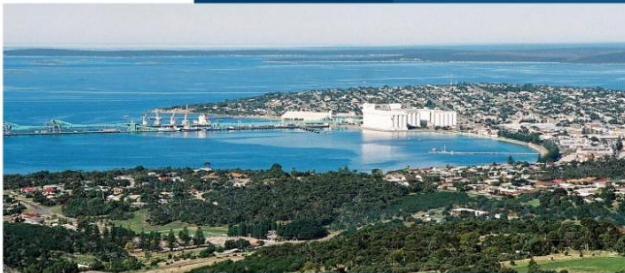




City of Port Lincoln



Annual Report

2010 - 2011

N20111467

Adopted by Council at
Ordinary Meeting 7th November 2011



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OVERVIEW AND HIGHLIGHTS FOR THE YEAR

Message from the Mayor

This is the first opportunity I have to commend our annual report to your attention.

The local government election held in November 2010 resulted in four new councillors and a new mayor. I welcome Peter Jolly, Faye Davis, Rod Patterson and Travis Rogers as your new representatives on council. They join returned members Malcolm Catt, Jim Papazoglov, Danny Bartlett, Mick Bascombe, Gordon Hartley and deputy mayor Neville Starke to form your new council. I congratulate all those elected and also the others who stood to ensure the democratic process was actioned.

May I congratulate the out going councillors for their dedication and good work over the term of their office. My congratulations go to our previous mayor Peter Davis for his long run as Mayor and for his dignified hand over of the mayoral functions.

This report covers five months under the previous council and seven for the new councillors and mayor. It is very pleasing to report that the finances of council are in good shape. This is a result of disciplined control of expenditure, both operational and capital, and sound budgeting constraint.

Service levels have been maintained and council has performed all the functions described throughout this annual report. As you review our annual report you will see a wide variety of activities that are the responsibility of local government.

Highlights for me over the last financial year have been the continuing work on underground electricity cables through parts of the city thus much improving the look of our streets, and the extension of the recycled water network to more of our parks and gardens. More footpaths have been laid, streets sealed, sporting facilities built and upgraded and storm water design and construction undertaken.

As well as these "hard" issues we have supported our community with grants, in-kind support, ongoing operational funds for sport, the arts and culture and tourism.

We have major issues ahead. To help us identify community needs and wants a community survey was designed and conducted after the close of this reporting period. This survey will drive the direction of council over the next few years as we work to deliver on community expectations.

I would like to recognise our entire workforce for their professionalism and dedication. They have been ably led by our CEO Geoff Dodd. This team is supported by our contractors, suppliers, consultants and volunteers who help us deliver services to our community.

I thank the community for their support and I look forward to serving you as mayor.

My contact details are in this report and I welcome your comments on any issues.

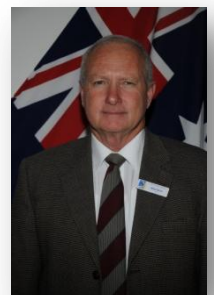
Bruce Green

Mayor

☎ 8683 3819

📱 0437 437 051

💻 mayor@plcc.sa.gov.au



Chief Executive Officers Message

The 2010/11 financial year has been an active year, completing projects and continuing programs outlined in our key strategic plan focus areas.

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

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

Council has ended the financial year with a moderate surplus after expending approximately \$8.3 million on operational services and \$3.2 million on new and replacement capital projects.

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

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

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



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

- Stage one of the Centenary Oval upgrade
- Cell capping and construction at the waste centre
- Stormwater drainage on Flinders Highway
- Extension of the waste water reuse program
- Railway corridor fencing upgrade
- Stevenson Street tennis facilities
- Parnkalla trail sealing program
- Kirton jetty upgrade
- Road and footpath construction and resealing

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

Council has resolved that 2010/11 would be the last year that additional properties created through subdivisions during the year would be absorbed into the existing rate revenue base. From 2011/12 rates generated from newly created properties will be in addition to any increase applied to existing properties.

Council has also resolved to no longer grant a rate discount to properties located in the fringe areas of the city due to the availability of services to all properties within our boundaries.

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

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

Council and Staff look forward to another productive and rewarding year in 2011/12.

GEOFF DODD
CHIEF EXECUTIVE OFFICER



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City of Port Lincoln

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 South Australia 5606
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 E: plcc@plcc.sa.gov.au
www.portlincoln.sa.gov.au

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)	10 km
Roadways Sealed (length):	161 km
Total Footpath (length)	66 km
Assessments to June 2011:	8078
Site Value Rateable Properties: June 2011	\$1,061,908,200
Local Board of Main Roads proclaimed	22 November 1866
District Council of Port Lincoln proclaimed	1 January 1880
Town Corporation proclaimed	8 August 1921
Proclaimed City:	30 January 1971
Boundaries extended	26 March 1981



Members of Council

July to November 2010

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

Elections

Local Government elections were held across South Australia on 13th November 2010. The City of Port Lincoln elections saw 19 candidates nominate for 10 positions on Council with 2 candidates for Mayor. There were 9799 entitled to vote on the Voters roll. A total of 4688 ballot papers were received, a return of 48%. The state average return rates were for Country 44.65% and metropolitan Councils 32.88%.

The new Council was declared with a new Mayor being elected, six Councillors' being returned and four new councillors elected.



December 2010 ongoing

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

**Top from Left to Right**

Gordon Hartley, Jim Papazoglov, Rod Patterson, Mick Bascombe, Malcolm Catt, Danny Bartlett

Bottom from Left to Right

Travis Rogers, Faye Davis, Mayor Bruce Green, Peter Jolley, Neville Starke

Business Premises

The City of Port Lincoln has three business premises:

Council Administration Office	Library	Depot
<ul style="list-style-type: none"> • Level 1 Civic Centre 60 Tasman Tce PORT LINCOLN • 8621 2300 	<ul style="list-style-type: none"> • 2 London Street (TAFE Building) PORT LINCOLN • 8688 3622 	<ul style="list-style-type: none"> • 33 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 to November 2010

Ordinary Council Meetings were held on the first and third Mondays of each month. From July to November 2010 there were 9 Ordinary Council meetings held. Attendance was as follows:

Elected Member	Meeting Attendance
Mayor Peter Davis	9
Deputy Mayor Neville Starke	6
Councillor Danny Bartlett	9
Councillor Michael Bascombe	8
Councillor Malcolm Catt	7
Councillor Tanya Chludil	8
Councillor Gordon Hartley	9
Councillor Jim Papazoglov	7
Councillor Allan Reynolds	7
Councillor Mary Ware	7

Ordinary Council from December 2010

Ordinary Council Meetings were held on the first and third Mondays of each month. Since December 2010 there were 13 Ordinary Council meetings held. Attendance was as follows:

Elected Member	Meeting Attendance
Bruce Green	11
Cr Neville Starke (Deputy Mayor)	9
Cr Danny Bartlett	12
Cr Michael Bascombe	12
Cr Malcolm Catt	13
Cr Jim Papazoglov	12
Cr Gordon Hartley	12
Cr Peter Jolley	13
Cr Travis Rogers	13
Cr Rod Patterson	11
Cr Faye Davis	12

Public Access to Meetings and Minutes

All meetings of Council are open to the public.

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

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

www.portlincoln.sa.gov.au

Boards & Advisory Committees & Project Management Teams

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

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

The minutes of Section 41¹ Committee meetings are included in the following Ordinary Council meeting Agenda for adoption by Council.

Marina
Maintenance
Advisory
Committee

Greater City of Port
Lincoln Bushfire
Prevention Plan
Committee

Financial
Management
Committee

Strategic Planning
& Development
Policy Committee

Building Fire Safety
Committee

Council Development Assessment Panel

Chairman - Mr Bill Watkins

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

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

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

For the 2010 - 2011 financial year there was a total of 6 CDAP meetings.

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

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

July to November 2010 (2 Meetings)	Meetings Attended	December 2010 to June 2011 (4 Meetings)	Meetings Attended
Mr Bill Watkins OAM - Presiding Member	2	Mr Bill Watkins OAM – Presiding Member	4
Mr Ron Carey	2	Mr Peter Blacker	2
Mr Bruce Green	2	Mr Shayne Calliss	4
Mr Peter Blacker	0	Mr Roger Nourse	2
Cr Allan Reynolds	2	Cr Faye Davis	2
Cr Jim Papazoglov	1	Cr Jim Papazoglov	3
Cr Tanya Chludil	1	Cr Michael Bascombe	4

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

Number of Applications	12
Number of Applications Approved	10
Number of Applications Refused	1
Number of Applications Deferred	1
Number of Applications Appealed	1

Committee Reports

Marina Maintenance Advisory Committee

Chairman - Councillor Michael Bascombe

Terms of Reference

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

Membership:

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



The Marina Maintenance Advisory Committee last met in August 2008 due to changes in relevant personnel. Since that date there have been ongoing discussions with DTEI in regard to the costings of the proposed replacement of the cray and shark berths.

Greater City of Port Lincoln Bushfire Prevention Plan Committee

Chairman - Councillor Neville Starke

Terms of Reference

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

Membership:

Councillor Neville Starke (Chair)

Councillor Gordon Hartley

Mr Geoff Dodd - Chief Executive Officer

Mr Nigel Melzner – Manager Community Infrastructure

Mr Calvin Hoye – General Inspector

Representative of – Country Fire Service

Representative of – Metropolitan Fire Service

Representative of – Dept Environment Natural Resources

Representative of – District Council of Lower Eyre Peninsula

Representative of – SA Water

Representative of - ETSA



The past 12 months have been relatively quiet compared with the previous year with the two fires within 11 months of each other. The Council budget for fire prevention in 2010-2011.

However due to the fires, in 2009 much of the fire plan was fast tracked and projects that were earmarked to be done over several years were completed or at least began in 2010. With the addition of grant funding, the Fire Prevention program has been progressed.

Changes in the criteria of native vegetation clearance for fire prevention combined with education of residents by council staff and the CFS educator, Therese Pedler, and residents taking clearance into their own hands, I feel that the City is much safer than it was, pre fires.



I would like pay tribute to Nigel Melzner, Manager Community Infrastructure, for the way he has administered the plan and actioned it and Councils Fire Prevention Officers for their part in getting the message to Residents. Council operations staff and contractors have also done an amazing job keeping the City fire safe with all the trimming and slashing which needed doing several times due to the last two winters being very wet.

I have been very pleased with the response to our requests to large property holders around the City who have implemented increased fire prevention on their properties.

Many thanks to all the committee members of the PLFPC. For their attendances of meetings and their input. During this current financial year the Fire Plan will need to be reviewed and maybe adapted or fine tuned.

I look forward to the new challenges that this may bring to our large committee.

Neville Starke, Chairman

Building Fire Safety Committee

Chairman – Bob Milic

Terms of Reference

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

Membership:

Mr Bob Milic – Manager Development and Environmental Services

Mr Peter Harmer – Building Surveyor

Mr Rod Bahr – MFS Representative

Andrew Sharrad (proxy) - SAMFS

Tony Manuel – City of Port Lincoln



The Role of a Building Fire Safety Committee

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

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

Two official meetings were held during the 2010-11 year - 18th November, 2010 and 15th June, 2011. A total of 12 inspections were undertaken by the Committee. Of these, 3 were new premises added to the agenda, 8 were reinspected to follow up previously identified fire safety issues and one (1) was removed from the agenda. In this time two (2) other premises were also removed from the agenda due to compliance.

Matters which were addressed by the Committee this year

- number of exits provided and appropriate exit light installation and maintenance
- compliant door hardware to designated exits including removal of door snibs and slide bolts
- appropriate installation of fire extinguisher(s) and hose reels
- requirements for emergency lighting
- installation of hard wired smoke detectors
- requirements for unobstructed path of egress
- bounding construction (fire resistance levels) between accommodation units
- fire hydrant installation and street main fire plug flow and pressure characteristics

To date the Committee's focus has been on the inspection of premises providing sleeping facilities for example motels, apartments and tourist parks and larger assembly buildings such as the theatre and nightclub and hotels. More recently this has extended to clubs (eg football) and the local fish processing factories as premises are removed from the agenda.

Financial Management Committee

(Formerly Corporate Governance Committee)

Chairman - Councillor Danny Bartlett

Terms of Reference

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

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

Membership:

Cr Danny Bartlett (Chairperson)

Cr Faye Davis

Cr Peter Jolley

Cr Jim Papazoglov

Ms Diana Laube



The Corporate Governance Committee held 4 official meetings during the financial year, with the meetings based around the requirements of the Work Plan.

