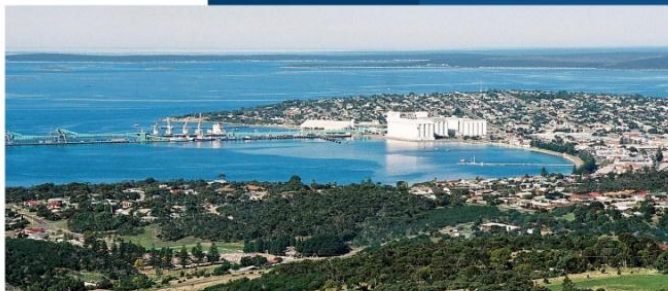
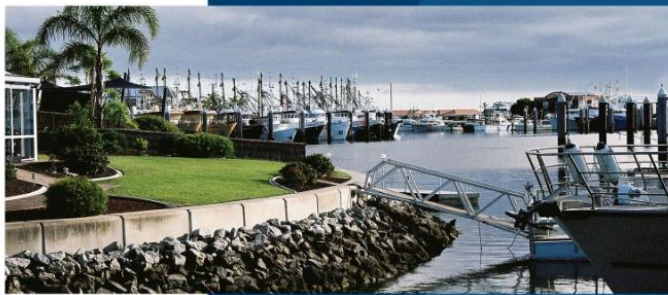




# City of Port Lincoln



## Annual Report

2011-2012

N20128652

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Adopted 19 November 2012



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## OVERVIEW AND HIGHLIGHTS FOR THE YEAR

### Message from the Mayor

The first full financial year of council, elected in 2010, is reviewed in this annual report. Of course elected members change from time to time but the work of council is carried on by our capable and expert staff. It is pleasing to report that your council ended the year in a strong financial position, obtained a clean audit and progressed some important and expensive projects over the year.

I draw your attention to details of these projects in this report. Some of these projects are very visible, such as the under-grounding of power cables, greening of our parks through recycled water use, new toilets and landscaping at Wellington Square and Shelly Beach. Some are not so obvious, such as the transfer station at the Resource Recovery Centre, the covering of our filled waste cells at the site, and major underground storm water drain upgrades and much more.

At the same time council got stuck into planning. A major community survey was undertaken with wonderful participation rates from the community that has led to a review of our Strategic Directions document. This will guide the priorities of council as we are asked to provide services and facilities into our future. Council also completed some Development Plan Amendments [DPA] that give clear direction on development opportunities in commercial, industry and bulky good zones. A number of other DPA's were commenced and once completed will be significant in guiding residential development.

Although growth has been modest and land divisions below trend, it is important that we prepare for times of expansion and growth. The importance of Port Lincoln as a regional centre is being more recognised by State and Federal Government and Council has been active in promoting our regional role.

One significant initiative commenced during the year was an agreement with Tumby Bay Council and the District Council of Lower Eyre to explore possibilities for shared services. The three councils have agreed to examine ways to work together to provide services more efficiently and reduce duplication of effort.

I take this opportunity to thank my fellow councillors for their enthusiastic and well considered contributions, for representing public opinion and for taking their decision very seriously. To Deputy Mayor Neville Starke who stands in for me when needed, thanks.

Thank you to our staff who are the front line and the behind the scenes people who carry out the functions of council. I appreciate that they are often under pressure, often in a visible situation and always under financial constraints. Thank you and well done to all, ably led by CEO Geoff Dodd.

Your council is well positioned to undertake major projects identified in our community driven strategy. I encourage your continuing interest in the operations and deliberations of our local government area, the beautiful and progressive City of Port Lincoln

**BRUCE GREEN**

**MAYOR**

☎ 8683 3819

📱 0437 437 051

💻 [mayor@plcc.sa.gov.au](mailto:mayor@plcc.sa.gov.au)



## Chief Executive Officers Message

The 2011/12 financial year has been another busy year for council staff, completing projects and continuing programs outlined in our key strategic plan focus areas.

- Recreation and open spaces
- City image
- Infrastructure
- Transport network
- Environment
- Community projects
- Economic development

A review of the Strategic Plan has been undertaken to ensure Council focuses its resources and efforts to areas of greatest community need.

Refining the strategic directions of council is an ongoing task.

Council continues to deliver services and significant capital projects while maintaining a responsible financial position, this requires a competent, experienced and enthusiastic staff of which this council is fortunate to possess.

Council has ended the financial year with a moderate surplus (excluding the forward payment of federal grants) after expending approximately \$11.5 million on operational services and \$4.2 million on new and replacement capital projects.

Operation costs of significance continue to be in waste management, administration and governance compliance, parks, gardens and recreational facilities and civil infrastructure maintenance.

Key focal points such as the foreshore and coastline, central business area, city entrances and parklands are programmed for continued development and improvement over the next few years.

Council will also endeavour to continue the residential footpath program in a strategic manner, linking residential areas to main roads and improving access to significant locations such as schools.

Parklands, road verges and fire trails have also received increased maintenance in an effort to reduce the city's vulnerability to fire events.

Some of the significant capital projects undertaken this year have included:

- Completion of the Centenary Oval upgrade
- Cell capping and construction at the waste centre
- Stage 1 of a new waste transfer station
- Stormwater drainage adjacent to New West Road
- Final stage of the waste water reuse program
- Railway corridor fencing upgrade
- Tennis facilities
- Parnkalla Trail sealing program
- Wellington Square re-development
- Liverpool Street undergrounding of power lines and footpath upgrade
- Road and footpath construction and resealing

Council recognises the cost pressures continually being faced by our community, through State Legislation and Regulation together with community expectations and the rising cost of providing services, but it will endeavour to contain costs and maximise outside revenue sources wherever possible.

Council is mindful of the necessity to continually update its development Plan and as such continues to review planning relative to the future commercial, industrial and residential requirements facing the city. Steps are currently being taken to position the city well for future growth across all development sectors.

In closing, thanks and appreciation are given to the many volunteers that assist Council and the community in areas such as our parks and gardens, library, walking trails, museums, sports and youth activities to name a few. People that give their time and energy to make Port Lincoln a great place to live and work are truly appreciated.

Council and Staff look forward to another productive and rewarding year in 2012/13.

**GEOFF DODD**  
**CHIEF EXECUTIVE OFFICER**



# City of Port Lincoln Map





## City of Port Lincoln Statistics

Total area:	3,800 hectares
Population Estimated:	14,519
Average Rainfall:	490 mm
Foreshore (length)	21 km
Recreational Open Space Area:	220 hectares
Lincoln Cove Southern Lake Area:	2 hectares
Roadways Unsealed (length)	8 km
Roadways Sealed (length):	149 km
Total Footpath (length)	67 km
Assessments to June 2012:	8101
Site Value Rateable Properties: June 2012	\$1,097,171,600
Local Board of Main Roads proclaimed	22 November 1866
District Council of Port Lincoln proclaimed	1 January 1880
Town Corporation proclaimed	8 August 1921
Proclaimed City:	30 January 1971
Boundaries extended	26 March 1981



## Members of Council

### December 2010 ongoing

ELECTED MEMBERS			
Person	BH Phone & Address	AH Phone & Fax	Mobile & Email
Mayor Bruce Green	<i>11 Alsace Crescent, PL</i>	8683 3819	0437 437 051 <a href="mailto:mayor@plcc.sa.gov.au">mayor@plcc.sa.gov.au</a>
Cr Danny Bartlett	8682 1266 <i>89 Kurara Road</i>	8682 1596 <i>F 8682 4042</i>	0412 766 816 <a href="mailto:danny@eyretrading.com.au">danny@eyretrading.com.au</a>
Cr Michael Bascombe	8682 1753 <i>PO Box 143, PL</i>	8683 0229 <i>F 8682 1750</i>	0417 830 229 <a href="mailto:mick.bascombe@bigpond.com">mick.bascombe@bigpond.com</a>
Cr Malcolm Catt	8684 3788 <i>PO Box 814,</i>	8682 4646 <i>F 8682 1042</i>	0428 837 030 <a href="mailto:mcatt@ozemail.com.au">mcatt@ozemail.com.au</a>
Cr Faye Davis	<i>PO Box 1041, PL</i>	8682 1741 <i>F 8682 1741</i>	0429 821 741 <a href="mailto:faye.davis@internode.on.net">faye.davis@internode.on.net</a>
Cr Gordon Hartley ESM	8683 0504 <i>PO Box 1632, PL</i>	8683 0504	0429 900 840 <a href="mailto:hartleygordon@internode.on.net">hartleygordon@internode.on.net</a>
Cr Peter Jolley	8682 3677 <i>PO Box 2160, PL</i>	8682 6367	0427 822 160 <a href="mailto:peterjolley@bigpond.com">peterjolley@bigpond.com</a>
Cr Jim Papazoglov	8682 6554 <i>PO Box 1208, PL</i>	8682 5919 <i>F 8682 1419</i>	0419 868 072 <a href="mailto:jim@aussiealuminium.com.au">jim@aussiealuminium.com.au</a>
Cr Rod Patterson	8683 4703 <i>PO Box 2083, PL</i>	8683 4703	0419 866 760 <a href="mailto:rodandjude@bigpond.com">rodandjude@bigpond.com</a>
Cr Travis Rogers	8683 0162 <i>PO Box 1583, PL</i>	8683 3753	0448 698 192 <a href="mailto:buandig1@bigpond.net.au">buandig1@bigpond.net.au</a>
Cr Neville Starke <i>Deputy Mayor</i>	0429 036 907 <i>28 Alexander Crescent, PL</i>	8682 4989	0429 036 907 <a href="mailto:nevillestarke@bigpond.com">nevillestarke@bigpond.com</a>



**From Left to Right**

Peter Jolley, Faye Davis, Rod Patterson, Travis Rogers, Michael Bascombe, Mayor Bruce Green, Malcolm Catt, Deputy Mayor Neville Starke, Jim Papazoglov, Danny Bartlett and Gordon Hartley

## Business Premises

The City of Port Lincoln has three business premises:

Council Administration Office	Library	Depot
<ul style="list-style-type: none"> <li>• Level 1 Civic Centre 60 Tasman Tce PORT LINCOLN</li> <li>• 8621 2300</li> </ul>	<ul style="list-style-type: none"> <li>• 2 London Street (TAFE Building) PORT LINCOLN</li> <li>• 8688 3622</li> </ul>	<ul style="list-style-type: none"> <li>• 33 Bel-Air Drive PORT LINCOLN</li> <li>• 8621 2340</li> </ul>

## Structure & Functions of Council

The Council consisting of ten Councillors and the Mayor, is the decision making body on all policy matters. Ordinary meetings of the Council were held on the first and third Monday of every month at 7.30 p.m. (except public holidays when meetings were held on the following Tuesday). All meetings were open to the public. A community question time was held at the beginning of each meeting when members of the public had the opportunity to ask a question to Members or Officers of the Council.

## Meeting Attendance

### Ordinary Council

Ordinary Council Meetings were held on the first and third Mondays of each month. For the 2011-2012 financial year there were 23 Ordinary Council meetings held. Attendance was as follows:

Elected Member	Meeting Attendance
Bruce Green	21
Cr Neville Starke (Deputy Mayor)	17
Cr Danny Bartlett	20
Cr Michael Bascombe	22
Cr Malcolm Catt	22
Cr Jim Papazoglov	20
Cr Gordon Hartley ESM	20
Cr Peter Jolley	20
Cr Travis Rogers	19
Cr Rod Patterson	22
Cr Faye Davis	22

## Public Access to Meetings and Minutes

All meetings of Council are open to the public.

Meeting Agendas of Ordinary Council, Council Development Assessment Panel, and committees established pursuant to Section 41 of the Local Government Act are placed on public display and posted on Council's website, no less than three days prior to those meetings in the Civic Centre Administration area. All reports, which form the basis of recommendations to Council, are also available to the public.

Within five days of the meeting being held Minutes are placed on display in the Civic Centre and posted on Council's website.



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

## Boards & Advisory Committees & Project Management Teams

Council established a number of Committees, Boards and Advisory bodies, which comprise Elected Members, Staff, Government Officers and members of the public, to act in a range of statutory, delegated and advisory roles.

The composition, structure, delegated authority and Terms of Reference of these groups are reviewed in November of each year and adopted by Council for the following twelve month term.

The minutes of Section 41<sup>1</sup> Committee meetings are included in the following Ordinary Council meeting Agenda for adoption by Council.

<sup>1</sup> Section 41 Committee: A committee may, according to a determination of the council (and subject to the operation of this Act), be established to assist the council in the performance of its functions.

Marina  
Maintenance  
Advisory  
Committee

Greater City of Port  
Lincoln Bushfire  
Prevention Plan  
Committee

Financial  
Management  
Committee

Strategic Planning  
& Development  
Policy Committee

Building Fire Safety  
Committee

Chief Executive  
Officer Review  
Committee

### Council Development Assessment Panel

*Chairman - Mr Bill Watkins*

Council is required pursuant to Section 56A of the Development Act 1993, to establish development assessment panels. There are three important functions of the Panel and these are;

- To act as a delegate of the Council in accordance with the requirements of the Development Act.
- To provide advice and reports to the Council on trends, issues and other matters relating to the planning and development that have become apparent or arisen through its assessment of applications; and
- To perform other functions assigned to the panel by Council.

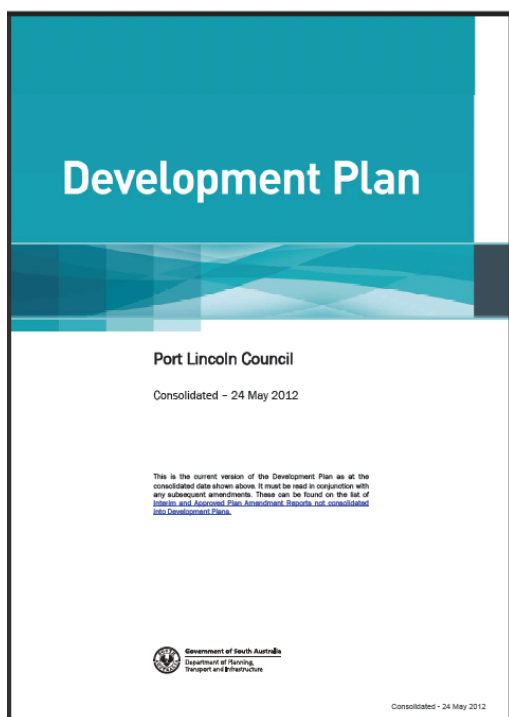
The Council Development Assessment Panel (CDAP) meets monthly, when required, on the second Monday at 7.30pm in the Council Chambers. Meetings are open to the public and are advertised accordingly.

For the 2011 - 2012 financial year there was a total of 8 CDAP meetings.

The Panel consists of seven members, three councillors, three community members and an independent community presiding member. The term of office for the Elected Members on the Panel is twelve (12) months while Independent Panel Members are appointed for two (2) year terms.

The Development Assessment Panel has delegated authority of decision-making. The Panel only assess Category 2 representations where representatives are received and wishes to be heard, all Category 3 and non-complying applications. The Panel have overseen the following.

July 2011 to June 2012	Meetings Attended
Mr Bill Watkins OAM – Presiding Member	8
Mr Peter Blacker	3
Mr Shayne Calliss	6
Mr Roger Nourse	8
Cr Faye Davis	8
Cr Jim Papazoglov	6
Cr Michael Bascombe	7



The Development Assessment Panel has delegated authority of decision-making. The Panel only assess Category 2 representations where representatives are received and wishes to be heard, all Category 3 and non-complying applications. The Panel have overseen the following.

Number of Applications	11
Number of Applications Approved	10
Number of Applications Refused	1
Number of Applications Deferred	0
Number of Applications Appealed	0

## Committee Reports

### Marina Maintenance Advisory Committee

*Chairman - Councillor Michael Bascombe*

#### Terms of Reference

Pursuant to Clause 23 of the Tripartite Agreement between State Government, Lincoln Cove Development Company and Council.

#### Membership:

Councillor Michael Bascombe (Chair) – Council appointed  
 Councillor Faye Davis (Proxy)  
 Mr Geoff Dodd – Chief Executive Officer – Council appointed  
 Mr Justin Shaw – Appointed by Minister for Marine  
 Mr Sprios Dimas – Appointed by Minister for Marine  
 Vacant - Lessees of berths commercial basin  
 Mr Gareth Dunne – Lincoln Lakes Development Company  
 Mr Brian Henson – Stage 1 Residential Proprietors  
 Mr Bruce Redding – Lincoln Cove Development Company



The Marina Maintenance Advisory Committee met in September 2011. Discussions related to:

- replacement of the Cray Shark Fishermans pontoon system in Stage 1 of the Marina
- leasing of portions of Southlake Waterway
- future berthing possibilities for the Tacoma
- endorsement of budget and financial statements

The committee work plan for the 2012-2013 year includes assessment of the infrastructure assets within Lincoln Cove and investigation of dissolution of the Tri-partite Agreement.

