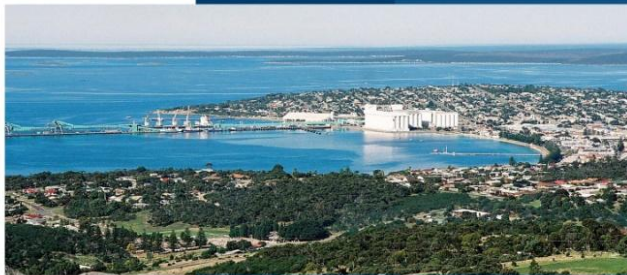




City of Port Lincoln



Annual Report

2008 - 2009



Adopted 2nd November 2009

DCCS0366

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Figure 1 City from Winters Hill Lookout



City of Port Lincoln

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Message from the Mayor

Council experienced a year that will have long term impacts upon our communities' future.

The City adopted its now current Development Plan Amendment and endeavoured to establish a Building Heights DPA. This is the subject of investigation and a decision from Minister Holloway's office. Despite the apparent conflict between Council and the Community Action group, there is much common ground with both desiring to preserve our lovely City living amenity.

Currently, Council is in varying stages of progressing DPA's over industrial, commercial and residential zones for a section of the City south of Verran Terrace broadly centred around the old CRESCO superphosphate site. The second DPA involves our rural, fringe areas including the eastern slopes of Winter Hill that offer superb residential living opportunities.

As a consequence of the North Side Hill fire in February, our Greater Port Lincoln Bushfire Prevention Committee is steadily increasing fire prevention measures, demonstrated by the change occurring on the burnt out Western Approach curved crescent near our Hassel Road dump. It is a fundamental rule of fire prevention if the fuel load is double the intensity of a given fire is increased fourfold. It follows that if you desire to protect your property, by reducing fuel loads you significantly increase the change of defending your asset, council has increased its fire prevention budget by about \$100,000 plus commencing the fire look out tower on Winter Hill with support from the District Council.

The issue of Centrex Metal's desire to export iron ore from Port Lincoln has consumed much time and effort. Council strongly supports Centrex Metals desire to mine but does not support exports of minerals from our City. This is reflected within Council's submission to the DAC. The two fundamental issues mitigating against export are genuine lack of depth in our harbour, together with the bottom discharge rolling stock inevitably spilling fines as demonstrated by the grain trail clearly evident. The Government's 1968 Eastern Eyre Peninsula Deep Sea Port study clearly identified the deficiencies of Port Lincoln with the sole reason to undertake its development being financial expediency. The same applies today. There is absolutely no good Planning nor Development ground to approve mineral exports from our City. Hopefully, Planning SA and Minister Holloway will recognize this fact and expedite a genuine deep sea port as identified by Centrex rather than opting for short term financial expediency as did our grandfathers.

Council refused Lincoln Lakes Development Companies desire to cut Marina Drive as part of a stage three expansion of Lincoln Cove, this has resulted in a new proposal that will see Marina Drive cut but with minimal impact upon the City. At time of writing this report, their plan is yet to be submitted to Council but is a major refinement, delivering benefits to our City as well as the developer.

During the year Council became aware of the financial difficulties experience by the Ravendale Sporting Community Centre and Council agreed to take over servicing the long term loan. Council recognizes the importance of the Centre to the Ravendale Sporting Complex as a major asset of our community.

On behalf of City Councillors I do convey our thanks to all our staff for their efforts. We, Councillors, recognise and appreciate the work of our staff to deliver a positive, vibrant City where we can all enjoy our beautiful region. The efforts of our outside workers can be seen through the better infrastructure we enjoy whilst our administration staff have been grappling with the issues identified within this report.



Peter W Davis
Mayor

Chief Executive Officers Message

With enthusiastic staff and support from elected members, the City of Port Lincoln has continued its focus on renewal and upgrade of the city's assets.

Council has adopted programs that support the development and steady growth of Port Lincoln in a financially sustainable manner. With minimal debt, prudent budgets being adopted and staff undertaking detailed forward planning, I am sure our community will continue to take pride in living in Port Lincoln.

Council has recognised the necessity of good fire protection for Port Lincoln, as again fires caused significant damage to private and community property in January. Council has increased its resource allocation to fire protection and engaged the Native Vegetation Council in review of its regulatory requirements for clearance of native vegetation for the protection of property, with pleasing results.

The introduction of kerbside recycling collection, although interrupted with the January fire, has proven to be a success with significant recycling material not going to landfill. As a new service, the recycling collection has incurred a \$35 annual charge; I foresee this charge increasing to approximately \$55 over the next two years to recover all costs associated with the recycling program. Waste and recycling will continue to incur a significant cost to our community.

Council has continued to support community groups in 2008-2009 either through in kind support or direct funding. This year support has been provided to the Bedford Group, Show Society, Table Tennis, Tunarama, Ravendale Community Sports Centre and many other groups and individuals through our Community Grants Program.

Council continues to allocate significant resources to planned infrastructure programs.

Council's vision of a new look central business area, a water reuse program supplying irrigation to all major sporting grounds and community open spaces, refurbished community buildings and infrastructure networks supporting future growth is on target and we are confident our vision will be realised within the ten year strategic program.

Many more details reflecting the busy year passed are contained within this Annual Report which I am pleased to commend to the reader.

GEOFF DODD
CHIEF EXECUTIVE OFFICER



Figure 2 Aerial View of Marina

City of Port Lincoln Map



City of Port Lincoln Statistics

Total area:	3,800 hectares
Population Estimated:	14,788
Average Rainfall:	490 mm
Foreshore (length)	21 km
Recreational Open Space Area:	220 hectares
Lincoln Cove Southern Lake Area:	2 hectares
Roadways Unsealed (length)	11 km
Roadways Sealed (length):	160 km
Assessments to June 2009:	8324
Site Value Rateable Properties: June 2009	\$978,901,800
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



Figure 3 Makybe Diva Statue

Members of Council

Membership of Council following the election as of 20th November 2006

Mayor	Peter Woodley Davis
Councillors	Cr Jillian Parker (Deputy Mayor)
	Cr Michael Bascombe
	Cr Danny Bartlett
	Cr Malcolm Catt
	Cr Tanya Chludil
	Cr Gordon Hartley
	Cr Jim Papazoglov
	Cr Allan Reynolds
	Cr Neville Starke
	Cr Mary Ware



Top from Left to Right

Cr Bartlett, Cr Chludil, Cr Hartley, Cr Catt,
Cr Bascombe, Cr Starke

Bottom Left to Right

Cr Papazoglov, Cr Parker, Mayor Davis,
Cr Ware, Cr Reynolds

Business Premises

The City of Port Lincoln has three business premises:

Council Administration Office

- Level 1 Civic Centre
60 Tasman Tce
PORT LINCOLN
- 8621 2300

Library

- 2 London Street
(TAFE Building)
PORT LINCOLN
- 8688 3622

Depot

- 1 Bel-Air Drive
PORT LINCOLN
- 8621 2340

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. In 2008-2009 there were 23 Ordinary Council and 3 Special Council meetings held. Attendance was as follows:

Meetings Attended	Total Meetings	Ordinary Council	Special Council
Mayor Peter Davis	23	20	3
Deputy Mayor Jill Parker	20	18	2
Councillor Danny Bartlett	26	23	3
Councillor Michael Bascombe	23	21	2
Councillor Malcolm Catt	23	21	2
Councillor Tanya Chludil	18	15	3
Councillor Gordon Hartley	23	20	3
Councillor Jim Papazoglov	22	20	2
Councillor Allan Reynolds	19	16	3
Councillor Neville Starke	25	22	3
Councillor Mary Ware	20	17	3

Public Access to Meetings and Minutes

All meetings of Council are open to the public.

Meeting Agendas of Ordinary Council and the Council Development Assessment Panel are placed on public display no less than three days prior to those meetings in the Civic Centre Administration area.

Minutes are placed on display in the Civic Centre within five days of the meeting being held. Minutes and Agendas are also posted on Councils website.

All reports, which form the basis of recommendations to Council, are also available to the public.



www.portlincoln.sa.gov.au

Boards & Advisory Committees & Project Management Teams

Council established a number of 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 and Terms of Reference of these committees are reviewed in November of each year and adopted by Council for the following twelve month term.

The minutes of the Committee meetings are included in the following Ordinary Council meeting Agenda for adoption by Council.

Chief Executive
Officer Review
Committee

Marina
Maintenance
Advisory
Committee

Greater City of Port
Lincoln Bushfire
Prevention Plan
Committee

Corporate
Governance
Committee

Disability Access
Advisory
Committee

Southern Eyre
Waste 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.

For the 2008-2009 financial year there was a total of 7 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 Panel is twelve (12) months.

Prior to November 2008, the Members included Mr David Collins as an independent member. Councillors' Bascombe, Bartlett and Ware did not renominate and Councillor Chludil was appointed.

	Meetings Attend
Mr Bill Watkins OAM Presiding Member	7
Mr Ron Carey	6
Mr Bruce Green	6
Mr Peter Blacker	6
Cr Jill Parker	5
Cr Jim Papazoglov	5
Cr Tanya Chludil	4

The Development Assessment Panel has 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 – 19

Number of Applications Approved – 18

Number of Applications Refused – 1

Number of Applications Deferred – 1

Number of Applications Appealed – Nil



Figure 4 Port Lincoln Hotel

Committee Reports

Disability Access Committee

Chairman - Councillor Danny Bartlett



Terms of Reference

To advise Council on matters relating to the Disability Discrimination Act.

Membership

Cr Danny Bartlett (Chair)

Cr Allan Reynolds

Mr Neil Ashman

Ms Sue Versteeg

Ms Betty Chamberlain

Mr Nigel Melzner – Manager Community Infrastructure

Mr Craig Matena – Operations Manager

Mr Mark Fisher – EP Active Communities Field Officer

Mr Tony Manuel – City of Port Lincoln

Ex Officio - Mayor Peter Davis

Cr Danny Bartlett has been chair of this committee since July 2008, having been on the committee since coming onto council after the 2006 election.

The committee's main focus has been on the Disability Access Action Plan for the City of Port Lincoln, which in the last year has progressed from a draft document to a plan which has been approved by council and is being integrated into the annual cycle of council's planning and budgeting process. This followed a strong and successful effort to consult the community with regards to council facilities and services with disability issues in mind. Contributions were obtained from people with a disability, carers, and service providers through a survey and follow up workshop.

The committee subsequently developed an action plan, which was fully endorsed by council. Members of the committee now work at our regular meetings to review progress against the plan, and make specific recommendations to council in order to meet plan objectives. These recommendations have covered diverse areas across council services and facilities, including playgrounds, footpaths, rubbish collection, and car parking.

In addition to the action plan, the committee has continued to work in other specific areas, such as making recommendations to council on the CBD parking review, and identifying specific hazards around the city requiring action (eg unsafe paving, overhanging branches etc).

In May 2009 Mrs Gwen Parkinson was forced to resign from this committee due to health reasons. She was a long standing member of the committee, and we would like to take this opportunity to thank her for volunteering her time and effort over many years.

The coming year will see the committee continue to implement the Disability Access Action Plan, and address other disability related issues relevant to the city as they arise.

Southern Eyre Waste Committee

Chairman - Councillor Allan Reynolds

Terms Of Reference

To undertake the actions outlined in the Memorandum of Understanding (MOU) between the Councils inclusive of:

- Developing a formal contract of agreement between the Councils and a preferred landfill operator.
- Investigating a future joint management strategy and framework for waste management on behalf of the three councils

Membership:

Cr Alan Reynolds (Chair)

Mr Craig Matena – Operations Manager

Mr Damien Windsor, Works Manager, DC Lower EP

Cr Gail Bobridge, DC Lower EP

Mr Ned Roberts, DC Tumby Bay

Mr Darren Zechner, DC Tumby Bay

Ms Marina Wagner, Principal Adviser, Waste Management EPA

Ex Officio - Mayor Peter Davis



Figure 5 Recycling Bales

A joint committee of three councils;

- City of Port Lincoln
- District Council of Lower Eyre Peninsula
- District Council of Tumby Bay

was formed just over three years ago to investigate a shared new Waste Management Landfill Site. As well as Council Elected Members and staff on this committee it has been well represented by the EPA who have offered helpful, constructive advice.

Many locations of future landfill sites were considered by the committee. Paul Cave of RG Cave & Co, gave a presentation to the committee regarding a possible site that he owned in a location in a shallow valley approximately 1.5 Km from Butler Tanks near Lipson.

The committee decided to call for registration of interest to be sought from the market to ensure all other possible alternatives be investigated. Apart from Paul Cave only two businesses showed minor interest. Several meetings were further held with Paul Cave and his planning consultants re; design and engineering, many options were discussed. It was decided by the committee and agreed by the three councils that RG Cave and Co own and operate the proposed landfill site.

After much consideration and six drafts, a Heads of Agreement were drawn up and agreed by the three councils and the owner/operator. In March this year RG Cave and Co contacted residents living near the proposed location and invited them on the planned Landfill site and explained the proposal. In April this year a public meeting was held in Tumby Bay to explain to residents and answer questions on the planned facility.

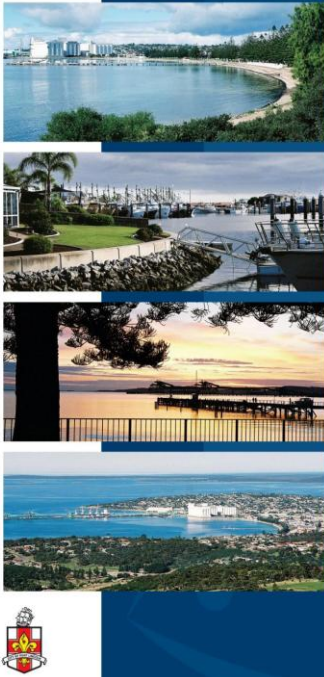
Before the waste management facility can be developed and operated, it requires development approval from the Development Assessment Commission and a licence from the EPA. It is hoped that construction will take place by August 2010.

Corporate Governance Committee

Chairman – Councillor Mick Bascombe



City of Port Lincoln



Membership:

Councillor Mick Bascombe (Chairperson)
Deputy Mayor Jillian Parker
Councillor Danny Bartlett
Ms Diana Laube

Role of the Committee (Summary)

Financial reporting
Internal controls and risk management systems
Whistle Blowing
External Audit

The Corporate Governance Committee held 5 official meetings during the 2008-2009 financial year, with the meetings based around the requirements of the Work Plan.

Agenda items included:

- Professional Indemnity
- Independence of the Auditor
- Financial Statements 2007-2008
- Quarterly Budget Reviews
- Review and adoption of 4 Infrastructure & Asset Management Plans
- Adoption of Policies:
 - 9.63.15 Whistler Blower Policy
 - 7.63.9 Treasury Management
 - 7.63.10 Asset Management
 - 7.63.5 Internal Control
- Undertook training course “Strategic Financial Sustainability Tools for Good Governance Decision Making”
- Strategic Plan 2007-2017 Review 2009
- Annual Business Plan and Budget 2009-2010

On the Work Plan for 2009-2010 are to review Risk management and Internal Financial Controls

Greater City of Port Lincoln Bushfire Prevention Plan Committee

Chairman - Councillor Neville Starke

Membership:

Cr Neville Starke (Chair)
 Cr Gordon Hartley
 Mr Geoff Dodd - Chief Executive Officer
 Mr Nigel Melzner – Manager Community Infrastructure
 Mr Wayne Pope – General Inspector
 Mr John Probert – Country Fire Service
 Mr Darryl Horsell – Metropolitan Fire Service
 Mr John Wise – Metropolitan Fire Service
 Mr Joe Tilley – Dept Natural Environment & Heritage
 Mr Ken Pobke – Green Patch Brigade
 Mr Geoff Poole – North Shields Brigade
 Mr Leith Blacker – DC of Lower Eyre Peninsula
 Mr Peter Samuel – SA Water



Figure 6 Fire Fighters

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 Port Lincoln Bushfire Prevention Plan be sought from the Native Vegetation Council and other State Government Agencies as required.

The Greater City of Port Lincoln Bushfire Prevention Plan was endorsed by all Government Agencies, the City of Port Lincoln and the District Council of Lower Eyre Peninsula in July 2008. It was subsequently forwarded to the Native Vegetation Council for comment and endorsement.

In January 2009 a bushfire on North Side Hill burnt out Council's Resource Recovery Centre, various fishing industry properties as well as the homes of residents. The closeness to the City and the subsequent results were devastating for many members of the community. Based on the incident the Committee recommended works be undertaken in the area inclusive of additional fire breaks and clearance of native vegetation. Council's budget has been increased to \$200k for 2009-10.

Works on the Fire Tower located on Winters Hill to be staffed by local SES volunteers on extreme fire days has commenced and it is anticipated that the tower will be fully operational for 2009-2010 bushfire season.

Visual surveys were conducted by Council General Inspectors prior to the fire danger season with correspondence being forwarded to landowners whose properties were identified as requiring fire prevention work to be undertaken.

The Committee has worked closely with members of the Native Vegetation Council and Country Fire Service to develop an application form which will enable residents to clear native vegetation greater than twenty metres but less than fifty metres from dwellings and greater than five metres but less than twenty metres from buildings other than dwellings, subject to inspections by Council General Inspectors and the permit being signed off by the Chair of this committee.

Sister City Relationships

International Relations Working Party – Chairperson Deputy Mayor Jill Parker

Port Lincoln has two friendships with International Cities. Deputy Mayor Jill Parker has been the chairperson for the current working party and the formal Committee prior, and the driving force behind the sister city relationships. Jill has been instrumental in the continued commitment by both St Josephs School and the Port Lincoln High School to the student exchange program with Muroto.

Please see below for further information on each of these relationships.



Figure 7 Cape Muroto



Muroto

Muroto is quite similar to Port Lincoln in the fact that it is a coastal city with the main industry being aquaculture. This is one of the reasons the friendship agreement between the two cities was formed. On March 27, 1991 five members of the Muroto Delegation, including the Mayor visited Port Lincoln to sign the friendship agreement.

Since 1992 a delegation of adults and students from the two Port Lincoln high schools have visited Muroto in the April school holidays. For all but one of these years, a delegation of adults and students from Muroto have visited Port Lincoln during either September or October.

All of these exchanges are home stay arrangements which offers the attendees the opportunity to be involved in the different cultures first hand.

Lincolnshire

Lincoln is a small historic city situated in the East Midlands region in England. Lincoln has a population of approximately 85,000 people, with the main industries being agriculture and fresh produce. Tourists visit Lincoln to see the amazing historic buildings including the Cathedral and the Castle. The friendship agreement with Lincoln was signed in January of 1991.



Figure 8 Lincolnshire countryside



Figure 9 Lincolnshire Flag



Figure 10 Lincolnshire Cottages

Delegates & Representatives

Civic Hall Management Board	Councillor Parker
Community Consultative Committee	Councillors Starke and Bartlett
CFS Regional Bushfire Prevention Committee Region 6	Manager Community Infrastructure
Eyre Peninsula Old Folks Home	Councillor Reynolds
Eyre Peninsula Local Government Association	Councillor Parker, CEO
Eyre Regional Development Board	Councillor Catt
ERDB Port Lincoln Business Strategy	Mayor Davis, Councillors Catt and Starke
Local Government Association of SA	Mayor Davis
LGA State Executive & SAROC Committees	Mayor Davis
Lower Eyre Road Safety Committee	Councillors' Bascombe and Reynolds
Port Lincoln Aboriginal Forum	Mayor Davis, Councillor Ware
Port Lincoln Chamber of Commerce & Tourism	Councillor Catt
Port Lincoln Risk Assessment Panel	CEO, Manager Special Projects
Provincial Cities Association	Mayor Davis, Councillor Parker & CEO
Port Lincoln Joint Use Library Committee	Councillors' Reynolds & Chludil
South Australian Local Government Finance Authority	Mayor Davis
South Australian Multicultural & Ethnic Affairs Commission	Councillor Papazoglov
West Coast Youth Services	Councillor Hartley
Zone Emergency Management Committee	CEO

Council Participation

The City of Port Lincoln was represented at the Local Government Association AGM by the Mayor, an Elected Member, Chief Executive Officer and Director Corporate and Community Services. 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. In May 2009, the Provincial Cities Association AGM was hosted by the City of Port Lincoln. Mayor Peter Davis 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.

Councillor Malcolm Catt represents the City of Port Lincoln on the Eyre Regional Development Board and the Chamber of Commerce and Tourism, meetings are held monthly.

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.

The number and type of meetings held by the elected members and the meetings where the public was excluded from part or all of that meeting was 5 meetings from a total of 23 Ordinary Meetings.

Five Minutes of Council were ordered to be held as confidential under Section 91(7) of the Local Government Act 1999.



Figure 11 Council Chambers

Members Allowances

The Elected Members and the Mayor of the City of Port Lincoln are paid an allowance determined by Council resolution under the Local Government Act, 1999 Section 76.

The allowances paid to Elected Members and the Mayor to perform their functions and duties are reviewed annually and are paid quarterly in advance.

The Chairperson and Independent Members of the Council Development Assessment Panel (CDAP) are remunerated per sitting, as is the independent member of the Corporate Governance 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

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

	2008-2009
Ordinary Council	
Mayor	\$27,000
Deputy Mayor	\$10,000
Elected Members	\$7,000
CDAP	
Chairperson	\$200 per sitting
Independent Members	\$120 per sitting
Corporate Governance Committee	
Independent Member	\$200 per sitting

Representational Quota

It was gazetted on the 13th June 2002 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 came into effect as from the day of the first general election held after the expiration of five months from the publication of the gazette notice.

The representation arrangements are as follows:

- One Mayor
- 10 Councillors
(at large representation)

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



Figure 12 Council Meeting

Representational Review

The next review will be completed in 2009-2010 as per the Act, and Council have engaged CL Rowe and Associates to undertake the process in accordance with Chapter 3 Part 1.

