

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

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Dear Member,

NOTICE OF MEETING

Notice is hereby given pursuant to Clause 6 of the Charter that a meeting for the GRFMA Audit Committee has been called for:

DATE: Tuesday 4 June 2024

TIME: 12:00pm

PLACE: Online – MS Teams



David E Hitchcock

EXECUTIVE OFFICER



The Barossa Council

Gawler



AGENDA

**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
AUDIT COMMITTEE MEETING**

**12:00pm Tuesday 4 June 2024
Online – MS Teams**

- 1. Present**
- 2. Apologies**
- 3. Minutes of the Previous Meeting.....Page 3**
Confirmation of the Minutes of the previous GRFMA Audit Committee meeting held on Monday 5 April 2024.
- 4. Business Arising from the Minutes**
 - 4.1 Actions on Previous Resolutions.....Page 7**
- 5. General Business**
 - 5.1 Statement of Achievements Against the Annual Business Plan.....Page 8**
 - 5.2 2023/2024 GRFMA Budget Review 3.....Page 15**
 - 5.3 2024/2025 Draft GRFMA Annual Business Plan and 2024/2025 Draft Budget.Page 25**
- 6. Confidential Items**
Nil
- 7. Next Meeting**
August 2024
- 8. Closure**

Agenda Item: **3**
Committee: **GRFMA Audit Committee**
Meeting Date: **4 June 2024**
Title: **Minutes of the Previous Meeting**

Recommendation:

That the minutes of the previous GRFMA Audit Committee meeting held 5 April 2024, as per copies supplied to members, be adopted as a true and correct record of that meeting.

Please see attached minutes.

MINUTES

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY AUDIT AND RISK COMMITTEE MEETING

11am Monday, 5 April 2024
Dean Newbery
214 Melbourne Street, North Adelaide

1. Present

- Mr Peter Brass, Independent Member, Chair
- Cr Malcolm Herrmann, Adelaide Hills Council
- Mr Greg Pattinson, City of Playford
- Mr David Hitchcock, Executive Officer
- Ms Whitney Sandow, Dean Newbery

2. Apologies

Nil

3. Minutes from previous meeting

GAC23/26 Minutes of the Previous Meeting

Moved: Cr M Herrmann

Seconded: Mr G Pattinson

That the minutes of the previous GRFMA Audit Committee meetings held on Thursday 7 December 2023 and Monday 5 February 2024 as per copies supplied to members, be adopted as true and correct records of those meetings.

CARRIED UNANIMOUSLY

4. Business arising from the Minutes

4.1 Actions on Previous Resolutions

Nil

5. General Business

5.1 External Audit Plan 30 June 2024

Ms Whitney Sandow, Dean Newbery (External Auditor) presented the External Audit Plan 30 June 2024 and facilitated discussion on the document with Committee Members.

GAC23/27 External Audit Plan 30 June 2024.

Moved: Mr G Pattinson

Seconded: Cr M Herrmann

That the GRFMA Audit and Risk Committee receives the External Audit Plan 30 June 2024.

CARRIED UNANIMOUSLY

5.2 GRFMA 2023/2024 Budget Review 2

GAC23/28 **GRFMA 2023/2024 Budget Review 2**
Moved: Mr G Pattinson
Seconded: Cr M Herrmann

That the Audit and Risk Committee:

1. *Notes GRFMA 2023/2024 Budget Review 2.*
2. *Requests the Executive Officer to amend the documents to incorporate the revised Bruce Eastick North Para Flood Mitigation Dam asset value of \$54,036,053 (Written Down Value \$43,313,042) and the annual depreciation value of \$706,098, following recent revaluation process.*
3. *Requests the Executive Officer provide the amended documents to the 18 April 2024 GRFMA meeting for consideration as its amended and current budget for the period ended 30 June 2024.*

CARRIED UNANIMOUSLY

Members requested that appropriate and relevant general ledger adjustments also be undertaken.

6. Confidential

Nil

7. Other Business

The meeting discussed the status of the Gawler River Flood Management Business Plan and noted risk to the project and GRFMA if the Constituent Councils don't support the 2024/2025 draft budget provisions for completion as identified by Infrastructure SA.

Members agreed that future responsibility and management of the Dam appears beyond the capacity of the GRFMA and that it should more realistically rest with an appropriate South Australian Government entity.

8. Next Meeting

Thursday, 6 June 2024

Schedule of Meetings Table

Date	Audit Committee Meeting Schedule	Action
April 2024	Annual Budget and Business Plan Review; External Audit Plan and Schedule 2024.	Completed
June 2024	Annual cost estimates and budget variations consideration.	
August 2024	Annual Financial Statements – Audit report; 2023/2024 – Auditor to attend.	