## Greater City of Port Lincoln Bushfire Prevention Plan Committee

Chairman - Councillor Neville Starke

### Terms of Reference

- To review the Greater City of Port Lincoln Bushfire Prevention Plan.
- To present the findings of the review to Council inclusive of any recommendations for improvements to Bushfire Prevention for the City of Port Lincoln.
- That upon completion of the review, endorsement of the Greater City of Port Lincoln Bushfire Prevention Plan be sought from the Native Vegetation Council and other State Government Agencies as required.
- To make recommendations to the Lower Eyre Peninsula Bushfire Committee.

### Membership:

Councillor Neville Starke (Chair)

Councillor Gordon Hartley

Mr Geoff Dodd - Chief Executive Officer

Mr Nigel Melzner – Manager Community Infrastructure

Mr Calvin Hoye – Compliance Officer

Representative of – Country Fire Service

Representative of – Metropolitan Fire Service

Representative of – Dept Environment Natural Resources

Representative of – District Council of Lower Eyre Peninsula

Representative of – SA Water

Representative of – ETSA



The Greater Port Lincoln Bushfire Prevention Committee has only met once this year, which is less than I would prefer. However I feel that the Lower Eyre Peninsula Bushfire Management Committee has taken over some of the role of the GPLBPC. Because of this the attendance was considerably down at our meeting.

There is still a very important role for our committee. We have a very good plan that needs to be adhered to and continue to act upon.



Our plan has been actioned to it's completion. All major projects have been achieved and the majority of work is now maintenance.

This means that our plan is due for review this year, to include the 2009 fires and look forward to new challenges and objectives. Unfortunately, I see Council budget constraints as a huge challenge going forward, but we must not allow these constraints or apathy to jeopardise the safety of our City.

***Neville Starke, Chairman***

## Building Fire Safety Committee

Chairman – Bob Milic

### Terms of Reference

The Building Fire Safety Committee is charged with the responsibility for all matters arising under Section 71 of the Development Act 1993 which are of a building fire safety nature.

### Membership:

Mr Bob Milic – Manager Development and Environmental Services

Mr Peter Harmer – Building Surveyor

Mr Rod Bahr – MFS Representative

Tony Manuel – City of Port Lincoln



### **The Role of a Building Fire Safety Committee**

Local councils play an important role in protecting the safety of building occupiers and users and must appoint a building fire safety committee under the Development Act 1993 to ensure adequate fire safety in buildings. The role of a building fire safety committee includes:

- developing appropriate building fire safety inspection policies
- examining the fire safety of buildings that have been identified as having inadequate fire safety provisions
- issuing notices of fire safety defect to building owners, which identify fire safety provisions that need to be upgraded to an extent that provides a reasonable level of safety for occupants
- issuing notices of building work required which set out building work that must be carried out in order to raise the building fire safety to a reasonable level of safety
- initiating enforcement or other action to ensure a building owner complies with a notice of building work required
- revoking or varying fire safety notices where appropriate.

One official meeting was held during the 2011-12 year. A total of 5 inspections were undertaken by the Committee. Of these, 2 were new premises and 3 were re-inspected to follow up previously identified fire safety issues. In this time, two premises were added to the agenda for inspection and five (5) premises were finalised following compliance. Those finalised include Target Country, Pier Hotel, First Landing Motel, Kirton Point Caravan Park and Lincoln South Football Club.

Matters which were addressed by the Committee this year included:

- Number of exits provided and the construction of paths of egress
- Appropriate Exit Light installation and maintenance
- Appropriate installation of Fire Hose Reels and Fire Extinguishers
- Requirements for Emergency Lighting
- Installation of Hard-wired Smoke Detectors
- Fire Resistance Levels of building elements
- Fire Hydrant installation and street main fire plug flow and pressure test characteristics.

To date the Committees focus has predominately been on those premises providing accommodation, large assembly buildings and factories. More recently the Committee has discussed the inspection of Aged Care Facilities and will aim to focus on these in the coming year.



**Financial Management Committee**

*Chairman - Councillor Danny Bartlett*

Terms of Reference

Members of the committee are appointed by Council. The committee consists of between three and five members inclusive, with at least one independent member and at least one from the elected members of council, consistent with any regulations.

Independent member(s) of the committee shall have appropriate experience relevant to financial, risk management and internal audit matters. The Principal member of the Council shall be an ex officio member of the committee unless appointed directly to the committee.

Membership:

- Cr Danny Bartlett (Chairperson)
- Cr Neville Starke
- Cr Faye Davis
- Cr Peter Jolley
- Ms Diana Laube – Independent Member

The Financial Management Committee held 5 official meetings during the financial year, with the meetings based around the requirements of the Work Plan.

Agenda items included:



## Strategic Planning & Development Policy Committee

Chairman - Councillor Malcolm Catt

### Terms of Reference

- To provide advice to council in relation to how Council's planning strategies and development policies accord with the State planning strategies.
- To assist the Council achieve;
  - Orderly and efficient development within the area of council.
  - High levels of integration of transport and land use planning
  - Relevant targets set out in the planning strategy
  - The implementation of affordable housing policies set out in the planning strategy
- To provide advice when council is preparing a
  - Strategic directions report or
  - Development Plan Amendment Report
- Other functions as assigned to the committee by Council ( other than functions relating to development assessment or compliance)

### Membership:

Cr Catt – Chairperson

Cr Rogers

Cr Papazoglov

Cr Patterson

Chief Executive Officer

Manager Development and Environmental Services



Various Development Plan Amendments as follows are either underway, completed or partially completed;

- Deferred Urban Zone
- Lincoln Cove Expansion
- Industry, Commercial and Bulky Goods Retailing
- Residential
- Car Parking.

In addition an overarching Structure Plan in conjunction with the District Council of Lower Eyre Peninsula is being carried out.

## Delegates & Representatives

<b>Civic Hall Management Board</b>	Cr Davis
<b>Eyre Peninsula Local Government Association</b>	Mayor Green, Councillor Starke
<b>Eyre Peninsula Old Folks Home</b>	Cr Jolley
<b>Health Advisory Committee</b>	Cr Papazoglov
<b>LGA State Executive &amp; SAROC Committees</b>	Mayor Green
<b>Local Government Association of SA</b>	Mayor Green
<b>Low Eyre Pest Management Group</b>	Cr Hartley ESM
<b>Lower Eyre Peninsula Bushfire Management Committee</b>	CEO, MCI (Proxy)
<b>Lower Eyre Road Safety Committee</b>	Councillor Patterson
<b>Port Lincoln Aboriginal Forum</b>	Mayor Green, Cr Rogers
<b>Port Lincoln Chamber of Commerce &amp; Tourism</b>	Cr Catt
<b>Port Lincoln Risk Assessment Panel</b>	Manager Corporate Services
<b>Provincial Cities Association</b>	Mayor Green, Cr Starke & CEO
<b>Ravendale Community Sports Centre Board</b>	Councillors' Bascombe and Papazoglov
<b>Regional Development Australia Board</b>	Cr Catt
<b>South Australian Local Government Finance Authority</b>	Mayor Green
<b>Zone Emergency Management Committee</b>	CEO

## Council Participation

The City of Port Lincoln was represented at the Local Government Association AGM by the Mayor, an Elected Member, and the Chief Executive Officer. The Eyre Peninsula Local Government Association meets quarterly at various locations on the Eyre Peninsula and Council's Deputy Mayor and Chief Executive Officer attend these meetings. The Provincial Cities Association also meets quarterly and the Mayor, Deputy Mayor and Chief Executive Officer attend meetings. Mayor Bruce Green is the Spencer Gulf Cities Zone representative on the State Executive and South Australian Regional Organisation of Councils. These Committees meet every two months in Adelaide or in a regional location.

## Use of Sections 90(2) and 91(7)

Council will hold all meetings in public except in special circumstances where the public may be excluded from attendance at so much of a meeting as is necessary to receive discuss or consider in confidence any information or matter listed in Section 90 of the Local Government Act 1999.

A total of 23 Ordinary Council Meetings were held in 2011 - 2012 with no Special Council Meetings being held.

A total of 8 meetings were held In-Committee with the public excluded and as at the 30<sup>th</sup> June 2012, the Minutes continued with the order to be held as confidential under Section 91(7) of the Local Government Act 1999.

## Allowances

### Elected Members Allowances

The rates of the allowances are now set by the Remuneration Tribunal and are adjusted annually to reflect changes in the Consumer Price Index. In accordance with Section 76 of the Local Government Act 1999, a member of a Council is entitled to receive an annual allowance from the Council for performing and discharging official functions and duties. The annual allowance for Elected Members is payable quarterly in advance.

The allowance provided under Section 76 is all-inclusive, with the exception of the Mayor, whom Council provide computer access and an email address and mobile telephone to enable communication from Council, and for Council business.

The allowances across the state have been banded into 5 groups. The City of Port Lincoln is in Group 3. A Mayor or principal member allowance will be four times that of the councillor allowance, with a deputy mayor or presiding member allowance set at 1.25 times.

<b>Ordinary Council (Group 3)</b>	
Mayor (Bruce Green)	\$46,946.72
Deputy Mayor (Neville Starke) & Presiding Members (Mick Bascombe, Malcolm Catt, Danny Bartlett)	\$14,670.85
Elected Members	\$11,736.68

### Council Committee Allowances

The Chairperson and Independent Members of the Council Development Assessment Panel (CDAP) are remunerated per sitting, as is the independent member of the Financial Management Committee. Their involvement and interest in the future developments and strategic and financial goals of the City of Port Lincoln is appreciated.

Membership to various Council Committees and members of boards are re-elected each November.

Elected Members attended seminars and workshops throughout the year, to enhance their awareness of local government in our community and at a statewide level

<b>CDAP</b>	
Chairperson (Independent)	\$200 per sitting
Independent Members	\$120 per sitting
<b>Financial Management Committee</b>	
Independent Member	\$200 per sitting

## Representational Quota

It was gazetted on the 12<sup>th</sup> November 2009 that the City of Port Lincoln, in accordance with the requirements of Section 12(4) of the Local Government Act 1999, reviewed its composition and elector representation arrangements. Therefore pursuant to Section 12(13)(a) of the said Act, the Electoral Commissioner certified that the review undertaken by Council satisfied the requirements of Section 12 and the revised representation arrangements for the City of Port Lincoln will take effect from the day of the first general election held after the publication of the notice in the Gazette.

The representation arrangements are as follows:

- One Mayor
- 10 Councillors  
(at large representation)



No wards apply to the City of Port Lincoln Council area.

## Delegations

The Chief Executive Officer and other officers have the delegated authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are listed in the appropriate register (file reference 12.9.1.1) and are reviewed annually, or as required by Council, in keeping with the legislative requirements:

- To determine policies to be applied by the Council in exercising its discretionary powers;
- To determine the type, range and scope of projects to be undertaken by the Council; and
- To develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of the Council, that Council makes decisions, which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken, and the resources, which are to be made available to undertake such.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

## Comparative Data

Average representation quota data for Councils of comparable size and type (*derived from information provided by the Electoral Commission of SA current as at 29/02/2012*)

	No of Electors	Total Council	Representation Quota
PORT LINCOLN	9680	11	880
COOBER PEDY	1110	9	123
MOUNT BARKER	20682	11	1880
MOUNT GAMBIER	17890	11	1626
PORT AUGUSTA	9097	10	909
WHYALLA	14473	10	1447

## Decision Making Structure of Council

Under the system of Local Government established by the *Local Government Act 1999*, Council is established to provide for the government and management of its area at the local level and in particular:

*Act as a representative, informed and responsible decision-maker  
in the interests of its community*

To enact the various roles and functions required of it, Council has adopted strategic objectives, some of which are detailed as follows:

- Provide open, responsive and accountable government
- To be responsive to the needs, interests and aspirations of individuals and groups within its community
- Seek to facilitate sustainable development and the protection of the environment and to ensure a proper balance within its community between economic, social, environmental and cultural consideration
- To manage its operations and affairs in a manner that emphasises the importance of service to the community
- To provide services, facilities and programs that are adequate and appropriate and seek to ensure equitable access to its services, facilities and programs are available to all members of the community

## Community Engagement

Members of the public have a number of opportunities to put forward their views on particular issues before Council. These are:

<b>Deputations</b>	With the permission of the Committee Chairman or the Mayor, a member of the public can address a Committee or the Council personally or on behalf of a group of residents.
<b>Presentations to Council</b>	with prior notification and arrangement with the Mayor, a member of the public can address the Council on any issue relevant to Council.
<b>Petitions</b>	Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.
<b>Written Requests</b>	A member of the public can write to the Council on any Council policy, activity or service.
<b>Elected Members</b>	Members of the public can contact their Elected Members of Council to discuss any issue relevant to Council.
<b>Community Question Time</b>	Members of the public can ask a question directly to the Council at the beginning of each monthly Council Meeting.

The City of Port Lincoln consults with local residents on particular issues that affect their neighbourhood, as per Policy 2.63.1. Below are some examples:

- Residents and electors are eligible to attend meetings at which Council may be making decisions on leasing arrangements of Council reserves by local community groups
- Revocation of Community Land Classifications, road opening and closing proposals
- Residents are notified of some Development Applications requiring the approval of Council. The Development Act exempts a number of applications from public notification. When an application is publicly notified, residents have the opportunity both to write to Council expressing their view of the application and to subsequently personally address the Council before a decision is made.
- Strategic Planning
- Policy amendments to the Development Plan and development proposals of Council wide significance

## Local Government Act 1999 Legislative Requirements

### Registers

As required to be kept under the Local Government Act 1999 and the Local Government (Elections) Act 1999

*S68 Register of Interest – Members*  
*S79 Register of Members Allowances*  
*S105 Officers Register of Salaries*  
*S116 Officers Register of Interest*  
*S188 Fees & Charges Schedule*  
*S196 Community Land Plan 1 and Plan 2*  
*S207 Community Land*  
*S231 Public Roads*  
*S252 By-Laws*

### Code of Conduct

Code of Conduct or Practice documents are available to the public, either at the Council Office or website

Chapter 5, Part 4, Section 63

*Policy 9.63.3 Code of Conduct – Council Members*

Chapter 6, Part 5, Section 92

*Policy 18.63.1 Code of Practice – Access to Meetings and Documents*

*Reg 7 18.63.2 Code of Practice at Council and Committee Meetings*

Chapter 7, Part 4, Section 110

*Policy 18.63.2 Code of Conduct – Staff*

### Policies

Policies required to be listed in this Annual Report.  
*S 49 Policy 7.63.1 Contracts, Tenders & Purchasing*  
*S50 Policy 2.63.1 Community Engagement*  
*S 77 & 78 Policy 9.63.20 Elected Member Allowances and Benefits*  
*S80A Policy 9.63.12 Elected Members Training & Development*  
*S125 Policy 7.63.5 Internal Control*  
*S219 Policy 14.63.13 Naming of Roads*  
*S 259 Policy 5.63.1 Order Making*  
*S270 Policy 9.63.2 Council Decisions Review*

A full list of Council policies is available on Councils website

### Local Government (Elections) Act 1999

Part 14 Campaign Donations Returns as prepared by Candidates

### Council Management Manual

Council maintains a Management Manual 18-62-T2 available for public viewing containing either copies or reference to the required documentation

## Council Publications

### Access to Publications

In accordance with Local Government Act 1999, Schedule 5 – ‘Documents to be made available by councils’, the following documents are available for public inspection at the Council Office. Members of the public may purchase copies as per Council’s Fees and Charges Schedule.

<b>Council Agenda</b>
<b>Council Minutes</b>
<b>Standing Committee Agendas &amp; Minutes</b>
<b>Assessment Book</b>
<b>Development Assessment Plan</b>



Other publications such as Annual Reports, Financial Statements, Budget documentation, Development Plans etc are also available on Councils website. For those persons whom don't have internet access, the Port Lincoln Library, in the TAFE Building at 2 London Street, has free public internet access.

## Freedom of Information

### Freedom of Information Statement

Under **Local Government Act 1999** Part 2, Section 9 and the Freedom of information Act 1991, publication of information concerning agencies, Council is required to publish annually its Information Statement pertaining to arrangements and functions Council has in place for the public to access information and documents to enable them to participate in Council's decision making processes and policy formation.

The City of Port Lincoln  
**"Freedom of Information Statement"**  
is available on Council's website and is adopted annually as required.



Requests for information will be considered in accordance with the Freedom of Information Act provisions.

Under this legislation, an application fee and a search fee must be forwarded with the completed request form unless the applicant is granted an exemption.

Should the applicant require copies of any documents inspected pursuant to a Freedom of Information request, the charge set out in the Act will apply.

Freedom of Information Forms are available at the Council Offices and Request Forms should be addressed to:  
City of Port Lincoln PO Box 1787 PORT LINCOLN 5606

Applications will be responded to as soon as possible within the statutory number of days of Council receiving the properly completed Freedom of Information Request Form, together with the application and search fees.

### Applications Received

Nil application for information under the Freedom of Information Act were received by the City of Port Lincoln during the reporting financial year.

### Amendment to Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date. To gain access to these Council records, a member of the public must enquire in the first instance to the Chief Executive Officer. It may be necessary to complete a Freedom of Information Request Form as indicated above outlining the records that he/she wishes to inspect.

