

City of Port Lincoln

Annual Report

2014-2015

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Message from the Mayor

I commend our 2014-15 annual report to you. This document details the year's activities and the financial outcomes for City of Port Lincoln. We list and report on services to the community. You can read about our Library, our sporting facilities, our roads, our waste services and much more. You can see where we spent your rates and what new activities we are performing for the community.

A decision to purchase the Port Lincoln Leisure Centre was the single largest decision Council has made for many years. To afford the purchase and refurbishment costs, we have had to build our financial capacity and carefully manage our expenditures. Council also decided to bring operations of the Visitor's Information Centre under our control. This took effect at the end of the financial year.

Continuing programs are reported on such as the under grounding of power lines, road re-seals, storm water improvements and rehabilitation of our land fill waste site.

We detail in this report our vital work on Long Term Financial Planning, our Asset Management Plan and Town Planning updates. We developed a Public Health Plan, jointly with our neighbouring Councils. We continue to work on Shared Service delivery where it makes sense to collaborate.

I wish to place on record our appreciation to the Australian Federal Government which contributes very significantly to our community by way of the Federal Assistance Grants, (FAG). Their contribution in 2014/15 was just over \$1.1m, which is the equivalent of the net cost of our Fire Prevention, Environmental Health, Library, Building Inspection and Visitor Information Centre services each year. This assistance is welcomed by our community, and without continuing FAGS, we would be a poorer community.

In the year under review, an election was held and four new Councillors joined our Council of ten Councillors plus one Mayor. I thank the outgoing Members; Malcolm Catt, Gordon Hartley, Rod Patterson and Mick Bascombe. All served the community well and took with them many many years of experience and local knowledge. Our new Members are Diana Mislov, Graham Mantle, Andrea Broadfoot and Linda Davies. They bring to the Council, deep experience in our community and advocate actively for residents.

I thank the community for the trust demonstrated in re-electing me as Mayor.

I acknowledge and thank our staff. Our CEO Rob Donaldson leads a talented and hard working group of people who deliver our services, and work on our behalf.

We live in a very special part of the world. Our city is underpinned by a diversity of industries that gives us economic strength. Tourism is growing. Our connectivity to the world is improving with the wonderful airport (thanks to the District Council of Lower Eyre Peninsula) and internet access. I am very confident we have a bright future. We are your Council, your Local Government. We want to do what you would like us to do. Stay in touch, talk to us.

I trust you find our Annual Report interesting and useful.

Bruce Green
MAYOR



Message from the Chief Executive Officer

The Council worked throughout 2014-15 to deliver on the seven strategic key result areas in the Strategic Directions plan. Our service programs, capital renewal programs, investment in new and improved infrastructure and strategic projects are all focused on achieving outcomes for:

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

Following the local government elections in November 2014, re-elected Mayor Bruce Green and ten Councillors formed the City of Port Lincoln Council for the forthcoming four year term. I acknowledge the dedicated service provided over many years by former Councillors Michael Bascombe, Malcolm Catt, Gordon Hartley and Rod Patterson, concluding their roles in November 2014. Councillors Andrea Broadfoot, Linda Davies, Graham Mantle and Diana Mislov joined Council following the election.

Financially, Council ended 2014-15 reporting an operating surplus of \$690,962, with cash and cash equivalents of almost \$4.2 million at 30 June 2015. This result was affected by early receipt of Australian and State Government grant funding attributed to expenditure in the following year together with some accounting treatment of transactions. Over the 2014-15 year Council invested some \$2.5 million in renewal and construction of infrastructure assets.

Waste management has again been a major operational cost area, directly reflected in the separate Waste and Recycling Levies appearing in rates notices, which are now almost at full cost recovery.

Work to improve CBD streetscapes has again been supported by the PLEC undergrounding partnership and upgraded walking trails and reserves helped to meet multiple objectives for the community. While Council's road reseal program continued to address priority renewal and maintenance needs, major reconstruction of a further portion of Verran Terrace was also completed together with sealing of the Windsor Avenue extension adjacent Navigator College.

This Annual Report provides details of many more project and service achievements during 2014-15, a few of which are highlighted below:

- Welcoming of six major cruise ships visiting our city, with increasing volunteer Welcome Ambassadors' and trader participation, and Port Lincoln playing host to an AFL pre-season competition game featuring the Adelaide Crows
- Collaborative development of the draft Southern Eyre Peninsula Regional Public Health Plan together with the two adjoining District Councils and numerous local agencies and service providers
- Development and upgrades of the Heritage Trail Stage 2, Parnkalla Trail path east of the yacht Club, the Foreshore playground, the Nautilus Arts Centre art deco balcony reconstruction and the Billy Lights Point fish cleaning station
- Upgrade of the War Memorial site in partnership with Port Lincoln RSL for the 100th anniversary of Anzac Day in April 2015
- Major construction of new stormwater infrastructure in Marino Avenue and upgrade of the generator serving critical pump infrastructure in Liverpool Street
- Completion of the Deferred Urban Zone Development Plan Amendment, re-zoning significant industrial and residential land at the former BHP site adjacent the marina precinct

- Completion of the transfer of the Nautilus Arts Centre to Council's management, working with the Community Reference Group maximise value from this important community cultural asset, and initial equipment upgrades (with more to follow).

The Council made a number of major decisions relating to the purchase and future refurbishment of the Port Lincoln Leisure Centre including the indoor aquatic facility, leading to acquisition of the site in August 2015 and the development of a clear scope for refurbishment works of \$5 million. These important long-term decisions were carefully considered and subject to considerable community engagement and Council debate before outcomes were decided, reflecting the responsible and sustainable leadership that Council provides for its community.

Work also continued on a high level infrastructure review for future residential land, to support the proposed major re-zoning expected in the Residential Development Plan Amendment, due for consultation later in 2015.

Looking outwards, the City of Port Lincoln again contributed actively to regional and State local government forums and advocated for regional and EP needs and opportunities on a diverse range of issues including regional roads speed limits, Marine Parks legislation, Native Vegetation regulation, water security, infrastructure, local government reform and investment in mining and oil and gas exploration. Mayor Green accepted leadership roles as the Eyre Peninsula LGA Presiding Member – thus also the Board of the LGA of South Australia - and on the Boards of the LGA Mutual Liability and Workers Compensation Schemes.

Council carefully considered and responded to a Public Initiated Boundary Adjustment proposal to add some 40% of the adjoining District Council of Lower Eyre Peninsula area to the City of Port Lincoln. While the proposal was not supported by Council, the need for future consideration of a range of reform options was recognised. At the same time, the three CEOs of the southern Eyre Peninsula councils continued to advance a proposal for a single Enterprise Bargaining Agreement intended to provide a practical, common industrial relations platform for the implementation of shared services where this approach can improve service results while retaining local elected leadership.

The Council's achievements are delivered on the ground by our skilled and dedicated staff, volunteers and contractors. I thank all of the people who contributed to the results of 2014-15 for the City of Port Lincoln.

I also thank the Elected Members of the Council, who have provided strong governance and leadership across our many and diverse endeavours to ensure that we listen to and address the needs of the community.

Rob Donaldson
Chief Executive Officer



City of Port Lincoln Our Community, Our Place

City of Port Lincoln Map



City of Port Lincoln Statistics

Total area	3,800 hectares
Population Estimated	14,519
Average Rainfall	490 mm
Foreshore (length)	21 km
Lincoln Cove Southern Lake Area	2 hectares
Roadways Unsealed (length)	8 km
Roadways Sealed (length)	150 km
Total Footpath (length)	69 km
Assessments: June 2015	8269
Site Value Rateable Properties: June 2015	\$1,106,961,100
Local Board of Main Roads proclaimed	22 November 1866
District Council of Port Lincoln proclaimed	1 January 1880
Town Corporation proclaimed	8 August 1921
Proclaimed City	30 January 1971
Boundaries extended	26 March 1981



Members of Council

December 2014 to 2018

ELECTED MEMBERS			
Person	BH Phone & Address	AH Phone & Fax	Mobile & Email
Mayor Bruce Green	11 Alsace Crescent, PL	8683 3819	0437 437 051 mayor@plcc.sa.gov.au
Cr Danny Bartlett	8682 1266 PO Box 2030, PL	8682 1596 F 8682 4042	0412 766 816 danny.bartlett@plcc.sa.gov.au
Cr Andrea Broadfoot	23 Wavell Road, PL		0459 340 001 andrea.broadfoot@plcc.sa.gov.au
Cr Linda Davies	24 Paringa Ave, PL		0414 708 450 linda.davies@plcc.sa.gov.au
Cr Faye Davis	PO Box 1041, PL	8682 1741 F 8682 1741	0429 821 741 faye.davis@plcc.sa.gov.au
Cr Peter Jolley	8682 3677 PO Box 2160, PL	8683 0504	0427 822 160 peter.jolley@plcc.sa.gov.au
Cr Graham Mantle	17 Lorraine Ave, PL	8682 5770	graham.mantle@plcc.sa.gov.au
Cr Diana Mislov	8683 4789 PO Box 1433, PL		0400 295 071 diana.mislov@plcc.sa.gov.au
Cr Jim Papazoglov	8682 6554 PO Box 1208, PL	8682 5919 F 8682 1419	0419 868 072 jim.papazoglov@plcc.sa.gov.au
Cr Travis Rogers	8683 0162 PO Box 1583, PL	8683 3753	0448 698 192 travis.rogers@plcc.sa.gov.au
Cr Neville Starke Deputy Mayor	0429 036 907 28 Alexander Crescent, PL	8682 4989	0429 036 907 neville.starke@plcc.sa.gov.au



From Left to Right

Linda Davies, Danny Bartlett, Andrea Broadfoot, Peter Jolley, Diana Mislov, Deputy Mayor Neville Starke, Graham Mantle, Travis Rogers, Mayor Bruce Green, Jim Papazoglov, Faye Davis

Structure and 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 Chief Executive Officer of the Council.

Business Premises

The City of Port Lincoln has four business premises:

Council Administration Office	Nautilus Arts Centre	Library	Works Depot
•Level 1 Civic Centre 60 Tasman Tce PORT LINCOLN •8621 2300	•64-66 Tasman Tce PORT LINCOLN •8683 5088	•2 London Street (TAFE Building) PORT LINCOLN •8688 3622	•33 Bel-Air Drive PORT LINCOLN •8621 2340

Strategic Management Plans

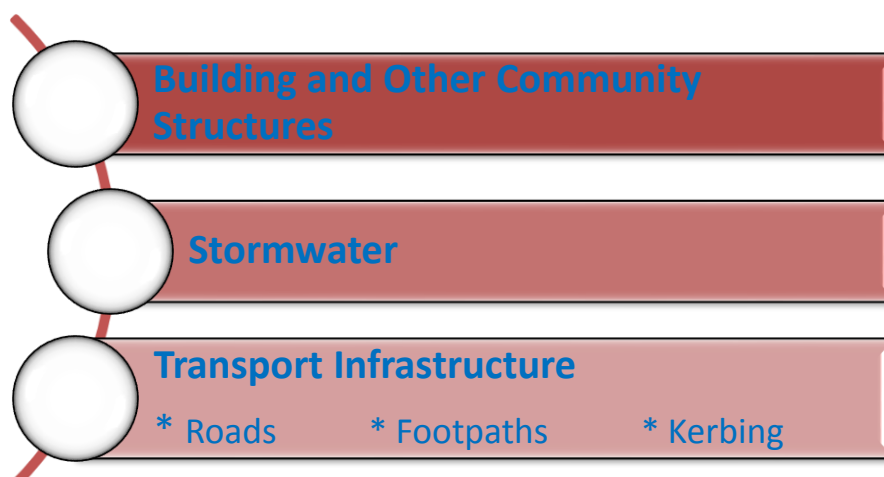
The Local Government Act (Section 122) requires that Council adopt Strategic Management Plans, including a Long Term Financial Plan and Infrastructure and Asset Management Plan/s (IAMP), that will cover a period of at least 10 years.

Council adopted the revised Strategic Direction plan in 2012 following a review of earlier versions of that plan, and adopted a set of Asset Management plans in 2008.

The Asset Management Plans were reviewed in 2014 based on current financial and asset condition data, including community consultation on the Buildings, Recreation and Other Assets IAMP.



A consolidated Infrastructure and Asset Management plan was adopted in June 2014 for all of Council's infrastructure asset groups:



Council's first Long Term Financial Plan (LTFP) was adopted in June 2014. An updated LTFP was then adopted in August 2015 following significant review and confirmation of sustainability in light of Council's commitment to the Port Lincoln Leisure Centre purchase and refurbishment. The LTFP complements and in particular enables the sustainable implementation of the other Strategic Management Plans.

The adoption of well-integrated IAM and LTF Plans that are based on the key objectives and strategies of Council's Strategic Directions plan 2012 is a significant step forward. This will provide a sound platform for future decision-making and planning, with all plans expected to evolve through future review processes that ensure they remain reflective of community expectations and priorities.

Infrastructure and Asset Management Plan

The Infrastructure and Asset Management Plan 2015-2024 (document reference N20141497) reflects asset data held for financial purposes in Council's Asset Register - including remaining useful life, condition rating and replacement value for all assets – and identifies 'projected' expenditure required on maintenance and renewal of existing assets, together with a number of new capital infrastructure projects identified by Council as priority key projects necessary to achieve the objectives and strategies of the 2012 Strategic Directions plan.

The scope, timing and funding of new capital infrastructure projects was revised from an initial draft schedule through the iterative development of the IAMP and LTFP, to enable the adoption of both Plans forming an integrated package that is both reflective of strategic priorities and financially sustainable.

Long Term Financial Plan

The key objective of the LTFP, based on the definition adopted by the ALGA in 2006, is as follows:

Council achieves a sustainable long-term financial performance and position, where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

The LTFP includes the following guiding principles:

- *Operational service continuity* - subject to efficiency and effectiveness reviews
- *Programmed asset renewal* - as capital expenditure priority
- *Service and asset growth* - aligned to city growth and by decision
- *New assets, and new operational and corporate projects and programs* - aligned to Strategic Directions Plan and prioritised within financially sustainable capacity
- *Debt as a financing solution* – enabling creation of new long-term assets and inter-generational equity.

The LTFP is reflective of the extent and scope of operational, capital program and other project initiatives that Council plans to fund, together with the key assumptions and settings adopted as best-informed reflection of the anticipated operating environment and financial policy and strategy.

The Long Term Financial Plan must be reviewed each year following the adoption of Council's budget. This will require updating of the Plan for current budget and financial forecasts and will also enable the inclusion of any other variations to reflect updated strategic plans, projects, opportunities and financial position.

Likewise the LTFP will be an important consideration informing both major service and/or project decision-making and future iterations of the Strategic Directions plan, providing a concise picture of Council's forward resourcing capacity within which sustainable decisions and possibly adjustments will occur.

Strategies and Plans Adopted by Council

Council's Corporate Planning Framework defines the relationship between the adopted Strategic Management Plans – Strategic Directions, IAMP and LTFP – other plans and strategies adopted from time to time, and the Annual Business Plan and Budget and related reporting commitments.



Lead Strategies adopted by Council, forming an important part of the framework and the basis of many capital projects and new initiatives, include:

- Parnkalla Trail Strategy
- Public Art Strategy
- Community Aquatic Swimming Facility Strategy
- Library Services Strategic Plan
- Animal Management Plan
- Stormwater Management Plan
- Port Lincoln Wharf Concept Plan
- CBD Parking Strategy
- Greater City of Port Lincoln Bushfire Prevention Plan
- Community Land Management Plans 1 & 2
- Draft Southern Eyre Peninsula Regional Public Health Plan

Community and Service Outcomes 2014 - 2015

Council Performance against the Annual Business Plan 2014 – 2015

The following table shows the project priorities from the adopted 2014-2015 Annual Business Plan and Budget, their related performance outcomes and progress to June 2015.

6.1 Recreation and Open Space	Operational, Renewal, Upgrade/New Project	Performance Outcome	Progress to June 2015
Heritage trail – Stage 2 Duncan Ave to Margaret Ave (grant funding received)	NEW	540m shared use community trail	Completed
Poole Oval – seal roadways & improve drainage, (year 2 of project constructing car parks from Matthew Place & St Andrews Tce)	NEW	Boston Football Club requested kerbing works instead of sealed roadways, to assist with drainage improvements	Completed
Whait Reserve Project – community car park	NEW	Improved parking facility for revitalised reserve area with increased community utilisation	Completed
Foreshore Playground – new soft fall and equipment	RENEWAL	Softfall upgraded to meet Australian Standards. New equipment installed to replace items that were unsafe and no longer met community needs	Completed
Fish Cleaning Station – Billy Light's Point	NEW	A new facility for recreational and tourism fishing sectors	Completed
Parnkalla Trail Construction - Yacht Club to Boston Hotel	UPGRADE	Improved foreshore access for community recreational use and cruise ship visitors	Completed
Parnkalla Trail foreshore extension from Tasman Terrace to Axel Stenross Maritime Museum - Concepts & engineering designs	NEW	Design concepts advanced to engineering details, to enable approvals and funding opportunities to be pursued	Consultant engagement with land owners completed before progressing designs in 2015-16
Continue planning and initial implementation of Indoor Aquatic Facility	NEW	Final decisions on proceeding with an indoor aquatic facility project, and if so, progression of site acquisition and planning	Key decisions resolved and contracts negotiated for August 2015 settlement. Various consultancy engagements completed for key decisions
Preparation of an Open Space and Recreation Facilities Strategy	OPERATIONAL	To provide Council with information for future open space and recreation planning	Playground audit completed in May 2015 Strategy to be completed in 2015/16

6.2 City Image	Operational, Renewal, Upgrade/New Project	Performance Outcome	Progress to Date
Centenary Oval – demolition and reinstatement of appropriate shedding for water reuse infrastructure and storage	UPGRADE	Carried forward to 2015-16 Annual Business Plan	Deferred in lieu of other upgrades to host the AFL NAB Cup game
North Shields cemetery – construct new burial rafts	NEW	Additional burial rafts available to meet community needs	Completed
Undergrounding of overhead cables on Edinburgh Street, from Mortlock Terrace to Porter Street (PLEC project)	OPERATIONAL	Improved aesthetics and street scaping	Underway, 2 nd part of project completion in 2015/16
CBD enhancement (linked to PLEC project) – Napoleon Street from Mortlock Terrace to Adelaide Place – replace kerb, footpaths, asphalt road.	RENEWAL & UPGRADE	Improved road surface and drainage	Completed
6.3 Infrastructure	Operational, Renewal, Upgrade/New Project	Performance Outcome	Progress to Date
Construct stormwater drainage along Marino Avenue from Seaton Avenue to Ravendale Road	NEW	Reduced flooding risk to properties in the area	Completed
Replace existing generator and electrical works in the Napoleon Street stormwater pump house	RENEWAL	Reduce risk of pump breakdowns and localised flooding of property and public places	Completed
Residential footpath program	RENEWAL & NEW	Ongoing annual program	Completed
Road reseal program – recurrent works	RENEWAL	Ongoing annual program	Completed
Lincoln Highway stormwater drainage - pipe extension	NEW	Divert stormwater run off and prevent further erosion of Lincoln Highway embankment	Deferred until 2015/16

6.4 Transport	Operational, Renewal, Upgrade/New Project	Performance Outcome	Progress to Date
Reconstruct road and kerb right hand side of Verran Terrace from Bel-Air Drive to Shepherd Avenue	RENEW & UPGRADE	Improved road surface condition, kerbing and drainage	Completed
Spray Seal of Windsor Avenue from Stamford Terrace to the end (adjacent to Navigator College)	NEW	All weather surface for school drop-off and carpark access	Completed
Refurbish existing Marina footbridge - including rust removal, repainting and replacing balustrade	RENEWAL	Useful life of Bridge extended and aesthetic improvements	Completed
6.6 Community Projects	Operational, Renewal, Upgrade/New Project	Performance Outcome	Progress to Date
Upgrade of Civic Hall and Nautilus Theatre technical stage facilities	RENEWAL	Upgraded facilities to enable promoters to bring a wider variety of shows and productions for the community	Completed
Continue the Library shelving & community furniture replacement program as per the Library Services Strategy	RENEWAL	Improved patron access to resources, increased community visitation and satisfaction	Completed
Complete depot upgrade to address identified safety issues and non-compliances	RENEWAL	Sheds replaced to meet safety standards and remove manual handling issues	Completed
Investigate options for a Community Pier at the Marina for the use of Tacoma Preservation Society and other community groups.	OPERATIONAL	Completion of investigation and stakeholder consultation, for Council key decision/s to proceed or not	Consultant report completed
ANZAC Memorial Upgrades	UPGRADE	Improved functionality for RSL events and improved aesthetics for City entry	Completed

6.7 Economic Development	Operational, Renewal, Upgrade/New Project	Performance Outcome	Progress to Date
Ongoing sponsorship and promotion of events to attract tourists and visitors to the City - Tunarama, Yacht Week, Port Lincoln Show, Race Week & Cruise Ships and financial support to Visitor Information Centre	OPERATIONAL	Feedback of successful events from promoters and VIC satisfaction.	Completed, including successful hosting of six cruise ship visits Visitor Information Centre review completed and Strategy for 2015-16 developed
Continuing financial contribution to RDA Whyalla and Eyre Peninsula	OPERATIONAL	Partnership to promote economic development and growth in the region	On-going partnership in economic development and tourism initiatives
Review of the Strategic Directions plan after the Local Government elections in November 2014	OPERATIONAL	Start the review of the Strategic Directions plan	Initial Councillor workshops held. Continuing in 2015/16



Key Outcomes of Service Programs

Council has responsibilities under the Local Government Act 1999 and other legislation to provide some services and activities. In response to the community's needs, the City of Port Lincoln provides a wide range of on-going operational services and capital works renewal programs, as shown below.

