & Other Payables		37	124
Other Current Liabilities		15	158
Total Current Liabilities	5,7	52	282
Total Liabilities	5,7	52	282
NET ASSETS		829	456
EQUITY			
Accumulated Surplus		686	313
Share Capital		143	143
TOTAL EQUITY		829	456

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

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COUNCIL SOLUTIONS REGIONAL AUTHORITY
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2019

2019	Initial Contribution by Owners $'000	Accumulated Surplus $'000	Total $'000
Opening Balance	143	313	456
Net Surplus for Year	-	373	373
Balance at end of period	143	686	829

2018	Initial Contribution by Owners $'000	Accumulated Surplus $'000	Total $'000
Opening Balance	143	385	527
Net Surplus for Year	-	(71)	(72)
Balance at end of period	143	313	456

CASH FLOW STATEMENT
for the year ended 30 June 2019

	Notes	2019 $'000	2018 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating receipts		1,548	1,600
Investment Income		7	4
Payments			
Operating payments to suppliers & employees		(1,190)	(1,764)
Net Cash provided by (or used in) Operating Activities		365	(160)
Net Increase (Decrease) in cash held		365	(160)
Cash & cash equivalents at beginning of period		174	334
Cash & cash equivalents at end of period	6	539	174

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

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COUNCIL SOLUTIONS REGIONAL AUTHORITY

Notes to and forming part of the Financial Statements for the year ending 30 June 2019

Note 1 - Significant Accounting Policies

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.

Council Solutions Regional Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils and their respective share of equity are as follows:

Constituent Council	Equity Share
Adelaide City Council	16.67%
City of Charles Sturt	16.67%
City of Marion	16.67%
City of Onkaparinga	16.67%
City of Salisbury	16.67%
City of Tea Tree Gully	16.67%

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.
The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

1 Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. All amounts in the financial statements have been rounded to the nearest thousand dollars ($'000).

2 Income recognition

Management Fee Income is recognised when the Constituent Councils enter into the purchase of a good or service from a Supplier contracted to provide the Authority (or in the case of some prior contracts that were created jointly between the six constituent Council) with a Management Fee.

3 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.

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.

4 Infrastructure, Property, Plant & Equipment

The Authority did not procure any non-current assets during the reporting period and does not hold any non-current assets as at the reporting date.

5 Employee Benefits

All employees are employed through Adelaide City Council, one of the Constituent Councils. Those employees are then contracted to the Authority.

COUNCIL SOLUTIONS REGIONAL AUTHORITY

Notes to and forming part of the Financial Statements for the year ending 30 June 2019

6 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.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

7 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

8 Critical Accounting Estimates and Judgements

The Authority evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the authority.

Accounts receivable are reviewed at each reporting date to establish the collectability.

9 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2019 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 16	Leases
AASB 1058	Income of Not-for-Profit Entities

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(Standards not affecting local government have been excluded from the above list.)

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for non-material amounts - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability.

At 30 June 2019, Council has no leases to which this treatment will need to be applied.

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 2 - INCOME

	2019 $'000	2018 $'000
INVESTMENTS		
Interest Income	7	4
	7	4
REBATES		
Management Fees	1,056	1,054
	1,056	1,054
OTHER INCOME		
Reimbursements	270	641
	270	641

Note 3 - EXPENSES

	2019 $'000	2018 $'000
MATERIALS, CONTRACTS & OTHER EXPENSES		
Advertising	0	1
Audit Fees	4	4
Catering	1	1
Contractors	40	45
Consultant Fees	92	532
Insurance	28	27
IT Expenses	23	34
Legal Fees	35	63
Membership Fees & Subscriptions	5	4
Motor Vehicle	2	2
Reimbursements - Salary & Wages	665	982
Rent	27	26
Sitting Fees	19	32
Sundry	13	13
Telephone	2	2
Training and Development	4	2
	960	1,770