### National Competition Policy

Under the requirements LGA Schedule 4 1(j) and the National Competition Policy and the requirement to report on its application to Council Business, it is reported that for the financial year there were no significant business activities created, undertaken or ceased. There were no complaints received by Council in its application of competitive neutrality in its business dealings.



## By-Laws

The City of Port Lincoln Council has five by-laws.

<b>By-Law No. 1</b>	Permits and Penalties
<b>By-Law No. 2</b>	Moveable Signs
<b>By-Law No. 3</b>	Roads
<b>By-Law No. 4</b>	Local Government Land
<b>By-Law No. 5</b>	Dogs

The By-laws were gazetted on the 5 December 2011. The certified copies are held in a register (15.13.1.1) as per the Local Government Act 1999 Chapter 12, Part 1, Section 252. Copies of Councils By-laws are available by request, or on the website.

**CLAUSE 9.11.3 BY-LAW NO. 4 LOCAL GOVERNMENT LAND** N20111490  
**DESIGNATED CAMPING AREAS FOR MOTORHOMES ONLY**

1. Axel Stenross Boat Ramp  
Upper carpark area
2. A designated area of current sealed car parks abutting the reserve at Billy Lights Point Boat Ramp

**CLAUSE 9.4.2(b) BY-LAW NO. 4 LOCAL GOVERNMENT LAND** N20111508  
**DESIGNATED AREA WHERE A HORSE MAY BE RIDDEN**  
**WITHOUT A PERMIT**  
**BETWEEN HOURS MIDNIGHT TO 8.30AM**  
**FLANKED BY SILOS AND TOWN JETTY**  
**BELOW MEAN HIGH WATER MARK (lines shown estimate only)**

## Management and Staffing

### Executive Officers

<b>Chief Executive Officer</b>	Geoff P Dodd, Assoc Dip Acct
<b>Director of Corporate &amp; Community Services</b>	Katrina Allen, Cert IV HR & Fin Serv

The Chief Executive Officer, Geoff Dodd, was originally appointed in June 2005 on a five year performance based employment contract, with a new contract offered for a further five years in December 2009.

The Director of Corporate & Community Services, Katrina Allen, has completed the fifth year of a five year contract. From July 2012 following an organizational review, Mrs Allen will be appointed to a new position of Deputy Chief Executive Officer. The position of Director will cease.

The employment packages of these officers include salary, legislated superannuation benefits, and the private use of a designated Council Vehicle.

### Senior Management Team

The Senior Management Team meets weekly to discuss strategies and update other managers and the CEO of project progress and other operational matters.

**Chief Executive Officer**  
Geoff Dodd

**Manager Development & Environmental Services**  
Bob Milic

**Director Corporate and Community Services**  
Katrina Allen

**Manager Corporate Services**  
Jo Calliss

**Operations Manager**  
Craig Matena

**Community Planning Officer**  
Janet Grocke

**Manger Community Infrastructure**  
Nigel Melzner

### Equal Employment Opportunities

The City of Port Lincoln is wholly committed to the principles of Equal Employment Opportunity and puts these into practice in all instances of new staff appointments, promotions and training opportunities. In all policies and practices of the Council, there shall be no discrimination relating to sex, marital status, parenthood, race, colour, national origin, physical or mental impairment, religious or political affiliation. Selection of individuals for employment, promotion or advancement training and staff development will be on the basis of personal merit in fair and open competition according to the skills, qualifications, knowledge and efficiency relevant to the position involved.

Council will utilise and develop the full potential of the Council's human resources and promote employee morale and motivation by establishing staff confidence in personnel practices and employment opportunities.

This Equal Employment Opportunity practice reflects the Council's desire to enjoy a workplace free of discrimination where each person has can progress to the extent of their ability, as opportunities arise.



## Training & Development Policies



Council endorses the following aims and principles when applying its training policies and practices. Council's policies 12.63.14 Human Resource Management and 9.63.12 Elected Members Training & Development, aim at developing highly skilled, knowledgeable and committed employees and elected members which will result in benefits to the Council, its community and the individuals themselves. It is Council's intent in the attainment of this goal to;

- establish a working environment in which employees are encouraged to undertake training
- training is actively promoted
- opportunities for recognition, development and advancement are provided
- skills and knowledge are provided to entry level employees.

Training is an investment in the skill development of employees and elected members, which should be directed at achieving the corporate objectives of the Council. Training should be relevant to the services provided by the Council, meaningful to the participants and directed at improving performance on the job.

All employees and elected members should have access to appropriate training and development opportunities required to perform present and future jobs more competently and to ensure career development opportunities. Council should be flexible in determining training programs and policies and will consult with employees and elected members on their individual training requirements. Evaluation of training programs and

activities will ensure the best use of resources and consistency standards.

Training must recognise and comply with legislative requirements, in particular, the Training Guarantee, Occupational Health, Safety, Welfare and Equal Employment Opportunity legislation. Employee and elected members current and future training and development needs will be identified through an organisational and skills/training needs analysis and the development of individual training and development programs derived through a process of employee/manager consultation as part of Council's appraisal scheme. Training and development should form a key part of a strategic human resources plan which responds to present and future organisational needs.

Whereas, the responsibility for training and development rests with managers and individual employees, the Senior Corporate Services Officer will fill a strategic role and will be the link for implementing, monitoring and evaluating training and development.

Council will allocate a proportion of its salaries and wages budget to training and development. Activities that are structured, evaluated, meet organisational, departmental or individual requirements and contribute to productivity will be funded from this allocation.



## Community Land Management Plans

As per the Local Government Act 1999, Chapter 11 and Schedule 4 2(e), Council recognises the requirement and need for management plans of its Community and Operational land. Management plans for Community land have been implemented will be reviewed in the coming year following the Asset revaluations.



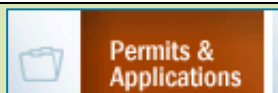
### Community Land Management Plan 1


- Recreation, Sports Grounds and
- Community Facilities
  - *Includes sporting grounds, clubrooms, halls, caravan park, museum*



### Community Land Management Plan 2

- Parks, Gardens & Reserves
  - *Including playgrounds*



Council has established a  **Permits & Applications** tab on its website – here there are the required application forms and information in relation to occasional hire, short and long term leasing of Council facilities and parks and reserves.

An online Community Calendar is available for members of the public to lodge details of their upcoming events.

Promotion opportunities are available at the Lincoln Highway Entrance and on the Foreshore Bollards.

A “Community Events” form steps event co-ordinators through the requirements of holding such on Community Land

## Council Services

The Council makes decisions on policy issues relating to services that are provided for the Port Lincoln Community and visits to the area. These services currently include:

- Accommodation for the Aged
- Accommodation for the Disabled
- Advertising Sign permits
- Beach Cleaning
- Boat Ramps
- Bus Stops, Shelters and Seats
- By-law Administration



- Footpath Infrastructure
- Foreshore Protection
- Foreshore Swimming enclosure
- Garbage Collection
- Health and Food Inspection
- Immunisation Program
- Kerbside Collection of Recyclables
- Litter Bins
- Local History Collection
- Mill & Settlers Cottage Museum
- Monuments and Plaques
- Netball Facilities
- Off & On Street Parking
- Other Sporting Grounds
- Parking Control
- Parks and Gardens
- Parnkalla Walking Trail
- Playgrounds and Equipment
- Policy Planning
- Public Conveniences
- Public Library (jointly with TAFE)
- Public Relations and Communications
- Public Seating
- Recreational Facilities
- Recreation Trails
- Roads Infrastructure
- Septic Tank Inspection
- Sister City Friendships
- Statutory Planning
- Strategic Planning
- Street Lighting
- Street
- Signage
- Street
- Sweeping
- Street Tree Planting

- Tennis Facilities
- Tourism Development
- Tourist Information
- Traffic Control Devices
- Traffic Management



- Cemeteries
- Citizenship Ceremonies
- Civic Hall & Art Gallery
- Civic Receptions
- Community Asset Management
- Community Governance
- Community House Support
- Cycle Tracks
- Development Applications
- Development Assessment
- Development Control
- Dog and Cat Management
- Drainage Works and Flood Control
- Economic Development
- Election of Council Members
- Environmental Health
- Fire Protection
- Football ovals

- Tree Management
- Vertebrate Pest Control
- Visitor Information Centre
- Walking Trails
- War Memorials
- Waste Disposal
- Waste Minimisation Program
- Waste Recycling Program
- Weed Control
- Youth Advisory Committee
- Youth Program Support



## Auditor Independence

*Local Government Act 1999, Section 128(9)*

Dean Newbery & Partners, with head Auditor Jim Keogh from 2011, have performed audits of Council's internal financial controls and the presentation of financial reports as required for the 2011-2012 financial year (refer Appendix A).

The Local Government (Financial Management) Regulation 14 requires the Chief Executive Officer and Mayor to sign a statement certifying that:

- a) The financial statements comply with relevant legislation and Australian Accounting Standards,
- b) The financial statements present a true and fair view of the financial position, results of the operations and cash flows of Council,
- c) Internal controls implemented by Council provide a reasonable assurance that its financial records are complete, accurate and reliable, and
- d) That the CEO and Mayor have been authorised by the Council to certify the annual financial statements in their final form.

In order to effect this certification process, Council is required to authorise that the CEO and Mayor to sign the certification of the statements in their final form when completed. The result of this process is that the audited financial statements cannot be altered by Council and the final statements will be presented to Council for information only.



Council has not engaged its auditor, Dean Newbery and Partners, to provide any services outside the scope of its functions as Council's auditor.

Pursuant to the Local Government Act 1999, Section 128(9) and Schedule 4, the remuneration payable for the annual audit of Council's financial statements and interim audit report for the 2011-2012 financial year was \$16,150, being \$13,000 for audit services and \$3,150 for travel expenses.

## Internal Review of Council Actions

*Local Government Act 1999, Section 270(8)*

During the financial year Council did not receive any applications pursuant to Local Government Act 1999, Section 270(8) to review its decisions.



## Integrated Strategic Management Planning

As required under the Local Government Act 1999 Section 122 Council undertook a major review of its strategic plan document following the November 2010 Elections

### Community Survey

A major Community Survey was undertaken in August 2011 with excellent response and feedback from the residents of Port Lincoln and surrounding townships. The full survey results are available on Councils website.



The survey reflected satisfaction in the provision of Council services and infrastructure overall from the community. Support was indicated for swimming facilities and a community and civic centre as major projects for the strategic direction of the City.

The content of the submissions was considered by Council at a workshop held 13 October 2011.

### Strategic Directions

The results of the survey were the driving factors in setting the Key Objectives and Actions for the revised Strategic Plan. A draft document titled "Strategic Directions" was prepared and released for community consultation in March 2012. Council held a community forum during the consultation period at Ravendale Sports Centre, which was well received from those who attended.

In June 2012 a report was prepared for Council summarizing the submissions and feedback received on the document. A final version of the document "Strategic Directions" was prepared in consultation with staff and elected members.

The Key Objectives are used as the basis for the preparation of the Annual Business Plan and Annual Budget documents. Individual capital works and operational programs are updated and evaluated through out the year, to monitor achievement of the desired Performance Outcomes and accuracy of budgeting forecasts.

Council's Infrastructure and Asset Management Plans (I&AMP) are being prepared following the 2011-12 revaluations. These are to assist Council in their decision making in relation to consolidation, improvement and replacing of assets and building of new community infrastructure. Buildings have been split into four components which will give Council clear indications of refurbishments required of existing community

buildings, which will need careful consideration against competing demands for new projects.



Strategic Management Planning is vital for Council to ensure it remains financially sustainable into the future. The success of these planning processes is dependent upon a common direction by management and elected members. This will ensure a unity of purpose and a clearer understanding of the linkage and financial impact amongst Councils' operational areas.

Using integrated Strategic Management Planning as a tool in developing Councils' financial budgets gives the community and

ratepayers confidence, that the elected bodies' decision making is based on a common pathway in achieving our vision.





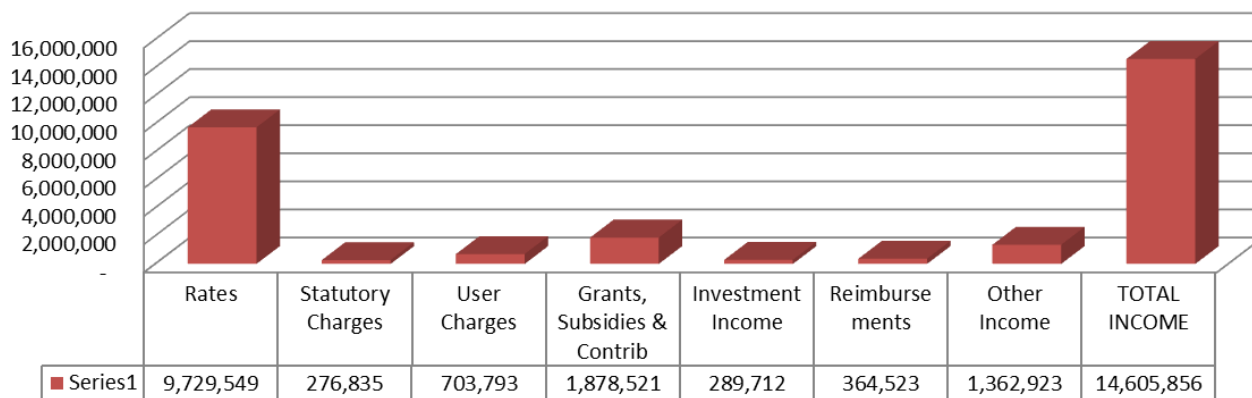
## Financial Management

Jo Calliss – Manager Corporate Services

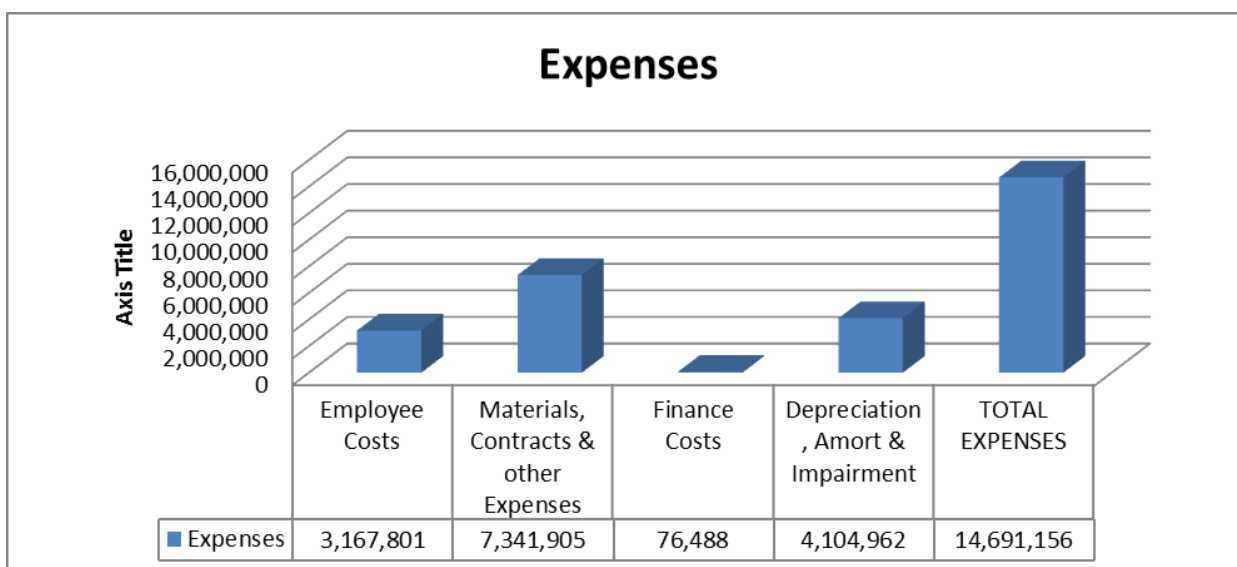
### Financial performance 2011-2012 at a Glance

Refer to Appendix A General Purpose Financial Statements for full details

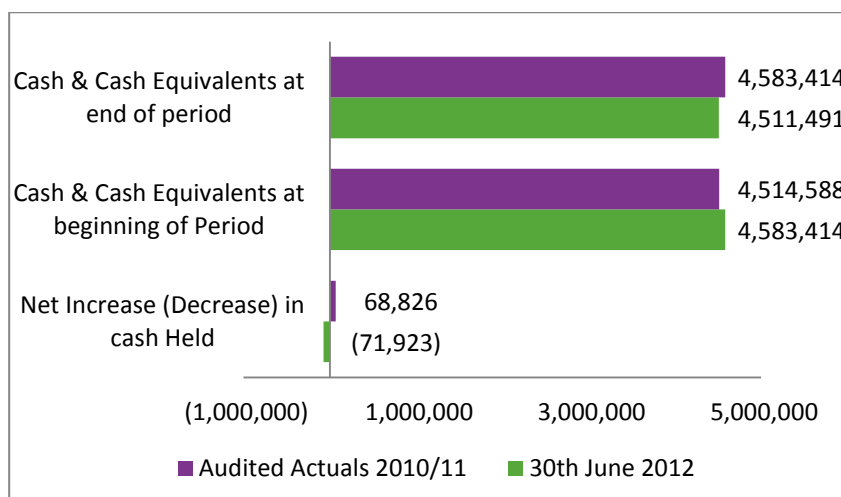
#### Income



#### Expenses



#### Cash Movement



## Financial Controls

Section 125 of the Local Government Act 1999 requires Council to have appropriate policies, practices and procedures to assist the Council to carry out its activities in an efficient and orderly manner that safeguards Council's assets and secures the accuracy and reliability of Council records.