Agenda items included:



Strategic Planning & Development Policy Committee

Chairman - Councillor Malcolm Catt

Terms of Reference

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



Membership:

Cr Catt – Chairperson

Cr Rogers

Cr Papazoglov

Cr Patterson

Chief Executive Officer

Manager Development and Environmental Services



Tennis Future Directions Working Party

Chairman - Councillor Malcolm Catt

Terms of Reference

To assist Council develop the five (5) year proposed schedule of works

To liaise with the Tennis Associations regarding the development of tennis infrastructure

Membership:

Cr Catt – Chairperson

Cr Jolley

Cr Patterson

Chief Executive Officer

Manager Community Infrastructure

Two Port Lincoln Tennis Association Representation

Two Ravensdale Tennis Association Representation

Other stakeholders relevant to capital works projects



Delegates & Representatives

Civic Hall Management Board	Cr Davis
Eyre Peninsula Local Government Association	Mayor Green, CEO
Eyre Peninsula Old Folks Home	Cr Jolley
Health Advisory Committee	Cr Papazoglov
LGA State Executive & SAROC Committees	Mayor Green
Local Government Association of SA	Mayor Green
Low Eyre Pest Management Group	Cr Hartley
Lower Eyre Peninsula Bushfire Management Committee	CEO
Lower Eyre Road Safety Committee	Councillors' Bascombe and Starke
Port Lincoln Aboriginal Forum	Mayor Green, Cr Rogers
Port Lincoln Chamber of Commerce & Tourism	Cr Catt
Port Lincoln Risk Assessment Panel	CEO, Manager Corporate Services
Provincial Cities Association	Mayor Green, Cr Starke & CEO
Ravendale Community Sports Centre Board	Councillors' Bascombe and Papazoglov
Regional Development Australia Board	Cr Catt
South Australian Local Government Finance Authority	Mayor Green
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, and the Chief Executive Officer. The Eyre Peninsula Local Government Association meets quarterly at various locations on the Eyre Peninsula and Council's Deputy Mayor and Chief Executive Officer attend these meetings. The Provincial Cities Association also meets quarterly and the Mayor, Deputy Mayor and Chief Executive Officer attend meetings. Mayor Bruce Green is the Spencer Gulf Cities Zone representative on the State Executive and South Australian Regional Organisation of Councils. These Committees meet every two months in Adelaide or in a regional location.

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

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

A total of 22 Ordinary Council Meetings were held in 2010 - 2011 with no Special Council Meetings being held.

A total of 4 meetings were held In-Committee with the public excluded and as at the 30th June 2011, the Minutes continued with the order to be held as confidential under Section 91(7) of the Local Government Act 1999.

Allowances

Elected Members Allowances

Part 5 of Chapter 5 of the Local Government Act, 1999 sets out the requirements for the setting of allowances and benefits for Elected Members. Prior to December 2010 each Council set its own elected member allowance.

	July 2010 to Nov
Ordinary Council	Pro-rata
Mayor	\$27,000 pa
Deputy Mayor	\$10,000 pa
Elected Members	\$7,000 pa

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

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

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

	December 2010 onwards
Ordinary Council (Group 3)	Pro-rata
Mayor (Bruce Green)	\$45,200 pa
Deputy Mayor (Neville) & Presiding Members (Mick Bascombe, Malcolm Catt, Danny Bartlett)	\$14,125 pa
Elected Members	\$11,300 pa

Council Committee Allowances

The Chairperson and Independent Members of the Council Development Assessment Panel (CDAP) are remunerated per sitting, as is the independent member of the Financial Management Committee (formerly 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.

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

CDAP	
Chairperson (Independent)	\$200 per sitting
Independent Members	\$120 per sitting
Financial Management Committee (formerly Corp Gov Committee)	
Independent Member	\$200 per sitting

Representational Quota

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

The representation arrangements are as follows:

- One Mayor
- 10 Councillors
(at large representation)



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

Delegations

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

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

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

Comparative Data

Average representation quota data for Councils of comparable size and type (*derived from information provided by the Electoral Commission of SA current as at 28/02/2011*)

	No of	Total	Represent.
PORT LINCOLN	9819	11	892
COOBER PEDY	1180	9	131
MOUNT BARKER	20519	11	1865
MOUNT GAMBIER	18003	11	1636
PORT AUGUSTA	9237	10	923
WHYALLA	14580	10	1458

Decision Making Structure of Council

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

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

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

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

Community Engagement

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

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

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

Code of Conduct

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

Chapter 5, Part 4, Section 63

Policy 9.63.3 Code of Conduct – Council Members

Chapter 6, Part 5, Section 92

Policy 18.63.1 Code of Practice – Access to Meetings and Documents

Reg 7 18.63.2 Code of Practice at Council and Committee Meetings

Chapter 7, Part 4, Section 110

Policy 18.63.2 Code of Conduct – Staff

Policies

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

A full list of Council policies is available on Councils website

Local Government (Elections) Act 1999

Part 14 Campaign Donations Returns as prepared by Candidates

Council Management Manual

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

Council Publications

Access to Publications

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

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



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

Freedom of Information

Freedom of Information Statement

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

The City of Port Lincoln

"Freedom of Information Statement"

is available on Council's website and is adopted annually as required.



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

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

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

Freedom of Information Forms are available at the Council Offices and Request Forms should be addressed to:

City of Port Lincoln
PO Box 1787
PORT LINCOLN 5606

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

Applications Received

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

1. Mr H Hukin

Amendment to Council Records

A member of the public may gain access to Council documents to make amendments concerning their personal affairs by making a request under the Local Government Act. A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

To gain access to these Council records, a member of the public must enquire in the first instance to the Chief Executive Officer. It may be necessary to complete a Freedom of Information Request Form as indicated above outlining the records that he/she wishes to inspect.

National Competition Policy

Under the requirements LGA Schedule 4 1(j) and the National Competition Policy and the requirement to report

on its application to Council Business, it is reported that for the financial year there were no significant business activities created, undertaken or ceased. There were no complaints received by Council in its application of competitive neutrality in its business dealings.

By-Laws

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

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

The By-laws were gazetted on the 1st May 2003 and expired in January 2011. The certified copies are held in a register (15.13.1.1) as per the Local Government Act 1999 Chapter 12, Part 1, Section 252. Copies of Councils By-laws are available by request, or on the website.

By-Law Review

Pursuant to Local Government Act 1999, Section 251 Council has undertaken a review of By-laws for the City. Wallmans Lawyers were engaged to prepare the appropriate documentation on Councils behalf and liaise with the Minister for Transport (Local Government Land By-law BYLAW42011) and the Dog and Cat Management Board (Dogs By-law BYLAW52011).

Two submissions were received following public consultation in accordance with policy 2.63.1, in support of the content of the By-laws as presented. The comments received were for Council to consider:

- BYLAW32011 consider speed limits (subsequently for public consultation)
- BYLAW42011 extend areas to prohibit smoking to include areas associated with children's playgrounds (BBQ's)
- BYLAW52011 additional dog disposal bags dispensers

Wallmans reviewed the comments and By-law documents in accordance with section 247(c) of the Local Government Act 1999 in relation to restriction of competition, and the benefits to the community flowing from the restrictions, and provided the required "national competition policy" report, and the Certificates of Validity and By-laws as required under the Act.

Council considered the content of the reports, and made recommendation to adopt the By-laws as drafted. All legislative requirements were met: copies to the Legislative Review Committee publish in the Government Gazette and the local paper and available for inspection at the Council office.

Some new provisions of the By-laws will require Council to determine by resolution the areas to which those provisions will apply. For example, By-law No. 4 Motorhome camping 9.11.3, Smoking 10.11.3 and By-Law No. 5 dog exercise and on-leash areas.

The By-laws will commence operation four months from the date they are published in the Gazette, being October 2011.

Management and Staffing

Executive Officers

Chief Executive Officer

Geoff P Dodd, Assoc Dip Acct

Director of Corporate & Community Services

Katrina Allen, Cert IV HR & Fin Serv

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

The Director of Corporate & Community Services, Katrina Allen, has completed the fourth 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.

Senior Management Team

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

Chief Executive Officer

Geoff Dodd

Manager Development & Environmental Services

Bob Milic

Director Corporate & Community Services

Katrina Allen

Manager Corporate Services

Jo Calliss

Manager Operations

Craig Matena

Community Liaison Officer

Janet Grocke

Manager Community Infrastructure

Nigel Melzner

Equal Employment Opportunities

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

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

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



Training & Development Policies



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

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

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

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

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

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

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

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



Community Land Management Plans

As per the Local Government Act 1999, Chapter 11 and Schedule 4 2(e), Council recognises the requirement and need for management plans of its Community and Operational land. Management plans for Community land have been implemented 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 has established a  tab on its website – here there are the required application forms and information in relation to occasional hire, short and long term leasing of Council facilities and parks and reserves.

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

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

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

Council Services

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

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



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

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

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



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



Auditor Independence

Local Government Act 1999, Section 128(9)

The five year term with Dean Newbery & Partners expired at 30th June 2010 and tenders were called as per Section 128(4a) to provide audit services to Council for the next five year term. Following assessment of the tender documentation received, Dean Newbery & Partners were awarded the contract, with the new head Auditor to be Jim Keogh.

Dean Newbery & Partners, have performed audits of Council's internal financial controls and the presentation of financial reports as required for the 2010-2011 financial year (refer Appendix A).

The Local Government (Financial Management) Regulations 2011 have changed the certification process since the previous financial year and Annual Report. Regulation 14 now requires the Chief Executive Officer and Mayor to sign a statement certifying that:

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

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



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

Pursuant to the Local Government Act 1999, Section 128(9) and Schedule 4, the remuneration payable for the annual audit of Council's financial statements and interim audit report for the 2010/11 financial year was \$15,050, being \$12,300 for audit services and \$2,750 for travel expenses.

Internal Review of Council Actions

Local Government Act 1999, Section 270(8)

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

Integrated Strategic Management Planning

The Key Objectives and Actions detailed in the Strategic Plan 2007-2017 (reviewed in October 2009) 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 reviewed and 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”**



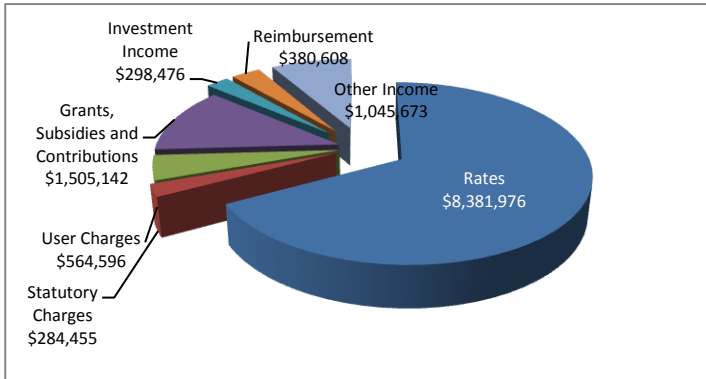
Financial Management

Jo Calliss – Manager Corporate Services

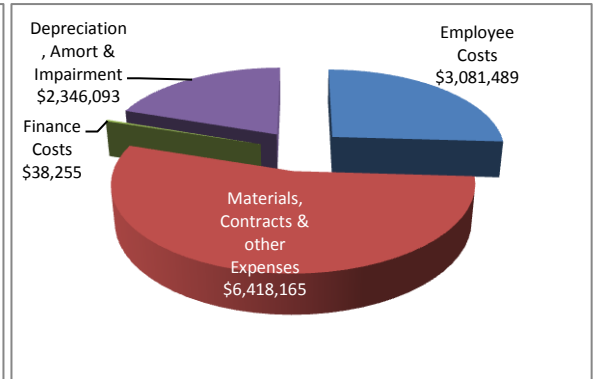
Financial performance 2010-2011

Council returned a net surplus of \$1,433,580 for the 2010-2011 financial year. A full audited copy of the General Purpose Financial Reports, pursuant to the Local Government Act, 1999, Section 131, is included as Appendix A. In summary:

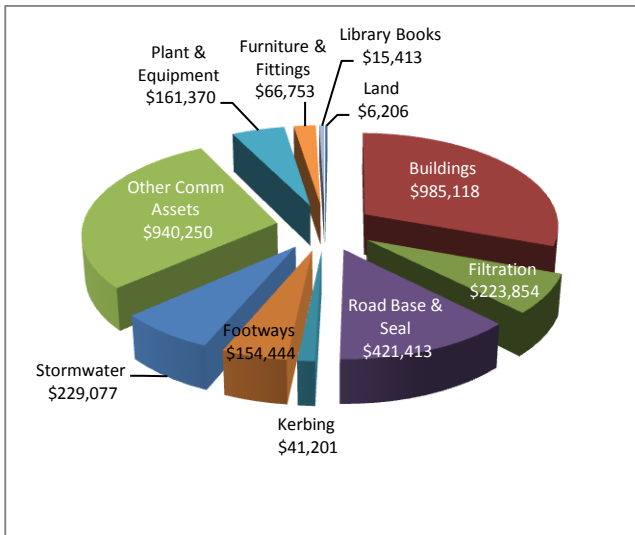
Operating Income



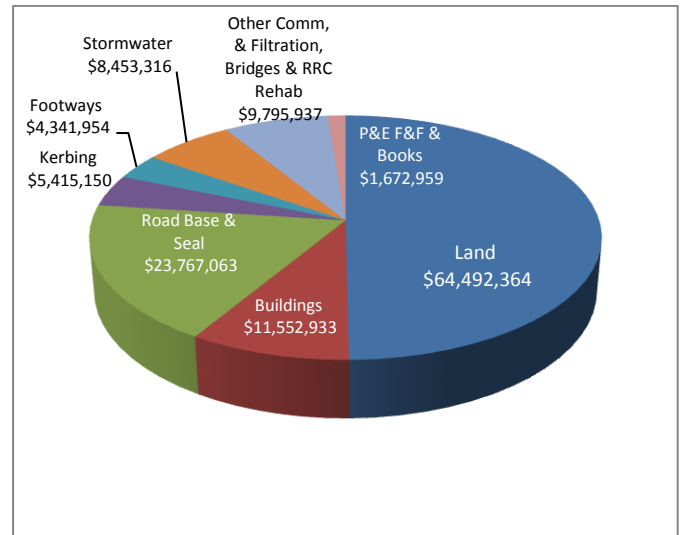
Operation Expenses



Capital Expenditure



Fixed Assets



2011-2012 Budget

In preparing its 2011-2012 budget, Council's objectives were:

- To adopt a balanced operating budget;
- To continue to provide, and improve upon, Council assets;
- To maintain restraint on recurrent expenditure;
- To fund all operating expenditure from operational revenue;
- To maintain Council's policy of fully funding employee leave liabilities;
- To align budget objectives with the 2007–2017 Strategic Plan, (as reviewed in 2009); and
- To maintain general rate revenue to within 4% above 2009/2010 rate revenue, excluding new assessments created in the past year.

In accordance with Section 123(7)(a)(b) and (8) of the Local Government Act 1999, the City of Port Lincoln Annual Budget was adopted 20th June 2011. The budgeted statement of comprehensive income for 2011-2012 is as follows:

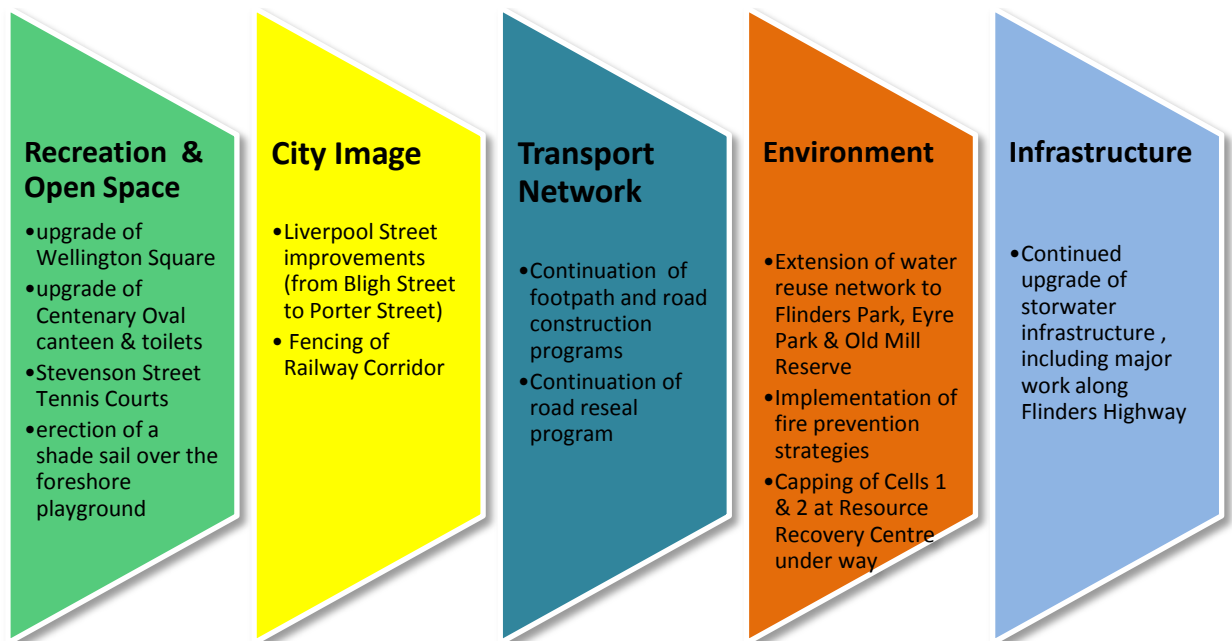
Operating Income	\$'000	\$'000
Rates	\$9,720	
Statutory Charges	\$276	
User Charges	\$658	
Grants, Subsidies & Contributions	\$1,148	
Investment Income	\$198	
Reimbursements	\$254	
Other Income	\$1,140	
Total Income		\$13,394
Operating Expenses		
Employee Costs	\$2,952	
Materials, Contracts & Other Expenses	\$7,852	
Finance Costs	\$34	
Depreciation, Amortisation & Impairment	\$2,349	
Total Expenses		\$13,187
Operating Surplus/(Deficit)		\$207
Add Capital Revenues (Grants & Contributions)		\$435
Net Surplus/(Deficit)		\$642

Council's waste management expenses are budgeted at approximately \$2.8 million, (excluding depreciation and capital work but including levies payable to government,) which is approximately 21% of total operating expenses for the year. Council raised a \$175 Waste and Recycling Service Charge on all properties where the waste and recycling collection service is available to assist in the recovery of additional costs relating to waste treatment and transport. Furthermore, fees at the Hassell Road Resource Recovery Centre were increased, on average, by 25%.

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.

2010-2011 Annual Business Plan

Council substantially completed its objectives for the 2010/2011 financial year, including:



2011-2012 Annual Business Plan

A number of significant factors have influenced the preparation of the City of Port Lincoln Annual Business Plan 2011-2012. These include:

- ✚ Cost increases - Consumer Price Index (CPI) 2.7% and Local Government Index (LGI) 3.4% year ended 31st December 2010
- ✚ A requirement to maintain & improve Council's assets
- ✚ Waste disposal and recycling costs
- ✚ The needs of a growing population
- ✚ Increasing fees & charges imposed by other levels of government eg. EPA, DENR
- ✚ Impact of natural disasters in Queensland & Victoria on availability of federal grant funds
- ✚ Financial sustainability principles
- ✚ Compliance with more rigorous regulatory and reporting requirements.

Council's priorities for 2011-2012 include:

Recreation and Open Space

- **Centenary Oval** changerooms
- **Wellington Square** landscaping and car park
- **Parkalla Trail** Seal from Oasis to Axel Stenross
- **Stevenson St Tennis** facility upgrades
- **Shelley Beach** toilets & shade structure

City Image

- **CBD enhancements** to Liverpool St & Washington St

Transport Network

- Footpath and Road programs
- Reseal carparks - **North Quay Blvd & Beers carpark**

Environment

- **Resource Recovery Centre** - transfer station, gas extraction & liquid waste remediation & complete Cell 1 & 2 capping
- Commissioning water reuse - **Flinders Park, Eyre Park & Centenary Oval**

Infrastructure

- **Stormwater** upgrades - New West Rd
- Sapphire Waters stormwater contribution

Economic Development

- Contribution to **Visitor Information Centre**
- Promotion of events to attract visitors to the City

For further information, please refer to the Annual Business Plan 2011-2012 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 2011-2012.

Financial Controls

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

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

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

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

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



Loan borrowings

As at 30th June 2011, City of Port Lincoln has a liability of \$543,625 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 provide value for money in service delivery to the ratepayers of the City of Port Lincoln through the adoption and utilisation of purchasing and procurement Policies.

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

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

Provision of Services Contracts & Agreements

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

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



**BUY
LOCAL.**

Buy Local Policy

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

WORK TEAM REPORTS

CORPORATE & COMMUNITY SERVICES

Katrina Allen – Director Corporate & Community Services

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

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

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

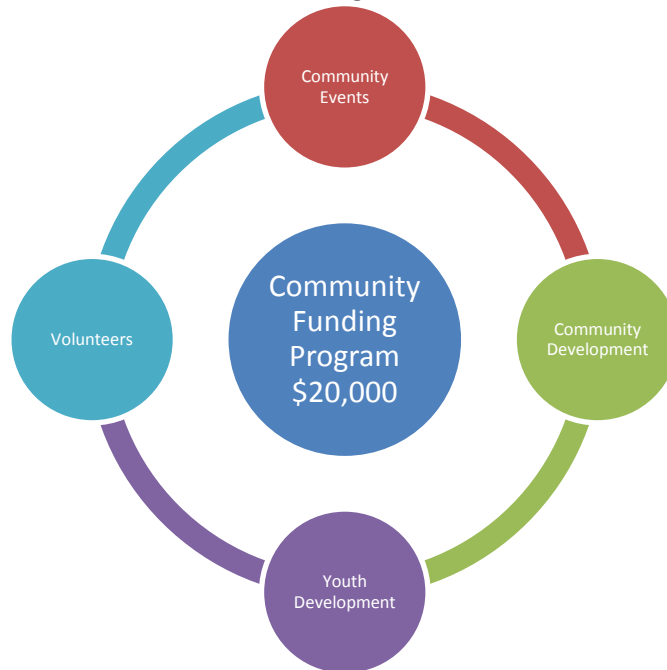
Review of procedures across the organisation have continued, to enable us to meet the requirements of the State Records Act. All staff have contributed with updating and standardising templates and council corporate documents and forms.



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

Community Funding Program

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



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

Council was pleased to be able to distribute over \$20,000 to a number of very worthy community groups and individuals. Approximately \$4,500 was distributed to youth to assist with costs incurred as a result of their selection in state or national sporting teams while some of the larger group recipients included:

Bedford Group Inc	Big BBQ	\$500
EP Farmers & Fishermens Market	2011 Farmers Market	\$1000
Eyre Futures/Port Lincoln High school	Develop incorporates consortium 'Mentoring EP	\$500
Eyre Peninsula Railway Preservation Society	Install access gates	\$1000
Parks and Reserves Port Lincoln	National Tree Day Expo	\$2000
Port Lincoln Aboriginal Health	National Sorry Day	\$1000
Port Lincoln Cricket Association	Purchase new Cricket Mat	\$1000
Port Lincoln Golf Club	Multi Tee Block Rotunda	\$1000
Port Lincoln Thai Community	Dancers for Loy Krathong Thai Festival	\$1000
Port Lincoln Youth Parliament Team	Send Port Lincoln Team to Adelaide	\$1000
Tacoma Preservation Society	Tacoma Public Access Gangway	\$1000
TS Flinders Australian Navy Cadets	Training Camp – HMAS Cereberus	\$500
West Coast Homecare	Printing Multi Language Brochure	\$500
Zonta Club of Port Lincoln	2011 Zonta Long Lunch	\$2000

Risk Management

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

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



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



Projects & Grants

Janet Grocke – Community Liaison Officer

Funding

Council was successful in gaining both State and Federal funding for the City's water reuse project. The *Regional Development Infrastructure Fund*, a State program, granted \$213,600 in funding and \$500,000 was secured from the Federal Government's *Cities and Towns Water Security* program. These funds have allowed for the current network to be significantly extended taking in the foreshore, Centenary Oval, Flinders, Eyre and Old Mill reserves. The schools have also been given the capability to utilise the reuse water should they choose to.

Under the *Natural Disaster Resilience program*, Council was fortunate to receive over \$150,000 in funding for bushfire mitigation activities. This was the second highest amount awarded in the State. Subsequently a further \$56,000 has been granted with the emphasis of the funding to create fire breaks etc that can easily be maintained into the future.

Planning SA, who administers the *Regional Open Spaces Enhancement Scheme (ROSES)* and the *Places for People* funding, visited Port Lincoln to inspect several proposed projects that Council would need to secure funding for. They inspected and assessed the Linear Park Trail, extension of the Parnkalla Trail to Axel Stenross Maritime Museum and Wellington Square Regional Park. It is expected that funding maybe available in the coming financial year.



Kirton Point Jetty was upgraded with the help of a \$40,000 grant from the SA *Tourism Development Fund* and a private partnership with the *Sarin Group*.

Council has received funding in the 3 rounds of the Federal Government's *Stimulus Package*. Projects funded were the replacement of the balcony seating in the **Nautilus Theatre**, fencing of the **Wellington Square** regional park and the bituminising of a section of the **Parnkalla Trail**.