November 2024	Operation of the Regional Subsidiary – Business Plan progress. Annual cost estimates and budget variations consideration.	
February 2025	Annual Budget and Business Plan Review; External Audit Plan and Schedule 2025.	

8. Closure

The Chair thanked the members for their attendance and contributions and closed the meeting at 11:40am.

Chair _____ Date _____

Agenda Item: **4.1**
Committee: **Audit Committee**
Meeting Date: **4 June 2024**
Title: **Actions on Previous Resolutions**

Number	Resolution	Action
23/28	<i>That the Audit and Risk Committee: 1. Notes GRFMA 2023/2024 Budget Review 2. 2. Requests the Executive Officer to amend the documents to incorporate the revised Bruce Eastick North Para Flood Mitigation Dam asset value of \$54,036,053 (Written Down Value \$43,313,042) and the annual depreciation value of \$706,098, following recent revaluation process. 3. Requests the Executive Officer provide the amended documents to the 18 April 2024 GRFMA meeting for consideration as its amended and current budget for the period ended 30 June 2024</i>	Completed
23/22	<i>The meeting discussed the status of the Gawler River Flood Management Business Plan and noted risk to the project and GRFMA if the Constituent Councils don't support the 2024/2025 draft budget provisions for completion as identified by Infrastructure SA.</i>	Refer Agenda item 5.3

Agenda Item:	5.1
Committee:	GRFMA Audit and Risk Committee
Meeting Date:	4 June 2024
Title:	Statement of Achievements Against the Annual Business Plan

Recommendation:

That the Audit Committee:

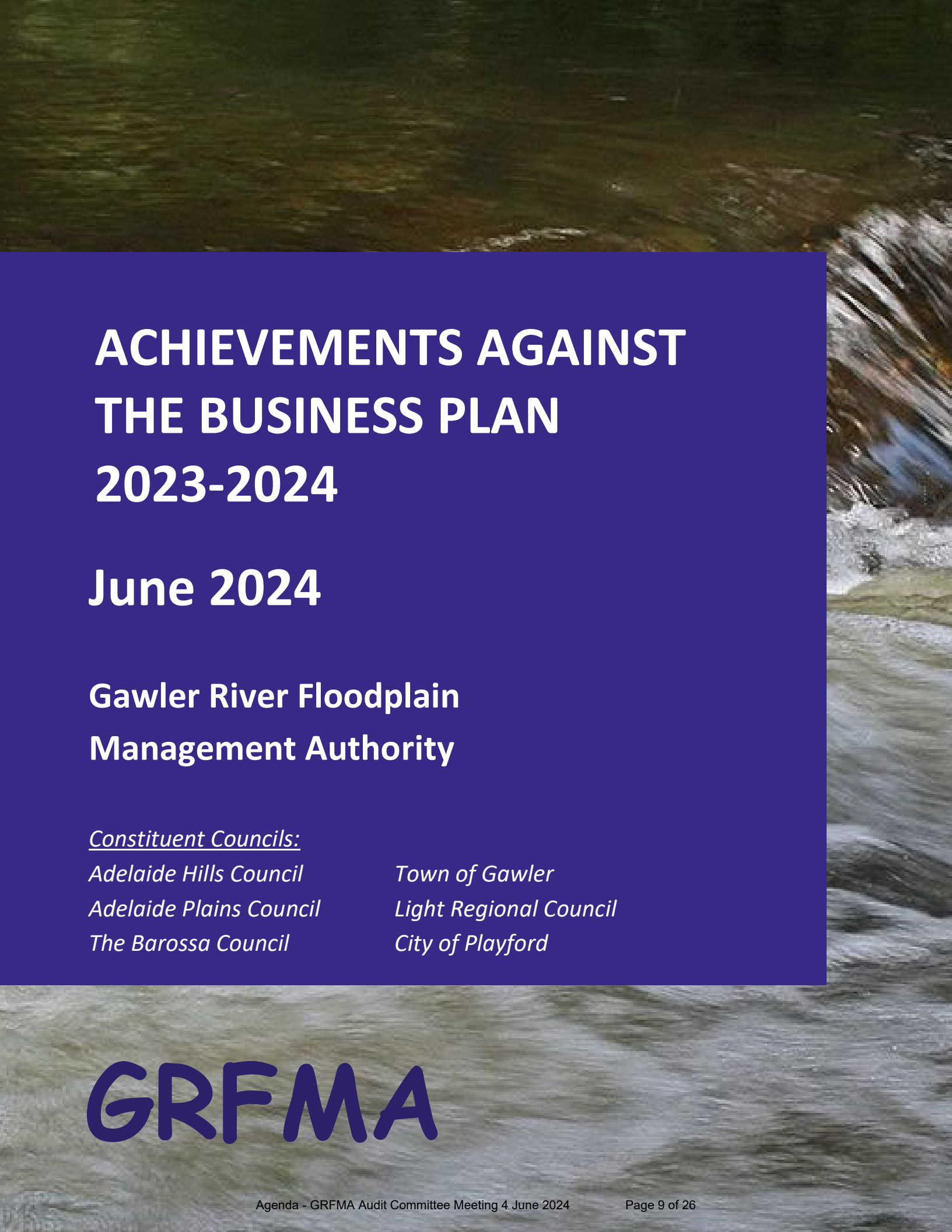
- 1. Notes the report.**
 - 2. Requests the Executive Officer provide the Statement of Achievements against the Business Plan document to the 20 June 2024 GRFMA meeting for consideration.**
-