Council utilises SynergySoft and UV Codes software to manage its financial functions, from which budget and actual performance may be measured, reported and analysed. Quarterly reviews are undertaken by staff and presented to Council for adoption in September, December and March of each financial year. This ongoing review process captures additional funding and adjustments to proposed capital and operational works expenditure since the previous budget, which provides an accurate estimation of the financial status of Council as at 30th June each year.

All financial reports, policies and controls are presented to the Financial Management prior to consideration by Council. The role of this Committee is to monitor the integrity of financial statements, review the effectiveness of Council's internal controls and risk management systems and liaise with external auditors on the above matters.

Amendments to the Local Government Act 1999 expand the scope for audit commencing on 1st July 2015, which will require documentation of Council's entire internal controls framework and establishment of an internal review process. This requirement will necessitate additional resources and Council management are already planning for this change.

Council utilises the services of accounting and auditing firm, Dean Newbery & Partners, to perform an external audit of Council's financial controls and Annual Financial Statements.



## Loan borrowings

As at 30th June 2012, City of Port Lincoln has nil liabilities. The loan to Ravensdale raised in 2006 to partly fund the construction of the Ravensdale Community Sports Centre was repaid prior to the end of the 15 year term.

## Competitive Tendering & Cost Effective Services

### Purchasing Policies

Council continues to strive to provide value for money in service delivery to the ratepayers of the City of Port Lincoln through the adoption and utilisation of purchasing and procurement Policies.

In compliance with Section 49 of the Local Government Act 1999, Council has reviewed and adopted Policy 7.63.1 (Contracts, Tenders, Purchasing and Disposal) encompassing the following:

- Monetary limits;
- Use of Local Government Corporate Services Supply Agreements;
- Preferred Supplier Register;
- Quotations, tendering and evaluation;
- Outsourcing Council functions;
- Additional considerations such as environmental, buying locally and Australian made, health, safety and welfare and quality; and
- Disposal of surplus goods & materials and Council land.

### Provision of Services Contracts & Agreements

Examples of contracts and agreements that Council has entered into for the provision of services are:

- Waste management & transport services
- Road construction, surfacing and resurfacing
- Footpath and foreshore maintenance
- Public toilet maintenance
- Electrical, plumbing & building maintenance
- Tree trimming and removal
- Environmental monitoring of waste disposal system
- Paving
- Street Sweeping
- Information technology managed support



**BUY  
LOCAL.**

### Buy Local Policy

Further to the purchase of goods and services at the most cost effective price, it is Council's policy to give preference to suppliers located on Eyre Peninsula or, if none, within South Australia, where price and quality offered are comparable.

## WORK TEAM REPORTS

### CORPORATE & COMMUNITY SERVICES

*Katrina Allen – Director Corporate & Community Services*

The Corporate and Community Services area of Council is responsible for the efficient and quality delivery of corporate services and governance functions, including:

- Rate revenue generation and collection
- Customer Service
- Financial Management, including daily transactions, budget setting and reviews and preparation of financial reports
- Records Management & Freedom of Information
- Compliance to legislation across Council
- Cemetery records maintenance
- Library Services
- Maintenance and review of Councils asset register, including Asset Management Plans
- Administrative support for Council Committees
- Payroll and Human Resource functions
- Volunteer Co-ordination
- Project Management
- Election Administration, including HOA role
- Strategic Planning
- Grant Funding Administration
- OHS&W and Risk Management
- Website and IT

As always the year has been a busy and productive one, and I commend the Corporate Services staff for their commitment to continue providing excellent customer service and support internally, with the many staff changes throughout the period.

Review of procedures across the organisation have continued, to enable us to meet the requirements of the State Records Act. All staff have contributed with updating and standardising templates and council corporate documents and forms.

Similarly, the Library staff continues to receive positive feedback from our patrons for the valued service provided to the community. To enable the continuation of Sunday openings many of the Corporate Services staff are now trained in Library customer service. This move supports Council “multi skilling” policy and promotes good employee integration across the organisational.



## Community Funding Program

The City of Port Lincoln is committed to the development of a vibrant and diverse community by providing financial assistance (either cash or in-kind) through the operation of a Community Funding Program. The administration of the program is divided into the following four areas:



The Community Funding Program is advertised twice in each financial year, namely September and March and applications are only received and assessed during the advertised period. Further information on criteria and application forms required for each of the four areas is available as per Council’s policy 7.63.6 Community Funding Assistance, on Council’s website [www.portlincoln.sa.gov.au](http://www.portlincoln.sa.gov.au)

Council was pleased to be able to distribute over \$20,000 to a number of very worthy community groups and individuals. Approximately \$1,500 was distributed to youth to assist with costs incurred as a result of their selection in state or national sporting teams while some of the larger group recipients included:

Community Organisation/Group	Project/Event	Amount
<b>1<sup>st</sup> Port Lincoln Scout Group</b>	Scout Jamboree	\$500
<b>Boston Football Club</b>	New Fence to Football Grounds	\$1000
<b>EP Farmer &amp; Fishermen’s Markets</b>	EP Farmer & Fishermen’s Markets	\$1000
<b>Eyre Futures Inc</b>	Support Coordinator Position	\$500
<b>Mental Illness Fellowship SA (MIFSA)</b>	8 Djembe Drums for Drumbeat Course	\$1116
<b>Navigator College</b>	Install Cricket Pitch	\$1000
<b>Parks and Reserves Port Lincoln</b>	National Tree Day Expo	\$1150
<b>Port Lincoln Bowling Club</b>	Feasibility Study – Indoor Bowling Facility	\$1000
<b>Port Lincoln Camera Club</b>	2 Day Photographic Workshop	\$225
<b>Port Lincoln City Band</b>	Film and Music Entertainment Awards (FAME)	\$1500
<b>Port Lincoln Gymnastics Club Inc</b>	Port Lincoln Gymnastics Club Annual Competition	\$250
<b>Port Lincoln Yacht Club</b>	Lincoln Regatta	\$1000
<b>Southern EP Family &amp; Local History Group</b>	Babies Remembrance Area	\$1000
<b>TACOMA Preservation Society</b>	Install Marine PA System to MV TACOMA	\$1000

## Risk Management

Council has continued to work on its implementation of “One System”, which is a framework of policies and procedures to ensure consistency in occupational health and safety across South Australian Councils. Through the work on this suite of documents, and more proactive planning of occupational health and safety, Council is increasing awareness of safety issues in the workplace. This awareness has resulted in improved communication, training and reporting of incidents.

Risk management also extends to Council’s management of its contractors, volunteers, property and planning to ensure that the services and facilities that Council provides do not jeopardise the health, safety or welfare of its community. This year has seen an improvement in these areas, with



- the establishment of a memorandum of understanding for the engagement of volunteer organisations,
- a review of Council’s tendering and contract documents,
- an operational review of services and facilities, and
- continued participation in forums relating to climate change, bushfire prevention and preparedness, emergency response and business continuity.

## Projects & Grants

Janet Grocke – Community Liaison Officer

### Successful Funding Applications

Council has been successful in gaining funding from Planning SA, who administer the *Regional Open Spaces Enhancement Scheme* (ROSES), for two major projects. \$141,000 will go towards the initial capital works on the new Linear Trail (from Stuart Avenue to Springfield Drive) and \$32,000 towards the development of engineering plans for the Parnkalla Trail extension which will be routed along the foreshore from the Fig Trees to Axel Stenross Maritime Museum. This funding is on a \$ for\$ basis.

With regard to transport issues, Council was successful in gaining \$23,000 in funding to upgrade one pedestrian railway crossing and to create a new pedestrian railway crossing to enable controlled access across the railway line along Mortlock Terrace. Council also received \$16,000 towards two new bus shelters which will be fully compliant with OH&S standards. These will be placed within the CBD to cater for the City's 'Dial-a-Ride' service which is funded by the State Government.



Council was successful in its grant applications for several environmental related projects. Under the *Natural Disaster Resilience Program*, Council received another \$60,000 in funding for bushfire mitigation activities. The *LGA Solar Council's Innovation Fund* provided \$20,000 to enable solar panels to be placed on Artheyrea Gallery. It is expected that the solar power generated will significantly reduce the Gallery's reliance on mains power and be able to return power back to the grid.

The *Stormwater Management Fund* will fund \$30,000 towards the review of the City's stormwater management plan with Council providing matching funding. With an approved stormwater management plan, it is expected the Council can apply for funding to assist with the major stormwater capital works projects that are needed.

Zero Waste SA, through its competitive *Regional Implementation Program* will provide \$140,000 towards the City's new transfer station. This project is in excess of \$1.2 M and additional funding is being sought.

Council continues with its 10 year plan to underground power lines within the CBD. The Power Line Environmental Committee (PLEC) agree and have provided \$511,000 towards the undergrounding of power lines on Napoleon Street with Council's contribution towards this \$766,000 project being \$255,000.

## Projects

Council has supported the establishment of a Public Art Working group to develop a policy and strategy for public art within Port Lincoln.

Regular 'Liquor Licensing Accord' meetings are hosted by the Port Lincoln Police and attended by the Community Planning Officer. These meetings look at crime prevention in relation to licensed premises and assists with the continuation of the City's Dry Zone which will need to be submitted in December 2013. The skate park CCTV was significantly upgraded to enable monitoring of a much larger area.

Council has supported the Community Night Bus to run again over the busy holiday season. The Community Night Bus takes people home and out of the CBD so removing 'targets' for gangs in Port Lincoln and has seen a dramatic lowering of crime such as assault. The service is managed by Port Lincoln Taxis and is financially supported by all the local hotels.

Council was involved with the E-waste collection through Zero Waste SA, assisted with free

composting workshops and supported the tourism stand at the Caravan and Camping show in Adelaide.

Promoting Council activities, services and image has been undertaken using several different media. The City News was again published in Autumn of 2011. This cost neutral publication gives Council a platform to inform ratepayers of future plans, specific programs (ie recycling, parking) and Council's achievements.

A weekly advertorial in the Port Lincoln Times is proving a successful way to inform the community of issues as they arise and is backed up, where appropriate, with media releases for general news stories and interviews on local radio and local television news.

Radio advertising is an ideal forum to provide information on up and coming events, to get a specific message across (ie animal management, bushfire prevention) and calling people to action. The use of Cash Classifieds advertising is highly successful when an immediate call to action is required.

## Special Events

The HMB Endeavour visited Port Lincoln in February 2012 as did several cruise ships. They included the return of the Athena, Orion and the Silver Shadow. Council will be providing funding each season for the arrival activities which take place when each cruise ship docks as the number and size of cruise ships visiting will grow.



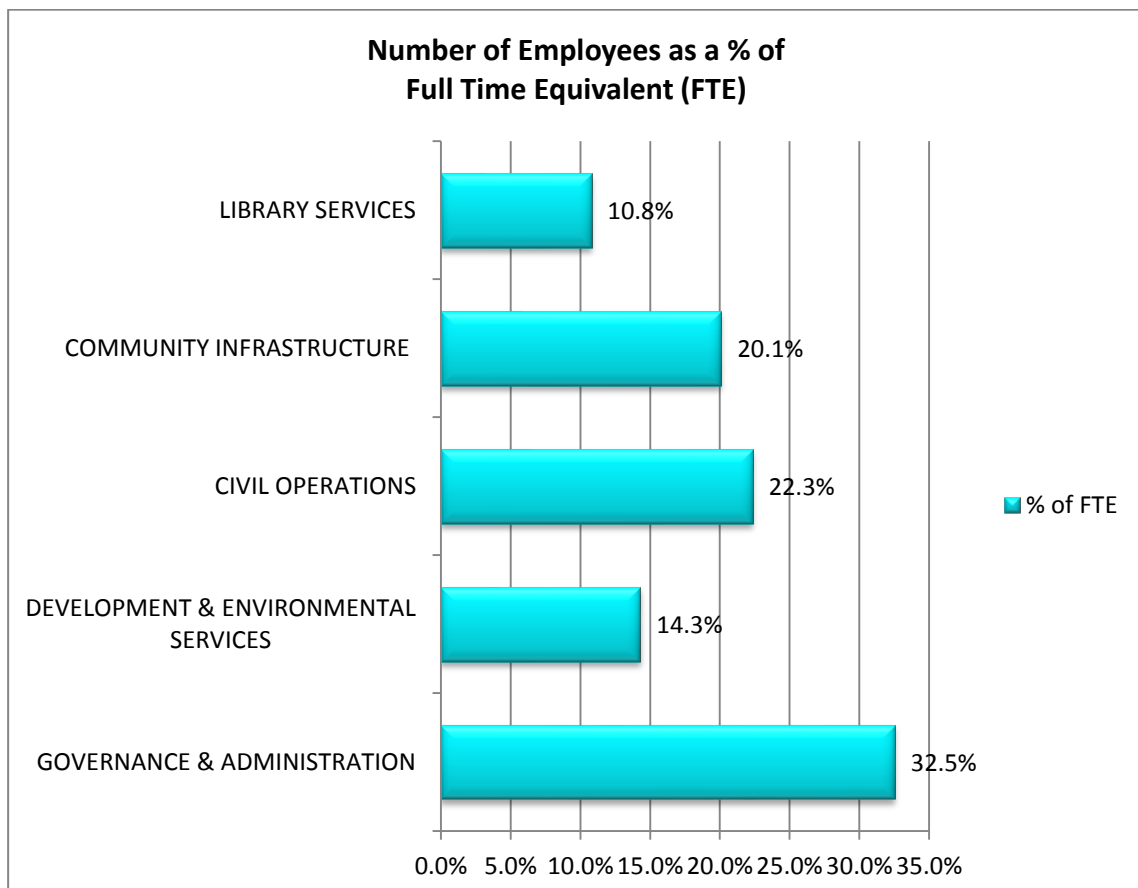
Council staff have participated in several charity 'special days' which, apart from raising money for charity, provides a common focus for all the staff departments and is fun. Hairlarious Day, Big Morning Tea and Jeans for Genes Day are just some of the 'special days' Council staff have participated in.

## Human Resource Management

Lynne Jolley – Senior Corporate Services Officer

As at 30<sup>th</sup> June 2012 Council had 50 employees consisting of 39 full time staff, 10 part time staff and 1 casual employee. The total number of hours of equated to the Full Time Equivalent (FTE) of 44.79. The distribution of employees across Council Departments were as follows:

DEPARTMENT	Actual No. of Employees	Equivalent FTE
GOVERNANCE & ADMINISTRATION	16	14.57
DEVELOPMENT & ENVIRONMENTAL SERVICES	7	6.4
CIVIL OPERATIONS	10	10
COMMUNITY INFRASTRUCTURE	9	9
LIBRARY SERVICES	8	4.83
<b>TOTALS</b>	<b>50</b>	<b>44.79</b>



## Occupational Health Safety & Welfare

Workplace Health and Safety is crucial to ensuring our workforce continues to deliver high quality services and return home safely at the end of their work day. We continue to strive for best practice in Workplace Health and Safety and Risk Management which reflects the importance of Workplace Health and Safety in Council's work places. Council has continued to roll out the Local Government Association's "One System" policies and



supporting procedures and by following the Risk Management Action Plan, Council is striving for continual improvement and compliance in the area of Occupational Health, Safety & Welfare and Risk Management. This is supported by ensuring staff receive adequate training in all areas of Health and Safety. This financial year, of the 182 training sessions attended by staff 65 were related to OHSW & Risk Management.

Council also continues to support employee health by providing annual skin screening, influenza immunisations and health assessments. This year 63% of staff participated in the Flu Vaccination program and 84% nominated to participate in the annual skin screening program.

### Training and Development

Council is committed to ensuring all employees possess or attain the necessary qualifications, skills knowledge and experience to carry out their roles. To assist in achieving this we have conducted an audit of employee's existing skills and training against the required skills and training for all positions. This data has been entered into a Skills Matrix to enable Council to identify 'skill gaps' thereby ensuring future training is both relevant to the employee and Council's needs. Staff from across all areas of Council have attended 182 training sessions, workshops or seminars from the 137 different training courses or programs accessed over the last 12 months.

### Volunteers

Council recognises the vital role that volunteers play in our community and the need to ensure their safety whilst performing their volunteer duties. Council's volunteer registration and induction process has undergone a review this year with a new part time role of Community Support Officer being introduced. A simplified process for engagement of incorporated groups has developed under a memorandum of understanding for specific projects on community land.