Special Projects

The City of Port Lincoln became part of the **LGASA Solar Councils Community Program** and facilitated two rounds of information sessions for both the residential and commercial sectors. As at the 30th June 2011 the total number of councils in the program was 37 with a total of 5.69 mega watts of solar installed in these councils since they joined. In regards to Port Lincoln, 165 systems have been installed which equates to 494 kW installed (nearly half a mega watt)!. The program has been renewed for another year utilizing Zen Home Energy Systems.

Regular '**Liquor Licensing Accord**' meetings are hosted by the Port Lincoln Police and attended by the Community Planning Officer.



These meetings look at crime prevention initiatives in relation to licensed premises and assists with the continuation of the City's Dry Zone. After community consultation and Council ratification, a submission was presented to the Attorney General's Department for ministerial approval for the continuation of the City's Conditional Dry Area for another 3 years.

This was approved and will need to be submitted in December 2013.

The **Skate Park mural** has been repainted with over 200 people involved in the design and subsequent painting of this modern and colourful mural and facilitated by local artist Jenny Silver. The official unveiling was held in conjunction with a very successful skate board and bike competition and supported by West Coast Youth Services, Baptist Care SA, Community Health and SAPOL.



Council has supported the Community Night Bus to run again over the busy holiday season. The Community Night Bus takes people home and out of the CBD once a hotel start to close and has seen a dramatic lowering of crime such as assault. The service is managed by Port Lincoln Taxis and is financially supported by all the local hotels.

Special Events

- His Excellency Rear Admiral Kevin Scarce AC CSC RANR, Governor of South Australia and Mrs Liz Scarce visited Port Lincoln and surrounds in late March 2010. They spent 3.5 days in the region with their visit having a volunteer and community focus.
- Assistance was given to the 2010 NAIDOC and Sorry Day activities.
- Under 18 Girls National Hockey Competition was held at the Ravendale Sporting Complex with several hundred players, parents and support staff being involved over the two week event.
- Several cruise ships visited Port Lincoln during this season. They included the return of the Athena and two new cruise ships, the Orion and the Silver Shadow making their inaugural visits. Council will be providing funding each season for the arrival activities which take place when each cruise ship docks.
- Council staff have participated in several charity 'special days' which, apart from raising money for charity, provides a common focus for all the staff departments and is fun. Hairlarious Day, Big Morning Tea and Jeans for Genes Day are just some of the 'special days' Council staff have participated in.

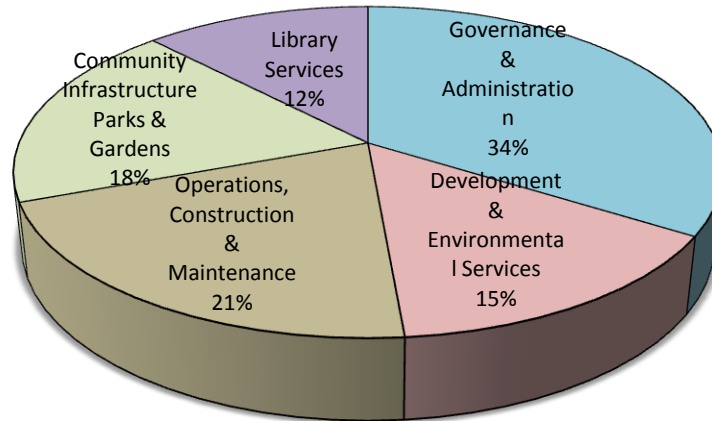
Human Resource Management

Lynne Jolley – Senior Corporate Services Officer

Council had 47 employees as at 30th June 2011 consisting of 36 full time staff and 11 part time staff. The total number of hours of equated to the Full Time Equivalent (FTE) of 43.4. The distribution of employees across the organisation was as follows:

DEPARTMENT	Actual No of Employees	Total FTE
Governance & Administration	16	14.7
Development & Environmental Services	7	6.4
Operations, Construction & Maintenance	9	9
Community Infrastructure Parks & Gardens	8	8
Library Services	7	5.3
TOTALS	47	43.4

Employees as a percentage of total FTE



Enterprise Bargaining Agreement

Council is one year into the 3 year Enterprise Bargaining Agreement 2010-2013 which was negotiated last year and commenced on 1st July 2010. This agreement encompasses all staff and has enabled a more streamlined and uniformed approach to Human Resource Management.

Occupational Health Safety & Welfare

Council is committed to providing employees with a safe work environment and the skills to perform their work without harming themselves or others. Council is continuing to roll out the Local Government Association's "One System" policies and supporting procedures and by following the Risk Management Action Plan, Council is striving for continual improvement and compliance in the area of Occupational Health, Safety & Welfare and Risk Management.

Training and Development

Council is committed to ensuring all employees possess or attain the necessary qualifications, skills knowledge and experience to carry out their roles. To assist in achieving this, training and up-skilling of staff continues to be the focus of their personal and professional development. Staff from across all areas of Council have attended at least one training session, workshop or seminar from the 72 different training courses accessed over the last 12 months totalling 135 individual training sessions, workshops or seminars.

Work Experience

Council has also supported students wishing to undertake appropriate work experience with Council and ensures the correct application process has been followed and an induction is completed before allowing them to commence any duties with Council. Over the last 12 months Council has taken 15 students from various programs within the community.

Volunteers

Council recognises the vital role that volunteers play in our community and the need to ensure their safety whilst performing their volunteer duties. Council's volunteer registration and induction process will undergo a review in the coming year with a new part time role of Community Support Officer being introduced. A simplified process for engagement of incorporated groups has developed under a memorandum of understanding for specific projects on community land. Council will work with Volunteering SA-NT and the LGA to offer new and rewarding volunteering opportunities in the Port Lincoln Community.



Council will hold a 'Volunteer Thank You' event in late 2011 as part of the International Year of Volunteers

Be Active Project

Mark Fisher – EP Field Officer

The City of Port Lincoln is hosting the two year *be active* project for the Office for Recreation and Sport and three District Councils (the first year of a 2 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

Assisted the following organizations with Grant Applications

- Boston Football Club- Facilities
- Port Lincoln Basketball Association- Equipment
- Wayback Football Club- Facilities
- Port Lincoln Bowling Club- Facilities
- Port Lincoln Gymnastics Club- Equipment
- Port Lincoln Football League/City of Port Lincoln- Facilities
- Port Lincoln Football League Umpires Association- Equipment
- Port Lincoln Table Tennis Association- Facilities
- Port Lincoln Tennis Association- Facilities
- Marble Range Football Club- Equipment



Coordinated 2 Grant Review Seminars in Port Lincoln for the Office for Recreation and Sport. Assisted the Port Lincoln Anglers Club with constitution upgrades

Promotion & Events

- Regular segment on ABC West Coast radio- Well Beings
- EP be active website "beactiveoneyre.com.au"- regular updates
- Be active marquee loaned to Port Lincoln Gymnastics Club, Skate Park mural launch

Assisted the Active After-schools Program stage two Play for Life Expos:

Summer at Port Lincoln Primary School involving Soccer, Little Athletics, Tennis, Basketball, Gymnastics and Hockey

Winter at Ravendale involving Gymnastics, Touch, Hockey and Soccer

Conducted/Coordinated the following Workshops

- Coles Netball Club- Strategic Planning
- Child Safe Awareness
- Child Safe Officers
- Ravendale Users gate fee - Chaired meetings



Government of South Australia
Office for Recreation and Sport



Regular contact/update meetings with

- Rebecca Hayman- Active After-schools Program Regional Coordinator
- Jack Johncock- Indigenous Sport Development Officer
- Ben Walters- SACA Cricket Development Officer North West Region
- Andrew Taheny- SANFL Development Coordinator EP & Roxby Downs
- Anne-Marie Handke- Senior Community Tennis Officer Northern Region Tennis SA
- Tim Wyld- State Operations Manager Touch SA

Education

- Weekly mentoring at the Port Lincoln High School
- Assisted with a joint project between Tennis SA and Navigators College to implement the Tennis Hot Shots program
- Assisted the ACHPER (SA) Eat Well *be active* project in primary schools initiative. In-service and workshops provided to participating schools one week each term
- Assisted SACA stage the Lower Eyre peninsula Super 8's Carnival at Ravendale during PE Week
- Assisted coordinate the Lower Eyre Peninsula Schools Touch tournament at Ravendale
- Eyre peninsula Sports Academy- assisted with local workshops, the Adelaide Camp and planning meetings

Health

- Regular meetings with Anna Angus Healthy Weight Coordinator Port Lincoln Health Services
- Healthy Family Healthy Future Day at Mallee Park- provided display and resources for the day

Local Government

- Managed the Port Lincoln Sportsperson of the Year Award
- Managed the licence applications/bookings of Ravendale turf facilities
- Conducted a President's Forum at Ravendale to assist with communication between the City Council and local sports
- Secured funding to sign the Parnkalla Trail with *be active* bollards every kilometre



Library

Louise Mrdjen - : Library Manager

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

Statistics

The library has 7,234 registered patrons, with 90,751 visits through the doors. Patrons have access to 34,647 items with loans for 2010-2011 being:

Adult Fiction	40,876
Adult Non-Fiction	20,846
Adult Large Print	16,135
Children & Young Adult	30,941
TAFE resources	3,935
Other – Magazines, Disc etc	36,403
Computer Bookings	10,567
Total transactions for the	159,703

Displays & Events

A range of opportunities drew community participation including:

- Library Lovers' Day and the Splash Theatre Company presentation
- SA History Week - It's About Time Festival, including guest speakers Judy Pearce, Sally Perry and Daphne Freeman.
- Book Week – One World, Many Stories
- Threatened Species Week with DENR
- Nick Mitsevich, Director of the Art Gallery of South Australia
- Community groups including Probus & Matthew Flinders Day Centre
- Pre-school and School groups
- A day in the life of Port Lincoln: a photographic exhibition by St Joseph's School Year 12 students

Services & Resources

Printed and audio visual resources

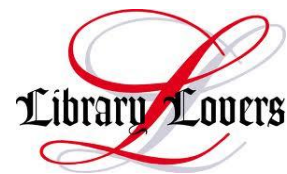
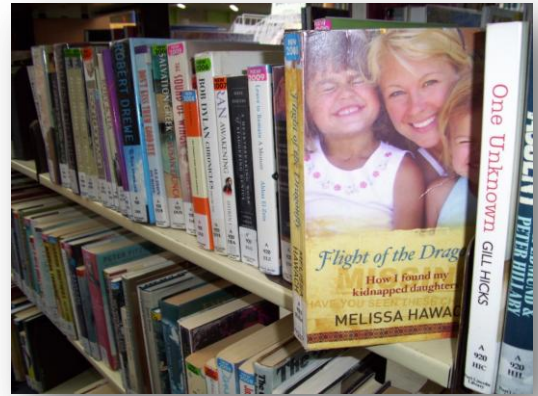
Readers advisory

Sourcing reference materials and interlibrary loans

Children's services including: story time sessions for preschoolers, holiday activities, school visits, resources for children and families, The Little Big Book Club packs

Home delivery service

free computer access including Internet and wireless facilities



- Country Arts SA & MIFSA
- Linkin Health Survey
- local artists display
- the Fred Hollows library exhibition
- Port Lincoln Model Aerosport Club
- History SA Voice of the People Travelling Exhibition
- Port Lincoln Community Health Services
- SCINEMA Festival of Science Film.

free online access to digital media including magazines and newspapers (in over 48 languages) and a range of up to date reference resources

online catalogue and 24 hour resources via the Library webpage on the Council website enables browsing, researching and reserving items online

local & family history

hosted visits for school and community groups

Public LIBRARIES SA

State and local government working together for all South Australians...

Today's libraries are amazing places

Support

The Port Lincoln Library is grateful for a sense of connection across the community, linking with a broad range of service groups, organizations, agencies and individuals to strengthen and extend the library service. Gratitude goes to:



- stakeholders – City of Port Lincoln, TAFE SA, Public Library Services
- library volunteers



- Port Lincoln Health Advisory Council (PLHAC) – we bid farewell to Winston and welcomed Matilda!
- Port Lincoln Rotary Club for providing a coffee machine in the library and their great support at Library Lovers Day celebrations.

- Funding through the LGA increasing accessibility library initiative with the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA), the Australian Library and Information Association (ALIA) and Public Library Services for provision of audio devices for those with vision, physical or learning impairment to enjoy listening to books. The library has partnered with Vision Australia and Audio-Read Australia to support this service.
- The Port Lincoln Times for providing the newspaper in digital format, for download onto audio devices, in association with the Royal Society for the Blind.
- Port Lincoln Lions Club - The Port Lincoln Library was the first in the state to receive funding through Lions SA in association with SPELD SA and Public Library Services for a range of phonic books.