Continuation of Council's service programs and the capital programs for road renewals and reseals, building renewals and replacement, and footpaths replacement is met through these on-going programs.

Services and activities that are not represented in the summary of Council Performance Against the Annual Business Plan 2014-15, are detailed below.



Corporate Services

Rating & Property Information

Providing and maintaining services and facilities costs money. Council works hard to ensure rates are kept to a reasonable level, consistent with the needs of the community and financially sustainable outcomes.

Rating Basis Site Value:

The City of Port Lincoln used Site Value as the basis for valuing land for the 2014-2015 financial year. Council considers this method of valuing land provides the fairest method of distributing the rate burden across all rate payers.

Incentive for early payment of Rates

The City of Port Lincoln provided a 2% discount for rates payments received in full on or prior to the due date. Only 11% of councils in South Australia provide this incentive.

Rebate of Rates

Type of Rebate	Number of Rebates	Reason of Rebate	Value of Rebates
Mandatory			
	17	Education	19,893.10
	15	Religious	39,702.15
	73	Community	44,943.05
		Sub Total	104,538.30
Discretionary			
	20	Community	12,779.00
	2	Services for Children	2,657.50
		Sub Total	15,436.50
Total	127		119,974.80

Records Management & IT

State Records Assessment Survey

State records issued an assessment survey across State and Local Government to assist agencies in improving their records management practices, the survey was completed in November 2014. Results will be issued in 2014/2015 financial year.

Creation of Records in 2014-15

Incoming Records	15206
Outgoing Records	9407
Internal Records	6061
TOTAL	30674

Information Technology Projects

The Council Chambers IT facilities were upgraded with a new audio visual system providing quality facilities for presentations with wireless microphones for presenters. Wi-Fi was also implemented to allow Elected Members, Staff and Guests on-line access.

Council's Elected Members were issued with iPads and Council email addresses, giving Elected Members easy access to Council documents and negating the need to supply printed copies of Council agendas and reports. The introduction of internal email accounts for Elected Members has meant that the Council now meets the State Records requirements for recording correspondence for Elected Members.

Communications & Engagement

Council incorporates the framework of the International Association for Public Participation (IAP2) in its community engagement practices. This enables the community voice to be heard as it outlines the level of participation that defines the public's role and influence in any community engagement program.

Various communication tools and channels are used to inform, consult, involve, engage and empower our community. Radio, television, newspaper, city entrance signs, banners, brochures, posters, surveys and website are frequently used to promote and inform the community on all aspects of Council events, services, programs and projects within our City to ensure the community is kept well informed.

In 2014-15, public consultation was undertaken on the Annual Business Plan (April/May 2015) allowing the community to provide feedback on priority projects for the next 12 months and on the draft Southern Eyre Peninsula Regional Public Health Plan 2015-2020 (April-June 2015).



The community is regularly informed of services and programs through the Council's weekly advertorial in the Port Lincoln Times newspaper and media releases issued on various topics. Job opportunities and road closures are promoted through cash classifieds on television together with community awards, community events and other updates via radio advertising. Council maintains a website with current and relevant information on all news, updates, activities and services.

Council is investigating the implementation of the My Local Services App and Facebook to continue improving community engagement.

Governance

The Local Government Periodic Elections were held in November 2014 resulting in Mayor Bruce Green being returned to office for a second term, six of the existing Council Members being re-elected and four new Council Members joining Council for the next 4 year term.

Council has determined that its policies will be reviewed within 12 months of the completion of a periodic election. This process was commenced in 2014-2015 after the Council Elections, with all policies to be reviewed and adopted as policies of the new Council by the end of November 2015.

Pursuant to Section 125 of the Local Government Act 1999 (the Act) councils are required to have appropriate policies, practices and procedures of internal control in order to ensure that they carry out their activities in an efficient and orderly manner, ensure adherence to management policies, safeguard community assets, and secure (as far as possible) the accuracy and reliability of council records.

Amendments to Section 129 the Act, Conduct of Audits, now requires that the auditor of a council must provide an audit opinion as to whether the internal controls audited are sufficient to provide reasonable assurance that the financial transactions of the council have been conducted properly and in accordance with law. For regional councils, the requirement to have an audit on internal financial controls does not become mandatory until the audit of the 2015-16 financial year. To assist Council with the assessment, review and on-going monitoring of internal control practices, ControlTrack software was purchased and rolled out to City of Port Lincoln in March 2015, adopting a "Better Practice Model" to address the mandatory criteria by which local government auditors must assess the internal controls exercised by a council.



Risk Management and Work Health and Safety

Council has continued to develop and implement its risk management framework in order to protect its employees, contractors, volunteers and the community. In addition to continuous improvement of Council's WHS management system, risk management principles have been applied to major undertakings such as the transition to Council management of the Indoor Aquatic Facility and Visitor Information Centre. Major achievements this year have included:

- Full implementation (including training of relevant staff) of One System WHS Policies and Procedures.
- Pre-qualified Contractor Register developed, implemented and distributed
- Contractor General Safety Induction held (to meet duty of care to all persons in the workplace)
- Transitioning to the requirements of the 2015 Return to Work Act
- Compliance with WHS Act and ReturnToWorkSA Performance Standards for Self Insurers, including implementation of Officer's due diligence requirements and monitoring tool
- Confirmation of an officers' due diligence framework in response to the WHS Act 2012
- Participation in the Local Government Association's iResponda Program for use of Council employees and assets in response to community emergencies, (e.g. bushfire).



As a part of Council's continuous improvement activities, we aim to identify and assess our strategic risks in 2016, which will assist Council and its Senior Management Team in their decision making processes.

Customer Service

The City of Port Lincoln is a progressive organisation which strives for *Best Practice Customer Service and Satisfaction* and to be responsive to the community's changing needs. In 2014-2015 Council implemented changes to its software system to enable on-line payments for dog registration renewals, in response to community feedback.

Community Services and Economic Development

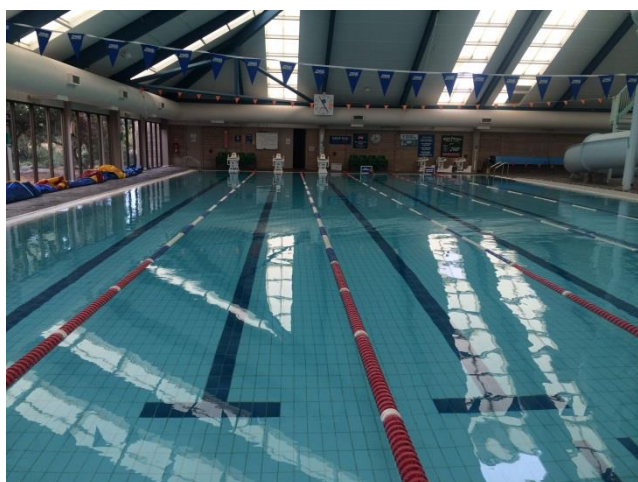
Grant Funding

Grant funding for Stage 3 of the Heritage Trail was successful with \$163,000 being granted through the State funded 'Open Spaces' program, with funds to be spent in 2015/2016.

In a joint project with Eyre Peninsula Natural Resources Management Board, the 'Green Army' completed a 22 week program involving the removal of woody weeds, revegetation and building of fences and barriers. Council supplied a liaison person with the 'Green Army' providing manpower and materials.



Work began on a major grant application for the Indoor Aquatic Facility (IAF), with Council seeking \$2M through the Federal funded 'Stronger Regions Program'. While many letters of community and industry support were provided, the emphasis on economic development outcomes for the grant program will be a challenge for Council's application. The outcome will be known in mid 2015/2016.



Council continues with its 10 year plan to underground power lines within the CBD. The Power Line Environment Committee (PLEC) has commenced the undergrounding of power lines on Edinburgh Street, with Porter Street and a small section of Washington Street to be completed to finalise the 10 year plan.

Grant funding received for developing the feasibility review for the Indoor Aquatic Centre (\$30,000) and the Wharf Redevelopment Masterplan (\$15,000) with both projects completed and acquitted.

Projects

Office of the Ageing (OFTA) invited three councils, including Port Lincoln City Council, to participate in a SA Communities for All: Our Age-Friendly Guidelines and Toolkit 2014/15. Alzheimer's Australia SA also participated in the project, working with the Council to add a focus on dementia to this work.

The vision for the project is: "To create communities where older people, in all their diversity, are able to contribute and develop to their full potential." The objective of the project is to develop an action plan for Port Lincoln City Council for achieving an age-friendly and dementia-friendly community.

The location of Port Lincoln's community library was reviewed through a comparison of potential new sites and the existing location at TAFE SA – Port Lincoln. The footprint for the Library is large and costs for relocation were

also significant. None of the alternative sites within the CBD were considered feasible. As a result, a new five year lease commencing 1 July 2015 (with the right to renewal for another five years) was negotiated.

Council was the Regional Winner of the KESAB Awards for Eyre Peninsula, also winning an award for Waste Management.

Council played a small but important role in several projects and events including:

- Sponsoring the 'Wellness Garden' at the newly upgraded Port Lincoln hospital by providing unused materials (pavers and jetty timbers) from the Depot
- Assisting the Port Lincoln Football League to host the NAB game at Centenary Oval
- Planning for the 100 year ANZAC anniversary
- Raising the 'Rainbow' flag on the Nautilus Arts Centre.

Special Events

The 2014/15 season saw a total of six cruise ships visit our city with over 14,000 passengers and crew - and they were greeted by our 45 Welcome Ambassador volunteers providing a local 'face to face information service'. The success of the Cruise Ship Welcome Program is evident in the increasing number of cruise ships visiting Port Lincoln, starting with one visit in 2009.

Council will continue to refine the cruise ship welcome program, looking to engage more volunteers for our unique approach to information services. A successful program will help bring more cruise ships to our beautiful city, generating more local spending, great visitor memories and recommendations of our city, and community confidence that our Seafood Capital of Australia is high on visitors' lists of places to experience.

The Rotary District 9500 Conference was held in the Nautilus Arts Centre over 3.5 days. With approximately 400 participants (250 Rotarians and 150 partners) the conference was a challenge which was successfully executed.



The Nautilus Arts Centre is well placed to market itself as the largest conference venue on Southern Eyre Peninsula. Partnerships with the leading accommodation providers will enable a combined marketing effort into this growing market.

Regional Development Australia – Whyalla and Eyre Peninsula

www.eyreregion.com.au

Council again contributed financially to Regional Development Australia – Whyalla and Eyre Peninsula (RDA) in 2014-15 as a Local Government Partner, in recognition of the importance of promoting tourism and economic growth in the region. Throughout 2014-15, Council's Manager Community Development worked closely with RDA's Tourism Development Manager on projects such as the Visitor Information Centre and Cruise Ship Welcome Program.

Tourism and Visitor Information Services Review

Council undertook a Tourism and Visitor Information Services Review, initially considering a Service Review Assessment of the Port Lincoln Visitor Information Centre, aiming to assess the 'value for money' of Council's annual financial contribution to the VIC.

The second stage of the Tourism and Visitor Information Services Review considered the appropriate scope of visitor information services, management models and location options.

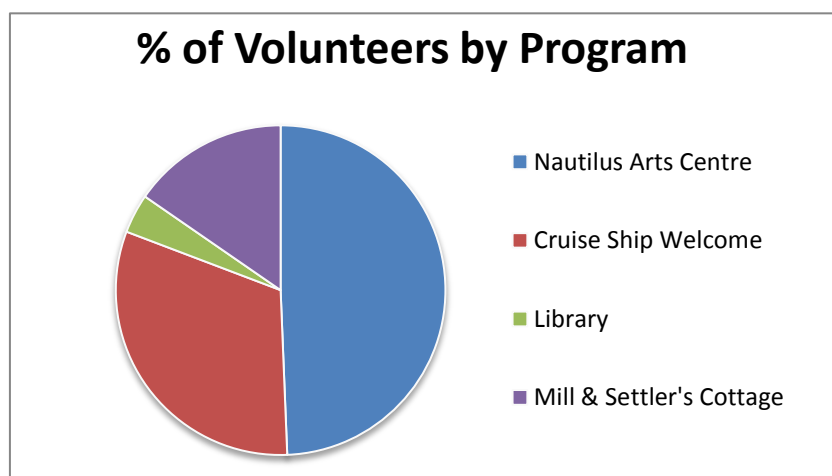
Council subsequently resolved to not renew the Managed Services Agreement with the Visitor Information Centre (VIC) from 30 June 2015 and to adopt a new management model and business plan for the provision of Visitor Information Services.

Council Decision – Extend Contract 12 months	17 February 2014
STAGE 1 Commenced	July 2014
Services Review Brief and Planning	July 2014
Literature Research Commenced	1 August 2014
Initial Report Commenced	25 August 2014
TVISRAP Meeting 1	8 October 2014
Industry Survey	3-9 November 2014
TVISRAP Meeting 2	6 November 2014
TVISRAP Meeting 3	27 November 2014
Council Decision – Not to Renew Existing Managed Services Agreement	15 December 2014
STAGE 2 Commenced	17 December 2014
Second Report Commenced	7 January 2015
Council Workshop – Direction Required	19 February 2015
STAGE 3 Commences	20 February 2015
Draft Visitor Information Services Strategy & Report	Feb - March 2015
TVISRAP Meeting	Early March 2015
Council Decision – VIC Operating Model for ABP consultation	16 March 2015
Preparation for Implementation	April - June 2015
Council Decision – VIC Business Plan Implementation	June 2015
	1 July 2015



Volunteer Management

The 140 City of Port Lincoln volunteers are engaged on an individual basis at the Nautilus Arts Centre, Port Lincoln Library, Mill Cottage and Settlers Cottage museums and in the Cruise Ships Welcome Program.



As part of National Volunteers Week, Council hosted a Volunteers Appreciation lunch to celebrate the contributions made by volunteers to the community. The lunch brought together volunteers from each different volunteering program.

All volunteer role statements were reviewed during 2014-15.

A number of Mill Cottage volunteers participated in training of the software,

Collections MOSAiC which will assist with the cataloguing of the museum's collection so that it can be securely recorded and searched for quite simply.

Community volunteer organisations are also engaged via Memoranda of Understanding for various programs including:

Parks & Reserves Port Lincoln Inc: assessment & assistance with maintenance of parks & reserves

Rotary Club of Port Lincoln Inc: maintenance of Puckridge Park

Friends of Parnkalla Walking Trail: assessment & assistance with maintenance of the Parnkalla Trail

Council has continued to develop and engage these independent groups' volunteers through increased communication and offering relevant and useful training programs. This will continue to play a vital role in maintaining a positive and compliant volunteer sector in the City of Port Lincoln community.

Library

The Port Lincoln Library delivers a facility that is responsive, relevant, valuable and supportive of our local and wider community and for the many visitors that utilise the services that the Library provides. Our Library continues to celebrate the success of being a part of the state-wide One Card system, since the "go live" day in March 2014. This service is well utilized, with customers enjoying access to a broader range of resources from around the State. Port Lincoln Library members have borrowed 133,250 items from the SA library network.

2014-2015 Library Statistics	
Current holdings in the Port Lincoln Library Collection	27,125 items
Patrons through the doors	74,705
Use of public access computers	13,447 sessions
Library Members	5,845
Borrowings	133,249
Holds placed	24,846

This year has witnessed many events and activities at the Library, including:

- Oxfam Photographic Exhibitions - Land is Life; Make Poverty History; & Close the Gap
- Participating with other EP libraries at the EP Field Days stand
- Children's Book Week 2014 – Connect to Reading; National Simultaneous Storytime
- Speech Pathology Awareness week
- EP Natural Resources' Mini Museum – learning about Barngarla culture and caring for our marine, coastal and terrestrial environment
- Displays including: Fireballs in the Sky; MIFSA art display; Port Lincoln Special School art display; Port Lincoln Model Aerosport Club models
- Local author book launches
- Author events
- Regular visits from school groups
- Visits from service groups and agencies



The Port Lincoln Library recognises the great support provided by the community and values its liaison with various agencies and groups to enhance service provision. Individuals and community groups regularly access the Library as a welcoming venue.

Nautilus Arts Centre

The 2014-15 year has seen the Nautilus Arts Centre (NAC) reinvent itself with a number of changes that have created a renewed interest in the Centre and the arts.

The Venue Coordinator and Customer Service Officer have provided volunteers, patrons and artists with a consistent presence to assist with their queries and streamlining the administration of the NAC.

A major achievement has been the renaming of the Civic Hall to the current Nautilus Arts Centre and rebranding with a new logo developed. The logo is now becoming a recognisable feature of the NAC, included in all theatre marketing, packaging and stationery.

The significant renovations to the Gallery Shop were also part of the rebranding and included relocating the box office to the Gallery Shop area to create a central customer service area. The profile of the Gallery Shop was lifted by re-assessing the types of works available for sale to raise the quality of the works being submitted, introducing a computerised inventory system and creating new artist agreements. We have received positive feedback from artists and the public, and have seen many artists return to the NAC as a result.

The former box office space was leased to the Rouge and Rascal Café, which has both generated revenue and created an increase in gallery and gallery shop visitors.



The Centre's webpage now includes the option for online ticketing as well being a great tool to promote the Centre to patrons, theatre promoters and travelling exhibition coordinators when they are looking for potential venues to host their upcoming event.

Within the theatre, the purchase of new lighting and sounds desks, and the upgrade of the projection system have seen the theatre meet the benchmark standard of other theatres. This has made the NAC more attractive to theatre promoters and will increase the number of shows that will use the venue. The purchase of cutlery and crockery will assist the NAC in marketing itself as a conference and large function friendly venue.

Rebuilding of the Nautilus Arts Centre front balcony was also undertaken during 2014-15.

During this time, the NAC has become a new venue for the *Fresh Fish Place Long Lunch*, and the venue of choice for the regular *Lounge Nights* and capitalises on cruise ship visits with *Cruise Ship Day Markets*.

Statistics

	2013-2014	2014-2015
Theatre Productions Commercial	9	16
Theatre Productions - Community	11	22
Patrons*	5652	6276
Gallery Exhibitions	14 (2 travelling)	15 (4 travelling)
Meeting Rooms Hired	11 (2 regular bookings)	27 (2 regular weekly bookings)
Other events (weddings, conferences)	12	24

* represents tickets sold through the box which does not include community performances which are well attended



Community Funding Program

The City of Port Lincoln supports the development of a vibrant and diverse community by providing financial assistance (either cash or in-kind) through the Community Funding Program.

To provide community funding which meets Council's "Strategic Directions" objectives to "Encourage community ownership and participation in enhancing the City's image through awards and similar programs" and "Community event support through use of Council services and facilities".

Council funding for projects, activities or events is based on the type of event and the ongoing contribution it will have to the City's community well-being and cultural life.

Category	Description	Amount funded
Group	Benefit is for a small sector of the community, namely applicant group membership	up to \$250
Local	Benefit is to people from wider Port Lincoln community	up to \$500
Regional	Benefits or attracts substantial numbers of local people and those from surrounding areas	up to \$1,000
Major	In addition to local community members, the project or the event will benefit and attract visitors to the region. A major event should demonstrate potential to evolve into an ongoing event with economic and tourism spin offs	up to \$2,000 or a budget as determined by Council

Application forms are available on Council's website www.portlincoln.sa.gov.au

Council was pleased to be able to distribute \$20,015 in 2014/15, supporting 23 community groups' events and programs

Some of the Regional and Major Event recipients included:

- | | |
|--|------------|
| • Port Lincoln City Band Inc – 4 th Annual 2015 FAME Awards | \$1,000.00 |
| • EP Farmer & Fishermen's Market | \$1,000.00 |
| • Port Lincoln Lions Club 50 th Anniversary | \$1,500.00 |
| • Port Lincoln Racing Club Eyre Peninsula Gourmet Gallop | \$2,000.00 |
| • Rotary District Conference – Light up Lincoln 2015 | \$2,000.00 |
| • Friends of the One and All Sailing Ship Inc – Port Lincoln Voyage | \$2,000.00 |

Community Infrastructure Services

Recycled Water

Council makes a significant contribution to preserving the region's limited potable water supplies, with all the major reserves now being irrigated using recycled water. Currently one mega-litre of recycled water is used annually to irrigate Council reserves.



Possible irrigation of the ovals at Navigator College with recycled water is under consideration, and together with St. Joseph's School which connected in the 2013/14 summer season, this would see the school become a major purchaser of Council's recycled water in the future.

CCTV Upgrades

Council provides and manages a CCTV network to reduce vandalism and help keep the City safe. Investigations were conducted during the 2014-15 year to upgrade the current analogue system to a web-based IP System which will allow vision to be saved direct to a PC

instead of VHS tape. These investigations resulted in a budget allocation for this project to be undertaken in the 2015-16 year.

Parks, Reserves, Trails & Open Spaces

- Whait Reserve on Cronin Avenue was enhanced with indented parallel parking to service the newly refurbished playground area
- The Marina footbridge underwent extensive upgrading, including the balustrade replacement, sandblasting and repainting, due to the age and condition of the footbridge posing safety concerns for community users
- Stage 2 of the Heritage Trail, which extends from Duncan Avenue to Margaret Avenue, was completed, resulting in the construction of 540m of shared use trail
- In preparation for the 100th year celebrations of WW1 on ANZAC Day 2015, Council and the Port Lincoln RSL sub-branch planned to revamp the existing War Memorial and the area surrounding. Situated at one end of 'Eyre Park', the memorial was designed to sit comfortably within the park precinct but maintain its own identity and character. This location is on the Lincoln Highway entrance into Port Lincoln and essential safe pedestrian crossing points were incorporated into the design
- The footpath along the section of the Parnkalla Trail from the Boston Hotel to the Yacht Club was widened and raised in an exposed concrete aggregate construction, to reduce the amount of sand continually covering the pathway.