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 and are reviewed annually, or as required by Council, in keeping with the legislative requirement:

- 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 27/2/09)

	No of Electors	Total Members	Represent. Quota
PORT LINCOLN	10957	11	996
LIGHT REGIONAL	10535	11	957
PORT PIRIE	13197	11	1199
COPPER COAST	13087	11	1189
MURRAY BRIDGE	15281	10	1528
WATTLE RANGE	10471	12	872

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 seek 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:

Deputations

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.

Presentations to Council

with prior notification and arrangement with the Mayor, a member of the public can address the Council on any issue relevant to Council.

Petitions

Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.

Written Requests

A member of the public can write to the Council on any Council policy, activity or service.

Elected Members

Members of the public can contact their Elected Members of Council to discuss any issue relevant to Council.

Community Question Time

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

Chapter 5, Part 4, Section 68
Register of Interest – Members
Register of Interest – Officers

Chapter 5, Part 4, Section 79
Register of Members Allowances and Benefits

Chapter 7, Part 2, Section 105
Officers Register of Remuneration

Chapter 7, Part 4, Section 116
Officers Register of Interests

Chapter 11, Part 1, Section 207
Community Land Plan 1 and Plan 2

Chapter 11, Part 1, Section 231
Public Roads

Chapter 12, Part 1, Section 252
By Laws

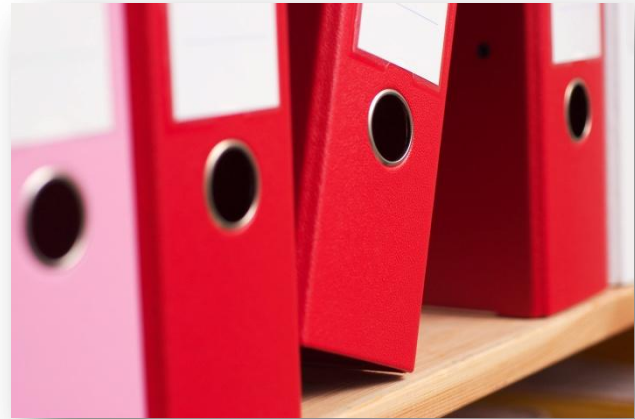
Code of Conduct

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

Chapter 7, Part 4, Section 110
Policy 18.63.2 Code of Conduct – Staff



Policies

Policies required to be listed in this Annual Report.

Chapter 4, Part 5, Section 50
Policy 2.63.1 Community Engagement

Chapter 4, Part 4, Section 49
Policy 7.63.1 Contracts and Tenders

Chapter 10, Part 1, Section 171
Policy 7.63.2 Rating

Chapter 8, Part 3, Section 125
Policy 7.63.5 Internal Control

Chapter 12, Part 2, Section 259
Policy 5.63.1 Order Making

A list of all current policies adopted by the City of Port Lincoln is attached as Appendix B. All policies are available on Councils website

www.portlincoln.sa.gov.au

Freedom of Information

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 following is an extract from *Policy 13.63.1 Privacy*. The full version of the policy is available on council's website

"All personal information collected by the Council is to be used only for the purpose of conducting business in accordance with the Local Government Act, 1999 (and other relevant Acts under which the Council is charged with any responsibility) and in the provision of Council services to the City's residents and/or ratepayers. This includes the assessment record (Local Government Act 1999 Section 172)

The type of personal information that is collected and held will depend on the services provided to residents and ratepayers, but may include: -

- Telephone numbers
- Name and address (both postal and residential addresses and e-mail addresses)
- Age &/or date of birth
- Property Ownership and/or Occupier details
- Details of resident's/ratepayer's spouse or partner
- Development Applications including plans of buildings
- Dog Ownership
- Electoral Roll details
- Pensioner / Concession Information
- Payment History

All information will be collected in a fair and lawful manner and as required/permitted by Local Government legislation. The Council is committed to ensuring that residents and/or ratepayers are aware of the purpose of collection of the information and aware that the collection is authorised or required by law."

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 Request Forms should be addressed to:

City of Port Lincoln
PO Box 1787
PORT LINCOLN 5606

Forms are available at the Council Offices.

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

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

1. Lincoln Lakes Development Co
2. Saxby's Lawyers Pty Ltd on behalf of Eyre Tuna Pty Ltd



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 passed five by-laws which were gazetted on the 1st May 2003. 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.

By-Law No. 1

Permits and Penalties

By-Law No. 2

Moveable Signs

By-Law No. 3

Roads

By-Law No. 4

Local Government Land

By-Law No. 5

Dogs

Copies of Councils By-laws are available by request, or on the website

Management and Staffing

Executive Officers

Chief Executive Officer

Geoff P Dodd, Assoc Dip Acct, JP

Director of Corporate & Community Services

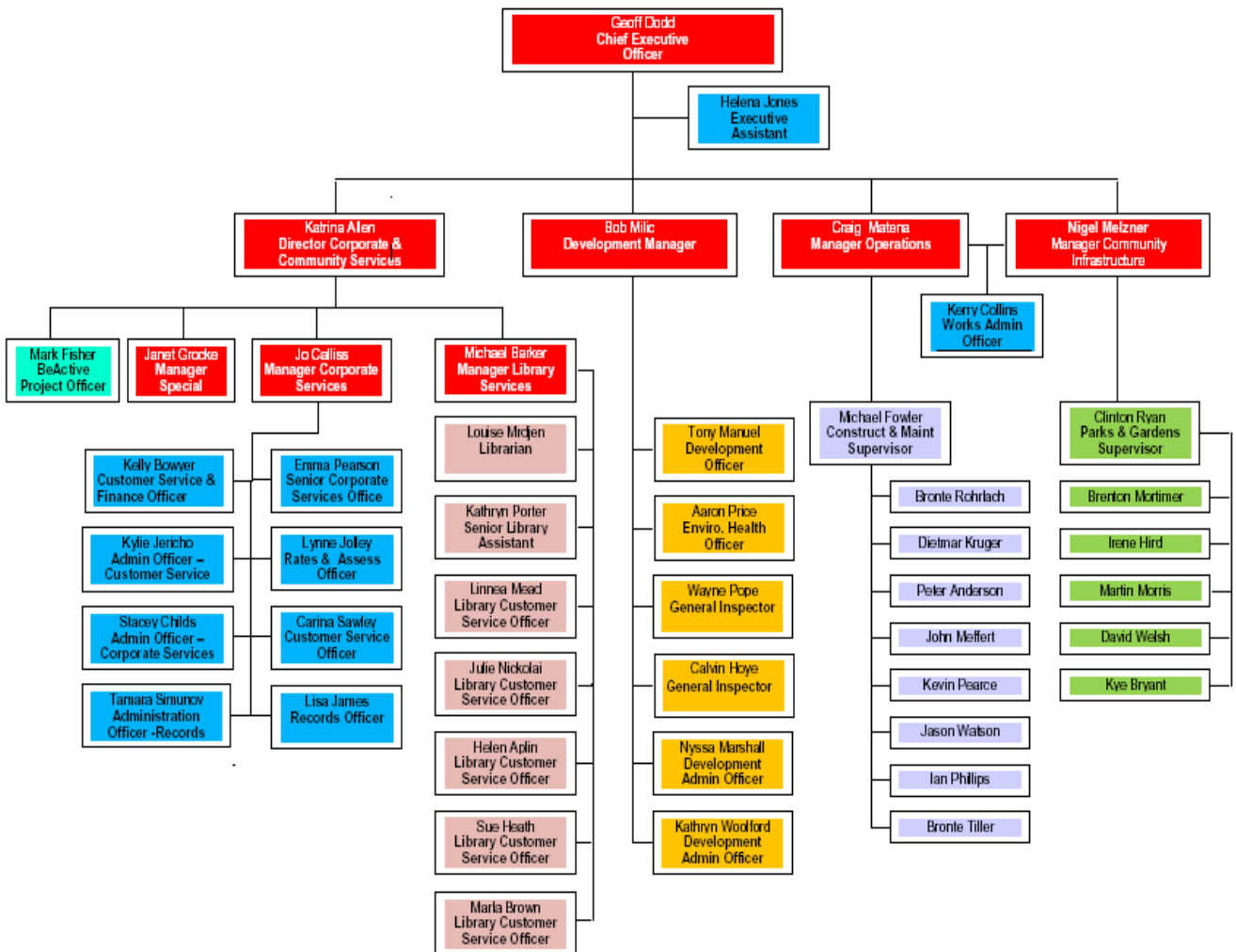
Katrina Allen, Cert IV HR & Fin Serv

The Chief Executive Officer, was appointed in June 2005 on a five year performance based employment contract. The Director of Corporate & Community Services role was reinstated in July 2007 following a restructure, and has completed the second year of a five year contract.

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

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

Organisational Chart as at 30th June 2009



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 Training and development policy 12.63.10, aims at developing highly skilled, knowledgeable and committed employees and elected members which will result in benefits to the Council, it's 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 and are under review.



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 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 Signs Licensing
Beach Cleaning
Boat Ramps
Bus Stops, Shelters and Seats
By-law Administration
Caravan Park



Cemeteries
Citizenship Ceremonies
Civic Hall/Arts Centre
Civic Receptions
Community Asset Management
Community Development Program
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
Foreshore Protection
Foreshore Swimming enclosure
Garbage Collection
Health and Food Inspection
Immunisation Program
Kerbside Collection of Recyclables
Litter Bins
Local History Collection
Lower Eyre Peninsula Walking Trail
Monuments and Plaques
Off Street Parking
On Street Parking
Ovals and Sports Fields
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
Construction
Roads and Footpaths
Septic Tank Inspection
Settlers Cottage Museum
Sister City Relationship
Statutory Planning
Strategic Planning
Street Lighting
Street Signage
Street Sweeping
Street Tree Planting

The Aged/Disabled
Tourism Development



Tourist Information
Traffic Control Devices
Traffic Management
Tree Management
Vertebrate Pest Control
War Memorials
Waste Disposal
Waste Minimisation Program
Waste Recycling Program
Weed Control
Youth Advisory Committee
Youth Program Support



Council Publications

Access to Publications

The following documents are available for public viewing on the website or at the Council Office, Level One, Civic Centre, free of charge. Members of the public may purchase copies of these documents at a minimal cost.

Council Agenda
Council Minutes
Standing Committee Agendas & Minutes
Assessment Book
Development Assessment Plan
Council Management Manual

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.

Council Management Manual

The Council Management Manual includes:

Annual Business Plan
Annual Report & General Purpose Financial Statements
By-Laws
Council & Committee Information Booklet
Delegations
Policy Manual Index
Rates Policy
Register of Elected Members Allowances & Benefits
Register of Employees Salaries, Wages & Benefits
Register of Public Streets and Roads
Schedule of Fees and Charges
Strategic Plan

The manual is kept at the front Counter of Councils administrative office, Level 1, Civic Centre, 60 Tasman Tce, and may be viewed on request.



Figure 13 Port Lincoln Marina

Auditor Independence

Local Government Act 1999, Section 128(9)

Council utilises the services of accounting and auditing firm, Dean Newbery & Partners, to audit Council's internal financial controls and the presentation of financial reports to Council and the general public.

As per Clauses 2 and 3 of Regulation 16A of the Local Government (Financial Management) Regulations 1999, Council's Chief Executive Officer and Presiding Member of the Audit Committee must provide, on an annual basis, a statement that provides a certification as to the compliance with the requirement that the auditor be independent of the Council, which is to accompany the Financial Statements.

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 2008-2009 financial year was \$13,220, being \$11,350 for audit services and \$1,870 for travel expenses.

The five year term with Dean Newbery & Partners expires in the 2009-2010 financial year and tenders will be called as per Section 128(4a) to provide audit services to Council for the next five year term.



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.



Figure 14 Council Plant

Integrated Strategic Management Planning

The Key Objectives and Actions detailed in the Strategic Plan 2007-2017 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&) will be developed further over the coming years, to assist Council in their decision making in relation to consolidation, improvement and replacing of assets and building of new community infrastructure.

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.

**“A progressive, vibrant and safe
Regional City that is an attractive place
in which to live and work”**



Financial Management

Jo Calliss – Manager Corporate Services

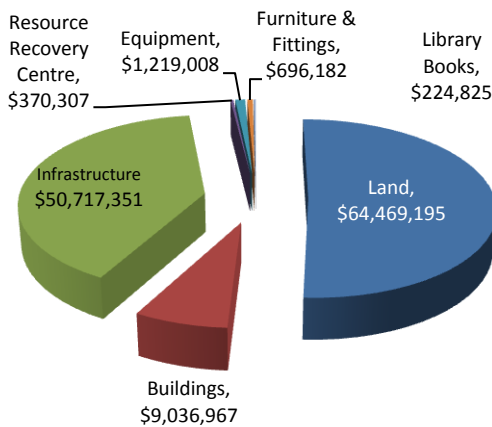
2008-2009 Financial Year

A full audited copy of the General Purpose Financial Reports for the year ended 30th June 2009, pursuant to the Local Government Act, 1999, Section 131, is included as Appendix A.

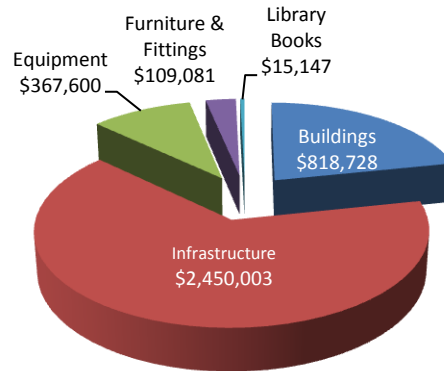
Council returned an operating surplus for the 2008-2009 financial year, however a significant portion of the surplus (\$237,461) comprises an advance payment of Commonwealth Financial Assistance Grants, which were paid in June 2009 as part of the Federal Government’s economic stimulus package. This advance payment has been treated as revenue in the 2008-2009 financial year in accordance with recommendations from the Local Government Association.

At a glance:

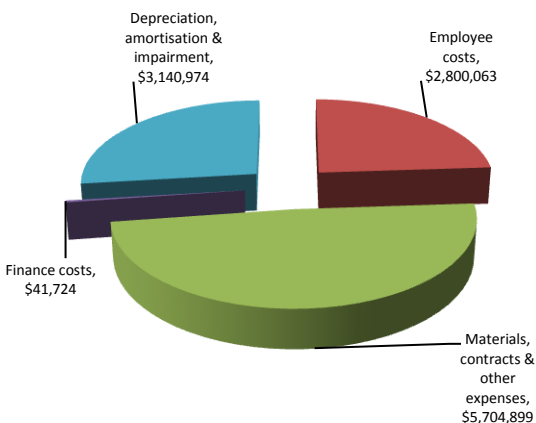
Non-Current Assets



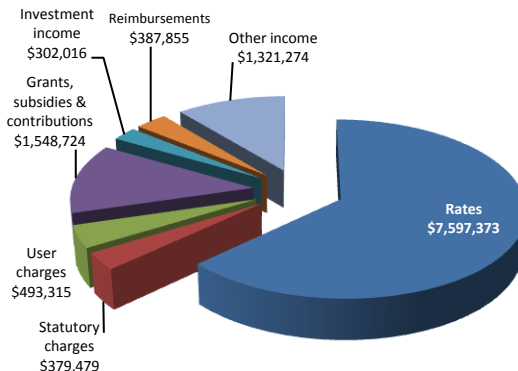
Capital Expenditure 2008/09



Operating expenses 2008/09
\$11,687,660



Operating income 2008/09
\$12,030,036



2009-2010 Budget

As per Section 123(7)(a)(b) and (8) of the Local Government Act 1999, the City of Port Lincoln Annual Budget was adopted 15th June 2009. Projected cash flows for 2009-2010 are as follows:

	\$'000
Estimated Cash at Beginning of Reporting Period	4,274
<u>Estimated Revenue</u>	
General rate income	7,320
Grants for new or upgraded assets	846
Other income	<u>3,701</u>
Total estimated income 2009-10	11,867
<u>Estimated Expenditure</u>	
Operational expenditure	11,002
Capital expenditure	3,826
<u>Less depreciation add back</u>	(2,886)
Total Estimated Expenditure 2009-10	<u>11,942</u>
Estimated Cash at end of reporting period	4,199
Estimated decrease in cash as at 30th June 2010	(75)

In preparing its 2009-2010 budget, Council's objectives were:

- To continue to provide, and improve upon, Council assets
- To maintain restraint on recurrent expenditure
- To fund all expenditure from operational revenue
- To maintain Council's policy of fully funding employee leave liabilities
- To align budget objectives with the second year of the 2007 – 2017 Strategic Plan
- To maintain a cap on increases to total rate revenue to not more than 4% from 2008-2009

The 2007-2017 Strategic Plan was reviewed by Council concurrently with its budget deliberations and public consultation undertaken.

Council believe the objectives of the 2008-2009 Budget and the Strategic Plan 2007-2017 were achieved.

Council welcomes enquiries from interested parties relating to the budgeting and strategic plan review process, which may be directed to Elected Members or Senior Staff.

Annual Business Plan

2008-2009 ABP

Council objectives achieved as set out in its 2008-2009 Annual Business Plan, included:

- Extension of Ravendale Table Tennis Clubrooms and Gymnastics Club Carpark
- Highview Drive playground upgrades
- Improvements to Parnkalla Trail
- Removal of Aleppo Pines from Lincoln Highway
- Extensive beautification of Hallett Place
- Luke Street & Shaen Street Drainage upgrade
- Extension of Water Reuse scheme

2009-2010 ABP

A number of significant factors influenced the preparation of the 2009-2010 Annual Business Plan, including:

- Cost increases – The increase in the Consumer Price Index (CPI) for Adelaide was 3.8% for the year ended 31 December 2008 however councils typically face higher cost increases due to the higher capital intensive nature of the goods and services purchased. The Local Government Price Index, which measures the increase in costs to Local Government, was 5.1% for the year ended 30 December 2008.
- Requirements to maintain and improve infrastructure assets to acceptable standards including roads, footpaths, lighting, storm water drainage, street scaping, and the city's open space areas.
- Service and infrastructure needs for a growing population
- Fees/charges imposed by other levels of government i.e. EPA

In response to these factors, and to minimise the burden on rate-payers, the Annual Business Plan was prepared within the following guidelines:



Figure 15 Flinders Highway

- The Annual Business Plan, in line with Councils Strategic Plan 2007-2017, to result in the total revenue raised through general rates increasing by no more than 4 % above the 2008 - 2009 rate revenue
- Total operating expenses to be held where possible, within levels of the previous financial years and adjusted by the estimated Local Government Price Index.

Costs are maintained by utilising the most cost effective method of service delivery, which requires a combination of Council employees and outsourcing. Major works are subject to competitive tendering to achieve the best value for money outcome.

The City of Port Lincoln's priorities for 2009-2010 include:

- continuation of the proposed programs for road constructions and reseals, footpaths, and playgrounds within the city
- upgrade to Centenary Oval change rooms, public conveniences and canteen
- continued rollout of the water re-use scheme
- a commitment to improving the safety of our staff, contractors and volunteers
- CBD upgrades, including car parking and beautification.

For further information, please refer to the Annual Business Plan 2009 – 2010 which may be viewed on Council's website www.portlincoln.sa.gov.au or purchased at the Council Office. A summary Annual Business Plan is also available and was distributed with the first rates notices for 2009-2010.

Financial Controls

Section 125 of the Local Government Act 1999 requires Council to have appropriate policies, practices and procedures to ensure that its activities are carried out efficiently and in a manner that safeguards Council's assets and the integrity of its 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 Corporate Governance Committee 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.



Loan Borrowings

As at 30th June 2009, City of Port Lincoln has a liability of \$622,027 with the LGFA. This loan was raised in 2006 to partly fund the construction of the Ravendale Community Sports Centre and is repayable in equal instalments over a 15 year period.

Competitive Tendering & Cost Effective Services

Purchasing Policies

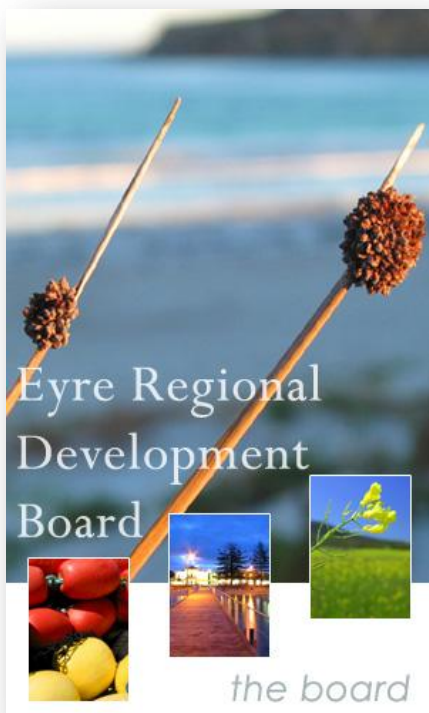
Council continues to strive to give value for money in service delivery to the ratepayers of the City of Port Lincoln through the adoption and utilization of Purchasing and Procurement Policies.

In compliance with Section 49 of the **Local Government Act 1999**, Council has adopted policies encompassing the following.

- The contracting out of services
- Competitive tendering and the use of other measures to ensure that services are delivered cost-effectively
- The use of local goods and services
- The disposal of land or other assets surplus to maintaining efficient operations.

Examples of competitive tendering undertaken have been the tendering and contracting out of the following services.

