NOTICE OF MEETING
Notice is hereby given that the next ordinary meeting of an Audit Committee will be held on Tuesday 7 March 2023 in the Council Chambers, 43-51 Tanunda Road, Nuriootpa, commencing at 4.00pm.

Martin McCarthy
CHIEF EXECUTIVE OFFICER
THE BAROSSA COUNCIL

A G E N D A

1. AUDIT AND RISK COMMITTEE

1.1 Welcome
By Mr Brass – meeting declared open

1.2 Members Present

1.3 Leave of Absence
Mr Bruce Preece

1.4 Apologies for Absence
Nil

1.5 Minutes of previous meetings – for confirmation:
- 1.5.1 Audit and Risk Committee meeting held on Thursday 4 August 2022 at 1.00pm
- 1.5.2 Special Audit and Risk Committee meeting held on Thursday 3 November 2022 at 9.00am

1.6 Notice of Motion
Nil

1.7 Questions with or without Notice
Nil

1.8 Declaration of Interest
Members are required to declare and manage conflicts of interest in accordance with the *Local Government Act*.

2. MATTERS FOR INFORMATION

3. DEBATE AGENDA

4. CONFIDENTIAL AGENDA

Nil

5. URGENT OTHER BUSINESS

6. NEXT MEETING

To be determined.

7. CLOSURE

MATTERS FOR INFORMATION

2.1 NURIOOTPA CENTENNIAL PARK AUTHORITY - AUDIT COMMITTEE MINUTES

Author: Chief Executive Officer
23/8994

The NCPA Audit Committee meeting minutes for the relevant meetings are provided at the attachments for information.

ATTACHMENTS

Attachment 1	NCPA Minutes - Audit and Risk Committee Minutes - Signed - 26 October 2021 ⇩
Attachment 2	NCPA Minutes - Audit and Risk Committee Minutes - Signed - 18 May 2018 ⇩
Attachment 3	NCPA Minutes - Audit and Risk Committee Minutes - Signed - 23 February 2023 ⇩
Attachment 4	NCPA Minutes - Audit and Risk Committee Minutes - Signed - 26 October 2022 ⇩

SUPPORTING REFERENCES

Nil

Attachment 1

BIG4 Barossa Tourist Park

NURIOOTPA CENTENNIAL PARK AUTHORITY (NCPA)

Thursday 26th October 2021, 12:30pm, NCPA Boardroom

AUDIT COMMITTEE (AC)

MINUTES OF MEETING

Meeting opened at 12.30pm.

1. COMMENCEMENT

1.1 Welcome

Dafydd Llewelyn, as Chairperson, welcomed everyone to the meeting.

Present

Committee: Dafydd Llewelyn (Independent Chair), Elaine Ratcliffe BY PHONE (Independent Member), Guy Martin and Mark Lague (The Barossa Council, Appointed Officer).

Invited: Tanya Pumpa (TP) (Business Manager, Minutes).

1.2 Apologies

Cr Tony Hurn.

1.3 Declarations of Interest

Nil.

2. CONFIRMATION OF PREVIOUS MINUTES

The Minutes of Audit Committee Meeting held on the 22nd of September 2021 were tabled.

MOVED Guy Martin that the Minutes of the Meeting held on 22nd of September 2021 be confirmed as a true and correct record of the proceedings of that meeting.

SECONDED Elaine Ratcliffe **CARRIED**

Chairperson moved straight to Agenda Item 6.1

3. BUSINESS ARISING FROM PREVIOUS MINUTES

The Action Register was tabled, discussed, and noted as an ongoing document.

4. CONSENSUS AGENDA

4.1 Audit Committee (AC) Work Plan 2021

The ongoing document was tabled. Received and noted. This completes the programme for the 2021 year. Received and noted.

4.2 Audit Committee (AC) Annual Activity Report 2021

The ongoing document was tabled. Received and noted. Update after today's meeting and then that finalises this report. Once completed this can be presented at the NCPA Board Meeting and forwarded to Council thereafter.

5. DEBATE AGENDA

5.1 Innoviv MasterPlan – DRAFT V2

The Draft Plan Version 2 was circulated and discussed in connection with the strategic management plans. Received and noted.

6. NEW BUSINESS

6.1 2020-21 DRAFT Financial Statement

The General Purpose Financial Statement for year ended 30 June 2021 was circulated and discussed. A very well put together document, the AC reviewed draft at the September meeting. Everything looks good, after adjustments from previous meeting.

Points of discussion included the increment in Employee Costs from the previous year, Page 3. The Physical Resources / Free of Charge "Gifted" Change rooms on Page 3. The Cash at Bank Balance at year end on Page 4. The revaluation of assets as Building and other structures went down and Infrastructure went up. Note 7 on Page 21 Buildings and other structures. Right-of-Use Assets in Note 1 Page 10 as a new entry. Page 12 noted this is the first time the Authority applied AASB 16. The impact Covid-19 has had on the Authority on Page 14. The donation received in the previous Financial Year on Page 15. The Financial Indicators on Page 32. The breakdown on the Husqvarna Mower Lease on Page 34 and 35.

MOVED Guy Martin that the Financial Statement for 30 June 2021 presents accurately the affairs of the Authority.

SECONDED Elaine Ratcliffe **CARRIED**

- Certification of Financial Statement – Proceed to sign as authorised at the NCPA Board Meeting 18.8.2021.
- Independent Auditor's Report in draft – Revived and noted.
- Final Report of Audit Findings dated October 2021 – Received, discussed and noted. The committee was pleased with comments on page 5 and 6 of the report that confirms all these aspects in a supportive sense.

6.2 Management Representation Letter to Bentleys

Signed by Guy Martin and Tanya Pumpa. Received and noted.

6.3 Online Meeting w Matthew Brunato at 1.00pm

After introductions and discussing the AC comments in the Financials Matthew Brunato commented on the good year the Authority had achieving operating surplus in this current climate. The revaluation in buildings resulted in a decrease and infrastructure an increase. Infrastructure is now in line with what is being seen within the sector. Upcoming new processes and accounting standards should have no impact on the Park. The new government regulations currently going through parliament could see changes around governance. No further comments from Matthew. The Audit Committee concludes it was good to get confirmation and to discuss the asset revaluation.

6.4 Draft September Quarter Budget Review – P&L and Capital

The draft budget review was tabled. Revenue is behind but decided to leave as will potentially be made up by the end of the year. December will provide a better indication. Water expenses were considered but suggested not to change. The insurance budget allocation needs revising as half a year in expenses is against only one quarter of the budget. Tabled and discussed.

6.5 NCPA Audit Committee Terms of Reference
The Version dated January 2020 was tabled. The Committee agreed to postpone until next meeting or until such time as the new government regulations are passed. Possible changes discussed:

1.2 Name will change Audit & Risk Committee;
2.5.1 External auditor type "as is engaged";
3.8 "Signified to the committee their willingness to Act". Wording will get changed with new template to come out;
4.3 The requirement will be that meetings held every quarter, not 4 times per year;
6.2 "Member present" needs an allowance for remote / online attendance;
7.2 Minutes of the Meetings will be circulated within 5 business days – It's the Act that requires this.

6.6 Improvement Program Update (Risk Analysis) – High Level Compliance Requirements
Noted as received and discussed.
1.5 Strategic Management Plan Requirements – Update to include Innoviv Park Services MasterPlan (tabled at 5.1). Guy Martin updated the Committee with discussions he'd had with Martin McCarthy regarding alternate ways the precinct can be managed. This has been put on hold due to COVID but should progress over next 12 months. Last time it was revised internally by Council.

6.7 NCPA 2020-21 Variance Report
Received and discussed.

7. DATE OF NEXT MEETING
The date of the next meeting is set for Wednesday 23rd of February 1.00pm 2022.

8. CLOSE
Chairperson, Dafydd Llewelyn, declared the meeting closed at 2.22pm (Note: Elaine left the meeting at 1.40pm).

Confirmed at Audit Committee Meeting -

DATE: 23-2-2022 **CHAIRPERSON:** D. Llewelyn

BIG4 Barossa Tourist Park

NURIOOTPA CENTENNIAL PARK AUTHORITY (NCPA)

Wednesday 18th May 2022, 1.00pm, NCPA Boardroom

AUDIT AND RISK COMMITTEE (AARC)

MINUTES OF MEETING

Meeting opened at 1.00pm.

1. COMMENCEMENT

1.1 Welcome

Dafydd Llewelyn, as Chairperson, welcomed everyone to the meeting.

Present

Committee: Dafydd Llewelyn (Independent Chair), Elaine Ratcliffe (Independent Member), Guy Martin, Cr Tony Hurn and Mark Lague (The Barossa Council, Appointed Officer).

Invited: Tanya Pumpa (TP) (Business Manager, Minutes).

1.2 Apologies

Nil.

1.3 Declarations of Interest

Nil.

2. CONFIRMATION OF PREVIOUS MINUTES

The Minutes of Audit Committee Meeting held on the 23rd February 2022 were tabled.

MOVED Elaine Ratcliffe that the Minutes of the Meeting held on 23rd February 2022 be confirmed as a true and correct record of the proceedings of that meeting.

SECONDED Guy Martin **CARRIED**

3. BUSINESS ARISING FROM PREVIOUS MINUTES

The Action Register was tabled, discussed, and noted as an ongoing document.

4. CONSENSUS AGENDA

4.1 Audit and Risk Committee (AARC) Work Plan 2022

The ongoing document was tabled.

4.2 Audit and Risk Committee (AARC) Annual Activity Report 2022

The ongoing document was tabled.

5. DEBATE AGENDA

5.1 DRAFT NCPA Terms of Reference (TOR)

The proposed changes to NCPA's Audit and Risk Committee Terms of Reference were tabled in a Word document with track changes. New document templates will be rolling out next year as a result in changes to the Local Government Reform Bill. It was agreed that NCPA TOR's will be updated now, then revisited again when templates become available. The track changes are to be accepted along with changing the wording at 2.3 to read Public Interest Disclosure. The Chairperson's signatory to read Audit and Risk Committee, the footer to read Audit and Risk Committee.

MOVED Guy Martin that the TOR's document be amended as discussed.

SECONDED Elaine Ratcliffe **CARRIED**

Moving forward all correspondence, agendas, and Minutes to refer to this Committee as the Audit and Risk Committee.

6. NEW BUSINESS

6.1 NCPA DRAFT LTFP 2022/23 to 2031/32

The Draft NCPA Long Term Financial Plan 2022/23 to 2031/32 was tabled and discussed. Noting this document is based on Review 2 and will be updated to reflect Review 3.

Capital Plan – The proposed Adventure Playground was passed by Council at yesterday's Council Meeting. The amount of $330k has been added in the 2022/23 year. The commitment will be made 2021/22 year and the balance carried over year end. Discussed were the operational costs for the playground including but not limited to routine inspections, additional insurance costs and the removal of any underground utilities against budget.

MOVED Guy Martin that we accept the proposed Draft LTFP as discussed.

SECONDED Cr Tony Hurn **CARRIED**

6.2 NCPA DRAFT Annual Business Plan 2022/23

The NCPA Draft Annual Business Plan 2022/23 was tabled. Remove percentage of 3.3% and have it read "Income growth indexed over the financial year" or "based on a moderate-income growth". Also change that the completion of the project of the Adventure Playground will fall in 2022/23 as it will commence in 2021/22. The draft document was received and noted.

6.3 2021/22 March Quarter Budget Review (Capital and P&L)

The 2021/22 March Quarter Budget Review was tabled. Noting a typing error at the top of the Capital Budget Review spreadsheet, it reads 31st December 2021 as opposed to 31st March 2022.

MOVED Guy Martin that the Review 3 spreadsheet be accepted

SECONDED Elaine Ratcliffe **CARRIED**

6.4 Bentleys Annual Audit Plan 2022

Bentleys Audit Plan for The Barossa Council April 2022 was tabled. Discussions over Page 5. Received and noted

MOVED Cr Tony Hurn that the Audit Plan April 2022 be accepted.

SECONDED Guy Martin **CARRIED**

6.5 The Barossa Council – Public Interest Disclosure Policy and Process

The Barossa Council's Public Interest Disclosure Policy and Process was tabled. The documents were reviewed and confirmed. With regards to this Policy and Process, NCPA falls under Council's umbrella and no further action is required.

MOVED Elaine Ratcliffe that we acknowledge we fall under Council's Public Interest Policy and Process.

SECONDED Cr Tony Hurn **CARRIED**

6.6 The Barossa Council – Complaint Handling Process

The Barossa Council's Complaint Handing Process was tabled. A good comprehensive document which NCPA could easily adopt. NCPA to obtain a Word copy and amend to reflect NCPA with logo's, names and change any related polices. Then present to the Authority for adopting.

MOVED Elaine Ratcliffe that the suggested amendments be made, and document presented to Board for adopting.

SECONDED Cr Tony Hurn **CARRIED**

6.7 The Barossa Council – Fraud and Corruption Prevention Policy

The Barossa Council's Fraud and Corruption Prevention Policy was tabled. A good comprehensive document which NCPA could easily adopt. NCPA to obtain a Word copy and amend to reflect NCPA with logo's, names and change any related polices. Then present to the Authority for adopting.

MOVED Elaine Ratcliffe that the suggested amendments be made, and document presented to Board for adopting.

SECONDED Cr Tony Hurn **CARRIED**

6.8 Late Item – External Auditors 2023 onwards

Council's Audit Committee are meeting next week and will review the submissions for Council's External auditors for the 5 years commencing 2023, for both Council and NCPA. The submissions will be going to Council's meeting in June.

7. DATE OF NEXT MEETING

The date of the next meeting is set for the 19th October 2022 at 1.00pm.

8. CLOSE

Chairperson, Dafydd Llewelyn, declared the meeting closed at 2.17pm.

Confirmed at Audit and Risk Committee Meeting -

DATE: 11 January 2023 **CHAIRPERSON:** D Llewelyn

Attachment 3

BIG4 Barossa Tourist Park

NURIOOTPA CENTENNIAL PARK AUTHORITY (NCPA)

Wednesday 23rd February 2022, 1.00pm, NCPA Boardroom

AUDIT COMMITTEE (AC)

MINUTES OF MEETING

Meeting opened at 1.00pm.

1. COMMENCEMENT

1.1 Welcome

Dafydd Llewelyn, as Chairperson, welcomed everyone to the meeting.

Present

Committee: Dafydd Llewelyn (Independent Chair), Elaine Ratcliffe (Independent Member), Guy Martin and Mark Lague (The Barossa Council, Appointed Officer).

Invited: Tanya Pumpa (TP) (Business Manager, Minutes).

1.2 Apologies

Cr Tony Hurn.

1.3 Declarations of Interest

Nil.

2. CONFIRMATION OF PREVIOUS MINUTES

The Minutes of Audit Committee Meeting held on the 26th October 2021 were tabled. At 6.1 amend the first dot point to read "Certification of Financial Statement" to replace "Certification of Auditor Independence", Page 2.

MOVED Guy Martin that the Minutes of the Meeting held on 26.10.2021, after the amendment at 6.1, be confirmed as a true and correct record of the proceedings of that meeting.

SECONDED Dafydd Llewelyn **CARRIED**

3. BUSINESS ARISING FROM PREVIOUS MINUTES

The Action Register was tabled, discussed, and noted as an ongoing document.

TP to source copies of Council's Fraud & Corruption Policy and Procedures, and Complaint Handling Policy and Procedure.

4. CONSENSUS AGENDA

4.1 Audit Committee (AC) Work Plan 2022

The ongoing document was tabled. Task Item 2.5 regarding Stakeholders engaged in Strategic Management Plans can be removed entirely. Received and noted.

4.2 Audit Committee (AC) Annual Activity Report 2022

The ongoing document was tabled. The dates for the next two meeting were scheduled for the 18th of May 2022 at 1.00pm, and then the 19th of October 2022 at 1.00pm.

5. DEBATE AGENDA

5.1 NCPA Audit Committee – Terms of Reference

This was tabled and reviewed at the AC October Meeting with the following comments and amendments recommended:

1.2 Name will change Audit & Risk Committee;
2.5.1 External auditor type "as is engaged";
3.8 "Signified to the committee their willingness to Act". Wording will get changed with new template to come out;
4.3 The requirement will be that meetings held every quarter, not 4 times per year;
6.2 "Member present" needs an allowance for remote / online attendance;
7.2 Minutes of the Meetings will be circulated within 5 business days – It's the Act that requires this.

MOVED Guy Martin that these amendments can be made to the document now.
SECONDED Elaine Ratcliffe **CARRIED**

6. NEW BUSINESS

6.1 December 2021 Half-Yearly Budget Review

The half-yearly budget review, both Capital and P&L, was tabled and discussed. An update on the premium ensuite sites was given. Discussions around the decrease with predicted cabin income of $70k was considered reasonable. Received and noted and the Committee agreed with a prudent approach at this stage is the right way to go.