Cemetery Management

The Council owns North Shields Cemetery and the maintenance and operation is a contracted service. A new cremation bed was constructed at the cemetery in 2014-15.

Sporting & Recreation Facilities

- A Fish Cleaning Station was constructed at Billy Lights Point Boat Ramp for the general public to use as part of the overall development of the area
- Upgrades to the Foreshore Playground included the replacement of the rubber soft fall, and installation of additional play equipment
- Preparation for the AFL NAB Cup, held in Port Lincoln in 2015, involved Council constructing a balustrade in front of the grand stand, removal of the sloping mound in front of the grand stand and the construction of a retaining wall. This was undertaken in order to comply with the AFL requirements to host the game and completed under a tight timeframe.

Community Buildings

The demolition and replacement of the Civic Hall Balcony was undertaken to restore it to its original design after the structure was identified as no longer being safe.

Civil and Operational Services

Waste & Recycling

A new waste oil station was constructed on site at the Resource Recovery Centre for transportation to Adelaide for recycling. This project was a joint venture between Department Planning Transport & Infrastructure (DPTI) and Veolia Environment Services. Veolia manages the facility and Council has provided the land under a lease agreement.

Street Lighting

Council in conjunction with SA Power Network (SAPN) replaced the existing Council-owned lights along Marina Drive with a new standard SAPN street light. The old street lights were part of stage 1 of the marina development and had deteriorated to a point where they were not serviceable. SAPN now has full ownership of the lights and associated maintenance.

Roads, Footpaths, Kerbing

As part of Council's Road Reseal Program, which is determined by the Road Surface Manager Program (RSM), the roads shown in the table below were resealed.

Road Name	Road Section	Length (m)
Miltalie Avenue	Yardea Street to End	428
Lombardy Place	Picardy Place to Baudin Place	135
Vine Road	Walkley Road to Hilltop Drive	101
Dublin Street	Barnard Street to Hindmarsh Street	428
Passat Street	Barley Road to Shepherd Avenue	301
Hilltop Drive	Ocean Avenue to Flinders Highway	625
Matthew Place	Luke Street to Stevenson Street	527
Tobruk Terrace	Oxford Terrace to Cranston Street	327
Proper Bay Road	280m NE of Pine Freezers Road to Stable Road	618
Walkley Road	Hambidge Street to Ocean Avenue	530
Gascony Crescent	Normandy Place to Bellewood Avenue	184

Stormwater Management

Council constructed stormwater drainage along Marino Avenue from Seaton Avenue to Ravendale Road in order to reduce flooding risk to properties in the area. Approximately 353 metres of below-ground pipe was laid, ranging from 825mm in diameter down to 375mm.

Development and Environmental Services

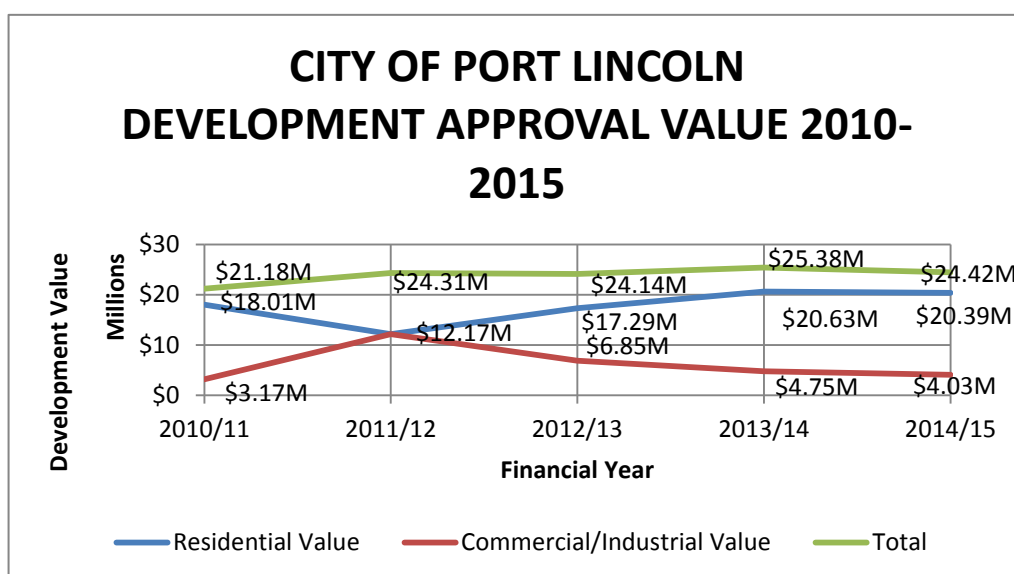
Development Assessment

The number of Development Applications received during 2014-15 remained relatively stable when compared with the last two years, showing a 5% decrease in the number of development applications received and 13% increase in the number of applications for land divisions with an overall increase in numbers of around 4%. Notably, the land division applications received in 2014-2015 were for 1 or 2 additional allotments with no significant land divisions proposed. A breakdown is shown in the table below:

Type	Number		
	2012/2013	2013/2014	2014/2015
Development Applications	300	306	290
Land Division Applications	30	27	31
Total	330	333	321

The value of development approved for Residential purposes remained steady with a slight decrease in Commercial/Industrial development value, resulting in an overall slight decrease when compared with the last financial year. This has been a continual trend since 2011/12 with the value of residential development trending flat.

	2010/11 \$M	2011/12 \$M	2012/13 \$M	2013/14 \$M	2014/15 \$M
Residential Value	\$18,010	\$12,170	\$17,290	\$20,630	\$20,390
Commercial/Industrial Value	\$3,170	\$12,140	\$6,850	\$4,750	\$4,033
Total	\$21,180	\$24,310	\$24,140	\$25,380	\$24,424



Land Use Planning

Council has continued to allocate significant resources to undertake Development Plan Amendments (DPAs) to ensure that planning policy and zoning will facilitate future development and meet future growth requirements of the City.

The Part Deferred Urban Zone Development Plan Amendment was approved by the Minister for Planning and consolidated within the Port Lincoln Council Development Plan on 24 August 2014.

Work has progressed on meeting the requirements of the Statement of Intent for the Residential DPA, including workshop review and discussion of key policy directions. It is anticipated the Residential DPA will be released for public and agency consultation during the next financial year prior to the expiration of the Statement of Intent in 2016.

Public Health

Recently implemented changes to the risk classification process for food businesses have encouraged proprietors and food handlers to review current processes and product selections. As the public health risk profile of a business can be directly influenced by proactive employment of appropriate food handling strategies, Council is endeavouring to assist proprietors and chefs in determining where risk lies within their business and establish effective methods of control. Regulatory priority will be assigned to high risk activities.

The table below shows summary data from Council's 2014/15 Annual Food Act report.

Businesses / Organisations Serving Vulnerable Populations

Mandatory Food Safety Programs

Risk Classification	No. of Businesses	Routine Audits (Standard 3.2.1, 3.2.2 & 3.2.3)		Routine Inspections (Standard 3.2.2 & 3.2.3)	
		No. of audits conducted by your council	No. of audits conducted by other councils (In your area)	No. of inspections conducted	No. of follow-up inspections conducted
Child Care Centres	2		2	2	
Aged Care Facilities	3		3	2	
Private Hospitals					
Other					
TOTAL	5	0	5	4	0

General Businesses

Businesses Inspections Information as per New Risk Classification				
Risk Classification	Number of Businesses	Inspections Conducted	Follow up Inspections	No of Inspection resulting from complaints
P1 ((please exclude businesses that service "Vulnerable Populations**"))	92	73	14	4
P2	72	52	12	1
P3	13	7	0	0
P4	9	9	3	0
Total	186	141	29	5

Council continued as a service provider for the school based immunisation program. Students from the Port Lincoln High School, Navigator College, St Josephs School and the Port Lincoln Special School have been involved in the program. Eligible students in Year 8 were offered vaccine courses for Human papillomavirus, Chicken pox, Diphtheria, Tetanus and Pertussis.

The South Australian Communicable Disease Branch statistical data for confirmed reports of notifiable illness in Port Lincoln residents for the 2014/15 year included:

Communicable Disease Reports		
Notifiable Diseases	No. of Cases	
	2013/2014	2014/2015
Campylobacter	20	16
Cryptosporidiosis	3	0
Pertussis	5	2
Salmonella	7	14
Varicella virus	14	17
Arbovirus	2	1
Influenza	19	105
Rotavirus	16	13
Shigella	2	1
Pneumococcal	1	2
STEC / HUS / TTP	1	0

Most of these notifiable cases were investigated. Infection control advice was provided to the individuals where appropriate. Where cases involved food handlers, additional steps were taken to ensure the public was not exposed.

Hairdressing and beauty salons, high risk manufactured water systems, substandard properties, public amenities, and public swimming pools were inspected and assessed for compliance with the relevant Codes and Standards.

Health promotion activities that were undertaken by Council during the year included subscription to 'I'M Alert', an online food safety program, and conducting food safety training sessions, which included involvement in Uniting Care Wesley's Community Foodies Program.

Animal Management

In 2014/15 there was a continued trend in a negative direction, with the total number of harassment/attacks on both animals and humans increased overall. Council continues to urge owners of dogs to ensure their dogs' security to assist in reducing these incidents and ensuring the safety of the community.

Incident	2012-13	2013-14	2014-15
Dog harassment - humans	7	7	7
Dog attack - humans	3	10	10
Dog harassment - animals	3	1	9
Dog attack - animals	12	15	10

Parking

Compliance Officers continue to monitor school zone areas along with disabled parking zones. The users of disabled permit zones must ensure a valid permit is present and clearly displayed in the vehicles window for inspection. School zones continue to be of concern particularly around peak times of drop off and pick up where

congestion occurs. Yellow lined areas are in place to provide clear line of sight and free the flow of traffic for the safety of school children and parents. Council routinely monitors these areas and penalties are issued for breaches identified.

Monitoring of parking zone compliance in the CBD

Financial Year	Number of total Expiation Notices Issued	\$ Value Received From Notices
2012/2013	218	\$13,043
2013/2014	90	\$6,364
2014/2015	110	\$6,555

Fire Prevention

The 2014/15 Fire Danger Season was relatively quiet with no major fires threatening the Port Lincoln area, however the Adelaide Hills (Sampson Flat) fire reminded communities and agencies of the need to keep properties in a clean tidy order. 54 notices were issued pursuant to *Section 105F of the Fire & Emergency Services Act 2005* formally requesting works to be undertaken, with one expiation issued for failing to comply.

Council encourages all property owners to take the time and carefully inspect their properties, assess risks and take action before the commencement of summer. To control the spread of fire, owners should remove all flammable materials, excessive vegetation and reduce long grass.

Permits for Outdoor Dining

Section 222 of the Local Government Act 1999 enables the use of a public road for business purposes when granted a permit from Council. In Port Lincoln this relates mainly to outdoor dining, for which licensed areas must ensure the safe and convenient passage of pedestrians including persons with visual and other physical disabilities. Outdoor dining also enhances the active retail atmosphere of the CBD and foreshore and is considered to be a contributory factor in attracting visitors and tourists to the area. In 2014/2015 Council issued 10 permits to Cafes, Restaurants and Hotels for outdoor dining.

Financial Performance

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. An ongoing budget 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.

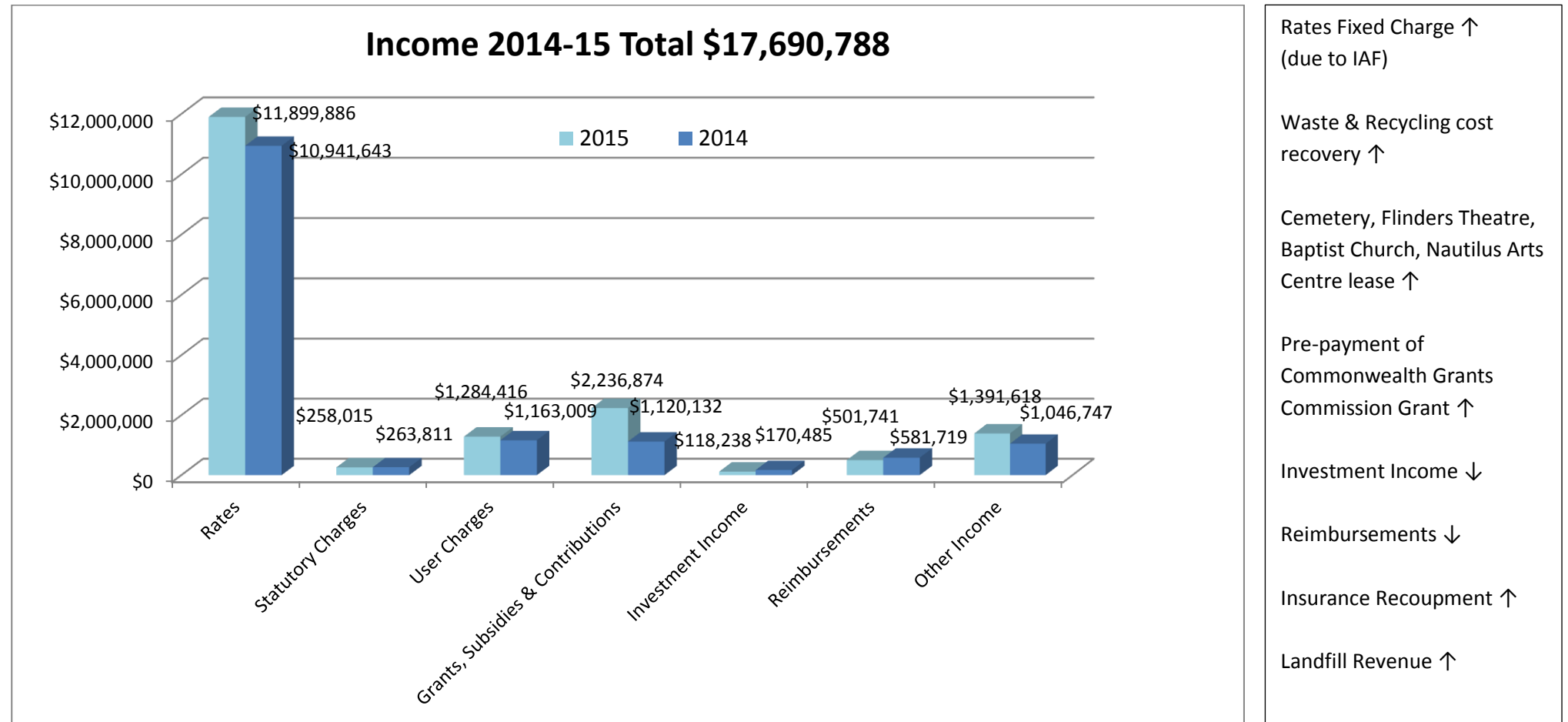
The role of the Financial Management Audit Committee is to monitor the integrity of financial statements, review the effectiveness of Council's internal controls and risk management systems and liaise with external auditors on relevant matters. Council utilises the services of accounting and auditing firm, Dean Newbery & Partners, to perform the external audit of Council's financial controls and Annual Financial Statements.

Loan Borrowings

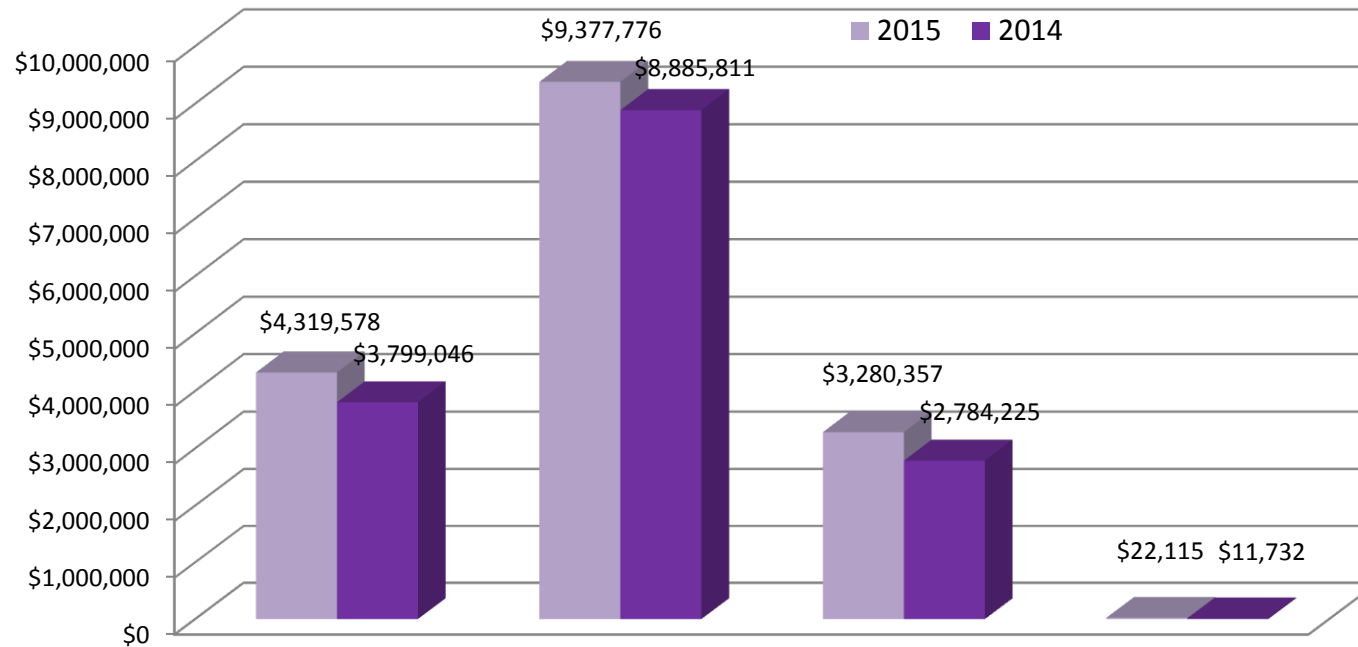
In July 2013 Council resolved to undertake loan borrowings of \$419,000 to support a Community Loan to the Port Lincoln Bowling Club Incorporated for the installation of an artificial bowling green.

As at 30th June 2015 the outstanding loan to the Local Government Finance Authority was \$369,911, repayable over a 10 year term at fixed interest rate of 5.6%.

Financial Performance at a Glance



Expenses 2014-15 Total \$16,999,826



Employee annual leave and long service leave taken ↑

Increased superannuation expense ↑

Election Expenses ↑

IT Communications ↑

Legal Expenses ↑

Professional Services ↑

General Maintenance ↑

Tourism Expenses ↑

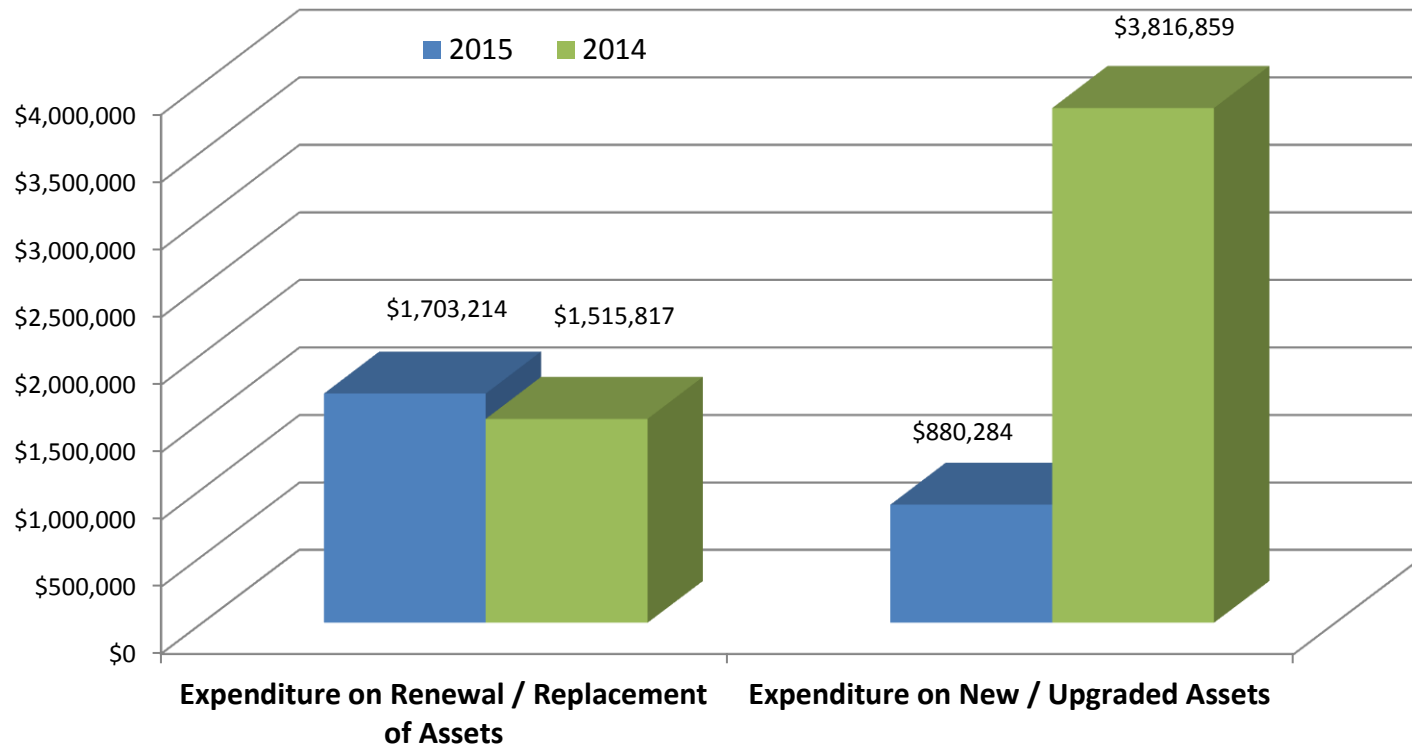
London Street Bridge Review - Depreciation ↑

Landfill Provision Review – Amortisation ↑

Residual Value Depreciation ↑

Finance Costs - Loan payable ↑

Capital Expenditure 2014-15 Total \$2,583,498



Major Projects:

Renewal/Replacement

Civic Hall Balcony
 Marina Footbridge
 Balustrade
 Drainage Pump Station Shed
 Parnkalla Trail
 Foreshore Playground
 Road Base Construction
 Road Surface Construction
 Road Reseals
 Footpaths

Major & Minor Plant

New/Upgrades

Stormwater drainage
 Anzac Memorial Upgrades
 Heritage Trail
 Footpaths

Council Activities

Ordinary Council

Meeting Attendance

Ordinary Council Meetings were held on the first and third Mondays of each month. For the 2014-2015 financial year there were 23 Ordinary Council meetings and 1 Special Council meetings held. Attendance was as follows:

Elected Member	Ordinary Council	Special Council
Mayor Bruce Green	23	1
Cr Neville Starke (Deputy Mayor)	19	
Cr Danny Bartlett	22	1
Cr Michael Bascombe (July – Nov)	4	
Cr Malcolm Catt (July – Nov)	5	1
Cr Jim Papazoglov	22	1
Cr Gordon Hartley ESM (July – Nov)	8	1
Cr Peter Jolley	22	1
Cr Travis Rogers	22	1
Cr Rod Patterson (June – Nov)	6	1
Cr Faye Davis	21	1
Cr Andrea Broadfoot (Dec – June)	14	
Cr Linda Davies (Dec – June)	14	
Cr Graham Mantle (Dec – June)	13	
Cr Diana Mislov (Dec - June)	13	

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 in the Civic Centre Administration area and posted on Council's website, no less than three clear days prior to those meetings. 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.