These groups were engaged in 2011/2012

- Hellenic Society for preparation of Aust Day bfast
- Port Lincoln Health Advisory Council – for Library Home Delivery Service Program
- Parks & Reserves Port Lincoln Inc – assessment & assistance with maintenance of parks & reserves within Port Lincoln
- Rotary Club of Port Lincoln Inc – maintenance of Puckridge Park

Further MOU agreements are under negotiation with:

- Friends of Parnkalla Walking Trail
- City Band
- Correctional Services
- Community Night Bus



Council will work with Volunteering SA-NT and the LGA to offer new and rewarding volunteering opportunities in the Port Lincoln Community.

A 'Volunteer Thank You' event in late 2011 as part of the International Year of Volunteers which was well attended.

Council have also supported community groups with accessing a useful website tool <http://www.connectingup.org/>



Connecting Up is a not-for-profit organisation that works to unleash the power of not-for-profits in Australia and New Zealand. They help develop relationships with business, community and government sectors, and provide a variety of information, products, resources and programs for capacity development.

## Library

Louise Mrdjen - : Library Manager

The Library remains a vibrant and welcoming service provided by Council in conjunction with TAFE SA and a valued community asset. Library staff are committed to providing a high level of professional customer service that ensures a visit to the library is a memorable experience and encourages an ongoing connection with our community and the Statewide library network.

### Statistics

The library has 5,703 registered patrons, with 86,820 visits through the doors. Patrons have access to 29,606 items with loans for 2011-2012 being:

Adult Fiction	39,878
Adult Non-Fiction	19,437
Adult Large Print	16,135
Children & Young Adult	37,622
TAFE resources	3,670
Magazines	4,836
Audio-books, DVDs & CDs	39,862
Language Kits, equipment	213
Computer Bookings	16,057
<b>Total transactions for the year</b>	<b>177,710</b>

### Displays & Events

A range of opportunities drew community participation including:

- Library Lovers' Day
- The National Year of Reading 2012 has been great cause for celebration with the key message to discover and rediscover the joy of reading. **NYR2012 events at the Library included:**
  - ABC OPEN Summer School – managing digital photos and introduction to social media
  - Summer Reading Club party for younger library patrons
  - National Simultaneous Story time



- Hosting the Eyre Writers Literary Competition
- Author visits and guest speakers
- Artists Read
  - Simone Gillam *Country Arts SA Arts and Mental Health Development Officer's* discussion on visual literacy and
  - Danton Pearson's thought provoking and mesmerizing art display
- Danton hosted two drawing workshops as part of the April school holiday activity program
- About Time history month – a display of digitised local history images
- KUJU Artists display in conjunction with NAIDOC Week
- Community group visits including Probus & Matthew Flinders Day Centre
- Pre-school and School group visits
- Port Lincoln Model Aerospport Club air plane model display
- Port Lincoln Community Health Services
- Port Lincoln Art Group display
- Hosting awareness raising displays from governmental agencies including the Port Lincoln Health Services- Community Division and Country Health SA Local Health Network, Country Fire Service and Council.
- Community outreach - participation in the Eyre Peninsula Field Days with other Eyre Peninsula Public and Community Libraries and Perinatal Expo.



### Services & Resources

- Printed and audio visual resources
- Readers advisory
- Sourcing reference materials and interlibrary loans
- Children's services including: story time sessions for preschoolers, holiday activities, school visits, resources for children and families, The Little Big Book Club packs
- Home delivery service in conjunction with the PLHAC
- Free computer access including Internet and wireless facilities
- Free online access to digital media including magazines and newspapers (in over 48 languages) and a range of up to date reference resources
- Online catalogue and 24 hour resources via the Library webpage on the Council website enables browsing, researching and reserving items online
- Local & family history
- The Library provides a safe and welcoming informal venue for all including: the Navigator Audio Book Group that meets each month at the Library, school and community groups.
- Community outreach



### Support

The Port Lincoln Library enjoys rich and diverse connections across the community, linking with a broad range of service groups, organizations, agencies, schools and individuals to strengthen and extend the library service. Gratitude goes to:

- Stakeholders – City of Port Lincoln, TAFE SA, Public Library Services
- Library volunteers
- Port Lincoln Health Advisory Council (PLHAC) – a memorandum of understanding was established with PLHAC and the Port Lincoln Library. PLHAC volunteers provide an extension of the library through the home delivery service to housebound patrons in our community.
- Port Lincoln Rotary Club for providing a coffee machine in the library and their great support at Library Lovers Day celebrations.
- Funding through the LGA increasing accessibility library initiative with the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), the Australian Library and Information Association (ALIA) and Public Library Services for provision of audio devices for those with vision, physical or learning impairment to enjoy listening to books. The library has partnered with Vision Australia and Audio-Read Australia to support this service.
- History SA funding for digitization of local history images for the South Australia 175 Years celebration
- The Port Lincoln Times for providing the newspaper in digital format, for download onto audio devices, in association with the Royal Society for the Blind and Audio-Read.
- Port Lincoln Lions Club - The Port Lincoln Library was the first in the state to receive funding through Lions SA in association with SPELD SA and Public Library Services for a range of phonic books.
- The Southern Eyre Peninsula Local and Family History Group Inc and the Pioneer & Descendants' Club
- Eyre Writers
- ABC Radio



## CIVIL WORKS & CONSTRUCTION

*Craig Matena – Operations Manager*

The 2011/2012 financial year program proved to be another eventful year for the Operations Department. The continuation of Council's 10-year strategic plan with the ongoing commitment for road and footpath construction programs within the City is being implemented.

### Road Works

The road works carried out in the 2011/2012 financial year include the full construction, including kerbing, of Hage Avenue, Bickers Avenue and Lodge Street. The sealing of the end section of both Tod Street and Tennant Street was also undertaken.

### Footpaths

Council's footpath program included the construction of concrete footpaths in Kurla Street and Lebrun Street, hotmixing the Porter Street footpath and resurfacing the London Street Bridge footpath.

### Reseals

The listing of streets for resealing roads is generated using RSM (Road Surface Manager) program. The surface condition of the road is inspected and a defect score is recorded to provide a priority listing.

Reseals were undertaken in Ravendale Road, Fram Street, Mackrell Street, Jubilee Drive, Monash Road, Arrandale Close, Borthwick Court, Malcolm Court, Calais Avenue, Village Place, North Quay Boulevard, Adelphi Terrace, Baillie Drive and Queen Street.

### PLEC (Power Line Environment Committee)

The PLEC Program project managed by ETSA Utilities is funded with two-thirds of the cost borne by ETSA and one-third by Council. PLEC was set up to enable Councils to apply for funding to underground the overhead power lines within the City's CBD. The most recent project undertaken was the section of Liverpool Street from Bligh Street to Porter Street.

The footpath on the eastern side of the road and the section adjacent to the new Foodland will be fully paved with streetscaping including tree planting to complete the project.

### Resource Recovery Centre



The capping of Cell 1 & 2 included the placement of top soil and direct seeding and tube stock planting to complete the "revegetation process". Existing pipe work already in place for Cell 1 and 2 to enable the extraction and burn off of methane gas produced was extended to Cell 3.

The City of Port Lincoln, District Council of Lower Eyre Peninsula and District Council of Tumby Bay entered into a joint agreement to take waste to the new "Eyre Waste" landfill site west of Tumby Bay and subsequently Council was required to construct a new transfer station at the Hassell Road site.

A shed to cover the transfer station will be constructed in 2012-2013.

A new tank was installed by Veolia Environmental Services at the site to take grease trap waste. The existing 'open sump' is currently being decommissioned.

### Rail Corridor Fence

A section of existing fencing along the rail corridor in Mortlock Terrace was upgraded. A new rail pedestrian crossing was installed between Verran Terrace and Mortlock Terrace opposite Bel-Air Drive.

### Drainage

Installation/construction of a major pipe infrastructure was undertaken through the Gully from Stuart Terrace to Hermitage Crescent to prevent flooding of properties in the area connecting into the existing system in New West Road.

Survey and design work was undertaken for proposed drainage systems in Verran Terrace and Luke Street.

### School Safety

A new EMU crossing was constructed in Stamford Terrace adjacent to the Navigator College

## COMMUNITY INFRASTRUCTURE

*Nigel Melzner – Manager Community Infrastructure*

The following is a summary of community infrastructure projects that were completed in the 2011/12 financial year. Many of them were key performance outcomes from Councils 2007-17 Strategic Plan.

### Recreation and Open Space

#### Wellington Square Upgrade

The second stage of works were undertaken at Wellington Square as part of the upgrading of this reserve from Neighborhood to Regional Park status. This included construction of new 'access for all' pathways throughout the reserve, landscaping of garden beds and most importantly the installation of a 1.2m high powder coated aluminium safety fence around the whole reserve. The addition of the perimeter fence means that Wellington Square is now Port Lincolns first fully enclosed reserve incorporating toilet and BBQ facilities, shade structures, lawn play space and playground all in a safe environment.

#### Parnkalla Trail

In line with Councils Parnkalla Trail Strategy, the second section of the trail from the 'Oasis' to the Axel Stenross boat ramp and museum was bitumen sealed making the trail safer for all users. As well as surface preparation of the trail, this work included further construction of rock retaining walls to keep dirt and debris from sliding down onto the trail, a recycled plastic and galvanized steel safety rail and new signage. It should be noted that even though this section of the trail is now sealed, because of site restrictions it still does not comply with the minimum standard for a shared use trail. A bike lane on the edge of the Lincoln Highway runs parallel to this section of the Parnkalla Trail.



#### Multi Use Trails

The Port Lincoln Linear Trail concept plans that were developed in 2010/11 were taken to the next level with full engineering and landscape design specifications being produced. This means that the first stage of construction for this exciting project can begin in the 2012/13 financial year. Significant state grant funds have already been secured for the construction of this project. Funding was also secured to enable further investigation and engineering work to be done on the proposed extension of the foreshore section of the Parnkalla Trail from the Lincoln Hotel to the Axel Stenross Museum.

### Centenary Oval Upgrades

One of Council's key performance outcomes in the Strategic Plan is to provide improved facilities for regional sport. To add to the work done in 2010/11 which involved rebuilding of the Centenary Oval toilet block and renovation of the bar/canteen building, 2011/12 saw the complete refurbishment of the football changerooms and a new admin extension for the Port Lincoln Football League offices. As with the first stage of this project, community volunteers and local businesses gave generously towards this project ensuring that maximum results were achieved with the available funds. The result is that Centenary Oval now has modern up to date facilities that can cater for both local and regional sporting events.



### Stevenson Street Tennis Complex

The renovation of the old netball facility on Stevenson Street into an eight court international standard tennis complex has been another great boost for local and regional sporting facilities. This project was completed in 2011/12 with the acrylic surfacing of the new courts taking place with the help of a \$64,000 Tennis Australia national court surfacing rebate. These extra eight courts will allow the sport of tennis to grow and reach its full potential and also enable them to host regional and state tournaments. Modifications were also made to the clubrooms which will be shared by the Port Lincoln Tennis Association and the Calisthenics Club, ensuring that the facilities will be utilized all year round.



## City Image

### Shelley Beach Toilet

Council's Strategic Plan under the area of City Image identifies the need to continually improve public conveniences to a high standard. This was achieved at Shelley Beach with the demolition of the existing run down and outdated facilities and construction of a new unisex facility that is also fully compliant with the disability code. However rather than rebuild the new facility in the same undesirable location on the beach front, the new one was located up at car park level. This will allow for better access for Parnkalla Trail users, eliminates the need for a septic pumping station, increases passive surveillance which will reduce vandalism, and has also allowed for the Shelley beach reserve to be upgraded enabling it to be better utilized by the public.

## The Environment

### Water Reuse

With the completion of Stage 3 of the recycled water network, Council has achieved its performance outcome of 'extending the recycled waste water scheme to the CBD and foreshore by 2012'. This will enable five new CBD sites to be irrigated using recycled water in the 2012/13 irrigation season. These sites are Centenary Oval, the Foreshore, Flinders Park, Eyre Park and the Old Mill. Works to get these sites ready was undertaken in the 2011/12 year which included sprinkler and pipe modifications, soil testing and installation of weather stations and signage.

### Bushfire Prevention

The addition of State and federal funding for bushfire mitigation works saw much progress made in relation to Councils bushfire prevention program and all actions completed from the Greater City of Port Lincoln Bushfire Prevention Plan. Key outcomes included fuel reduction work and woody weed removal in several Council reserves and the upgrade of the Bayview Rd fire track.

### Gawler Terrace Detention Basin

With the help of some EPNRM Community Grant funding assistance, Port Lincoln's first example of Water Sensitive Urban Design (WSUD) was constructed at the intersection of Gawler Terrace and Finke Street. The detention basin has a rock spillway and is densely planted with native grasses and sedges. Stormwater runoff from neighboring roads collects in the basin where the dense vegetation slows the flow of water allowing sediments and pollutants to settle before the water overflows over the spillway. This not only allows more water to naturally infiltrate through the soil profile but it also significantly improves the quality of water entering the marine environment.



### Community Projects/Infrastructure

#### Civic Hall Upgrades

A number of upgrades were undertaken to the Civic Hall building to improve the facility for use by community groups including a complete renovation of the upstairs band room and repaving of the side courtyard. Salt damp treatment works that was started in 2010/11 was also completed which included refurbishment works in the ladies toilets. Safety for tradespersons accessing the Civic Hall roof was also improved through the installation of a roof safety access system. This included the addition of harness anchor points, fixed ladders, mesh walkways and static lines to enable tradespersons to safely access all parts of the roof. Safety on this steep roof has been an issue in the past and this project in turn enabled much needed repairs and maintenance to sections of the roof and gutters to be undertaken.



## DEVELOPMENT & ENVIRONMENTAL SERVICES

*Bob Milic – Manager Development & Environmental Services*

Council continues to experience a decline in the number of applications being received. The Table below provides the last three years summary of the number of applications received and the Residential and Commercial/Industrial dollar values of work undertaken.

YEAR	2009/10	2010/11	2011/12
Number of Applications	194	272	248
Residential Value	\$19.4m	\$18.01m	\$12.17m
Commercial/Industrial Value	\$3.79m	\$3.17m	\$12.14m
Total	\$23.3m	\$21.18m	\$24.31m

Council has continued to put significant resources in undertaking Development Plan Amendments (DPA's) to assist Developers in developing land, building for future demands.

Of particular urgency has been the Structure Plan for the Greater Port Lincoln being jointly undertaken by the City of Port Lincoln and the District Council of Lower Eyre Peninsula. It is anticipated the Structure Plan will be completed late 2012, early 2013.

The other Development Plan Amendments are:

- Residential
- Lincoln Cove Expansion
- Deferred Development 2 Zone; and
- Car Parking



The Industry, Commercial and Bulky Goods Retailing Zone was approved by the Minister of Planning and came into effect on the 24 May 2012.

Council continues with professional development for staff to ensure the many ever changes are adhered too.

Council also continues to assist Charitable Organisations when requesting development fees be remitted for specific projects.



## Public & Environmental Health

The South Australian Communicable Disease Branch statistical data for confirmed reports of notifiable illness in Port Lincoln residents for the 2011/12 year depicted gastrointestinal and respiratory infections to be the most common transmissible types experienced in the City. The number of medically confirmed cases for the financial year were:

Campylobacter	23	Influenza	57
Salmonella	10	Varicella virus	13
Rotavirus	2	Arbovirus	8
Pertussis	27		



Investigations were conducted into many of the cases, which at times involved the inspection of food premises. Information pertaining to infection control strategies was provided to infected persons, when appropriate.

Ongoing management of the school based immunisation program remained one of Council's primary Public and Environmental Health functions. Students from the Port Lincoln High School, Navigator College, St Josephs School and the Port Lincoln Special School were involved in the program. Eligible students in Year 8 and 9 were offered vaccine courses for Hepatitis B, Human papillomavirus, Chicken pox, Diphtheria, Tetanus and Pertussis.

Council continued to fulfill its regulatory obligations under the Food Act 2001 and Public and Environmental Health Act 1987. Food premises, substandard properties, hairdressing and beauty salons, high risk manufactured water systems, public amenities, public swimming pools, and properties requiring onsite waste control systems were inspected and assessed for compliance with the relevant Codes and Standards. Enforcement action was taken in some instances.

Health promotional activities for the year included the publication and distribution of a bi-monthly food safety newsletter, food safety training sessions, offering support to community groups regarding safe food handling practices, and the provision of public health factsheets and advice upon request.

## Inspectorial

### Animal Management

Council this year had its Animal Management Plan adopted by the Dog & Cat Management Board(SA) and is now active. Noticeable features of the plan include;

- Identified on-lead/off-lead areas
- Increased number of Doggy bag dispensers
- Parnkalla Trail on lead area



Council in conjunction with District Council of Lower Eyre Peninsula conducted a micro chipping day where your pet dogs and cats were micro chipped for a subsidised fee, this was a great success with 214 animals chipped giving owners peace of mind that their pets if lost could be returned.

Council is concerned at the increase in reported dog attacks against human and animals. While not all have resulted in actual injuries there have been significant injuries sustained requiring in medical attention. Council reminds owners that its their responsibility both socially and under the *Dog & Cat Management Act 1995* to ensure their dogs are not permitted to attack or harass any person or animals, heavy penalties do apply for breaches under the *Dog & Cat Management Act 1995*.