6.2 January 2022 RMS & MYOB Reports

The MYOB Balance Sheet, P&L YTD and P&L for January 2022 was tabled. Along with the RMS Occupancy and YTD Cash Report. Cabin Accommodation on the YTD Cash Report was discussed.

6.3 DRAFT 2022-23 Annual Budget

The Draft Capital and P&L Budget for 2022-23 was circulated. In support of the Capital Budget Item for Adventure Playground the site plans from Adventure+ were tabled. The carried forward capital items will need to be removed from the 2022-23 draft budget if assets are complete in this current financial year.

MOVED Guy Martin that the Draft 2022-23 Annual Budget be accepted by the Committee.
SECONDED Elaine Ratcliffe **CARRIED**

6.4 Local Government Reform – Commencement of Provisions

Received and noted timelines with regards to the future changes to the Audit and Risk Committee, being 30 November 2023.

6.5 Draft Long Term Financial Plan (LTFP) – Updated Version

The Draft NCPA LTFP will be considered before the next Audit Committee meeting and will therefore need to be circulated separately before then. Once circulated, any comments or concerns will need to be directed back to Guy Martin or Dafydd Llewelyn to assess if an additional Audit Committee meeting needs to be called.

TP to circulate Draft LTFP to AC members once received from Mark Lague.

7. DATE OF NEXT MEETING

The date of the next meeting is set for 18th May 2022 at 1.00pm, followed by the 19th October 2022 at 1.00pm.

Attachment 3

8. CLOSE
Chairperson, Dafydd Llewelyn, declared the meeting closed at 2.15pm.

Confirmed at Audit Committee Meeting -

DATE: 18th May 2022 **CHAIRPERSON:** D. Llewelyn

Attachment 4

BIG4 Barossa Tourist Park

NURIOOTPA CENTENNIAL PARK AUTHORITY (NCPA)

Wednesday 26th October 2022, 1.00pm, NCPA Boardroom

AUDIT AND RISK COMMITTEE (AARC)

MINUTES OF MEETING

Meeting opened at 1.00pm.

1. COMMENCEMENT

1.1 Welcome

Dafydd Llewelyn, as Chairperson, welcomed everyone to the meeting.

Present

Committee: Dafydd Llewelyn (Independent Chair), Elaine Ratcliffe (Independent Member), Guy Martin, Cr Tony Hurn and Mark Lague (The Barossa Council, Appointed Officer).

Invited: Linda Stapleton (LS) (Acting Business Manager, Minutes).

1.2 Apologies

Nil.

1.3 Declarations of Interest

Nil.

2. CONFIRMATION OF PREVIOUS MINUTES

The Minutes of Audit Committee Meeting held on the 18th May 2022 were tabled.

MOVED Guy Martin that amended Minutes of the Meeting held on 18th May 2022 be confirmed as a true and correct record of the proceedings of that meeting.

SECONDED CR Tony Hurn **CARRIED**

3. BUSINESS ARISING FROM PREVIOUS MINUTES

The Action Register was tabled, discussed, and noted as an ongoing document.

4. CONSENSUS AGENDA

Action register – add notes from written page

4.1 Audit and Risk Committee (AARC) Work Plan 2022

The ongoing document was tabled.

The following points to be amended in the document:

1.4 to be moved to 2023 year

3.1 To be moved to December 2022 meeting
It was recommended by Mark Lague that anything non-financial statement related be moved to other meetings through the year. However, should be discussed at least once per year.

3.5 moved to December 2022 meeting. To be discussed at one meeting per year.
Register of procedures to be presented at December meeting. Procedures for 2 applications to be presented at December meeting.

It is a requirement of the committee to ensure procedures exist and are being followed.

It is noted that procedures have been developed for this operation are not from Big4.
External parties are to be mentioned in the procedures, also noting how a procedure works and that the procedure works properly and fully. Any business activity that affects the organisation must have an active process. The procedures in place must be sufficient to cover the organisation. Procedures and control must protect against danger. COVID used as an example of good processes required to protect the organisation.
It was noted that the park is experiencing less across the counter bookings, more online bookings.

4.2 Audit and Risk Committee (AARC) Annual Activity Report 2022
The ongoing document was tabled.

Add notes from written page

5. DEBATE AGENDA

6. NEW BUSINESS

6.1 NCPA 2021-22 Variance Report
The variance report was prepared by Linda Stapleton and Guy Martin. The following points were noted:

- formula required to be checked by Sharee
- some lines are hidden
- expenditure
- employee leave expense – to be amended
- Good numbers for site fees and user charges
- Clarification and confirmation on materials and contractors
- Cleaning and maintenance costs related to the return to business following COVID- costs higher to run the business
- Some of funds would have been allocated to the Premium Ensuite
- WIP
- 50% deposit for adventure playground required to commence in time for October long weekend

After discussion variance report was accepted.

6.2 2021-22 DRAFT Financial Statement

- Certification of Auditor Independence
- DRAFT Independent Auditor's Report 2022
- DRAFT Year End Management Letter 2022

6.3 NCPA DRAFT Management Representation Letter 30 June 2022
Committee recommends letter is signed by relevant parties and emailed to Auditors 26 October 2022.

The relevant documents were signed as required, by Dafydd Llewelyn, Guy Martin and Linda Stapleton.

6.4 Online Meeting with external auditor – David Pappa (1.15pm)
Commenced with introductions to David Pappa.

David advised a clean opinion and did not identify any issues. He commented that the audit was very straightforward this year.
Any highlights:
General overview by David, no issues, very straightforward, good profitability and sustainability.
It is a relatively simple business with a good outlook for future. In David's opinion there is nothing to be aware of with the business.
With regard to emerging accounting disclosure issues David noted there is nothing that would impact the authority.
Cashflow:
GST paid for income minus figure to be moved to expenses – advised by Mark Lague – will not affect any figures – for presentation purposes only.
This was the final year working with David who thanked the Board for their time in the past 5 years.

RESOLUTION that in the committee's opinion the Financial Statements for 2021-22 fairly represents the affairs of the authority for that year, and the committee recommends the signing of required certification statements
MOVED **Elaine Ratcliffe**
SECONDED **Guy Martin**

CARRIED

6.5 DRAFT September Quarter Budget Review – P&L and Capital 2022-23

- Carried forward and added $30K for road works
- Allocation of $30K to commence upgrades to amenities blocks require freshen up
- The new Playground looks good
- Cleaners van not purchased last year due to the excessive 2nd hand car prices will wait until prices drop
- Allocated $20K for landscaping for soccer pitch area
- No allowance in original project for irrigation for soccer pitch, authority will contribute half $20K and council will contribute $20k
- Proposed to Council 2023-24 year new cabins will be purchased to replace aging stock
- There is a potential to sell cabins to the council. This will be added to the long term financial plan

P&L Document

- Revenue is looking good
- Timing issues can impact on the P&L
- Depreciation taken out will leave $95K profit

Revenue

- Recreation, park and sports centre below budget
- Explanation
  - management for sports centre is changing at 1 December 2022
  - Sporting clubs were asked for expressions of interest
  - Netball club will take over management
  - Netball club will share the funds with NCPA
  - Netball club take care of all bookings
  - NCPA will clean the toilets
  - All other management will be responsibility of netball club
- An external party has been appointed as the management by the park would take too much time away from the management of the caravan park

- Good incentive for the netball club – more business equates to more cash for the club

It was proposed to receive and note the profit and loss as accepted.
It was advised Budgets are not being updated until new council has been elected.

Typos advised by Mark Lague, however does not affect the numbers.

- Page 11 should read 2021 not 2020, to be updated.
- Page 12 Council to be changed to Authority as not Council financials.
- Page 24 note 12 carrying values right side – dash 3rd row down should be $2 – coop share
- Page 25 capital commitments $317K will reduce – part was WIP in last year will be changed to balance, does not affect the financials, just what is owed as capital commitment. Capital item, half paid in previous financial year.
- Top of page 25 should show 2021-22 on top, is at bottom of page 24

6.6 External Auditors 2023 onwards

New auditors appointed Galpin's as selected by Council to audit the authority over the next 5 years. This firm works with the majority of Councils within South Australia.
Tim Malhousen will be our contact and will oversee the audits. There will be an Interim audit in 2023.
The Council have advised Galpin's may have a staff member attend meetings occasionally to audit the meeting process.

6.7 Other Business

- Guy Martin advised we are in the medium with regard to rates as per Big4 Audit conducted
- Current split of guests 41% interstate and 59% intrastate, prior to pandemic 20% intrastate and 80% interstate
- Average length of nights of stay have increased also
- This has had an increased impact on the park and BIG4 in general
- Final audit figures have not been received to date, it is noted there were a few minor things to work on prior to the next audit
- Expectation that ranking should be mid 90's range
- Disabled bathrooms are required to be upgraded

7. DATE OF NEXT MEETING
The date of the next meeting is set for the Wednesday 14th December 2022 at 1.00pm.

8. CLOSE
Chairperson, Dafydd Llewelyn, declared the meeting closed at 2.26pm

Confirmed at Audit and Risk Committee Meeting -

DATE: 11 January 2023 **CHAIRPERSON:** D. Llewelyn

Page | 4

MATTERS FOR INFORMATION

2.2 MID-YEAR BUDGET REVIEW

Author: Senior Accountant
23/9088

The 2022/23 Mid-Year Budget Review as at 31 December 2022 was adopted by Council on 21 February and is available on Council's website – www.barossa.sa.gov.au

ATTACHMENTS
Attachment 1 Mid Year budget Review

SUPPORTING REFERENCES
Nil

Annual Budget and Business Plan 2022/23

Mid-Year Budget Review

As at 31 December 2022

Budget Update Report

Annual Business Plan Report

Executive Summary

This report is a Mid-Year Budget Review as at 31 December 2022 for the 2022/23 financial year pursuant to Regulations 7, 9 and 10 of the Local Government (Financial Management) Regulations 2011 under the Act. Unless otherwise indicated figures shown are for the 2022/23 financial year and the variance report comparison is actual to original budget.

The proposed Revised Budget adjustments include a number of 'one-off' variations shown as Favourable (F) or Unfavourable (U).

Long Term Financial Plan (LTFP) - Review

Since the adoption of the Budget, Council has made decisions on projects that have material financial implications not only for the 2022/23 year (these are included within the yearly budget wherever possible) but also may affect the longer term. In some cases, not all information is available for these projects and not included in the budget review. The following list is a summary of these types of projects:

- Infrastructure expenditure on project scoping, designs and works with this budget update at $15m this. The updated budget includes not limited to: Bridges $0.8m; Foot/bike paths $0.3m; Resheeting and road shoulders – $1.2m; Motor vehicles and plant and equipment $2.0m; Sealing/resealing/reconstruction – $5.6m; Stormwater – $1.4m; Community Wastewater Management Systems (CWMS) $2.2m; and Streetscaping at Mount Pleasant and Angaston $0.2m.

- Office and Community Facilities inc. The Big Project (TBP) expenditure on project scoping, designs and works with this budget update at $18.8m. TBPs are included in the adopted LTFP and will be regularly monitored as/when substantial costings and actual build costs are incurred to ensure financial sustainability is checked and reported to Council. TBP actual expenditure included in this budget update:

  - Angas Recreation Park – tennis/netball courts, cricket nets, multifunctional clubrooms, second oval and landscaping - $0.9m
  - Barossa Rugby - $2.6
  - Nuriootpa Soccer - $2.9m
  - Talunga Caravan Park Facilities, including cabins $2.7m
  - Tanunda Recreation Park –oval widening, junior sports field, playground and cricket nets $7.6m

- The Councils Community Wastewater Management Systems (CWMS) operating result and capital expenditure programs are transferred to/from a reserve held specifically for this service area. A review of the service charges and rating methodology is required to check the charge vs service provision in line with legislative and ESCOSA requirements.

Uniform Presentation of Finances

for the year ending 30 June 2023

The following is a high level summary of both operating and capital investment activities of the Council prepared in a uniform and consistent basis. All Councils in South Australia voluntarily have agreed to summarise annual budgets and long term financial plans on the same basis. The arrangement ensures that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

	Budget Adjustment Notes	Variance Report Notes	Original Full Year Budget ($'000)	Carried Forward from last year ($'000)	Budget Adjustments Quarter 1 ($'000)	Actuals as at 31 Dec ($'000)	Correction Budget Adjustments Quarter 1 ($'000)	Budget Adjustments Quarter 2 ($'000)	Revised Mid-year Revised Budget ($'000)
Income	1-7	9-15	42,484	12	624	39,226	(187)	569	43,502
Less Expenses	8-11	16-19	(43,949)	(317)	(445)	(20,266)	317	(571)	(44,965)
Operating Surplus / (Deficit)			(1,465)	(305)	179	18,960	130	(2)	(1,463)
Less Net Outlays on Existing Assets									
Capital Expenditure on Renewal and Replacement of Existing Assets	12	26	(7,266)	(1,506)	(119)	(2,323)	0	151	(8,740)
add back Depreciation, Amortisation and Impairment	10	18	9,159	0	0	4,580	0	0	9,159
add back Proceeds from Sale of Replaced Assets	13	20	411	175	0	118	0	0	586
			2,304	(1,331)	(119)	2,375	0	151	1,005
Less Net Outlays on New and Upgraded Assets									
Capital Expenditure on New and Upgraded Assets	14	26	(27,131)	(3,286)	(796)	(5,208)	0	4,572	(26,641)
add back Amounts Received Specifically for New and Upgraded Assets	15	21	5,604	(81)	0	3,314	0	(2,771)	2,752
add back Proceeds from Sale of Surplus Assets	16	20	0	0	0	0	0	0	0
			(21,527)	(3,367)	(796)	(1,894)	0	1,801	(23,889)
Net Lending / (Borrowing) for Financial Year			(20,688)	(5,003)	(736)	19,441	130	1,950	(24,347)

*Full Year Revised Budget is the Quarter 2 Budget Review for the year, adopted by Council at the February 2023 meeting.

Uniform Presentation of Finances

Funding Source for the movement in Net Lending / (Borrowing)	**($'000)**
Original Full year Budget Net Lending / (Borrowing)	(20,688)
Carried Forward Budget Adjustments approved at the Council meeting 28 November 2022 – Report on Financial Results Funds were held for these projects in cash and investments at 30 June 2022	(5,003)
Other Budget Adjustments - September Budget Update. Funds required for these items will decrease Councils cash and investments. This amount includes amendments approved at the Council meetings held July, August and September 2022	(736)
Budget Adjustments - December (includes Sept correction). Funds required for these items will decrease Council's cash and investments	2,080
Carried Forward Budget Adjustments to 2023/24	0
Proposed Full-year Revised Budget - Net Lending / (Borrowing)	(24,347)

Key Performance Indicators (KPI)

Key Performance Indicators (KPI)		Original Budget 30 June 2023	Mid-year Budget Review 31 Dec 2022
Operating Surplus / (Deficit) ($'000)		(1,465)	(1,463)
Target	To achieve an operating breakeven position, or better, over any five-year period.		
Notes	*Operating Deficit decreased by $2k as a result of increase of income of $569k and a reduction of net costs of $571k. Due to the advance payment of Financial Assistance Grants totalling $1.384M the true underlying budget position for 2022-23 is $79K deficit not $1.463M it is simply a timing matter.*		
Operating Surplus Ratio		(3.4%)	(3.4%)
Target	To achieve an operating surplus ratio of between -2% to 10.		
Notes	*The adopted LTFP 3-year average for this ratio was 1%, this update projects an annual result of (3.4%). Using the last 2 years actuals 2020 at 3.9% and 2021 at 6.7% and this Budget update of (3.4%) the three average is 3.2%, within the adopted target range of (2%) to 10%. Due to the advance payment of Financial Assistance Grants totalling $1.384M the true underlying budget position for 2022-23 is a operating surplus ratio of (0.2%) well within the target range.*		
Net Financial Liabilities ($'000)		28,588	21,644
Target	Council's level of net financial liabilities (NFL) is no greater than its annual operating revenue and not less than zero.		
Notes	*An improvement (reduction) to net liabilities as a result of the better cash at bank position from last year actual result as compared to the estimates used for this year adopted budget.*		
Net Financial Liabilities Ratio		67.3%	49.8%
Target	Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.		
Notes	*This ratio has improved; refer to the comments in the Net Financial Liabilities indicator above.*		
Asset Funding Renewal Ratio		110%	132%
Target	Capital outlays on renewing/replacing assets is greater than 80% but less than 110% of Infrastructure Asset Management Plans (previously depreciation) over a rolling 3-year period, the ratio shown above is for the current year only.		
Notes	*Forr the purposes of this Financial Indicator the 2022 Infrastructure Asset Management Plan (IAMP) does not contain renewal spend information. The Long Term Financial Plan (LTFP) required an annual spend for the major asset classes at $6,607k, the adopted 22/23 budget renewal spend is $7,266k that calculates a budget Asset Renewal Funding Ratio (ARFR) of 112%.* *The budget update asset renewal spend is now $8,740k using the LTFP annual spend of $6,607k the ARFR is 135%, this is greater than the original budgeted ARFR at 110% and above the adopted target- greater than 80% but less than 110%.*		