Boards and Advisory Committees

Council has 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 reported to the next available Ordinary Council meeting for receipt and consideration of any recommendations by Council.



Council Development Assessment Panel (CDAP)

Mr Malcolm Catt, Chairperson

Council is required pursuant to Section 56A of the Development Act 1993, to establish Development Assessment Panel. There are three important functions of the Panel:

- 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.

CDAP Determinations	
Number of Applications	9
Number of Applications Approved	9
Number of Applications Refused	0
Number of Applications Deferred	0
Number of Applications Appealed	0

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 Council Development Assessment Panel (CDAP) meets monthly, when required, on the second Monday at 5.30pm in the Council Chambers. Meetings are open to the public and are advertised accordingly.

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

The Development Assessment Panel has delegated authority for decision-making under Division 4, Part 4, Section 56A of the Development Act 1993. The Panel assesses Category 2 Development Applications where representations are received and wish to be heard, all Category 3 applications and non-complying applications. For the 2014 - 2015 financial year, there was a total of 7 CDAP meetings.

July 2014 to November 2015	Meetings Attended
Mr Bill Watkins OAM	4/4
Mr Peter Blacker	4
Mr Shayne Calliss	3/4
Mr Roger Nourse	3/4
Cr Faye Davis	3/4
Cr Jim Papazoglov	4
Cr Travis Rogers	3/4
December 2014 - current	Meetings Attended
Mr Malcom Catt – Presiding Member	3
Mr Michael Bascombe	3
Cr Faye Davis	3
Mr Roger Nourse	2/3
Mr Peter Blacker	2/3
Cr Jim Papazoglov	3
Cr Linda Davies	3

Marina Maintenance Advisory Committee

Cr Neville Starke, Chairperson

Terms of Reference

To undertake the duties and oversee the responsibilities pursuant to Clause 23 of the Tripartite Agreement between State Government, Lincoln Cove Development Company and the City of Port Lincoln.

Membership

Councillor Neville Starke (Chair)

Mr Rob Donaldson, Chief Executive Officer

Mr Justin Shaw – nominated by Minister for Transport

Mr Spiros Dimas – nominated by Minister For Transport

Mr Bruce Redding – Lincoln Cove Development Company

Mr Brian Henson – Stage 1 Residential Proprietors

Mr Glen Karutz – Lessees of berths in the Commercial Basin

Vacant – Lessees of the Recreational Basin

Since November 2014, the Committee has only met once (in March 2015). This meeting included local committee members plus a telephone link up with Mr. Spiros Dimas and Mr. Justin Shaw from DPTI. A brief outline of the history of the Marina and the Tripartite agreements was also provided by Mr Michael Bascombe and Mr Geoff Dodd, previous members of the Committee.

Discussion was held regarding the Pontoon adjacent to the Marina Hotel and possible berthing for the Tacoma and other tourist vessels. The Vice Security contract for marina precinct monitoring and response was also discussed together with the poor condition of the shark and cray berths infrastructure.



The long-term viability of the Marina Maintenance Fund was addressed, and further asset life, cost and revenue analysis will be received, and possible scenarios considered at a future meeting.

A workshop was held with key stakeholders in order to address several issues, including the condition of the shark and cray berths and other operational concerns in the Marina. Problems and issues being faced were highlighted, and Mr. Dimas and Mr. Shaw undertook to develop short and longer-term solution proposals.

I thank the committee members, some of whom are long serving, for their continued support and attendance. The Marina has challenges, but I hope with common sense and some negotiation we can gradually resolve some of the issues.

Greater City of Port Lincoln Bushfire Prevention Plan Committee

Chairperson – Councillor Neville Starke

Terms of Reference

- To monitor, review and keep up to date the Greater City of Port Lincoln Bushfire Prevention Plan
- To make recommendations to the Lower Eyre Peninsula Bushfire Committee and to Council for budget consideration.

Membership:

Councillor Neville Starke (Chair)

Councillor Diana Mislov

Mr Rob Donaldson - Chief Executive Officer

Mr Nigel Melzner – Manager Community Infrastructure

Mr Calvin Hoyer – Compliance Officer

Mr George Kozminski – Country Fire Service

Mr Phil Kilsby and Mr William Hoey – Metropolitan Fire Service

Mr Joe Tilley – Dept Environment Natural Resources

Councillor Geoff Bayly and Mr Leith Blacker – District Council of Lower Eyre Peninsula

Representative of – SA Water

Mr Frank Crisci – SA Power Networks

The GPLBPC met only once in 2014-15, which is less than ideal, but additional meetings can be called when required. I welcome Councillor Mislov to our committee, and look forward to her input.

We were pleased to have Mr. Frank Crisci from SAPN attend our meeting to give us some valuable insight to our power infrastructure and we hope to have him attend future meetings.

The draft of the Lower Eyre Peninsula Bushfire Area Plan (BMAP) was presented by George Kozminski and Donna Bradshaw, prompting significant discussion and suggestions. The CFS has now completed the BMAP public consultation and the plan has been endorsed for provisional implementation. We will need to determine how the BMAP informs the PLCC Bushfire Management Plan, with our preventative and compliance work to be driven by this.



Port Lincoln was again bushfire free this year, with only a few controlled burns in National Parks. I understand that all on going maintenance is well in hand after another very wet winter and a good growing season and our parks and road side verges have already been slashed in readiness for summer.

Thank you to the people of Port Lincoln and surrounds for all the preventative work being done which I am sure is helping to keep us safer from fire.

Thanks also to Council staff Nigel Melzner and Calvin Hoyer for the overseeing and organising the work associated with fire prevention, Kerry Collins for the administration work and to all committee members who take the time to come to our meeting, especially those that travel long distances.

Building Fire Safety Committee

Chairperson – Rosa Gagetti

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:

Rosa Gagetti – Executive Director Development and Environment

Mr Peter Harmer – Building Surveyor (Presiding Member)

Mr Andrew Sharrad – MFS Representative

Mr Bruce Noble – MFS Representative (proxy)

Peter Xerri – City of Port Lincoln

Matters addressed by the Committee during the 12 month period included:

Number of exits provided and the construction of paths of egress
Appropriate Exit Light installation and maintenance
Appropriate installation of Fire Hose Reels and Fire Extinguishers
Smoke Alarm and Detection System compliance
Fire Hydrant installation

Financial Management and Audit Committee

Chairperson Cr Danny Bartlett

Membership

Councillor Danny Bartlett (Chairperson)

Councillor Diana Mislov

Councillor Peter Jolley

Councillor Neville Starke

Mr Greg Eden (a person who is not a member of Council, with financial experience relevant to the functions of an Audit Committee)

This committee is in place to oversee the financial and audit functions of Council. We are there to make sure that Council has processes in place to minimise risk and manage our assets, which in turn provides Council with the necessary tools to plan for the future. I am pleased to say Council is in a better position today than ever before to forecast future commitment to manage, maintain and renew our assets.

The focus and structure of this committee has changed somewhat in the last 12 months. This has been due to a range of factors, including a change in membership following the council elections, and also some training provided to elected members through the Local Government Association.

Over numerous meetings and workshops we have reviewed and updated our terms of reference and work plan, with emphasis on the following areas:

- The independence of the committee from Council staff. As part of this it was decided to give preference to the chairperson being the independent member (ie not an elected member) and I'm happy to report that Greg Eden is the new chairperson of the committee, appointed in 2015-16. His background and skills in accounting, business, and his previous experience in local government puts him in a strong position to guide the committee's work into the future.
- Checking that processes are in place to ensure the ongoing effectiveness of Council's internal controls and risk management systems.
- An ongoing emphasis on the external audit functions of the committee. This covers off on various functions of the committee that relate to our annual external audit. In particular, this requires the committee to consider the findings of the audit, review the staff's responses, and make any recommendations the committee believes are necessary.
- Ongoing review of Council's financial statements.

Strategic Planning and Development Policy Committee

Chairman – Andrea Broadfoot

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 (Section 30) 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 Andrew Broadfoot – Chairperson

All Elected Members of Council

Various Development Plan Amendments as follows have been completed or partially completed or are underway:

Development Plan Amendment	Status
Part of Deferred Urban Zone	Approved by Minister for Planning and gazetted on 7 August 2014
Lincoln Cove Expansion	Underway, Statement of Intent agreed
Residential	Underway, Statement of Intent agreed, draft DPA prepared



Community Reference Groups

Nautilus Arts Centre Community Reference Group

The Civic Hall and Nautilus Theatre Community Reference Group was formed after Council took over the operation of the Civic Hall and Nautilus Theatre on 1 July 2013. Its primary purpose is to be the “voice of the community”.

Membership

Mayor Bruce Green
Cr Faye Davis
Cr Danny Bartlett
Katrina Allen, DCEO
Janet Grocke, Manager
Community Development

Viv Sarret, CPL staff member
Sue Roesler, CPL staff member
John Ison
Di Bichard
Simone Gillam
Mary Crawford

Rosii Pedler
Sue Catt
Gaile Bobridge
Anne Huepauff
Michelle Fiegert

Terms of Reference

Strategic Level

- Provide an open forum to discuss the operational management of the Civic Hall and Nautilus Theatre
- Share members knowledge in their areas of expertise
- Positively promote and communicate with the broader community about opportunities, issues, strategies and priorities of the Civic Hall and Nautilus Theatre including Council’s “**Strategic Directions**” objectives 6.1.9 and 6.1.10
- Optimise the roles of volunteers in the operation of the Civic Hall and Nautilus Theatre
- Develop a mission statement for the Gallery Shop and Galleries, to promote local artists and enhance commercial viability
- Determine community expectations of future facility improvements and operations

Operational Level

- Provide leadership to the volunteers engaged to support the Civic Hall and Nautilus Theatre business operations, promotion, shows and events
- Assume a lead role in designated areas of the facility and undertake the coordination of resources and volunteers in required tasks including:
 - Gallery - shop
 - Gallery – artists engagement
 - Gallery - promotion
 - Gallery – hanging and display
 - Theatre - Front of House for productions
 - Theatre - Technical
 - Event management
 - Box Office support
 - Promotion

The Reference Group considers operational and business management matters that are raised by the community, considering the ideas or concerns in order of relevance and priorities and met a total of five times in 2014-15.



Delegates and Representatives

Council nominates delegates to numerous external bodies as part of its contribution to local and regional community issues and affairs.

Committee	June – November 2014	December 2014 – June 2015
Eyre Peninsula Local Government Association	Mayor Green, CEO	Mayor Green – Chairperson Cr Starke – Deputy Member
Eyre Peninsula Old Folks Home	Cr Jolley	Cr Jolley
Health Advisory Committee	Cr Papazoglov	Cr Papazoglov
LGA State Executive & SAROC Committees	Mayor Green	Mayor Green
Local Government Association of SA	Mayor Green	Mayor Green
Lower Eyre Peninsula Pest Management Group	Cr Hartley ESM	Cr Davis
Lower Eyre Peninsula Bushfire Management Committee	CEO, MCI (Proxy)	CEO, MCI (Proxy)
Lower Eyre Road Safety Committee	Cr Patterson, Cr Hartley	Cr Mantle Cr Papazoglov
Parks and Reserves Committee	Cr Hartley, Cr Rogers	Cr Mantle
Port Lincoln Chamber of Commerce & Tourism	Cr Catt	Cr Papazoglov
Port Lincoln Risk Assessment Panel (for Dry Zone exemption proposals)	Manager Corporate Services	EDDE, MCD
Provincial Cities Association	Mayor Green, Cr Starke (proxy), CEO	Mayor Green, Cr Starke (proxy), CEO
Ravendale Community Sports Centre Board	Cr Bascombe, Cr Papazoglov	Cr Mantle Cr Papazoglov
Regional Development Australia Board	Cr Catt	
South Australian Local Government Finance Authority	Mayor Green	Mayor Green
Zone Emergency Management Committee	CEO	CEO
Eyre ICAN Committee	Cr Rogers	Cr Bartlett

Council Participation

The City of Port Lincoln was represented at the Local Government Association AGM in October 2014 by Mayor Bruce Green and Chief Executive Officer, Rob Donaldson. The Eyre Peninsula Local Government Association meets quarterly at various locations on the Eyre Peninsula and Council's Mayor and Chief Executive Officer attend these meetings. Mayor Green was elected Presiding Member of the Eyre Peninsula Local Government Association in June 2015, resulting in his appointment to the Board of LGA South Australia. The Provincial Cities Association also meets quarterly, with the Mayor and Chief Executive Officer attending.

Council Governance

Use of Section 90(2) and 91(7), Local Government Act 1999

Council holds all meetings in public except where it is necessary and appropriate that the public be excluded from attendance at so much of a meeting as is necessary to receive discuss or consider in confidence any information or matter listed in Section 90 of the Local Government Act 1999. A total of 23 Ordinary Council Meetings were held in 2014 - 2015 with 1 Special Council Meeting also being held. At 9 meetings during 2014-2015, Council resolved to exclude the public from part of the meeting pursuant to Section 90(2) of the Act as detailed in the following table.

Orders Pursuant to Section 90(2) of the Local Government Act 1999 1 July 2014 – 30 June 2015				
Meeting Date	Subject	Section 90(3)	Section 91(7)	Status as at 15 June 2015
21/7/14	Unauthorised Tree Removal – Ocean Street	(i)	for a period of 12 months after the matter has been settled	Retained
21/8/14	CEO Progress Review and Feedback to August 2014	(a)	until the conclusion of the Chief Executive Officer's first annual Performance Review	Released
21/8/14	CEO Annual Performance Review Preparation	(a)	until the conclusion of the Chief Executive Officer's first annual Performance Review	Released
30/9/14	CEO Performance Review – Engagement of Consultant	(a)	until the conclusion of the Chief Executive Officer's 2013-2014 Performance Review	Released
20/10/14	Infrastructure Improvement for Possible Major Event	(d)	until announcement of event negotiation outcomes by the event owners.	Released
15/12/14	CEO Performance Review Report	(a)	be retained in confidence until the such time that Mr Rob Donaldson's contract as the Chief Executive Officer is concluded	Retained
15/12/14	CEO Remuneration Review Report	(a)	until Mr Donaldson has accepted remuneration and conditions of service for following 12month period	Retained
16/3/15	Tourism & Visitor Information Services	(b)	until transition arrangements are concluded and reviewed every 12 months	Retained
7/4/15	Possible Asset Disposal	(a)(b)	until negotiations are concluded and reviewed every 12 months	Retained
20/4/15	Possible Asset Disposal	(a)(b)	until negotiations with interested parties are concluded, and reviewed every 12 months	Retained
4/5/15	A Staff Matter	(a)	12 months, reviewed every 12 months	Retained
18/5/15	Land Formerly Owned by Council	(b)	for 24 months and that this order be reviewed every 12 months	Retained

Section 91(9) of the Local Government Act, 1999 requires Council, once in every financial year, to review confidential orders made pursuant to Section 91(7) of the Act to determine whether the orders to retain documents in confidence will remain in force or be revoked. Revoked orders result in all confidential documents relating to the order being released to the public.

Council reviewed the Register of Confidential Orders on 15 June 2015 and resolved that certain confidential orders will remain operative as detailed in the following table. Confidential orders remaining operative from the period after 15 November 2010, as required by legislation, are also shown in the following table.

Orders Remaining Operative Pursuant to Section 91(7) of the Local Government Act 1999 6 September 2010 - 30 June 2015				
Meeting Date	Subject	Section 90(3)	Section 91(7)	Status as at 15 June 2015²
6/9/10	Disposal of Operational Land	(b)	Until contract is signed	Retained
4/6/12	Drainage Easement – 50 Grantala Road	(a)	Until formal contractual arrangements executed	Retained
6/5/13	Residential Development Plan Amendment	(m)	Until released for public consultation	Retained
6/5/13	SPDPC Minutes	(m)	Until released for public consultation	Retained
17/2/14	Unauthorised Tree Removal	(i)	Review every 12 months	Retained
19/5/14	Unauthorised Tree Removal	(i)	Review every 12 months	Retained
2/6/14	External Relations (Report Only)	(j)	Review every 12 months	Retained
21/7/14	Unauthorised Tree Removal – Ocean Street	(i)	For 12 months after the matter has been settled	Retained
15/12/14	CEO Performance Review Report	(a)	Until conclusion of Mr Rob Donaldson's contract as CEO	Retained
15/12/14	CEO Remuneration Review Report	(a)	Until Mr Rob Donaldson accepts the remuneration and conditions of service for the following 12 months	Retained
16/3/15	Tourism & Visitor Information Services	(b)	until transition arrangements are concluded and reviewed every 12 months	Retained
7/4/15	Possible Asset Disposal	(a)(b)	until negotiations are concluded and reviewed every 12 months	Retained
20/4/15	Possible Asset Disposal	(a)(b)	until negotiations with interested parties are concluded, and reviewed every 12 months	Retained
4/5/15	A Staff Matter	(a)	for 12 months and reviewed every 12 months	Retained
18/5/15	Land Formerly Owned by Council	(b)	24 months and that this order be reviewed every 12 months	Retained
15/6/15	Financial Management Audit Committee Meeting 3 June 2015 – land Formerly Owned by Council	(g)	for 24 months and reviewed every 12 months	(to be reviewed in 2015-2016)

² Date of Council Meeting when Confidential Orders were reviewed for the 2014/15 financial year.

Allowances

Elected Members' Allowances

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. Allowances are set by the Remuneration Tribunal and are adjusted annually on the anniversary of the last periodic election, to reflect changes in the Consumer Price Index. 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, for whom Council provides computer access, an email address and mobile telephone to enable communication from Council, and for Council business.

The Remuneration Tribunal has allocated the City of Port Lincoln to Council 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 being 1.25 times the annual allowance for councillors.

Ordinary Council (Group 3)	
Mayor (Bruce Green)	\$50,024
Deputy Mayor (Neville Starke) & Presiding Members (Danny Bartlett, Andrea Broadfoot)	\$15,632
Elected Members	\$12,506

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 Audit Committee. Their involvement and interest in the future developments and strategic and financial goals of the City of Port Lincoln is appreciated.

CDAP	
Chairperson (Independent)	\$200 per sitting
Independent Members	\$120 per sitting
Financial Management Committee	
Independent Member	\$250 per sitting

Representational Quota

The City of Port Lincoln representation arrangements are as follows:

- One Mayor
- 10 Area Councillors (at large representation)

No wards apply to the City of Port Lincoln Council area. Average representation quota data for Councils of comparable size and type to Port Lincoln is shown below, based on information provided by the Electoral Commission of SA as at February 2015:

	No of Electors	Total Council	Representation Quota
PORT LINCOLN	9946	11	904
COOBER PEDY	1123	9	124
MOUNT BARKER	21864	11	1987
MOUNT GAMBIER	18485	11	1680
PORT AUGUSTA	9244	10	924

In accordance with the requirements of Section 12(4) of the Local Government Act 1999, a review of the Council's representative structure must be undertaken before the end of 2017. The community will be invited to participate in the Representation Review process and make submissions in accordance with Council's Community Engagement Policy.

Decision Making Structure of Council

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

*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 is committed to the following strategic objectives:

- **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**

Elected Member Training and Development Activities

Following the amendment to the Local Government Act and the Local Government (General) Regulations 2013 in November 2014, all Council Members must undertake mandatory training within the first year of election to office, which complies with the LGA Training Standards as defined in regulation 8AA of the Local Government (General) Regulations 2013. The Local Government Association SA assisted Councils provide the mandatory training for their Council Members and all City of Port Lincoln Elected Members successfully completed the mandatory training. The key topics included; Introduction to Local Government, Legal Responsibilities, Council & Committee Meetings, Financial Management.

The following table details the training and development activities undertaken by Elected Members in 2014-15.