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 4 - CURRENT ASSETS

	2019 $'000	2018 $'000
CASH & CASH EQUIVALENTS		
Cash at Bank	539	174
	539	174
RECEIVABLES		
Accounts Receivables	226	419
Accrued Income	116	143
Prepaid Expenses	-	2
	342	564
TOTAL CURRENT ASSETS	881	738

Note 5 - LIABILITIES

	2019 $'000	2018 $'000
TRADE & OTHER PAYABLES		
Creditors	28	120
Expenses Accrued	9	4
	37	124
OTHER CURRENT LIABILITIES		
Payable to Adelaide City Council	15	158
	15	158
TOTAL LIABILITIES	52	282

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 6 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	2019	2018
	$'000	$'000
Cash at Bank	539	174
Balances per Cash Flow Statement	539	174

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

Net Surplus	373	(71)
Net (increase)/decrease in Receivables	222	(95)
Net increase/(decrease) in Current Liabilities	(230)	6
Net Cash provided by (or used in) operations	365	(160)

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 7 - FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Authority's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those applicable financial assets and liabilities is as follows;

2018-19	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate Instruments maturing within One Year	Fair Value of Fixed Interest rate Instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate Instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		$'000	$'000	$'000	$'000	$'000
Financial Assets:						
Cash	1.9%	539	-	-	-	539
Receivables	0.0%	-	-	-	-	342
Total Financial Assets		539	-	-	-	881
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	52
Total Financial Liabilities		-	-	-	-	52

2017-18	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate Instruments maturing within One Year	Fair Value of Fixed Interest rate Instruments maturing Due > 1 less 5 Yrs	Fair Value of Fixed Interest rate Instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		$'000	$'000	$'000	$'000	$'000
Financial Assets:						
Cash	1.8%	174	-	-	-	174
Receivables	0.0%	-	-	-	-	564
Total Financial Assets		174	-	-	-	738
Financial Liabilities:						
Creditors and Provisions	0.0%	-	-	-	-	282
Total Financial Liabilities		-	-	-	-	282

(b) Credit Risk

Credit Risk respresents the loss that would be recognised if other entities failed to perform as contracted.
The Authority's exposure to credit risk is summarised as follows;
Receivables - the Authority's maximum exposure is disclosed in the financial statements net of any provision for doubtful debts

(c) Net Fair Value

The net fair value of a financial instrument is defined as its value net of all costs to settle the asset and liability. The financial assets and liabilities as stated or referred to in notes (a) and (b) above, are stated at their face value (less provision for doubtful debts if applicable).

Due to the nature of financial instruments held in the Authority, the cost associated with their settlement would not be material, and hence, have not been considered.

COUNCIL SOLUTIONS REGIONAL AUTHORITY
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2019

Note 8 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Chair of the Board, the Board, Independent Members of the Audit Committee and the CEO, Acting CEO and General Manager.

Salaries, allowances & other short term benefits paid by Council Solutions to KMP were $232k (2018-19) and $259k (2017-18)

The following qualifying related party disclosures have been identified in relation to the 2018-19 financial year

Related Party Entity	Amounts received from related parties during 2018-19 FY	Amounts outstanding from related parties as at 30 June 2019	Amounts outstanding to related parties as at 30 June 2019
	$ '000	$ '000	$ '000
City of Adelaide	112	26	-
City of Charles Sturt	116	26	-
City of Marion	100	-	-
City of Salisbury	3	-	-
City of Tea Tree Gully	3	-	-
City of Onkaparinga	3	-	-

The above amounts received represent reimbursements of designated project costs paid by the above listed Constituent Councils to Council Solutions at various times throughout the year. These amounts have been approved by the Board and reported on as part of the ongoing annual budget setting and budget review process.

Council Solutions provides procurement services to the above listed entities.