Department	Description	Income/Expenditure Account	Type of Adjustment	2022/23 Adjustment Quarter	Favourable/ Unfavourable	Reserve Transfer	Net
Operating Adjustments							
Financial Services	General Rates Income	Rate Rebates - Mandatory Rebates	Reduction to expenditure (negative amount)	(6,041)	Favourable		(6,041)
Financial Services	General Rates Income	Rate Rebates - Discretionary Rebates	Reduction to expenditure (negative amount)	(7,967)	Favourable		(7,967)
Rates			***Note 1***	***(14,008)***		***0***	***(14,008)***
Statutory Charges			***Note 2***			***0***	***0***
Nuriootpa Centennial Park	Rec Park - Nuriootpa (NCPA)	Recreation Park Fees	Reduction to income (positive amount)	4,000	Unfavourable		4,000
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Caravan Park - Site Fees	Addition to income (negative amount)	(280,000)	Favourable		(280,000)
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Caravan Park - Cabin Fees	Addition to income (negative amount)	(280,000)	Favourable		(280,000)
Nuriootpa Centennial Park	Nuriootpa Sports Centre (NCPA)	Lease Fees	Reduction to income (positive amount)	2,000	Unfavourable		2,000
User Charges			***Note 3***	***(554,000)***		***0***	***(554,000)***
Grants, Subsidies and Contributions			***Note 4***	***0***		***0***	***0***
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Interest Earned (Banks)	Addition to income (negative amount)	(1,500)	Favourable		(1,500)
Investment Income			***Note 5***	***(1,500)***		***0***	***(1,500)***
Reimbursements			***Note 6***	***0***		***0***	***0***
Barossa Bushgardens	Bushgardens: Site expenditure	Contributions - Other	Addition to income (negative amount)	900	Unfavourable		900
Other Income			***Note 7***	***900***		***0***	***(1,114,100)***
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Wages (Committees staff)	Addition to expenditure (positive amount)	50,050	Unfavourable		50,050
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Wages (Committees staff superannuation)	Addition to expenditure (positive amount)	7,893	Unfavourable		7,893
Nuriootpa Centennial Park	Coulthard Reserve (NCPA)	Wages (Committees staff)	Addition to expenditure (positive amount)	3,900	Unfavourable		3,900
Nuriootpa Centennial Park	Coulthard Reserve (NCPA)	Wages (Committees staff superannuation)	Addition to expenditure (positive amount)	615	Unfavourable		615
Nuriootpa Centennial Park	Rec Park - Nuriootpa (NCPA)	Wages (Committees staff)	Addition to expenditure (positive amount)	9,100	Unfavourable		9,100
Nuriootpa Centennial Park	Rec Park - Nuriootpa (NCPA)	Wages (Committees staff superannuation)	Addition to expenditure (positive amount)	1,435	Unfavourable		1,435
Nuriootpa Centennial Park	Nuriootpa Sports Centre (NCPA)	Wages (Committees staff)	Addition to expenditure (positive amount)	1,300	Unfavourable		1,300
Nuriootpa Centennial Park	Nuriootpa Sports Centre (NCPA)	Wages (Committees staff superannuation)	Addition to expenditure (positive amount)	205	Unfavourable		205
Nuriootpa Centennial Park	Prider Street Property (NCPA)	Wages (Committees staff)	Addition to expenditure (positive amount)	650	Unfavourable		650
Nuriootpa Centennial Park	Prider Street Property (NCPA)	Wages (Committees staff superannuation)	Addition to expenditure (positive amount)	103	Unfavourable		103
Building Services	Assesment and Advice - Building	Salaries - Environmental Services staff	Transfer From - expenditure (negative amount)	(15,000)	Favourable		(15,000)
Planning Services	Assessment and Advice- Planning	Salaries - Environmental Services staff	Transfer From - expenditure (negative amount)	(10,000)	Favourable		(10,000)
Office of the Mayor and CEO	Office of the Mayor and CEO	Salaries - Executive Services staff	Addition to expenditure (positive amount)	43,500	Unfavourable		43,500
Office of the Mayor and CEO	Council Meeting - Attend/support	Salaries - Executive Services staff	Addition to expenditure (positive amount)	2,965	Unfavourable		2,965
Office of the Mayor and CEO	Council Meeting - Attend/support	Salaries - Info Tech Services staff	Addition to expenditure (positive amount)	1,650	Unfavourable		1,650
Office of the Mayor and CEO	Council Elections	Salaries - Executive Services staff	Addition to expenditure (positive amount)	1,500	Unfavourable		1,500
Works Administration	Wks - Asset Management Plan	Salaries - Works Admin Staff	Transfer From - expenditure (negative amount)	(97,192)	Favourable		(97,192)
Works Administration	Engineering Support Services - Misc.	Salaries - Works Admin Staff	Transfer From - expenditure (negative amount)	(16,654)	Favourable		(16,654)
Barossa Bushgardens	Bushgardens Green Adelaide Funding Program	Salaries - Environmental Services	Addition to expenditure (positive amount)	38,722	Unfavourable		38,722
Works Engineering/CWMS	CWMS Co-ordinator	Salaries - Works Section	Transfer From - expenditure	(7,644)	Favourable		(7,644)
Employee Costs			***Note 8***	***17,098***		***0***	***17,098***

Department	Description	Income/Expenditure Account	Type of Adjustment	2022/23 Adjustment Quarter	Favourable/ Unfavourable	Reserve Transfer	Net
Operating Adjustments							
Publicity and Public Relations	Public Relations Service	Postage	Addition to expenditure (positive amount)	2,600	Unfavourable		2,600
Offices and Community Facilities	Barossa Aquatic & Fitness Centre 'The Rex'	Energy Costs - Electricity	Addition to expenditure (positive amount)	126,161	Unfavourable		126,161
Corporate Services	Manage OHS&W responsibilities	Contractors - Other Services	Addition to expenditure (positive amount)	1,000	Unfavourable		1,000
Corporate Services	Manage OHS&W responsibilities	Direct Purchases - First Aid Supplies	Addition to expenditure (positive amount)	3,000	Unfavourable		3,000
Corporate Services	Manage OHS&W responsibilities	Direct Purchases - Other	Addition to expenditure (positive amount)	2,000	Unfavourable		2,000
Corporate Services	Manage OHS&W responsibilities	Staff Training - Seminar/Conference Fees	Transfer To - expenditure (positive amount)	4,160	Unfavourable		4,160
Corporate Services	Manage OHS&W responsibilities	Staff Training - Travel Expenses	Transfer From - expenditure (negative amount)	(1,200)	Favourable		(1,200)
Corporate Services	Manage OHS&W responsibilities	Staff Training - Accommodation Expenses	Transfer From - expenditure (negative amount)	(1,460)	Favourable		(1,460)
Organisational Development	Human Resources - Miscellaneous	Advertising	Addition to expenditure (positive amount)	8,000	Unfavourable		8,000
Organisational Development	Human Resources - Miscellaneous	Legal Fees	Addition to expenditure	5,000	Unfavourable		5,000
Financial Services	Accounting/Finance - Miscellaneous	Contractors - Relief Staff	Transfer From - expenditure (negative amount)	(20,851)	Favourable		(20,851)
Financial Services	Accounting/Finance - Miscellaneous	Consultants - LGA Consultants	Addition to expenditure (positive amount)	12,000	Unfavourable		12,000
Financial Services	Accounting/Finance - Miscellaneous	Consultants - Other	Transfer To - expenditure (positive amount)	20,851	Unfavourable		20,851
Information Technology	Info Tech - Soft/Hardware Agreements	Software - Annual Licence Fees	Addition to expenditure (positive amount)	50,000	Unfavourable		50,000
Information Technology	Info Tech - Soft/Hardware Agreements	Software - Purchase Licence Fee	Reduction to expenditure	(50,000)	Favourable		(50,000)
Information Technology	Info Tech - Maint Links Between Offices	Internal Communications Expenses	Reduction to expenditure	(25,000)	Favourable		(25,000)
Information Technology	Info Tech - Maint Links Between Offices	Internet Expenses	Addition to expenditure (positive amount)	25,000	Unfavourable		25,000
Information Technology	Info Tech - Administer Consultants	Consultants - Other	Addition to expenditure	10,000	Unfavourable		10,000
Information Technology	Info Tech - Cloud Solutions	Consultants - Other	Reduction to expenditure	(10,000)	Favourable		(10,000)
Library Services	Library - Adult Digital Literacy	Direct Purchases - Other	Addition to expenditure (positive amount)	9,975	Unfavourable		9,975
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Contractors - Other Services	Addition to expenditure	30,000	Unfavourable		30,000
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Consultants - Other	Addition to expenditure	9,500	Unfavourable		9,500
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Operating Lease Payments - Other	Reduction to expenditure (negative amount)	(5,300)	Favourable		(5,300)
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Direct Purchases - Cleaning Supplies	Addition to expenditure	6,500	Unfavourable		6,500
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Direct Purchases - Other	Reduction to expenditure (negative amount)	(2,000)	Favourable		(2,000)
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Energy Costs - Electricity	Addition to expenditure (positive amount)	15,000	Unfavourable		15,000
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Energy Costs - Gas	Addition to expenditure (positive amount)	5,000	Unfavourable		5,000
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Bank Charges	Addition to expenditure (positive amount)	5,000	Unfavourable		5,000
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Advertising	Addition to expenditure (positive amount)	10,000	Unfavourable		10,000
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Fringe Benefits Tax Expenses	Addition to expenditure (positive amount)	400	Unfavourable		400
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Subscriptions/Memberships	Addition to expenditure (positive amount)	8,000	Unfavourable		8,000
Nuriootpa Centennial Park	Nuriootpa Caravan Park (NCPA)	Other Misc. Expenses - Sundry	Addition to expenditure (positive amount)	1,000	Unfavourable		1,000
Nuriootpa Centennial Park	Coulthard Reserve (NCPA)	Operating Lease Payments - Other	Reduction to expenditure (negative amount)	(50)	Favourable		(50)

Department	Description	Income/Expenditure Account	Type of Adjustment	2022/23 Adjustment Quarter	Favourable/ Unfavourable	Reserve Transfer	Net
Operating Adjustments							
Nuriootpa Centennial Park	Nuriootpa Sports Centre (NCPA)	Subscriptions/Memberships	Addition to expenditure (positive amount)	3,000	Unfavourable		3,000
Building Services	Assesment and Advice - Building	Consultants - Bldg Surveyor	Transfer To - expenditure (positiv	15,000	Unfavourable		15,000
Health Services	Assessment and Advice - Health	Staff Training - Seminar/Conference Fees	Transfer To - expenditure (positiv	1,000	Unfavourable		1,000
Health Services	Assessment and Advice - Health	Subscriptions/Memberships	Transfer From - expenditure (neg	(1,000)	Favourable		(1,000)
Planning Services	Assessment and Advice- Planning	Contractors - Relief Staff	Transfer To - expenditure (positiv	10,000	Unfavourable		10,000
Planning Services	Assessment and Advice- Planning	Direct Purchases - Safety Equip or Clothing	Addition to expenditure (positive	500	Unfavourable		500
Planning Services	Assessment and Advice- Planning	Direct Purchases - Other	Reduction to expenditure (negative amount)	(500)	Favourable		(500)
Planning Services	Assessment Panel	Advertising	Addition to expenditure (positive amount)	1,201	Unfavourable		1,201
Planning Services	Assessment Panel	Staff Training - Seminar/Conference Fees	Reduction to expenditure (negative amount)	(1,201)	Favourable		(1,201)
Office of the Mayor and CEO	Regional Development - Miscellaneous	Contributions - Regional Development Australia (RDA)	Transfer From - expenditure (negative amount)	(25,000)	Favourable		(25,000)
Office of the Mayor and CEO	Regional Development - Miscellaneous	Contributions - Other	Transfer To - expenditure (positive amount)	25,000	Unfavourable		25,000
Office of the Mayor and CEO	Office of the Mayor and CEO	Mobile Phone Expenses	Addition to expenditure (positive amount)	2,000	Unfavourable		2,000
Office of the Mayor and CEO	Office of the Mayor and CEO	Legal Fees	Addition to expenditure (positive amount)	8,000	Unfavourable		8,000
Office of the Mayor and CEO	Council Meeting - Attend/support	Contractors - Other Services	Transfer From - expenditure (negative amount)	(1,000)	Favourable		(1,000)
Office of the Mayor and CEO	Council Meeting - Attend/support	Other Misc. Expenses - Sundry	Transfer To - expenditure (positive amount)	1,000	Unfavourable		1,000
Organisational Development	People and Culture Development	Contractors - Plant/Machinery Servicing	Addition to expenditure (positive amount)	1,000	Unfavourable		1,000
Works Administration	Streetlighting	Energy Costs - Electricity	Addition to expenditure (positive amount)	61,025	Unfavourable		61,025
Works Operating	Machine/Vehicle/Equip - Other	Inventory issues (Fuel)	Addition to expenditure (positive amount)	170,730	Unfavourable		170,730
Works Operating	Parks & Gardens Services	Contractors - Lawn Mowing/Grass slashing	Transfer From - expenditure (negative amount)	(11,773)	Favourable		(11,773)
Works Operating	Unsealed Roads - Maintenance/Repair	Inventory issues (Fuel)	Addition to expenditure (positive amount)	12,000	Unfavourable		12,000
Barossa Bushgardens	Bushgardens:Nursery Expenditure	Direct Purchases - Stationery	Reduction to expenditure (negative amount)	(200)	Favourable		(200)
Barossa Bushgardens	Bushgardens:Nursery Expenditure	Direct Purchases - Irrigation supplies	Addition to expenditure (positive amount)	200	Unfavourable		200
Barossa Bushgardens	Bushgardens:Nursery Expenditure	Direct Purchases - Mulch/Loam	Reduction to expenditure (negative amount)	(2,500)	Favourable		(2,500)
Barossa Bushgardens	Bushgardens:Nursery Expenditure	Direct Purchases- Plants/Shrubs	Addition to expenditure (positive amount)	2,500	Unfavourable		2,500
Barossa Bushgardens	Bushgardens: Site expenditure	Contractors - Plant/Machinery Servicing	Addition to expenditure (positive amount)	1,700	Unfavourable		1,700
Barossa Bushgardens	Bushgardens: Site expenditure	Contractors - Other Services	Reduction to expenditure (negative amount)	(2,500)	Favourable		(2,500)
Barossa Bushgardens	Bushgardens: Site expenditure	Direct Purchases - Canteen Purchases	Addition to expenditure (positive amount)	500	Unfavourable		500
Barossa Bushgardens	Bushgardens: Site expenditure	Direct Purchases - Assets < $5,000	Reduction to expenditure (negative amount)	(700)	Favourable		(700)