Elected Member	Training and Development Undertaken	Provider
MAYOR GREEN	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	PROVINCIAL CITIES MEETINGS	PROVINCIAL CITIES ASSOCIATION OF SA
	LG AND CHINA FORUM	NORMAN WATERHOUSE
	LGA BOARD MEETING JAN 2015	LGA
	EPLGA ANNUAL CONFERENCE	EPLGA
	AUDIT COMMITTEES	LGA
	LG ORDINARY MEETING & MEET THE EXPERTS	LGA
	SHANDONG MISSION BRIEFING	DEPARTMENT OF STATE DEVELOPMENT
	PROVINCIAL CITIES MEETINGS	PROVINCIAL CITIES ASSOCIATION OF SA
	EPLGA BOARD MEETING	EPLGA
CR BARTLETT	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	AUDIT COMMITTEES	LGA
CR BROADFOOT	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	EPLGA ANNUAL CONFERENCE	EPLGA
	ALGWA NATIONAL CONFERENCE 2015	AUSTRALIAN LOCAL GOVERNMENT WOMEN'S ASSOCIATION INC
CR DAVIES	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	PRESENTATION AND PUBLIC SPEAKING WORKSHOP	COUNTRY ARTS SA
CR DAVIS	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	AUDIT COMMITTEES	LGA
CR JOLLEY	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
Cr MANTLE	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
Cr MISLOV	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	AUDIT COMMITTEES	LGA
	PRESENTATION AND PUBLIC SPEAKING WORKSHOP	COUNTRY ARTS SA
CR PAPAZOGLIOV	ICAC & CODE OF CONDUCT TRAINING	NORMAN WATERHOUSE
	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	PRESENTATION AND PUBLIC SPEAKING WORKSHOP	COUNTRY ARTS SA
CR ROGERS	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	EPLGA ANNUAL CONFERENCE	EPLGA
	PRESENTATION AND PUBLIC SPEAKING WORKSHOP	COUNTRY ARTS SA
CR STARKE	ELECTED MEMBER INDUCTION POST ELECTION	LGA
	EPLGA ANNUAL CONFERENCE	EPLGA
	AUDIT COMMITTEES	LGA
	EPLGA BOARD MEETING	EPLGA

Delegations

Council has delegated certain powers and duties to the Chief Executive Officer and in turn, other officers of Council have been sub-delegated powers and duties to make decisions on specified administrative and operational matters. The City of Port Lincoln undertook a significant review of its processes relative to the recording of delegated and sub-delegated authority, and adopted a new format in 2015.

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.

Community Engagement

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

Deputation to Council	With prior notification and approval of 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 about 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 Council Meeting

The City of Port Lincoln engages with citizens and stakeholders on particular issues that affect the city and/or their neighbourhood, as per its Community Engagement Policy. Below are some examples:

- Residents and electors may attend meetings at which Council may be making decisions on leasing arrangements of Council community land
- Revocation of Community Land Classifications and road opening and closing proposals
- Residents are notified of certain Development Applications by letter and/or public notice where provided in the Development Act, and have the opportunity both to write to Council and to subsequently personally address the Development Assessment Panel before a decision is made
- Community engagement on Strategic Directions review and preparation
- Policy amendments to the Development Plan Development Plan Amendments
- Major projects or policy issues of Council-wide significance.



Council keeps the community informed about activities, services and achievements using several different media. The weekly advertorial in the Port Lincoln Times is proving to be a successful way to inform the community of issues as they arise and is supported, where appropriate, with media releases for general news stories and interviews on local radio and local television news. In addition, Council uses its website to further communicate activities, services and achievements.

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

Local Government Act 1999 Legislative Requirements

Registers

Council retains the following information pursuant to 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

The following 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 Council's website at www.portlincoln.sa.gov.au

Local Government (Elections) Act 1999

Council holds 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.

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

Members of the public may purchase copies as per Council’s Fees and Charges Schedule.

Other publications such as Annual Reports, Financial Statements, Budget documentation, Development Plans etc are also available on Councils website. For those persons without internet access, the Port Lincoln Library, at 2 London Street, has free public internet access.

Freedom of Information

Freedom of Information Statement

Under Schedule 5 of the Local Government Act 1999 and Part 2, Section 9 of the Freedom of information Act 1991, relating to publication of information concerning agencies, Council is required to publish annually its Information Statement pertaining to the arrangements and functions that Council has in place for the public to access information and documents to enable participation in Council’s decision making processes and policy formulation.

The City of Port Lincoln “Freedom of Information Statement” is available on Council’s website and is adopted annually as required.

Requests for information are 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 the FOI Officer. Applications are 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

Four applications for information under the Freedom of Information Act were received by the City of Port Lincoln during the 2014-2015 financial year. Council did not receive any FOI referrals from other agencies and responded to five requests seeking Council’s view on documents containing matters that relate to Councils that were subject to an FOI application of another agency, being released.

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 of the Local Government Act, 1999 Schedule 4 1(j) and the National Competition Policy regarding 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 5 December 2011. The certified copies are held in a register (15.13.1.1) as per the Local Government Act 1999 Chapter 12, Part 1, Section 252. Copies of Council's By-Laws are available by request, or on the website. As per Section 251 of the Act, a By-Law will expire 1 January following the seventh anniversary of the gazettal of the By-Law. The City of Port Lincoln's five By-Laws will expire 1 January 2019.

Competitive Tendering and 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 best practice 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 and safety; and
- Disposal of surplus goods & materials and Council land.

Provision of Services, Contracts and Agreements

In accordance with Local Government Act 1999 Schedule 4 (2)(b) competitive tenders.

Council strives to undertake fair, transparent and consistent procurement practices when tendering for goods and/or services. In accordance with Local Government Act 1999 Schedule 4 (2) (b) competitive tenders, a procedure is in place to assess how goods and/or services are sourced and acquired as per the following table.

< \$5,000 (issue Purchase Order)	< \$50,000 (issue Purchase Order)	\$50,000 < \$150,000 (Issue Minor Works Agreement)	\$150K and above (Issue Contract)
Seek quote and issue purchase order	Refer Council's Prequalified Contractor Register or if not on Register seek 3 quotes using Request for Quotation including specification/ scope documentation. Issue Purchase Order	Request for Quotation documentation including specification/scope documentation Public Notification: Advertising through Council's Web Site, Port Lincoln Times Page, Classified Ads All submissions received are sealed and kept in a Tender Box in Council's Strong Room. They are all treated in a confidential manner and opened in the presence of 2 personnel after the appointed closing time for receiving submissions.	Request for Tender documentation including specification/scope documentation Public Notification: Advertising through Council's Web Site, Port Lincoln Times Page, Classified Ads and Local Government Association (Tender on Line) All submissions received are sealed and kept in a Tender Box in Council's Strong Room. They are all treated in a confidential manner and opened in the presence of 2 personnel after the appointed closing time for receiving submissions.
	This process was undertaken 16 times throughout the 2014-15 year.	This process was undertaken 9 times throughout the 2014-15 year.	This process was undertaken 2 times in the 2014-15 year.

Shared Services

Following the completion of a major investigation, report and recommendations on 'collaboration and shared services' in 2012, Council in March 2013 resolved to endorse and investigate further the report recommendations together with the District Council of Lower Eyre Peninsula and the District Council of Tumby Bay.

Each of the participating Councils has allocated budget and limited staff resources to support the advancement of the many recommendations of the 2012 report, under the oversight of a Working Group comprised of the three Mayors and three CEOs. The three CEOs, working with the normal corporate resources available to them, have continued to work together to progress priority projects on the shared services agenda.

The focus of 2014-15 work on shared services projects has been on:

- Progressing a single Enterprise Bargaining Agreement for the staff of the three councils
- Limited further investigation of needs and opportunities across the Development/Regulatory/Environment functions, pending the Enterprise Bargaining Agreement outcomes
- Preparing a Regional Public Health Plan (a new legislative requirement)
- Monitoring status, needs and opportunities in IT and communications across the three councils
- Joint promotion of the 2014 Local Government Elections.

Other priorities identified but not progressed this financial year were:

- Governance and WHS systems collaboration
- Sharing plant and equipment registers
- Developing a value proposition for the minimum scope of a Regional Subsidiary, if one was formed under the Local Government Act.

Public Initiated Boundary Adjustment Proposal

In early 2014 a Public Initiated Boundary Adjustment proposal was received, proposing to change the western boundary between City of Port Lincoln and the District Council of Lower Eyre Peninsula, which would have the effect of transferring the eastern approximately 40% of the District Council area into the City of Port Lincoln area. This had a number of implications including service obligations, infrastructure and asset responsibilities, revenue considerations and community representation, and required both councils to carefully analyse, consider and respond to the proposal. Council undertook limited community consultation on this matter, because the Port Lincoln community was not directly affected (and the legislated process would allow later consultation opportunities). A joint informal gathering of the two councils was held as part of the consideration process.

Council determined in July 2014 not to support the proposal, with reasons outlined in its resolution CO14/153. As part of its decision, Council also recognised the need for change in local government arrangements to meet southern Eyre Peninsula local government's future objectives, and resolved that it is "prepared to investigate all options including shared services, productive boundary adjustments and local government mergers at the appropriate time". Issues requiring further consideration before significant change can be progressed were also identified.

In February 2015 Council resolved to include a proposal in the 2015-16 Annual Business Plan and Budget, to continue investigations into "local government arrangements on Lower Eyre Peninsula" including shared services, boundary changes and amalgamations.



Community Land Management Plans

As per the Local Government Act 1999, Chapter 11 and Schedule 4 2(e), Council has adopted Management Plans for its Community Land. These plans may be reviewed following the Open Space Strategy preparation (in 2015-16) and update of the Infrastructure and Asset Management Plan (including revaluation of Council assets).



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*



Permits & Applications

Council has established a  **Permits & Applications** tab on its website allowing easy access to 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 to Port Lincoln and on the Foreshore Bollards.

A "Community Events" form guides event co-ordinators through the requirements for holding an event on Community Land.

Auditor Independence

Local Government Act 1999, Section 128(9)

Dean Newbery & Partners, with head Auditor Jim Keogh from 2011, has undertaken audits of Council's internal financial controls and the presentation of financial reports as required for the 2014-2015 financial year (refer Appendix A).

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

- a) The financial statements comply with relevant legislation and Australian Accounting Standards,
- b) The financial statements present a true and fair view of the financial position, results of the operations and cash flows of Council,
- c) Internal controls implemented by Council provide a reasonable assurance that its financial records are complete, accurate and reliable and were effective throughout the financial year, and
- d) The financial statements accurately reflect the accounting and other records of Council
- e) 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 the CEO and Mayor to sign the certification of the statements in their final form when completed. The result of this process is that the audited financial statements cannot be altered by Council and the final statements will be presented to Council for information only.



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

Pursuant to the Local Government Act 1999, Section 128(9) and Schedule 4, the remuneration payable for the annual audit of Council's financial statements and interim audit report for the work performed during the 2014-15 financial year was \$17,500, being \$14,000 for audit services and \$3,500 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 the Local Government Act 1999, Section 270(8) to review its decisions.

Council Management

Executive Officers

Chief Executive Officer

Rob Donaldson, BA Planning, Grad Dip
Environmental Planning

Deputy Chief Executive Officer

Katrina Allen, Diploma of Management,
Cert IV HR, Cert IV Fin Serv

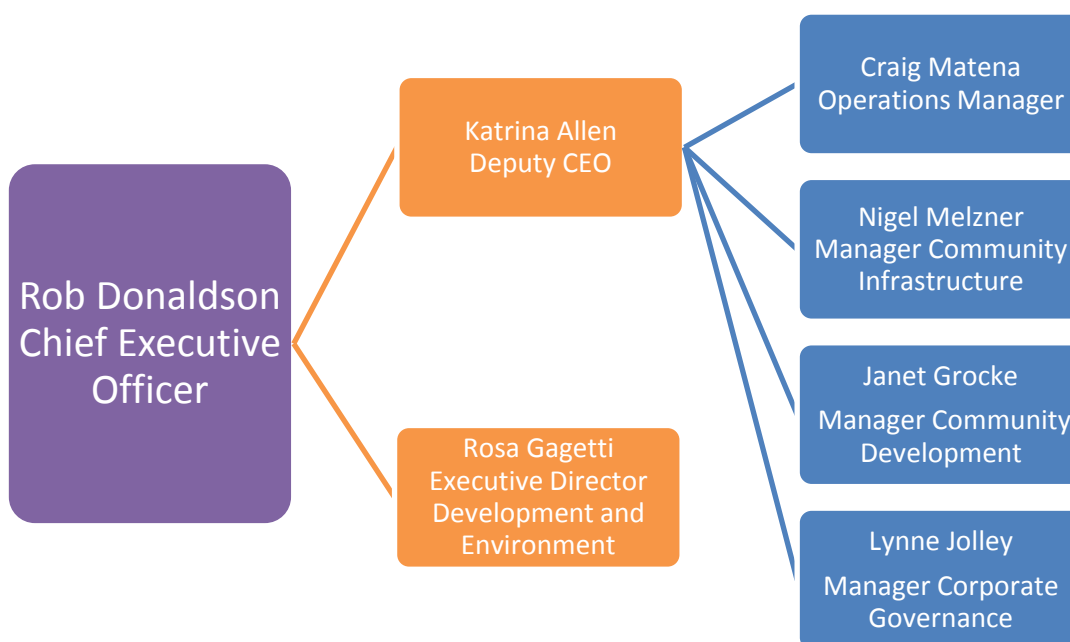
Mr Rob Donaldson started in the role of Chief Executive Officer with the City of Port Lincoln in October 2013. He is a qualified Urban Planner, with a career of over 30 years in Local Government and extensive experience as a Senior Executive Manager in four Adelaide Local Government areas and with Shoalhaven City Council on the NSW south coast.

Mrs Katrina Allen was appointed to the new position of Deputy Chief Executive Officer in July 2012. Having commenced with the City of Port Lincoln in July 2001, Mrs Allen held previous positions including Human Resources, Administration, Finance and Corporates Services and as Director Corporate and Community Services.

The employment packages of the Executive Officers included a negotiated salary, legislated superannuation benefits, and the private use of a designated Council vehicle.

Senior Management Team

Council's Senior Management Team provides leadership and strategic direction to the organisation, and ensures key project co-ordination.

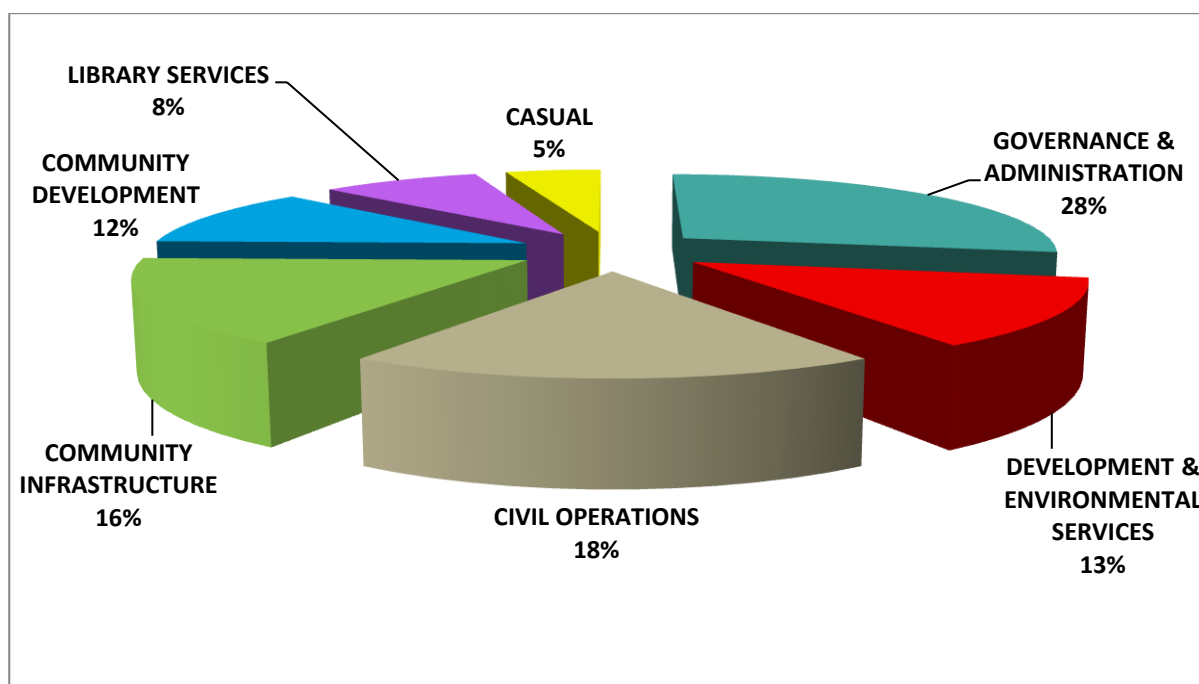


Employee Distribution

As at 30th June 2015 Council had 61 employees, consisting of 44 full time staff, 14 part time staff and 3 casual employees.

The Full Time Equivalent (FTE) hours of employed staff at 30 June 2015, was 52.87. The distribution of employees across Council Departments was as follows:

DEPARTMENT	Actual No. of Employees	Equivalent FTE
GOVERNANCE & ADMINISTRATION	17	14.89
DEVELOPMENT & ENVIRONMENTAL SERVICES	8	7.53
CIVIL OPERATIONS	11	11
COMMUNITY INFRASTRUCTURE	10	10
COMMUNITY DEVELOPMENT	7	5.63
LIBRARY SERVICES	5	3.81
CASUAL EMPLOYEES	3	0.00
TOTALS	61	52.87



Equal Employment Opportunity

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, age, 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 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 provide a workplace free of discrimination where each person can progress to the extent of their ability, as opportunities arise.



Training and Development Policies

Council's training policies and practices - including policies 12.63.14 Human Resource Management and 9.63.12 Council Members Training & Development - aim to develop highly skilled, knowledgeable and committed employees and Council Members. This will provide positive outcomes to Council, the community and the individuals themselves. It is Council's intent to:

- establish a working environment in which employees are encouraged to undertake training
- actively promote training
- provide opportunities for recognition, development and advancement
- develop the skills and knowledge of entry level employees.

Council allocates appropriate budget provisions to training and development which is an investment in the skill development of employees and Council Members 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 resulting in improved performance on the job.

All employees and Council Members have access to appropriate training and development opportunities required to perform present and future roles competently and to ensure career development opportunities. Council is flexible in determining training programs and policies and will consult with employees and Council 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 Work Health and Safety and Equal Employment Opportunity legislation. Employee and Elected Member current and future training and development needs are 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.

As part of Council's commitment to Work Health & Safety training, all staff participated in a Manual Handling training workshop. Council has undertaken a Training Needs Analysis to assist with developing a training plan that addresses and skills gaps identified. Targets dates and an action plan have been created to ensure that all staff have access to and receive the appropriate training for their role.

Training and development forms a key part of a strategic human resources plan which responds to present and future organisational needs.

Appendix A

Audited Financial Statements for the Year Ended 30 June 2015

City of Port Lincoln



City of Port Lincoln

Annual Financial Statements

**FOR THE YEAR ENDED
30 JUNE 2015**

RM: N20153307 AUDITED
File: 7.73.1.5

CITY OF PORT LINCOLN

General Purpose Financial Reports for the year ended 30 June 2015

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City of Port Lincoln



Port Lincoln - Seafood Capital of Australia

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2015

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 2015 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.