APPENDICES

Council Solutions Regional Authority

Certification Of Auditor Independence
for the year ending 30 June 2019

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Council Solutions Regional Authority for the year ended 30 June 2019, the Council's Auditor, Ian G McDonald FCA, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

.....
Jeff Tate
CHAIR – Council Solutions

Date: 15 August 2019

.....
Tanya Johnston
Presiding Member of Audit Committee

Date: 15 August 2019

.....
Mark Dowd
CHIEF EXECUTIVE OFFICER
City of Onkaparinga

Date: 12 August 2019

.....
Mark Goldstone
CHIEF EXECUTIVE OFFICER
Adelaide City Council

Date: 13/8/2019

.....
Paul Sutton
CHIEF EXECUTIVE OFFICER
City of Charles Sturt

Date: 9/8/2019

.....
Adrian Skull
CHIEF EXECUTIVE OFFICER
City of Marion

Date: 12.8.19

.....
John Harry
CHIEF EXECUTIVE OFFICER
City of Salisbury

Date: 13/8/2019

.....
John Moyle
CHIEF EXECUTIVE OFFICER
City of Tea Tree Gully

Date: 9/8/2019

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Ian G McDonald FCA

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Council Solutions Regional Authority

ANNUAL FINANCIAL STATEMENTS
For the year ended 30 June 2019

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Council Solutions Regional Authority for the year ended 30 June 2019, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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

Ian G McDonald FCA

Dated this 2nd day of August 2019

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Ian G McDonald FCA

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Council Solutions Regional Authority
Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of Council Solutions Regional Authority for the year ended 30 June 2019.

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

a) to present fairly the financial position of the Authority as at the 30 June 2019 and the results of its operations for the period then ended, and;
b) according to Australian Accounting Standards.

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

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

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

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

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

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

Ian G McDonald FCA
Registered Company Auditor

Dated at Grange this 2nd day of September 2019

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Appendix B

Audit Committee Annual Report to the Board for the Year Ending 30 June 2019

Audit Committee

The Council Solutions Board is supported by one designated committee being the Audit Committee which is formally appointed pursuant to the requirements under the Local Government Act 1999 (the Act) and the Local Government (Financial Management) Regulations 2013.

The function of the Audit Committee includes reviewing annual financial statements to ensure that they present fairly the Authority's state of affairs and reviewing the adequacy of financial management systems and practices.

This report provides a summary of activities undertaken by the Audit Committee during the Year Ending 30 June 2019.

Committee Membership and Meetings Attended

The Audit Committee met on 4 occasions during the financial year.

Member	Meetings Attended
Ms Tanya Johnston, Chair and Independent Member	4
Mr David Papa, Independent Member	4
Mr John Moyle, Board member	3
Mr Adrian Skull, Proxy Board Member	1

Activities

The Audit Committee is governed by a Terms of Reference with the work flow controlled by an Audit Committee Work Program. The Audit Committee Work program is updated after each meeting to reflect Committee achievements as well as to include actions arising from the meeting as well as from Board meetings.

The table that follows represents the completed work program for the meetings held in the year ending 30 June 2019.

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Completed Work Program 2018/19

ACTIVITY	MEETING DATE
1. Financial Reporting	
Monitor the integrity of the financial statement reports referred to below to review any significant financial reporting issues and judgements which they may contain. Specifically - review and challenge where necessary: • the consistency in application of, and/or any changes to, accounting policies; • the method used to account for significant or unusual transactions where different approaches are possible; • whether the Authority has followed appropriate accounting standards and made appropriate estimates and judgements, considering the views of the external auditor; • the clarity of disclosure in the Authority's financial reports and the context in which statements are made; • all information presented with the financial statements, such as the operating and financial review and the corporate governance statement (in so far as it relates to the audit and risk management); and significant adjustments to the financial report (if any) arising from the audit process.	
1.1 Annual Financial Statements – 2017/18	Sep 2018
1.2 Financial Performance Report – 2017/18	Sep 2018
1.3 Budget Review #1 – 2018/19	Dec 2018
1.4 Annual Budget – 2019/20	Apr 2019 Jun 2019
1.5 Budget Review #2 – 2018/19	Apr 2019
1.6 Budget Review #3 – 2018/19	Jun 2019
2. Internal Controls and Risk Management Systems	
2.1 Review and comment on internal control policy and operational framework.	Dec 2018
2.2 Review and comment on updated risk register including the risk assessment framework used when completed.	Dec 2018
2.3 Review and comment on the disaster recovery plan as well as a business continuity plan when completed.	Dec 2018
3. Internal Audit	
3.1 Consider and make recommendations on the scope and function of an internal audit program suitable for an operational structure and size of Council Solutions.	Dec 2018