Department	Description	Income/Expenditure Account	Type of Adjustment	2022/23 Adjustment Quarter	Favourable/ Unfavourable	Reserve Transfer	Net
Operating Adjustments							
Barossa Bushgardens	Bushgardens: Site expenditure	Direct Purchases - Loose tools	Addition to expenditure (positive amount)	300	Unfavourable		300
Barossa Bushgardens	Bushgardens: Site expenditure	Direct Purchases - Other	Addition to expenditure (positive amount)	900	Unfavourable		900
Barossa Bushgardens	Bushgardens: Site expenditure	Energy Costs - Fuel & Lubricants	Addition to expenditure (positive amount)	700	Unfavourable		700
Barossa Bushgardens	Bushgardens Green Adelaide Funding Program	Printing	Addition to expenditure (positive amount)	1,311	Unfavourable		1,311
Barossa Bushgardens	Bushgardens Green Adelaide Funding Program	Wireless Broadband	Addition to expenditure (positive amount)	570	Unfavourable		570
Elected Members	Other Benefits - Cr De Vries	Operating Lease Payments - Computer Equi	Addition to expenditure (positive amount)	351	Unfavourable		351
Elected Members	Other Benefits - Cr De Vries	Software - Annual Licence Fees	Addition to expenditure (positive amount)	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr De Vries	Direct Purchases - Other	Addition to expenditure (positive amount)	125	Unfavourable		125
Elected Members	Other Benefits - Cr De Vries	Wireless Broadband	Reduction to expenditure (negative amount)	(120)	Favourable		(120)
Elected Members	Other Benefits - Cr De Vries	Elected Members - Councillor Allowances	Addition to expenditure (positive amount)	4,777	Unfavourable		4,777
Elected Members	Other Benefits - Cr Hurn	Operating Lease Payments - Computer Equi	Addition to expenditure (positive amount)	351	Unfavourable		351
Elected Members	Other Benefits - Cr Hurn	Software - Annual Licence Fees	Addition to expenditure (positive amount)	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Hurn	Direct Purchases - Other	Addition to expenditure (positive amount)	125	Unfavourable		125
Elected Members	Other Benefits - Cr Hurn	Wireless Broadband	Reduction to expenditure (negative amount)	(120)	Favourable		(120)
Elected Members	Other Benefits - Cr Hurn	Elected Members - Councillor Allowances	Addition to expenditure (positive amount)	56	Unfavourable		56
Elected Members	Other Benefits - Cr Angas	Operating Lease Payments - Computer Equi	Addition to expenditure (positive amount)	351	Unfavourable		351
Elected Members	Other Benefits - Cr Angas	Software - Annual Licence Fees	Addition to expenditure (positive amount)	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Angas	Direct Purchases - Other	Addition to expenditure (positive amount)	125	Unfavourable		125
Elected Members	Other Benefits - Cr Angas	Wireless Broadband	Reduction to expenditure (negative amount)	(120)	Favourable		(120)
Elected Members	Other Benefits - Cr Angas	Elected Members - Councillor Allowances	Addition to expenditure (positive amount)	56	Unfavourable		56
Elected Members	Other Benefits - Cr Miller	Operating Lease Payments - Computer Equi	Reduction to expenditure (negative amount)	(432)	Favourable		(432)
Elected Members	Other Benefits - Cr Miller	Wireless Broadband	Reduction to expenditure (negative amount)	(240)	Favourable		(240)
Elected Members	Other Benefits - Cr Miller	Elected Members - Councillor Allowances	Reduction to expenditure (negative amount)	(18,828)	Favourable		(18,828)
Elected Members	Other Benefits - Cr Boothby	Operating Lease Payments - Computer Equi	Reduction to expenditure (negative amount)	(207)	Favourable		(207)
Elected Members	Other Benefits - Cr Boothby	Wireless Broadband	Addition to expenditure (positive amount)	56	Unfavourable		56
Elected Members	Other Benefits - Cr Boothby	Elected Members - Councillor Allowances	Reduction to expenditure (negative amount)	(11,871)	Favourable		(11,871)
Elected Members	Other Benefits - Mayor Lange	Operating Lease Payments - Computer Equi	Addition to expenditure (positive amount)	351	Unfavourable		351
Elected Members	Other Benefits - Mayor Lange	Software - Annual Licence Fees	Addition to expenditure (positive amount)	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Mayor Lange	Direct Purchases - Other	Addition to expenditure (positive amount)	125	Unfavourable		125
Elected Members	Other Benefits - Mayor Lange	Wireless Broadband	Reduction to expenditure (negative amount)	(120)	Favourable		(120)
Elected Members	Other Benefits - Mayor Lange	Elected Members - Councillor Allowances	Addition to expenditure (positive amount)	226	Unfavourable		226
Elected Members	Other Benefits - Cr Barrett	Operating Lease Payments - Computer Equi	Addition to expenditure (positive amount)	351	Unfavourable		351
Elected Members	Other Benefits - Cr Barrett	Software - Annual Licence Fees	Addition to expenditure (positive amount)	1,694	Unfavourable		1,694

Attachment 1

Department	Description	Income/Expenditure Account	Type of Adjustment	2022/23 Adjustment Quarter	Favourable/ Unfavourable	Reserve Transfer	Net
Operating Adjustments							
Elected Members	Other Benefits - Cr Barrett	Direct Purchases - Other	Addition to expenditure (positive amount)	125	Unfavourable		125
Elected Members	Other Benefits - Cr Barrett	Wireless Broadband	Reduction to expenditure (negative amount)	(120)	Favourable		(120)
Elected Members	Other Benefits - Cr Barrett	Elected Members - Councillor Allowances	Addition to income (negative amount)	56	Unfavourable		56
Elected Members	Other Benefits - Cr Barrett	Elected Members - Mileage Reimbursements	Reduction to expenditure (negative amount)	(1,000)	Favourable		(1,000)
Elected Members	Other Benefits - Cr Barrett	Elected Members - Travel Time Allowance	Reduction to expenditure (negative amount)	(9)	Favourable		(9)
Elected Members	Other Benefits - Cr Haebich	Operating Lease Payments - Computer Equi	Reduction to expenditure	(207)	Favourable		(207)
Elected Members	Other Benefits - Cr Haebich	Telephone	Reduction to expenditure	(315)	Favourable		(315)
Elected Members	Other Benefits - Cr Haebich	Wireless Broadband	Reduction to expenditure	(167)	Favourable		(167)
Elected Members	Other Benefits - Cr Haebich	Elected Members - Councillor Allowances	Reduction to expenditure	(11,870)	Favourable		(11,870)
Elected Members	Other Benefits - Cr Haebich	Elected Members - Mileage Reimbursements	Reduction to expenditure	(193)	Favourable		(193)
Elected Members	Other Benefits - Cr Johnstone	Operating Lease Payments - Computer Equi	Reduction to expenditure	(207)	Favourable		(207)
Elected Members	Other Benefits - Cr Johnstone	Wireless Broadband	Reduction to expenditure	(129)	Favourable		(129)
Elected Members	Other Benefits - Cr Johnstone	Elected Members - Councillor Allowances	Reduction to expenditure	(14,837)	Favourable		(14,837)
Elected Members	Other Benefits - Cr Johnstone	Elected Members - Mileage Reimbursements	Reduction to expenditure	(2,000)	Favourable		(2,000)
Elected Members	Other Benefits - Cr Schilling	Operating Lease Payments - Computer Equi	Addition to expenditure	351	Unfavourable		351
Elected Members	Other Benefits - Cr Schilling	Software - Annual Licence Fees	Addition to expenditure	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Schilling	Direct Purchases - Other	Addition to expenditure	125	Unfavourable		125
Elected Members	Other Benefits - Cr Schilling	Mobile Phone Expenses	Reduction to expenditure	(298)	Favourable		(298)
Elected Members	Other Benefits - Cr Schilling	Wireless Broadband	Reduction to expenditure	(120)	Favourable		(120)
Elected Members	Other Benefits - Cr Schilling	Elected Members - Councillor Allowances	Addition to expenditure	56	Unfavourable		56
Elected Members	Other Benefits - Cr Troup	Operating Lease Payments - Computer Equi	Addition to expenditure	126	Unfavourable		126
Elected Members	Other Benefits - Cr Troup	Software - Annual Licence Fees	Addition to expenditure	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Troup	Direct Purchases - Other	Addition to expenditure	125	Unfavourable		125
Elected Members	Other Benefits - Cr Troup	Mobile Phone Expenses	Reduction to expenditure	(480)	Favourable		(480)
Elected Members	Other Benefits - Cr Troup	Wireless Broadband	Reduction to expenditure	(120)	Favourable		(120)
Elected Members	Other Benefits - Cr Troup	Elected Members - Councillor Allowances	Addition to expenditure	56	Unfavourable		56
Elected Members	Other Benefits - Cr Weise-Smith	Operating Lease Payments - Computer Equi	Reduction to expenditure	(207)	Favourable		(207)
Elected Members	Other Benefits - Cr Weise-Smith	Wireless Broadband	Reduction to expenditure	(89)	Favourable		(89)
Elected Members	Other Benefits - Cr Weise-Smith	Elected Members - Councillor Allowances	Reduction to expenditure	(11,871)	Favourable		(11,871)
Elected Members	Other Benefits - Cr Greatwich	Operating Lease Payments - Computer Equi	Addition to expenditure	558	Unfavourable		558
Elected Members	Other Benefits - Cr Greatwich	Software - Annual Licence Fees	Addition to expenditure	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Greatwich	Direct Purchases - Other	Addition to expenditure	125	Unfavourable		125
Elected Members	Other Benefits - Cr Greatwich	Telephone	Addition to expenditure	240	Unfavourable		240
Elected Members	Other Benefits - Cr Greatwich	Wireless Broadband	Addition to expenditure	40	Unfavourable		40
Elected Members	Other Benefits - Cr Greatwich	Elected Members - Councillor Allowances	Addition to expenditure	11,927	Unfavourable		11,927
Elected Members	Other Benefits - Cr Lane	Operating Lease Payments - Computer Equi	Addition to expenditure	558	Unfavourable		558
Elected Members	Other Benefits - Cr Lane	Software - Annual Licence Fees	Addition to expenditure	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Lane	Direct Purchases - Other	Addition to expenditure	125	Unfavourable		125

Department	Description	Income/Expenditure Account	Type of Adjustment	2022/23 Adjustment Quarter	Favourable/ Unfavourable	Reserve Transfer	Net
Operating Adjustments							
Elected Members	Other Benefits - Cr Lane	Wireless Broadband	Addition to expenditure	40	Unfavourable		40
Elected Members	Other Benefits - Cr Lane	Elected Members - Councillor Allowances	Addition to expenditure	11,927	Unfavourable		11,927
Elected Members	Other Benefits - Cr Thompson	Operating Lease Payments - Computer Equi	Addition to expenditure	558	Unfavourable		558
Elected Members	Other Benefits - Cr Thompson	Software - Annual Licence Fees	Addition to expenditure	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Thompson	Direct Purchases - Other	Addition to expenditure	125	Unfavourable		125
Elected Members	Other Benefits - Cr Thompson	Telephone	Addition to expenditure	240	Unfavourable		240
Elected Members	Other Benefits - Cr Thompson	Wireless Broadband	Addition to expenditure	40	Unfavourable		40
Elected Members	Other Benefits - Cr Thompson	Elected Members - Councillor Allowances	Addition to expenditure	11,927	Unfavourable		11,927
Elected Members	Other Benefits - Cr Evans	Operating Lease Payments - Computer Equi	Addition to expenditure	558	Unfavourable		558
Elected Members	Other Benefits - Cr Evans	Software - Annual Licence Fees	Addition to expenditure	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Evans	Direct Purchases - Other	Addition to expenditure	125	Unfavourable		125
Elected Members	Other Benefits - Cr Evans	Telephone	Addition to expenditure	240	Unfavourable		240
Elected Members	Other Benefits - Cr Evans	Wireless Broadband	Addition to expenditure	40	Unfavourable		40
Elected Members	Other Benefits - Cr Evans	Elected Members - Councillor Allowances	Addition to expenditure	11,927	Unfavourable		11,927
Elected Members	Other Benefits - Cr Preece	Operating Lease Payments - Computer Equi	Addition to expenditure	558	Unfavourable		558
Elected Members	Other Benefits - Cr Preece	Software - Annual Licence Fees	Addition to expenditure	1,694	Unfavourable		1,694
Elected Members	Other Benefits - Cr Preece	Direct Purchases - Other	Addition to expenditure	125	Unfavourable		125
Elected Members	Other Benefits - Cr Preece	Wireless Broadband	Addition to expenditure	40	Unfavourable		40
Elected Members	Other Benefits - Cr Preece	Elected Members - Councillor Allowances	Addition to expenditure	11,927	Unfavourable		11,927
Works Engineering/CWMS	CWMS Motor Vehicles	Inventory issues (Fuel)	Addition to expenditure	5,700	Unfavourable		5,700
Barossa Visitor Centre	Tourism Services	Contributions - Other	Addition to expenditure	3,553	Unfavourable		3,553
Materials, Contract and Other Expenses			***Note 9***	***553,749***		***0***	***553,749***
Depreciation, Amortisation and Impairment			***Note 10***	***0***		***0***	***0***
Finance Costs			***Note 11***	***0***		***0***	***0***
NET TOTAL - Operating Adjustments				***2,239***		***0***	***(1,112,761)***

Department	Asset	Description	Income/Expenditure Account	Reason for Budget Adjustment	Type of Adjustment	2022/23 Adjustment Quarter 2	Favourable/ Unfavourabl	Reserve Transf	Net
Capital Expenditure on Renewal and Replacement of existing assets									
Nuriootpa Centennial Park	NCPA- Amenities facilities	Capital Exp-Nuriootpa Caravan Park	Capital Expenditure Structures - Contrac	As per NCPA revised expenses	Addition to expenditure (positive amount)	30,000	Unfavourable		30,000
Library Services	LIBRARY & BRANCH OFFICE, MOUNT PLEASANT	Capital Exp-Libraries	Capital Expenditure Bldgs - Contractors	Transfer from 841 to correct cost centre and nat acc	Transfer To - expenditure (positive amount)	23,000	Unfavourable		23,000
Library Services	LIBRARY & BRANCH OFFICE, MOUNT PLEASANT	Capital Exp-Libraries	Cap Exp Equipment - Contractors	Transfer from 841 to correct cost centre and nat acc	Transfer To - expenditure (positive amount)	5,376	Unfavourable		5,376
Library Services	LIBRARY & BRANCH OFFICE, MOUNT PLEASANT	Capital Exp-Libraries	Cap Exp Furn & Fitt - Contractors	Transfer from 841 to corecct cost centre and nat acc	Transfer To - expenditure (positive amount)	25,000	Unfavourable		25,000
Offices and Community Facilities	LIBRARY & BRANCH OFFICE, MOUNT PLEASANT	Capital Exp-Misc Community properties	Capital Expenditure - CITB Levy	Transfer to CC 807 and correct Nat Acc's	Transfer From - expenditure (negative amount)	(53,376)	Favourable		(53,376)
Offices and Community Facilities	Nuriootpa Office/Library	Capital Exp-Misc properties	Capital Expenditure Bldgs - Contractors	Transfer funds allocated to Foyer upgrade to correct asset.	Transfer From - expenditure (negative amount)	(140,480)	Favourable		(140,480)
Works Capital - Road Seal	ROAD SEAL,RESEARCH RD,TANUNDA	Capital Exp - Road resealing	Capital Expend Structures - Wages (Normal)	transfered from asset 314743	Transfer To - expenditure (positive amount)	391,990	Unfavourable		391,990
Works Capital - Road Seal	Road Seal - Research Road Nuriootpa	Capital Exp - Road resealing	Capital Expenditure Structures - Contrac	transfer to asset 306658	Transfer From - expenditure (negative amount)	(391,990)	Favourable		(391,990)
Works Capital Bridges	Bridge - Smyth Road Tanunda	Capital Exp-Bridges	Capital Expenditure Structures - Contrac	As per Council meeting 24 Jan. $20 K to 314441 and $30k to 312690	Transfer From - expenditure (negative amount)	(50,000)	Favourable		(50,000)
Offices and Community Facilities	Misc Buildings Renewal	Capital Exp-Misc Community properties	Capital Expenditure Bldgs - Contractors	Transfer funds allocated to Foyer upgrade to correct asset.	Transfer From - expenditure (negative amount)	(140,705)	Favourable		(140,705)
Offices and Community Facilities	Tennis Courts Budget - to be reallocated to projects	Capital Exp-Misc Community properties	Capital Expenditure Structures - Contrac	Unspent not c/f from 21/22	Addition to expenditure (positive amount)	150,000	Unfavourable		150,000
Capital Expenditure on Renewal and Replacement of Existing Assets					***Note 12***	**(151,185)**		**0**	**(151,185)**
Asset Sales adjustments/Capital Income									
									0
Proceeds from Sale of Replaced Assets					***Note 13***	**0**		**0**	**0**
NET TOTAL - Asset Renewal/Replacement Adjustments						**(151,185)**		**0**	**(151,185)**