- Recycling kerbside collection
- Road construction, surfacing and resurfacing
- Footpath and foreshore maintenance
- Public Toilet maintenance
- Electrical
- Plumbing
- Building Maintenance & Cleaning
- Tree trimming and removal
- Environmental monitoring of waste disposal system
- Paving
- Street Sweeping
- Material Carting



Further to the purchase of goods and services at the most cost effective price, Council also utilises local suppliers when price competitive as outlined in the City of Port Lincoln policy number 7.63.1 Contracts, Tendering and Purchasing.

Buy Local Policy

Purchases are to be made from the supplier offering the lowest price for an acceptable quality, having regard to all purchasing policies adopted by Council.

Where price and quality offered by two or more suppliers are equal, preference is to be given to any supplier within the region.

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
- Website and IT
- Records Management & Freedom of Information
- Compliance to legislation across Council
- Cemetery records maintenance
- Maintenance and review of Councils asset register, including Asset Management Plans
- Administrative support for Council Committees
- Payroll and Human Resource functions
- Volunteer Co-ordination
- Library Services
- Project Management
- Strategic Planning



Figure 16

Council Administration

Office Staff

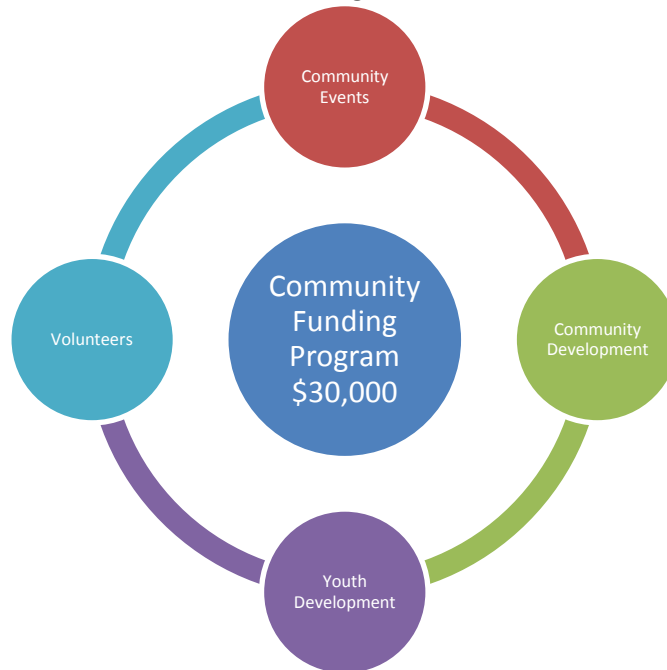
The year has been a busy and productive one, and I commend the administration staff for their commitment to continue providing excellent customer service and support internally, with the many staff changes throughout the period.

Our office renovations have been ongoing throughout the year in support of our Corporate image, with the installation of a new customer service counter.

Similarly, the Library staff continue to receive positive feedback from our patrons for the valued service provided to the community, and for the improved environment following stage one of the Library 'facelift'. A community survey was undertaken early in the financial year, and the outcomes identified are being investigated further to provide improved access to the Library services for the whole community, including the reinstallation of an After Hours Shute.

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.

Council was pleased to be able to distribute over \$30,000 in 2008-2009 to a number of very worthy community groups and individuals. The larger group recipients included:

Port Lincoln Tennis Assoc	Junior be Active and Open Doubles tournaments	800
Centenary Oval Sub Committee	Upgrade of Facilities at Centenary Oval	1,000
EP Railway Preservation Society	Freight Shed Improvement	1,000
Port Lincoln Cricket Assoc	Purchase of new mat and 'under lights' cricket ball, assistance with payment for use of lights at Ravendale	1,000
Shields United Port Lincoln	2009 South Australian Junior Soccer Championships	1,000
The Leukaemia Foundation	Light the Night Fundraiser	1,000
Cellar Folk Club Inc	Stinky Creek World Food and Music Fair 2009	1,250
Zonta Club of Port Lincoln	Fresh Fish Place Zonta Port Lincoln Long Lunch	1,250
Port Lincoln Gymnastics Club	Annual Competition	1,500
Scouts Australia - Port Lincoln	Scout Attendance at Evolution 08 - A combined Hoporee and Cuboree 15 x \$180	1,500
Rotary Club of Port Lincoln	Puckridge Park Development	1,540
Port Lincoln Croquet Club	Purchase of Reel Mower	2,000
Port Lincoln Hockey Association	2008 Regional Junior Hockey Championships	2,000
Axel Stenross Maritime Museum	Stair Lift Project & Purchase of Chairs for Volunteers Tea Room	2,250

Projects & Grants

Janet Grocke – Manager Special Projects

The Manager Special Project's role within Council covers grant funding, public relations, special events, as sponsored by Council, and special projects.

Funding

With the launch of the Federal Government's Stimulus Package, Council received \$207,000 based on its application to use this money for the first floor and balcony upgrade to the Civic Hall. Funding will be used for new seating, relocation of the sound control desk area, drawings and specifications for the upgrade to the 1st floor of the Civic Hall and prevention and repair work for rising damp. Further funding to complete the upgrade, which will also include a lift, will be sourced.

Other initial Federal funding had been aimed at large capital projects (\$2M minimum) and Council did apply for funding for the 'Eyre Park Sporting Precinct'. This application was not successful in the first round but will be resubmitted as additional funds become available.



Figure 17 Civic Centre from Tasman Tce



Figure 18 Fire Tower Winter Hill

Council was successful in gaining both Federal and State funding for the Winters Hill Fire Tower Lookout which will be completed for the start of the 2009/10 fire season. Partnerships between the City Council, DCLEP, SES, CFS, the Metropolitan fire service and SAPOL assisted the project's success.

Federal funding was also secured under the Coastcare program for major 'woody weed' removal and re-vegetation along the Northshore and the Parnkalla Trail.

The Bushfire Mitigation funding granted \$40,000 to the City of Port Lincoln for 2008/2009 assisting major works in bushfire prevention to be undertaken.

Funding from the Power Lines Environmental Committee (PLEC) has been granted for Hallett Place. Liverpool Street has been applied for as part of the 10year, \$2.5M plan submitted to the PLEC board.

Special Projects

As part of the upgrading to the Civic Hall, new seating has been ordered and will be installed in the later part of 2009, once the old seating has been removed. The sound control desk area has been relocated to the 'old projection' room behind the Theatre back wall. This move has overcome issues of inadequate space (with the need to remove seating on occasions), access issues (with audience seating both sides of the sound desk) and noise and lighting interruptions to patrons. The upgrade to the 1st floor of the Civic Hall proposes additional gallery space, flexible workshops, workrooms and meeting areas and the creation of a reception area for special events. New carpeting, air-conditioning and a lift are also proposed to make this unusable area productive by expanding the facilities of the very successful upgraded Ground Floor.



Figure 19 PLEC Hallett Place

The kerb side recycling program was rolled out in November of 2008. An extensive education program was undertaken prior to and during the rollout which included a householder information pack, school and community group talks, an information stand and display, local media coverage and advertising. The school based 'Wipe Out Waste' program was delayed due to the unfortunate destruction of the recycling centre in the February bushfire.

Regular 'Liquor Licensing Accord' meetings are hosted by the Port Lincoln Police and attended by the Manager Special Projects. These meetings look at crime prevention initiatives in relation to licensed premises and assists with the continuation of the City's Dry Zone. The Community Night Bus was an initiative from these meetings.

Two applications for the SA Great Regional awards have been entered. The Community Night Bus under the Innovation category and the Boardwalk under the Tourism category.

Coordinated the Skate8 Park mural working group and funding to redevelop the Mural has been applied for.

Oversaw the production of the 'Out of the Ordinary' episode featuring Makybe Diva. The Winter 2009 edition of the City News was published.



Figure 20 Rubbish Collection Truck



Figure 21 - Athena Cruise Ship

Special Events

The Cruise Ship Athena visited Port Lincoln on 2 occasions in February 2009 bringing a tourism boost to the City.

A working group to oversee the arrival of the Athena was formed which the Manager Special Projects was a member of. Future cruise ships, including the Athena, will make Port Lincoln a regular stop on their route.

Assistance was given to the 2008 NAIDOC activities which were very successful and included a march, elders lunch, traditional cookout, Blue Light disco and Ball.

Adult Learners week activities, held at the TAFE Campus, were also assisted.

Council was also involved with the Leukaemia Foundation 5 Towns cycling event and the Federation of Historic Motor Clubs of SA visit and assisted the Global Battle of the Bands to look at holding a heat in Port Lincoln.

Figure 22

Foreshore Tasman Tce

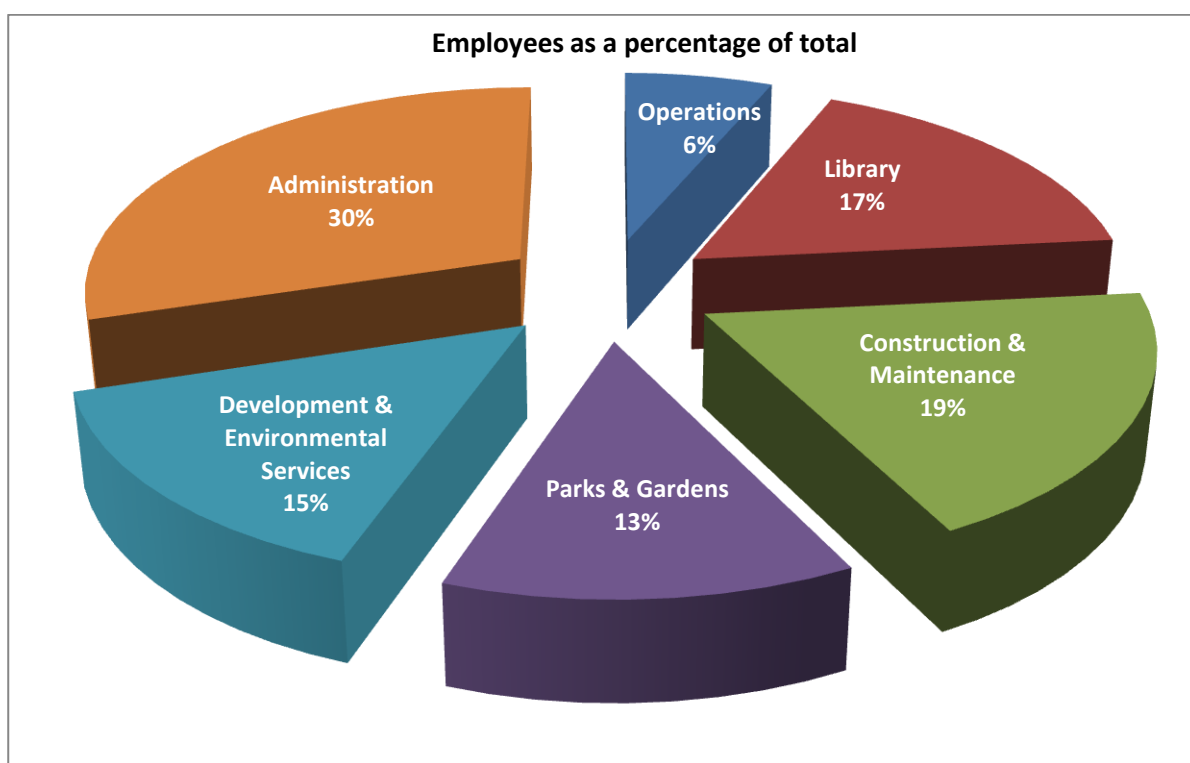


Employees

Emma Pearson – Senior Corporate Services Officer

Council had 47 full-time and part-time employees as at 30th June 2009, equating to a full time equivalent of 42. Distribution of employees across the organisation was as follows:

Operations	3 employees
Library	8 employees
Construction & Maintenance	9 employees
Parks & Gardens	6 employees
Development & Environmental Services	7 employees
Administration	14 employees



Safety

Council is committed to providing employees with a safe work environment and the skills to perform their work without harming themselves or others. An ongoing focus on improving Occupational Health, Safety and Welfare has resulted in the City of Port Lincoln achieving a 90% score in its 2008/09 Risk Audit. Although we are pleased with this result, there are still many opportunities in this area.

Training

Employees and Elected Members are offered a range of training opportunities for personal and professional development. This year, Council hosted corporate governance, legal compliance and financial management training, all of which were attended by representatives of other Eyre Peninsula councils.

Volunteers

Council recognises the vital role that volunteers play in our community and the need to ensure their safety whilst performing their volunteer duties. Volunteer inductions, which cover the health, safety and wellbeing of volunteers, have now been developed and delivered to more than 35 volunteers.

be active Project

Mark Fisher – EP Field Officer

The City of Port Lincoln on behalf of the EPLGA is hosting the three-year *be active* Project for the Office for Recreation and Sport and three District Councils (the second of the 3 year project). The project aims to achieve the outcomes of the *be active* initiative which involves seven government departments increasing physical activity outcomes for South Australians. Four departments, Sport & Recreation, Education, Health and Local Government have been the focus in Port Lincoln.



Sport & Recreation

Executive Officer for the Port Lincoln Community Sport & Recreation Advisory Committee (monthly meetings plus maintenance of database and mail outs to various sports). The committee has gone into recess during 2009.

Assisted Port Lincoln Soccer Association with planning for hosting the State Country Junior Championships. Conducted future directions planning workshops for the Marble Range Football Club and the Eyre Peninsula Sports Academy.

Assisted Tasman Cricket Club with a facility grant application.

Assisted establish a Sportability (modified sports for people with a disability) centre based at the LEP Baseball Clubrooms at Ravendale. *be active* Sportability kit loaned to the centre.

Arranged for 3 *be active* canopies to be available for the SA Regional Junior Hockey Championships hosted by the Port Lincoln Hockey Association at Ravendale.



Figure 23 Ravendale Community Sports Centre

Provided resources, publicity & planning for the Port Adelaide Cricket Club's junior coaching clinics during Tunarama at Ravendale.

Involved in the joint *be active*, Active After School Program, EPSA and Healthy Eating Come & Try Hockey at Ravendale.

Organised the Port Lincoln Football League's inaugural *be active* Pre-season Cup held under lights at Ravendale.

Funded Ravendale Community Sports Centre Manager's attendance at the Office for Recreation and Sport's Club Development Conference held at AAMI Stadium in Adelaide.

Education

Maintained involvement in the Eyre Peninsula Sports Academy which offered Australian Football, Netball, Basketball, Cricket, Touch and Hockey for students in Yr 10, 11 & 12.

Assisted the Navigator College to establish partnerships with the sports based at Ravendale.

Commenced working in the Port Lincoln High School's Community Mentoring Program.

Health

Assisted with the Losers are Winners project aimed at assisting people with a BMI greater than 30 to modify their lifestyle.

Regular meetings with the Regional Healthy Weight Project Coordinator based at the Port Lincoln Hospital.

Local Government

Membership of the council's Disability Access Advisory Committee.

Assistance with the Port Lincoln Tennis Association's relocation/upgrade project. Meetings with Tennis SA & local representatives.

Management of the Port Lincoln Sport- Future Directions Funding Program. Four projects approved to date:

- Port Lincoln Cricket Association- Junior Coaching Clinics & Coach Accreditation
- Port Lincoln Hockey Association- Junior Coaching & Coach Accreditation
- Port Lincoln Yacht Club- Junior Coaching, Coach Accreditation & Boat Upgrades
- Port Lincoln Football League-Good Sports Program.

Managed the inaugural Port Lincoln Sportsperson of the Year Award.

Managed the licence applications/bookings of Ravendale turf facilities.

Hosted elected members of the Port Augusta City Council and South Augusta Football Club at Ravendale Community Sports Centre. Discussions on management, building design and operation of the centre in relation to a possible re-location of the South Augusta FC to the proposed upgrade of Central Oval in Port Augusta.

Presented at the Regency TAFE Event Management Conference. Regional Local Government Involvement in Major Events- City of Port Lincoln hosting the Hockeyroos v Japan Test Series.



Figure 24 Cricket Pitch and Nets



Figure 25 Port Lincoln Yacht Club and Foreshore Beach Area

Library

Michael Barker - :Library Manager

2008-2009 has been another busy year for the Library

Many community groups and schools have made visits to the Library. These groups have library orientations, discussions, activities and story time where applicable. It has been super to see the younger children being introduced to the public library as it is most beneficial for their long term learning skills. .

The library has held extensive displays and events throughout the year. These included;

*Library display at ArtEyrea, on library resources
Perm culture, Port Lincoln
MIF of SA, Mental Illness Fellowship of South
Australia
Breast Feeding, Port Lincoln
Australian Hearing
Marine Diversity, Photographic Display
Elders Connect
Parnkalla Trail Display
Remote Controlled Aero Modellers Club*

*Kaleidoscope, Port Lincoln Autism Group
University of the Third Age
Antifractulisation, Fibre Textiles exploration
National Simultaneous story-time
Summer Reading Program
School Holiday Programs
National Science Week
Scinema
Astronomy Night
Shine Like a Star Competition*

Author Visits to the library

- Kristin Weidenback – Author of “Rock Star”
- Dyan Blacklock – Scholastic Publisher Visit,
- Evelyn Wallace Carter – Author of “For They Were Fishers”

All Staff in the above events, competitions, and library visits are commended for their hard work and professionalism. Many of the events overlapped, ran consecutively or were held after hours and the public at all times were presented with an enjoyable community focused experience.



Library Statistics

Below is a comparison of the 2007/2008 State Library Statistics. These are the latest statistics that are available with similar sized country libraries having been selected to compare Port Lincoln against. These statistics show that the Port Lincoln Library service has been working very efficiently. Port Lincoln Library has the highest loans for the year, has 52% of the population registered as borrowers and has the greatest number of interlibrary loans. The library is servicing the community with quality events, diversity of reading materials and in obtaining materials that are not on the shelves.

	Population	Registered Borrow ers	\$ per Capiter	% Registered
Light	12296	5699	29.93	46.35
Victor Harbour	12528	8853	45.01	70.67
Port Augusta	13897	7074	31.55	50.90
Port Lincoln	14740	7736	48.41	52.48
Port Prie & Crystal Brook	17002	9339	30.63	54.93
Murry Bridge	18194	14826	42.52	81.49
Gaw ler	19726	13895	42.91	70.44

	Population	Loans per capiter	Total Loans	Inter Library Loans
Light	12296	5	57255	8235
Victor Harbour	12528	15	182362	7641
Port Augusta	13897	9	129134	10447
Port Lincoln	14740	12	182592	10702
Port Prie & Crystal Brook	17002	9	152664	8315
Murry Bridge	18194	5	96880	7838
Gaw ler	19726	6	126589	9530

	Population	Staffing EFT	No of Staff	Population Per EFT
Light	12296	4	10	3074
Victor Harbour	12528	5.2	8	2409
Port Augusta	13897	5	8	2779
Port Lincoln	14740	4.54	8	3247
Port Pirie & Crystal Brook	17002	6.85	8	2482
Murry Bridge	18194	7	10	2559
Gawler	19726	8.1	17	2435

	Population	Total Library Materials	Tafe Stock	Materials Per Population
Light	12296	29329	0	2.39
Victor Harbour	12528	29597	0	2.36
Port Augusta	13897	32948	0	2.37
Port Lincoln	14740	37097	4584	2.83
Port Pirie & Crystal Brook	17002	39601	0	2.33
Murry Bridge	18194	67899	0	3.73
Gawler	19726	43573	0	2.21

The table below is a snapshot of key statistical areas in the library for 2008-2009. Total issues of 164,319 items are in the top 3 for country libraries and represents \$4.6 million of information that the library has provided to the community. There have been approximately 2800 items added and deleted from the catalogue, at a cost of \$70,114, (\$54,114 State Library SA, \$16,000 council).

	Issues	Circulation Desk Visits	Computer Sessions	Wireless Internet	Door Counter
	08 - 09	08 - 09	08 - 09	08 - 09	08 - 09
July	17025	4726	1144		18481
August	16205	4451	1146		17254
September	16338	4458	1135	78	13626
October	15867	4576	1209	133	18838
November	14789	4048	1195	89	16755
December	10821	3257	542	107	10064
January	14904	4035	1028	118	16572
February	15043	4192	1038	168	16244
March	15903	4424	1129	151	18222
April	13523	3708	1043	249	16675
May	15341	4283	1008	311	16018
June	15585	4407	1100	302	15669
Totals	164319	50565	12717	1706	194,418

Issues = Number of items issued to the public

Desk Visits = Patrons cards swiped. Does not include, reference, community, computing, general enquiries.

Computer Sessions = bookings for IT suite

Wireless Internet = Number Logged on, Does not include assistance in usage.

Door Count = Number of people that have come into the library, (divide number by 2)

Local History Digitisation

This is a project that has been on the library agenda for some 8 years, with significant planning during 2008/09, it has started with initial funding from the council and a \$1,000 grant from the Local History Trust of South Australia. This initial funding has purchased a State Library recommended scanner, software and colour management system for the project. The initial aim is to scan photographs held by the library and to make them available to the public in a low resolution format, via the library catalogue system. Once these are completed, the library would like ask the public to loan images that they may have for the purpose of scanning. These images would then be returned to the owner. With requests for images and information regarding Port Lincolns history from local, national and international persons this is a project that has the ability to provide service in a streamlined, informative and professional manner. This is an exciting project that highlights the continuing history of Port Lincoln for the future generations.

Work experience Students.

The library has had 4 work experience students in the library. This provides the students with a wide variety of tasks, interaction with the public and life in the work force. It is hoped that being a part of the library for a period of time helps the students with their future directions in their lives and careers.

Library Stock-take

In early 2009 the library conducted its bi-annual stock take of the collection. The Library was closed whilst the stock take was being conducted and all staff participated. This is a big job but one that is very necessary in order to keep our catalogue records accurate and to minimise staff and patron confusion.

Staff Training

All library staff have had a development training trip to Adelaide. Each staff member visited different libraries in Adelaide and made observations of, presentation, customer service and general library performance. These trips and observations were to bring back to the Port Lincoln Library best practices and information that could assist in the betterment of the port Lincoln library.