Rob Donaldson
CHIEF EXECUTIVE OFFICER

Bruce Green
MAYOR

Date: 12/11/2015

CITY OF PORT LINCOLN

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2015

	Notes	2015 \$	2014 \$
INCOME			
Rates	2	11,899,886	10,941,643
Statutory charges	2	258,015	263,811
User charges	2	1,284,416	1,163,009
Grants, subsidies and contributions	2	2,236,874	1,120,132
Investment income	2	118,238	170,485
Reimbursements	2	501,741	581,719
Other income	2	1,391,618	1,046,747
Total Income		17,690,788	15,287,546
EXPENSES			
Employee costs	3	4,319,578	3,799,046
Materials, contracts & other expenses	3	9,377,776	8,885,811
Depreciation, amortisation & impairment	3	3,280,357	2,784,225
Finance costs	3	22,115	11,732
Total Expenses		16,999,826	15,480,814
OPERATING SURPLUS / (DEFICIT)		690,962	(193,268)
Asset disposal & fair value adjustments	4	(208,315)	(35,983)
Amounts received specifically for new or upgraded assets	2	163,000	280,000
Physical resources received free of charge	2	56,146	284,674
NET SURPLUS / (DEFICIT)		701,793	335,423
transferred to Equity Statement			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	592,756	12,863,372
Impairment (expense) / recoupments offset to asset revaluation reserve	9	-	(313,870)
TOTAL COMPREHENSIVE INCOME		1,294,549	12,884,925

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

CITY OF PORT LINCOLN

STATEMENT OF FINANCIAL POSITION as at 30 June 2015

	Notes	2015 \$	2014 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	4,156,256	3,101,040
Trade & other receivables	5	1,022,795	717,610
Other financial assets	5	50,655	51,900
Total Current Assets		5,229,706	3,870,550
Non-current Assets			
Financial assets	6	421,386	472,041
Infrastructure, property, plant & equipment	7	164,674,837	164,315,108
Total Non-current Assets		165,096,223	164,787,149
Total Assets		170,325,929	168,657,699
LIABILITIES			
Current Liabilities			
Trade & other payables	8	1,637,609	1,880,685
Borrowings	8	35,059	33,176
Provisions	8	602,417	475,058
Total Current Liabilities		2,275,085	2,388,919
Non-current Liabilities			
Borrowings	8	334,852	369,911
Provisions	8	2,820,804	2,298,228
Total Non-current Liabilities		3,155,656	2,668,139
Total Liabilities		5,430,741	5,057,058
NET ASSETS		164,895,188	163,600,641
EQUITY			
Accumulated Surplus		33,552,111	30,311,886
Asset Revaluation Reserves	9	130,698,654	132,638,907
Other Reserves	9	644,423	649,847
TOTAL EQUITY		164,895,188	163,600,640

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 2015

2015	Notes	Accumulated Surplus \$	Asset Revaluation Reserve \$	Other Reserves \$	TOTAL EQUITY \$
Balance at end of previous reporting period		30,311,886	132,638,907	649,847	163,600,640
Restated opening balance		30,311,886	132,638,906	649,847	163,600,640
Net Surplus / (Deficit) for Year		701,793	-	-	701,793
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment	7	-	592,756	-	592,756
Transfer to accumulated surplus from asset revaluation reserve	9	2,533,008	(2,533,008)	-	-
Transfers between reserves	9	5,424	-	(5,424)	-
Balance at end of period		33,552,111	130,698,654	644,423	164,895,189

2014

Balance at end of previous reporting period		29,570,564	120,089,405	1,055,746	150,715,715
Restated opening balance		29,570,564	120,089,405	1,055,746	150,715,715
Net Surplus / (Deficit) for Year		335,423	-	-	335,423
Other Comprehensive Income					
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	12,863,372	-	12,863,372
Impairment (expense) / recoupments offset to asset revaluation reserve		-	(313,870)	-	(313,870)
Transfers between reserves		405,899	-	(405,899)	-
Balance at end of period		30,311,886	132,638,907	649,847	163,600,640

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

CITY OF PORT LINCOLN

STATEMENT OF CASH FLOWS

for the year ended 30 June 2015

		2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES	Notes		
<u>Receipts</u>			
Rates - general & other		11,885,629	10,900,677
Fees & other charges		278,513	284,769
User charges		1,078,928	1,125,732
Investment receipts		122,085	182,831
Grants utilised for operating purposes		2,404,640	1,204,142
Reimbursements		551,915	639,891
Other revenues		1,837,099	3,967,403
<u>Payments</u>			
Employee costs		(4,206,751)	(3,805,256)
Materials, contracts & other expenses		(10,365,756)	(11,493,476)
Finance payments		(22,115)	(11,732)
Net Cash provided by (or used in) Operating Activities	11	3,564,187	2,994,981
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		163,000	280,000
Sale of replaced assets		91,659	12,500
Repayments of loans by community groups		51,900	95,311
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,703,214)	(1,515,817)
Expenditure on new/upgraded assets		(824,138)	(3,532,185)
Other Financial Assets net movement		-	(25,275)
Loans made to community groups		-	(419,000)
Net Cash provided by (or used in) Investing Activities		(2,220,793)	(5,104,466)
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
Proceeds from borrowings		-	403,087
<u>Payments</u>			
Repayments of borrowings		(33,176)	-
Repayment of aged care facility deposits		(255,000)	(950)
Net Cash provided by (or used in) Financing Activities		(288,176)	402,137
Net Increase (Decrease) in cash held		1,055,218	(1,707,348)
Cash & cash equivalents at beginning of period	11	3,101,040	4,808,388
Cash & cash equivalents at end of period	11	4,156,256	3,101,040

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

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

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

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.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollars.

2 The Local Government Reporting Entity

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

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

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.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 1 - Significant Accounting Policies (cont)

In the month of June in recent years the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. In June 2015, \$674,790 was paid in advance that was allocated to 2015/16. Accordingly, the operating result of the 2014/15 financial year is distorted compared to what would have been reported had the grants been paid in the 2015/16 financial year.

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

3.1 Construction Contracts

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

There are no construction contracts at 30 June 2015.

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

City of Port Lincoln does not hold any inventories as at the 30th June 2015.

6 Infrastructure, Property, Plant & Equipment

6.1 Land under roads

Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised as in the opinion of Council it is not possible to reliably attribute a fair value, and further that such value if determined would be immaterial.

6.2 Initial Recognition

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

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.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 1 - Significant Accounting Policies (cont)

6.3 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.4 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.

6.5 Depreciation of Non-Current Assets

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

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.6 Impairment

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

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

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.

6.7 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.

7 Payables

7.1 Goods & Services

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

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 1 - Significant Accounting Policies (cont)

8 Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

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

9.2 Superannuation

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

10 Leases

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

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class, and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

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

11 GST Implications

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

- 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.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2015

Note 1 - Significant Accounting Policies (cont)

12 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2015 reporting period and have not been used in preparing these reports.

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

13 Resource Recovery Centre Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Council monitors the liability recorded for landfill rehabilitation and restoration estimates and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet. The Council undertook a review of all landfill rehabilitation and restoration liabilities in the 2014/15 financial year which resulted in an increase to the liability of \$535,599 recorded in Note 8. Council engaged GHD Pty Ltd to provide an independent assessment of the landfill rehabilitation and restoration estimates.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 2 - INCOME

	Notes	2015 \$	2014 \$
RATES REVENUES			
<u>General Rates</u>		9,655,373	9,071,254
Less: Mandatory rebates		(147,684)	(151,160)
Less: Discretionary rebates, remissions & write offs		(65,456)	(62,899)
		9,442,233	8,857,195
<u>Other Rates</u> (including service charges)			
Natural resource management levy		508,018	497,794
Waste & recycling service charge		1,862,824	1,511,798
		2,370,842	2,009,592
<u>Other Charges</u>			
Penalties for late payment		63,001	53,975
Legal & other costs recovered		23,810	20,881
		86,811	74,856
		11,899,886	10,941,643
STATUTORY CHARGES			
Development Act fees		92,741	84,655
Town planning fees		24,505	35,780
Health & septic tank inspection fees		2,230	1,715
Animal registration fees & fines		104,315	104,993
Parking fines / expiation fees		7,058	10,460
Other licences, fees, & fines		27,165	26,208
		258,015	263,811
USER CHARGES			
Cemetery		68,444	59,879
Kirton Court units maintenance charge		12,000	14,909
Resource Recovery Centre		773,724	716,416
Property rental income		67,329	6,562
Hall & equipment hire		103,257	43,538
Permit fees/costs recov (footpath, dogs)		17,245	18,495
Sales - general		182,596	261,619
Water reuse sales		54,766	38,107
Sundry		5,056	3,484
		1,284,416	1,163,009
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		98,516	101,842
Banks & other		881	56,763
Loans to community groups		18,841	11,880
		118,238	170,485

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

NOTE 2 - INCOME (continued)

	Notes	2015 \$	2014 \$
REIMBURSEMENTS			
- for private works		91,463	72,698
- by joint undertakings		272,150	420,600
- other		138,128	88,421
		501,741	581,719
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		276,161	105,858
Rebates received		13,971	12,231
Sundry		873,279	928,658
Landfill provision movement*		228,207	-
		1,391,618	1,046,747
*During the 2014/15 financial year, the Council completed a review of all landfill rehabilitation and capping costings which resulted in a reduction of \$228,207 to the liability. This reduction in liability is a non-cash transaction reflected in Other Income.			
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		163,000	280,000
Other grants, subsidies and contributions		1,562,084	1,120,132
Individually significant item -additional Grants commission payment		674,790	-
		2,399,874	1,400,132
<i>The functions to which these grants relate are shown in Note 12.</i>			
Sources of grants			
Commonwealth government		162,308	-
State government		2,236,627	120,000
Other		939	1,280,132
		2,399,874	1,400,132
Individually Significant Item			
On 30th June 2015 Council received advance payment of the Commonwealth Grants Commission (FAG) Grant allocated to the 2015-16 financial year.			
As a result, Council's operating result in the current year has increased.		674,790	-

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

NOTE 2 - INCOME (continued)

	Notes	2015 \$	2014 \$
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>			
Open Space Grant - Heritage Trail		163,000	-
Subtotal		163,000	-
Unexpended at the close of this reporting period		163,000	-
Net increase (decrease) in assets subject to conditions in the current reporting period		163,000	-

PHYSICAL RESOURCES RECEIVED FREE OF CHARGE

Land & Improvements	-	5,000
Road Pavement & Surface	-	159,491
Kerbing & Footpath	-	63,464
Library Resources	56,146	56,719
TOTAL PHYSICAL RESOURCES RECEIVED	56,146	284,674

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 3 - EXPENSES

	Notes	2015 \$	2014 \$
EMPLOYEE COSTS			
Salaries and wages		3,739,978	3,435,340
Employee leave expense		318,040	210,304
Superannuation - defined contribution plan contributions	18	309,756	256,702
Superannuation - defined benefit plan contributions	18	68,966	75,496
Workers' compensation insurance		168,022	127,571
Less: Capitalised and distributed costs		(285,184)	(306,367)
Total Operating Employee Costs		4,319,578	3,799,046
 Total Number of Employees		53	50
<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		17,500	16,800
Bad and doubtful debts		-	20,389
Elected members' expenses		200,380	202,233
Election expenses		50,225	5,828
Operating lease rentals - cancellable leases		112,015	87,983
Subtotal - Prescribed Expenses		380,121	333,233
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,844,991	2,062,639
Waste management contract		2,519,091	2,480,634
Utilities		609,471	625,533
Insurance		277,471	254,583
IT communications		301,085	263,067
Advertising		50,035	62,511
Legal expenses		85,578	44,638
Levies paid to government - NRM levy		507,842	506,962
- Other levies		352,163	318,916
Parts, accessories & consumables		110,688	123,489
Professional services		293,971	227,445
Tourism Expenses		227,881	110,000
General Maintenance		348,988	186,688
Library		21,162	12,949
Sundry		1,447,239	1,272,524
Subtotal - Other Materials, Contracts & Expenses		8,997,656	8,552,578
		9,377,776	8,885,811

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 3 - EXPENSES (cont)

	Notes	2015 \$	2014 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings		789,991	692,846
Filtration		93,654	97,699
Road Pavement & Surfaces		604,953	578,347
Kerbing		254,402	253,523
Footpaths		183,069	156,032
Stormwater		235,151	219,756
Bridges		195,936	21,434
Other Community Assets		581,380	465,510
Plant & Equipment		122,391	115,845
Furniture & Fittings		70,543	64,619
Library Books		111,909	100,581
RRC - Landfill Cell 4		729	-
RRC - Cell 4 Capping Provision		20,683	15,533
RRC - Post Closure Remediaton Provision		15,566	2,500
		3,280,357	2,784,225
FINANCE COSTS			
Interest on Loans		22,115	11,732
		22,115	11,732

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	Notes	2015 \$	2014 \$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		91,659	12,500
Less: Carrying amount of assets sold		299,974	48,483
Gain (Loss) on disposal		(208,315)	(35,983)
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS		(208,315)	(35,983)

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 5 - CURRENT ASSETS

	2015	2014
CASH & EQUIVALENT ASSETS	\$	\$
Cash on hand and at bank	182,350	118,387
Deposits at call	3,973,906	2,982,653
	4,156,256	3,101,040
 TRADE & OTHER RECEIVABLES		
Rates - general & other	536,572	522,315
Accrued revenues	16,641	20,488
Debtors - general	440,714	139,040
GST recoupment	14,897	57,902
Prepayments	13,548	12,443
Sundry	423	291
Total	1,022,795	752,479
Less: Allowance for doubtful debts	-	34,869
	1,022,795	717,610
 OTHER FINANCIAL ASSETS		
Community loans	50,655	51,900
	50,655	51,900

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 6 - NON-CURRENT ASSETS

	Notes	2015 \$	2014 \$
FINANCIAL ASSETS			
Receivables			
Loans to community organisations		421,386	472,041
Less: Allowance for doubtful debts		-	-
TOTAL FINANCIAL ASSETS		421,386	472,041
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		-	-
		-	-

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

		2014				2015			
		\$				\$			
	Fair Value Level	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	2	60,259,939	1,275,000	-	61,534,939	62,537,000	-	-	62,537,000
Buildings	2	3,443,068	610,918	(2,214,043)	1,839,943	3,441,783	323,262	(161,184)	3,603,861
Buildings	3	25,938,434	3,061,271	(8,916,654)	20,083,051	28,936,002	-	(11,330,750)	17,605,252
Filtration	3	3,079,860	429,842	(725,257)	2,784,445	3,802,000	-	(881,229)	2,920,771
Road Pavement & Surface	3	39,427,646	923,679	(14,472,393)	25,878,932	39,372,110	1,549,974	(15,031,392)	25,890,692
Kerbing	3	20,422,762	134,556	(6,928,752)	13,628,566	20,388,270	215,415	(7,152,149)	13,451,536
Footpaths	3	8,484,871	224,898	(2,006,976)	6,702,793	8,428,065	387,541	(2,172,129)	6,643,477
Stormwater	3	16,104,482	2,235,975	(4,693,205)	13,647,252	16,104,482	2,594,787	(4,928,356)	13,770,913
Bridges	3	2,414,425	-	(1,309,430)	1,104,995	2,516,453	-	(1,505,366)	1,011,087
Other Community Assets	3	18,164,914	2,475,594	(5,884,366)	14,756,142	20,694,973	647,396	(7,185,218)	14,157,151
Plant & Equipment	3	1,849,009	260,302	(1,045,152)	1,064,159	-	2,148,577	(1,056,891)	1,091,686
Furniture & Fittings	3	1,005,878	156,488	(757,386)	404,980	-	1,207,780	(809,929)	397,851
Library Books	3	864,328	231,892	(716,227)	379,993	-	1,164,407	(828,136)	336,271
RRC - Landfill Cell 4	3	-	-	-	-	60,100	-	(35,286)	24,814
RRC - Cell 4 Capping Provision	3	-	2,014,548	(1,579,630)	434,918	-	2,303,548	(1,600,313)	703,235
RRC - Post Closure Remediation Provision	3	-	150,000	(80,000)	70,000	-	624,806	(95,566)	529,240
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		201,459,616	14,184,963	(51,329,471)	164,315,108	206,281,238	13,167,493	(54,773,894)	164,674,837
Comparatives		181,474,275	11,179,211	(43,387,852)	149,265,634	201,459,616	14,184,963	(51,329,471)	164,315,108

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 2015

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

		2014	CARRYING AMOUNT MOVEMENTS DURING YEAR								2015
		\$	\$								\$
		CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT
	Fair Value Level		New/Upgrade	Renewals				In	Out		
Land	2	61,534,939	-	-	-	-	-	-	-	1,002,061	62,537,000
Buildings	2	1,839,943	-	323,262	(74,329)	(161,184)	-	-	-	1,676,169	3,603,861
Buildings	3	20,083,051	-	-	-	(628,807)	-	136,245	(60,100)	(1,925,137)	17,605,252
Filtration	3	2,784,445	-	-	(14,413)	(93,654)	-	-	-	244,393	2,920,771
Road Pavement & Surface	3	25,878,932	48,311	577,984	(9,582)	(604,953)	-	-	-	-	25,890,692
Kerbing	3	13,628,566	-	80,859	(3,487)	(254,402)	-	-	-	-	13,451,536
Footpaths	3	6,702,793	66,136	96,507	(38,890)	(183,069)	-	-	-	-	6,643,477
Stormwater	3	13,647,252	353,102	5,710	-	(235,151)	-	-	-	-	13,770,913
Bridges	3	1,104,995	-	-	-	(195,936)	-	102,028	-	-	1,011,087
Other Community Assets	3	14,756,142	344,548	302,848	(56,561)	(581,380)	-	-	(238,273)	(370,173)	14,157,151
Plant & Equipment	3	1,064,159	-	250,630	(100,712)	(122,391)	-	-	-	-	1,091,686
Furniture & Fittings	3	404,980	-	65,414	(2,000)	(70,543)	-	-	-	-	397,851
Library Books	3	379,993	68,187	-	-	(111,909)	-	-	-	-	336,271
RRC - Landfill Cell 4	3	-	-	-	-	(729)	-	60,100	-	(34,557)	24,814
RRC - Cell 4 Capping Provision	3	434,918	-	289,000	-	(20,683)	-	-	-	-	703,235
RRC - Post Closure Remediaton Provision	3	70,000	-	474,806	-	(15,566)	-	-	-	-	529,240
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		164,315,108	880,284	2,467,020	(299,974)	(3,280,357)	-	298,373	(298,373)	592,756	164,674,837
Comparatives		149,265,634	3,816,859	1,515,817	(48,483)	(2,784,225)	(313,870)	610,096	(610,096)	12,863,376	164,315,108

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 2015

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

Valuation of Assets

General Valuation Principles

Accounting procedure: Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 *Fair Value Measurement*: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, fair value is taken to be the current replacement cost.

Highest and best use: For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

For land subject to restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

Fair value hierarchy level 2 valuations: Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets: There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

All acquisitions occurring after a valuation of a class of assets, are recorded at cost.

Land & Land Improvements

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. The last valuation of Land was undertaken by Liquid Pacific as at 1st July 2014. All acquisitions made after the respective dates of valuation are recorded at cost.

Buildings & Other Structures

Buildings and other structures were revalued as at 1st July 2014 by Liquid Pacific. All acquisitions made after the respective dates of valuation are recorded at cost.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 7 – Property, Plant & Equipment (cont)

Infrastructure

Transportation assets, being Road Pavement (Base) and Surface (Seal), Footpaths and Kerbing, were revalued by Tonkins Consulting as at the 1st July 2013. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Council officers as at 30 June 2011 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2011. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture & Equipment

The reported asset groups of Plant and Equipment, Furniture and Fittings and Library Books were last revalued as at 1st July 2011 and are reflected as fair value, based on the replacement costs identified at that time. All acquisitions made after the respective dates of valuation are recorded at cost.

Library books and other lending materials are capitalised in bulk, and written out when fully depreciated.

Change in Council Policy

Council has resolved to recognise all Plant & Equipment, Furniture & Fittings and Library Books classes of assets on the cost basis per AASB 116 as from 1 July 2014. Given the immaterial value, cost and reliability of valuation information for these classes of assets, all previously recognised assets that were recognised at Fair Value have been recorded At Cost in Note 7 of the Financial Statements and will no longer be on the revaluation model per AASB 116.

Asset Revaluation Reserve amounts recorded for valuations previously undertaken have been transferred to Accumulated Surplus as at 1 July 2014. There is no impact on the financial performance or position of the Council as a result of this transaction.

CITY OF PORT LINCOLN

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2015**

Note 7 – Property, Plant & Equipment (cont)

Capitalisation Thresholds & Estimated Useful Lives

Capitalisation thresholds and useful lives used by Council are detailed in policy 7.63.10 Asset Management.

A representative extract is shown below

Building Assets

Building items: 50 – 100 years

Other structures: 10 – 100 years

Road Assets

Road surfaces: 13 – 25 years

Road base: 20 – 80 years

Kerb & gutter: 40 – 70 years

Footpaths

Paved/sealed surfaces: 20 – 50 years

Stormwater

Drainage structure: 50 years

Dams/retention basins: 80 – 120 years

Facilities & other structures: 10 years

Parks & Recreation Assets

Playground equipment: 15 – 20 years

Furniture: 5 – 50 years

Irrigation systems: 10 – 20 years

Plant & Equipment

Earthmoving plant: 5 – 20 years

Motor vehicles: 2 – 5 years

Furniture & fittings: 3 – 20 years

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 8 - LIABILITIES

	Notes	2015		2014	
		\$		\$	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & services		959,172	-	931,312	-
Accrued expenses - employee entitlements		21,437	-	22,946	-
Aged care facility deposits		652,250	-	923,450	-
Other		4,750	-	2,977	-
		1,637,609	-	1,880,685	-
BORROWINGS					
Loans		35,059	334,852	33,176	369,911
		35,059	334,852	33,176	369,911
PROVISIONS					
Employee entitlements long service leave (including oncosts)		202,451	100,660	183,083	113,683
Employee entitlements annual leave (including oncosts)		399,966	-	291,975	-
Cell Capping 1		-	-	-	9,999
Cell Capping 2		-	-	-	9,999
Cell Capping 3		-	765,338	-	973,547
Cell Capping 4		-	1,330,000	-	1,041,000
Post Closure Remediation		-	624,806	-	150,000
		602,417	2,820,804	475,058	2,298,228

Movements in Provisions - 2015 year only (current & non-current)

	Opening Balance	Additional Amounts Recognised/ Derecognised	Payments	Closing Balance
Cell Capping 1	9,999	(9,999)	-	-
Cell Capping 2	9,999	(9,999)	-	-
Cell Capping 3	973,547	(208,209)	-	765,338
Cell Capping 4	1,041,000	289,000	-	1,330,000
Post Closure Remediation	150,000	474,806	-	624,806
Total	2,184,545	535,599	-	2,720,144

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2014	Net Increments (Decrements)	Transfers, Impairments	30/6/2015
Notes	\$	\$	\$	\$
Land	68,321,301	1,002,061	-	69,323,362
Buildings	12,631,056	(283,525)	-	12,347,531
Filtration	729,803	244,393	-	974,196
Road Pavement & Surface	15,056,234	-	-	15,056,234
Kerbing	11,272,384	-	-	11,272,384
Footpaths	4,273,326	-	-	4,273,326
Stormwater	8,116,779	-	-	8,116,779
Bridges	1,105,913	-	-	1,105,913
Other Community Assets	8,599,103	(370,173)	-	8,228,930
Plant & Equipment	1,092,484	-	(1,092,484)	-
Furniture & Fittings	691,799	-	(691,799)	-
Library Books	748,725	-	(748,725)	-
TOTAL	132,638,907	592,756	(2,533,008)	130,698,655
<i>Comparatives</i>	<i>120,089,405</i>	<i>12,863,372</i>	<i>(313,870)</i>	<i>132,638,907</i>

OTHER RESERVES	1/7/2014	Transfers to Reserve	Transfers from Reserve	30/6/2015
Community Pier Fund	27,328	679	-	28,007
Prepaid Burials	61,968	3,987	(900)	65,055
Open Space Contributions	69,113	1,526	-	70,639
Community Infrastructure	147,481	6,691	(87,283)	66,888
CBD Carpark	240,297	5,970	-	246,267
Kirton Court Capital Upgrade	103,660	2,560	(16,273)	89,947
Risk Management Fund	-	42,747	(18,673)	24,074
Indoor Aquatic Facility Reserve	-	53,545	-	53,545
TOTAL OTHER RESERVES	649,847	117,706	(123,130)	644,423
<i>Comparatives</i>	<i>1,055,746</i>	<i>87,422</i>	<i>(493,321)</i>	<i>649,847</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)

City of Port Lincoln holds Other Reserve accounts for specific purposes where income is generated for future expenditure, for example Open Space Contributions and Carparking fund. Council also holds income from the sale of significant assets as Community Infrastructure Reserves for expenditure on significant projects identified in the Strategic Plan.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

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.