## Parking

The permissive parking changes adopted by council in the 2011 CBD Parking review were implemented and a higher level of policing is now occurring. Misuse of loading zones was causing a problem for couriers trying to deliver within the CBD this has resulted in an increase in policing of CBD zones. Council continues to move on vehicles that are parked *for sale* on Council land in particular the entrance to the marina, and the Stevenson St Tennis Courts.



South Australian  
Metropolitan Fire Service



South Australian  
Country Fire Service

## Fire Prevention

The Fire danger season in 2011/12 was a fairly quiet one with consistent rainfall and mild temperatures through out the summer months. There were 168 properties sent initial clean up property letters, with a further 81 letters issued pursuant to *Section 105F of the Fire & Emergency Services Act 2005* requesting action be taken to prevent spread of fire.

Council asks all property owners to take the time and look at their properties, to assess where the risks are and take action before we move into Summer and it gets hot. Residents should continue their vigilance through out the Fire Danger Season to ensure every opportunity to control a fire if one breaks out.



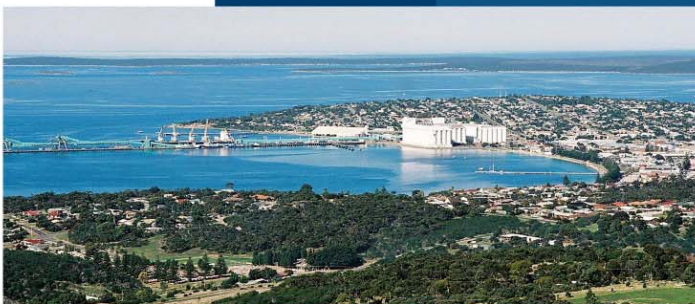
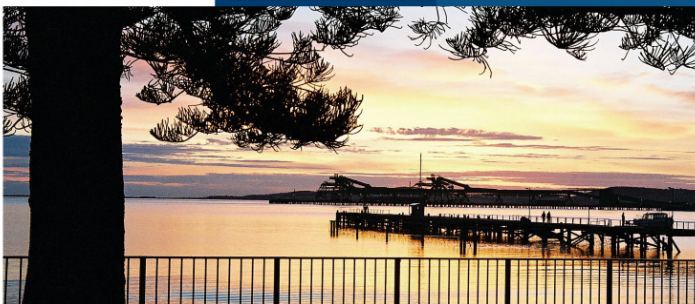


# APPENDIX A

## **Audited General Purpose Financial Reports for the Year Ended 30<sup>th</sup> June 2012**



# City of Port Lincoln



## **GENERAL PURPOSE FINANCIAL REPORTS**

**for the year ended  
30<sup>th</sup> June 2012**

**N20127776**



**CITY OF PORT LINCOLN**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2012**

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# CITY OF PORT LINCOLN

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

### CERTIFICATION OF FINANCIAL STATEMENTS

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

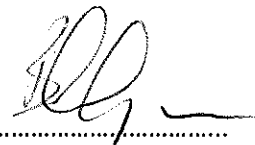
- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2012 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.



.....

Katrina Allen

**ACTING CHIEF EXECUTIVE OFFICER**



.....

Bruce Green

**MAYOR**

Date: 23<sup>rd</sup> October 2012

**CITY OF PORT LINCOLN**

**STATEMENT OF COMPREHENSIVE INCOME**  
for the year ended 30 June 2012

	Notes	2012 \$	2011 \$
<b>INCOME</b>			
Rates	2	9,729,549	8,381,976
Statutory charges	2	239,061	284,455
User charges	2	834,140	584,913
Grants, subsidies and contributions	2	2,124,789	1,505,142
Investment income	2	289,712	298,476
Reimbursements	2	515,405	380,608
Other income	2	873,200	1,025,356
<b>Total Income</b>		<u>14,605,856</u>	<u>12,460,926</u>
<b>EXPENSES</b>			
Employee costs	3	3,167,801	3,081,489
Materials, contracts & other expenses	3	7,375,509	6,418,165
Depreciation, amortisation & impairment	3	4,071,359	2,346,092
Finance costs	3	76,488	38,255
<b>Total Expenses</b>		<u>14,691,157</u>	<u>11,884,001</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>(85,301)</b>	576,925
Asset disposal & fair value adjustments	4	(4,176)	43,575
Amounts received specifically for new or upgraded assets	2	178,400	523,600
Physical resources received free of charge	2	166,722	289,480
<b>NET SURPLUS / (DEFICIT)</b>		<b>255,645</b>	1,433,580
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	15,673,228	-
<b>Total Other Comprehensive Income</b>		<u>15,673,228</u>	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>15,928,873</u>	<u>1,433,580</u>

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

## CITY OF PORT LINCOLN

### BALANCE SHEET as at 30 June 2012

ASSETS	Notes	2012 \$	2011 \$
<b>Current Assets</b>			
Cash and cash equivalents	5	4,511,491	4,583,414
Trade & other receivables	5	968,358	1,065,925
Inventories	5	<u>20,000</u>	<u>-</u>
<b>Total Current Assets</b>		<b>5,499,849</b>	<b>5,649,339</b>
<b>Non-current Assets</b>			
Financial Assets	6	146,478	39,379
Infrastructure, Property, Plant & Equipment	7	146,809,646	129,491,676
Other Non-current Assets	6	<u>26,744</u>	<u>-</u>
<b>Total Non-current Assets</b>		<b>146,982,868</b>	<b>129,531,055</b>
<b>Total Assets</b>		<b><u>152,482,717</u></b>	<b><u>135,180,394</u></b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8	2,264,049	1,755,750
Borrowings	8	-	43,084
Provisions	8	<u>326,590</u>	<u>574,523</u>
<b>Total Current Liabilities</b>		<b>2,590,639</b>	<b>2,373,357</b>
<b>Non-current Liabilities</b>			
Borrowings	8	-	500,541
Provisions	8	2,190,807	534,097
Liability - Equity accounted Council businesses	6	<u>-</u>	<u>-</u>
<b>Total Non-current Liabilities</b>		<b>2,190,807</b>	<b>1,034,638</b>
<b>Total Liabilities</b>		<b><u>4,781,446</u></b>	<b><u>3,407,995</u></b>
<b>NET ASSETS</b>		<b><u>147,701,271</u></b>	<b><u>131,772,399</u></b>
<b>EQUITY</b>			
Accumulated Surplus		27,021,671	26,948,029
Asset Revaluation Reserves	9	119,998,704	104,325,476
Other Reserves	9	<u>680,895</u>	<u>498,894</u>
<b>TOTAL EQUITY</b>		<b><u>147,701,271</u></b>	<b><u>131,772,399</u></b>

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



# CITY OF PORT LINCOLN

## STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2012

2012	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
		\$	\$	\$	\$
Balance at end of previous reporting period		26,948,029	104,325,476	498,894	131,772,399
<b>Net Surplus / (Deficit) for Year</b>		255,645	-		255,645
<b>Other Comprehensive Income</b>					
Gain on revaluation of infrastructure, property, plant & equipment		-	15,673,228	-	15,673,228
Transfers between reserves		(182,001)	-	182,001	-
<b>Balance at end of period</b>		<b>27,021,671</b>	<b>119,998,704</b>	<b>680,895</b>	<b>147,701,271</b>
<b>2011</b>					
Balance at end of previous reporting period		25,226,610	104,325,476	786,733	130,338,819
Adjustment due to compliance with revised Accounting Standards		-	-	-	-
Adjustment to give effect to changed accounting policies		-	-	-	-
Restated opening balance		25,226,610	104,325,476	786,733	130,338,819
<b>Net Surplus / (Deficit) for Year</b>		1,433,580	-		1,433,580
<b>Other Comprehensive Income</b>					
Transfers between reserves		287,839	-	(287,839)	-
<b>Balance at end of period</b>		<b>26,948,029</b>	<b>104,325,476</b>	<b>498,894</b>	<b>131,772,399</b>

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

# CITY OF PORT LINCOLN

## CASH FLOW STATEMENT for the year ended 30 June 2012

		2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
<u>Receipts</u>			
Rates - general & other		9,773,949	8,331,672
Fees & other charges		258,053	284,455
User charges		1,484,595	309,352
Investment receipts		299,039	207,836
Grants utilised for operating purposes		2,284,148	1,229,363
Reimbursements		566,946	380,608
Other revenues		1,673,561	1,182,102
<u>Payments</u>			
Employee Costs		(3,132,757)	(3,031,569)
Materials, contracts & other expenses		(8,507,915)	(7,183,204)
Finance payments		(75,829)	(201,862)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>4,623,790</b>	<b>1,508,753</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		178,400	523,600
Sale of replaced assets		18,091	58,545
Repayments of loans by community groups		26,291	24,785
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,799,019)	(1,209,660)
Expenditure on new/upgraded assets		(2,425,851)	(995,507)
Loans made to community groups		(150,000)	
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(4,152,088)</b>	<b>(1,598,237)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<u>Receipts</u>			
Proceeds from Aged Care Facility deposits		-	330,000
<u>Payments</u>			
Repayments of Borrowings		(543,625)	(40,440)
Repayment of Aged Care Facility deposits		-	(131,250)
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(543,625)</b>	<b>158,310</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(71,923)</b>	<b>68,826</b>
Cash & cash equivalents at beginning of period	11	<b>4,583,414</b>	4,514,588
<b>Cash &amp; cash equivalents at end of period</b>	<b>11</b>	<b>4,511,491</b>	<b>4,583,414</b>

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

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards (AASB)

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 23<sup>rd</sup> October 2012.

##### 1.2 Historical Cost Convention

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

##### 1.3 Critical Accounting Estimates

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

##### 1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar (\$).

#### 2 The Local Government Reporting Entity

The City of Port Lincoln is incorporated under the SA Local Government Act 1999 and has its principal place of business at Level 1, 60 Tasman Terrace, Port Lincoln. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

#### 3 Income recognition

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

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

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

#### 4 Comparative Information

The following two amendments have been made to comparative information:

##### 4.1 Water Reuse Sales

Income from Water Reuse Sales was previously classified as Other income; this is now disclosed as a User Charge in Note 2.

##### 4.2 Infrastructure, Property, Plant & Equipment

The following asset classes were previously reported as "Infrastructure" but are now separated into their own classes in Note 3 and Note 7:

- Road Base & Seal
- Kerbing
- Footways
- Stormwater

#### 5 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1999. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

#### 6 Inventories

Inventories held in respect of stores (rubble) have been valued by estimated volume.

#### 7 Infrastructure, Property, Plant & Equipment

##### 7.1 Initial Recognition

All assets are initially recognised at cost.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

#### 7.2 Materiality

Assets with an economic life in excess of one year are generally only capitalised where the cost of acquisition exceeds the materiality threshold of \$3,000 established by Council. In determining (and in annually reviewing) this threshold, regard is had to the nature of the asset and its estimated service life. No capitalisation threshold is applied to the acquisition of land or interests in land.

#### 7.3 Subsequent Recognition

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

#### 7.4 Depreciation of Non-Current Assets

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

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

Plant, Furniture & Equipment	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 50 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years

#### 7.5 Impairment

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

For assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

#### 7.6 Borrowing Costs

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

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 8 Payables

##### 8.1 Goods & Services

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

##### 8.2 Payments Received in Advance & Deposits

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

#### 9 Employee Benefits

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

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

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

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

##### 9.2 Superannuation

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

#### 10 Leases

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

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

#### 11 GST Implications

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

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

### 12 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2012 reporting period and have not been used in preparing these reports.

- AASB 9 *Financial Instruments*
- AASB 10 *Consolidated Financial Statements*
- AASB 11 *Joint Arrangements*
- AASB 12 *Disclosure of Interests in Other Entities*
- AASB 13 *Fair Value Measurement*
- AASB 119 *Employee Benefits*
- AASB 127 *Separate Financial Statements*
- AASB 128 *Investments in Associates and Joint Ventures*
- AASB 2010-6 *Amendments to Australian Accounting Standards [AASBs 1 & 7]*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023, & 1038 and Interpretations 2, 5, 10, 12, 19, & 127]*
- AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]*
- AASB 2011-5 *Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, AASB 128 & AASB 131]*
- AASB 2011-7 *Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]*
- AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]*
- AASB 2011-9 *Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]*
- AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011-8 and Interpretation 14]*



# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2012

### Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

- AASB 2011-12 *Amendments to Australian Accounting Standards arising from Interpretation 20 [AASB 1]*

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

Council is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

The Australian Accounting Standards Board is currently reviewing AASB 1004 Contributions. It is anticipated that the changes resulting from this review may have a material effect on the timing of the recognition of grants and contributions, but the financial consequences cannot be estimated until a revised accounting standard is issued.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 2 - INCOME

	Notes	2012 \$	2011 \$
<b>RATES REVENUES</b>			
<u>General Rates</u>		<b>7,995,494</b>	7,614,304
Less: Mandatory rebates		<b>(79,300)</b>	(33,649)
Less: Discretionary rebates, remissions & write offs		<b>(50,967)</b>	(52,969)
		<b><u>7,865,227</u></b>	<u>7,527,687</u>
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		<b>476,760</b>	433,455
Waste & Recycling Service Charge		<b>1,308,300</b>	332,258
		<b><u>1,785,060</u></b>	<u>765,713</u>
<u>Other Charges</u>			
Penalties for late payment		<b>55,896</b>	46,831
Legal & other costs recovered		<b>31,345</b>	44,111
		<b><u>87,241</u></b>	<u>90,942</u>
Less: Discretionary rebates, remissions & write offs		<b>(7,979)</b>	(2,365)
		<b><u>9,729,549</u></b>	<u>8,381,976</u>
<b>STATUTORY CHARGES</b>			
Development Act fees		<b>77,023</b>	84,516
Town planning fees		<b>31,830</b>	64,705
Health & Septic Tank Inspection fees		<b>708</b>	-
Animal registration fees & fines		<b>100,854</b>	96,195
Parking fines / expiation fees		<b>12,486</b>	16,649
Search Fees		<b>16,160</b>	16,350
Other licences, fees, & fines		<b>-</b>	6,040
		<b><u>239,061</u></b>	<u>284,455</u>
<b>USER CHARGES</b>			
Cemetery		<b>80,923</b>	61,355
Kirton Court Units Maintenance Charge		<b>13,255</b>	11,327
Resource Recovery Centre		<b>694,193</b>	462,996
Hall & equipment hire		<b>2,786</b>	1,247
Permit Fees (Footpath)		<b>10,696</b>	17,395
Sales - general		<b>3,373</b>	7,666
Water Reuse Sales		<b>18,496</b>	20,317
Sundry		<b>10,418</b>	2,610
		<b><u>834,140</u></b>	<u>584,913</u>
<b>INVESTMENT INCOME</b>			
Interest on investments			
Local Government Finance Authority		<b>148,281</b>	140,554
Banks & other		<b>137,946</b>	152,934
Loans to community groups		<b>3,485</b>	4,988
		<b><u>289,712</u></b>	<u>298,476</u>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### NOTE 2 - INCOME (continued)

	Notes	2012 \$	2011 \$
<b>REIMBURSEMENTS</b>			
- for roadworks		-	1,950
- for private works		57,001	33,092
- by joint undertakings		244,687	113,232
- other		213,717	232,334
		<b>515,405</b>	<b>380,608</b>
<b>OTHER INCOME</b>			
Insurance & other recoupments - infrastructure, property, plant & equipment		59,441	54,285
Rebates received		4,835	40,950
Sundry		808,924	930,121
		<b>873,200</b>	<b>1,025,356</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets		178,400	523,600
Other grants, subsidies and contributions		1,509,635	1,219,473
Individually significant item - additional Grants Commission payment	see below	615,154	285,669
		<b>2,303,189</b>	<b>2,028,742</b>
<i>The functions to which these grants relate are shown in Note 2.</i>			
<b>Sources of grants</b>			
Commonwealth government		146,724	387,111
State government		2,030,431	1,632,466
Other		126,034	9,165
		<b>2,303,189</b>	<b>2,028,742</b>

#### **Individually Significant Item**

On 28 June 2011, Council received payment of the first instalment of the 2011/12 Grant Commission (FAG) grant. Similarly, on 28 June 2012 Council received payment of the first two instalments of the 2012/13 grant.

	615,154	285,669
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This has materially increased Council's operating results in the current year, as these amounts are recognised as income upon receipt.