Library Renovations



November and December 2008 saw the new library renovations and circulation desk installed. This has been a major improvement to this area for both the staff and the patrons of the library. The removal of two walls has increased the space and safety for staff behind the front desk and improved the patron flows around the desk. Several walls were painted creating a very different ambience in the library than that of the previous grey brick walls. Comments from patrons have affirmed that this renovation was well overdue, very welcome and appreciated.

Figure 26 A & B

New Library Customer Service Desk Area



Operations

Construction

Craig Matena – Operations Manager

The 2008-2009 financial year saw another busy 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.

Road Works

The road works undertaken in the 08/09 financial year were full reconstruction and widening to 10 metres and kerbing of Flinders Highway, from Happy Valley Road to Winter Hill Road; kerb and base repairs and reseal of La Fayette Drive from Follett Street to the end; kerbing and widening the left side of Proper Bay road from Windsor Avenue to Puckridge Place; kerbing and base work of Tennant Street to the end section; re-kerbing of left side of road in Liverpool Street from Porter Street to Coorong Street.



Figure 27 MacDonald Ave – New Development



Figure 28 New Kerb, Guttering and Drainage

PLEC (Power Line Environment Committee)

The PLEC Program run 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 powerlines within the City. The most recent project undertaken was the section of Hallett Place from Adelaide Place to Light Street.

Following the undergrounding of the power lines, the eastern side of the road was re-kerbed and widened with street scaping including paving of the eastern side of the footpath, tree planting and seating.

Footpaths

Council's footpath programme was geared up again this year with new concrete paths constructed in Baillie Drive, Coronation Place, Feltus Street, Luke Street and Verran Terrace.

Reseals

The listing of streets for resealing of 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.



Figure 29 PLEC Underground powerlines and street scaping

Drainage

Installation of pipe work in St. Andrews Terrace from Verran Terrace to Mark Street to alleviate flooding problems on Luke Street was undertaken.

Resource Recovery Centre

The January fire caused significant damage to Council property at the Resource Recovery Centre. Council's site office and newly constructed baling shed were destroyed along with the Contractor's baling machine.

The site office and baling shed were rebuilt and were operational again within four (4) months. The Contractors replaced the baling machine with an even more efficient machine.

The extension of the gas extraction system was also extended to burn off any methane gasses generated by land fill.

Gymnastic Club

Council has an ongoing commitment to the Ravendale Sporting Complex and the construction of a sealed car park for patrons was installed.

Community Infrastructure

Nigel Melzner – Manager Community Infrastructure

In line with some of the key objectives outlined in Council's 10-year Strategic Plan, the 2008-09 financial year saw the implementation and completion of many of the identified performance outcomes.

Recreation and Open Space



Figure 30 Parnkalla Trail ramp over pipework

These playgrounds also had the permaline log border around the soft fall areas replaced with environmentally friendly recycled plastic edging.

The improvement of the Ravendale Complex continued with the addition of an undercover area on the football side of the complex and all sections of the car park now have lighting.

Several items in the Parnkalla Trail 10-year strategy were addressed, including asphalt sealing of the road access into the Oasis area and construction of a new ramp over the Kirton Point oil pipeline.

Capital improvements to playgrounds included new play equipment and retaining walls at Rustler's Gully, addition of new springers to Mena Place and construction of a barbeque and shelter at Highview Drive.



Figure 31 Highview Drive BBQ Shelter



Figure 32 Ravendale Cricket Pitch

Cricket was added to the list of sports based at Ravendale with the construction of cricket nets with two artificial turf pitches.

City Image

Several outdated or deteriorating public bin enclosures and seating were replaced with new ones, particularly within the Central Business District.

The public amenities at Puckridge Park were tiled internally and a new cleaning contractor for the outside conveniences was appointed in an effort to raise the standard of our public amenities.

The proposed toilet facility at the North Shields Cemetery was deferred until 2009/10.

A new boardwalk and viewing platform was completed on the foreshore adding significantly to the foreshore area.



Figure 33 Foreshore Boardwalk

The Environment

In line with Council's commitment to sustainable management of water resources, the recycled waste water scheme was extended to include Poole and Kirton Ovals, significantly reducing our draw on potable water supplies.

In readiness for further expansion of the network, a storage tank was installed near North Point Avenue and the main pumping line was extended down to the Lebrun Street railway crossing.

To further improve the quality of water coming from the plant an automatic chlorine dosing pump and chlorine analyser were added to the treatment plant.

A major outcome in fire prevention was achieved through the finalisation of the "Greater City of Port Lincoln Bushfire Prevention Plan". This document was developed in conjunction with the DCLEP, MFC, CFS, SES and SAPOL and received full endorsement from the Native Vegetation Authority. It provides a template for future works associated with bushfire prevention and significant funds have been allocated towards this area for the 2009/10 financial year.

Significant grant funding was secured under the "Caring For Country" scheme to undertake rehabilitation work along the North Shore. This included the removal of Aleppo Pines and revegetation with endemic species.



Figure 34 Rehabilitation planting along North Shore

Community Projects

Further steps were taken to improve the functionality of the Nautilus Theatre with the addition of a new projection and sound room. Whilst this project improves patron comfort, it also frees up more space for extra seating.

A mobile hydraulic lifter was purchased to increase worker safety whilst accessing the lighting high in the theatre.

Development & Environmental Services

Bob Milic – Manager Development & Environmental Services

Tony Manuel – Assistant Building Surveyor

The financial climate has had an effect on everyone, and council has also felt the effects with a decline in the number of development applications being received, and thereby a reduction in dollar value of works. The table below provides a summary of the figures for the past three years for both Residential and Commercial development.

YEAR	2006/07	2007/08	2008/09
Number of Applications	379	416	296
Residential Value	\$18.4m	\$36.2m	\$21.0m
Commercial/ Industrial Value	\$13.1m	\$9.9m	\$5.15m
TOTAL	\$31.5m	\$46.1m	\$26.15m

The Master Plan for the Fringe/Rural Living areas has been completed and further studies were required in particular traffic study, stormwater management and native vegetation study. The traffic and stormwater management study has been completed. The native vegetation study is before the Native Vegetation Council for assistance, ensuring the study criteria set out is reasonable and we will fulfil their requirements. We are also seeking financial support from the Native Vegetation Council. Once the Native Vegetation study is completed, Council will initiate a Development Plan Amendment of its Fringe/Rural Living Zone to provide more residential areas.

The Building Heights and Design Development Plan Amendment (DPA) has been held up with the Minister requesting two areas be reviewed with further information and justification of that information be provided. Council will continue to work with the Department of Planning & Local Government to resolve the issues.



Figure 35 Lewis Street

The Better Development Plan DPA draft is almost complete and ready for Council to consider before going out to public consultation however until the Building Heights & Design DPA is finalised, the plan will be put on hold.

Council has undertaken a Review of Land Use/Zoning Suitability of the area bound by the railway line, London Street, Stevenson Street, Ravendale Road and Follet Street. The study now complete has identified Council needs to undertake a retail analysis study for the Council area and the potential impact on the Town Centre zone. Once this study has been completed future DPA's will be required for the Industry and the Commercial zones.

Council has undertaken to assist the District Council of Lower Eyre Peninsula by carrying out the building rules assessment for the development applications. The last financial year has seen Council undertake one hundred and thirty nine assessments.

Continued Professional Development remains an important requirement for staff in both the Planning and Building department to ensure they keep abreast of the many ever changes that occur on a regular basis.

Public & Environmental Health

There have been several changes in the Port Lincoln hospitality landscape during the last twelve months. Some businesses have undertaken substantial renovations or relocated in order to meet their regulatory obligations. A couple of businesses, including the main local supplier of commercial food equipment have closed. Priority 1 classed food organisations, captured under Standard 3.2.1 (Food Standards Australia New Zealand) have been audited for the second time. Issues identified through the audits have mostly resulted from high staff turnover or inadequate resourcing by the organisation during the development phase of the Food Safety Plan.



Figure 36 Sashimi Tuna

Food safety training opportunities continue to be offered by Council. A few of the local Home Economics teachers have been assisted in the preparation and/or delivery of units on food safety. Assistance has taken the form of class presentations and the provision of information. Some senior students have directly sought assistance with environmental health study topics. Food safety training workshops have also been provided to community groups. Volunteers of sporting groups have been targeted for the next round of food safety training. A bi-monthly food safety newsletter is also to be trailed in the coming year, aimed at proactively raising common food safety issues and clarifying regulatory requirements.

From 1 July 2009, local enforcement agencies will be required to report any successful prosecutions of food businesses to SA Health.

Other properties/facilities inspected under the Public and Environmental Health Act include substandard properties, hairdressing and beauty salons, public amenities, motel/hotel rooms, public pools, and properties with onsite waste control system. Council received seven complaints regarding insanitary conditions on premises and five complaints concerning offensive odours.

Council continues in its role of managing the school based immunisation program. Eligible students were offered vaccine courses for Hepatitis B, HPV, Chicken pox, Diphtheria, Tetanus and Pertussis. Council staff were offered the Influenza vaccine.

Additionally, Council has been required to establish a register for High Risk Manufactured Water Systems. The objective being to minimise the incidence of Legionnaires Disease. Monitoring of these systems will commence in the near future.

Inspectorial



Figure 37 Animal Management

management work. Unfortunately dog attacks continue to occur with dogs attacking humans being the most common offence.

Cat cage hires are still quite popular with Spring upon us, this should only increase.

Parking

Parking in the City has seen the development of the CBD Parking Plan which has been adopted and is slowly being implemented, once completed a higher level of policing will occur in the whole of the CBD. Disabled zones have seen a greater level of voluntary compliance regarding valid permits being displayed and motorists not taking advantage of these spaces illegally.



Figure 38 Upgraded Fire Track Access

tidy with all grass and weeds cut down and fence lines cleared to ensure a level of protection against fire. Outer allotments on the fringes of town will receive a greater attention as these are the first to be impacted on.

Animal Management

Council continues to provide the prompt responses to animal management as required under the Dog & Cat Management Act 1995. Unregistered dogs still seem to be a problem with approx 350 dogs outstanding to be followed up. During the 08/09 financial year 2563 dogs were registered.

Whilst most owners take responsibility in renewing their dog registrations, there are always a large percentage outstanding. Owners whom haven't renewed their registrations by the due date, end of August each year, can be charged a \$10.00 late fee per dog. After that date, dogs are considered 'unregistered' and owners will be issued an expiation for an unregistered dog. This can be a costly exercise for the owners. Council will continue to put considerable effort into advertising on radio and by newspaper articles to encourage the community to be "Responsible Pet Owners". In a new innovation for 2009-2010, the two General Inspectors will display magnets on their vehicles reminding people to register their dogs!

Dogs wandering at large, barking dog complaints and dogs with no owners or homes continue to make up a large portion of animal

Council continues to move on vehicles that are parked *for sale* on Council land in particular the entrance to the marina, and the new Emergency Service complex area.

Fire Prevention

The Fire Danger Season 09/10 is again fast approaching and Council is urging all land owners to be vigilant in regards to ensuring that their properties are clean and



Figure 39 Fire January 2009



City of Port Lincoln

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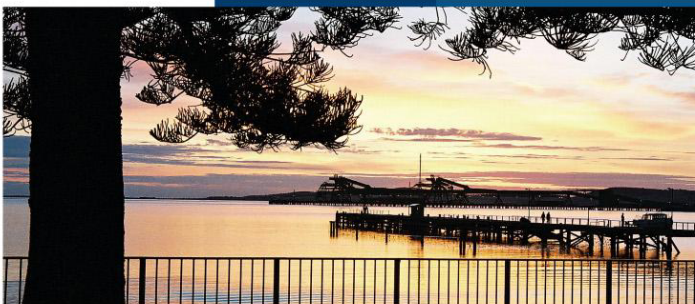
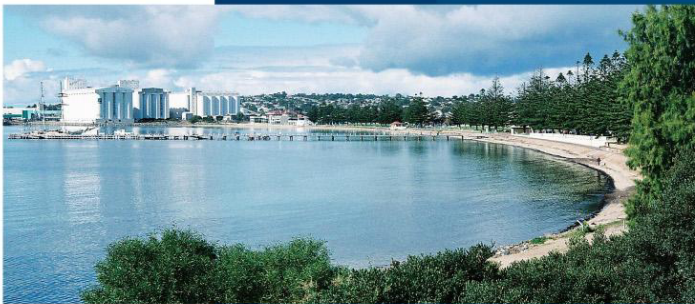
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APPENDIX A

Audited General Purpose Financial Reports for the Year Ended 30th June 2009



City of Port Lincoln



GENERAL PURPOSE FINANCIAL REPORTS

FOR THE YEAR ENDED
30 JUNE 2009

MCS0691

Adopted 2 November 2009



City of Port Lincoln

General Purpose Financial Reports for the year ended 30 June 2009

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City of Port Lincoln

Income Statement

For the year ended 30 June 2009

	Notes	2009 \$	2008 \$
INCOME			
Rates	2	7,597,373	7,022,684
Statutory charges	2	379,479	339,220
User charges	2	493,315	535,138
Grants, subsidies and contributions	2	1,548,724	1,368,446
Investment income	2	302,016	360,305
Reimbursements	2	387,855	341,716
Other income	2	1,321,274	938,302
Total Income		12,030,036	10,905,811
EXPENSES			
Employee costs	3	2,800,063	2,303,408
Materials, contracts & other expenses	3	5,704,899	5,710,729
Finance costs	3	41,724	43,909
Depreciation, amortisation & impairment	3	3,140,974	3,711,697
Total Expenses		11,687,660	11,769,743
OPERATING SURPLUS / (DEFICIT)		342,376	(863,932)
Net gain (loss) on disposal or revaluation of assets	4	(248,717)	(635,332)
Amounts received specifically for new or upgraded assets	2	748,950	700,870
Physical resources received free of charge	2	69,475	237,739
NET SURPLUS / (DEFICIT)		912,084	(560,655)

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

City of Port Lincoln

Balance Sheet

As at 30 June 2009

ASSETS	Notes	2009	2008
		\$	\$
Current Assets			
Cash and cash equivalents	5	4,106,137	4,400,643
Trade & other receivables	5	566,834	370,234
Inventories	5	20,000	20,000
Total Current Assets		<u>4,692,971</u>	<u>4,790,877</u>
Non-current Assets			
Financial Assets	6	93,031	691,108
Infrastructure, Property, Plant & Equipment	7	126,733,835	125,610,058
Total Non-current Assets		<u>126,826,866</u>	<u>126,301,166</u>
Total Assets		<u>131,519,837</u>	<u>131,092,043</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	509,695	1,042,646
Borrowings	8	37,961	35,633
Provisions	8	236,399	226,975
Total Current Liabilities		<u>784,055</u>	<u>1,305,254</u>
Non-current Liabilities			
Trade & Other Payables	8	840,000	840,000
Borrowings	8	584,065	622,027
Provisions	8	1,346,926	1,272,056
Total Non-current Liabilities		<u>2,770,991</u>	<u>2,734,083</u>
Total Liabilities		<u>3,555,046</u>	<u>4,039,337</u>
NET ASSETS		<u>127,964,791</u>	<u>127,052,706</u>
EQUITY			
Accumulated Surplus		22,917,231	19,507,163
Asset Revaluation Reserve	9	104,325,476	104,325,476
Other Reserves	9	722,084	3,220,069
TOTAL EQUITY		<u>127,964,791</u>	<u>127,052,708</u>

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 2009

	2009	2008
	\$	\$
	Notes	
ACCUMULATED SURPLUS		
Balance at end of previous reporting period	19,507,163	19,660,013
Net Surplus / (Deficit) for Year	912,084	(560,655)
Transfers to Other Reserves	(829,294)	(794,321)
Transfers from Other Reserves	3,327,278	1,202,126
Balance at end of period	22,917,231	19,507,163
ASSET REVALUATION RESERVE		
	9	
Balance at end of previous reporting period	104,325,476	110,015,681
Gain on revaluation of infrastructure, property, plant & equipment	-	(5,690,205)
Balance at end of period	104,325,476	104,325,476
OTHER RESERVES		
	9	
Balance at end of previous reporting period	3,220,069	3,627,874
Transfers from Accumulated Surplus	829,294	794,321
Transfers to Accumulated Surplus	(3,327,279)	(1,202,126)
Balance at end of period	722,084	3,220,069
TOTAL EQUITY AT END OF REPORTING PERIOD	127,964,791	127,052,708

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 2009

	Notes	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		12,492,217	11,507,250
Investment receipts		302,016	360,305
<u>Payments</u>			
Operating payments to suppliers & employees		(9,247,164)	(7,456,834)
Finance payments		(41,724)	(43,909)
Net Cash provided by (or used in) Operating Activities		3,505,345	4,366,812
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		748,950	700,870
Sale of replaced assets		111,474	93,500
Sale of surplus assets		15,000	3000
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,968,418)	(3,492,800)
Expenditure on new/upgraded assets		(2,602,048)	(2,355,563)
Loans made to community groups		(120,000)	
Net Cash provided by (or used in) Investing Activities		(3,815,042)	(5,050,993)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Aged Care Facility deposits		-	118,500
<u>Payments</u>			
Repayments of Borrowings		(35,634)	(33,448)
Repayment of Aged Care Facility deposits		50,825	52,700
Net Cash provided by (or used in) Financing Activities		15,191	137,752
 Net Increase (Decrease) in cash held		(294,506)	(546,429)
 Cash & cash equivalents at beginning of period	11	4,400,643	4,947,070
Cash & cash equivalents at end of period	11	4,106,137	4,400,643

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 2009

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 equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by certificate under clause 11 of the *Local Government (Financial Management) Regulations 1999* dated 2 November 2009.

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 AIFRS 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.

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 consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3. Income recognition

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

Where grants, contributions and donations recognised as 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.

An advanced payment of \$237,461 was received from the Commonwealth Government, being \$182,524 in general financial assistance and \$54,937 in identified road funding as a part of the Commonwealth Governments' economic stimulus package, which has been recognised as income in 2008/09 financial year in accordance with advice from the Local Government Association of SA. As a consequence, grant revenue for the 2009/10 financial year will be adjusted down accordingly.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

4. Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

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

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

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

5. Inventories

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

6. Infrastructure, Property, Plant & Equipment

6.1 Transitional Provisions

As at 1 July 2008, Council has elected not to recognise any values for land under roads acquired before the commencement of AASB 1051 Land Under Roads. Details of the effects of this election are given in Note 7.

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".

6.2 Initial Recognition

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

6.3 Materiality

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

<i>Office Furniture & Equipment</i>	\$ 500
<i>Minor Plant & Equipment</i>	\$500 - \$3,000
<i>Major Plant & Equipment</i>	\$3,000
<i>All other assets</i>	\$3,000

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

6.4 Subsequent Recognition

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

6.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to 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
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
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years

6.6 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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

7. Payables

7.1 Goods & Services

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

7.2 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.

8. Borrowings

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

9. Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

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. Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

11. Leases

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

Council has had no finance leases in the current or previous reporting periods.