	2015	2014
CASH & FINANCIAL ASSETS	\$	\$
Grant Funding received for the Open Space Heritage Trail Project	163,000	-
	163,000	-
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS	163,000	-

In 2014-15 Council received a grant from the Department of Planning, Transport & Infrastructure which is required to be spent on Council's Open Space Strategy involving the Heritage Trail in 2015-16. The following budgets have been adopted in relation to the 2015-16 financial year.

Heritage Trail Construction	118,500
Heritage Trail Entrance Walls	6,000
Heritage Trail Retaining Wall	46,000
Heritage Trail Fencing	9,500

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

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 Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Notes	2015 \$	2014 \$
Total cash & equivalent assets	5	4,156,256	3,101,040
Balances per Cash Flow Statement		4,156,256	3,101,040

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

Net Surplus (Deficit)		701,793	335,423
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		3,280,357	2,784,225
Net increase (decrease) in unpaid employee benefits		112,827	35,662
Change in allowances for under-recovery		(34,869)	3,426
Non-cash asset acquisitions		(56,146)	(284,674)
Grants for capital acquisitions treated as Investing Activity		(163,000)	(280,000)
Net (Gain) Loss on Disposals		208,315	35,983
		4,049,277	2,630,045
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(270,316)	165,389
Net increase (decrease) in trade & other payables		13,433	163,659
Net increase (decrease) in other provisions		(228,207)	35,888
Net Cash provided by (or used in) operations		3,564,187	2,994,981

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge	3	56,146	284,674
<i>Amounts recognised in Income Statement</i>		56,146	284,674
- Estimated future reinstatement etc. costs		307,392	-
		363,538	284,674

(d) Financing Arrangements

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

Corporate Credit Cards	20,000	5,000
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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 charges are avoided. Council does not operate any overdraft facilities.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

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)	
	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$	2015 \$	2014 \$
Administration & Governance	13,925,294	11,778,531	3,494,883	3,094,606	10,430,411	8,683,925	1,647,707	580,225	92,458,166	91,195,990
Public Order	121,504	175,553	369,577	432,128	(248,074)	(256,575)	-	60,000	279,297	287,214
Health	10,698	16,394	113,277	110,241	(102,579)	(93,847)	-	-	-	-
Social Security	19,378	33,859	66,300	50,062	(46,922)	(16,203)	-	18,000	5,432	5,432
Housing & Community Amenities	1,502,971	1,411,391	4,840,876	4,755,707	(3,337,905)	(3,344,316)	2,273	(362)	16,575,571	15,532,665
Protection of the Environment	57,529	50,062	261,199	266,666	(203,670)	(216,604)	-	-	4,695,824	4,846,035
Sport & Recreation	419,593	504,470	2,743,681	2,493,877	(2,324,089)	(1,989,407)	59,803	90,817	11,800,545	11,978,004
Mining, Manufacturing & Construction	24,601	36,099	118,872	110,994	(94,271)	(74,895)	-	-	-	-
Transport & Communication	537,696	382,101	2,066,176	1,745,362	(1,528,480)	(1,363,261)	514,652	356,452	18,957,238	19,361,035
Economic Affairs	14,075	21,957	538,634	358,774	(524,559)	(336,817)	10,039	15,000	-	-
Other Purposes NEC	1,057,449	877,129	2,386,349	2,062,397	(1,328,900)	(1,185,268)	2,400	-	25,553,856	25,451,323
TOTALS	17,690,788	15,287,546	16,999,826	15,480,814	690,962	(193,268)	2,236,874	1,120,132	170,325,929	168,657,698

Revenues and expenses exclude 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 2015

Note 12 (cont) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Administration & Governance

Governance, Administration, Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Grant funding, Communication, Rates Administration, Records, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose, and Separate and Special Rates.

Public Order

Dog and Cat Control and Fire Protection.

Health

Health Services, Health Inspection, Pest Control – Health, Immunisation.

Social Security

Aged Home Facilities, Crime Prevention, Youth, Family, Community Support.

Housing & Community Amenities

Cemeteries, Public Conveniences, Sanitary and Garbage, Waste Management, Domestic Waste, Green Waste, Recycling, Street Cleaning, Street Lighting, Town Planning, Stormwater and Drainage.

Protection of the Environment

Coastal Protection, Effluent Re-Use Program.

Sport & Recreation

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming facility, Halls, Library, Performing Arts and Other Recreation.

Mining, Manufacturing & Construction

Building Act Work.

Transport & Communication

Bridges, Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

Economic Affairs

Tourism, Region Contribution, Parking Off Street.

Other Purpose NEC

Public Debt Transactions, Plant Operations, Depot, Vandalism, Transport Asset Management.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 13 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning variable interest rates between 2% and 2.5% (2014: 2.5% and 3.5%). Council did not secure a short term deposit in 2014/15.</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges (including legal & penalties for late payment) Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 0.6458% (2014: 0.66%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An 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. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Receivables - Retirement Home Contributions	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Retirement Home Contributions	<p>Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.</p> <p>Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.</p> <p>Carrying amount: approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.</p>
Liabilities - Interest Bearing Borrowings	<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 (six monthly); interest is charged at a fixed interest rate of 5.6% (2014: 5.5% and 6.0%).</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 117.</p>

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 13 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2015	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	4,156,256	-	-	4,156,256	4,156,256
Receivables	1,063,928	375,759	84,761	1,524,448	907,609
Other Financial Assets	69,596	-	-	69,596	50,655
Total	5,289,780	375,759	84,761	5,750,300	5,114,520
Financial Liabilities					
Payables	1,637,609	-	-	1,637,609	1,616,172
Current Borrowings	57,174	-	-	57,174	35,059
Non-Current Borrowings	57,281	288,236	89,392	434,909	334,852
Total	1,752,064	288,236	89,392	2,129,692	1,986,083

2014	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	3,101,040	-	-	3,101,040	3,101,040
Receivables	735,334	283,286	138,100	1,156,720	702,205
Other Financial Assets	51,900	-	-	51,900	51,900
Total	3,888,274	283,286	138,100	4,309,660	3,855,145
Financial Liabilities					
Payables	2,160,443	-	-	2,160,443	1,857,739
Current Borrowings	33,176	-	-	33,176	33,176
Non-Current Borrowings	35,059	207,519	127,333	369,911	369,911
Total	2,228,678	207,519	127,333	2,563,530	2,260,826

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

	30 June 2015		30 June 2014	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft		-		-
Other Variable Rates		-		-
Fixed Interest Rates	5.6	369,911	5.6	403,087
		369,911		403,087

Net Fair Value

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

Risk Exposures

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

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

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

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

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 14 - COMMITMENTS FOR EXPENDITURE

	2015 \$	2014 \$
Other Expenditure Commitments		
Other non-capital expenditure commitments (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	33,500	14,500
Waste Management Services	8,363,790	14,984,800
Employee Remuneration Services	1,824,913	2,668,274
Visitor Information Centre Subsidy	-	145,000
Cleaning Services	181,709	115,400
Cemetery Management	180,812	276,274
Street Sweeping	397,335	456,387
	10,982,059	18,660,635
<i>These expenditure are payable:</i>		
Not later than one year	3,969,624	3,720,297
Later than one year and not later than 5 years	7,012,435	13,522,223
Later than 5 years	-	1,418,115
	10,982,059	18,660,635

Event After Balance Date

Council is committed to purchase the Indoor Aquatic Centre / Port Lincoln Leisure Centre on 31 August 2015 for \$4,000,000 which is to be funded with external borrowings through the Local Government Finance Authority.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 15 - FINANCIAL INDICATORS

	2015	2014	2013
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

Operating Surplus Ratio

Operating Surplus	6%	(2%)	3%
Rates - general & other less NRM levy			

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

Adjusted Operating Surplus Ratio

	0%	4%	(3%)
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*In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The **Adjusted Operating Surplus Ratio** adjusts for the resulting distortion in the disclosed operating result for each year.*

Net Financial Liabilities Ratio

Net Financial Liabilities	(1%)	5%	-10%
Total Operating Revenue			

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

Asset Sustainability Ratio

Net Asset Renewals	213%	197%	29%
Infrastructure & Asset Management Plan required expenditure			*

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.

Amounts shown above with an asterisk () indicate that depreciation expense has been used as a proxy, pending finalisation of the Infrastructure & Asset Management Plan.*

The 2013-14 and 2014-15 financial years use depreciation expense for Library Books, Plant & Equipment, Furniture & Fittings asset classes, as these classes of assets are not included and planned for in the Infrastructure & Asset Management Plan.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

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

	2015 \$	2014 \$
Income	17,690,788	15,287,546
less Expenses	<u>16,999,826</u>	<u>15,480,814</u>
Operating Surplus / (Deficit)	690,962	(193,268)
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	1,703,214	1,515,817
Depreciation, Amortisation and Impairment	(3,280,357)	(2,784,225)
Proceeds from Sale of Replaced Assets	<u>(91,659)</u>	<u>(12,500)</u>
	(1,668,802)	(1,280,908)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	824,138	3,532,185
Amounts received specifically for New and Upgraded Assets	(163,000)	(280,000)
	<u>661,138</u>	<u>3,252,185</u>
Net Lending / (Borrowing) for Financial Year	<u>1,698,626</u>	<u>(2,164,545)</u>

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 17 - OPERATING LEASES

Leases providing revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

Lessees commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

	2015	2014
	\$	\$
Not later than one year	121,199	43,573
Later than one year and not later than 5 years	120,046	8,457
Later than 5 years	-	-
	241,245	52,030

Lease payment commitments of Council

Council has entered into non-cancellable operating leases for various rental spaces and an item of computer hardware.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

The lease in relation to computer hardware permits Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

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

	2015	2014
	\$	\$
Not later than one year	55,753	15,909
Later than one year and not later than 5 years	139,420	56,954
Later than 5 years	-	-
	195,173	72,863

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 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 (9.50% in 2014/15; 9.25% in 2013/14). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2013/14) of "superannuation" salary.

The Salarylink section is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Superannuation - City of Port Lincoln Enterprise Bargaining Agreement 2013-2014

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

Clause 4.11.1 Additional Matched Superannuation - Extract

"Employees who choose to personally contribute to their StatewideSuper Fund account will receive an additional superannuation contribution payment from Council matching their level of contribution, not inclusive of contribution tax if salary sacrificing, up to a maximum additional council contribution of 3% exclusive of the amount required to be paid under the Superannuation Guarantee (Administrative) Act 1992."

This was introduced in July 2010. Council pays in the fortnightly pay period, an amount matching personal superannuation contributions (not inclusive of contribution tax if salary sacrificing) up to an additional 3% into the employee's superannuation fund. For example an employee contributing 1% will receive a matched payment of 1% from Council.

CITY OF PORT LINCOLN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2015

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

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

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 2,485 km of road reserves of average width 20 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.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. BANK GUARANTEES

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$168,222 (2014: \$343,004) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

4. 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 notice of nil appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.



City of Port Lincoln



Port Lincoln - Seafood Capital of Australia

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2015

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of SA Model Council for the year ended 30 June 2015, the Council's Auditor, Dean Newbery & Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Rob Donaldson
CHIEF EXECUTIVE OFFICER

Greg Eden, Chairperson
PRESIDING MEMBER
FINANCIAL MANAGEMENT
AUDIT COMMITTEE

Date: 12/11/2015

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of City of Port Lincoln for the year ended 30 June 2015, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



Jim Keogh

Partner

DEAN NEWBERY & PARTNERS

CHARTERED ACCOUNTANTS

Dated this 12th day of November 2015

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 Statement of Financial Position as at 30 June 2015, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows 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 2015, 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 12th day of November 2015,
at 214 Melbourne Street, North Adelaide, South Australia 5006.



City of Port Lincoln

Council Administration Office

Level One, Civic Centre

60 Tasman Tce Port Lincoln SA 5606

T: 8621 2300 F: 8621 2399

E: plcc@plcc.sa.gov.au

Web: www.portlincoln.sa.gov.au

Appendix B

Eyre Peninsula Local Government Association 2014-15 Annual Report



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

Annual Report *2014/2015*



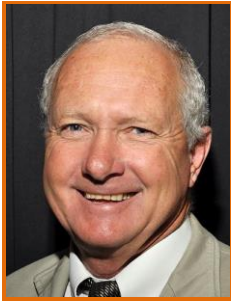
© David Crawford 2015



*Cover photo:
Eyre Highway leading into
Wudinna, courtesy of David
Crawford – taken during the
Black Dog Ride 2015 to raise
awareness for depression*



THE PRESIDENT'S REPORT



The 2014/15 financial year is the second year of operating jointly with Local Government Association (LGA) Outreach Program assisting EPLGA Member Councils employ Tony Irvine, Executive Officer of our association.

This has proven to be a valuable partnership, enabling a full time resource coordinating service delivery and Member Council assistance.

Detail of the work plan is documented in this annual report together with the activities and priorities of the LGA Outreach Program and summarises successes and difficulties experienced.

During the year we had very significant reform proposals released that will guide direction for Local Government in the short and long term.

Most significant of these was the expert panel report "The Councils of the Future". This report put forward discussion topics that will be subject to much debate over coming years. Already the concept of regionalising much of our governance, administration and service delivery is giving cause for concerted soul searching and adjusting. Government is looking carefully at the report and we, as a sector, need to be prepared and agile in our response.

Second of these was another expert panel report titled "Ideas for Reform on Planning Reform". This report suggested 27 reforms, some of which, if legislated or adopted, would substantially change the process of how we develop and implement our planning schemes.

I encourage all Elected Members to fully engage with opportunities to influence and administer the direction of these reforms. It is my firm view that Councils on Eyre Peninsula will be very different in 10 years, as State Government takes more control of some of our functions and less in others. We expect delegation without funding, regionalisation and funding constraints. How we manage service delivery to our communities will be different. Our work will be to find efficiencies and solutions at the same time in growing our communities.

Some of the highlights for 2014/2015 included:

- Joint regional training.
- Establishment of a mining taskforce.
- Roads hierarchy.
- Zone emergency plans.
- LGA Outreach Program delivery.
- Work on procurement.
- Establishment of a CEO management group.

Further details regarding these activities and actions have been presented in the body of the annual report.



I wish to place on record on behalf of Member Councils, our appreciation and thanks to outgoing President Mayor Julie Low, who ably led our association for 4 years. Julie's commitment to our region and her excellent representation on the SAROC and the LGA Board was critical in maintaining Eyre Peninsula at the forefront of State policy development. She played a significant role in setting our organisation up with talented Executive Officers and guiding us with integrity and poise. Julie was supported by her Executive Committee, which was comprised of Eddie Elleway and John Schaefer, and we endorse her appreciation of them.

Thanks also to Tony Irvine who, with energy and passion, undertakes the challenging role of assisting and leading us through change. He assists Local Government with the delivery of our services and is a strong advocate for our members and our sector.

MAYOR BRUCE GREEN

THE REGION

The region comprises 230,000km² of land in the far west of South Australia; about 23% of the State.

The region has a coastal and rural environment with approximately one third of South Australia's coastline stretching over 2,000 kilometres. The landscape features a rugged and relatively undeveloped coastline, particularly on the western side of the Eyre Peninsula. The coastal and marine environment includes marine and conservation parks and encompasses approximately 250 islands ranging in size from about 180 to 40,000 square metres.

A large proportion of the region has been cleared for agricultural production; but significant areas of native vegetation remain. Vegetation clearance for agricultural purposes ranges from 14% in the far west to 72% in the south. About 15% of the region's grazing area is covered with scattered vegetation.

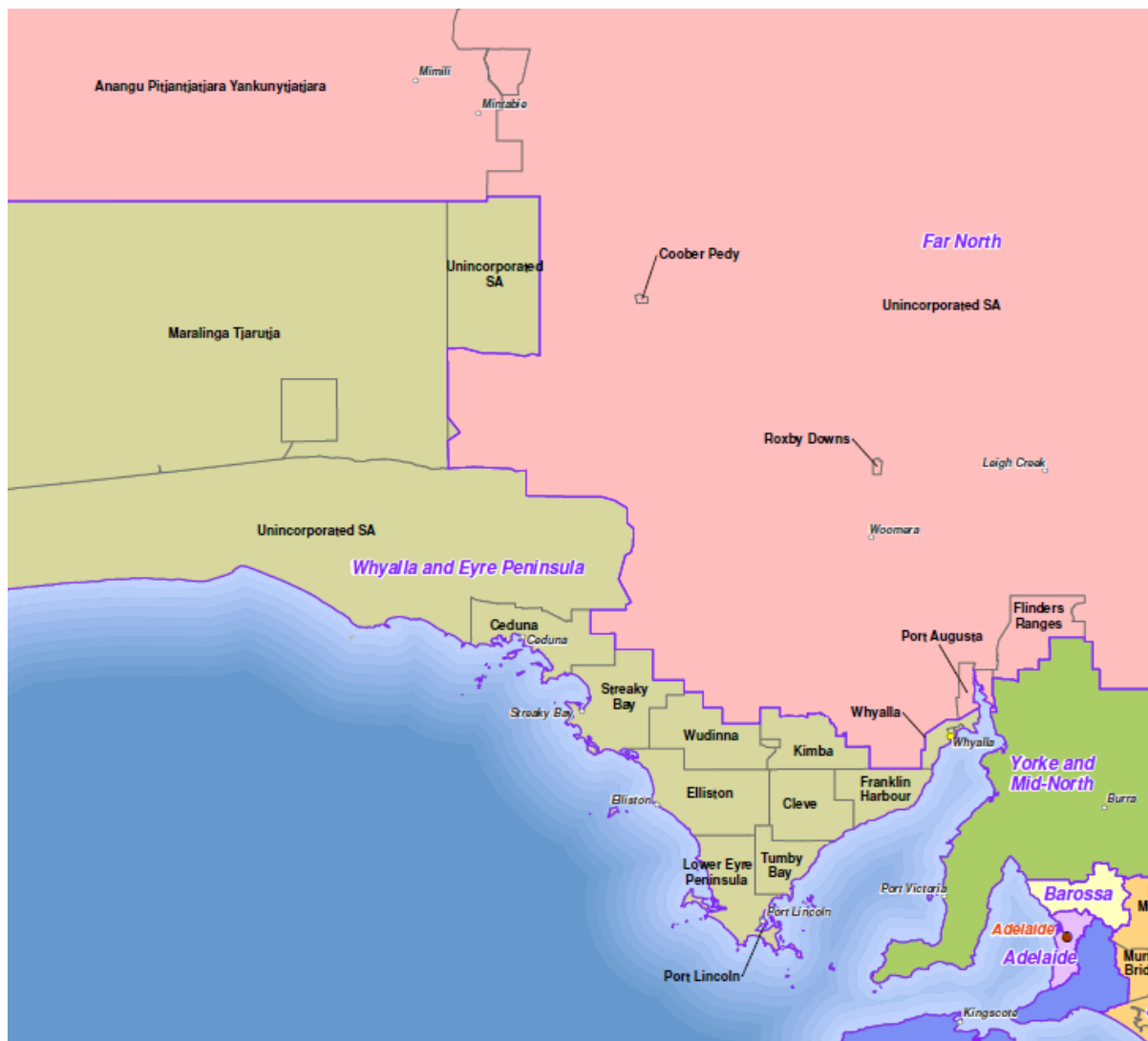


Figure 1: Context Map, Regional Development Australia, Whyalla and Eyre Peninsula.



Regional Population and Local Government

The region has eleven Local Government Authorities (LGAs) as well as remote unincorporated areas serviced by the Outback Communities Authority. The LGAs are: The City of Whyalla and City of Port Lincoln; and the District Councils of Ceduna, Cleve, Elliston, Franklin Harbour, Kimba, Lower Eyre Peninsula, Streaky Bay, Tumby Bay, and Wudinna.

For Census data collection purposes the Maralinga Tjarutja Aboriginal Land (established under the *Maralinga Tjarutja Land Rights Act*, 1984) is regarded as an LGA in its own right. However, Maralinga Tjarutja is not a member of the EPLGA.

The regional population of 56,396 (ABS 2011 Census) comprises about 3.5% of the South Australian population. 98.7% of people reside in the eleven LGAs, which collectively occupy 43,779km² or about 19% of the regional land mass. Most of the population (64.1% or 36,174 people) live in the regional cities of Whyalla and Port Lincoln.

LOCAL GOVERNMENT AREA	LAND AREA		POPULATION	
	Km ²	% of Region	No.	% of Region
Whyalla	1,032.5	0.44	22,088	39.16
Port Lincoln	30.4	0.01	14,086	24.98
Ceduna	5,427.1	2.33	3,480	6.17
Cleve	4,506.7	1.94	1,733	3.07
Elliston	6,500.0	2.79	1,046	1.85
Franklin Harbour	3,283.0	1.41	1,273	2.26
Kimba	3,986.2	1.71	1,088	1.93
Lower Eyre Peninsula	4,771.0	2.05	4,916	8.72
Streaky Bay	6,232.0	2.68	2,102	3.73
Tumby Bay	2,615.9	1.12	2,586	4.58
Wudinna	5,393.8	2.32	1,253	2.22
Collective Local Government (11 LGA's)	43,778.6	18.8	55,651	98.7

RDAWEP Local Government Land Areas and Population 2011.