Department	Asset	Description	Income/Expenditure Account	Reason for Budget Adjustment	Type of Adjustment	2022/23 Adjustment Quarter 2	Favourable/ Unfavourable	Reserve Transfer	Net
Capital Expenditure on New and Upgraded assets									
Works Capital Stormwater	Road Drain - Elizabeth Street Tanunda	Capital Exp-S/W Drainage	Capital Expenditure Structures - Contrac	As per Council meeting 24 Jan	Transfer To - expenditure (positive amount)	30,000	Unfavourable		30,000
Works Capital - Road Seal	ROAD PAVE, R ROGERS ROAD, EDEN VALLEY	Capital Exp - Road resealing	Capital Expenditure Structures - Contrac	As per Council meeting 24 Jan	Transfer To - expenditure (positive amount)	20,000	Unfavourable		20,000
Works Capital Stormwater	Drainage Maria Street Open Channel	Capital Exp-S/W Drainage	Capital Expenditure Structures - Contrac	Correct Natural account	Transfer To - expenditure (positive amount)	50,000	Unfavourable		50,000
Works Capital Stormwater	Drainage Maria Street Open Channel	Capital Exp-S/W Drainage	Capital Exp - Salaries	to correct natural account	Transfer From - expenditure (negative amount)	(50,000)	Favourable		(50,000)
Information Technology	Asset Management System	Capital Exp-Computer Equipment	Capital Expenditure Equip - Materials	Approved Asset Management System implementation costs - approved by Council December 2022	Addition to expenditure	300,000	Unfavourable		300,000
Nuriootpa Centennial Park	NCPA - Multi-use Change Rooms	Capital Exp-Nuriootpa Recreation Park	Capital Expenditure Structures - Contrac	Final retention payment	Addition to expenditure	23,735	Unfavourable		23,735
Offices and Community Facilities	Nuriootpa Office Minor Building Improvements	Capital Exp-Misc properties	Capital Expenditure Bldgs - Contractors	Transfer funds allocated to Foyer upgrade to correct asset.	Transfer To - expenditure	281,185	Unfavourable		281,185
Offices and Community Facilities	Tanunda Recreation Park Junior Sports Field	Capital Exp-Tanunda Rec Park	Capital Expenditure Structures - Contrac	Escalation costs post tender/contract award and latent conditions $250k from Q1. $11165 Q2 appro	Addition to expenditure	261,165	Unfavourable		261,165
Offices and Community Facilities	Tanunda Recreation Park Change/Club Rooms	Capital Exp-Tanunda Rec Park	Capital Expenditure Structures - Contrac	As per approval	Addition to expenditure	1,896,645	Unfavourable		1,896,645
Offices and Community Facilities	Lyndoch Recreation Park Change/Club Rooms	Capital Exp-Lyndoch Rec Park	Capital Expenditure Structures - Contrac	Now programmed for 23-24 will be re-established with revised costs and grants as part of budget processes.	Reduction to expenditure	(2,500,000)	Favourable		(2,500,000)
Sec 41 Committees - Gallery	Creative Industries Centre - The Big Project	Capital Exp-Barossa Regional Gallery	Capital Expenditure Structures - Contrac	Future timing to be determined by grant possibilities and Council decisions	Reduction to expenditure	(4,987,865)	Favourable		(4,987,865)
Works Capital	Mower 1 – Oval Reel Mower	Capital Exp-Depot Vehicles	Capital Expenditure Equip - Materials	Amendment to plant purchased for mowing program	Transfer To - expenditure	30,000	Unfavourable		30,000
Works Capital	Mower 4 – Small Zero Turn Mower	Capital Exp-Depot Vehicles	Capital Expenditure Equip - Materials	$103500 - Adjustment to Q1 Council Report.	Addition to expenditure	103,500	Unfavourable		103,500
Works Capital	Mower 4 – Small Zero Turn Mower	Capital Exp-Depot Vehicles	Capital Expenditure Equip - Materials	$25K trf to 608854 $30K transfer to 608847	Transfer From - expenditure	(55,000)	Favourable		(55,000)
Works Capital	Mower Decks	Capital Exp-Depot Vehicles	Capital Expenditure Equip - Materials	Transfer of deck from mower to create own asset	Transfer To - expenditure	25,000	Unfavourable		25,000
									0
Capital Expenditure on New and Upgraded Assets					***Note 14***	**(4,571,635)**		**0**	**(4,571,635)**
Amounts received specifically for New and Upgraded Assets/Profit and loss for asset disposal									
Works Ovals and Open Space		The Big Project - Phase 1 Implementation	Capital Grant - Other	removal of grant- programmed for 23-24	Reduction to income (positive amount)	1,771,000	Unfavourable		1,771,000
Works Ovals and Open Space		Lyndoch Recreation Park – Change/Club Rooms	Capital Grant - Other	removal of grant funding, now programmed for 23/24	Reduction to income (positive amount)	1,000,000	Unfavourable		1,000,000
									0
Amounts Received Specifically for New and Upgraded Assets					***Note 15***	**2,771,000**		**0**	**2,771,000**
Asset Sales adjustments									
									0
Asset Disposal and Fair Value Adjustments					***Note 16***	**0**		**0**	**0**
NET TOTAL - Asset New/Upgrade Adjustments						**(1,800,635)**		**0**	**(1,800,635)**
NET TOTAL - Capital Adjustments			***Note: for reconciliation purposes the report includes Approved Carried Forwards***			**(1,951,820)**		**0**	**(1,951,820)**

Statement of Comprehensive Income

for the year ending 30 June 2023

	Budget Adjustment Notes	Original Full Year Budget ($'000)	Actuals as at 31 Dec ($'000)	Full year Revised Budget in Last Update ($'000)	Correction Budget Adjustments Quarter 1 ($'000)	Budget Adjustments Quarter 2 ($'000)	*Proposed Full Year Revised Budget ($'000)
Income							
Rates	1	35,759	35,716	35,779		14	35,793
Statutory Charges	2	797	463	797			797
User Charges	3	3,200	1,405	3,207	(7)	554	3,754
Grants, Subsidies and Contributions	4	1,857	1,064	1,965	0		1,965
Investment Income	5	88	205	151		2	153
Reimbursements	6	61	29	61			61
Other Income	7	722	344	1,160	(180)	(1)	979
Net Gain – Joint Ventures and Associations		0		0			0
Total Revenues		42,484	39,226	43,120	(187)	569	43,502
Expenses							
Employee Costs	8	16,493	7,245	16,584	(27)	17	16,574
Materials, Contracts and Other Expenses	9	17,878	8,225	18,549	(290)	554	18,813
Depreciation, Amortisation and Impairment	10	9,159	4,580	9,159			9,159
Finance Costs	11	419	216	419			419
Net Loss – Joint Ventures and Associations		0		0			0
Total Expenses		43,949	20,266	44,711	(317)	571	44,965
Operating Surplus / (Deficit)		(1,465)	18,960	(1,591)	130	(2)	(1,463)
Physical Resources Received Free of Charge		0		0			0
Asset Disposal and Fair Value	16	(821)		(821)			(821)
Amounts Received Specifically for New or Upgraded Assets	15	7,251	3,314	9,998		(2,771)	7,227
Net Surplus / (Deficit)		4,965	22,274	7,586	130	(2,773)	4,943
Changes in revaluation surplus - infrastructure, property, plant and equipment		0	0	0	0	0	0
Infrastructure, property, plant and equipment Impairment (Expense)/Recoupments offset to Asset Revaluation Reserve		0	0	0	0	0	0
Total Other Comprehensive Income		0	0	0	0	0	0
Total Comprehensive Income		4,965	22,274	7,586	130	(2,773)	4,943

*Proposed Full Year Revised Budget is the Budget Update as at 31 December 2022, adopted by Council at the February 2023 meeting.

Statement of Financial Position

as at 30 June 2023

	Original Full Year Budget ($'000)	Budget Adjustments Quarter 2 includes correction R1 ($'000)	Proposed Full Year Revised Budget ($'000)
Assets			
Current Assets			
Cash and Cash Equivalents	88	2,080	5,026
Trade and Other Receivables	2,463		2,698
Other Financial Assets	0		0
Inventories	218		391
Subtotal	2,769	2,080	8,115
Non-Current Assets Held for Sale	0		0
Total Current Assets	2,769	2,080	8,115
Non-current Assets			
Financial Assets	1,358		1,363
Equity Accounted Investments in Council Businesses	2,286		2,281
Infrastructure, Property, Plant and Equipment	438,860	(4,723)	421,566
Other Non-Current Assets	0		6,103
Total Non-current Assets	442,504	(4,723)	431,313
Total Assets	445,273	(2,643)	439,428
Liabilities			
Current Liabilities			
Trade and Other payables	4,589	0	2,643
Borrowings	8,356		8,372
Provisions	2,521		2,911
Total Current Liabilities	15,466	0	13,926
Non-Current Liabilities			
Borrowings	15,701		15,732
Provisions	1,330		1,073
Total Non-current Liabilities	17,031	0	16,805
Total Liabilities	32,497	0	30,731
Net Assets	412,776	(2,643)	408,697
Equity			
Accumulated Surplus	104,602	(2,643)	104,619
Asset Revaluation Reserve	297,205		291,559
Other Reserves	10,969	0	12,519
Total Equity	412,776	(2,643)	408,697

Statement of Changes in Equity

as at 30 June 2023

	Accumulated Surplus ($'000)	Asset Revaluation Reserve ($'000)	Other Reserves ($'000)	Total Equity ($'000)
Original Budget				
Balance at end of previous reporting period 30 June 2023 (Original Budget 2022/23)	97,132	294,334	11,530	402,996
Restated opening balance (2021/22 Revised Budget)	98,176	293,269	12,430	403,875
Net Surplus / (Deficit) for year	4,965			4,965
Other Comprehensive Income	0	0	0	0
Gain on revaluation of infrastructure, property, plant and equipment	0	3,936	0	3,936
Transfer between reserves	1,461	0	(1,461)	0
Balance at the End of Period	104,602	297,205	10,969	412,776

For actual results for the Statement of Changes in Equity please refer to the General Purpose Financial Statements for the year ended 30 June 2023

	Accumulated Surplus ($'000)	Asset Revaluation Reserve ($'000)	Other Reserves ($'000)	Total Equity ($'000)
Proposed Full Year Revised Budget				
Balance at end of previous reporting period	97,132	294,334	11,530	402,996
Restated opening balance (2021/22 Financial Statements)	98,215	287,623	13,980	399,818
Net Surplus / (Deficit) for year	4,943			4,943
Other Comprehensive Income	0	0	0	0
Gain on revaluation of infrastructure, property, plant and equipment	0	3,936	0	3,936
Transfer between reserves	1,461	0	(1,461)	0
Balance at the End of Period	104,619	291,559	12,519	408,697

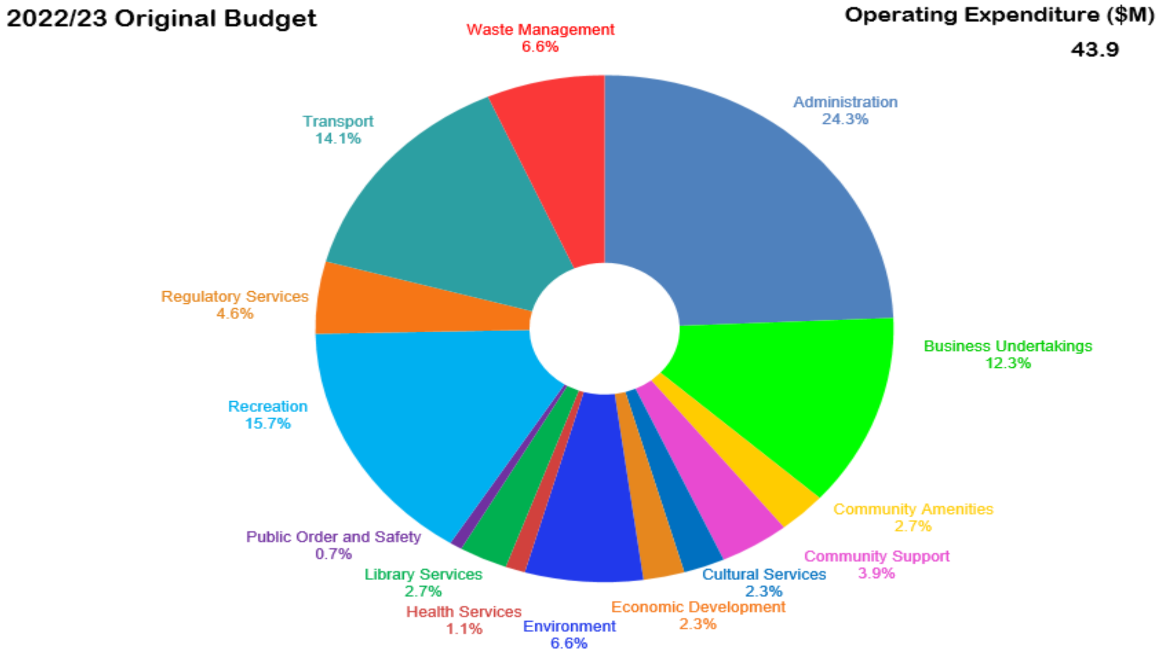
Statement of Cash Flows

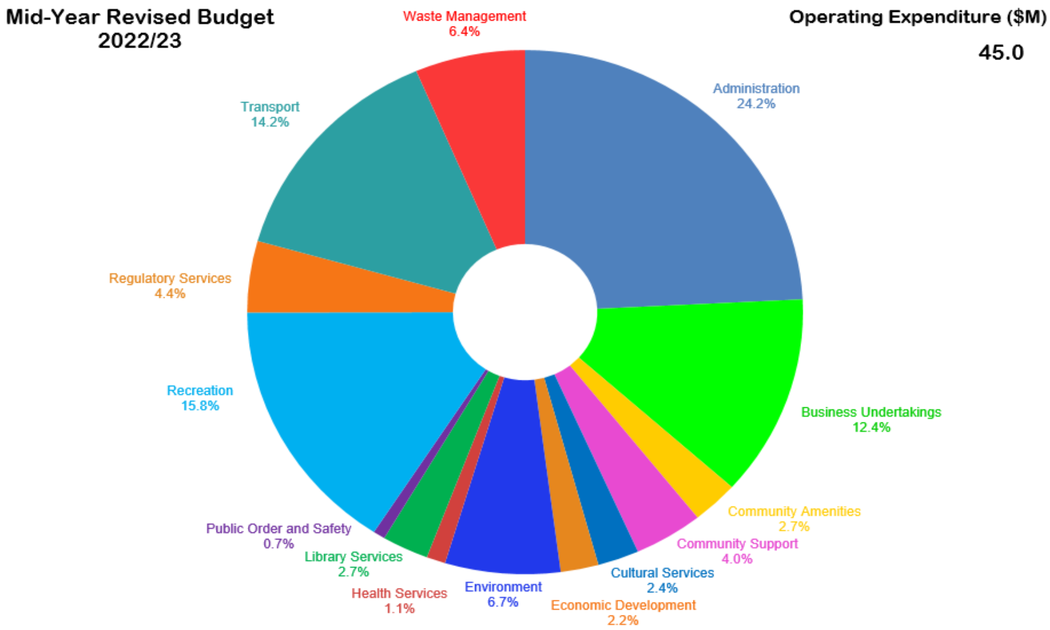
as at 30 June 2023

	Original Full Year Budget	Budget Adjustments Quarter 2 includes correction R1	Proposed Full Year Revised Budget
	($'000)	($'000)	($'000)
Cash Flows from Operating Activities			
Receipts			
Operating Receipts	42,396	380	43,349
Investment Receipts	88	2	153
Payments			
Operating payments to Suppliers and Employees	(34,371)	(254)	(35,387)
LandFill rehabilitation expense	0		0
Finance Payments	(419)	0	(419)
Net Cash Provided by (or Used in) Operating Activities	7,694	128	7,696
Cash Flows from Investing Activities			
Receipts			
Amounts Specifically for New or Upgraded Assets	5,604	(2,771)	2,752
Sale of Replaced Assets	411	0	586
Sale of Surplus Assets	0	0	0
Net Purchase of Investment Securities	0		0
Repayments of Loans by Community Groups	73		73
Payments			
Expenditure on Renewal / Replacement of Assets	(7,266)	151	(8,740)
Expenditure on New / Upgraded Assets	(27,131)	4,572	(26,641)
Net Purchase of Investment Securities	0		0
Loans made to Community Groups	(300)	0	(300)
Net Cash Provided by (or Used in) Investing Activities	(28,609)	1,952	(32,270)
Cash Flows from Financing Activities			
Receipts			
Loans Received	17,300		17,300
Proceeds from Bonds and Deposits	0		0
Finance Lease Funds	0		0
Proceeds from Internal Borrowings	1,450		1,450
Payments			
Repayments of Borrowings	(908)	0	(908)
Repayment of Bonds and Deposits	0		0
Repayment of Lease Liabilities	(56)		(56)
Repayment of Internal Borrowings	(1,450)		(1,450)
Net Cash Provided by (or Used in) Financing Activities	16,336	0	16,336
Net Increase / (Decrease) in Cash Held	(4,579)	2,080	(8,238)
Cash and Cash Equivalents at Beginning of Period	4,667		13,264
Cash and Cash Equivalents at End of Period	88	2,080	5,026

Functional Reporting Operating Expenditure

The following graphs show Budget operating expenditure for the 2022/23 year by the following functions: Administration, Business Undertakings, Community Amenities, Community Support, Cultural Services, Economic Development, Environment, Health Services, Library Services, Public Order and Safety, Recreation, Regulatory Services, Transport, Waste Management.