CIVIL WORKS & CONSTRUCTION

Craig Matena – Operations Manager

The 2010/2011 financial year program proved to be another eventful year for the Operations Department. The continuation of Council's 10-year strategic plan with the ongoing commitment for road and footpath construction programs within the City is being implemented.

Road Works

The road works carried out in the 2010/2011 financial year include the kerbing and widening of the right side of Bernard Place from Happy Valley Road to Hall Street and kerbing and widening the right side of Pine Freezers Road north of the rail line.

Footpaths

Council's footpath program included the resurfacing of footpaths in Park Terrace, Hallett Place and New West Road with hot mix and new concrete paths in Mason Street and Normandy Place.

Reseals

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

Reseals were undertaken in Oxford Terrace, St. Andrews Drive, Pearson Avenue, Proper Bay Road, Tennant Street, Trigg Street, Banksia Crescent, Koonella Street, Trafalger Street, Newton Street, Finke Street, Homely Place, Picardy Place, Marine Avenue, Holburn Street and Willison Street.

Car Parks

Resurfacing of the Council car park in Napoleon Street was undertaken.

Rail Corridor Fence

A section of existing fencing along the rail corridor in Mortlock Terrace was upgraded.

PLEC (Power Line Environment Committee)

The PLEC Program project managed by ETSA Utilities is funded with two-thirds of the cost borne by ETSA and one-third by Council. PLEC was set up to enable Councils to apply for funding to

underground the overhead power lines within the City's CBD. The most recent project undertaken was the section of Liverpool Street from Bligh Street to Porter Street.

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

Drainage

Installation of pipe work from Flinders Highway to Happy Valley Road through adjoining properties to discharge into the Happy Valley Gully was completed and minor upgrades were made to the system in Kurara Road including additional side entry pits and associated pipe work.

Upgrade work was undertaken to the Axel Stenross open drain which included the installation of a larger pipe to cope with substantial rainfall events to protect the museum property.

Additional side entry pits were installed in McDonald Avenue.

Pipe work was installed through a property in Spilsby Court to allow flows from adjoining properties to be discharged at a single point to protect neighboring properties.

Resource Recovery Centre

The capping of Cell 1 & 2 involved placing the 'growing medium' to the required depth to allow for the placement of top soil in readiness for revegetation of the area. The extension of the clay lining of the walls of Cell 4 was undertaken to allow for a greater capacity of material to be disposed to landfill.



COMMUNITY INFRASTRUCTURE

Nigel Melzner – Manager Community Infrastructure

The following is a summary of community infrastructure projects that were completed in the 2010/11 financial year. Many of them were key performance outcomes from Councils 2007-17 Strategic Plan.

Recreation And Open Space

Wellington Square Upgrade

The first stage of works began at Wellington Square to upgrade the reserve from Neighborhood to Regional Park status. This included construction of a 'central hub' with new retaining wall, Shelter, BBQ, picnic settings and park furniture.

Foreshore Playground

A shade structure was erected over the top of the Tasman Terrace foreshore playground and the perimeter fence was completed making the playground a lot safer to use.

Parnkalla Trail

In line with Councils Parnkalla Trail Strategy, the first section of the trail from Councils northern boundary to the Oasis was bitumen sealed making the trail safer for all users. This work included the construction of rock retaining walls, a recycled plastic bridge and new signage. It should be noted that even though this section of the trail is now sealed, because of site restrictions it still does not comply with the minimum standard for a shared use trail. A bike lane on the edge of the Lincoln Highway runs parallel to this section of the Parnkalla Trail.



Multi Use Trails

Concept plans were developed for two more multi use trails. One was for an extension of the foreshore section of the Parnkalla Trail from the Lincoln Hotel to the Axel Stenross Museum and boat ramp, and the other was for a linear trail running along the under utilised drainage reserve that extends from Springfield Drive down to the Train Playground. Both these concepts present exciting opportunities for Council in the future to promote healthy lifestyles in the community.



Centenary Oval Upgrades

One of Councils key performance outcomes in the Strategic Plan is to provide improved facilities for regional sport. The rebuilding of the Centenary Oval toilet block and the renovation of the bar/canteen building has achieved this goal with great success. Community volunteers gave generously to this project ensuring that maximum results were achieved with the available funds. The result is that Centenary Oval now has modern up to date facilities that can cater for both local and regional sporting events.

Stevenson Street tennis complex

The renovation of the old netball facility on Stevenson Street into an eight court international standard tennis complex has been another great boost for local and regional sporting facilities, and is the first step in Councils 5 year strategy for the improvement of tennis facilities in Port Lincoln. These extra eight courts will allow the sport of tennis to expand its numbers and also to host regional and state tournaments.



BMX Track

The local BMX track had been neglected for some years and no longer catered for the needs of today's youth. In consultation with local riders the facility was converted from a race track only to scaled down racing track and a freestyle jumping area. The addition of the freestyle jumping area has increased usage of the facility and given the youth involved a sense of ownership and pride in the facility.

The Environment

Water Reuse

The recycled water pipe line was extended this year from Centenary Oval to Flinders Park. By doing this Council has achieved its performance outcome of 'extending the recycled waste water scheme to the CBD and foreshore by 2012'. A 190KL on site storage tank and pumping infrastructure was installed at the rear of Flinders Park which when commissioned will enable Eyre Park, Flinders Park and the Old Mill lawns to all be irrigated with treated waste water.

An extension of the main line was also installed from the North Point tank to the Laguna Reserve lawns. Pending Department of Health approval this will enable another significant Council reserve to be irrigated using the recycled water.

Bushfire Prevention

The addition of State and federal funding for bushfire mitigation works saw much progress made in relation to Councils bushfire prevention program and many actions completed from the Greater City of Port Lincoln Bushfire Prevention program. Key outcomes included fuel reduction work and woody weed removal in Pioneer Park, Puckridge Park and Cemetery Reserve, new fire access tracks in Pioneer Park, improved fire access tracks off Robertson road and Averis road and vegetation clearance along the perimeters of the Sarah Crescent and Duncan Avenue drainage reserves.

Community Projects/Infrastructure

Kirton Point Jetty

The Port Lincoln Tourist Park jetty received a complete overhaul with the help of grant funding from the SA Tourism Development Fund and contributions from the Sarin Group. The jetty was in a bad state of disrepair and this project saw all timber components completely replaced and new guard railing installed.

Dump Point for Motorhomes

In recognition of the growing self contained motorhome and caravan market, a dump point for black water was installed on Windsor Avenue, providing travelers with a place to easily dispose of their waste water, rubbish and recycling as well as somewhere to top up with fresh water. This project was achieved with assistance from the Caravan and Motorhome Association of Australia.

Civic Hall Salt Damp

The first stage in rectifying the salt damp problems in the Civic hall was addressed with the limestone walls treated with the Tech-dry system. Follow up work in the 2011/12 financial year will be required to provide long term protection.

DEVELOPMENT & ENVIRONMENTAL SERVICES

Bob Milic – Manager Development & Environmental Services

Council has continued to feel the effects of the financial climate 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	2008/09	2009/10	2010/11
Number of Applications	296	194	272
Residential Value	\$21.0m	\$19.4m	\$18.01m
Commercial/Industrial Value	\$5.15m	\$3.79m	\$3.17m
Total	\$26.15m	\$23.3m	\$21.18m

The Better Development Plan (BDP) Development Plan Amendment (DPA) has been approved and Council is now undertaking the following DPA's that are in various stages;

- Industry, Commercial and Bulky Goods Retailing Zone
- Part Recreation (Golf Course) Zone, now titled Lincoln Cove Expansion
- Part of Deferred Development 2 Zone.
- Residential Zone

The City of Port Lincoln, District Council of Lower Eyre Peninsula together with assistance and guidance of the Department of Planning and Local Government will be undertaking the Greater Port Lincoln Structure Plan in the coming year.



Continued professional development remains an important requirement for staff in all fields to ensure the many ever changes are adhered to.

Council continues to assist Charitable Organisations by remitting development fees for development that are undertaken.

Public & Environmental Health

Ongoing management of the school based immunisation program remained one of Council's primary Public and Environmental Health functions. Students from Port Lincoln High School, Navigator College, St Josephs School and the Port Lincoln Special School were involved in the program. Eligible



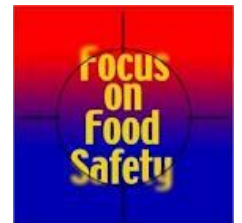
students in Year 8 and 9 were offered vaccine courses for Hepatitis B, Human papillomavirus, Chicken pox, Diphtheria, Tetanus and Pertussis.

Regulatory inspections conducted under the Food Act 2001 led to several food businesses being issued with warning letters and further enforcement action taken in some instances. Premises inspections were also undertaken following notification from the South Australian Communicable Diseases Control Branch of many confirmed food-borne illness cases.

Food safety training opportunities continue to be offered by Council.

A bi-monthly food safety newsletter is also distributed to food businesses.

Other properties/facilities inspected under the Public and Environmental Health Act include substandard properties, hairdressing and beauty salons, high risk manufactured water systems, public amenities, motel/hotel rooms, public pools, and properties containing or requiring onsite waste control systems.



Inspectorial

Animal Management

Council continues to provide an efficient service on animal management issues as required under the Dog & Cat Management Act 1995, this also includes an after hours service.

Registration of dogs in the 10/11 financial year were at 2738, however approximately 350 dogs registrations were still outstanding by comparison to the previous year.

Owners whom haven't renewed their dogs' registration by the due date, end of August each year can be charged a \$12.50 late fee, their dogs are also considered to be unregistered and may attract expiation \$80.00. Council continues to encourage "Responsible Pet Ownership" to the community via Council's newspaper inserts in the Port Lincoln Times.

Complaint regarding dogs wandering at large and dogs off lead whilst still in the presents of their owners particularly on the Parnkalla trail have been of some concern to residents that use the trail. Faeces from dog are the responsibility of the dog owners. Council encouraging dog owners to pick up after their dog and do the right thing ensuring a safe and healthy community.

Cat cage hires were lower on the previous year with 27 hires, hopefully an indication of responsibly pet ownership.

Parking

The 2011 CBD Parking Review was completed and has been adopted by Council. The number of responses received from the general public were low, however the Business Commerce Group took the time to meet with council staff to discuss current parking and additional parking areas of which some of their suggestions were considered.



Council recognised the need for council owned car parks in Napoleon St to have both timed and untimed areas to assist with turnover of traffic for local businesses.



There are fewer vehicles parked for sale on Council land and better compliance of vehicles not parking on formed footpaths or facing the wrong in all areas. The public are becoming more aware of the consistent level of policing being undertaken in addition the increased cost of fines.

Fire Prevention

The Fire Danger Season for the 2010/11 was quiet as there was consistent rainfall throughout the Summer months. Fire clean up notices issued pursuant Section 105F of the Fire & Emergency Services Act 2005 totalled 102 with all but 5 being acted on and Council engaging contractors to clean up those remaining properties, those 5 properties also received an expiation \$315.00 for non compliance.

Fuel loads for the start of the 2011/12 Fire Season looking to be extremely high from the previous wet Summer, all care should be taken to reduce fuel loads on properties and whilst using machinery to show diligence in not igniting a fire. The City Fire Prevention Officer has surveyed allotments paying close attention to allotments within the City on the fringe of the town limiting the potential of the spread of fire.