The Statement of Achievements Against the Annual Business Plan provides a basis for evaluation of performance by the GRFMA.

The June 2024 report forms part of the GRFMA Annual Report 2023-2024.

See separately attached for the completed 2023-24 Statement of Achievements Against the Annual Business Plan.

Where relevant key priorities identified in the GRFMA Strategic Plan have been referenced.



ACHIEVEMENTS AGAINST THE BUSINESS PLAN 2023-2024

June 2024

Gawler River Floodplain Management Authority

Constituent Councils:

Adelaide Hills Council

Adelaide Plains Council

The Barossa Council

Town of Gawler

Light Regional Council

City of Playford

GRFMA

Gawler River Floodplain Management Authority (GRFMA)

The Gawler River

The Gawler River is formed by the confluence of the North Para and South Para in the town of Gawler and is located in the Adelaide Plains district of South Australia. The district surrounding the river produces cereal crops and sheep for both meat and wool, as well as market gardens, almond orchards, and vineyards. The farm gate output of the Gawler River floodplain horticultural areas is estimated to be at least \$225 million.



Purpose of the GRFMA



The Gawler River Floodplain Management Authority (GRFMA) was formed as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999 on 22 August 2002. The Constituent Councils are the Adelaide Hills Council, The Adelaide Plains Council, The Barossa Council, The Town of Gawler, Light Regional Council, and the City of Playford.

The Authority has been established for the purpose of coordinating the planning, construction, operation, and maintenance of flood mitigation infrastructure for the Gawler

River, and for the following functions:

- To raise finance for the purpose of developing, managing, and operating and maintaining works approved by the Board.
- To provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flooding of the Gawler River; To advocate on behalf of the Constituent Councils and their communities where required to State and Federal Governments for legislative policy changes on matters related to flood mitigation and management and associated land use planning with Gawler River flood mitigation.
- To facilitate sustainable outcomes to ensure a proper balance between economic, social, environmental, and cultural consideration; and
- To provide advice as appropriate to the Constituent Councils in relation to development applications relevant to the Authority's roles and functions

Evaluation of Performance against the Business Plan

This Statement of Achievements against the Business Plan will form part of the Key Outcomes Summary to Councils following the meetings at which it is tabled. The June report will form part of the GRFMA Annual Report 2023-2024.

The GRFMA Strategic Plan 2021-2026 is arranged under three themes, each with its own objective, related to the outcomes to be pursued.

Theme 1: Design, build, and maintain physical flood mitigation infrastructure.

Objective: To have in place an agreed extent of physical flood mitigation infrastructure that is fit for purpose and achieves the targeted levels of performance.

Theme 2: Develop and evolve key relationships.

Objective: To maintain key relationships that are most important to the Authority achieving its purpose.

Theme 3: Ensure good governance and ongoing financial sustainability.

Objective: To ensure that the Authority meets legislative requirements and contemporary standards of governance and is financially sustainable for the long term.

Priority Actions 2023/2024

Work to facilitate delivery of the objectives of the Gawler River Stormwater Management Plan. The Gawler River Stormwater Management Plan (SMP) is the key GRFMA document to assist in determining physical and other works required to reduce the risks and impacts of flooding.

Work is ongoing to finalise the SMP. Delays have occurred due to the requirement for more information to be included in the document. It is anticipated the document will be at final draft by 30 June 2024.

Review, with Constituent Councils and stakeholders, design standards for infrastructure works including costs and benefits. The default policy position of the Authority has been for a 1 in 100-year design standard. Reviewing that policy position through consideration of the costs and benefits of various design standard scenarios will assist in identifying appropriate standards.

This is being undertaken as part of the process for completion of the Gawler River Flood Management Business Case.

In conjunction with the Constituent Councils, develop and implement a schedule of flood mitigation infrastructure works for the Gawler River referencing the Gawler River Stormwater Management Plan. A schedule of works is to be consolidated from the recommendations from the completed GRFMA Gawler River Stormwater Management Plan and the Department for Environment and Planning (DEW), Gawler River Flood Management Business Case. Considered funding will be sought from the State and Federal Governments and where appropriate commercial investment.