Attachment 1

Description	2022/23 Budget	Actuals as at 30 Dec	Full Year Revised Budget in Last Update	Budget Adjustments Quarter 2	Proposed Full Year Revised Budget
CORPORATE AND COMMUNITY SERVICES	**20,566,178**	**4,665,859**	**23,748,209**	**(4,898,870)**	**18,849,339**
Community Services - Community Transport	**55,000**	**29,139**	**83,000**	**0**	**83,000**
Community Transport Vehicles	55,000	29,139	83,000	0	83,000
Library Services	**86,161**	**5,873**	**86,161**	**0**	**86,161**
Library Books	86,161	5,873	86,161	0	86,161
Barossa Regional Gallery	**88,745**	**33**	**88,745**	**0**	**88,745**
Barossa Regional Gallery Air Conditioning (carried forward)	88,745	33	88,745	0	88,745
Offices and Community Facilities	**20,336,272**	**4,630,815**	**23,490,303**	**(4,898,870)**	**18,591,433**
The Big Project - Phase 1 Implementation - Buildings (subject to grant funding)	279,988	4,195	439,447	0	439,447
The Big Project - Phase 1 Implementation - Recreation (subject to grant funding)	310,000	6,631	450,393	0	450,393
Angaston Railway Precinct	0	163	0	0	0
Angas Recreation Park Clubrooms Canopy	0	165,479	166,014	0	166,014
Angas Recreation Park Multi Functional Clubrooms	0	428	48,909	0	48,909
Angas Recreation Park Tennis/Netball Courts (carried forward)	400,000	73,286	400,000	0	400,000
Angas Rec Park Stormwater	0	68	1,700	0	1,700
Angas Recreation Park Second Oval and Ancillary Works (carried forward)	0	97	279,989	0	279,989
Aquatic Swimming Pool, Kokoda Road	0	140,595	0	0	0
Barossa Culture Hub - The Big Project (carried forward)	4,987,865	1,603	4,987,865	(4,987,865)	0
Barossa Rugby Park - The Big Project (Infrastructure Projects Grant Programs) (part carried forward)	2,560,500	103,621	2,616,529	0	2,616,529
Curdnatta Recreation Park BBQ and Cricket Nets (part externally funded)	0	1,487	0	0	0
Depot Office and Workshop, Williamstown	0	825	11,849	0	11,849
Irrigation Equipment Tanunda Rec Park	0	53,804	146,083	0	146,083
Library & Branch Office, Mount Pleasant	0	5,042	53,376	0	53,376
Lyndoch Rec Park Change/Clubrooms	2,500,000	20,936	2,528,083	(2,500,000)	28,083
Nuriootpa Office Minor Building Improvements	0	23,481	23,752	281,185	304,937
Nuriootpa Soccer Clubrooms (carried forward)	1,533,104	61,661	1,837,822	0	1,837,822
Nuriootpa Soccer Civil Infrastructure (carried forward)	30,000	500,999	184,095	0	184,095
Nuriootpa Soccer Infrastructure Pitches (carried forward)	300,000	616,724	894,447	0	894,447
Nuriootpa Swimming Pool	0	113	0	0	0
Rex Water Heaters	186,000	0	186,000	0	186,000
Stockwell Park BMX Track	0	0	0	0	0
Stockwell Park Fitness Infrastructure	0	6,364	0	0	0
Stockwell Park Civil Works/Signage/Landscaping	0	29,895	36,725	0	36,725
Stockwell Park Trail	0	4,523	0	0	0
Talunga Caravan Park Facilities (carried forward)	2,230,109	647,998	2,705,507	0	2,705,507
Tanunda Recreation Park Junior Sports Field (part carried forward - Infrastructure Projects Grant Programs)	473,970	389,003	473,970	261,165	735,135
Tanunda Recreation Park - Oval Widening	378,100	195,624	378,100	0	378,100
Tanunda Recreation Park Playground (Open Space and Places for People Grant Funding) (carried forward)	592,246	651,984	727,493	0	727,493
Tanunda Recreation Park Cricket Nets (Infrastructure Projects Grant Programs)(carried forward)	125,890	94,397	125,890	0	125,890
Tanunda Rec Park Change/Club Rooms	3,448,500	796,145	3,751,350	1,896,645	5,647,995
Upgrade Lighting Lyndoch Rec Park	0	128	0	0	0
Tanunda Recreation Park - Show Hall Upgrade Retention (carried forward)	0	2,992	34,915	0	34,915
RSL Hall, Mount Pleasant	0	30,514	0	0	0
Various tennis/netball courts as per Court audit report July 2019 (expected 40% grants/contributions)	0		0	150,000	150,000
Williamstown Queen Victoria Jubilee Park - The Big Project	0	7	0	0	0
DEVELOPMENT AND ENVIRONMENTAL SERVICES	**33,079**	**29,724**	**33,079**	**0**	**33,079**
Barossa Bushgardens	**33,079**	**29,724**	**33,079**	**0**	**33,079**
Provision of Airconditioning at Barossa Bushgardens	33,079	29,724	33,079	0	33,079
EXECUTIVE SERVICES	**515,049**	**143,150**	**866,007**	**300,000**	**1,166,007**
Office and Community Facilities	**515,049**	**143,150**	**866,007**	**300,000**	**1,166,007**
Asset Management System	0	0	0	300,000	300,000
Audio Visual System Council Chamber	130,000	137,987	137,000	0	137,000
Continuous Improvement program	323,946	364	149,404	0	149,404

Capital Program 2022/23 (Continued)					
Description	**2022/23 Budget**	**Actuals as at 30 Dec**	**Full Year Revised Budget in Last Update**	**Budget Adjustments Quarter 2**	**Proposed Full Year Revised Budget**
Finance Budgeting Software (carried forward)	61,103	0	61,103	0	61,103
Intranet	0	0	100,000	0	100,000
Mobile Phone Fleet	0	0	50,000	0	50,000
Pathway System	0	4,800	148,500	0	148,500
Switching Technology	0	0	40,000	0	40,000
TechOne System	0	0	160,000	0	160,000
Website Development Project	0	0	20,000	0	20,000
NURIOOTPA CENTENNIAL PARK AUTHORITY	**20,000**	**23,735**	**213,445**	**53,735**	**267,180**
Cleaners Van	0	0	25,000	0	25,000
NCPA - Adventure Playground (carried forward)	0	0	168,445	0	168,445
NCPA - Amenities Facilities	0	0	0	30,000	30,000
NCPA - 'Internal Roadworks	20,000	0	20,000	0	20,000
NCPA - Multi-Use Change Rooms	0	23,735	0	23,735	23,735
WORKS AND ENGINEERING	**13,262,270**	**2,668,943**	**15,242,775**	**(177,685)**	**15,065,090**
Bridges	**1,188,133**	**55,236**	**858,133**	**(50,000)**	**808,133**
Footbridge, King Street North	28,133	778	43,133	0	43,133
Mangler Hill Road Angaston Safety Guardrails	40,000	36,474	40,000	0	40,000
Moculta Road Bridge - Design only (part carried forward)	720,000	14,731	390,000	0	390,000
Smyth Road Tanunda Bridge (part carried forward)	400,000	3,150	385,000	(50,000)	335,000
Stockwell Bridge widening (subject to grant funding)	0	103	0	0	0
Buildings	**450,000**	**95,247**	**924,724**	**(281,185)**	**643,539**
Access and inclusion works - Nuriootpa Oval	80,000	50,337	80,000	0	80,000
Building Renewal and Replacement	300,000	0	546,624	(140,705)	405,919
General office improvement allocation	70,000	43,847	195,480	(140,480)	55,000
Floodwall Equipment Storage Shed	0	750	0	0	0
Nuriootpa Office - LED Lighting Replacement	0	314	60,199	0	60,199
The Rex Barossa Aquatic and Fitness Centre - LED Lighting Replacement	0	0	42,421	0	42,421
Footpaths	**227,561**	**87,317**	**277,561**	**0**	**277,561**
Atze Park upgrade	35,000	5,237	35,000	0	35,000
College Street, Tanunda, footpath upgrade (NI)	85,630	76,771	85,630	0	85,630
Barossa Trail extension to Gawler (part grant funded $336,264 - PIRSA Re	0	1,756	50,000	0	50,000
Footpath Renewal Budget - Salaries	106,931	0	106,931	0	106,931
Kalimna Creek Reserve Nuriootpa	0	3,450	0	0	0
Saleyard Road Mount Pleasant	0	103	0	0	0
Motor Vehicles, Plant and Equipment	**933,015**	**428,300**	**1,929,315**	**103,500**	**2,032,815**
Backhoe	0	0	216,000	0	216,000
General Inspector Vehicle	37,500	0	37,500	0	37,500
Minor Plant	50,000	6,562	50,000	0	50,000
Motor Vehicles Renewal	445,515	176,731	608,315	0	608,315
Mower 1 – Oval Reel Mower	0	0	120,000	30,000	150,000
Mower 2 – Front deck open space mower	0	0	60,000	0	60,000
Mower 3 – Front deck open space mower	0	0	60,000	0	60,000
Mower 4 – Small zero turn mower	0	39,091	11,500	48,500	60,000
Mower Trailer 1	0	0	15,000	0	15,000
Mower Trailer 2	0	0	15,000	0	15,000
Mower Trailer 3	0	0	15,000	0	15,000
Mower Decks	0	0	0	25,000	25,000
Plant and Equipment	400,000	72,604	400,000	0	400,000
Plant Trailer	0	38,290	40,000	0	40,000
Turf Ute 1	0	0	40,000	0	40,000
Turf Ute 2	0	0	40,000	0	40,000
Turf Ute 3	0	0	40,000	0	40,000
Works Gardener 4.5T Truck	0	0	61,000	0	61,000
4.5 Tonne Truck	0	95,021	100,000	0	100,000
Parks and Gardens	**100,000**	**89,388**	**113,976**	**0**	**113,976**
Krieg Park BMX Track	0	34	13,976	0	13,976
Playground Equipment Renewal	70,000	89,171	70,000	0	70,000
Playground	30,000	0	30,000	0	30,000
Tanunda Recreation Park Oval Renewal	0	183	0	0	0
Road Resheeting	**1,089,655**	**65,726**	**1,175,655**	**0**	**1,175,655**
E Lorkes Road Springton	0	21,315	86,000	0	86,000
Resheet Program	1,039,655	44,411	1,039,655	0	1,039,655
Resheeting Budget Contingency	50,000	0	50,000	0	50,000

Attachment 1

Capital Program 2022/23 (Continued)					
Description	**2022/23 Budget**	**Actuals as at 30 Dec**	**Full Year Revised Budget in Last Update**	**Budget Adjustments Quarter 2**	**Proposed Full Year Revised Budget**
Road Resealing	**5,272,898**	**1,205,240**	**5,592,530**	**20,000**	**5,612,530**
Road Reseal Contingency	569,682	0	330,314	0	330,314
Goldfields Rd, Cockatoo Valley	438,227	38,083	438,227	0	438,227
Middleton Road Cockatoo Valley	0	0	41,000	0	41,000
Moculta Road Moculta	1,680,000	31,231	2,010,000	0	2,010,000
Research Road, Tanunda	0	2,018	0	391,990	391,990
Research Road, Nuriootpa	0	0	391,990	(391,990)	0
Road Reseal Program Budget (Spray and Asphalt)	1,893,000	1,114,853	1,689,010		1,689,010
R Rogers Road, Eden Valley	0	0	0	20,000	20,000
Valley Road, Angaston	80,868	0	80,868	0	80,868
Yaldara Drive, Lyndoch	611,121	19,056	611,121	0	611,121
Stormwater	**1,295,153**	**324,866**	**1,386,978**	**30,000**	**1,416,978**
Baird ST, Nuriootpa	25,000	8,597	25,000	0	25,000
Basedow Road Tanunda Drainage Upgrade	0	595	0	0	0
Basedow Creek Scour Protection	15,000	0	15,000	0	15,000
Calton Road to Hameister Court Drainage, Kalbeeba	368,740	0	368,740	0	368,740
Centenary Avenue Nuriootpa Flood Mitigation - Design only	0	34	0	0	0
Centenary Avenue, Kalimna Creek flood levee	25,000	0	25,000	0	25,000
Colonist Corner Williamstown Reserve Drainage Upgrade	0	0	0	0	0
Drainage Inlet Capacity Upgrade	50,000	11,473	0	0	0
Elizabeth Street Tanunda	30,000	5,190	30,000	30,000	60,000
Kalimna Road Nuriootpa	0	0	30,000	0	30,000
Kerb and Gutter Upgrades - critical K&G works to be completed as part of road re-seal programme	500,000	138,463	500,000	0	500,000
Maria Street Tanunda Drainage Swale	0	0	111,825	0	111,825
Murray ST, Nuriootpa	100,000	92,378	100,000	0	100,000
Old Talunga Park - Tennis Court / Men's Shed drainage	35,000	42,818	35,000	0	35,000
Project Management Salaries	76,413	0	76,413	0	76,413
Roendfeldt Street / Third Avenue / Homburg Street / Langmeil Road - Design Only	30,000	14,174	30,000	0	30,000
Yettie Road Williamstown	40,000	11,144	40,000	0	40,000
Community Wastewater Management System (CWMS)	**2,208,055**	**36,214**	**2,209,087**	**0**	**2,209,087**
CWMS Pipeline Radio Link Upgrade/Control Change (carried forward)	0	0	92,100	0	92,100
Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	65,000	17,483	65,000	0	65,000
Ford Pk Ranger XI, S056Ago, 4*4 Single Chassis	0	0	22,074	0	22,074
Lyndoch Bevalaqua pump Station Emergency Storage	350,000	14,352	350,000	0	350,000
Nuriootpa Waste Water Treatment Plant - upgrades/improvements	1,800,000	33,814	1,777,926	0	1,777,926
Stockwell Recreation Park - CWMS Irrigation	0	0	23,106	0	23,106
Williamstown Lagoon and Infrastructure	350,000	2,400	350,000	0	350,000
Vehicle New Operators Technical Support	58,055	0	58,055	0	58,055
Streetscaping	**82,800**	**249,575**	**245,642**	**0**	**245,642**
Mount Pleasant Streetscaping	0	123,564	58,000	0	58,000
Murray Street Angaston Streetscaping	0	103,737	104,842	0	104,842
Streetscaping - townships- unallocated	82,800	22,274	82,800	0	82,800
Grand Total (Notes 12 and 14)	**34,396,576**	**7,531,412**	**40,103,515**	**(4,722,820)**	**35,380,695**

Grants, Contributions and Asset Sales 2022/23					
Description	**2022/23 Budget**	**Actuals as at 31 Dec**	**Full Year Revised Budget in Last Update**	**Budget Adjustments Quarter 2**	**Proposed Full Year Revised Budget**
CORPORATE AND COMMUNITY SERVICES	**(4,718,000)**	**(2,645,308)**	**(6,559,865)**	**2,771,000**	**(3,788,865)**
The Big Project - Phase 1 Implementation Grant Funding	(1,771,000)	0	(1,771,000)	1,771,000	0
Barossa Rugby Development Contributions	(300,000)	0	(300,000)	0	(300,000)
Tanunda Rec Park Clubrooms/ Amenities Buildings	(1,149,500)	(1,343,050)	(1,343,050)	0	(1,343,050)
Lyndoch Recreation Park Change/Clubrooms (carried forward)	(1,000,000)	0	(1,000,000)	1,000,000	0
Angas Recreation Park Junior Oval/Recreation Landscaping Contributions	0	(330,000)	(350,000)	0	(350,000)
Tanunda Recreation Park - Contribution to Lighting/other	0	0	(88,000)	0	(88,000)
Talunga Caravan Park - Cabins & Amenities	0	(81,729)	(817,286)	0	(817,286)
Barossa Rugby Precinct Development Tanunda (Infrastructure Projects Grant Programs)	(497,500)	(890,529)	(890,529)	0	(890,529)
NURIOOTPA CENTENNIAL PARK AUTHORITY	**0**	**0**	**(270,344)**	**0**	**(270,344)**
Nuriootpa Artificial Soccer Pitch - Local Roads and Community Infrastructure Phase 2	0	0	(270,344)	0	(270,344)
WORKS AND ENGINEERING	**(2,944,321)**	**(787,785)**	**(3,754,036)**	**0**	**(3,754,036)**
Vehicle and Equipment Trade-in Sales Motor Vehicles/Plant	(411,369)	(118,089)	(586,318)	0	(586,318)
CWMS Developer Contributions	(50,000)	(95,964)	(50,000)	0	(50,000)
Contribution from LRC	0	0	(113,624)	0	(113,624)
Murray Street / Kalimna Road corner drainage upgrade	(10,000)	(10,000)	(10,000)	0	(10,000)
Open Space Developer Contributions	(142,736)	0	(142,736)	0	(142,736)
Barossa Trail extension to Gawler (PIRSA Regional Growth Fund Grant Funding)	0	0	(392,775)	0	(392,775)
Special Local Roads Program	(1,200,000)	0	(1,200,000)	0	(1,200,000)
Local Roads and Community Infrastructure	(1,130,216)	(563,732)	(1,130,216)	0	(1,130,216)
Stockwell Bridge widening (Bridges Renewal Round 5/ Local Government Land Transport Infrastructure Project)	0	0	(128,367)	0	(128,367)
Grand Total (Notes 13 and 15)	**(7,662,321)**	**(3,433,093)**	**(10,584,245)**	**2,771,000**	**(7,813,245)**

MATTERS FOR INFORMATION

2.3 AUDIT PLAN MARCH 2023 UPDATE

Author: Chief Executive Officer
23/10263

The 2022-23 Audit Plan update as of March 2023 is attached for information.