Landowners are encouraged to contact Councils Fire Prevention Officer for advice on what measures to take regarding fire prevention work around their properties. Council continue to work with members of the SA Country Fire Service and Metropolitan Fire Service authorities



South Australian
Metropolitan Fire Service



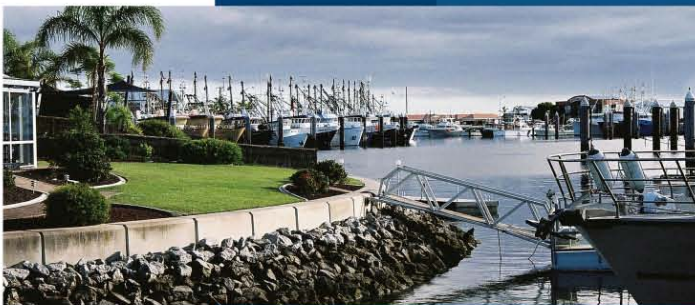


APPENDIX A

Audited General Purpose Financial Reports for the Year Ended 30th June 2011



City of Port Lincoln



GENERAL PURPOSE FINANCIAL REPORTS

**for the year ended
30 June 2011**

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CITY OF PORT LINCOLN

General Purpose Financial Reports
for the year ended 30 June 2011

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ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

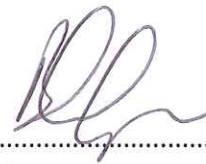
CERTIFICATION OF FINANCIAL STATEMENTS

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

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



.....
Geoff Dodd
CHIEF EXECUTIVE OFFICER



.....
Bruce Green
MAYOR

Date: 17th October 2011

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CITY OF PORT LINCOLN
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2011

	Notes	2011 \$	2010 \$
INCOME			
Rates	2	8,381,976	7,901,567
Statutory charges	2	284,455	317,603
User charges	2	564,596	529,127
Grants, subsidies and contributions	2	1,505,142	1,460,041
Investment income	2	298,476	200,669
Reimbursements	2	380,608	314,109
Other income	2	1,045,673	992,073
Total Income		<u>12,460,926</u>	<u>11,715,189</u>
EXPENSES			
Employee costs	3	3,081,489	2,937,597
Materials, contracts & other expenses	3, 19	6,418,165	6,394,082
Depreciation, amortisation & impairment	3	2,346,092	2,458,080
Finance costs	3	38,255	39,396
Total Expenses	19	<u>11,884,001</u>	<u>11,829,155</u>
OPERATING SURPLUS / (DEFICIT)	19	576,925	(113,966)
Asset disposal & fair value adjustments	4	43,575	(59,094)
Amounts received specifically for new or upgraded assets	2	523,600	242,087
Physical resources received free of charge	2	289,480	2,305,000
Operating result from discontinued operations	20	-	-
NET SURPLUS / (DEFICIT)		<u>-</u>	<u>-</u>
transferred to Equity Statement	19	1,433,580	2,374,027
Other Comprehensive Income		-	-
Total Other Comprehensive Income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	19	<u>1,433,580</u>	<u>2,374,027</u>

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

CITY OF PORT LINCOLN

BALANCE SHEET

as at 30 June 2011

ASSETS	Notes	2011 \$	2010 \$
Current Assets			
Cash and cash equivalents	5	4,583,414	4,514,588
Trade & other receivables	5	1,065,925	584,540
Inventories	5	-	20,000
Total Current Assets		<u>5,649,339</u>	<u>5,119,128</u>
Non-current Assets			
Financial Assets	6	39,379	57,036
Infrastructure, Property, Plant & Equipment	7	129,491,676	129,196,728
Other Non-current Assets	6	-	161,363
Total Non-current Assets		<u>129,531,055</u>	<u>129,415,127</u>
Total Assets		<u>135,180,394</u>	<u>134,534,255</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8, 19	1,755,750	1,947,603
Borrowings	8	43,084	40,441
Provisions	8	574,523	791,360
Total Current Liabilities		<u>2,373,357</u>	<u>2,779,404</u>
Non-current Liabilities			
Trade & Other Payables	8, 19	-	7,402
Borrowings	8	500,541	543,624
Provisions	8	534,097	865,006
Total Non-current Liabilities		<u>1,034,638</u>	<u>1,416,032</u>
Total Liabilities		<u>3,407,995</u>	<u>4,195,436</u>
NET ASSETS		<u>131,772,399</u>	<u>130,338,819</u>
EQUITY			
Accumulated Surplus		26,948,029	25,226,610
Asset Revaluation Reserves	9	104,325,476	104,325,476
Other Reserves	9	498,894	786,733
TOTAL EQUITY		<u>131,772,399</u>	<u>130,338,819</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 2011**

2011	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	Other Reserves \$	TOTAL EQUITY \$
Balance at end of previous reporting period		25,226,610	104,325,476	786,733	130,338,819
Adjustment to give effect to changed accounting policies					-
Restated opening balance		<u>25,226,610</u>	<u>104,325,476</u>	<u>786,733</u>	<u>130,338,819</u>
Net Surplus / (Deficit) for Year		1,433,580	-	-	1,433,580
Other Comprehensive Income					
Transfers between reserves		<u>287,839</u>	-	<u>(287,839)</u>	-
Balance at end of period		<u>26,948,029</u>	<u>104,325,476</u>	<u>498,894</u>	<u>131,772,399</u>
2010					
Balance at end of previous reporting period		22,917,232	104,325,476	722,084	127,964,792
Restated opening balance		<u>22,917,232</u>	<u>104,325,476</u>	<u>722,084</u>	<u>127,964,792</u>
Net Surplus / (Deficit) for Year	19	2,374,027	-	-	2,374,027
Other Comprehensive Income					
Transfers between reserves		<u>(64,649)</u>	-	<u>64,649</u>	-
Balance at end of period		<u>25,226,610</u>	<u>104,325,476</u>	<u>786,733</u>	<u>130,338,819</u>

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 2011

	Notes	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		11,717,552	11,912,991
Investment receipts		207,836	200,669
<u>Payments</u>			
Operating payments to suppliers & employees	19	(10,214,773)	(8,959,711)
Finance payments		(201,862)	(11,489)
Net Cash provided by (or used in) Operating Activities		1,508,753	3,142,460
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		523,600	242,087
Sale of replaced assets		58,545	45,654
Repayments of loans by community groups		24,785	44,546
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,209,660)	(929,798)
Expenditure on new/upgraded assets		(995,507)	(1,952,286)
Loans made to community groups		-	(15,000)
Net Cash provided by (or used in) Investing Activities		(1,598,237)	(2,564,797)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from Aged Care Facility deposits		330,000	-
<u>Payments</u>			
Repayments of Borrowings		(40,440)	(37,961)
Repayment of Aged Care Facility deposits	19	(131,250)	(131,250)
Net Cash provided by (or used in) Financing Activities		158,310	(169,211)
Net Increase (Decrease) in cash held		68,826	408,452
 Cash & cash equivalents at beginning of period	11	4,514,588	4,106,137
Cash & cash equivalents at end of period	11	4,583,414	4,514,588

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

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards (AASB)

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

The financial report was authorised for issue by certificate under Regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 17th October 2011.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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 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.

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option.

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 Infrastructure, Property, Plant & Equipment

5.1 Initial Recognition

All assets are initially recognised at cost.

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

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

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

5.2 Materiality

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

Office Furniture & Equipment	\$500
Minor Plant & Equipment	\$500
Major Plant & Equipment	\$3,000
All Other Assets	\$3,000

5.3 Subsequent Recognition

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

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

5.4 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 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

5.5 Impairment

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

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

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

5.6 Borrowing Costs

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

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

6 Payables

6.1 Goods & Services

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

6.2 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.

6.3 Aged Care Facility Deposits

Aged Care Facility Deposits are held on behalf of residents in Independent Living Unit accommodation have been brought to account as a liability during the year the resident occupancy commenced. The liability is accounted for as the amount repayable to the resident upon leaving less any retentions earned during the resident's occupancy.

7 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".

8 Employee Benefits

8.1 Salaries, Wages & Compensated Absences

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

Council recognises a current liability for Long Service Leave benefits for all employees who have completed 5 or more years service as at reporting date with all other employees calculated Long Service Leave benefits classified as a non-current liability. All employee Annual Leave benefits have been disclosed as a current liability as they are all due and payable as at reporting date. All benefits have been measured as the present value of the estimated future cash outflows (including payroll based oncosts). 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.

8.2 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 17.

9 Leases

Lease arrangements have been accounted for in accordance with AASB 117 Leases.

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

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.

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)

10 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.

11 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2011 reporting period and have not been used in preparing these reports.

- AASB 1 *First-time Adoption of Australian Accounting Standards*
- AASB 3 *Business Combinations*
- AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*
- AASB 7 *Financial Instruments: Disclosures*
- AASB 8 *Operating Segments*
- AASB 9 *Financial Instruments*
- AASB 101 *Presentation of Financial Statements*
- AASB 107 *Statement of Cash Flows*
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
- AASB 110 *Events after the Reporting Period*
- AASB 118 *Revenue*
- AASB 119 *Employee Benefits*
- AASB 132 *Financial Instruments: Presentation*
- AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*
- AASB 139 *Financial Instruments: Recognition and Measurement*
- AASB 140 *Investment Property*
- AASB 1031 *Financial Instruments: Recognition and Measurement*
- AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]*
- AASB 2009-12 *Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 1023 & 1032 and Interpretations 2, 4, 16, 1039 & 1052]*
- AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASBs 3, 7, 121, 128, 131, 132 & 139]*
- AASB 2010-5 *Amendments to Australian Accounting Standards [AASBs 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]*
- AASB 2010-6 *Amendments to Australian Accounting Standards [AASBs 1 & 7]*
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 [AASBs 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]*
- *Interpretation 14* AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

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

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

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

CITY OF PORT LINCOLN

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

Note 2 - INCOME

	Notes	2011 \$	2010 \$
RATES REVENUES			
<u>General Rates</u>		7,614,304	7,321,577
Less: Mandatory rebates		(33,649)	(30,199)
Less: Discretionary rebates, remissions & write offs		(52,969)	(45,585)
		<u>7,527,687</u>	<u>7,245,793</u>
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		433,455	351,405
Recycling Service Charge		332,258	256,095
		<u>765,713</u>	<u>607,500</u>
<u>Other Charges</u>			
Penalties for late payment		46,831	37,449
Legal & other costs recovered		44,111	13,638
		<u>90,942</u>	<u>51,087</u>
Less: Discretionary rebates, remissions & write offs		(2,365)	(2,813)
		<u>8,381,976</u>	<u>7,901,567</u>
STATUTORY CHARGES			
Development Act fees		84,516	81,575
Town planning fees		64,705	127,862
Animal registration fees & fines		96,195	79,243
Parking fines / expiation fees		16,649	15,251
Search Fees		16,350	11,140
Sundry		6,040	2,533
		<u>284,455</u>	<u>317,603</u>
USER CHARGES			
Cemetery/crematoria fees		61,355	47,911
Kirton Court Units Rent		11,327	10,618
Resource Recovery Centre		462,996	447,504
Hall & Equipment Hire		1,247	784
Permit Fees (Footpaths)		17,395	17,605
Sales - General		7,666	2,543
Sundry		2,610	2,163
		<u>564,596</u>	<u>529,127</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		140,554	107,445
Banks & other		152,934	85,744
Loans to community groups		4,988	7,480
		<u>298,476</u>	<u>200,669</u>

CITY OF PORT LINCOLN

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

NOTE 2 - INCOME (continued)

	Notes	2011 \$	2010 \$
REIMBURSEMENTS			
- for roadworks		1,950	1,500
- for private works		33,092	23,722
- by joint undertakings		113,232	102,251
- other		232,334	186,636
		380,608	314,109
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		54,285	30,966
Kirton Court Units - retentions earned		40,950	11,075
Sundry		950,438	950,032
		1,045,673	992,073
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		523,600	242,087
Other grants, subsidies and contributions		1,219,473	1,198,556
Individually significant item - additional Grants Commission payment	see below	285,669	261,485
		2,028,742	1,702,128
<i>The functions to which these grants relate are shown in Note 2.</i>			
Sources of grants			
Commonwealth government		387,111	315,222
State government		1,632,466	1,352,914
Other		9,165	33,992
		2,028,742	1,702,128

Individually Significant Item

On 29 June 2011, Council received payment of the first quarter instalment of the 2011/12 Grant Commission (FAG) grant. This represents a significant increase in income from this source for 2010/11, with an equivalent reduction in 2011/12.