The GRFMA has now been provided with a copy of the Business Case and the ISA Gawler River Flood Management Gate 2 Recommendation Action Plan which identifies recommendations for consideration and designation of responsible partners, DEW and GRFMA.

The GRFMA is now seeking Constituent Council support for funding to complete the Business Case.

Working with the Constituent Councils, develop a framework to clearly articulate the respective roles and responsibilities of the Authority and the Councils and suitable partnering arrangements to maintain a low-cost base for the Authority. Identification of partnering opportunities within the capacities of the Councils (e.g., in relation to monitoring information about climate change and climate change policy, and water policy) in delivering the functions, operations and project management required of the Authority would help to keep the Authority's administrative costs low.

Constituent Councils are providing partnering opportunities and support to the GRFMA, where relevant.

Continue to advocate for improved governance and funding arrangements for flood avoidance, resilience, and mitigation in South Australia with frontline experience the Authority is well positioned to develop a narrative about changes that are required to improve governance and funding arrangements for flood avoidance and mitigation.

The Authority will continue to work with the Department for Environment and Planning, in consultation with constituent councils, on implementation and funding arrangements for the State Government funded Gawler River Flood Mitigation Business Case.

The GRFMA is now seeking Constituent Council support for funding to complete the Business Case. The GRFMA is undertaking work to develop a suitable funding strategy (which is to be finalised in consultation and in agreement with Constituent Councils).

Assist the Constituent Councils in communicating with general communities and specific interest groups in relation to flood mitigation for the Gawler River. Communication with communities is likely to be a joint activity between the Constituent Councils and the Authority.

The Department for Environment and Water (DEW) has now facilitated a Disaster Ready Grant application for funds to plan/prepare a community flood awareness campaign for Gawler River. The application has been prepared with DEW as the applicant with SES and GRFMA as project partners.

Operation of the Regional Subsidiary

Performance Targets:	Timings:	To be measured by:	Actual Achievements
Reports to Stakeholders	Bi-Monthly	Key Outcomes Summary to be published following each Board Meeting	☒ Key Outcomes Summary prepared and sent to Councils following GRFMA meetings.
Maintain effective Regional Subsidiary	December	On 28/06/2023 the GRFMA engaged LUVROK Pty Ltd to undertake Executive Officer Services, in accordance with the agreed contract for service, for the term 1 July 2023 to 31 December 2025.	☒ Mr David Hitchcock is identified as the key person providing the services pursuant to agreed terms. ☒ Mr Lino Dileria has been appointed to the position of GRFMA Chairperson, Independent Member, effective 1/05/2024.
	August	The appointment of Auditor, Bank Operators, levels of insurance, appropriate registrations, delegations, and policies be reviewed annually.	☒ DeanNewbery has been reappointed as GRFMA's external auditor for a term of three years with a two-year option, effective 1 July 2024. ☒ Appropriate levels of insurance reviewed in July 2023.
Review of the Business Plan	By 31 st March	Review the Business Plan prior to preparing the Budget. Forward to the Councils	☒ June 2023 - Business Plan 2023-2024 adopted. ☒ June 2024 - Achievements against the Business Plan 2023-2024 presented.
Annual Budget	By 31 st March, June, October, December	Adopt for consultation forward to Councils- Adopt Budget – copy to Councils in 5 days- Conduct Budget Reviews	☒ 2024-2025 Draft Budget forwarded in March 2024 to Consistent Councils for consultation ☒ Budget Reviews 1, 2 and 3 reviewed by GRFMA Audit Committee.
Subscriptions	June December	Send half year subscriptions to Council.	☒ All first half subscriptions paid. ☒ 4 Second half subscriptions paid 2 outstanding.

Performance Targets:	Timings:	To be measured by:	Actual Achievements
Report to Constituent Councils	Following each Board meeting By 30 th September	The receipt of the following reports by Councils, Board Meeting Key Outcome Summary Annual Report including Annual Financial Statements	☒ Key Outcomes Summary prepared for meetings. ☒ Annual Report forwarded electronically to Councils.
Governance	Ongoing	Policies and new management framework documents developed and reviewed.	☒ Independent review of GRFMA policies completed April 2023. ☒ Management Framework documents now adopted GRFMA Strategic Plan Asset Management Plan and Long Term Financial Plans ☒ Charter Review 2 Funding Model adopted April 2023.
Annual Operations		Implementation of requirements of the BENPFM Dam Operation and Maintenance Manual. Periodical inspections of BENPFM dam and lands Removal of deposited flood debris at upstream wall of BENPFM Dam Continuation of the revegetation program around land associated with the BENPFM Dam. Weed control	☒ Ongoing. Programmed management costed and funded in 2023/2024 draft Budget. ☒ Ongoing. ☒ As required. ☒ Ongoing, within budgeted funds, in collaboration with Light Regional Council. Grant funding for further revegetation to be sought. ☒ Annually as required. ☒ Annual land management lease not continued beyond May 2024.