ATTACHMENTS
Attachment 1 Audit Plan Update ⇩

SUPPORTING REFERENCES
Nil

Attachment 1

The Barossa Council Audit Committee Work Plan 2022/23

(4 meetings each financial year - October, December, February, June)

Activity	Responsible Officer	Estimated Timing	Frequency	Current Status	Date Completed 2022/23	Comments
Financial Reporting						
Review and establish Audit Committee budget	Manager Financial Services	Meeting 3	Annually	Drafted		
Review draft Budget & LTFP - assumptions and indexation	Manager Financial Services	Meeting 3	Annually	In this agenda		
Review draft AB&BP document	Manager Financial Services	Meeting 4	Annually	Not due		
Review Treasury Management performance	Senior Accountant	Meeting 3	Annually	In this agenda		
Review Budget Update – Quarterly as at 31 March	Manager Financial Services	Meeting 4	Annually	Not due		
Review Budget Update – Quarterly as at 30 September	Manager Financial Services	Meeting 2	Annually	Completed		
Review Mid – year Budget Review – Quarterly as at 31 December	Manager Financial Services	Meerting 3	Annually	In this agenda		
Receive draft Financial Statements for last financial year - Council and Nuriootpa Centennial Park Authority including Auditor attendance	Manager Financial Services	Meeting 2	Annually	Completed		
Draft Report on Financial Results, including carry forwards	Manager Financial Services	Meeting 2	Annually	Completed		
Receive adopted Financial Statements and Report on Financial Results for last year - Council and Nuriootpa Centennial Park Authority	Manager Financial Services	Meeting 2	Annually	Completed		
Enterprise Risk Management						
Receive Risk Management Report - includes updates on: - Risk Management and WHS&IM Plans - Risk Register - Local Government Risk Services - WHS Committee - Emergency Management - Risk/WHS Incidents - Corrective and Preventative Actions - Worplace Inspections - Internal Financial Control	Director Corporate Services and Business Innovation	Each normal meeting	Quarterly	In this agenda		
Receive and review strategic risk register	Exectuive Leadership Team	TBD	Annually	Underway		Final revision of new strategic risk register underway, will have for meeting 4 at this time.
External Audit						
Review representation letter(s) requested by the external auditors	Manager Financial Services	Meeting 2	Annually	Completed		
Annual liaison with External Audit on financial statements, opinion and controls	Manager Financial Services	Meeting 2	Annually	Completed		
Governance						

Attachment 1

Review relevant Policy and Process updates, new or revised.	Relevant Document Control Officer	As required and scheduled	Ongoing	Ongoing none for this meeting		
Complete Audit Committee annual self-assessment	Audit Committee	Meeting 3	Annually	Completed		
Review Terms of Reference (Incorporate any Actions below)	CEO	As required	As required	Completed		Aligned to new legislative requirements.
Reporting Responsibilities						
Propose and provide information relevant to the review of Council's Strategic Management Plans	CEO	As required	As required			
Annual report on Audit Committee activities to Council	Audit Committee Chairperson	Meeting 2	Annually	Completed		
Chairperson to present Audit Committee Annual Report to Council	Audit Committee Chairperson	Relevant Council meeting	Annually	Completed		

MATTERS FOR INFORMATION

2.4 QUARTERLY RISK MANAGEMENT REPORT - QUARTER 2 2022-2023

Author: Manager Corporate Services
23/10287

A summary of this information is provided to the Audit Committee for their information.

ATTACHMENTS
Attachment 1 Quarterly Risk Management Report Quarter 2 2022/2023 ⇩

SUPPORTING REFERENCES
Nil

TheBarossaCouncil

QUARTERLY RISK MANAGEMENT REPORT

Quarter 2 – 2022/2023

Quarterly Risk Management Report

The following report has been developed to assist Council's Executive Leadership Team (ELT) in monitoring and reviewing their Risk, Work Health Safety and Injury Management (Return to Work) duties. It is comprised of Risk/WHS monitoring information, current WHS Plan actions, and insurance data.

A summary of this information is provided to the Audit Committee for their information/action also.

Contents

Risk Management and WHS & IM Plans

RESULTS/INTERPRETATION

The Corporate Services team have reviewed the Risk and Safety staff structure and introduced two new roles which include a Risk and Safety Team Leader and a Risk and Safety Officer dedicated to the Works and Operations Team. This commitment to continuous improvement from our Executive Leadership Team will build on the effectiveness in risk and safety culture, training, policy and process as well as audit and risk management function.

The Risk team have supported a range of training sessions in flood, fire and emergency response in quarters one and two.

Legislation

The *Automated External Defibrillators (Public Access) Bill 2022* was introduced in September 2022 which mandates the installation of defibrillators in public buildings, including Council buildings, from 1 January 2025. Minister Picton has expressed in Parliament a commitment to work with the Local Government Association on drafting regulations that are reasonable and based on common sense, to reduce the financial impact on local government where possible while meeting the intent to make Automatic External Defibrillators (AEDs) more accessible. More information will be provided as it becomes available.

Note – Council currently maintains 15 AEDs across the region, with a defibrillator publicly available in every major township in the Barossa Council Area.

Financial Systems Reform

A significant investment is currently happening with Council's core systems and supporting processes. Many of these changes are driven by the need to transition systems to a more contemporary approach that aligns with Council's revised ICT operating model and will better manage risk associated with finance, asset management and customer experience.

Lease Licence Reform

Council is currently undertaking Lease and Licence Reform which is aimed at managing governance and reputational risks, setting out roles and responsibilities with key stakeholders, creating improved access and community connection, as well as supporting strategic planning for future use, addressing fee inequity and reducing agreement complexity. The reform is currently being developed in consultation with community stakeholders, staff and Elected Members with a report update anticipated for the Council Meeting scheduled in April 2023.

WHS & IM Plan

In October 2021, Local Government Risk Services (LGRS) conducted a biennial Risk, Work Health Safety and Injury Management Evaluation to test Council's risk management processes (including WHS management). Following this process, LGRS provided Council with a Risk Evaluation Audit Report which identified actions and continuous improvement opportunities.

In support of actions identified as part of the Audit Report, Council has created a Risk, WHS & Injury Management Plan to record corrective actions and continuous improvement opportunities.

The Risk Team met with the Local Government Risk Services in October 2022 at which time the WHS & IM Plan actions were reviewed for year one. Council achieved 11 of the 16 actions in their entirety, noting the assessment does not take into consideration any actions that have been partially completed and are in progress. The outstanding 5 actions have been reviewed and included in the year 2 plan.

Highlights from the year one WHS & IM Plan include improvement in the Risk and Safety document register to risk rate and monitor policy and process review; corrective actions reporting has been reviewed and is now monitored quarterly; contingency plans have been tested and evaluated; and the risk register has been analysed and updated in collaboration with key stakeholders across Council and the Local Government Risk Services.

RESPONSE

The year two Risk, WHS & IM Action Plan is being actioned by staff and monitored by Local Government Risk Services.

Enterprise Risk Management and Risk Registers

RESULTS/INTERPRETATION

Implementation of Council's Strategic Risk Services Review has progressed with the following achieved to date:

a) Facilitation of training in Councils Enterprise Risk Framework and key foundation knowledge in risk assessment and treatment identification across the organisation.

   Enterprise Risk Management – Fundamentals Training
   Aimed at Executive, Senior Management and Middle Management, was completed in March 2022. This training leads into the workshops around Strategic and Operational Risks – see below for details.
   Status: Completed - March 2022

b) Development of the Strategic and Operational Risk Registers

   Strategic Risk Register
   Strategic Risk Workshop – completed May 2022
   Participants: Executive Leadership Team (ELT), Manager Corporate Services, Risk Coordinator, Manager Organisational People and Culture and the Manager Enterprise Technology and Innovation.

   Strategic risks were discussed and documented within the workshop and the full risk assessments for these risks (including the documentation of the relevant controls) is progressing with the ELT. On completion, the Strategic Risk Register will be presented to the Audit Committee and Council and will then be monitored by the Audit Committee through the Quarterly Risk Management Reports.
   Status: In progress

   Operational Risk Register

   6 Operational Risk Workshops concluded in November 2022

   These workshops have covered all Council Services and staff from those areas have been involved. There have been some 200 operational risk statements documented and the work with each of the teams will begin to carry out the assessment of the risks to determine their risk rating.
   Status: In progress

c) Refinement / development of Council's risk reporting and accountability mechanisms.
   Status: Is currently under review with the new Risk Team.

Insurance - Local Government Risk Services

RESULTS/INTERPRETATION

Background

Local Government Risk Services (LGRS) provides the insurance coverage for Council which is reviewed on an annual basis together with updates provided during the year where significant changes to the schedules are identified.

Claims History

The following table shows new insurance claims by type and per quarter for the current year. Also included is a comparison total for the previous year.

Claim Type	22/23 Q1	22/23 Q2	22/23 Q3	22/23 Q4	Total to Q2 2022/23	Total 21/22	Total 20/21	Total 19/20
Liability (MLS)	2	1				8	12	12
Property (AMF)	1	0				6	11	2
Motor Vehicle (AMF)	2	1				22	16	14
Personal Injury (GI)	0	0				1	3	3
Workers Compensation (WCS)	1	1				6	3	7
Total Claims	6	**3**				**43**	**45**	**38**

Implementation of a new asset management system scheduled for July 2023 will continue to support the validation of information required for assets and their contents to be appropriately insured.

RESPONSE

A verbal breakdown of 2022/23 insurance claims can be provided upon request.

WHS Committee

RESULTS/INTERPRETATION

Organisational WHS Committee:

The quarterly WHS Committee meeting was held on 30 November 2022
A copy of the minutes can be provided upon request (22/70397)

Works and Engineering (Depot) WHS Sub-Committee:

The Works and Engineering WHS Sub-Committee meeting was held 22 November 2022
A copy of the minutes can be provided upon request (22/71028)

RESPONSE

No action required; quarterly meetings are being held in accordance with Council policy commitments.

Workplace Emergency Management

RESULTS/INTERPRETATION

Emergency Planning Committee (EPC)

The Emergency Planning Committee meeting was held on 14 December 2022
A copy of the minutes can be provided upon request (22/74354)

RESPONSE

No response required

Community Emergency Management

RESULTS/INTERPRETATION

Zone Emergency Management Committee (ZEMC)

No significant community emergency events required Council support during this quarter.

Council continues to operate in accordance with the Local Government Council Ready Framework, with policy settings, incident procedures and arrangements and training in place.

RESPONSE

No response required

Business Continuity

RESULTS/INTERPRETATION

Work on the Business Continuity Plan has been delayed pending the completion of the current review of Council's Corporate Plan.

Further work will commence as outlined below following adoption of the Corporate Plan.

Background:
Council, at its meeting on 21 September 2021, adopted the reviewed Business Continuity Plan and the supporting Business Continuity Instructions.

The Business Continuity Plan contains the methodology used for formulating business continuity sub-plans, what the critical services are and their maximum allowable outages, who is involved in managing a business interruption event and what their responsibilities are, the declaration process and a set of instructions to be used in the event of a business interruption event.

The next steps in this space include consideration of the following:

- All Service outcomes defined in the Corporate Plan (which is currently being reviewed) will be assessed via the Business Impact Analysis tool determine if they are of a critical nature or not.
- Those deemed to be critical will be identified as such in the Corporate Plan.
- Each Critical Service Outcome will then have their Business Continuity Arrangements documented.
- Business Continuity Arrangements relevant to a particular Business Interruption Event will be used to form the Business Continuity Sub Plan for that interruption event.

RESPONSE

No response required

WHS Incident Reporting

RESULTS/INTERPRETATION

Worker and workplace incident reporting is captured electronically in Skytrust.

The data recorded in Skytrust to the end of December 2022 is as follows:

Incident Type	2022/23 Q1	2022/23 Q2	2022/23 Q3	2022/23 Q4	2022/23 YTD
Injury	3	7			10
Environment	1	1			2
Near Miss	6	5			11
Property	7	7			14
Community	2	4			6
Other	3	4			7
Total	**22**	**28**			**50**

Monthly Incident and Hazard Reporting is emailed to ELT and the Health and Safety (HSR) Representatives for information. This spreadsheet includes:

- Corrective Actions Monitoring – details description of the action and its status
- Hazard Reports for the current month – details hazard reports for month and status
- Incident Reports for the current month – details incidents for month and status

Further details around incident and hazard reporting can be found in 23/1263.

RESPONSE

No response required

Internal Financial Control (ControlTrack)

The self-assessment tool Council uses to manage the assessment and review of Financial Risks and Controls is ControlTrack.

The 3-year residual risk review and control self-assessment cycle is as follows:

1st yr 2022/23
- all financial controls from the Better Practice Model to be assessed/reviewed and rated.

2nd yr 2023/24
- all extreme/high rated risks and their associated controls to be assessed/ reviewed and rated; and
- progress any incomplete actions plans from previous assessments; and
- any controls that were assigned to new assessors (eg new staff, role changes).

3rd yr –2024/25
- all extreme/high rated risks and associated controls to be assessed/reviewed and rated; and
- progress any incomplete actions plans from previous assessments; and
- any controls that were assigned to new assessors (eg new staff, role changes); and
- residual risk assessment of all financial risks from the Better Practice Model – in preparation for the control self-assessment of all financial controls in the following year.

2022/2023 Control Self-Assessment Cycle

The 2022/2023 self-assessment cycle is now in progress with 337 financial controls being assessed and reviewed by staff against the 92 financial risks monitored with Controltrack software.

Prior to the 2022/2023 self-assessment cycle commencing all 92 residual risk ratings were reviewed with the current inherent and residual risks detailed below.

DEBATE AGENDA REPORT

4.1 TREASURY MANAGEMENT REVIEW

Author: Senior Accountant
23/9135

PURPOSE

Pursuant to Section 140 of the *Local Government Act 1999*, and in accordance with Council's Treasury Management Policy, Council must undertake an annual performance review of its Treasury Management activities.

RECOMMENDATION

That Audit and Risk Committee receive and note Council's 2022 Treasury Management activities.

REPORT

Discussion
The key principles within Council's Treasury Management Policy are as follows:

Council will:

- Maintain target ranges for its Net Financial Liabilities ratio;
- Generally, only borrow funds when it needs cash and not specifically for particular projects;
- Not retain and quarantine money for particular future purposes unless required by legislation or agreement with other parties;
- Apply any funds that are not immediately required to meet approved expenditure (including funds that are required to be expended for specific purposes but are not required to be kept in separate bank accounts) to reduce its level of borrowings or to defer and/or reduce the level of new borrowings that would otherwise be required.

Comments regarding the 2022 performance with regard to the above principles are outlined below:

Net Financial Liabilities Ratio
Council's policy regarding its net financial liabilities is that they shall not exceed 100% of total operating revenue (adopted February 2010).

As at 30 June 2022, Council's net financial liabilities represented 4% of total operating revenue, and it is projected to increase to 49.8% as at 30 June 2023 (as per December 2022 Budget Review). Accordingly, Council is currently operating within its policy threshold.

Loan Borrowings

Council's policy relative to loan borrowings states that the use of internal reserves be considered prior to consideration of external loan borrowings. The total variable borrowings for Nuriootpa Centennial Park Authority and Council that are currently available is $5m and only $100k has been drawn down on these facilities. There have been no new fixed debenture loans in the calendar year ended 31 December 2022.

The use of internal cash reserves has continued to be used in funding Council's capital works programs and has subsequently minimised the net interest cost to Council.

A summary of the fixed interest rate borrowings provided though the Local Government Finance Authority are shown below:

Debenture Loan Summary

No.	***Loan Amount***	***Interest Rate***	***Final Payment Date***	***Principal Outstanding as at 31 December 2022***
105	7,000,000	7.02%	16/11/24	3,582,799
106	2,000,000	6.85%	15/04/26	660,526
108*	515,000	6.20%	15/01/34	368,470
109*	125,000	5.30%	15/09/29	70,490
112*	180,000	4.25%	15/12/27	99,427
113*	80,000	4.50%	15/02/28	48,355
114	1,750,000	3.60%	15/08/28	1,123,850
116**	1,000,000	2.05%	15/06/30	768,784
119*	330,000	3.75%	15/03/37	321,705
120*	300,000	5.1%	15/07/32	300,000
				7,344,406

* Loans approved by Council, provided for the Community to Clubs, Societies or Groups. The repayments to Council are on schedule for the community loans outstanding - a total principal balance at 31 December 2022 of $1,208,447.