APPENDICES

ACTIVITY	MEETING DATE
4. External Audit	
4.1 Liaise with the Authority's external auditor on the scope and planning of annual audits, including any issues arising from audits and the resolution of such matters.	Sep 2018
4.2 Review the findings of any external audit report that raises significant issues relating to risk management, accounting, internal controls, financial reporting and other accountability or governance issues and make recommendations to the Board where appropriate.	Sep 2018
4.3 All correspondence between the Auditor and Council is to be tabled for consideration. The audit committee will review and comment on the Authority's response to, and actions taken following issues raised from any external audit.	Ongoing
4.4 Ensure compliance with Clause 22 of the Local Government (Financial Management) Regulations 1999 regarding the prohibition of auditors providing additional non-audit services.	Sep 2018
4.5 Review and recommend the engagement of the Authority's external auditor, including the appointment, reappointment, and removal of the Authority's external auditor. The review should look to satisfy the Board that the external audit services can demonstrate adequate independence from the operations of the Authority.	Jun 2019
4.6 Chair of Audit Committee to meet with the Chair of the Board to discuss on-going matters with the parties would help identify risks from a governance perspective	Sep 2018
4.7 Chair of Audit Committee to meet with the external Auditors to discuss on-going matters with the parties would help identify risks from a governance perspective	Sep 2018
5. Reporting Requirements of the Audit Committee	
5.1 Ensure that significant, urgent matters identified through the work program are formally and promptly reported to the Board.	Ongoing
5.2 Table the minutes of Audit Committee meetings held as part of the agenda of the next Board meeting, ensuring recommendations are considered and adopted as required.	Ongoing
5.3 Prepare annually a report to the Board on the Audit Committees performance over the past year and include the report in the Annual Report of Council Solutions.	Sep 2018
5.4 Review its own performance and Terms of Reference on an annual basis.	Dec 2018

APPENDICES

ACTIVITY	MEETING DATE
6. Other	
6.1 Set Audit Committee work program and Confirm meeting dates for 2019.	Dec 2018
6.2 Audit Committee Chairperson Appointment	Jun 2019
6.3 Management Fee Audit. Update Report.	Dec 2018
6.4 Review and comment on the following policies: • Petty cash/credit cards • Accounting/financial management • Procurement – contract and tendering • Financial delegations	Dec 2018

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Appendix 3

Charles Sturt Building Fire Safety Committee Annual Report 2018/19

The Building Fire Safety Committee (BFSC) was established in accordance with the requirements of Section 71 of the Development Act. The purpose of the Building Fire Safety Committee is to maintain proper levels of fire safety in all buildings within the Council area. The activities of the BFSC are additional and separate to the building inspections undertaken under Council's Building Inspection Policy.

The committee shall consist of three members with a quorum of the Committee being three members. The committee must include;

- The nominee of the Chief Officer of the South Australian Metropolitan Fire Service;
- Council's Building Surveyor or Team Leader Building who will preside at the meetings when in attendance;
- One of the appointed staff members listed above as a person with prescribed Building Surveying qualifications attending on a rotational basis as determined by the Team Leader Building, Compliance and TAG or Manager Planning and Development.

For the 2018/19 financial year the committee met 4 times and inspected 1 new property.

Throughout the year Council Building Surveying officers reported back to the Building Fire Safety Committee about the progress of the fire safety upgrades of the 22 properties with BFSC actions.