Agenda Item:	5.2
Committee:	GRFMA Audit and Risk Committee
Meeting Date:	4 June 2024
Title:	2023/2024 GRFMA Budget Review 3

Recommendation:

That the Audit and Risk Committee:

- 1. Notes GRFMA 2023/2024 Budget Review 3.**
- 2. Requests the Executive Officer provide the documents to the 20 June 2024 GRFMA meeting for consideration as its amended and current budget for the period ended 30 June 2024.**

Regulation 9 of Local Government (Financial Management) Regulations 2011 states:

'A report showing a revised forecast of its operating and capital investment activities for the relevant financial year compared with the estimates for those activities set out in the budget presented in a manner consistent with the note in the Model Financial Statements entitled Uniform Presentation of Finances'.

Budget Review 3 (BR3)

The GRFMA Budget as at 25/05/2024 indicates no material changes to that forecast by BR2. Accordingly, no adjustments have been made to the BR3.

Note: Amendments, asset revaluation and depreciation, were made in BR 2 as result of revaluation of the Bruce Eastick North Para Flood Mitigation Dam

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY CONSOLIDATED BUDGET 2023/2024 Review 3					
UNIFORM PRESENTATION OF FINANCES					
2022/2023 FULL YEAR ACTUALS		2023/2024 ADOPTED BUDGET	2023/2024 BUDGET REVIEW 1	2023/2024 BUDGET REVIEW 2	2023/2024 BUDGET REVIEW 3
\$		\$	\$	\$	\$
261,699	Operating Revenues	289,911	560,692	561,692	561,692
(639,436)	less Operating Expenses	(557,209)	(827,629)	(1,212,429)	(1,212,429)
<u>(377,737)</u>	Operating Surplus / (Deficit) before Capital Amounts	<u>(267,298)</u>	<u>(266,937)</u>	<u>(650,737)</u>	<u>(650,737)</u>
	Less Net Outlays in Existing Assets				
	Capital Expenditure on renewal and replacement of Existing Assets	-	-	-	-
(328,561)	less Depreciation, Amortisation and Impairment	(322,298)	(322,298)	(706,098)	(706,098)
<u>-</u>	less Proceeds from Sale of Replaced Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(328,561)</u>		<u>(322,298)</u>	<u>(322,298)</u>	<u>(706,098)</u>	<u>(706,098)</u>
	Less Net Outlays on New and Upgraded Assets				
-	Capital Expenditure on New and Upgraded Assets	-	-	-	-
-	less Amounts received specifically for New and Upgraded Assets	-	-	-	-
<u>-</u>	less Proceeds from Sale of Surplus Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(49,176)</u>	Net Lending / (Borrowing) for Financial Year	<u>55,000</u>	<u>55,361</u>	<u>55,361</u>	<u>55,361</u>

Budget Review 2 (BR2) - for information

BR2 contained movement in:

Income

- Income other – increase of \$1,000 to reflect receipt of successful funding (revegetation dam land) application to Northern & Yorke Landscape Board.

Expenditure

- Advertising, printing and postage – reduction of \$1,000.
- Honorarium Chairperson – increase of \$2,000 (adjusted to \$11,048) to reflect likely increase in honorarium payments.

The Net Operating Result is a deficit of \$650,737 and net lending \$55,361.

Budget Review 1 (BR1) - for information

BR1 contained movement in both income and expenditure and results in a small adjustment to the 2023/2024 adopted budget forecast net loss.

Income

- LGFA Interest – Additional \$361 increase to reflect the new amount of \$765.
- Maintenance Flood Mitigation Scheme, Other income – Additional \$270,420 which reflects receipt of Constituent Council contributions to the Gawler River Flood Management Business Case (DEW).

Expenses

- Insurance PI & PI – Additional \$1,780 to reflect the new amount of \$9,060 as a result of increased insurance costs.
- Other – Additional \$4,720 to reflect the new amount of \$11,064. Increased capacity/contingency for administration and accounting cost (ie funding advocacy processes).
- Super Guarantee – Reduction of \$6,500 as the super guarantee payment requirement has been removed with LOVEROK Pty Ltd consultancy for EO services.
- Gawler River Flood Mitigation Scheme Business Case – Additional \$270,420 which reflects responding payment of Constituent Council contributions to the Gawler River Flood Management Business Case (DEW).

BR 1 Net Operating Result (\$ 266,937).