** NCPA debenture loan

Variable interest rate borrowings (Cash Advance Debentures)

A new loan CA118 was taken out in 2021 for a community loan to Nuri Futures Association. A summary of the variable interest rate borrowings is shown below:

Cash Advance Debentures Summary

No.	***Council/ NCPA***	***Total Facility Loan Amount***	***Total amount borrowed***	***Current Interest Rate***	***Facility End Date***	***Principal Outstanding as at 31 December 2021***
CA70	Council	1,000,000	0	**	15/04/23	0
CA115	Council	3,000,000	0		15/05/30	0
CA117	Council	900,000	0		15/10/23	0
CA118	Council	100,000	100,000	5.05%	16/08/31	92,000

* COVID special rate for 3 years only

** Interest rates vary depending on loan term and will apply upon drawdown of loans

Council Funded Loans

Council has previously approved external loans not included in the Debenture Loan Summary table that have been paid from Council funds:

1) Barossa Valley Machinery Preservation Society Inc
2) Nuriootpa Centennial Park Authority (NCPA). The current adopted long-term financial plan (LTFP) includes a $130k repayment in 2022/23 and the loan is to be fully repaid during 2023/24. The NCPA loan repayment schedule is subject to an annual review of their LTFP, checking the operational and capital expenditure, cash flow requirements and the financial sustainability of the business. The NCPA loan is charged at the current cash advance loan interest rate. The Council Funded loan summary is shown in the following table:

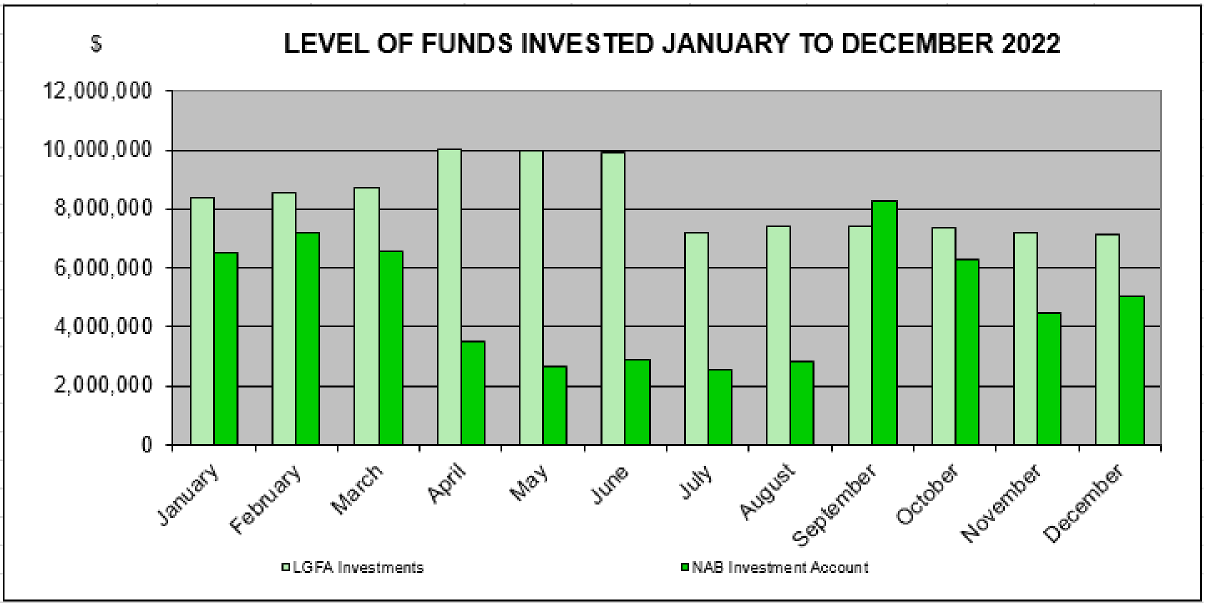
Council Funded Loan Summary				
Name.	***Total Facility Loan Amount***	***Current Interest Rate***	***Facility End Date***	***Principal Outstanding as at 31 December 2021***
Barossa Valley Machinery Preservation Society Inc	25,000	4.30%	8/11/28	16,254
Nuriootpa Centennial Park Authority	650,000	5.05%	2023/24	260,000
				276,254

Investments

Council currently holds investments with National Australia Bank (NAB) and the Local Government Finance Authority (LGFA). Council's total investments as at 31 December 2022 were:

	Variable Interest Rate $'000	***≤ 1 year Fixed $'000***	***> 1 year ≤ 5 years $'000***	***> 5 years $'000***	***TOTAL $'000***	***Interest Rate Range 2021***
LGFA	4,162	3,000	0	0	**7,162**	3.04% to 3.77%
NAB Investment A/c	5,060	0	0	0	**5,060**	
TOTAL	**9,222**	**3,000**	**0**	**0**	**12,222**	

The level of funds invested during the year is presented in the graph below. The graph excludes Council's separate operating bank account which was maintained at minimum working capital levels in accordance with the Policy. Due to the uncertainty of COVID19, investments were not fixed with the LGFA during this time, but Council utilised the NAB investment account. Fixed investments with the LGFA are likely to be built up over the coming months, depending on cash flow requirements and any changing situations with COVID19.



ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Nil

Supporting references
Treasury Management Policy

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan

How We Work - Good Governance

Corporate Plan

6.4. Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.

Legislative Requirements
Local Government Act 1999, Section 140

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial
A review of investments and borrowings is required as per the Treasury Management Policy and Local Government Act.

COMMUNITY ENGAGEMENT

No separate consultation is required under Council's Public Consultation Policy.

DEBATE AGENDA REPORT

4.2 LONG TERM FINANCIAL PLAN 2023/24 TO 2032/33 AND ANNUAL BUDGET AND BUSINESS PLANNING TIMETABLE, NEW INTIAITVE INCLUSION, INDEXATION AND ASSUMPTIONS 2023/24

Author: Senior Accountant
23/10450

PURPOSE

As per the Long Term Financial Plan 2023/24 to 2032/33 and Annual Budget And Business Planning Timetable, New Initiative inclusion, Indexation and Assumptions 2023/24 endorsed by Council in December 2022. The Audit Committee needs to receive and can provide comment regarding the management of new initiatives/ideas, application of indexation and budget setting assumptions is required to ensure Council meets key milestones for the annual review and adoption of the Long-Term Financial Plan (LTFP) 2023/24 to 2032/33 and the consideration and adoption of the Annual Budget & Business Plan (AB&BP) 2023/24.

RECOMMENDATION

That Audit and Risk Committee receive and note:

(1) The Operating Expenditure for Contractors, Materials and Other expenses indexation to be applied as contained within this report.

(2) That New initiatives will not be considered according to previous processes, rather the alternative processes outlined in the report are supported.

(3) The timetable for Council workshops and Council meetings for the annual review, consideration and adoption of the Long-Term Financial Plan 2023/24 to 2032/33 and the Annual Budget & Business Plan 2023/24.

REPORT

Discussion
As part of the 2023/24 draft budget preparation Council has at a strategic discussion to set the general service requirements and larger expenditure programs in detail for the next few years and at a summary level for the remaining years of the LTFP. As listed in this draft timetable a Strategic discussion was to be held as a workshop after the Council meeting on the 24 January 2023.

Indexation and Assumptions
Each annual review process provides an opportunity to introduce new assumptions or enhance the information base as required, using the existing indexation and assumptions.

The main assumptions and indexation being considered during this early stage of budget preparation is the income and expenditure indexation. As included in the draft timetable, following receipt of updated valuation data, Council will review the proposed options for rate increases to ensure they are reasonable and ensure indexation for operational expenditure is appropriate.

Council staff will provide information for the cost of delivering services and any suggested changes to service levels ensuring income or charges for the services are appropriate. The final expenditure amounts may differ from the LTFP estimates for the 2023/24 year due to external influences such as service contracts, agreements where costs such as fuel prices, electricity and gas pricing contracts, State Govt. levies and contracted employee costs, ie. costs out of our control, including from pandemics, climate change and some areas of expenditure may be more or less than expected.

Council sets the expenditure budget required to meet its service provision and will make adjustments as needed for the benefit of its customers. An example of this was the required increase for service level requirements for tree trimming/planting, where Council approved an increase to the resource - input to expand the tree timing/planting - output and thereby providing green space/shade/environment - better outcome for the community.

The Budget from last year is used as the base for the 2023/24 draft budget and each budget manager then reviews to actual costs and trends to meet the existing service provision. If the actual costs are reduced from the base budget, it is a requirement that unless there were extenuating circumstances for the underspends, that next year's budget is also reduced.

The LGPI (Local Government Price Index) is used as a base for the LTFP and considering local needs and requirements to meet service levels. The Local Government Price Index (LGPI) increase for 12 months to 30 September 2022 was 6.7%; (noting the Adelaide CPI for the 30 September 2022 period was 8.4%, Australia CPI for the monthly - October 2022 period was 7.1% and possibly trending down). It is recommended at this time to ensure tension on budget management, the continued trend of an operating surplus that general indexation be limited to 2% unless contractual arrangement require otherwise.

For the purposes of this draft budget timetable, further impacts from the LG Reform Bill and Council requirements for information provision to the designated authority will start in the 2022/23 budget period with $12k pa for Local Government Advice from ESCOSA. The Barossa Council is scheduled in with the advisory scheme in the 2025-26 financial year. A Funding plan is required in the 2023-24 LTFP, the format and details will be provided by the LGA during 2023.

https://www.escosa.sa.gov.au/advice/advice-to-local-government

The following indexation base information is sourced from the adopted LTFP for the 2022/23 year.

Operating Income
Rate increases to fund and ensure service level provision is maintained in line with revised sustainability requirements.

General Rate revenue increases to existing ratepayers for the 2022/23 year was reduced to 3.75%, additional revenue for the growth in assessment numbers from last year is currently at 0.84%. An additional revenue amount of $140k to provide a Revaluation Initiative General Rate Cap (further detail within this section) was allocated. The temporary general rate revenue increase used to offset the Revaluation Initiative General Rate Cap expense can both be reversed for future years. For future operating results, general rate revenue was then budgeted to increase at 3% pa from 2023/24 onwards plus growth in assessment numbers ranging from 0.75% to 1.5% pa. During the preparation of the 2023/24 draft budget Council management will review the revenue and expenditure requirements and report this to Council. Council will then assess and approve the general rate revenue increases required to ensure Councils financial sustainability in the annual review of the LTFP.

During 2022/23, there was a net 8.81%, rate revenue increase for waste collection and disposal across the three waste services as a result of significant increases in Refuse and Green Organics collection and disposal costs. In the adopted LTFP the Waste Service Rate Revenue indexation service charge is set to increase for the forward years ranging from 2% to 3% plus growth for new services budgeted at 1% pa.

Community Wastewater Management Systems (CWMS) Service Rate Revenue indexation rates in the adopted LTFP was budgeted to increase in 2022/23 at 4% and forward years ranging from 0.5% to 2.25% plus growth for new services for the remaining years in the LTFP.

Service charge revenue is established to recover the cost to provide the services ensuring ongoing service delivery in a sustainable manner.

Other income indexation has a base increase of 2.0%.

Operating Expenditure
Operating expenditure indexation will be assessed individually for internal and external factors. All indexation quoted is from the adopted LTFP for 2022/23 and will be reviewed.

- Employee costs increase from 2023/24 and remaining years in the LTFP was set at 2%. The draft budget will use existing awards, recently approved enterprise bargaining agreements which are 3.5% year 1, 2.5% year 2 and 2.5% year 3 for SA Municipal Salaries Officers Award and the enterprise process for those under the Local Government Employees award, which is currently under negotiation. The budget will be set to align to both awards;
- Contractor, materials and other expenses will be reviewed to meet service requirements. The increase for these costs from 2023/24 and 2024/25 is set at 2.5% and the remaining years at 2%. Indexation will be adjusted to meet existing service requirements:
  - Selected costs are increased by indexation where agreements, contracts, licensing, arranged service charges, etc. provide for that option, along with costs outside of our control, inc fuel, postage; these will be considered where the relevant service provider(s) initiates the increases,
  - where costs will increase but the quantum is unknown a default increase in line with LGPI,
  - some areas of expenditure may actually be the same or less the expected; and
  - for changes to service provision, ie. increased number of services provided (eg. no. of waste collection(s)) or usage (eg. water usage at parks and gardens).

New Initiatives/Ideas

As briefly discussed with Council at induction, it is now recommended that Council move away from the existing New Initiatives process and instead undertake the following:

1. Strategic review meeting outlined above.
2. Identification of what priorities and projects Council wishes to have a more detailed assessment completed.
3. Review of past two years of initiatives not funded.
4. Officer new initiatives will be limited as normal to high risk or legislative compliance issues or to those that achieve efficiencies and savings, and will be managed by the Executive Leadership Team.

Once priorities for submissions are determined an assessment will be undertaken, this allows resources to only be used on those that Council approve to proceed to an analysis.

Council's existing programs include but are not limited to:

- Existing service provision, governance and administration
- Capital renewal/replacement
- Revaluation and condition assessment of assets to update the estimated replacement cost over the LTFP. Council's understanding and management will continually refine the operating result
- Heavy vehicle and Plant utilisation review
- Existing long-term projects including:
    - Climate Control – efficiency, financial and environmental benefits/requirements
    - Change Program – internal program for innovative and simple systems, processes and productivity improvements
- Infrastructure Asset Management Plans adopted 2021 – renewal spending plans
- Strategic Management Plans
- The Big Project(s)
- Transport renewal programs
- Asset maintenance and operational requirements

Timetable

The proposed timetable for the annual review/update of the Long-Term Financial Plan and the consideration/adoption of the Annual Budget & Business Plan is outlined in the table below:

What	**Activity**	**Date**
Council Meeting	Endorse AB&BP and LTFP Part timetable	20/12/22
Council Workshop	Review and discuss - EM's to be given the opportunity to put forward suggestions for the budget; ELT (Executive Leadership Team) to present budget process, available advisory groups' budget(s), priorities and pressures; strategic and long term aspirations; consider adopted long term indexing & assumptions, Ideas discussion	24/1/23

What	Activity	Date
Council -Elected Members	Prioritisation for new ideas for analysis.	Approved at Council meeting 21 February 23
Administrative Budgets	Staff completion for administrative budgets.	28 February 2023
Council Workshop	Capital Expenditure review existing programs: Transport works LTFP - Renewal/Replacement programs TBP – Grant submissions and ongoing items Prepare Rates report including Rating Analysis of other Councils and consider other Council Rating Strategies.	1 March 2023
Audit Committee	AB&BP and LTFP review To review indexing and assumptions	Feb- March 2023
Council Workshop	New Ideas review for DDR; Council to assess DDR and inclusion in draft budget.	Mid-Late March 2023
Council Workshop	AB&BP and LTFP Review draft Operating Budgets & Capital Works submissions and LTFP	5 April 2023
Management & Staff	*During December to June, budget preparation, rating and valuation modelling*	Jan to June 2023
Council Workshop	AB&BP and LTFP Review draft Capital Works submissions and LTFP	May 2023
Council Workshop	Rating & Valuation Forecasting, valuation changes, rebates, RI General Rate Cap, rating options Final Operating and Capital Works review	May 2023
Audit Committee	AB&BP and LTFP review and endorse for consultation - by email	May 2023
Special Council Meeting	Endorse draft Nuriootpa Centennial Park Authority Budget (NCPA endorsed April) Endorse draft AB&BP and LTFP for public consultation Must be on our web page May*	May 2023
	Council internet provision for web submissions, at least 21 days	May – June 2023
	Public Notice (if local papers a Wednesday) Submissions period – 3 weeks	May to June 2023
Special Council Meeting / Other process**	Process for the public to present/provide budget submissions in line with legislative/other requirements. *21 days after the draft A&BP is available on the web!	June 2023
Council Meeting	AB&BP and LTFP Consideration of public submissions	June 2023
Special Council Meeting	Adopt AB&BP and LTFP, Valuation and Rating (if changes from consultation then this meeting may need to be changed.)	June-July 2023

**New Initiatives discussions, processes and workshops will be included if Council approves to consider them for the 2023/24 budget processes.*

ATTACHMENTS OR OTHER SUPPORTING REFERENCES

Nil

Supporting references
Nil

Policy
Budget & Business Plan and Review Policy:
https://www.barossa.sa.gov.au/Media/Default/Council/Strategies,%20Policies%20and%20Bylaws/Budget%20&%20Business%20Plan%20and%20Review%20Policy.pdf

LGA Information papers – No. 8 Long-term Financial Plan and No. 13 Annual Business Plan; register to logon and access:
https://www.lga.sa.gov.au/home

COMMUNITY PLAN / CORPORATE PLAN / LEGISLATIVE REQUIREMENTS

Community Plan

How We Work - Good Governance

Corporate Plan

6.2. Ensure that Council's policy and process frameworks are based on principles of sound governance and meet legislative requirements.

6.3. Align operational strategy to strategic objectives and measure organisational performance to demonstrate progress towards achieving our goals.

6.4. Ensure that decisions regarding expenditure of Council's budget are based on an assessment of whole of life costs, risks associated with the activity and advice contained within supporting plans.

6.9. Provide access to Council's plans, policies and processes and communicate with the community in plain English.

6.16. Provide contemporary internal administrative and business support services in accordance with mandated legislative standards and good practice principles.

Legislative Requirements
Local Government Act 1999 Section 123
Local Government (Financial Management) Regulations 2011

FINANCIAL, RESOURCE AND RISK MANAGEMENT CONSIDERATIONS

Financial
The Budget and LTFP indexation, assumptions and timetable are integral parts of financial planning to ensure an organised and thorough process is undertaken.

The cost of capital and risk is to be assessed for application to CWMS operations. Resourcing and risk is embedded in Council current resourcing and risk profile.

COMMUNITY ENGAGEMENT

Included as part of the draft 2023/24 Budget & Business Plan consultation and adoption process.