285,669	261,485
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CITY OF PORT LINCOLN

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

NOTE 2 - INCOME (continued)

	Notes	2011 \$	2010 \$
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>Unexpended at the close of the previous reporting period</i>		74,000	188,181
<i>Less: expended during the current period from revenues recognised in previous reporting periods</i>			
<i>Heritage & Cultural Services</i>		(74,000)	(188,181)
<i>Subtotal</i>		(74,000)	(188,181)
 <i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
<i>Heritage & Cultural Services</i>		-	74,000
<i>Subtotal</i>		-	74,000
<i>Unexpended at the close of this reporting period</i>		-	74,000
 <i>Net increase (decrease) in assets subject to conditions in the current reporting period</i>		(74,000)	(114,181)
 PHYSICAL RESOURCES RECEIVED FREE OF CHARGE			
Land & Improvements		5,000	2,300,000
Plant & Equipment		4,650	5,000
Stormwater Drainage		23,250	-
Road Base & Surface		126,880	-
Kerbing		20,000	-
Buildings		80,200	-
Other Community Assets		29,500	-
TOTAL PHYSICAL RESOURCES RECEIVED		289,480	2,305,000

CITY OF PORT LINCOLN

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

Note 3 - EXPENSES

	Notes	2011 \$	2010 \$
EMPLOYEE COSTS			
Salaries and Wages		2,818,670	2,868,698
Employee leave expense		49,920	15,377
Superannuation - defined contribution plan contributions	18	169,426	128,883
Superannuation - defined benefit plan contributions	18	110,462	91,535
Workers' Compensation Insurance		51,403	57,094
Other		119,102	140,671
Less: Capitalised and distributed costs		<u>(237,494)</u>	<u>(364,662)</u>
Total Operating Employee Costs		<u>3,081,489</u>	<u>2,937,597</u>
 Total Number of Employees		 42	 47
<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		15,050	14,970
Bad and Doubtful Debts		12,395	1,278
Elected members' expenses		165,805	117,528
Election expenses		<u>46,467</u>	<u>4,453</u>
Subtotal - Prescribed Expenses		<u>239,717</u>	<u>138,229</u>
 <u>Other Materials, Contracts & Expenses</u>			
Contractors		2,815,201	2,762,858
Energy		322,072	309,885
Insurance		215,134	190,905
Legal Expenses		35,157	34,932
Levies paid to government - NRM levy		423,412	350,012
- Other Levies		228,125	51,608
Parts, accessories & consumables		39,087	13,639
Professional services		194,892	292,490
Sundry		<u>1,905,368</u>	<u>2,249,524</u>
Subtotal - Other Materials, Contracts & Expenses		<u>6,178,448</u>	<u>6,255,853</u>
		<u>6,418,165</u>	<u>6,394,082</u>
 FINANCE COSTS			
Interest on Loans		<u>38,255</u>	<u>39,396</u>
		<u>38,255</u>	<u>39,396</u>
 DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings		560,507	312,646
Filtration		88,957	75,355
Infrastructure		1,095,051	1,057,800
Bridges		11,433	11,433
Other Community Assets		288,422	271,140
Plant & Equipment		187,253	195,660
Furniture & Fittings		138,219	222,913
Library Books		40,683	167,929
Reinstatement	7	(73,010)	142,444
Impairment			
Impairment		<u>8,577</u>	<u>760</u>
		<u>2,346,092</u>	<u>2,458,080</u>

CITY OF PORT LINCOLN

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

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2011 \$	2010 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		58,545	45,654
Less: Carrying amount of assets sold	7	14,970	104,748
Less: amounts previously recognised in other comprehensive income		-	-
Gain (Loss) on disposal		43,575	(59,094)
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		43,575	(59,094)

CITY OF PORT LINCOLN

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

Note 5 - CURRENT ASSETS

	Notes	2011 \$	2010 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		162,441	371,103
Deposits at Call		2,139,757	1,984,319
Short Term Deposits		<u>2,281,216</u>	<u>2,159,166</u>
		<u>4,583,414</u>	<u>4,514,588</u>
 TRADE & OTHER RECEIVABLES			
Rates - General & Other		391,215	340,911
Accrued Revenues		49,690	-
Debtors - general		531,023	134,895
GST Recoupment		65,660	67,194
Prepayments		11,763	-
Loans to community organisations		26,290	33,418
Sundry		<u>-</u>	<u>9,608</u>
Total		<u>1,075,641</u>	<u>586,026</u>
 Less: Allowance for Doubtful Debts		 <u>9,716</u>	 <u>1,486</u>
		<u>1,065,925</u>	<u>584,540</u>
 INVENTORIES			
Stores & Materials		<u>-</u>	<u>20,000</u>
		<u>-</u>	<u>20,000</u>

Rates - General & Other - increase is attributable to a small number of debtors who have failed to pay rates for a period exceeding three years. Proceedings have commenced against these debtors in accordance with Chapter 10 of the Local Government Act 1999.

Debtors - general - increase is due to invoices for grant funding being raised in June; payment has subsequently been received.

CITY OF PORT LINCOLN

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

Note 6 - NON-CURRENT ASSETS

FINANCIAL ASSETS	Notes	2011 \$	2010 \$
Receivables			
Loans to community organisations		<u>39,379</u>	<u>57,036</u>
		39,379	57,036
Less: Allowance for Doubtful Debts		<u>-</u>	<u>-</u>
TOTAL FINANCIAL ASSETS		<u>39,379</u>	<u>57,036</u>
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		<u>-</u>	<u>161,363</u>
		-	<u>161,363</u>

CITY OF PORT LINCOLN

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

	2010				2011			
	\$				\$			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT								
Land	64,469,195	16,963	-	64,486,158	64,469,195	23,169	-	64,492,364
Buildings & Other Structures	16,628,610	4,462,942	(9,506,112)	11,585,440	16,628,610	5,448,060	(10,523,737)	11,552,933
Filtration	1,660,293	1,254,364	(479,269)	2,435,388	1,660,293	1,478,218	(568,226)	2,570,285
Infrastructure	56,306,372	3,266,578	(17,346,551)	42,226,399	56,306,372	4,112,713	(18,441,602)	41,977,483
Bridges	903,500	-	(699,916)	203,584	903,500	-	(711,349)	192,151
Other Community Assets	6,752,355	1,460,966	(2,077,544)	6,135,777	6,752,355	2,401,216	(2,365,966)	6,787,605
Plant & Equipment	1,085,334	518,554	(500,206)	1,103,682	988,881	679,924	(604,509)	1,064,296
Furniture & Equipment	1,386,466	341,700	(1,093,241)	634,925	1,342,270	408,453	(1,188,731)	561,992
Library Resources	1,140,534	45,895	(1,114,488)	71,941	1,140,534	61,308	(1,155,171)	46,671
Resource Recovery Remediation	-	1,408,691	(1,095,257)	313,434	-	811,025	(565,129)	245,896
TOTAL INFRASTRUCTURE PROPERTY, PLANT & EQUIPMENT	150,332,659	12,776,653	(33,912,584)	129,196,728	150,192,010	15,424,086	(36,124,420)	129,491,676
2010 Totals	150,332,660	8,307,436	(31,906,261)	126,733,835	150,332,659	12,776,653	(33,912,584)	129,196,728

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 2011

	2010	CARRYING AMOUNT MOVEMENTS DURING YEAR							2011
	\$	\$							\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Adjustment to Post Closure & Capping Remediation	Transfers	Net Revaluation	CARRYING AMOUNT
	New/Upgrade	Renewals							
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT									
Land	64,486,158	6,206	-	-	-	-	-	-	64,492,364
Buildings & Other Structures	11,585,440	669,959	315,159	-	(560,507)	-	(457,118)	-	11,552,933
Filtration	2,435,388	223,854	-	-	(88,957)	-	-	-	2,570,285
Infrastructure	42,226,399	505,002	341,133	-	(1,095,051)	-	-	-	41,977,483
Bridges	203,584	-	-	-	(11,433)	-	-	-	192,151
Other Community Assets	6,135,777	796,834	143,416	-	(288,422)	-	-	-	6,787,605
Plant & Equipment	1,103,682	-	161,370	(13,503)	(187,253)	-	-	-	1,064,296
Furniture & Equipment	634,925	32,324	34,429	(1,467)	(138,219)	-	-	-	561,992
Library Resources	71,941	15,413	-	-	(40,683)	-	-	-	46,671
Resource Recovery Remediation	313,434	-	-	-	73,010	(597,666)	457,118	-	245,896
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	129,196,728	2,249,592	995,507	(14,970)	(2,337,515)	(597,666)	-	-	129,491,676
2010 Totals	126,733,835	4,095,163	929,799	(104,749)	(2,457,320)				129,196,728

Approval of phytocover capping material by the Environmental Protection Authority (EPA) resulted in a review of all Landfill Post Closure and Capping Remediation estimates during the 2010/11 financial year. As a result of the reduction in these obligations, an adjustment to the carrying value of all landfill assets has been undertaken and resulted in a reduction in Accumulated Amortisation of \$73,010. Furthermore, construction of Cells 1 & 2 commenced during the 2010/11 financial year and the value of this work has been recognised as Buildings & Other Structures.

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 2011

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

Valuation of Assets

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

1. Land

Land was valued by Maloney Field Services as at 30th June 2007 at market value, based on market transactions. All acquisitions made from 1st July 2007 have been 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.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis.

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.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

2. Road Base & Seal

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

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

3. Resource Recovery Centre (Reinstatement Costs)

Valuation of Cells at the Resource Recovery Centre is based on actual budgeted cost of Cells 1 & 2, based on phytocover which has been approved by the Environmental Protection Authority, using Council plant, equipment and personnel to perform the work where available. The value of Cells 3 & 4 has been derived from this amount by applying a per square metre rate for comparable works.

4. Buildings & Other Structures

Buildings and other structures were valued by Maloney Field Services as at 30th June 2007 at written down replacement cost and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2007 have been recognised on the cost basis.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

5. Filtration

Assets were valued as at 30th June 2007 at written down replacement cost and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2007 have been recognised on the cost basis.

CITY OF PORT LINCOLN

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

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

6. Kerbing

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

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

7. Footways

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

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

8. Stormwater

Stormwater assets were valued by Maloney Field Services as at 30th June 2007 at written down replacement cost, based on actual costs incurred during the reporting period ended 30th June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2007 have been recognised on the cost basis.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

9. Bridges

Bridges were valued by Maloney Field Services as at 30th June 2007 at written down replacement cost, based on actual costs incurred during the reporting period ended 30th June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2007 have been recognised on the cost basis.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

10. Other Community Assets

Other Community Assets were valued by Maloney Field Services as at 30th June 2007 at written down replacement cost, based on actual costs incurred during the reporting period ended 30th June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2007 have been recognised on the cost basis.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

11. Plant & Equipment

Plant & equipment was valued by Maloney Field Services as at 30th June 2007 at written down replacement cost, based on actual costs incurred during the reporting period ended 30th June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2007 have been recognised on the cost basis.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

CITY OF PORT LINCOLN

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

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

12. Furniture & Fittings

Furniture & fittings were valued by Maloney Field Services as at 30th June 2007 at written down replacement cost, based on actual costs incurred during the reporting period ended 30th June 2007 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made from 1st July 2007 have been recognised on the cost basis.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

13. Library Stock

Library stock was valued by Maloney Field Services as at 30th June 2007 at written down 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 from 1st July 2007 have been recognised on the cost basis.

Council has budgeted for a revaluation of this asset class in the 2011/2012 financial year.

CITY OF PORT LINCOLN

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

Note 8 - LIABILITIES

	Notes	2011		2010	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		565,526	-	741,062	-
Accrued expenses - employee entitlements		255,791	-	273,703	-
Accrued expenses - other		28,133	-	184,338	7,402
Aged Care Facility Deposits	19	906,300	-	748,500	-
		<u>1,755,750</u>	<u>-</u>	<u>1,947,603</u>	<u>7,402</u>
BORROWINGS					
Loans		43,084	500,541	40,441	543,624
		<u>43,084</u>	<u>500,541</u>	<u>40,441</u>	<u>543,624</u>

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

PROVISIONS

Employee entitlements (including oncosts)	276,528	21,067	222,363	25,312
Future reinstatement / restoration, etc	297,995	513,030	568,997	839,694
	<u>574,523</u>	<u>534,097</u>	<u>791,360</u>	<u>865,006</u>

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

Opening Balance			<i>Future Reinstatement</i>	
				1,408,691
(Less) Payments				-301,005
Unused amounts reversed				-296,661
Add (Less) Remeasurement Adjustments				
Closing Balance				<u>811,025</u>

CITY OF PORT LINCOLN

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2010	Net Increments (Decrements)	Transfers, Impairments	30/6/2011
Notes	\$	\$	\$	\$
Land	72,553,726	-	-	72,553,726
Buildings & Other Structures	3,675,925	-	-	3,675,925
Filtration	694,795	-	-	694,795
Infrastructure	22,563,802	-	-	22,563,802
Bridges	126,428	-	-	126,428
Other Community Assets	2,479,748	-	-	2,479,748
Plant & Equipment	1,026,370	-	-	1,026,370
Furniture & Equipment	825,702	-	-	825,702
Library Resources	378,980	-	-	378,980
TOTAL	104,325,476	-	-	104,325,476
<i>2010 Totals</i>	<i>104,325,476</i>	<i>-</i>	<i>-</i>	<i>104,325,476</i>

OTHER RESERVES (LGFA FUNDS)	1/7/2010	Transfers to Reserve	Transfers from Reserve	30/6/2011
Community Pier Fund	23,760	836	-	24,596
Prepaid Burial Scheme	39,733	5,090	-	44,823
Kirton Court Maintenance	2,454	57	(2,511)	-
Parnkalla Walking Trail	216	5	(221)	-
Home Assistance	1,018	24	(1,042)	-
Port Lincoln Cultural Centre	1,755	41	(1,795)	1
Friends of Library	4,685	1,547	(6,232)	-
Youth Council JJJ	6,377	148	(6,525)	-
Open Space Contribution	55,841	1,966	-	57,807
Community Infrastructure Funds	98,196	3,457	-	101,653
Active Community Projects	2,087	11,681	(8,617)	5,151
Resource Recovery Closure	93,542	2,172	(95,714)	-
Kirton Court Capital Upgrade	71,227	37,089	(11,500)	96,816
Water Reuse Maintenance	223,492	5,190	(228,682)	-
Environmental Incentive	18	-	(18)	-
CBD Carpark	162,332	5,715	-	168,047
TOTAL OTHER RESERVES	786,733	75,018	(362,857)	498,894
<i>2010 Totals</i>	<i>722,084</i>	<i>85,384</i>	<i>(20,735)</i>	<i>786,733</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

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

Other Reserves

Council has rationalised its reserves to improve administrative efficiency and now maintains separate reserves only for funds contributed to Council for a specific purpose, for example pre-paid burial expenses, developer contributions and future infrastructure investment.