Profit & Loss [Budget Analysis]

July 2023 To June 2024

ABN: 12 925 534 861

	Selected Period	Budgeted	\$ Difference
Income			
Admin of GRFMA			
Member Subscriptions	\$149,628	\$149,630	-\$2
Interest LGFA	\$793	\$780	\$13
Interest Bank SA	\$6	\$0	\$6
Other	\$1,100	\$1,104	-\$4
Total Admin of GRFMA	\$151,527	\$151,514	\$13
Maint Flood Mit Scheme			
Council Subscriptions	\$139,758	\$139,758	\$0
Other	\$270,420	\$270,420	\$0
Total Maint Flood Mit Scheme	\$410,178	\$410,178	\$0
Total Income	\$561,705	\$561,692	\$13
Gross Profit	\$561,705	\$561,692	\$13
Expenses			
Admin of GRFMA			
Executive Officer Contract	\$46,264	\$58,656	-\$12,392
Adv, printing, stationery post	\$216	\$300	-\$84
Travelling Expenses	\$686	\$4,160	-\$3,474
Insurance PL & PI	\$8,688	\$9,060	-\$372
Audit Committee	\$2,600	\$2,756	-\$156
Audit Fees	\$5,509	\$5,824	-\$315
Bank Fees	\$46	\$125	-\$79
Legal Fees	\$0	\$2,080	-\$2,080
Honorarium - Chairperson	\$8,700	\$11,048	-\$2,348
Other	\$3,237	\$11,064	-\$7,827
Total Admin of GRFMA	\$75,946	\$105,073	-\$29,127
GRFM Business Case			
Consultancies	\$24,951	\$46,080	-\$21,129
Business Case	\$270,420	\$270,420	\$0
Total GRFM Business Case	\$295,371	\$316,500	-\$21,129
Maint Flood Mitigation Scheme			
BENPFM Dam repairs	\$9,685	\$69,550	-\$59,865
Rates & Levies	\$124	\$208	-\$84
Total Maint Flood Mitigation Scheme	\$9,809	\$69,758	-\$59,949
Depreciation			
Depreciation	\$0	\$706,098	-\$706,098
Total Expenses	\$381,125	\$1,197,429	-\$816,304
Operating Profit	\$180,580	-\$635,737	\$816,317
Total Other Income	\$0	\$0	\$0
Other Expenses			
Interest Expense	\$67,354	\$70,000	-\$2,646
Total Other Expenses	\$67,354	\$70,000	-\$2,646
Net Profit/(Loss)	\$113,225	-\$705,737	\$818,962

STATEMENT OF COMPREHENSIVE INCOME

2022/2023 FULL YEAR ACTUALS \$	INCOME	2023/2024 ADOPTED BUDGET \$	2023/2024 BUDGET REVIEW 1 \$	2023/2024 BUDGET REVIEW 2 \$	2023/2024 BUDGET REVIEW 3 \$
260,321	Subscriptions	289,388	559,808	559,808	559,808
-	Grants Subsidies and Contributions	-	-	-	-
1,278	Investment Income	419	780	780	780
100	Other	104	104	1,104	1,104
261,699	TOTAL REVENUES	289,911	560,692	561,692	561,692
	EXPENSES				
291,950	Materials, Contracts and Other Expenses	219,911	490,331	491,331	491,331
18,926	Finance Costs	15,000	15,000	15,000	15,000
328,561	Depreciation, amortisation & impairment	322,298	322,298	706,098	706,098
639,436	Total Expenses	557,209	827,629	1,212,429	1,212,429
(377,737)	OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	(267,298)	(266,937)	(650,737)	(650,737)
(17,000)	Net gain (loss) on disposal or revaluation of assets	-	-	-	-
-	Amounts specifically for new or upgraded assets	-	-	-	-
-	Physical resources received free of charge	-	-	-	-
(394,737)	TOTAL COMPREHENSIVE INCOME	(267,298)	(266,937)	(650,737)	(650,737)

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
CONSOLIDATED BUDGET 2023/2024 Review 3

CASH FLOW STATEMENT

2022/2023 FULL YEAR ACTUALS		2023/2024 ADOPTED BUDGET	2023/2024 BUDGET REVIEW 1	2023/2024 BUDGET REVIEW 2	2023/2024 BUDGET REVIEW 3
\$		\$	\$	\$	\$
Inflows		Inflows	Inflows	Inflows	Inflows
(Outflows)		(Outflows)	(Outflows)	(Outflows)	(Outflows)
	CASHFLOWS FROM OPERATING ACTIVITIES				
	RECEIPTS				
267,915	Operating Receipts	289,492	559,912	560,912	560,912
1,323	Investment Receipts	419	780	780	780
	PAYMENTS				
(290,843)	Operating payments to suppliers & employees	(219,911)	(490,331)	(491,331)	(491,331)
(13,301)	Finance Payments	(15,000)	(15,000)	(15,000)	(15,000)
(34,907)	Net Cash provided by (or used in) Operating Activities	55,000	55,361	55,361	55,361
	CASH FLOWS FROM INVESTING ACTIVITIES				
	RECEIPTS				
-	Grants specifically for new or upgraded assets	-	-	-	-
0	Sale of Assets	0	0	0	0
	PAYMENTS				
-	Capital Expenditure on renewal/replacement of assets	-	-	-	-
-	Capital Expenditure on new/upgraded assets	-	-	-	-
-	Net Cash provided by (or used in) Investing Activities	-	-	-	-
	CASH FLOWS FROM FINANCING ACTIVITIES				
	RECEIPTS				
-	Proceeds from Borrowings	-	-	-	-
	PAYMENTS				
(61,726)	Repayment of Borrowings	(55,000)	(55,000)	(55,000)	(55,000)
(61,726)	NET CASH USED IN FINANCING ACTIVITIES	(55,000)	(55,000)	(55,000)	(55,000)
(96,633)	NET INCREASE (DECREASE) IN CASH HELD	-	361	361	361
126,130	CASH AT BEGINNING OF YEAR	42,330	29,496	29,496	29,496
29,496	CASH AT END OF YEAR	42,330	29,857	29,857	29,857