Similarly material adverse effects will be experienced when the timing of these grant payments is restored to normal schedule. It is not known when this will occur.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### NOTE 2 - INCOME (continued)

	Notes	2012 \$	2011 \$
<b>Conditions over grants &amp; contributions</b>			
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>			
<i>Unexpended at the close of the previous reporting period</i>		-	74,000
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>			
<i>Heritage &amp; Cultural Services</i>		-	(74,000 )
<i>Subtotal</i>		-	(74,000 )
 <i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
<i>Sport &amp; Recreation</i>		<b>193,000</b>	-
<i>Transport</i>		<b>14,545</b>	-
<i>Subtotal</i>		<b>207,545</b>	-
<i>Unexpended at the close of this reporting period</i>		<b>207,545</b>	-
 <i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>		<b>207,545</b>	(74,000 )
 <b>PHYSICAL RESOURCES RECEIVED FREE OF CHARGE</b>			
Land & Improvements		-	5,000
Plant & Equipment		-	4,650
Stormwater Drainage		<b>20,000</b>	23,250
Road Base & Surface		-	126,880
Kerbing		-	20,000
Buildings		<b>72,500</b>	80,200
Other Community Assets		<b>7,844</b>	29,500
Library Resources		<b>66,378</b>	-
<b>TOTAL PHYSICAL RESOURCES RECEIVED</b>		<b>166,722</b>	289,480

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 3 - EXPENSES

	Notes	2012 \$	2011 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		2,817,506	2,818,670
Employee leave expense		35,257	49,920
Superannuation - defined contribution plan contributions	18	207,636	169,426
Superannuation - defined benefit plan contributions	18	90,518	110,462
Workers' Compensation Insurance		61,406	51,403
Other		155,461	119,102
Less: Capitalised and distributed costs		(199,983)	(237,494)
<b>Total Operating Employee Costs</b>		<b>3,167,801</b>	<b>3,081,489</b>
 <b>Total Number of Employees</b>		 <b>45</b>	 <b>42</b>
<i>(Full time equivalent at end of reporting period)</i>			
 <b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		15,500	15,050
Bad and Doubtful Debts		33,603	12,395
Elected members' expenses		195,986	165,805
Election expenses		3,588	46,467
Operating Lease Rentals - cancellable leases		26,831	-
Subtotal - Prescribed Expenses		<b>275,508</b>	<b>239,717</b>
 <u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		3,103,130	2,815,201
Energy		365,043	322,072
Insurance		244,795	215,134
Legal Expenses		28,408	35,157
Levies paid to government - NRM levy		472,600	423,412
- Other Levies		371,868	228,125
Parts, accessories & consumables		124,026	39,087
Professional services		121,017	194,892
Sundry		2,269,114	1,905,368
Subtotal - Other Materials, Contracts & Expenses		<b>7,100,001</b>	<b>6,178,448</b>
		<b>7,375,509</b>	<b>6,418,165</b>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 3 - EXPENSES (cont)

	Notes	2012 \$	2011 \$
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Buildings		642,279	560,507
Filtration		64,049	88,957
Road Base & Seal		1,097,420	711,700
Kerbing		168,023	108,354
Footways		190,787	119,117
Stormwater		184,912	155,880
Bridges		21,601	11,433
Other Community Assets		378,454	288,422
Plant & Equipment		95,583	187,253
Furniture & Fittings		90,580	138,219
Library Books		79,235	40,683
Reinstatement costs		1,058,436	(73,010)
Impairment		-	8,577
		<b>4,071,359</b>	<b>2,346,092</b>
		<b>4,071,359</b>	<b>2,346,092</b>
<b>FINANCE COSTS</b>			
Interest on Loans		76,488	38,255
		<b>76,488</b>	<b>38,255</b>
		<b>76,488</b>	<b>38,255</b>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2012	2011
Notes	\$	\$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	18,091	58,545
Less: Carrying amount of assets sold	<u>22,267</u>	<u>14,970</u>
<b>Gain (Loss) on disposal</b>	<u><b>(4,176)</b></u>	<u><b>43,575</b></u>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 5 - CURRENT ASSETS

	Notes	2012	2011
<b>CASH &amp; EQUIVALENT ASSETS</b>		<b>\$</b>	<b>\$</b>
Cash on Hand and at Bank		129,786	162,441
Deposits at Call		1,968,382	2,139,757
Short Term Deposits		<u>2,413,323</u>	<u>2,281,216</u>
		<u><b>4,511,491</b></u>	<u><b>4,583,414</b></u>
 <b>TRADE &amp; OTHER RECEIVABLES</b>			
Rates - General & Other		346,815	391,215
Accrued Revenues		40,363	49,690
Debtors - general		491,650	531,023
GST Recoupment		37,915	65,660
Prepayments		11,923	11,763
Loans to community organisations		<u>42,900</u>	<u>26,290</u>
Total		<u><b>971,566</b></u>	<u><b>1,075,641</b></u>
 Less: Allowance for Doubtful Debts		<u><b>3,208</b></u>	<u><b>9,716</b></u>
		<u><b>968,358</b></u>	<u><b>1,065,925</b></u>
 <b>INVENTORIES</b>			
Stores & Materials		<u><b>20,000</b></u>	<u><b>-</b></u>
		<u><b>20,000</b></u>	<u><b>-</b></u>



# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 6 - NON-CURRENT ASSETS

		2012	2011
FINANCIAL ASSETS	Notes	\$	\$
<b>Receivables</b>			
Loans to community organisations		<u>146,478</u>	<u>39,379</u>
		<u>146,478</u>	<u>39,379</u>
<b>OTHER NON-CURRENT ASSETS</b>			
<b>Inventories</b>			
Capital Works-in-Progress		<u>26,744</u>	-
		<u>26,744</u>	-

## CITY OF PORT LINCOLN

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

	2011				2012			
	\$				\$			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
<b>Note 7 - INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>								
Land	64,469,195	23,169	-	64,492,364	<b>60,259,939</b>	-	-	<b>60,259,939</b>
Buildings	16,628,610	5,448,060	(10,523,737)	11,552,933	<b>29,683,917</b>	<b>1,760,055</b>	<b>(9,986,107)</b>	<b>21,457,865</b>
Filtration	1,660,293	1,478,218	(568,226)	2,570,285	<b>3,079,860</b>	<b>228,648</b>	<b>(538,616)</b>	<b>2,769,892</b>
Road Base & Seal	33,696,152	1,491,927	(11,421,016)	23,767,063	<b>35,167,082</b>	<b>643,092</b>	<b>(12,516,374)</b>	<b>23,293,800</b>
Kerbing	8,000,132	150,055	(2,735,037)	5,415,150	<b>8,150,187</b>	<b>93,249</b>	<b>(2,903,060)</b>	<b>5,340,376</b>
Footways	4,561,745	826,395	(1,046,186)	4,341,954	<b>5,388,139</b>	<b>200,332</b>	<b>(1,234,846)</b>	<b>4,353,625</b>
Stormwater	10,048,343	1,644,336	(3,239,363)	8,453,316	<b>16,104,482</b>	<b>569,338</b>	<b>(4,256,576)</b>	<b>12,417,244</b>
Bridges	903,500	-	(711,349)	192,151	<b>2,414,425</b>	-	<b>(1,264,390)</b>	<b>1,150,035</b>
Other Community Assets	6,752,355	2,401,216	(2,365,966)	6,787,605	<b>17,459,087</b>	<b>588,590</b>	<b>(4,905,292)</b>	<b>13,142,385</b>
Plant & Equipment	988,881	679,924	(604,509)	1,064,296	<b>1,931,483</b>	<b>139,882</b>	<b>(899,283)</b>	<b>1,172,082</b>
Furniture & Fittings	1,342,270	408,453	(1,188,731)	561,992	<b>1,006,982</b>	<b>62,814</b>	<b>(594,406)</b>	<b>475,390</b>
Library Books	1,140,534	61,308	(1,155,171)	46,671	<b>864,328</b>	<b>78,851</b>	<b>(527,147)</b>	<b>416,032</b>
Resource Recovery Remediation		811,025	(565,129)	245,896	-	<b>2,184,546</b>	<b>(1,623,565)</b>	<b>560,981</b>
<b>TOTAL INFRASTRUCTURE PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>150,192,010</b>	<b>15,424,086</b>	<b>(36,124,420)</b>	<b>129,491,676</b>	<b>181,509,911</b>	<b>6,549,397</b>	<b>(41,249,662)</b>	<b>146,809,646</b>
<i>Comparatives</i>	<b>150,332,659</b>	<b>12,776,653</b>	<b>(33,912,584)</b>	<b>129,196,728</b>	<b>150,192,010</b>	<b>15,424,086</b>	<b>(36,124,420)</b>	<b>129,491,676</b>

*This Note continues on the following pages.*

## CITY OF PORT LINCOLN

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

	2011	CARRYING AMOUNT MOVEMENTS DURING YEAR						2012	
	\$	\$						\$	
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals							
<b>Note 7 - INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>									
Land	64,492,364	-	-	-	-	-	-	(4,232,425)	60,259,939
Buildings	11,552,933	556,774	1,203,281	-	(642,279)	-	(110,171)	8,897,328	21,457,865
Filtration	2,570,285	228,648	-	-	(64,049)	-	-	35,008	2,769,892
Road Base & Seal	23,767,063	322,898	320,194	-	(1,097,420)	-	(18,935)	-	23,293,800
Kerbing	5,415,150	66,120	27,129	-	(168,023)	-	-	-	5,340,376
Footways	4,341,954	35,080	165,252	-	(190,787)	-	2,129	-	4,353,625
Stormwater	8,453,316	552,413	16,925	-	(184,912)	-	20,611	3,558,891	12,417,244
Bridges	192,151	-	-	-	(21,601)	-	-	979,485	1,150,035
Other Community Assets	6,787,605	529,832	58,758	-	(378,454)	-	15,483	6,129,161	13,142,385
Plant & Equipment	1,064,296	-	139,882	(5,343)	(95,583)	-	-	68,830	1,172,082
Furniture & Fittings	561,992	28,490	34,323	(16,923)	(90,580)	-	90,883	(132,795)	475,390
Library Books	46,671	78,851	-	-	(79,235)	-	-	369,745	416,032
Reinstatement costs	245,896	-	1,373,521	-	(1,058,436)	-	-	-	<b>560,981</b>
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>	129,491,676	2,399,106	3,339,265	(22,266)	(4,071,359)	-	-	15,673,228	<b>146,809,646</b>
<i>Comparatives</i>	<b>129,196,728</b>	<b>2,249,592</b>	<b>995,507</b>	<b>(14,970)</b>	<b>(2,337,515)</b>	<b>(597,666)</b>	-	-	<b>129,491,676</b>

This Note continues on the following pages.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

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

#### **Valuation of Assets**

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

#### **1 Land**

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

Freehold land and land over which Council has control, but does not have title, were valued by Maloney Field Services as at 1<sup>st</sup> July 2011. No capitalisation threshold is applied to the acquisition of land or interests in land.

#### **2 Buildings & Other Structures**

Buildings and other structures generally are recognised at fair value, based on current market values. However, special purpose buildings (such as public toilets) for which there is no market are valued at depreciated current replacement cost. Buildings which Council does not intend to replace at the end of their useful life are valued at the market value of the “highest and best” use. These assets were revalued as at 1st July 2011 by Maloney Field Services and all assets valued over \$100,000 have been componentised, with residual values recognised for the first time.

#### **3 Filtration**

Filtration assets were valued by Maloney Field Services as at 1<sup>st</sup> July 2011 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30th June 2011 and pursuant to Council’s election are disclosed at deemed cost. All acquisitions made from 1st July 2011 have been recognised on the cost basis, with residual values recognised for the first time.

#### **4 Infrastructure**

##### ***4.1 Road Base & Seal***

Road base & road seal were valued by Tonkin Consulting as at 30th June 2008 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30th June 2008 and pursuant to Council’s election are disclosed at deemed cost. All acquisitions made from 1st July 2008 have been recognised on the cost basis.

Council engaged Maloney Field Services to undertake a revaluation of road base and road seal in the 2011/12 financial year however due to timing of receipt of valuations, the values are not reflected in these 2011/12 financial statements and will instead be recognised in the 2012/13 financial year. Extreme care should be used in interpreting financial information based on the valuation contained within these statements.

##### ***4.2 Kerbing***

Kerbing was valued by Tonkin Consulting as at 30th June 2008 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30th June 2008 and pursuant to Council’s election are disclosed at deemed cost. All acquisitions made from 1st July 2008 have been recognised on the cost basis.

Council engaged Maloney Field Services to undertake a revaluation of kerbing in the 2011/12 financial year however due to timing of receipt of valuations, the values are not reflected in these financial statements and will instead be recognised in the 2012/13 financial year. Extreme care should be used in interpreting financial information based on the valuation contained within these statements.

## City of Port Lincoln

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

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

##### **4.3 Footways**

Footways were valued by Tonkin Consulting as at 30th June 2008 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30th June 2008 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2008 have been recognised on the cost basis.

Council engaged Maloney Field Services to undertake a revaluation of footways in the 2011/12 financial year however due to timing of receipt of valuations, the values are not reflected in these financial statements. Extreme care should be used in interpreting financial information based on the valuation contained within these statements.

##### **4.4 Stormwater**

Stormwater drainage infrastructure was valued by Maloney Field Services as at 1<sup>st</sup> July 2011 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2011, with residual values recognised for the first time. All acquisitions made after the respective dates of valuation are recorded at cost.

#### **5 Bridges**

Bridges were valued by Maloney Field Services as at 1<sup>st</sup> July 2011 at written down current replacement cost, with residual values recognised for the first time. No acquisitions have been made from 1st July 2011.

#### **6 Other Community Assets (including Land Improvements)**

Other Community Assets were valued by Maloney Field Services as at 1<sup>st</sup> July 2011 at written down current replacement cost, with residual values recognised for the first time. All acquisitions made from 1st July 2011 have been recognised on the cost basis.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, and were revalued as at 1<sup>st</sup> July 2011 by Maloney Field Services. Additions subsequent to 1<sup>st</sup> July 2011 have been recognised at cost.

#### **7 Plant & Equipment**

Plant & Equipment was valued by Maloney Field Services as at 1<sup>st</sup> July 2011 at written down current replacement cost, with residual values recognised for the first time. All acquisitions made from 1st July 2011 have been recognised on the cost basis.

#### **8 Furniture & Equipment**

Furniture & equipment was valued by Maloney Field Services as at 1<sup>st</sup> July 2011 at written down current replacement cost, with residual values recognised for the first time. All acquisitions made from 1st July 2011 have been recognised on the cost basis.

#### **9 Library Resources**

Library resources were valued by Maloney Field Services as at 1<sup>st</sup> July 2011 at written down current replacement cost, based on an indicative replacement cost for each asset category and assumptions relating to useful life. All acquisitions made from 1st July 2011 have been recognised on the cost basis and capitalised in bulk.

#### **10 Resource Recovery Centre (Reinstatement Costs)**

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

Valuation of reinstatement costs for Cells 1 & 2 at the Resource Recovery Centre are based on actual costs to date and budgeted costs to complete in 2012/13. Valuation of reinstatement for remaining cells and post closure costs are based on cost and volume estimates provided by Tonkin Consulting in March 2012.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 8 - LIABILITIES

	2012		2011		
	\$		\$		
<b>TRADE &amp; OTHER PAYABLES</b>	Notes	Current	Non-current	Current	Non-current
Goods & Services		<b>839,783</b>		565,526	
Payments received in advance		<b>207,545</b>			
Accrued expenses - employee entitlements		<b>255,578</b>	-	255,791	-
Accrued expenses - other		<b>28,793</b>	-	28,133	-
Aged Care Facility Deposits		<b>932,350</b>	-	906,300	-
		<b><u>2,264,049</u></b>	-	<b><u>1,755,750</u></b>	-
<b>BORROWINGS</b>					
Loans		-	-	43,084	500,541
		-	-	<b><u>43,084</u></b>	<b><u>500,541</u></b>
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		<b>306,591</b>	<b>26,261</b>	276,528	21,067
Future reinstatement / restoration, etc		<b>19,999</b>	<b>2,164,546</b>	297,995	513,030
		<b><u>326,590</u></b>	<b><u>2,190,807</u></b>	<b><u>574,523</u></b>	<b><u>534,097</u></b>

**Movements in Provisions - 2011 year only**  
(current & non-current)

Opening Balance	811,025
(Less) Payments	(408,460)
Add (Less) Remeasurement Adjustments	<u>1,781,980</u>
Closing Balance	<b><u>2,184,545</u></b>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 9 - RESERVES

ASSET REVALUATION RESERVE		1/7/2011	Net Increments (Decrements)	Transfers, Impairments	30/6/2012
	Notes	\$	\$	\$	\$
Land		72,553,726	(4,232,425 )	-	68,321,301
Buildings		3,675,925	8,897,328	-	12,573,253
Filtration		694,795	35,008	-	729,803
Infrastructure, including					
- Road Base & Seal		12,771,112	-	-	12,771,112
- Kerbing		2,910,730	-	-	2,910,730
- Footways		2,324,072	-	-	2,324,072
- Stormwater		4,557,888	3,558,891	-	8,116,779
Bridges		126,428	979,485	-	1,105,913
Other Community Assets		2,479,748	6,129,161	-	8,608,909
Plant & Equipment		1,026,370	68,830	-	1,095,200
Furniture & Fittings		825,702	(132,795 )	-	692,907
Library Books		378,980	369,745	-	748,725
<b>TOTAL</b>		<b>104,325,476</b>	<b>15,673,228</b>	<b>-</b>	<b>119,998,703</b>
<i>Comparatives</i>		<i>104,325,476</i>	<i>-</i>	<i>-</i>	<i>104,325,476</i>

Infrastructure assets have been separated into individual classes for the first time. Opening balances are based on the relative proportion of carrying values of each asset class as at 1/7/2011 .