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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

12. GST Implications

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

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

13. Comparative Information

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

14. New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2009 reporting period.

- AASB 3 Business Combinations
- AASB 101 Presentation of Financial Statements
- AASB 123 Borrowing Costs
- AASB 127 Consolidated and Separate Financial Statements
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123
- AASB 2007-8 & AASB 2007-10 Amendments to Australian Accounting Standards arising from AASB 101
- AASB 2008-2 Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127
- AASB 2008-5 & AASB 2008-6 Amendments to Australian Accounting Standards arising from the Annual Improvements Project
- AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- AASB 2008-8 Amendments to Australian Accounting Standards - Eligible Hedged Items
- AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101
- AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities
- AASB 2008-12 Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition
- AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners
- Interpretation 15 *Agreements for the Construction of Real Estate*
- Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*
- Interpretation 17 *Distributions of Non-cash Assets to Owners*
- Interpretation 18 *Transfers of Assets from Customers*
- (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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 2: Income

	Notes	2009 \$	2008 \$
RATES REVENUES			
<u>General Rates</u>		7,038,599	6,760,848
Less: Mandatory rebates		(24,099)	-
Less: Discretionary rebates, remissions & write offs		(45,951)	-
		6,968,549	6,760,848
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		325,752	289,008
Parking Levy		13,411	13,013
Recycling Levy		253,430	-
		592,593	302,021
<u>Other Charges</u>			
Penalties for late payment		35,338	27,297
Legal & other costs recovered		3,555	8,869
		38,893	36,166
Less: Discretionary rebates, remissions & write offs		(2,662)	(76,351)
		7,597,373	7,022,684
 STATUTORY CHARGES			
Development Act fees		114,031	103,536
Town planning fees		137,357	136,409
Animal registration fees & fines		84,104	65,663
Parking fines / expiation fees		32,602	17,462
Search Fees		10,600	15,135
Sundry		785	1,015
		379,479	339,220
 USER CHARGES			
Cemetery/crematoria fees		45,755	88,753
Kirton Court Units Rent		12,218	11,636
Resource Recovery Centre		411,851	411,370
Hall & equipment hire		5,031	6,489
Parking fees			79
Sales - general		4,839	972
Subsidies received on behalf of users		13,621	15,839
		493,315	535,138
 INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		176,815	360,270
Banks & other		81,292	35
Loans to community groups		43,909	-
		302,016	360,305

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 2 (continued)

	Notes	2009 \$	2008 \$
REIMBURSEMENTS			
- for private works		58,175	32,763
- by joint undertakings		235,055	194,546
- other		94,625	114,407
		<u>387,855</u>	<u>341,716</u>
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		434,930	-
Kirton Court Sale of Unit		-	158,000
Sundry		886,344	780,302
		<u>1,321,274</u>	<u>938,302</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		748,950	700,870
Other grants, subsidies and contributions		1,548,724	1,368,446
		<u>2,297,674</u>	<u>2,069,316</u>
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		752,621	425,062
State government		1,541,107	1,632,254
Other		3,946	12,000
		<u>2,297,674</u>	<u>2,069,316</u>
Conditions over grants & contributions			
<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>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Nautilus Theatre upgrade		188,181	
Unexpended at the close of this reporting period		<u>188,181</u>	
Net increase (decrease) in assets subject to conditions in the current reporting period		<u>188,181</u>	
PHYSICAL RESOURCES RECEIVED FREE OF CHARGE			
Roads, Bridges & Footpaths		69,475	161,324
Stormwater Drainage			76,415
TOTAL PHYSICAL RESOURCES RECEIVED		<u>69,475</u>	<u>237,739</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 3: Expenses

	2009	2008
Notes	\$	\$
EMPLOYEE COSTS		
Salaries and Wages	2,771,476	2,557,136
Employee leave expense	(10,740)	(197,564)
Superannuation - defined contribution plan contributions	18 134,054	123,499
Superannuation - defined benefit plan contributions	18 76,144	72,514
Workers' Compensation Insurance	59,282	36,150
Less: Capitalised and distributed costs	(230,153)	(288,327)
Total Operating Employee Costs	2,800,063	2,303,408
Total Number of Employees	42	42
<i>(Full time equivalent at end of reporting period)</i>		
MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	13,220	12,600
Bad and Doubtful Debts	85,906	3,057
Elected members' expenses	117,442	109,267
Election expenses	3,213	3,104
Subtotal - Prescribed Expenses	<u>219,781</u>	<u>128,028</u>
<u>Other Materials, Contracts & Expenses</u>		
Contractors	2,381,033	2,658,791
Energy	284,296	488,876
Insurance	177,199	163,606
Legal Expenses	10,264	6,185
Levies paid to government - NRM levy	322,720	286,007
- Other Levies	160,796	176,156
Parts, accessories & consumables	26,728	11,644
Professional services	65,853	67,794
Sundry	2,056,229	1,723,642
Subtotal - Other Materials, Contracts & Expenses	<u>5,485,118</u>	<u>5,582,701</u>
	<u>5,704,899</u>	<u>5,710,729</u>
FINANCE COSTS		
Interest on Loans	41,724	43,909
	<u>41,724</u>	<u>43,909</u>
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Land	-	
Buildings	453,182	453,170
Filtration	66,841	55,272
Infrastructure	1,031,430	1,350,211
Bridges	11,433	11,433
Other Community Assets	248,411	229,373
Plant & Equipment	209,653	257,961
Furniture & Fittings	228,244	217,597
Library Books	166,151	165,930
Impairment	743,566	
Reinstatement	(17,937)	970,750
	<u>3,140,974</u>	<u>3,711,697</u>

Given reconsideration of its future waste disposal strategy, Council reassessed the useful life of its Resource Recovery Centre in 2008/09, which resulted in an adjustment to the carrying values and accumulated amortisation of Cells 1 - 4 inclusive.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 4: Asset Disposal & Fair Value Adjustments

	Notes	2009 \$	2008 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		111,474	93,500
Less: Carrying amount of assets sold		<u>371,162</u>	<u>724,332</u>
Gain (Loss) on disposal		<u>(259,688)</u>	<u>(630,832)</u>
<i>Assets surplus to requirements</i>			
Proceeds from disposal		15,000	3,000
Less: Carrying amount of assets sold		<u>4,029</u>	<u>7,500</u>
Gain (Loss) on disposal		<u>10,971</u>	<u>(4,500)</u>
The Proper Bay fire in January 2009 destroyed assets at the Hassell Road Resource Recovery Centre, with a carrying value of \$202,828. The loss of these assets is recognised in the carrying amount of assets directly replaced, as the facility has been rebuilt in its entirety.			
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		<u>(248,717)</u>	<u>(635,332)</u>

Note 5: Current Assets

	Notes	2009 \$	2008 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		42,700	49,787
Deposits at Call		1,986,153	4,350,856
Short Term Deposits & Bills, etc		<u>2,077,284</u>	<u>-</u>
		<u>4,106,137</u>	<u>4,400,643</u>
TRADE & OTHER RECEIVABLES			
Rates - General & Other		223,765	164,821
Debtors - general		333,640	205,975
GST Recoupment		-	16,383
Loans to community organisations		26,969	-
Total		<u>584,374</u>	<u>387,179</u>
Less: Provision for impairment		<u>17,540</u>	<u>16,945</u>
		<u>566,834</u>	<u>370,234</u>
INVENTORIES			
Stores & Materials		<u>20,000</u>	<u>20,000</u>
		<u>20,000</u>	<u>20,000</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 6: Non-Current Assets

FINANCIAL ASSETS	Notes	2009	2008
		\$	\$
Receivables			
Loans to community organisations		<u>93,031</u>	<u>691,108</u>
		93,031	691,108
Less: Provision for Impairment		<u> </u>	<u> </u>
TOTAL FINANCIAL ASSETS		<u>93,031</u>	<u>691,108</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 7 (continued)

	2008	CARRYING AMOUNT MOVEMENTS DURING YEAR					2009
	\$	\$					\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Net Revaluation
	New/Upgrade	Renewals					

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Land	64,469,195	-	-	-	-	-	-	64,469,195
Buildings & Other Structures	8,881,166	627,184	191,544	(209,745)	(453,182)	-	-	9,036,967
Filtration	2,012,434	243,796	-	-	(66,841)	-	-	2,189,389
Infrastructure	41,719,486	958,894	602,155	(46,312)	(1,031,430)	-	-	42,202,793
Bridges	226,450	-	-	-	(11,433)	-	-	215,017
Other Community Assets	5,643,930	654,339	60,294	-	(248,411)	-	-	6,110,152
Plant & Equipment	1,176,275	-	367,600	(115,214)	(209,653)	-	-	1,219,008
Furniture & Fittings	826,044	44,715	64,366	(10,699)	(228,244)	-	-	696,182
Library Books	375,828	-	15,148	-	(166,151)	-	-	224,825
Reinstatement Costs	279,250	73,120	-	-	-	17,937	-	370,307
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	125,610,058	2,602,048	1,301,107	(381,970)	(2,415,345)	17,937	-	126,733,835
2008 Totals	129,657,690	2,592,208	2,243,896	(189,372)	(3,711,697)	1,253,380	(6,236,047)	125,610,058

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 2009

Note 7 (continued)

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 for the purposes of AIFRS.

Land & Land Improvements

Land was valued by Maloney Field Services as at 30th June 2007 at market value, based on market transactions. All acquisitions made after 30th June 2007 are recognised on the cost basis.

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.

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.

Road Base & Seal

Road Base & Road Seal were valued by Tonkin Consulting as at 30 June 2008 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2008 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2008 are recognised on the cost basis.

Resource Recovery Centre (Reinstatement Costs)

Valuation of cells at the Resource Recovery Centre is based on a written estimate for rehabilitation costs of Cells 1 & 2 provided by Tonkin Consulting in 2009. The value of Cells 3 & 4 has been derived from this estimate, by applying a per metre square rate for comparable works.

Given reconsideration of its future waste disposal strategy, Council reassessed the useful life of its Resource Recovery Centre in 2008/09, which resulted in an adjustment to the carrying values and accumulated amortisation of Cells 1 - 4 inclusive.

Buildings & Other Structures

Buildings & Other Structures were valued by Maloney Field Services as at 30th June 2007 at written down current replacement cost and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Filtration

All other assets were valued as at 30th June 2007 at written down current replacement cost and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Kerbing

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

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 7 (continued)

Footways

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

Stormwater

Stormwater assets were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Bridges

Bridges were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Other Community Assets

Other Community Assets were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Plant & Equipment

Plant & equipment were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Furniture & Fittings

Furniture & Fittings were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Library Stock

Library Stock was valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on an indicative replacement cost for each asset category and assumptions relating to useful life, which were based on recommendations provided by the 1999/2000 Local Government Association Financial Advisory Committee Guidelines. All acquisitions made after 30th June 2007 are recognised on the cost basis.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 8: Liabilities

	Notes	2009		2008	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		345,705	-	854,867	-
Accrued expenses - employee entitlements		113,165	-	135,079	-
Aged Care Facility Deposits		50,825	840,000	52,700	840,000
		509,695	840,000	1,042,646	840,000
BORROWINGS					
Loans		37,961	584,065	35,633	622,027
		37,961	584,065	35,633	622,027

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

PROVISIONS

Employee entitlements (including oncosts)	236,399	23,806	226,975	22,056
Future reinstatement / restoration, etc	-	1,323,120	-	1,250,000
	236,399	1,346,926	226,975	1,272,056

Movements in Provisions - 2009 year only
(current & non-current)

	Insurance Losses	Future Reinstatement	Other Provision
Opening Balance	0	1,250,000	0
Add Unwinding of present value discounts	0	0	0
Additional amounts recognised	0	73,120	0
Closing Balance	0	1,323,120	0

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 9: Reserves

ASSET REVALUATION RESERVE	1/07/2008	Net Increments (Decrements)	Transfers on Sale	30/06/2009
Notes	\$	\$	\$	\$
Land	72,553,726			72,553,726
Buildings & Other Structures	3,675,925			3,675,925
Filtration	694,795			
Infrastructure	22,563,802			
Bridges	126,428			126,428
Other Community Assets	2,479,748			2,479,748
Plant & Equipment	1,026,370			
Furniture & Fittings	825,702			
Library Books	378,980			378,980
Total Infrastructure, Property, Plant & Equipment	104,325,476			79,214,807
Available for Sale Investments	(104,325,476)			(104,325,476)
TOTAL				(25,110,669)
2008 Totals	110,015,681	(5,690,205)		104,325,476
OTHER RESERVES	1/07/2008	Transfers to Reserve	Transfers from Reserve	30/06/2009
LGFA Reserves	3,220,069	829,294	(3,327,279)	722,084
TOTAL OTHER RESERVES	3,220,069	829,294	(3,327,279)	722,084
2008 Totals	3,627,874	794,321	(1,202,126)	3,220,069

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 and available-for-sale financial assets.

Other Reserves

Other reserves are held for specific projects or future uses, where use of reserve funds provides for administrative efficiency.

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 transferred to Council, or for which the revenues were originally obtained.

CASH & FINANCIAL ASSETS	Notes	2009 \$	2008 \$
Unexpended amounts received from Federal Government for Nautilus Theatre upgrade - project completion expected Oct 09		188,182	0
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		188,182	0

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

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	2009 \$	2008 \$
Total cash & equivalent assets	5	<u>4,106,137</u>	<u>4,400,643</u>
Balances per Cash Flow Statement		<u>4,106,137</u>	<u>4,400,643</u>

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

Net Surplus (Deficit)		912,084	(560,655)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		3,140,974	3,711,697
Net increase (decrease) in unpaid employee benefits		(10,740)	(100,047)
Change in allowances for under-recovery		691,703	-
Non-cash asset acquisitions		(69,475)	(237,739)
Grants for capital acquisitions treated as Investing Activity		(748,950)	(700,870)
Net (Gain) Loss on Disposals		<u>248,717</u>	<u>635,332</u>
		4,164,313	2,747,718
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(170,226)	(114,809)
Net increase (decrease) in trade & other payables		(561,862)	483,903
Net increase (decrease) in other provisions		<u>73,120</u>	<u>1,250,000</u>
Net Cash provided by (or used in) operations		<u>3,505,345</u>	<u>4,366,812</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	3	69,475	237,739
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City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

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				
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Admin	9,169,219	8,180,799	932,790	177,423	8,236,429	8,003,376	910,676	720,066	4,682,814	5,407,603
Public Order	89,809	72,262	290,088	238,440	(200,279)	(166,178)			5,965	
Health	10,117	10,750	139,583	143,791	(129,466)	(133,041)				
Social Security	21,142	160,711	36,894	170,616	(15,752)	(9,905)	6,800	4,900	25,493	
Housing & Comm	792,450	816,366	2,446,880	2,451,568	(1,654,430)	(1,635,202)		38,825	9,679,156	8,272,377
Protection of the Environ	31,861	25,954	94,405	125,590	(62,544)	(99,636)			2,167,607	2,012,434
Sport & Rec	343,702	333,063	1,651,738	1,684,065	(1,308,036)	(1,351,002)	167,825	169,207	6,058,519	6,229,075
Mining, Manuf & Construction	60,017	48,687	264,527	250,279	(204,510)	(201,592)				
Transport & Communication	515,301	470,582	913,718	779,393	(398,417)	(308,811)	463,423	435,448	34,125,450	33,952,807
Economic Affairs	-		246,020	247,682	(246,020)	(247,682)				
Other Purpose NEC		786,637	1,800,078	1,297,344	(1,800,078)	(510,707)			1,642,069	1,867,384
Council Administration - Governance	996,418		473,531	460,268	522,887	(460,268)			73,132,764	73,350,361
Depreciation			2,397,408	3,711,697	(2,397,408)	(3,711,697)				
Unalloc/incl asset adjust exp				31,587	-	(31,587)				
TOTALS	12,030,036	10,905,811	11,687,660	11,769,743	342,376	(863,932)	1,548,724	1,368,446	131,519,837	131,092,041

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 2009

Note 12 (Continued)

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 2009

Note 13: Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: At Call deposits are returning variable interest rates between 2.75% and 3% (2008: 6% - 7%). Term deposits are returning interest rates between 3% and 4.2%.</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legals & penalties for late payment)	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land. 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>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Retirement Home Contributions	<p>Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p>Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p>Carrying amount: approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.</p>
Liabilities - Interest Bearing Loans	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, loans are repayable over a 15 year term in equal six-monthly instalments; interest is charged at fixed rate of 6.43%.</p> <p>Carrying amount: approximates fair value.</p>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 13 (continued)

Liquidity Analysis

2009	Floating Interest Rate \$	<u>Fixed interest maturing in</u>			Non- interest bearing \$	Total \$
		≤ 1 year \$	> 1 year ≤ 5 years \$	> 5 years \$		
<u>Financial Assets</u>						
Fair Value through P&L						
Cash Assets	4,106,137	-	-	-	-	4,106,137
Loans & Receivables						
Receivables	-	-	-	-	659,865	659,865
Total	4,106,137	-	-	-	659,865	4,766,002
<i>Weighted Average Interest Rate</i>	2.75%					
<u>Financial Liabilities</u>						
Payables	-	-	-	-	1,236,530	1,236,530
Current Borrowings	-	37,961	-	-	-	37,961
Non-Current Borrowings	-	-	-	584,065	-	584,065
Total	-	37,961	-	584,065	1,236,530	1,858,556
<i>Weighted Average Interest Rate</i>	6.43%					
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES						
	4,106,137	(37,961)	-	(584,065)	(576,665)	2,907,446
2008						
	Floating Interest Rate \$	<u>Fixed interest maturing in</u>			Non- interest bearing \$	Total \$
		≤ 1 year \$	> 1 year ≤ 5 years \$	> 5 years \$		
<u>Financial Assets</u>						
Fair Value through P&L						
Cash Assets	4,400,643	-	-	-	-	4,400,643
Loans & Receivables						
Receivables	-	-	-	-	1,061,342	1,061,342
Total	4,400,643	-	-	-	1,061,342	5,461,985
<i>Weighted Average Interest Rate</i>	6.00%					
<u>Financial Liabilities</u>						
Payables	-	-	-	-	1,747,567	1,747,567
Non-Current Borrowings	-	-	-	657,660	-	657,660
Total	-	-	-	657,660	1,747,567	2,405,227
<i>Weighted Average Interest Rate</i>	6.43%					
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES						
	4,400,643	-	-	(657,660)	(686,225)	3,056,758

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 13 (continued)

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 provision 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 Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of Council's financial instruments - both assets and liabilities - are at fixed rates. Any such variations in future cash flows will not be material in effect on either Council incomes or expenditures.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 14: Commitments for Expenditure

	<u>Notes</u>	2009	2008
		\$	\$
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings (Nautilus Theatre)		500,000	-
Infrastructure		-	1,170,000
		<u>500,000</u>	<u>1,170,000</u>
These expenditures are payable:			
Not later than one year		<u>500,000</u>	<u>1,170,000</u>
		<u>500,000</u>	<u>1,170,000</u>
Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Waste Management Services (fixed charges)		381,753	-
Vistor Centre Subsidy		<u>106,000</u>	<u>102,500</u>
		<u>487,753</u>	<u>102,500</u>
These expenditures are payable:			
Not later than one year		<u>487,753</u>	<u>102,500</u>
		<u>487,753</u>	<u>102,500</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 15: Financial Indicators

	2009	2008	2007
<p>These Financial Indicators have been calculated in accordance with <i>Information Paper 9 - Local Government Financial Indicators</i> 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.</p>			
Operating Surplus	342,376	(863,932)	482,558
<i>Being the operating surplus (deficit) before capital amounts .</i>			
Operating Surplus Ratio			
<u>Operating Surplus</u>	5%	(13%)	7%
Rates - general & other less NRM levy			
<i>This ratio expresses the operating surplus as a percentage of general and other rates, net of NRM levy.</i>			
Net Financial Liabilities	(1,210,956)	(1,422,648)	(3,625,876)
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).</i>			
Net Financial Liabilities Ratio			
<u>Net Financial Liabilities</u>	-10%	-13%	-36%
Total Operating Revenue less NRM levy			
Interest Cover Ratio			
<u>Net Interest Expense</u>	(2.3%)	(3.1%)	(3.0%)
Total Operating Revenue less NRM levy less Investment Income			
Asset Sustainability Ratio			
<u>Net Asset Renewals</u>	59%	92%	36%
Depreciation Expense			
<i>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.</i>			
Asset Consumption Ratio			
<u>Carrying value of depreciable assets</u>	66%	67%	68%
Gross value of depreciable assets			
<i>Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.</i>			

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

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 uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

All Councils in South Australia voluntarily 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

	2009	2008
	\$	\$
Income	12,030,036	10,905,811
less Expenses	<u>(11,687,660)</u>	<u>(11,769,743)</u>
	342,376	(863,932)
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(1,968,418)	(3,492,800)
less Depreciation, Amortisation and Impairment	3,140,974	3,711,697
less Proceeds from Sale of Replaced Assets	<u>111,474</u>	<u>93,500</u>
	1,284,030	312,397
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(2,602,048)	(2,355,563)
less Amounts received specifically for New and Upgraded Assets	748,950	700,870
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>15,000</u>	<u>3,000</u>
	(1,838,098)	(1,651,693)
Net Lending / (Borrowing) for Financial Year	<u>(211,692)</u>	<u>(2,203,228)</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 17: 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.

POTENTIAL INSURANCE LOSSES

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

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

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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 18: Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme ("The 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 2008/09 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2007/08). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit) 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 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% (6% in 2007/2008) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated 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 Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by 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.

A Strategic Actuarial Review issued in July 2009 has lead Council to conclude that funding arrangements are not adequate for the expected Defined Benefit Plan. Depending on the outcome of the review, and future financial and economic circumstances, Council may be required to increase its contribution rates in the future.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

CEO Statement

I, Geoff Dodd, the person for the time being occupying the position of Chief Executive Officer of the City of Port Lincoln, do hereby state that the Financial Statements of the Council for the year ended 30 June 2009 are to the best of my knowledge presented fairly, and in accordance with accounting procedures which have been maintained in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.



Geoff Dodd
CHIEF EXECUTIVE OFFICER

Dated this 21st day of October 2009

Adoption Statement

Laid before the City of Port Lincoln and adopted on the 2nd day of November 2009.



Peter Davis
MAYOR

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Auditors Independence Declaration



Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to the City of Port Lincoln.

I confirm that, for the audit of the financial statements of the City of Port Lincoln for the year ended 30 June 2009, 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 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.

A handwritten signature in black ink, appearing to read "D. Venn", is written over a light blue horizontal line.

DON VENN
Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS
214 MELBOURNE STREET
NORTH ADELAIDE SA 5006

NORTH ADELAIDE, this 18th day of June 2009

214 MELBOURNE STREET
NORTH ADELAIDE SA 5006

ALL CORRESPONDENCE
PO BOX 755
NORTH ADELAIDE SA 5006

T: (08) 8267 4777
F: (08) 8239 0895
E: admin@deannewbery.com.au

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Council Certificate of Audit Independence



Level One, Civic Centre
60 Tasman Terrace
PO Box 1787, Port Lincoln
South Australia 5606

T: 08 8621 2300
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www.portlincoln.sa.gov.au

MCS0684

CITY OF PORT LINCOLN

ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2009

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the City of Port Lincoln for the year ended 30 June 2009, the Council's Auditor, Dean Newbery and Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) of the *Local Government (Financial Management) Regulations 1999*.

A handwritten signature in black ink, appearing to read 'G. P. Dodd'.

GEOFFREY P DODD
CHIEF EXECUTIVE OFFICER

A handwritten signature in black ink, appearing to read 'Michael Bascombe'.

MICHAEL BASCOMBE
PRESIDING MEMBER
CORPORATE GOVERNANCE
COMMITTEE

Date: 15/10/2009

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Independent Audit Report



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 2009 and the income statement, 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 Chief Executive Officer's 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 1999. 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 1999. We confirm that the independence declaration required by the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999, provided to the Chief Executive Officer on 18 June 2009, would be in the same terms if provided to the Chief Executive Officer as at the date of this auditor's report.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of City of Port Lincoln as of 30 June 2009, 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 1999 and the Australian Accounting Standards (including Australian Accounting Interpretations).

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS**

**DON VENN
PARTNER**

Signed on the 26 day of October 2009,
at 214 Melbourne Street, North Adelaide, South Australia 5006.