3 properties have completed the fire safety upgrades this financial year. There are currently 20 properties that are being monitored by Councils Building Surveying Officers for the BFSC that are currently having the Fire Safety Services upgraded or require upgrading.

APPENDICES

Appendix 4

Implied Subsidy Report

The City of Charles Sturt owns a considerable amount of land and buildings that are used to provide services to the community. Some facilities are used by Council to provide these services like libraries and community centres. Others are used by community groups like sporting clubs, seniors, special interest groups, and kindergartens.

Many of these groups use these facilities for little or no charge and even if there has been a decision for Council to formally subsidise the user, the basis for this subsidy has often been inconsistent.

The identification of this subsidy has a dual purpose. Firstly, it is to the users of the facility and the community at large of Council's level of support for community services, specifically and in general.

Secondly it is to provide an indicative cost of providing facilities or services to the community to assist Council in making informed decisions about the management of these facilities and the costs and the benefits.

The following shows the levels of support during 2018/19 for various community organisations:

Category	Asset Valuation	Annual Rental Potential	Actual User Charge pa	Implied Subsidy pa
Kindergartens	$6,080,000	$304,000	$2,794	$301,206
RSL Clubs	$235,000	$11,750	$0	$11,750
Senior Citizen Clubs	$1,774,000	$88,700	$0	$88,700
Community Centres	$9,025,000	$451,250	$126,096	$325,154
Scout & Guide Centre	$1,800,000	$90,000	$0	$90,000
Meals on Wheels	$687,000	$34,350	$0	$34,350
Museum	$2,220,000	$111,000	$1	$110,999
Halls	$3,806,000	$190,300	$62,630	$127,670
Surf Life Saving Clubs	$4,749,000	$229,500	$20,002	$209,498
Sporting Clubs	$90,392,000	$4,519,600	$342,411	$4,177,189
Total	**$120,768,000**	**$6,030,450**	**$553,934**	**$5,476,516**

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Appendix 5

Local Nuisance and Litter Control Act and Regulations

(a) the number of complaints of local nuisance or littering received by the council; and

- Local Nuisance 666 requests broken down as:

Amenity	132
Dust	107
Litter	43
Noise	198
Odour	49
Smoke	41
Excessive Vegetation	27
Vibration	10
Vermin	37

- Illegal Dumping Non Safety Risk 1762 requests
- Illegal Dumping Public Safety Risk 263 requests

(b) the number and nature of —

(i) offences under the Act that were expiated; and

Causing local nuisance (Body Corporate)	LNLCA18-2-(a)	1
Causing local nuisance	LNLCA18-2(b)	15
Dispose Of Class A Hazardous Litter (natural person)	LNLCA22-1a	0
Dispose Of Class A Hazardous Litter (Body Corporate)	LNLCA22-1a-1	0
Dispose Over 50l Class B Hazardous/General Litter (natural person)	LNLCA22-1b(ii)	10
Dispose Over 50l Class B Hazardous/General Litter (Body Corporate)	LNLCA22-1b(i)	3
Dispose Up To 50 litres Class B Hazardous Litter	LNLCA22-1c	23
Dispose Up To 50 litres General Litter	LNLCA22-1d	6
Bill Posting	LNLCA23-1	0
Failing to comply with a litter or nuisance abatement notice	LNLCA30-9	3
Causing local nuisance (Body Corporate)	LNLCA18-2-(a)	1

(ii) offences under the Act that were prosecuted; and

Nil

Appendix 5 continued

(iii) nuisance abatement notices or litter abatement notices issued; and

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(iv) civil penalties negotiated under section 34 of the Act; and

Nil

Local Nuisance and Litter Control Act and Regulations

(v) applications by the council to the Court for orders for civil penalties under section 34 of the Act and the number of orders made by the Court on those applications; and

Nil

(c) any other functions performed by the council under the Act.

Nil