OTHER RESERVES		1/7/2011	Transfers to Reserve	Transfers from Reserve	30/6/2012
Community Pier Fund		24,596	1,146	-	25,742
Prepaid Burials		44,823	8,080	(1,418 )	51,485
Open Space Contributions		57,807	183,584	(43,479 )	197,912
Community Infrastructure		101,653	4,737	-	106,390
Active Community Projects		5,152	889	(6,041 )	0
Kirton Court Capital Upgrade		96,816	4,234	(3,422 )	97,628
CBD Carpark		168,047	33,691	-	201,738
<b>TOTAL OTHER RESERVES</b>		<b>498,894</b>	<b>236,362</b>	<b>(54,360 )</b>	<b>680,895</b>
<i>Comparatives</i>		<i>786,733</i>	<i>75,018</i>	<i>(362,857 )</i>	<i>498,894</i>

#### **PURPOSES OF RESERVES**

##### **Asset Revaluation Reserve**

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

##### **Other Reserves**

Other reserves are used to record contributions made by third parties to Council for future commitments.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

	2012	2011
	\$	\$
<b>CASH &amp; FINANCIAL ASSETS</b>		
Grant funding for capital projects received but not yet expended	<u>207,545</u>	<u>-</u>
<b>TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS</b>	<u>207,545</u>	<u>-</u>

Council received the funds for the following projects in 2011/12 to be expended in the 2012/13 financial year:

Solar Panels for Artheyrea	\$ 20,000
Parkalla Trail Foreshore Extension	\$ 32,000
Linear Trail Construction	\$141,000
Bus Shelters	\$ 14,545



# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

**(a) Reconciliation of Cash**

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

	Notes	2012 \$	2011 \$
Total cash & equivalent assets	5	<u>4,511,491</u>	<u>4,583,414</u>
Balances per Cash Flow Statement		<u>4,511,491</u>	<u>4,583,414</u>

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

Net Surplus (Deficit)		255,645	1,433,580
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		4,071,359	2,346,092
Net increase (decrease) in unpaid employee benefits		35,044	32,008
Change in allowances for under-recovery		(6,508)	8,230
Non-cash asset acquisitions		(166,722)	(289,480)
Grants for capital acquisitions treated as Investing Activity		(178,400)	(523,600)
Net (Gain) Loss on Disposals		4,176	(43,575)
		<u>4,014,594</u>	<u>2,963,255</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		120,685	(496,743)
Net (increase) decrease in inventories		(20,000)	20,000
Net increase (decrease) in trade & other payables		508,512	(339,143)
Net increase (decrease) in other provisions		-	(638,616)
<b>Net Cash provided by (or used in) operations</b>		<u>4,623,790</u>	<u>1,508,753</u>

**(c) Non-Cash Financing and Investing Activities**

Acquisition of assets by means of:

- Physical resources received free of charge	3	<u>166,722</u>	<u>289,480</u>
<i>Amounts recognised in Income Statement</i>		166,722	289,480
- Finance Leases		-	
- Estimated future reinstatement etc. costs		<u>1,373,520</u>	
		<u>1,540,242</u>	<u>289,480</u>

**(d) Financing Arrangements**

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

Corporate Credit Card	2,000	2,000
-----------------------	-------	-------

The balance of the corporate credit card is cleared in full each month via a direct debit to Council's call account, therefore interest charges are avoided.

Council does not operate any overdraft facilities.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES										
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2012	2011	2012	2011
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration	<b>11,350,876</b>	9,669,470	<b>524,275</b>	469,133	<b>10,826,601</b>	9,200,337	<b>1,252,927</b>	894,818	<b>5,674,665</b>	6,050,702
Public Order	<b>141,333</b>	256,191	<b>424,730</b>	473,684	<b>(283,397)</b>	(217,493)	<b>32,667</b>	152,483	<b>110,590</b>	129,724
Health	<b>11,108</b>	12,999	<b>186,735</b>	169,127	<b>(175,627)</b>	(156,128)	-	-	-	-
Social Security	<b>20,205</b>	55,277	<b>74,370</b>	44,356	<b>(54,165)</b>	10,921	<b>3,000</b>	3,000	-	-
Housing & Community Amenities	<b>1,353,217</b>	824,377	<b>3,249,022</b>	2,705,976	<b>(1,895,805)</b>	(1,881,599)	<b>231,630</b>	-	<b>13,445,440</b>	10,313,152
Protection of the Environment	<b>18,496</b>	20,317	<b>151,125</b>	118,438	<b>(132,629)</b>	(98,121)	-	413,600	<b>4,937,958</b>	3,485,983
Sport & Recreation	<b>316,318</b>	313,117	<b>2,068,542</b>	1,936,217	<b>(1,752,224)</b>	(1,623,100)	<b>124,419</b>	223,984	<b>10,606,198</b>	5,626,715
Mining, Manufacturing & Construction	<b>38,758</b>	33,755	<b>307,989</b>	284,494	<b>(269,231)</b>	(250,739)	<b>6,375</b>	-	<b>2,582,688</b>	-
Transport & Communication	<b>511,981</b>	367,777	<b>810,065</b>	840,015	<b>(298,084)</b>	(472,238)	<b>473,771</b>	331,692	<b>6,198,167</b>	35,738,388
Economic Affairs	-	1,182	<b>300,621</b>	295,398	<b>(300,621)</b>	(294,216)	-	-	-	-
Other Purposes NEC	<b>843,564</b>	906,464	<b>837,713</b>	797,186	<b>5,851</b>	109,278	-	-	<b>22,163,145</b>	2,777,318
Council Administration - Governance	-	-	<b>617,217</b>	556,298	<b>(617,217)</b>	(556,298)	-	-	<b>86,763,866</b>	71,058,412
Depreciation	-	-	<b>4,071,359</b>	2,337,516	<b>(4,071,359)</b>	(2,337,516)	-	-	-	-
Unallocated	-	-	<b>1,067,394</b>	856,163	<b>(1,067,394)</b>	(856,163)	-	-	-	-
<b>TOTALS</b>	<b>14,605,856</b>	12,460,926	<b>14,691,157</b>	11,884,001	<b>(85,301)</b>	576,925	<b>2,124,789</b>	2,019,577	<b>152,482,717</b>	135,180,394

Excludes net gain (loss) on disposal or revaluation of assets, net gain (loss) from joint ventures & associated entities, amounts received specifically for new or upgraded assets and physical resources received free of charge.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

#### ***Administration***

Governance, administration, elected members, organisational, accounting/finance, payroll, human resources, information technology, communications, rate administration, records, lease and contract management, customer service, other support services, revenues.

#### ***Public Order & Safety; Health; Social Security & Welfare; Housing & Community Amenities***

Public Order and Safety, dog control, fire prevention, preventative health, immunizations, services for the aged and disabled, youth services, cemetery, public conveniences, sanitation and garbage disposal, street lighting and cleaning, town planning, storm water.

#### ***Protection of the Environment***

Foreshore protection and maintenance, water re-use facilities and scheme, natural resource management.

#### ***Sport and Recreation***

Marine facilities, parks and gardens, sports facilities and grounds, library services, civic halls.

#### ***Construction; Transport and Communication***

Building approval services, inspectorial, roads, footpaths, kerbing, traffic management, parking, bus services.

#### ***Economic Affairs***

Tourism and visitor information.

#### ***Other Purpose NEC***

Operational and Business Undertakings - Depot, engineering, vandalism, plant and equipment, property maintenance, private works.

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 13 - FINANCIAL INSTRUMENTS

#### Recognised Financial Instruments

<p><b>Bank, Deposits at Call, Short Term Deposits</b></p>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 3.5% and 5.5% (2011: 4.75% and 6%). Short term deposits have an average maturity of 94 days and an average interest rates of 5.36% (2011: 164 days, 5.5%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<p><b>Receivables - Rates &amp; Associated Charges (including legals &amp; penalties for late payment)</b></p> <p>Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.</p>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 0.77% (2011: 0.81%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<p><b>Receivables - Fees &amp; other charges</b></p>	<p><b>Accounting Policy:</b> Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<p><b>Receivables - other levels of government</b></p>	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; conditions:</b> Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth &amp; State.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<p><b>Liabilities - Creditors and Accruals</b></p>	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<p><b>Liabilities - Retirement Home Contributions</b></p>	<p><b>Accounting Policy:</b> To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p><b>Terms &amp; conditions:</b> Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p><b>Carrying amount:</b> approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.</p>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 13 (cont) - FINANCIAL INSTRUMENTS

#### Liquidity Analysis

2012	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	4,511,491	-	-	4,511,491	4,511,491
Receivables	771,229	-	-	771,229	771,229
Other Financial Assets	8,478	63,000	75,000	146,478	146,478
<b>Total</b>	<b>5,291,198</b>	<b>63,000</b>	<b>75,000</b>	<b>5,429,198</b>	<b>5,429,198</b>
<b>Financial Liabilities</b>					
Payables	1,979,678	-	-	1,979,678	1,979,678
<b>Total</b>	<b>1,979,678</b>	<b>-</b>	<b>-</b>	<b>1,979,678</b>	<b>1,979,678</b>
2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>Financial Assets</b>	\$	\$	\$	\$	\$
Cash & Equivalents	4,583,414	-	-	4,583,414	4,583,414
Receivables	607,003	39,379	-	646,382	636,666
<b>Total</b>	<b>5,190,417</b>	<b>39,379</b>	<b>-</b>	<b>5,229,796</b>	<b>5,220,080</b>
<b>Financial Liabilities</b>					
Payables	1,489,562	-	-	1,489,562	1,471,826
Current Borrowings	77,357	-	-	77,357	43,084
Non-Current Borrowings	-	309,428	425,464	734,892	500,541
<b>Total</b>	<b>1,566,919</b>	<b>309,428</b>	<b>425,464</b>	<b>2,301,811</b>	<b>2,015,451</b>

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

	30 June 2012		30 June 2011	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates		-	6.43	543,625
		-		543,625

#### Net Fair Value

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

#### Risk Exposures

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

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

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

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

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 14 - COMMITMENTS FOR EXPENDITURE

	<u>Notes</u>	2012 \$	2011 \$
<b>Capital Commitments</b>			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Transport		14,545	-
Buildings		20,000	-
Sport & Recreation		173,000	-
		<b>207,545</b>	-
These expenditures are payable:			
Not later than one year		207,545	-
		<b>207,545</b>	-
<b>Other Expenditure Commitments</b>			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		52,500	84,150
Waste Management Services		12,087,500	12,312,543
Employee Remuneration Contracts		1,598,444	2,951,535
Visitor Information Centre Subsidy		220,000	330,000
Cleaning Services		111,045	-
Cemetery Management		408,325	-
		<b>14,477,814</b>	<b>15,678,228</b>
These expenditures are payable:			
Not later than one year		2,573,622	4,683,900
Later than one year and not later than 5 years		8,047,317	7,212,850
Later than 5 years		3,856,875	3,781,478
		<b>14,477,814</b>	<b>15,678,228</b>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 15 - FINANCIAL INDICATORS

	2012	2011	2010
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

#### Operating Surplus Ratio

<u>Operating Surplus</u>	(1%)	7%	(2%)
Rates - general & other less NRM levy			

*This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.*

<b>Adjusted Operating Surplus Ratio</b>	(4%)	7%	2%
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*In each of June 2009, 2010 and 2011 the Commonwealth Government made an advance of one quarterly payment of the Financial Assistance Grant. In June 2012 an advance of two quarterly payments was made (see Note 2). Accordingly there were four "quarterly" payments in 2010 and 2011, and five payments in 2012. The **Adjusted Operating Surplus Ratio** adjusts for this distortion.*

#### Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	(5%)	(19%)	(8%)
Total Operating Revenue less NRM levy			

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

#### Asset Sustainability Ratio

<u>Net Asset Renewals</u>	56%	16%	28%
Infrastructure & Asset Management Plan planned expenditure	\$3,202,000	\$7,425,000	\$3,208,000

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

*Note that Infrastructure & Asset Management Plans were prepared in 2008 and are currently under review.*

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 16 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

	2012 \$	2011 \$
Income	14,605,856	12,460,926
<i>less</i> Expenses	<u>14,691,157</u>	<u>11,884,001</u>
<b>Operating Surplus / (Deficit)</b>	<b>(85,301)</b>	<b>576,925</b>
 <i>less</i> <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	1,799,019	1,209,660
<i>less</i> Depreciation, Amortisation and Impairment	4,071,359	2,346,092
<i>less</i> Proceeds from Sale of Replaced Assets	<u>18,091</u>	<u>58,545</u>
	<b>(2,290,431)</b>	<b>(1,194,977)</b>
 <i>less</i> <b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	2,425,851	995,507
<i>less</i> Amounts received specifically for New and Upgraded Assets	178,400	523,600
	<u>2,247,451</u>	<u>471,907</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>(42,321)</u></b>	<b><u>1,299,995</u></b>



# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 17 - OPERATING LEASES

#### *Lease payment commitments of Council*

Council has entered into a non-cancellable operating lease for items of computer equipment.

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

The lease agreement does not impose any additional restrictions on Council in relation to additional debt or further leasing.

The lease agreement permits Council, at expiry of the lease, to elect to re-lease or return the leased equipment.

The lease does not contain any escalation clause.

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

	<b>2012</b>	2011
	\$	\$
Not later than one year	<b>35,774</b>	-
Later than one year and not later than 5 years	<b>107,322</b>	-
Later than 5 years	-	-
	<b><u>143,096</u></b>	<b><u>-</u></b>

# CITY OF PORT LINCOLN

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012

### Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

#### **Marketlink (Accumulation Fund) Members**

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2011/12; 9% in 2010/11). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

#### **Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Scheme's Trustee based on advice from the Scheme's Actuary. The rate is currently 6.3% (6% in 2010/11) of "superannuation" salary.

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

The Salarylink Fund is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2011. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

# **CITY OF PORT LINCOLN**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2012**

### **Note 19 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE BALANCE SHEET**

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

#### **LAND UNDER ROADS**

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

At reporting date, Council controlled 178.47 km of road reserves of average width 20.12 metres.

#### **LEGAL EXPENSES**

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had no notice of appeals against planning decisions made prior to reporting date.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF PORT LINCOLN

We have audited the accompanying financial report of the City of Port Lincoln, which comprises the balance sheet as at 30 June 2012 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Certification of Financial Statements statement.

### *The Responsibility of the Chief Executive Officer for the Financial Report*

The Chief Executive Officer of the City of Port Lincoln is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's Responsibility*

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

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

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

### **Independence**

In conducting our audit, we have complied with the independence requirements of the Local Government Act 1999 and Local Government (Financial Management) Regulations 2011 and the Australian professional ethical pronouncements.

### **Basis for Qualified Opinion**

In our opinion the depreciation expense (Statement of Comprehensive Income) and the reported value of the following assets, Road Seals and Bases, kerbing and Footways, which are reported as part of Council's Infrastructure assets (Balance Sheet) for the 2012 financial year, are not able to be relied upon. The reason the reported asset values and associated depreciation are not able to be relied upon is that these assets have not been revalued since 2008 in accordance with the requirements of Australian Accounting Standard AASB 116 *Property, Plant and Equipment*. It has been assessed that asset replacement cost unit rates have increased in excess of 15% since these assets were last valued with the result that there is a material impact on the reported depreciation expense in the Statement of Comprehensive Income.

At the date of signing this audit report, due to the material variation in valuation rates applied to the Infrastructure assets reported above, we are unable to rely on the accuracy of the reported depreciation expense for the specific Infrastructure assets identified above in the Statement of Comprehensive Income.

We are advised that Council has engaged external engineers to assist in addressing the above deficiencies in the 2012/13 financial year.

### **Auditor's Opinion**

In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial report presents fairly, in all material respects, the financial position of the City of Port Lincoln as of 30 June 2012, and its financial performance and cash flows for the year then ended in accordance with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and the Australian Accounting Standards (including Australian Accounting Interpretations).

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**



**JIM KEOGH  
PARTNER**

Signed on the 14<sup>h</sup> day of November 2012,  
at 214 Melbourne Street, North Adelaide, South Australia 5006.

# CITY OF PORT LINCOLN

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

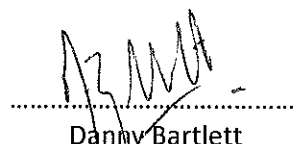
### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of SA Model Council for the year ended 30 June 2012, the Council's Auditor, Dean Newbery & Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....  
Katrina Allen  
**ACTING CHIEF  
EXECUTIVE OFFICER**



.....  
Danny Bartlett  
**PRESIDING MEMBER  
AUDIT COMMITTEE**

Date: 23rd October 2012

## **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of City of Port Lincoln for the year ended 30 June 2012, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



**JIM KEOGH**  
**Partner**

**DEAN NEWBERY & PARTNERS**  
**CHARTERED ACCOUNTANTS**

**Dated this 6<sup>th</sup> day of July 2012**