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APPENDIX B

List of Council Polices for the Year Ended 30th June 2009

POLICY INDEX 20080630



Category	Policy Description	No	Reviewed by:
Animal Management	Galah Culling	1.63.1	Operations
Community Relations	Community Engagement (Formally Public Consultation)	2.63.1	Director Corp & Comm
	Awards Register	2.63.2	Executive Assistant
	Banners	2.63.3	Operations
	Flags	2.63.4	Executive Assistant
Development Control	Inspections	3.63.1	Planning & Inspectorial
	Charitable Organisations Fees	3.63.2	Planning & Inspectorial
	Development Application Fees	3.63.3	Planning & Inspectorial
	Sheds & Caravans	3.63.4	Planning & Inspectorial
	Make Lincoln Green Project	3.63.5	Planning & Inspectorial
	Liquor Licences	3.63.6	Manager Corp Services
Environmental Management	Order Making	5.63.1	Management Team
	Burning	5.63.2	Planning & Inspectorial
	Burning for Bushfire Prevention	5.63.3	Planning & Inspectorial
	Garbage Bin Collection	5.63.4	Operations
	Garbage Disposal Concession	5.63.5	Operations
	Onsite Sewage Management	5.63.6	Planning & Inspectorial
	Waste Minimisation	5.63.7	Operations
	Rainwater Tank Rebate	5.63.8	Operations
Financial Management	Contracts, Tenders & Purchasing	7.63.1	Manager Corp Services
	Rates	7.63.2	Manager Corp Services
	Telephone Accounts	7.63.3	Manager Corp Services
	Internal Control	7.63.5	Manager Corp Services
	Community Funding Assistance	7.36.6	Director Corp & Comm
	National Competition Policy	7.63.7	Manager Corp Services
	Rates Concession Scheme	7.63.8	CEO
Fleet Management	Private Vehicle Use	8.63.1	Director Corp & Comm
	Vehicle Plant Replacment	8.63.2	Director Operations
Governance	Single Casual Vacancy	9.63.1	Executive Assistant
	Council Decisions Review	9.63.2	Director Corp & Comm
	Code of Conduct - Elected Members	9.63.3	Director Corp & Comm
	Petitions	9.63.4	Executive Assistant
	Deputations	9.63.10	Executive Assistant
	Policy Amendments	9.63.11	Executive Assistant
	Training & Development - Elected Members	9.63.12	Executive Assistant
	Award for Graduating Student	9.63.13	Executive Assistant
	Council Meeting Documents	9.63.14	Executive Assistant

Category	Policy Description	No	Reviewed by:
Human Resource Management	Design & Purchasing Guidelines	12.16.3	OHS Committee
	Contracting	12.16.4	OHS Committee
	Asbestos	12.16.5	OHS Committee
	Roadworks Signage Audit Procedure	12.16.6	OHS Committee
	Accident Investigation & Reporting	12.16.7	OHS Committee
	Electrical Safety Cables & Equipment	12.16.10	OHS Committee
	Workstation Ergonomics	12.16.14	OHS Committee
	OHS Consultation	12.16.16	OHS Committee
	Consultative Committee	12.16.17	OHS Committee
	Drugs & Alcohol	12.16.18	OHS Committee
	Fire Wardens	12.16.20	OHS Committee
	First Aid	12.16.21	OHS Committee
	Hazardous & Dangerous Substances	12.16.23	OHS Committee
	Jewellery	12.16.29	OHS Committee
	Manual Handling	12.16.30	OHS Committee
	No Smoking	12.16.32	OHS Committee
	Animal Handling	12.16.33	OHS Committee
	Volunteers & Work Experience Management	12.16.34	OHS Committee
	OHS&W and Injury Management Policy	12.16.36	OHS Committee
	OHS Working Outdoors	12.16.37	OHS Committee
Employee Management	Recruitment & Selection	12.63.2	Senior Corp Serv Officer
	Emergency Services Membership	12.63.3	Senior Corp Serv Officer
	Removal Expenses	12.63.7	Senior Corp Serv Officer
	Retirement Gifts	12.63.8	Senior Corp Serv Officer
	Salary Sacrifice Rental Payments	12.63.9	Senior Corp Serv Officer
	Employee Performance and Development	12.63.10	Senior Corp Serv Officer
	Code of Conduct - Staff	12.63.12	Senior Corp Serv Officer
	Salary Packaging	12.63.13	Senior Corp Serv Officer
Information Management	Privacy	13.63.1	Manager Corp Services
	Email	13.63.2	Director Corp & Comm
	Records Management	13.63.3	Manager Corp Services
	Collection Development	13.63.4	Library Manager

Category	Policy Description	No	Reviewed by:
Infrastructure	Footpath Construction & Contribution	14.63.1	Operations
	Footpaths & Laying Electrical Cables	14.63.2	Operations
	Signage	14.63.3	Operations
	Stormwater Drains	14.63.4	Operations
	Theft & Vandalism	14.63.5	Operations
	Tree Management	14.63.6	Operations
	Recreation Trail	14.63.7	Operations
	Private Works	14.63.8	Operations
	Development Driveway Access	14.63.9	Operations
Legal Provisions	Public Liability Insurance	15.63.1	Manager Corp Services
Property Management	Council Chamber Use	16.63.1	Executive Team
	Resident Funded Housing	16.63.3	Manager Corp Services
	Reserve Hire	16.63.4	Manager Corp Services
	Playgrounds	16.63.5	Operations
Social, Cultural & Community	Conditional Dry Zone	17.63.1	Manager Special Projects
	Library Internet Access	17.63.2	Library Manager
	Library Visitors	17.63.3	Library Manager
	Library Unattended Children	17.63.4	Library Manager
	Fisher's Memorial	17.63.5	Executive Assistant
	Chauffer Cars	17.63.6	Executive Assistant
Strategic Management	Code of Practice	18.63.1	Director Corp & Comm
	Crest & Logo	18.63.3	Management Team
	Code of Conduct - Library Patrons	18.63.4	Library Manager
Technology & Communication	Mobile Phones	19.63.1	Manager Corp Services
	Desktop Standards	19.63.2	Manager Corp Services
	Computer & System Use	19.63.3	Manager Corp Services
Traffic Management	Footpath Commercial Use	20.63.1	Planning & Inspectorial

APPENDIX C

Eyre Peninsula Local Government
Association Annual Report
for the Year Ended 30th June 2009

ANNUAL REPORT

2008/2009



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1. PRESIDENT'S REPORT

With Council elections due in 2010, many elected members are no doubt considering whether they intend to nominate for another four year term. It's well established that the governance requirements for Councils continue to increase, as does the workload for both officers of Council, and elected Members. My thanks must again go out to all members who continue to work hard for their districts, and for our whole region. The last year has, yet again, been extremely challenging.

Reflecting on the year confirms that we continue to invest much time and energy into shaping legislation and other developments that will impact our communities. Ongoing issues with the implementation of the "*Eyre Peninsula Coastal Development Strategy*" [endorsed 2007] have resulted in further meetings at both the EPLGA level, and individual Councils. Most issues have been associated with the implementation of the coastal conservation zone, including its drawing on a map. Councils are working through their draft DPAs received from Planning SA with Mr Ian Nightingale (Chief Executive of the Department for Planning and Local Government) and Andrew Gear, Director of Planning, assisting with ground-truthing and negotiating local concerns. We have also been advised that the restrictive tourism regulations will be reconsidered.

Despite the global economic downturn, mining expansion and development has continued to provide both opportunities for our communities, and also some concerns. For the Eastern Coast, the issue of port facilities, and future needs, has been of significant interest with proposals for the expansion at Point Lowly in the north, and Centrex Metals' DAC application to ship haematite from Port Lincoln. Iluka is well down the track in plans to develop minerals sands potential north- west of Ceduna, while kaolin deposits near Streaky Bay are also being advanced. Many other mining opportunities are considered and expected to see further urgency as the global economic scene recovers.

Water, and waste water, continues to present planning urgencies for Eyre Peninsula and the SA Water Long Term Plan for our region has seen us have an Interim briefing about the need to fast-track desalination options to supplement our ground water supplies. We are hopeful that good rainfalls in the southern basin catchments over June and July have assisted in ground water levels but the dire predictions, following years of below average winter tallies, means that complacency has gone. The Water for Good will see further planning for the 30% of residents not supplied by SA Water. Level 3 Water restrictions now cover most of our community, with the exception of Elliston.

The transition to Regional Development Australia, as partners with the state and federal government, has been a very long process that has required many meetings later on in the year, and into the new financial year. Most difficult has been the determination of a new structure, constrained by the state requirement to re-configure our two, very functional Boards (Whyalla Economic Development Board and Eyre Regional Development Board) to a single, legal structure. We are hoping to have a new RDA Board nominated by the end of September 2009, and hopefully operational by 2010.

Waste management, native vegetation management, bushfire and emergency management, all provide on-going areas of challenge with significant changes to standards of bushfire management expected over the next two summers, following catastrophic loss of lives in Victoria last summer. Especially for Southern EP Councils,

with their heightened fire danger, these issues are constantly under legislative review. In addition, we have continued to provide suicide prevention training, using the CORES programme from Tasmania, to ensure greater resilience for our isolated communities under stress from protracted droughts. Our thanks must go to Cr Karen Burrows (DC Elliston) and to Deb Larwood (from Kimba Council) for their efforts in that area. Councils have again supported that programme for the 2009/10 year, as it is deemed so important.

Further roll out of the Marine Parks has seen our Councils become involved in the Working Parties, with the Pilot Process for Parks 1 and 2, and Park 6, well underway. Our thanks to Mayors Suter and Stirling for their input and leadership to that process.

Our major event, the Annual Conference, was hosted this year by District Council of Wudinna and saw a focus on Climate Change. Wudinna was able to secure internationally significant speakers, including Prof Will Steffan (ANU) and Peter Cozier from the Wentworth Group. In addition, we joined the EPNRM Board in organising a major Climate Change forum in Whyalla that was headlined by Prof Tim Flannery. Other notable inclusions included Prof Barry Brook, Dr Peter Hayman, Dr Tim Moore along with an array of other speakers covering renewable energy options, climate adaptation issues, farming adaptation, built environment considerations and current legislation.

Again, I must thank Senior Vice President, Mayor Julie Low, for her efforts over the year. Julie has very ably stepped in to represent us when I have been unavailable. Also to Jr Vice President, Eddie Elleway. It's always good to know that there is a good team round you in any organisation. Our thanks must also go to Sonya Young, who has given us invaluable support over many years. We also offer big congratulations to Sonya, and her husband, Matt, on the recent birth of their first child, Jesse. Finally, I'd also like to thank Diana Laube, our Executive Officer, for her excellent work in ensuring that the Association was always on track and moving forward – a very valuable contribution.

It remains for me to thank all our Member Councils for their commitment to their Council and the region, which we are all very passionate about. We are all proud of where we live and, working together, we can ensure it remains a great place to live.

Mayor Jim Pollock, PRESIDENT



*ABOVE: EPLGA Office Bearers
Mayor Jim Pollock (Front)
Barry Parsons (LGA- Returning Officer 2010)
Mayor Eddie Elleway (Jn Vice President) and
Mayor Julie Low (Snr Vice President.)*

1. REPORT ON 2008/09 ACTIVITIES:

MEMBER COUNCILS 2008/09

- City of Whyalla
- City of Port Lincoln
- DC Ceduna
- DC Cleve
- DC Elliston
- DC Franklin Harbour
- DC Kimba
- DC Lower Eyre Peninsula
- DC Streaky Bay
- DC Tumby Bay
- DC Wudinna

REPRESENTATIVES:

At the 71st AGM of the Eyre Peninsula Local Government Association, held at Ceduna on 4th July 2008, the following Office Bearers were confirmed for the 2008/09 financial year:

PRESIDENT: Mayor Jim Pollock (City of Whyalla)

SNR VICE PRESIDENT : D/Mayor Julie Low (DC Lower Eyre Peninsula)

JUNIOR VICE PRESIDENT: Mayor Eddie Elleway (DC Franklin Harbour.)

President Pollock and Snr Vice President, Julie Low, also became our delegate and proxy delegate to the SA Regional Organisation of Councils, and to the State Executive of the LGA.

Early in 2009, President Pollock also successfully nominated for the position of a Vice President (Country) of the LGA.

Other representatives to regional Boards have been as follows:

EYRE REGIONAL DEVELOPMENT BOARD:

Mayor Allan Suter (DC Ceduna) [Proxy: Cr Phill Stevens, DC Ceduna]

Mayor Allan Edwards (DC Cleve) [Proxy: Cr Carolyn Haskett, DC Kimba]

WHYALLA ECONOMIC DEVELOPMENT BOARD

D/Mayor Eddie Hughes
Mayor Jim Pollock
Cr Colin Carter

EYRE PENINSULA NATURAL RESOURCES MANAGEMENT BOARD

Mr Geoff Dodd (CEO, City of Port Lincoln)

TOURISM EYRE PENINSULA COMMITTEE

Cr Graham Pearce (DC Streaky Bay)
Mayor Jim Pollock (City of Whyalla)

A SUMMARY of our Business Plan for 2008/09, and the activities generated from that Plan, is included in the following table. Our Operating activities are more reactive than strategic, and determined by the needs of our member Councils. As a regional subsidiary under the Local Government Act, 1999, our activities are determined by resolutions of our members and thus, our work plan is rarely evident in advance.

Part of our direction is set by activities of the LGA, and we have a role in liaising with members on matters directed by the LGA of SA.

EPLGA operations were funded by Member subscriptions totalling \$121,000.

REPORT ON 2008/09 BUSINESS PLAN

	Key Objectives	Activities in 2008/09
1	Promotion of an integrated and regional network of Councils, in co-operation with other regional LGAs and the LGA of SA.	<ul style="list-style-type: none"> Regular newsletters distributed electronically as information mechanism Active participation in SAROC and State Exec agenda Regular liaison with other regional Executive Officers to cross-promote issues throughout regional SA
2	Effective lobbying on behalf of Members on key regional initiatives and concerns	<p>Throughout the year, lobbying efforts have included the following:</p> <ul style="list-style-type: none"> Continued lobbying and submission re Marine Parks process Continued response/lobbying re Water including EP Long Term Plan, Lower Lakes plight, the Elliston Concept Opposition to Daylight Savings extension and promotion of Central Standard Time GMT+ 9 hours Continued lobbying state government re implementation of EP Coastal Planning, especially coastal conservation zone Heavy vehicle access to Gazetted routes Response to EPA's draft Environment protection Policy, Waste to resources project Minister Gago's Accountability proposal re Regional Subsidiaries Promotion of Royalties for Regions fund, SA Call for audit of safety standards, school buses Call for review of consultation process, Point Lowly redevelopment. Presentations to Uni SA Design students, Regional leaders group on local Government on EP
3	Assist Members to improve operational efficiencies by providing a forum for considering co-operative ventures and sharing of resources	<ul style="list-style-type: none"> Three Waste Group meetings have been held to progress our regional Waste Strategy LGA Better Service Delivery pilot Process co-ordinated by EPLGA Climate Change Leaders Briefing convened and larger forum planned Preliminary discussion re next Regional Road review held. There will be a period of process review starting in July 2009.
4	Provide a point of interface with key organizations on Eyre Peninsula, including EPNRM, ERDB, WEDB and TEP, on matters of governance that affect the majority of Members	<ul style="list-style-type: none"> Comment offered, EPNRM draft Plan Assisted in co-ordinating meetings between ERDB, WEDB and Members Councils, in relation to RDA processes. Continued to provide representation to regional boards. Worked with EPNRM on climate change intelligence gathering.

Following a review of resources in May 2008, a narrowed focus was determined for the organization with a reduction in time for the Executive Officer. Members endorsed very much a focus on core local government issues for EPLGA and the outcomes above are an indication of this.

This will continue to describe our focus for 2009/10

Other items in the Strategic Plan that were achieved in 2008/09 include the following:

- Develop EPLGA policy documents and review processes in line with the requirements of the Local Government Act, 1999 for contracts and tenders, public consultation, governance, OHS&W and protection of the environment [Item 1/03.04]

- Gazettal of new Charter including timeframes consistent with Local Government Act, 1999.

PROJECTS CARRIED OUT 2008/09.

This year, we were again given \$32,000 through the regional capacity building programme of the LGA. These resources, in addition to carry forward funds, were budgeted for the following projects:

Better Services Delivery Pilot Project

The LGRDS nominated the EPLGA to undertake a Pilot scoping project to investigate opportunities for co-operative delivery of some activities in our region. Working with consultant, Mark Booth from BRM Holdich, and with Paul Perry, LGA, a number of meetings were held with CEOs to better identify possible projects for fully developed consultancies. Currently, the final document is being prepared for distribution to Councils for their consideration.

To assist in kick-starting a future consultancy, which will require input from Councils, we have put aside \$10,000.



Consultant Mark Booth, working with CEOs Ned Roberts & Tony Irvine

Climate Change Implementation.

After the signing of an agreement between our sector and the State government, the EPLGA has been working in conjunction with the EPNRM on initiatives that begin the intelligence gathering for regional organizations. In December 2008, we organized a Leader's Briefing in Port Lincoln, to begin the process of engagement with Councils.

We are currently well underway in putting together a major forum (for July 2nd), this time in Whyalla, and including Professor Tim Flannery as the keynote speaker. Members are receiving information about the speakers and sessions and we have allocated \$20,000 to this.

We hope this will represent an efficient use of resources, enabling Councils access to quality information that will enable them to begin planning their climate change response.

CORES Programme (Suicide Prevention.)

In 2008, we began resourcing a series of community workshops, in conjunction with the Division of General Practice, aimed at boosting the community capacity in response to people, especially farmers, who might be at risk of suicide. This project has been driven by Cr Karen Burrows from the DC Elliston and she has, this year, worked with proponents of the Community Response to Eliminating Suicide (CORES) programme, developed in Tasmania.

Our focus this year has been on getting two people trained, with both Karen and Deb Larwood (DC Kimba) both undertaking the training. The \$11,000 committed this year has seen further

community workshops and the key step of now having people available on Eyre Peninsula to continue leading community workshops.

We believe this “safety net” is the responsibility of the whole community, not just the health “system” as we have faced several years of difficult economic circumstances for many residents. SA Country Health has struggled to staff mental health positions and farmers are often reluctant to seek medical help. We are hoping that the increased skills throughout many communities will assist in developing our resilience. This project forms part of our commitment to the Drought Taskforce.



ABOVE: A CORES workshop group with (top left) Deb Larwood (DC Kimba) and (centre front) Cr Karen Burrows, DC Elliston.

EP Waste Management Strategy

EPLGA has continued to co-ordinate the regular forums for Waste personnel throughout our region, including the continued working towards the most efficient model for landfill and waste operations.

This year has seen a period of consultation, by the EPA, on draft legislation under the Waste to resources project. Designed to better identify some waste streams, and to widen the responsibility for re-using more waste,

the new legislation has future capacity to significantly impact on low-volume landfill operations.

The global economic downturn has severely impacted markets for recycled materials, leading to common issues with stockpiling. Again, freight costs challenge many Councils.

Regional Leadership

EPLGA committed \$8,000 to a regional project planned three years ago; this was postponed close to the event and the funds not spent. This year, the ERDB and EPNRM successfully sought funding to run a regional leaders programme which included participants from local government. Our \$8,000 was this year allocated to the project. Participants were drawn from communities across EP, and from a variety of backgrounds. A session on local government enabled the EPLGA to talk generally about our sector and also to promote candidacy in 2010.

Wudinna/Roxby Air Trial

This was another initiative under our response to Drought in our communities. We assisted the DC Wudinna in trialing fly-in, fly-out operations for mining at Olympic Dam. While mining has provided an economic opportunity for some, the family of the miner often wishes to remain in their communities rather than dislocated the whole family. This trial aimed at exploring the logistics of such a scheme. Our commitment was \$5,000.

Diana Laube
EXECUTIVE OFFICER
19th August 2009

MEETINGS 2009/2010

BOARD MEETINGS.

2009

4th Sept 09 **STREAKY BAY**
 4th Dec 09 **CLEVE**

2010

28 Feb/1 Mar
 25th June
 3rd September
 3rd Dec

COWELL
WUDINNA
TBC
TBC

ANNUAL MEETING SCHEDULE, 1981-2020.

A highlight on the EPLGA calendar is the Annual Conference, hosted each year by a member Council. To assist in host Council planning, the following schedule is included:



LEFT: Tony Siviour Allan Edwards (Mayor) Peter Arnold (DC Cleve) at the 2009 Annual Conference, Wudinna.