CITY OF PORT LINCOLN

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

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	2011 \$	2010 \$
Unexpended amounts received from Federal Government			
Wellington Square Upgrade		-	74,000
		-	74,000
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS		-	74,000

CITY OF PORT LINCOLN

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

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	2011 \$	2010 \$
Total cash & equivalent assets	5	4,583,414	4,514,588
Less: Short-term borrowings	8	-	-
Balances per Cash Flow Statement		4,583,414	4,514,588

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

Net Surplus (Deficit)		1,433,580	2,374,028
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		2,346,092	2,458,081
Net increase (decrease) in unpaid employee benefits		32,008	148,008
Change in allowances for under-recovery		8,230	(16,054)
Non-cash asset acquisitions		(289,480)	(2,305,000)
Grants for capital acquisitions treated as Investing Activity		(523,600)	(242,087)
Net (Gain) Loss on Disposals		(43,575)	59,094
		2,963,255	2,476,070
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(496,743)	4,797
Net (increase) decrease in inventories		20,000	-
Net increase (decrease) in trade & other payables		(339,143)	576,022
Net increase (decrease) in other provisions		(638,616)	85,571
Net Cash provided by (or used in) operations		1,508,753	3,142,460

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	3	289,480	2,305,000
<i>Amounts recognised in Income Statement</i>		289,480	2,305,000

(d) Financing Arrangements

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

Corporate Credit Cards		2,000	2,000
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The balance of the Corporate Credit Card is cleared in full each month via a direct debit to Council's at call account, therefore interest is not chargeable.

Council does not operate any overdraft facilities.

CITY OF PORT LINCOLN

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

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	2011	2010	2011	2010
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Administration	9,669,470	8,999,027	469,133	763,962	9,200,337	8,235,065	894,818	821,797	6,050,702	5,207,184
Public Order	256,191	142,953	473,684	427,775	(217,493)	(284,822)	152,483	60,000	129,724	108,736
Health	12,999	14,129	169,127	155,725	(156,128)	(141,596)				
Social Security	55,277	26,193	44,356	40,411	10,921	(14,218)	3,000	4,500		34,068
Housing & Community Amenities	824,377	878,822	2,705,976	2,544,403	(1,881,599)	(1,665,581)		38,825	10,313,152	9,953,427
Protection of the Environment	20,317	27,481	118,438	134,096	(98,121)	(106,615)	413,600		3,485,983	2,488,961
Sport & Recreation	313,117	277,828	1,936,217	1,925,077	(1,623,100)	(1,647,249)	223,984	96,584	5,626,715	6,495,170
Mining, Manufacturing & Construction	33,755	82,403	284,494	313,173	(250,739)	(230,770)				-
Transport & Communication	367,777	472,872	840,015	1,056,486	(472,238)	(583,614)	331,692	438,335	35,738,388	34,966,528
Economic Affairs	1,182	-	295,398	308,371	(294,216)	(308,371)				-
Other Purposes NEC	906,464	793,481	797,187	1,027,538	109,278	(234,057)			2,777,318	1,851,846
Council Administration - Governance			556,298	502,403	(556,298)	(502,403)			71,058,412	73,266,971
Depreciation			2,337,516	2,457,321	(2,337,516)	(2,457,321)				
Unallocated			856,163	172,414	(856,163)	(172,414)				161,364
					-	-				
TOTALS	12,460,926	11,715,189	11,884,001	11,829,155	576,925	(113,966)	2,019,577	1,460,041	135,180,394	134,534,255

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 2011

Note 13 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

<p>Bank, Deposits at Call, Short Term Deposits</p>	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 4.75% and 6% (2010: 4.5%). Short term deposits have an average maturity of 164 days and an average interest rates of 5.5% (2010: 30 - 120 days, 5.2 - 6%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Rates & Associated Charges (including legals & penalties for late payment)</p>	<p>Accounting Policy: Carried at nominal values.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 0.81% (2010: 0.75%) Subsequent to balance date, Council commenced proceedings for debts totalling approximately \$110K under Section 184 of the Local Government Act 1999.</p> <p>Carrying amount: approximates fair value.</p>
<p>Receivables - Fees & other charges</p>	<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: Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
<p>Liabilities - Creditors and Accruals</p>	<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>
<p>Liabilities - Retirement Home Contributions</p>	<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 over-stated for longer tenancies.</p>
<p>Liabilities - Interest Bearing Borrowings</p>	<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, borrowings are repayable over a 15 yer term in equal 6-monthly instalments; interest is charged at a fixed rate of 6.43% per annum.</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 2011

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2011	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Cash Equivalents	4,583,414	-	-	4,583,414	4,583,414
Receivables	607,003	39,379	-	646,382	636,666
Total	5,190,417	39,379	-	5,229,796	5,220,080

Financial Liabilities

Payables	1,471,826	-	-	1,471,826	1,471,826
Current Borrowings	77,357	-	-	77,357	43,084
Non-Current Borrowings	-	309,428	348,107	657,535	500,541
Total	1,549,183	309,428	348,107	2,206,718	2,015,451

2010	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Cash Equivalents	4,514,588	-	-	4,514,588	4,514,588
Receivables	177,921	57,036	-	234,957	233,471
Total	4,692,509	57,036	-	4,749,545	4,748,059

Financial Liabilities

Payables	1,489,562	-	-	1,489,562	1,489,562
Current Borrowings	77,357	-	-	77,357	40,441
Non-Current Borrowings	-	309,428	425,464	734,892	543,624
Total	1,566,919	309,428	425,464	2,301,811	2,073,627

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

	30 June 2011		30 June 2010	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Other Variable Rates	0	1,486,826	0	1,620,812
Fixed Interest Rates	6.43	543,625	6.43	584,065
		2,030,451		2,204,877

Net Fair Value

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

Risk Exposures

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

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

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury 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. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

CITY OF PORT LINCOLN

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

Note 14 - COMMITMENTS FOR EXPENDITURE

	<u>Notes</u>	2011	2010
		\$	\$
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Land			
Buildings			
Sport & Recreation	-	74,000	
	-	74,000	
These expenditures are payable:			
Not later than one year	-	74,000	
	-	74,000	
Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		84,150	-
Waste Management & Transport Services		12,312,543	422,554
Employee Remuneration Contracts		2,951,535	2,944,166
Visitor Information Centre Subsidy		330,000	110,000
		<u>15,678,228</u>	<u>3,476,720</u>
These expenditures are payable:			
Not later than one year		4,683,900	3,476,720
Later than one year and not later than 5 years		7,212,850	-
Later than 5 years		3,781,478	-
		<u>15,678,228</u>	<u>3,476,720</u>

CITY OF PORT LINCOLN

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

Note 15 - FINANCIAL INDICATORS

	2011	2010	2009
<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	576,925	(113,966)	342,376
<i>Being the operating surplus (deficit) before capital amounts .</i>			
Operating Surplus Ratio			
<u>Operating Surplus</u>	7%	(2%)	5%
Rates - general & other less NRM levy			
Net Financial Liabilities	(2,280,723)	(960,728)	(1,210,956)
<i>Net Financial Liabilities are defined as total liabilities less financial assets</i>			
Net Financial Liabilities Ratio			
<u>Net Financial Liabilities</u>	-19%	-8%	-10%
Total Operating Revenue less NRM levy			
Interest Cover Ratio			
<u>Net Interest Expense</u>	(2.2%)	(1.4%)	(2.3%)
Total Operating Revenue less NRM levy less Investment Income			
Asset Sustainability Ratio			
<u>Net Asset Renewals</u>	49%	36%	59%
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>	64%	66%	66%
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 2011

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2011 \$	2010 \$
Income	12,460,926	11,715,189
less Expenses	<u>11,884,001</u>	<u>11,829,155</u>
	576,925	(113,966)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	1,209,660	929,798
less Depreciation, Amortisation and Impairment	2,346,092	2,458,080
less Proceeds from Sale of Replaced Assets	<u>58,545</u>	<u>45,654</u>
	(1,194,977)	(1,573,936)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	995,507	1,952,286
less Amounts received specifically for New and Upgraded Assets	523,600	242,087
less Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	44,546
	<u>471,907</u>	<u>1,665,653</u>
Net Lending / (Borrowing) for Financial Year	<u>1,299,995</u>	<u>(205,683)</u>

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2010

Note 17 – SUPERANNUATION

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

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9% in 2010/11 for Marketlink members and 3% for Salarylink members; 9% and 3% respectively in 2009/10). 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 2009/10) 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.

The most recent full actuarial investigation conducted by the Scheme's actuary, L C Brett, BSc., FIA, FIAA, of Brett and Watson Pty Ltd as at 30 June 2008, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

Note 18 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position 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.

1. 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.

2. POTENTIAL INSURANCE LOSSES

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

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

3. 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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
CITY OF PORT LINCOLN**

Note 19 - RETROSECTIVE RESTATEMENT OF 2009/10 COMPARATIVE DATA

A material error in the treatment of Aged Persons Facility Repayment of Equity occurred in 2009/10 which affected the Aged Persons Facility Deposits Provision (which was overstated) and Total Comprehensive Income (which was understated).

Furthermore the portion of the Aged Persons Facility Deposits Provision which has, in the past, been recognised as a non-Current Asset is now recognised as a Current Asset as the terms of the Licence Agreement permit vacation of the unit at any time, with notice.

Balance Sheet

	Note	
Previous 2009/10 Trade & Other Payables Comparative Balance	8	2,086,255
Adjustment		(131,250)
Adjusted 2009/10 Trade & Other Payables Comparative Balance		<u>1,955,005</u>
Previous 2009/10 Accumulated Surplus Comparative Balance		25,095,360
Adjustment		131,250
Adjusted 2009/10 Accumulated Surplus Comparative Balance		<u>25,226,610</u>

Statement of Comprehensive Income

	Note	
Previous 2009/10 Materials, Contracts & Other Expenses	3	6,525,332
Adjustment		(131,250)
Adjusted 2009/10 Materials, Contracts & Other Expenses		<u>6,394,082</u>
Previous 2009/10 Operating Surplus		(245,216)
Adjustment		131,250
Adjusted 2009/10 Operating Surplus		<u>(113,966)</u>
Previous 2009/10 Net Surplus/(Deficit)		2,242,777
Adjustment		131,250
Adjusted 2009/10 Net Surplus/(Deficit)		<u>2,374,027</u>

Cash Flow Statement

Previous 2009/10 Operating payments to suppliers & employees	(9,090,961)
Adjustment	131,250
Adjusted 2009/10 Operating payments to suppliers & employees	<u>(8,959,711)</u>
Previous 2009/10 Repayment of Aged Care Facility Deposits	-
Adjustment	(131,250)
Adjusted 2009/10 Repayment of Aged Care Facility Deposits	<u>(131,250)</u>

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 2011 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Certification of Financial Statements statement.

The Responsibility of the Chief Executive Officer for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

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

Auditor's Opinion

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

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS


JIM KEOGH
PARTNER

Signed on the 24th day of October 2011,
at 214 Melbourne Street, North Adelaide, South Australia 5006.

CITY OF PORT LINCOLN

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2011

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Port Lincoln for the year ended 30 June 2011, the Council's Auditor, Dean Newbery & 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 2011* made under that Act.

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



.....
Geoff Dodd
CHIEF EXECUTIVE OFFICER



.....
Danny Bartlett
**PRESIDING MEMBER
FINANCIAL MANAGEMENT COMMITTEE**

Date: 17th October 2011

CITY OF PORT LINCOLN
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2011

STATEMENT BY AUDITOR



**Auditor's Independence Declaration under Section 22 of the Local Government
(Financial Management) Regulations 2011 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 2011, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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

A handwritten signature in black ink, appearing to read "Jim Keogh".

JIM KEOGH
Partner

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

Dated this *4* day of *July* 2011

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