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
CONSOLIDATED BUDGET 2023/2024 Review 3

BALANCE SHEET

2022/2023 FULL YEAR ACTUALS		2023/2024 ADOPTED BUDGET	2023/2024 BUDGET REVIEW 1	2023/2024 BUDGET REVIEW 2	2023/2024 BUDGET REVIEW 3
	ASSETS				
	CURRENT ASSETS				
\$		\$	\$	\$	\$
29,496	Cash and cash equivalents	42,330	29,857	29,857	29,857
91,125	Trade & other receivables	98,664	91,125	91,125	91,125
-	Inventories	-	-	-	-
<u>120,621</u>	TOTAL CURRENT ASSETS	<u>140,994</u>	<u>120,982</u>	<u>120,982</u>	<u>120,982</u>
	NON-CURRENT ASSETS				
-	Financial Assets	-	-	-	-
21,613,696	Infrastructure, Property, Plant & Equipment	21,315,795	21,291,397	43,313,042	43,313,042
<u>21,613,696</u>	TOTAL NON-CURRENT ASSETS	<u>21,315,795</u>	<u>21,291,397</u>	<u>43,313,042</u>	<u>43,313,042</u>
<u>21,734,317</u>	TOTAL ASSETS	<u>21,456,790</u>	<u>21,412,380</u>	<u>43,434,025</u>	<u>43,434,025</u>
	LIABILITIES				
	CURRENT LIABILITIES				
67,733	Trade & Other Payables	61,003	67,733	67,733	67,733
440,409	Borrowings	398,136	385,409	385,409	385,409
-	Short-term Provisions	-	-	-	-
<u>508,142</u>	TOTAL CURRENT LIABILITIES	<u>459,139</u>	<u>453,142</u>	<u>453,142</u>	<u>453,142</u>
	NON-CURRENT LIABILITIES				
-	Long-term Borrowings	-	-	-	-
-	Long-term Provisions	-	-	-	-
<u>-</u>	TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>508,142</u>	TOTAL LIABILITIES	<u>459,139</u>	<u>453,142</u>	<u>453,142</u>	<u>453,142</u>
<u>21,226,175</u>	NET ASSETS	<u>20,997,651</u>	<u>20,959,238</u>	<u>42,980,883</u>	<u>42,980,883</u>
	EQUITY				
12,561,202	Accumulated Surplus	12,315,678	12,294,265	11,910,465	11,910,465
8,664,973	Asset Revaluation	8,681,973	8,664,973	31,070,418	31,070,418
-	Other Reserves	-	-	-	-
<u>21,226,175</u>	TOTAL EQUITY	<u>20,997,651</u>	<u>20,959,238</u>	<u>42,980,883</u>	<u>42,980,883</u>

**GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
CONSOLIDATED BUDGET 2023/2024 Review 3**

STATEMENT OF CHANGES IN EQUITY

2022/2023 FULL YEAR ACTUALS \$		2023/2024 ADOPTED BUDGET \$	2023/2024 BUDGET REVIEW 1 \$	2023/2024 BUDGET REVIEW 2 \$	2023/2024 BUDGET REVIEW 3 \$
	ACCUMULATED SURPLUS				
12,938,939	Balance at end of previous reporting period	12,582,976	12,561,202	12,561,202	12,561,202
-377,737	Net Result for Year	-267,298	-266,937	-650,737	-650,737
0	Transfer From Reserves	0	0	0	0
0	Transfer To Reserves	0	0	0	0
12,561,202	BALANCE AT END OF PERIOD	12,315,678	12,294,265	11,910,465	11,910,465
	ASSET REVALUATION RESERVE				
8,681,973	Balance at end of previous reporting period	8,681,973	8,664,973	8,664,973	8,664,973
-17,000.00	Gain on revaluation of infrastructure, property, plant & equipment	0.00	0.00	22,405,445	22,405,445
0.00	Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment	0.00	0.00	0.00	0.00
8,664,973	BALANCE AT END OF PERIOD	8,681,973	8,664,973	31,070,418	31,070,418
21,226,175	TOTAL EQUITY AT END OF REPORTING PERIOD	20,997,651	20,959,238	42,980,883	42,980,883