1986	Port Lincoln CC	2006	DC Ceduna
1987	DC Le Hunte	2007	DC Lower Eyre Peninsula
1988	DC Franklin Harbour	2008	DC Kimba
1989	DC Cleve	2009	DC Wudinna
1990	DC Streaky Bay	2010	DC Franklin Harbour
1991	Port Augusta CC	2011	DC Cleve
1992	DC Elliston	2012	DC Streaky Bay
1993	DC Tumby Bay	2013	DC Elliston
1994	Whyalla CC	2014	DC Tumby Bay
1995	DC Ceduna	2015	Whyalla CC
1996	DC Lower Eyre Peninsula	2016	DC Ceduna
1997	Dc Kimba	2017	DC Lower Eyre Peninsula
1998	Port Lincoln CC	2018	Port Lincoln CC
1999	DC Le Hunte	2019	DC Kimba
2000	DC Franklin Harbour	2020	DC Wudinna

1981	DC Tumby Bay	2001	DC Cleve
1982	Whyalla CC	2002	DC Streaky Bay
1983	DC Ceduna	2003	DC Elliston
1984	DC Lower Eyre Peninsula	2004	DC Tumby Bay
1985	DC Kimba	2005	Whyalla CC

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

INCOME STATEMENT

For the year ended 30th June 2009

	Note	2009 \$	2008 \$
INCOME			
Interest Received		8,946	12,703
Membership Fees	4	121,000	121,000
Reimbursable Expenses		99	1,080
Project Management Fees		3,000	4,305
		<u>133,045</u>	<u>139,088</u>
EXPENSES			
Administration		11,543	8,189
Audit Fees		1,000	850
Bank Charges		147	47
Computer Expenses		1,761	454
Donations		1,000	-
Employee Expenses		53,906	63,924
Legal Fees		-	6,113
Insurance		1,835	918
Meeting Expenses		4,138	3,497
Motor Vehicle Expenses		2,262	11,085
President's Expenses		750	750
Project Expenses		-	6,000
Secretarial Service		15,950	15,485
Telephone		338	328
Travel Expenses		4,149	3,309
		<u>98,779</u>	<u>120,949</u>
SURPLUS/(DEFICIT)		<u>34,266</u>	<u>18,139</u>

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BALANCE SHEET As at 30th June 2009

	Note	2009 \$	2008 \$
ASSETS			
Cash and cash equivalents	3	157,289	142,322
Receivables – GST		3,152	3,736
Prepaid Expenses		-	2,455
TOTAL CURRENT ASSETS		<u>160,441</u>	<u>148,513</u>
LIABILITIES			
Trade and other payables	5	8,512	9,227
Unspent Grants	2	<u>45,642</u>	<u>67,265</u>
TOTAL LIABILITIES		<u>54,154</u>	<u>76,492</u>
NET ASSETS		<u><u>106,287</u></u>	<u><u>72,021</u></u>
ACCUMULATED FUNDS			
Balance brought forward		72,021	53,882
Change in Financial Position Resulting from Operations		34,266	18,139
ACCUMULATED FUNDS AT THE END OF THE FINANCIAL YEAR		<u>106,287</u>	<u>72,021</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2009

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Local Government Act 1999.

The financial report has been prepared in accordance with the requirements of the Local Government Act 1999 and the following Australian Accounting Standards.

AASB 1031 Materiality
AASB 110 Events after the Balance Sheet Date
AASB 119 Employee Benefits
AASB 107 Cash and Cash Equivalents.

No other applicable Accounting Standards, Urgent Issues Group Interpretations or other authoritative pronouncements of the Australian Accounting standards Board have been applied.

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Liabilities for employee benefits not expected to be paid or settled within 12 months are measured using a shorthand method which produces a result not materially different from the liability measured using the present value of expected future cash outflows method. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30th June 2009

2. PROJECTS

	1/7/2008 Brought Forward	Income	Expenditure	Unspent
Regional Capacity Building	41,553	32,904	29,951	44,506
EP Coastal Development Strategy	25,712	-	24,576	1,136
Active Communities	-	50,000	50,000	-
	<u>67,265</u>	<u>82,904</u>	<u>104,527</u>	<u>45,642</u>

2009
\$

2008
\$

3. CASH AND CASH EQUIVALENTS

Bank SA Cheque/Savings	6,273	142,322
Bendigo Term Deposit	110,000	-
LGFA (at call)	41,016	-
	<u>157,289</u>	<u>142,322</u>

4. MEMBERSHIP FEES

District Council of Ceduna	11,752	11,752
District Council of Cleve	8,802	8,802
District Council of Elliston	7,457	7,457
District Council of Franklin Harbour	7,712	7,712
District Council of Kimba	7,429	7,429
Wudinna District Council	7,777	7,777
District Council of Lower Eyre Peninsula	13,212	13,212
District Council of Streaky Bay	9,027	9,027
District Council of Tumby Bay	9,937	9,937
City of Whyalla	21,955	21,955
City of Port Lincoln	15,940	15,940
	<u>121,000</u>	<u>121,000</u>

5. TRADE & OTHER PAYABLES

Accrued Expenses – employee entitlements	4,260	4,079
Trade Creditors	2,488	2,706
Payroll Liabilities	1,764	2,442
	<u>8,512</u>	<u>9,227</u>

CHIEF EXECUTIVE OFFICER'S STATEMENT

I, DIANA LAUBE the person for the time being occupying the position of CHIEF EXECUTIVE OFFICER of EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION do hereby state that the Financial Statements of the Association for the 30 June 2009 financial year are to the best of my knowledge presented fairly and in accordance with accounting procedures which have been maintained in accordance with the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 1999* made under that Act.



Signed

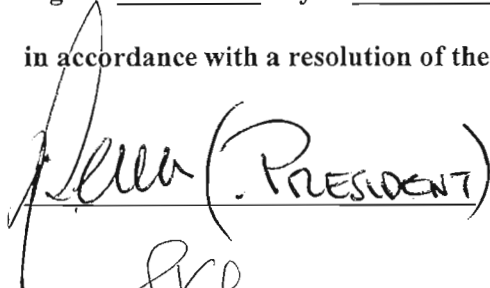
Dated 1/10/2009

STATEMENT OF THE BOARD OF MANAGEMENT MEMBERS

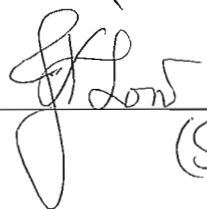
In the opinion of the Board of Management of the Eyre Peninsula Local Government Association the accompanying Financial Report attached hereto, are drawn up so as to present fairly the results of the Association for the year ended 30 June 2009, and the state of affairs of the Association as at 30 June 2009, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Signed 6th day of OCTOBER 2009

in accordance with a resolution of the Board of Management



Member



Member
(Snr Vice President)





John D. Ewen & Associates

CHARTERED ACCOUNTANTS

603 Magill Road, Magill SA 5072
PO Box 202, Magill SA 5072
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E: info@ewen.com.au
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

We have audited the accompanying Financial Report of the Eyre Peninsula Local Government Association which comprises the balance sheet as at 30 June 2009 and the income statement and statement of changes in equity for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Chief Executive Officer's declaration as set out on pages 1 – 5.

THE CHIEF EXECUTIVE OFFICER'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 1999*. This responsibility includes establishing 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 my 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Association, as well as evaluating the overall presentation of the financial report.

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

AUDITOR'S INDEPENDENCE DECLARATION

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

AUDIT OPINION

In our opinion the financial report of the Eyre Peninsula Local Government Association is properly drawn up:

- a) To give a true and fair view of :
 - i) the Association's state of affairs as at 30 June 2009 and changes in equity resulting from operations and cashflows for the year ended on that date.
 - ii) the other matters required by the Local Government Act 1999 to be dealt with in the financial statements.
- b) According to the Local Government Act 1999, together with the Local Government Act 1999 (Financial Management) Regulations 1999 made under that Act; and
- c) According to Australian Accounting Standards and mandatory professional reporting requirements.

Signed at Adelaide this 15th day of October 2009



JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT

AUDITOR'S INDEPENDENCE DECLARATION

Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to The Members of Eyre Peninsula Local Government Association

I confirm that, for the audit of the financial statements of the Eyre Peninsula Local Government Association for the year ended 30 June 2009, 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 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.

Signed at Adelaide this 15th day of October 2009



JOHN D EWEN
JOHN D EWEN & ASSOCIATES
CHARTERED ACCOUNTANT



City of Port Lincoln

Level One, Civic Centre, 60 Tasman Terrace

PO Box 1787, Port Lincoln

South Australia 5606

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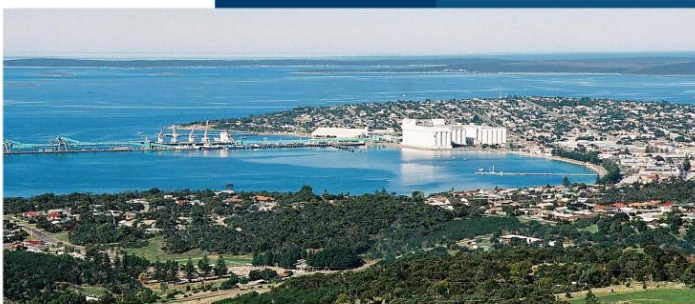
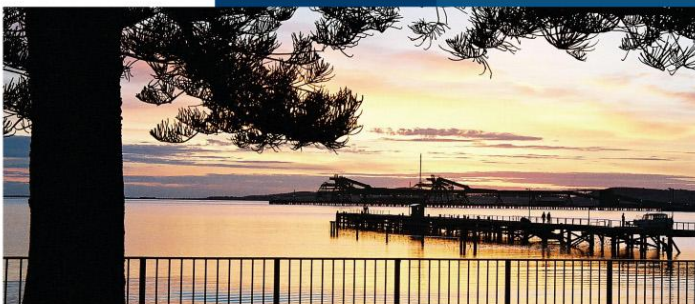
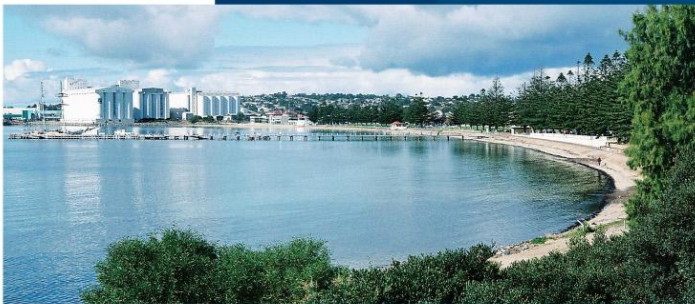
E: plcc@plcc.sa.gov.au

www.portlincoln.sa.gov.au





City of Port Lincoln



GENERAL PURPOSE FINANCIAL REPORTS

**FOR THE YEAR ENDED
30 JUNE 2009**

MCS0691

Adopted 2 November 2009



City of Port Lincoln

General Purpose Financial Reports for the year ended 30 June 2009

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	Notes	2009 \$	2008 \$
EMPLOYEE COSTS			
Salaries and Wages		2,771,476	2,557,136
Employee leave expense		(10,740)	(197,564)
Superannuation - defined contribution plan contributions	18	134,054	123,499
Superannuation - defined benefit plan contributions	18	76,144	72,514
Workers' Compensation Insurance		59,282	36,150
Less: Capitalised and distributed costs		(230,153)	(288,327)
Total Operating Employee Costs		2,800,063	2,303,408

Total Number of Employees 42 42

(Full time equivalent at end of reporting period)

MATERIALS, CONTRACTS & OTHER EXPENSES

Prescribed Expenses

Auditor's Remuneration			
- Auditing the financial reports		13,220	12,600
Bad and Doubtful Debts		85,906	3,057
Elected members' expenses		117,442	109,267
Election expenses		3,213	3,104
Subtotal - Prescribed Expenses		<u>219,781</u>	<u>128,028</u>

Other Materials, Contracts & Expenses

Contractors		2,381,033	2,658,791
Energy		284,296	488,876
Insurance		177,199	163,606
Legal Expenses		10,264	6,185
Levies paid to government - NRM levy		322,720	286,007
- Other Levies		160,796	176,156
Parts, accessories & consumables		26,728	11,644
Professional services		65,853	67,794
Sundry		2,056,229	1,723,642
Subtotal - Other Materials, Contracts & Expenses		<u>5,485,118</u>	<u>5,582,701</u>
		<u>5,704,899</u>	<u>5,710,729</u>

FINANCE COSTS

Interest on Loans		41,724	43,909
		<u>41,724</u>	<u>43,909</u>

DEPRECIATION, AMORTISATION & IMPAIRMENT

Depreciation

Land		-	
Buildings		453,182	453,170
Filtration		66,841	55,272
Infrastructure		1,031,430	1,350,211
Bridges		11,433	11,433
Other Community Assets		248,411	229,373
Plant & Equipment		209,653	257,961
Furniture & Fittings		228,244	217,597
Library Books		166,151	165,930
Impairment		743,566	
Reinstatement		(17,937)	970,750
		<u>3,140,974</u>	<u>3,711,697</u>

Given reconsideration of its future waste disposal strategy, Council reassessed the useful life of its Resource Recovery Centre in 2008/09, which resulted in an adjustment to the carrying values and accumulated amortisation of Cells 1 - 4 inclusive.

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City of Port Lincoln

Income Statement

For the year ended 30 June 2009

	Notes	2009 \$	2008 \$
INCOME			
Rates	2	7,597,373	7,022,684
Statutory charges	2	379,479	339,220
User charges	2	493,315	535,138
Grants, subsidies and contributions	2	1,548,724	1,368,446
Investment income	2	302,016	360,305
Reimbursements	2	387,855	341,716
Other income	2	1,321,274	938,302
Total Income		12,030,036	10,905,811
EXPENSES			
Employee costs	3	2,800,063	2,303,408
Materials, contracts & other expenses	3	5,704,899	5,710,729
Finance costs	3	41,724	43,909
Depreciation, amortisation & impairment	3	3,140,974	3,711,697
Total Expenses		11,687,660	11,769,743
OPERATING SURPLUS / (DEFICIT)		342,376	(863,932)
Net gain (loss) on disposal or revaluation of assets	4	(248,717)	(635,332)
Amounts received specifically for new or upgraded assets	2	748,950	700,870
Physical resources received free of charge	2	69,475	237,739
NET SURPLUS / (DEFICIT)		912,084	(560,655)

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

City of Port Lincoln

Balance Sheet

As at 30 June 2009

	Notes	2009 \$	2008 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	4,106,137	4,400,643
Trade & other receivables	5	566,834	370,234
Inventories	5	20,000	20,000
Total Current Assets		4,692,971	4,790,877
Non-current Assets			
Financial Assets	6	93,031	691,108
Infrastructure, Property, Plant & Equipment	7	126,733,835	125,610,058
Total Non-current Assets		126,826,866	126,301,166
Total Assets		131,519,837	131,092,043
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8	509,695	1,042,646
Borrowings	8	37,961	35,633
Provisions	8	236,399	226,975
Total Current Liabilities		784,055	1,305,254
Non-current Liabilities			
Trade & Other Payables	8	840,000	840,000
Borrowings	8	584,065	622,027
Provisions	8	1,346,926	1,272,056
Total Non-current Liabilities		2,770,991	2,734,083
Total Liabilities		3,555,046	4,039,337
NET ASSETS		127,964,791	127,052,706
EQUITY			
Accumulated Surplus		22,917,231	19,507,163
Asset Revaluation Reserve	9	104,325,476	104,325,476
Other Reserves	9	722,084	3,220,069
TOTAL EQUITY		127,964,791	127,052,708

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 2009

	2009	2008
	\$	\$
Notes		
ACCUMULATED SURPLUS		
Balance at end of previous reporting period	19,507,163	19,660,013
Net Surplus / (Deficit) for Year	912,084	(560,655)
Transfers to Other Reserves	(829,294)	(794,321)
Transfers from Other Reserves	3,327,278	1,202,126
Balance at end of period	22,917,231	19,507,163
 ASSET REVALUATION RESERVE		
9		
Balance at end of previous reporting period	104,325,476	110,015,681
Gain on revaluation of infrastructure, property, plant & equipment	-	(5,690,205)
Balance at end of period	104,325,476	104,325,476
 OTHER RESERVES		
9		
Balance at end of previous reporting period	3,220,069	3,627,874
Transfers from Accumulated Surplus	829,294	794,321
Transfers to Accumulated Surplus	(3,327,279)	(1,202,126)
Balance at end of period	722,084	3,220,069
 TOTAL EQUITY AT END OF REPORTING PERIOD		
	127,964,791	127,052,708

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 2009

	Notes	2009 \$	2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		12,492,217	11,507,250
Investment receipts		302,016	360,305
<u>Payments</u>			
Operating payments to suppliers & employees		(9,247,164)	(7,456,834)
Finance payments		(41,724)	(43,909)
Net Cash provided by (or used in) Operating Activities		3,505,345	4,366,812
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		748,950	700,870
Sale of replaced assets		111,474	93,500
Sale of surplus assets		15,000	3000
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,968,418)	(3,492,800)
Expenditure on new/upgraded assets		(2,602,048)	(2,355,563)
Loans made to community groups		(120,000)	
Net Cash provided by (or used in) Investing Activities		(3,815,042)	(5,050,993)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Aged Care Facility deposits		-	118,500
<u>Payments</u>			
Repayments of Borrowings		(35,634)	(33,448)
Repayment of Aged Care Facility deposits		50,825	52,700
Net Cash provided by (or used in) Financing Activities		15,191	137,752
 Net Increase (Decrease) in cash held		(294,506)	(546,429)
 Cash & cash equivalents at beginning of period	11	4,400,643	4,947,070
Cash & cash equivalents at end of period	11	4,106,137	4,400,643

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 2009

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 equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The financial report was authorised for issue by certificate under clause 11 of the *Local Government (Financial Management) Regulations 1999* dated 2 November 2009.

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 AIFRS 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.

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 consolidated fund and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3. Income recognition

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

Where grants, contributions and donations recognised as 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.

An advanced payment of \$237,461 was received from the Commonwealth Government, being \$182,524 in general financial assistance and \$54,937 in identified road funding as a part of the Commonwealth Governments' economic stimulus package, which has been recognised as income in 2008/09 financial year in accordance with advice from the Local Government Association of SA. As a consequence, grant revenue for the 2009/10 financial year will be adjusted down accordingly.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

4. Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

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

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

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

5. Inventories

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

6. Infrastructure, Property, Plant & Equipment

6.1 Transitional Provisions

As at 1 July 2008, Council has elected not to recognise any values for land under roads acquired before the commencement of AASB 1051 Land Under Roads. Details of the effects of this election are given in Note 7.

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".

6.2 Initial Recognition

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

6.3 Materiality

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

<i>Office Furniture & Equipment</i>	\$ 500
<i>Minor Plant & Equipment</i>	\$500 - \$3,000
<i>Major Plant & Equipment</i>	\$3,000
<i>All other assets</i>	\$3,000

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

6.4 Subsequent Recognition

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

6.5 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to 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
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
Pumps & Telemetry	15 to 25 years
Other Assets	
Library Books	10 to 15 years

6.6 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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

7. Payables

7.1 Goods & Services

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

7.2 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.

8. Borrowings

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

9. Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

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. Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

11. Leases

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

Council has had no finance leases in the current or previous reporting periods.

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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 1 (continued)

12. GST Implications

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

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

13. Comparative Information

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

14. New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2009 reporting period.

- AASB 3 Business Combinations
- AASB 101 Presentation of Financial Statements
- AASB 123 Borrowing Costs
- AASB 127 Consolidated and Separate Financial Statements
- AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123
- AASB 2007-8 & AASB 2007-10 Amendments to Australian Accounting Standards arising from AASB 101
- AASB 2008-2 Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation
- AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127
- AASB 2008-5 & AASB 2008-6 Amendments to Australian Accounting Standards arising from the Annual Improvements Project
- AASB 2008-7 Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- AASB 2008-8 Amendments to Australian Accounting Standards - Eligible Hedged Items
- AASB 2008-9 Amendments to AASB 1049 for Consistency with AASB 101
- AASB 2008-11 Amendments to Australian Accounting Standard – Business Combinations Among Not-for-Profit Entities
- AASB 2008-12 Amendments to Australian Accounting Standards – Reclassification of Financial Assets – Effective Date and Transition
- AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17 – Distributions of Non-cash Assets to Owners
- Interpretation 15 *Agreements for the Construction of Real Estate*
- Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*
- Interpretation 17 *Distributions of Non-cash Assets to Owners*
- Interpretation 18 *Transfers of Assets from Customers*
- (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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 2: Income

	Notes	2009 \$	2008 \$
RATES REVENUES			
<u>General Rates</u>		7,038,599	6,760,848
Less: Mandatory rebates		(24,099)	-
Less: Discretionary rebates, remissions & write offs		(45,951)	-
		6,968,549	6,760,848
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		325,752	289,008
Parking Levy		13,411	13,013
Recycling Levy		253,430	-
		592,593	302,021
<u>Other Charges</u>			
Penalties for late payment		35,338	27,297
Legal & other costs recovered		3,555	8,869
		38,893	36,166
Less: Discretionary rebates, remissions & write offs		(2,662)	(76,351)
		7,597,373	7,022,684
STATUTORY CHARGES			
Development Act fees		114,031	103,536
Town planning fees		137,357	136,409
Animal registration fees & fines		84,104	65,663
Parking fines / expiation fees		32,602	17,462
Search Fees		10,600	15,135
Sundry		785	1,015
		379,479	339,220
USER CHARGES			
Cemetery/crematoria fees		45,755	88,753
Kirton Court Units Rent		12,218	11,636
Resource Recovery Centre		411,851	411,370
Hall & equipment hire		5,031	6,489
Parking fees			79
Sales - general		4,839	972
Subsidies received on behalf of users		13,621	15,839
		493,315	535,138
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		176,815	360,270
Banks & other		81,292	35
Loans to community groups		43,909	-
		302,016	360,305

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 2 (continued)

	2009	2008
Notes	\$	\$
REIMBURSEMENTS		
- for private works	58,175	32,763
- by joint undertakings	235,055	194,546
- other	94,625	114,407
	<u>387,855</u>	<u>341,716</u>
OTHER INCOME		
Insurance & other recoupments - infrastructure, property, plant & equipment	434,930	-
Kirton Court Sale of Unit	-	158,000
Sundry	886,344	780,302
	<u>1,321,274</u>	<u>938,302</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Amounts received specifically for new or upgraded assets	748,950	700,870
Other grants, subsidies and contributions	1,548,724	1,368,446
	<u>2,297,674</u>	<u>2,069,316</u>
<i>The functions to which these grants relate are shown in Note 2.</i>		
Sources of grants		
Commonwealth government	752,621	425,062
State government	1,541,107	1,632,254
Other	3,946	12,000
	<u>2,297,674</u>	<u>2,069,316</u>
Conditions over grants & contributions		
<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>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
<i>Nautilus Theatre upgrade</i>	<u>188,181</u>	
<i>Unexpended at the close of this reporting period</i>	<u>188,181</u>	
<i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>	<u>188,181</u>	
PHYSICAL RESOURCES RECEIVED FREE OF CHARGE		
Roads, Bridges & Footpaths	69,475	161,324
Stormwater Drainage		76,415
TOTAL PHYSICAL RESOURCES RECEIVED	<u>69,475</u>	<u>237,739</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 3: Expenses

	2009	2008
Notes	\$	\$
EMPLOYEE COSTS		
Salaries and Wages	2,771,476	2,557,136
Employee leave expense	(10,740)	(197,564)
Superannuation - defined contribution plan contributions	18 134,054	123,499
Superannuation - defined benefit plan contributions	18 76,144	72,514
Workers' Compensation Insurance	59,282	36,150
Less: Capitalised and distributed costs	<u>(230,153)</u>	<u>(288,327)</u>
Total Operating Employee Costs	<u>2,800,063</u>	<u>2,303,408</u>
Total Number of Employees	42	42
<i>(Full time equivalent at end of reporting period)</i>		
MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration		
- Auditing the financial reports	13,220	12,600
Bad and Doubtful Debts	85,906	3,057
Elected members' expenses	117,442	109,267
Election expenses	<u>3,213</u>	<u>3,104</u>
Subtotal - Prescribed Expenses	<u>219,781</u>	<u>128,028</u>
<u>Other Materials, Contracts & Expenses</u>		
Contractors	2,381,033	2,658,791
Energy	284,296	488,876
Insurance	177,199	163,606
Legal Expenses	10,264	6,185
Levies paid to government - NRM levy	322,720	286,007
- Other Levies	160,796	176,156
Parts, accessories & consumables	26,728	11,644
Professional services	65,853	67,794
Sundry	<u>2,056,229</u>	<u>1,723,642</u>
Subtotal - Other Materials, Contracts & Expenses	<u>5,485,118</u>	<u>5,582,701</u>
	<u>5,704,899</u>	<u>5,710,729</u>
FINANCE COSTS		
Interest on Loans	<u>41,724</u>	<u>43,909</u>
	<u>41,724</u>	<u>43,909</u>
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Land	-	
Buildings	453,182	453,170
Filtration	66,841	55,272
Infrastructure	1,031,430	1,350,211
Bridges	11,433	11,433
Other Community Assets	248,411	229,373
Plant & Equipment	209,653	257,961
Furniture & Fittings	228,244	217,597
Library Books	166,151	165,930
Impairment	743,566	
Reinstatement	<u>(17,937)</u>	<u>970,750</u>
	<u>3,140,974</u>	<u>3,711,697</u>

Given reconsideration of its future waste disposal strategy, Council reassessed the useful life of its Resource Recovery Centre in 2008/09, which resulted in an adjustment to the carrying values and accumulated amortisation of Cells 1 - 4 inclusive.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 4: Asset Disposal & Fair Value Adjustments

	Notes	2009 \$	2008 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		111,474	93,500
Less: Carrying amount of assets sold		<u>371,162</u>	<u>724,332</u>
Gain (Loss) on disposal		<u>(259,688)</u>	<u>(630,832)</u>
<i>Assets surplus to requirements</i>			
Proceeds from disposal		15,000	3,000
Less: Carrying amount of assets sold		<u>4,029</u>	<u>7,500</u>
Gain (Loss) on disposal		<u>10,971</u>	<u>(4,500)</u>
The Proper Bay fire in January 2009 destroyed assets at the Hassell Road Resource Recovery Centre, with a carrying value of \$202,828. The loss of these assets is recognised in the carrying amount of assets directly replaced, as the facility has been rebuilt in its entirety.			
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		<u>(248,717)</u>	<u>(635,332)</u>

Note 5: Current Assets

	Notes	2009 \$	2008 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		42,700	49,787
Deposits at Call		1,986,153	4,350,856
Short Term Deposits & Bills, etc		<u>2,077,284</u>	<u>-</u>
		<u>4,106,137</u>	<u>4,400,643</u>
TRADE & OTHER RECEIVABLES			
Rates - General & Other		223,765	164,821
Debtors - general		333,640	205,975
GST Recoupment		-	16,383
Loans to community organisations		26,969	-
Total		<u>584,374</u>	<u>387,179</u>
Less: Provision for impairment		<u>17,540</u>	<u>16,945</u>
		<u>566,834</u>	<u>370,234</u>
INVENTORIES			
Stores & Materials		<u>20,000</u>	<u>20,000</u>
		<u>20,000</u>	<u>20,000</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 6: Non-Current Assets

FINANCIAL ASSETS	Notes	2009	2008
Receivables		\$	\$
Loans to community organisations		93,031	691,108
		93,031	691,108
Less: Provision for Impairment			
TOTAL FINANCIAL ASSETS		93,031	691,108

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 7 (continued)

	2008	CARRYING AMOUNT MOVEMENTS DURING YEAR					2009
	\$	\$					\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Net Revaluation
	New/Upgrade	Renewals					

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Land	64,469,195	-	-	-	-	-	-	64,469,195
Buildings & Other Structures	8,881,166	627,184	191,544	(209,745)	(453,182)	-	-	9,036,967
Filtration	2,012,434	243,796	-	-	(66,841)	-	-	2,189,389
Infrastructure	41,719,486	958,894	602,155	(46,312)	(1,031,430)	-	-	42,202,793
Bridges	226,450	-	-	-	(11,433)	-	-	215,017
Other Community Assets	5,643,930	654,339	60,294	-	(248,411)	-	-	6,110,152
Plant & Equipment	1,176,275	-	367,600	(115,214)	(209,653)	-	-	1,219,008
Furniture & Fittings	826,044	44,715	64,366	(10,699)	(228,244)	-	-	696,182
Library Books	375,828	-	15,148	-	(166,151)	-	-	224,825
Reinstatement Costs	279,250	73,120	-	-	-	17,937	-	370,307
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	125,610,058	2,602,048	1,301,107	(381,970)	(2,415,345)	17,937	-	126,733,835
2008 Totals	129,657,690	2,592,208	2,243,896	(189,372)	(3,711,697)	1,253,380	(6,236,047)	125,610,058

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 2009

Note 7 (continued)

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 for the purposes of AIFRS.

Land & Land Improvements

Land was valued by Maloney Field Services as at 30th June 2007 at market value, based on market transactions. All acquisitions made after 30th June 2007 are recognised on the cost basis.

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.

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.

Road Base & Seal

Road Base & Road Seal were valued by Tonkin Consulting as at 30 June 2008 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2008 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2008 are recognised on the cost basis.

Resource Recovery Centre (Reinstatement Costs)

Valuation of cells at the Resource Recovery Centre is based on a written estimate for rehabilitation costs of Cells 1 & 2 provided by Tonkin Consulting in 2009. The value of Cells 3 & 4 has been derived from this estimate, by applying a per metre square rate for comparable works.

Given reconsideration of its future waste disposal strategy, Council reassessed the useful life of its Resource Recovery Centre in 2008/09, which resulted in an adjustment to the carrying values and accumulated amortisation of Cells 1 - 4 inclusive.

Buildings & Other Structures

Buildings & Other Structures were valued by Maloney Field Services as at 30th June 2007 at written down current replacement cost and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Filtration

All other assets were valued as at 30th June 2007 at written down current replacement cost and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Kerbing

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

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 7 (continued)

Footways

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

Stormwater

Stormwater assets were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Bridges

Bridges were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Other Community Assets

Other Community Assets were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Plant & Equipment

Plant & equipment were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Furniture & Fittings

Furniture & Fittings were valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after 30th June 2007 are recognised on the cost basis.

Library Stock

Library Stock was valued by Maloney Field Services as at 30 June 2007 at written down current replacement cost, based on an indicative replacement cost for each asset category and assumptions relating to useful life, which were based on recommendations provided by the 1999/2000 Local Government Association Financial Advisory Committee Guidelines. All acquisitions made after 30th June 2007 are recognised on the cost basis.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 8: Liabilities

	Notes	2009		2008	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		345,705	-	854,867	-
Accrued expenses - employee entitlements		113,165	-	135,079	-
Aged Care Facility Deposits		50,825	840,000	52,700	840,000
		509,695	840,000	1,042,646	840,000
BORROWINGS					
Loans		37,961	584,065	35,633	622,027
		37,961	584,065	35,633	622,027

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

PROVISIONS

Employee entitlements (including oncosts)	236,399	23,806	226,975	22,056
Future reinstatement / restoration, etc	-	1,323,120	-	1,250,000
	236,399	1,346,926	226,975	1,272,056

Movements in Provisions - 2009 year only
(current & non-current)

	Insurance Losses	Future Reinstatement	Other Provision
Opening Balance	0	1,250,000	0
Add Unwinding of present value discounts	0	0	0
Additional amounts recognised	0	73,120	0
Closing Balance	0	1,323,120	0

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 9: Reserves

ASSET REVALUATION RESERVE	1/07/2008	Net Increments (Decrements)	Transfers on Sale	30/06/2009
Notes	\$	\$	\$	\$
Land	72,553,726			72,553,726
Buildings & Other Structures	3,675,925			3,675,925
Filtration	694,795			
Infrastructure	22,563,802			
Bridges	126,428			126,428
Other Community Assets	2,479,748			2,479,748
Plant & Equipment	1,026,370			
Furniture & Fittings	825,702			
Library Books	378,980			378,980
Total Infrastructure, Property, Plant & Equipment	104,325,476			79,214,807
Available for Sale Investments	(104,325,476)			(104,325,476)
TOTAL				(25,110,669)
2008 Totals	110,015,681	(5,690,205)		104,325,476
OTHER RESERVES	1/07/2008	Transfers to Reserve	Transfers from Reserve	30/06/2009
LGFA Reserves	3,220,069	829,294	(3,327,279)	722,084
TOTAL OTHER RESERVES	3,220,069	829,294	(3,327,279)	722,084
2008 Totals	3,627,874	794,321	(1,202,126)	3,220,069

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 and available-for-sale financial assets.

Other Reserves

Other reserves are held for specific projects or future uses, where use of reserve funds provides for administrative efficiency.

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 transferred to Council, or for which the revenues were originally obtained.

CASH & FINANCIAL ASSETS	Notes	2009 \$	2008 \$
Unexpended amounts received from Federal Government for Nautilus Theatre upgrade - project completion expected Oct 09		188,182	0
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		188,182	0

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

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	2009 \$	2008 \$
Total cash & equivalent assets	5	<u>4,106,137</u>	<u>4,400,643</u>
Balances per Cash Flow Statement		<u>4,106,137</u>	<u>4,400,643</u>

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

Net Surplus (Deficit)		912,084	(560,655)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		3,140,974	3,711,697
Net increase (decrease) in unpaid employee benefits		(10,740)	(100,047)
Change in allowances for under-recovery		691,703	-
Non-cash asset acquisitions		(69,475)	(237,739)
Grants for capital acquisitions treated as Investing Activity		(748,950)	(700,870)
Net (Gain) Loss on Disposals		<u>248,717</u>	<u>635,332</u>
		4,164,313	2,747,718
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(170,226)	(114,809)
Net increase (decrease) in trade & other payables		(561,862)	483,903
Net increase (decrease) in other provisions		<u>73,120</u>	<u>1,250,000</u>
Net Cash provided by (or used in) operations		<u>3,505,345</u>	<u>4,366,812</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	3	69,475	237,739
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City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

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	2009	2008	2009	2008
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Admin	9,169,219	8,180,799	932,790	177,423	8,236,429	8,003,376	910,676	720,066	4,682,814	5,407,603
Public Order	89,809	72,262	290,088	238,440	(200,279)	(166,178)			5,965	
Health	10,117	10,750	139,583	143,791	(129,466)	(133,041)				
Social Security	21,142	160,711	36,894	170,616	(15,752)	(9,905)	6,800	4,900	25,493	
Housing & Comm	792,450	816,366	2,446,880	2,451,568	(1,654,430)	(1,635,202)		38,825	9,679,156	8,272,377
Protection of the Environ	31,861	25,954	94,405	125,590	(62,544)	(99,636)			2,167,607	2,012,434
Sport & Rec	343,702	333,063	1,651,738	1,684,065	(1,308,036)	(1,351,002)	167,825	169,207	6,058,519	6,229,075
Mining, Manuf & Construction	60,017	48,687	264,527	250,279	(204,510)	(201,592)				
Transport & Communication	515,301	470,582	913,718	779,393	(398,417)	(308,811)	463,423	435,448	34,125,450	33,952,807
Economic Affairs	-		246,020	247,682	(246,020)	(247,682)				
Other Purpose NEC		786,637	1,800,078	1,297,344	(1,800,078)	(510,707)			1,642,069	1,867,384
Council Administration - Governance	996,418		473,531	460,268	522,887	(460,268)			73,132,764	73,350,361
Depreciation			2,397,408	3,711,697	(2,397,408)	(3,711,697)				
Unalloc/incl asset adjust exp				31,587	-	(31,587)				
TOTALS	12,030,036	10,905,811	11,687,660	11,769,743	342,376	(863,932)	1,548,724	1,368,446	131,519,837	131,092,041

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 2009

Note 12 (Continued)

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 2009

Note 13: Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: At Call deposits are returning variable interest rates between 2.75% and 3% (2008: 6% - 7%). Term deposits are returning interest rates between 3% and 4.2%.</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legals & penalties for late payment)	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land. 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>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of the Governments of the Commonwealth & State.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Retirement Home Contributions	<p>Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p>Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p>Carrying amount: approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.</p>
Liabilities - Interest Bearing Loans	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, loans are repayable over a 15 year term in equal six-monthly instalments; interest is charged at fixed rate of 6.43%.</p> <p>Carrying amount: approximates fair value.</p>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 13 (continued)

Liquidity Analysis

2009	Floating Interest Rate \$	Fixed interest maturing in			Non- interest bearing \$	Total \$
		≤ 1 year \$	> 1 year ≤ 5 years \$	> 5 years \$		
Financial Assets						
Fair Value through P&L						
Cash Assets	4,106,137	-	-	-	-	4,106,137
Loans & Receivables						
Receivables	-	-	-	-	659,865	659,865
Total	4,106,137	-	-	-	659,865	4,766,002
<i>Weighted Average Interest Rate</i>	2.75%					
Financial Liabilities						
Payables	-	-	-	-	1,236,530	1,236,530
Current Borrowings	-	37,961	-	-	-	37,961
Non-Current Borrowings	-	-	-	584,065	-	584,065
Total	-	37,961	-	584,065	1,236,530	1,858,556
<i>Weighted Average Interest Rate</i>	6.43%					
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES						
	4,106,137	(37,961)	-	(584,065)	(576,665)	2,907,446
2008						
	Floating Interest Rate \$	Fixed interest maturing in			Non- interest bearing \$	Total \$
		≤ 1 year \$	> 1 year ≤ 5 years \$	> 5 years \$		
Financial Assets						
Fair Value through P&L						
Cash Assets	4,400,643	-	-	-	-	4,400,643
Loans & Receivables						
Receivables	-	-	-	-	1,061,342	1,061,342
Total	4,400,643	-	-	-	1,061,342	5,461,985
<i>Weighted Average Interest Rate</i>	6.00%					
Financial Liabilities						
Payables	-	-	-	-	1,747,567	1,747,567
Non-Current Borrowings	-	-	-	657,660	-	657,660
Total	-	-	-	657,660	1,747,567	2,405,227
<i>Weighted Average Interest Rate</i>	6.43%					
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES						
	4,400,643	-	-	(657,660)	(686,225)	3,056,758

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 13 (continued)

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 provision 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 Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. Council also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of Council's financial instruments - both assets and liabilities - are at fixed rates. Any such variations in future cash flows will not be material in effect on either Council incomes or expenditures.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 14: Commitments for Expenditure

	<u>Notes</u>	2009	2008
		\$	\$
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings (Nautilus Theatre)		500,000	-
Infrastructure		<u>-</u>	<u>1,170,000</u>
		500,000	1,170,000
These expenditures are payable:			
Not later than one year		<u>500,000</u>	<u>1,170,000</u>
		500,000	1,170,000

Other Expenditure Commitments

Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

Waste Management Services (fixed charges)		381,753	-
Vistor Centre Subsidy		<u>106,000</u>	<u>102,500</u>
		487,753	102,500
These expenditures are payable:			
Not later than one year		<u>487,753</u>	<u>102,500</u>
		487,753	102,500

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 15: Financial Indicators

	2009	2008	2007
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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	342,376	(863,932)	482,558
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Being the operating surplus (deficit) before capital amounts .

Operating Surplus Ratio			
<u>Operating Surplus</u>	5%	(13%)	7%
Rates - general & other less NRM levy			

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

Net Financial Liabilities	(1,210,956)	(1,422,648)	(3,625,876)
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Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses).

Net Financial Liabilities Ratio			
<u>Net Financial Liabilities</u>	-10%	-13%	-36%
Total Operating Revenue less NRM levy			

Interest Cover Ratio			
<u>Net Interest Expense</u>	(2.3%)	(3.1%)	(3.0%)
Total Operating Revenue less NRM levy less Investment Income			

Asset Sustainability Ratio			
<u>Net Asset Renewals</u>	59%	92%	36%
Depreciation Expense			

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.

Asset Consumption Ratio			
<u>Carrying value of depreciable assets</u>	66%	67%	68%
Gross value of depreciable assets			

Total carrying value of depreciable assets divided by total reported value of depreciable assets before accumulated depreciation.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

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 uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

All Councils in South Australia voluntarily 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

	2009 \$	2008 \$
Income	12,030,036	10,905,811
less Expenses	<u>(11,687,660)</u>	<u>(11,769,743)</u>
	342,376	(863,932)
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(1,968,418)	(3,492,800)
less Depreciation, Amortisation and Impairment	3,140,974	3,711,697
less Proceeds from Sale of Replaced Assets	<u>111,474</u>	<u>93,500</u>
	1,284,030	312,397
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(2,602,048)	(2,355,563)
less Amounts received specifically for New and Upgraded Assets	748,950	700,870
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>15,000</u>	<u>3,000</u>
	(1,838,098)	(1,651,693)
Net Lending / (Borrowing) for Financial Year	<u>(211,692)</u>	<u>(2,203,228)</u>

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 17: 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.

POTENTIAL INSURANCE LOSSES

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

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

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.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Note 18: Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme ("The 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 2008/09 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2007/08). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit) 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 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% (6% in 2007/2008) of "superannuation" salary. Given that Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation, the remaining 3% for Salarylink members is allocated 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 Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by 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.

A Strategic Actuarial Review issued in July 2009 has lead Council to conclude that funding arrangements are not adequate for the expected Defined Benefit Plan. Depending on the outcome of the review, and future financial and economic circumstances, Council may be required to increase its contribution rates in the future.

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

CEO Statement

I, Geoff Dodd, the person for the time being occupying the position of Chief Executive Officer of the City of Port Lincoln, do hereby state that the Financial Statements of the Council for the year ended 30 June 2009 are to the best of my knowledge presented fairly, and in accordance with accounting procedures which have been maintained in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.



Geoff Dodd
CHIEF EXECUTIVE OFFICER

Dated this 21st day of October 2009

Adoption Statement

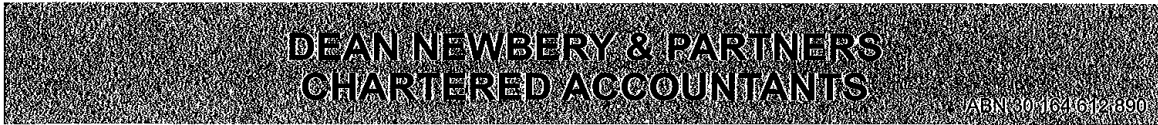
Laid before the City of Port Lincoln and adopted on the 2nd day of November 2009.



Peter Davis
MAYOR

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Auditors Independence Declaration



Auditor's Independence Declaration Under Section 16A of the Local Government (Financial Management) Regulations 1999 to the City of Port Lincoln.

I confirm that, for the audit of the financial statements of the City of Port Lincoln for the year ended 30 June 2009, 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 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A (4) *Local Government (Financial Management) Regulations 1999*.

A handwritten signature in black ink, appearing to read "D. Venn", written in a cursive style.

DON VENN
Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS
214 MELBOURNE STREET
NORTH ADELAIDE SA 5006

NORTH ADELAIDE, this 18th day of June 2009

214 MELBOURNE STREET
NORTH ADELAIDE SA 5006

ALL CORRESPONDENCE
PO BOX 755
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City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Council Certificate of Audit Independence



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60 Tasman Terrace
PO Box 1787, Port Lincoln
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www.portlincoln.sa.gov.au

MCS0684

CITY OF PORT LINCOLN

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2009**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the City of Port Lincoln for the year ended 30 June 2009, the Council's Auditor, Dean Newbery and Partners, Chartered Accountants, has maintained its independence in accordance with the requirements of the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 16A(2) of the *Local Government (Financial Management) Regulations 1999*.

GEOFFREY P DODD
CHIEF EXECUTIVE OFFICER

MICHAEL BASCOMBE
PRESIDING MEMBER
CORPORATE GOVERNANCE
COMMITTEE

Date: 15/10/2009

City of Port Lincoln
Notes to and forming part of the Financial Statements
For the year ended 30 June 2009

Independent Audit Report

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

ABN 30 164 612 890

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 2009 and the income statement, 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 Chief Executive Officer's 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 1999. 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 1999. We confirm that the independence declaration required by the Local Government Act 1999 and Local Government (Financial Management) Regulations 1999, provided to the Chief Executive Officer on 18 June 2009, would be in the same terms if provided to the Chief Executive Officer as at the date of this auditor's report.

Auditor's Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of City of Port Lincoln as of 30 June 2009, 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 1999 and the Australian Accounting Standards (including Australian Accounting Interpretations).

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



DON VENN
PARTNER

Signed on the 26 day of October 2009,
at 214 Melbourne Street, North Adelaide, South Australia 5006.

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