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
CONSOLIDATED BUDGET 2023/2024 Review 3

UNIFORM PRESENTATION OF FINANCES

2022/2023 FULL YEAR ACTUALS		2023/2024 ADOPTED BUDGET	2023/2024 BUDGET REVIEW 1	2023/2024 BUDGET REVIEW 2	2023/2024 BUDGET REVIEW 3
\$		\$	\$	\$	\$
261,699	Operating Revenues	289,911	560,692	561,692	561,692
(639,436)	less Operating Expenses	(557,209)	(827,629)	(1,212,429)	(1,212,429)
(377,737)	Operating Surplus / (Deficit) before Capital Amounts	(267,298)	(266,937)	(650,737)	(650,737)
	Less Net Outlays in Existing Assets				
	Capital Expenditure on renewal and replacement of Existing Assets	-	-	-	-
(328,561)	less Depreciation, Amortisation and Impairment	(322,298)	(322,298)	(706,098)	(706,098)
-	less Proceeds from Sale of Replaced Assets	-	-	-	-
(328,561)		(322,298)	(322,298)	(706,098)	(706,098)
	Less Net Outlays on New and Upgraded Assets				
-	Capital Expenditure on New and Upgraded Assets	-	-	-	-
-	less Amounts received specifically for New and Upgraded Assets	-	-	-	-
-	less Proceeds from Sale of Surplus Assets	-	-	-	-
(49,176)	Net Lending / (Borrowing) for Financial Year	55,000	55,361	55,361	55,361

Agenda Item:	5.3
Committee:	GRFMA Audit Committee
Meeting Date:	4 June 2024
Title:	2024/2025 Draft GRFMA Annual Business Plan and 2024/2025 Draft Budget

Recommendation:**That the Audit Committee:**

- 1. Notes the report.**
 - 2. Receives a verbal update.**
-

The 5/2/2024 GRFMA Audit and Risk Committee meeting noted:

The meeting discussed the status of the Gawler River Flood Management Business Plan and noted risk to the project and GRFMA if the Constituent Councils don't support the 2024/2025 draft budget provisions for completion as identified by Infrastructure SA.

Background

The 2024/2025 draft GRFMA budget included provision of \$150,000 for contribution to the Gawler River Flood Management Business Case.

Funding of the Business Case is to be met from within the collective Constituent Council contributions/subscriptions to the GRFMA Budget as per clause 11.1 and Schedule 1 Operational Costs Percentage Share %.

Clause 12.1.3 of the GRFMA Charter provides the budget must be submitted in draft form to each Constituent Council before 31 March for approval and not be adopted by the Authority until after 31 May but before 30 September.

Correspondence with supporting information outlining the 2024/2025 Budget was provided to all six Constituent Councils.

- 4 Councils (Adelaide Hills, Barossa, Gawler, Playford) have formally endorsed the draft budget documents as submitted by GRFMA.
- 1 Council (Light) endorsed the draft budget documents with exception of the Business Case (i.e. excluded).
- 1 Council (Adelaide Hills) does not approve the budget on the following basis:
 - a. That the Council sees little if any benefit to the Adelaide Hills community in contributing to the cost of the further development of the flood mitigation works business case.
 - b. That the Council is opposed to the apportioning of costs for further developing the business case equally among the member Councils.
 - c. That the cost apportionment should be reflective of the relative contribution to the flood risk and the relative benefits of the flood mitigation works to each community.

The GRFMA has commenced dispute resolution with Light and Adelaide Hills as per Clause 21 of the GRFMA Charter.

Following discussion with representatives from both Councils there is general agreement for a proposal that:

- GRFMA adopts an amended budget which includes the 4 agreed Council contributions – collectively \$100,000 (as approved by those Councils) and which does not include the other two Council contributions (collectively \$50,000).
- GRFMA, Light, Adelaide Hills Councils to set aside the dispute, for the time being, based on GRFMA not pursuing inclusion of their Council business case contributions in the 2024/2025 GRFMA Budget.

Light resolution would stand, and Adelaide Hills to amend their position to reflect endorsement of the GRFMA draft budget less their contribution.

This process would effect adoption of the 2024/2025 GRFMA Budget without entanglement of a formal dispute process.

The option then remains for the parties to revisit the dispute resolution process.

Legal advice has been sought (in progress) to determine if the GRFMA can formally adopt an amended budget that has been/will be amended as a result of and following consultation with Constituent Councils.