It should be noted that the land areas and populations of Cleve and Franklin Harbour changed on 1st July 2014 due to an adjustment of the Council boundaries. The Boundary Adjustment Facilitation Panel supported the transfer of 492km² of land from Franklin Harbour to Cleve to address the concerns of residents living in the Hundreds of Mangalo and Heggaton. Approximately 62 residents live in the area.

In 2011, the region had 3,225 Aboriginal people comprising 5.7% of the regional population. This was notably above the proportions in South Australia (1.9%) and Australia (2.6%). 80% of the region's Aboriginal people (2,572) live in the LGAs of Whyalla, Port Lincoln and Ceduna. The greatest concentration is in Ceduna, where Aboriginal people comprise 24.9% of the Council population

Since 2001, the regional population has grown by 4.5% but this is not consistent across the region as a whole. The District Councils of Elliston, Wudinna and Kimba experienced population decline of -15.2%, -13.7% and -8.5% respectively, but the District Council of Lower Eyre Peninsula experienced growth of 17.2%. Population growth was also experienced in the coastal Councils of Streaky Bay, Tumby Bay and Port Lincoln.



The demographic change is caused by several factors, with the desire for a sea change lifestyle being a key reason. Streaky Bay and Tumby Bay are very desirable coastal locations and new estate developments have been established to cater for growing housing demand, notably by retirees from the agricultural sector. Population growth in the District Council of Lower Eyre Peninsula stems from several locational and lifestyle advantages including numerous coastal townships and proximity to the regional city of Port Lincoln and Port Lincoln Airport. Kimba and Wudinna are the only Councils without a coastline and this impacts their appeal and tourism development potential.

Population Ageing

The regional population is ageing. In 2011, the region's median age was 39, an increase from 38 in 2006. People aged 65 years and over comprised 15.5% of the regional population, which is above the 14.0% rate for Australia, but below the rate of 16.2% for South Australia.

PEOPLE 65 YEARS OF AGE AND OVER	Region	%	South Australia	%	Australia	%
2006 ABS Census	7,758	14.3	233,127	15.4	2,644,374	13.3
2006 Median Age	38		39		37	
2011 ABS Census	8,727	15.5	257,551	16.2	3,012,289	14.0
2011 Median Age	39		39		37	

People 65 Years of Age and Over. (ABS Census 2006 and 2011).

The population 65 years and over grew by 1.2% from 2006, exceeding the growth rate of 0.8% for South Australia and 0.7% for Australia.

Almost half of the regional population (49.6%) was 40 years of age and over in 2011 with 21.5% over 60 years of age. The District Council of Tumby Bay has the oldest population profile with 60.1% over the age of 40 and 32.1% over 60 years of age. Similar results for the over 40 age sector were recorded for Kimba (55.9%), Franklin Harbour (55.7%), Cleve (55.3%) and Elliston (54.5%).

Conversely, young people 15-24 years of age comprise the smallest sector of the regional population at 12.1% and this is consistent in all local government areas.

Tumby Bay (8.0%), Kimba (8.5%), Cleve (9.1%), Wudinna (9.3%) and Streaky Bay (9.9%) have the smallest proportion of 15-24 year olds, whereas Whyalla (13.4%), Port Lincoln (13.2%) and Ceduna (12.4%) are the only areas where the 15-24 aged sector exceeds the regional average.

Projections indicate that South Australia's population aged 65 and over will increase to 22.6% in 2020 and to 25.7% by 2030. It is also known that approximately 30% of young people leave the region each year for employment and study in metropolitan Adelaide. The combination of a growing aged sector and diminishing numbers of young people is not sustainable and has serious implications for future workforce provision.

Retirements will diminish the labour force of skilled and experienced labour and create employment openings for young people. It is estimated that over 11,000 workers (about 40% of the regional workforce) will leave their jobs within 20 years if they all retire at 65 years of age. But there will be limited choice with the provision of a capable replacement pool.

The regional population is too small to provide the workforce for anticipated future development needs, with the consequence that approximately 3,800 workers will need to be recruited from elsewhere by 2020.



Regional Economy

The regional economy is extremely diverse, but the industry composition is changing. Based on employment generation, the main industries in 2012-13 were health and community services, retail trade, manufacturing, agriculture, education and training, and construction. Tourism and mining are the region's fastest emerging industries and have significant potential for future growth.

The health care and social assistance industry is the largest employer in South Australia and the largest regional industry. In 2012-13, the industry provided 3,437 jobs or 14.0% of the region's jobs. Due to the ageing of the regional population and increasing demand for aged care services, the aged care sector is expected to grow in future years.

The retail trade industry is an integral part of all regional townships and has the highest concentration in Whyalla and Port Lincoln. The retail sector is the region's second largest industry providing 2,669 jobs in 2012-13 or 10.5% of regional jobs. Most employees are based in Whyalla (997 jobs) and Port Lincoln (1,064 jobs). This sector has experienced steady employment growth of about 7.0% since 2001. The growth and sustainability of the retail sector is largely reliant on the success of the region's major industries; particularly agriculture, manufacturing, mining and tourism. Many retail businesses have been established to directly support and service these industries.

Manufacturing, which includes food processing and the production of metal products, is the region's third largest industry providing 2,552 (10.4%) of jobs in 2012-13. The manufacturing industry experienced modest employment growth of about 3.6% since 2001.

Whyalla is the largest industrial city in regional South Australia and the principal centre for manufacturing, steel production and resources processing in the Upper Spencer Gulf. Manufacturing is the biggest employer in Whyalla providing 1,838 jobs in 2012-13, comprising nearly three quarters (72%) of the region's manufacturing jobs. Port Lincoln provided 577 (or 22%) of the region's manufacturing jobs.

Most of Whyalla's manufacturing jobs (1,648, or 90% of manufacturing jobs) were in the iron and steel production and metal products sectors. Whyalla's reliance on steel manufacturing makes its economy extremely vulnerable to commodity price variations in the international market. Falling commodity prices for iron ore from 2013 led to a substantial reduction of Arrium's workforce during 2015.

Agriculture provided 2,290 (9.3%) of the region's jobs in 2012-13. Agriculture was the largest employer in the District Councils of Lower Eyre Peninsula (428 jobs); Tumby Bay (322); Elliston (260); Kimba (238) and Wudinna (216). Census data indicate that agricultural employment has declined by about 16.8% since 2001; largely due to the rationalisation of farming properties which reduced employment opportunities in this sector. Agriculture is nevertheless a major industry in the region, and is the principal economic driver in some regional townships.

The RDAWEP region is world renowned for its premium seafood product, largely due to the success of the trade mark and brand: *'Eyre Peninsula – Australia's Seafood Frontier'*. However, fishing and aquaculture are small employers in comparison with other industries; providing 250 and 471 jobs respectively during 2012-13.

The region's mining sector is also a relatively small employer. In 2012-13, mining provided 923 (3.7%) of the region's jobs. Most of these jobs were provided in Whyalla (671), Ceduna (142), Franklin Harbour (53), and Tumby Bay (28). Mining is nevertheless the region's fastest growing industry, with a substantial 79.2% growth in employment during 2001-2011. This is largely the result of unprecedented mining exploration. The mining impact is expected to grow substantially in forthcoming years as new ventures move from exploration to operation. This will create numerous employment opportunities and further diversify the regional economy. However, major infrastructure investment in ports, roads, rail, power and water is essential for these development opportunities to be realised.



Tourism is also a fast growing industry with considerable development potential, due to the region's unique and diverse nature-based visitor experiences, and premium seafood products. Tourism is important for the regional economy. Visitor expenditure was estimated to be worth \$300 million in 2012-2013 from approximately 616 businesses. New tourism product is continuously being developed, and there is substantial opportunity for further growth through marketing the region as a culinary tourism destination.

A Region of Quality

Diversity is one of the region's greatest attributes and underpins its comparative advantage and competitiveness. Industrial diversity is important for economic growth and sustainability because it gives the region resilience through not being reliant on a single industry or single product for its prosperity.

But the concept of quality is emerging as a distinctive regional attribute. The region is renowned for its premium seafood, high quality grains and the pristine, unblemished nature of its landscapes, seascapes and conservation parks. The region is being lauded for high quality and different nature based tourism experiences – such as swimming with tuna, cage diving with Great White sharks and whale watching at the Head of the Bight. But other qualitative characteristics are becoming apparent as distinguishing features.

- **High quality magnetite** – the magnetite from Iron Road's Central Eyre Iron Project at Warramboo is high quality at 67% iron with few impurities. This is of considerable interest in China because the ore does not need pelletisation which expedites the smelting process and reduces environmental emissions. The magnetite is expected to attract a quality premium differential of \$US18 per tonne over the market price for iron ore and this expectation is included in Iron Road's Definitive Feasibility Study for the project.
- **High quality graphite** – the graphite mines at Uley (Valence Industries), Kookaburra Gully (Lincoln Minerals), Campoona and Waddikee (Archer Exploration) are reputed to contain the largest flake and best quality deposits in the world with the capacity for manufacturing graphene products which have increasing world demand for advanced technological and medical applications.
- **High quality kaolin** – Minotaur Exploration's Carey's Well kaolin mine near Poochera is reputed to contain the brightest and whitest kaolin in the world (at ISO brightness of 80) and is much sought after for high quality paints, inks, plastics and ceramic finishes.
- **High quality zircon** – Iluka Resources' Jacinth Ambrosia mine north of Yalata is arguably the largest deposit of the highest quality zircon the world. It is also anticipated that other heavy mineral sand deposits in the far west of the region are likely to produce similar quality product.

These qualitative attributes are complemented with escalating growth of innovative approaches and processes to economic and product development.

Collaborative problem solving approaches to economic development have been adopted region wide through industry based Target Teams and other stakeholder engagement. The region's educational institutions are pursuing research for sustainable farming and renewable technologies. Pilot and demonstration projects are being progressed for the production of biofuels from algae and other feed stocks and the application of wind hydro technology for power generation. Best practice environmentally sustainable production technologies are being pursued by the region's aquaculture industry and world class, advanced technology graphene and interpretive initiatives are being progressed to tap new and emerging international markets.

Coupled with significant and growing capex investment in recent years and yet to be realised export potential in the resources sector, the region is well positioned for long term, sustainable economic growth into the future.

The region's doors are not only open for business but they are marked by branding in big letters stating 'enter here if you want the best'.



MEMBER COUNCILS 2014/2015:

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

THE REPRESENTATIVES

Executive:

TITLE	MEMBER NAME	COUNCIL	TENURE
President	Mayor Bruce Green	City of Port Lincoln	From 22 February 2015
Immediate Past President	Mayor Julie Low	DC Lower Eyre Peninsula	To 22 February 2015
Deputy President	Mayor Sam Telfer	DC Tumby Bay	From 22 February 2015
Past Deputy President	Mayor Eddie Elleway	DC Franklin Harbour	To 22 February 2015
Chief Executive Officer	Mr Rob Donaldson		

The President and Deputy President are our nominated representatives to the SAROC and State Executive Forums. The Executive Officer is also a SAROC delegate.

Other Regional Organisations:

Regional Development Australia Whyalla and Eyre Peninsula Inc:

Mayor Jim Pollock, Chair/Executive Member	- City of Whyalla
Cr Colin Carter	- City of Whyalla
Mayor Allan Suter, Executive Member	- DC Ceduna
Cr Bryan Trigg	- DC Cleve
Cr Clare McLaughlin	- City of Whyalla

Eyre Peninsula Natural Resources Management Board:

Mr Rob Donaldson	- CEO, City of Port Lincoln
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Zone Emergency Management Committee:

Mayor Julie Low (Presiding Member)	- DC Lower Eyre Peninsula
Tony Irvine, Executive Officer	- EPLGA
Rod Pearson	- DC Lower Eyre Peninsula
Grant Drummond, General Manager Operations	- DC Ceduna
Ivan Noble, Works Manager	- DC Cleve

Eyre Peninsula Integrated Climate Change Adaptation Committee:

Mayor Julie Low (President)	- to 22 February 2015
Mayor Bruce Green (President)	- from 22 February 2015
Tony Irvine, Executive Officer	- EPLGA



EPLGA Board Members 2014/15

Under the terms of our Charter, the following Board appointments were current as at 30 June 2015.

MEMBER COUNCIL	BOARD MEMBER	DEPUTY BOARD MEMBER
Ceduna	Allan Suter (Mayor)	Lynton Brown (D/Mayor)
Cleve	Roger Nield (Mayor)	Bryan Trigg (D/Mayor)
Elliston	Kym Callaghan (Chair)	Dave Allchurch (Deputy Chair)
Franklin Harbour	Robert Starr (Mayor)	Michael Williams (D/Mayor)
Kimba	Dean Johnson (Mayor)	Graeme Baldock (D/Mayor)
Lower Eyre Peninsula	Julie Low (Mayor)	Don Millard (D/Mayor)
Port Lincoln	Neville Starke (D/Mayor)	Andrea Broadfoot (Councillor)
Streaky Bay	Sherron MacKenzie (Mayor)	Robert Stephens (Deputy Mayor)
Tumby Bay	Sam Telfer (Mayor)	Geoff Stewart (D/Mayor)
Whyalla	Jim Pollock (Mayor)	Clare McLaughlin (Councillor)
Wudinna	Eleanor Scholz (Chair)	Ned Luscombe(D/Chair)

ANNUAL CONFERENCE SCHEDULE

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

Year	Council	Year	Council
2016	DC Ceduna	2022	DC Cleve
2017	DC Lower Eyre Peninsula	2023	DC Streaky Bay
2018	City of Port Lincoln	2024	DC Elliston
2019	DC Kimba	2025	DC Tumby Bay
2020	Wudinna DC	2026	City of Whyalla
2021	DC Franklin Harbour		

The 79th EPLGA Conference will be held on Monday 29 February – Wednesday 2 March 2016 in Ceduna.



REPORT OF ACTIVITIES 2014/15

Our core activities always include reacting to legislation and policy changes that may have a negative impact on our region. This year ongoing concerns and/or participation have been with the following matters:

- › State and Federal Marine Parks.
- › Natural Resources Management – joint partnership planning, delivery of services.
- › Regional Recognition/Lobbying – ongoing on various matters as they arise.
- › Mining and Impacts – implementation of a taskforce.
- › Emergency Management – regional planning and Council planning, followed by implementation.
- › Development Act Reform.
- › Coastal Access issues.
- › Various roads and waste issues – regional strategy and Zero Waste cessation.
- › Regional Strategy for LGA.
- › The Councils of the Future
- › Television reception and servicing – interstate services.
- › Mobile phone hotspots.
- › Water Planning – state of the resource, etc.
- › Regional planning – RDAWEP, EPNRM, DPTI, etc.
- › Financial Assistance and Supplementary Road Funding – ongoing issues of SA's injustice.
- › Health – local sub-regional issues.
- › Outreach Services:
 - Regional Procurement;
 - CEO's Committee;
 - CWMS Users Group;
 - Regional Training and Seminars delivery;
 - Shared Services – EBA and Award consolidation – LEP Councils;
 - Assets Management and Long Term Financial Planning; and
 - Internal Controls Group.
- › Roadside Native Vegetation – management issues.
- › Regional Climate Change Adaptation Plan finalisation and continuation of the Eyre Peninsula Integrated Climate Change Agreement [EPICCA].
- › Tourism – restructure to sub-regional groups, Food and Tourism Prospectus, RV and Caravan Strategy.
- › Speed Limits Review – reduction from 110kph to 100kph.
- › Aged Care at the local Council level – Council's role.
- › NHVR impacts on farm machinery movements.
- › Transport Plan and SLRP Prioritisation and funding applications.
- › Oil and gas exploration in the Great Australian Bight.
- › Joint submissions with RDAWEP on various issues.

PROJECTS 2014/2015

Regional Training

The LGA and other training providers have delivered many more training sessions in the region to reduce costs for Councils. Training undertaken during the last 12 months includes:

- › Audit Committee
- › Council Development Assessment Panels
- › Civil training - various
- › Code of Conduct
- › Council Contracts Management
- › Developing Confidence
- › Elected Members Training
- › Intro to Local Government
- › Leadership
- › Workplace Health and Safety
- › Plan Reading and Levelling



- › Rating
- › Records Management
- › Road Safety and Traffic Control
- › Volunteering
- › Waste Water

Other Legal Seminars on different issues such as planning and development, ICAC, etc, were also organised at individual Councils.

The LGA has developed a training program relevant to the region and this can be further enhanced with Councils submitting training plans to the EPLGA for co-ordination.

TAFE and RDAWEP have been working closely with the EPLGA to deliver more civil training on site at Councils.

Emergency Planning

Software was developed and rolled out to all 11 Member Councils to assist with the development of individual Council Emergency Plans. Difficulty was experienced in most Councils regarding utilisation of the software to develop their plans. The development of the individual plans will be reviewed in 2015/2016 in an effort to ensure all Councils are compliant.

The completion of the individual Council plans are essential, not only for compliance reasons, but for direction to be provided to the Zone Emergency Management Committee in the development of the overall zone plan. The software was developed so the highest risks for individual Councils could be rolled into a zone plan.

Outreach Services Pilot Program

The program includes:

- › assisting with the preparation of LGA policy on regional development;
- › preparing a profile of the region with a focus on what it contributes to the economic growth of both the State and Nation;
- › governance needs of each Council;
- › legislative compliance in assets management and long term financial planning;
- › skills assessment in areas such as IT, planning, environmental health, etc, and develop a regional training plan;
- › short term employment requirements rather than full time employees;
- › shared services arrangements to assist in meeting the short/long term skills requirements and other needs;
- › opportunities arising from the Local Excellence Program – trialling new methods of implementation, eg improving performance, systems and processes that sustain good performance, raising the image of Local Government, effective engagement across the region and State as a whole, ie political clout, with other spheres of government, seeking financial arrangements to support the programs required;
- › positioning Local Government and the region for the State 2014 elections by gathering evidence of the needs of the sector and possible solutions that could be an “ask” in an election environment;
- › identifying any ‘centre of excellence’ that may exist within the region;
- › developing CEO, Works Manager and any other forums to assist in the sharing of resources and information, which would eliminate repetition of the same forum x 10; and
- › managing local issues for the Member Councils – advocacy, lobbying, problem solving, etc.

The LGA and the EPLGA have completed the 2 year pilot, which was centred on:

- › preserving the current important role of the Executive Officer of the EPLGA;
- › enhancing the connections between the work of the EPLGA and that of the LGA where it is mutually beneficial to do so;
- › enhancing the services of the LGA to be an ‘outreach’ service but targeted to needs identified by the EPLGA/Region;
- › appointing a resource collaboratively identified by the LGA and EPLGA to deliver on the ground services to Councils;
- › agreeing on a program of works/activity and the funding model required; and
- › addressing other issues deemed important to the success of the pilot.



Such was the success of the pilot program that it has now been rolled out to all regional LGAs, with each receiving \$50,000 towards the program.

EPLGA CEO COMMITTEE

On 28 June 2013, the EPLGA established a Chief Executive Officer Committee to 'meet from time to time to consider issues of relevance to Eyre Peninsula Councils, and to provide advice to the EPLGA Board on those issues'.

The Committee's role is to:

1. provide high level strategic advice to the EPLGA regarding identified priority issues;
2. arrange and coordinate reports to the EPLGA on those priority issues;
3. initiate reports and advice to the EPLGA on other matters identified by the Committee to be of strategic regional significance;
4. assist and advise the EPLGA about the development and implementation of its Management Plan and other plans; and
5. share operational information and expertise amongst the committee members and other agency Chief Executive Officers.

The membership of the Committee is comprised of the Chief Executive Officers of all Councils, who are members of the EPLGA. Other regional CEOs and the Regional Risk Coordinators are invited to the meetings. These meetings allow the sharing of information and expertise, which mutually benefits clusters of Councils or the region as a whole. The agendas reflect the EPLGA agendas to a degree with other day to day operational matters included and are in the domain of the role of a CEO. However a regional economic component led by the CEO of RDAWEP is now core business for the committee.

Other working groups have been established to assist with specific regional tasks or take advantage of opportunities, eg procurement, CWMS users, WHS Groups, Roads Working Party and Internal Controls Group.

REGIONAL ROADS PRIORITIES/ REGIONAL TRANSPORT PLAN

At the EPLGA Board Meeting in June 2013, a resolution was passed to undertake a review of the criteria used to prioritise regional roads to be submitted for funding from the Special Local Roads Funding Program.

A discussion paper was released to seek support for the methodology to be used in the review. Stakeholders were in agreement with the discussion paper and from this the project was scoped for the consultants to carry out the work required. A desired outcome is a roads database for the entire region with all roads categorised and prioritised.

SMEC is nearing the end of roads component of this project, which has taken considerable effort in the collection of road data. Once the roads database is complete and adopted by Member Councils, the next phase will proceed, being a regional transport strategy. The strategy will incorporate the roads data and all other transport issues such as airports, sea ports, etc.

EP INTEGRATED CLIMATE CHANGE ADAPTATION

The Executive Officer and President sit at the EPICCA Committee table.

Under the State Climate Change Adaptation Framework, areas across the State, including the Eyre Peninsula, were required to develop a Regional Climate Change Adaptation Plan. EPICCA facilitated the development of the plan for Eyre Peninsula, focussing on a practical, regionally-appropriate and sensitive measure to address the likely impacts of climate change.

The plan has now been completed for the region and with continuation of collaboration between the EPNRM, RDAWEP and EPLGA in this area, this working group will move into implementation of the plan's pathways. All parties will contribute \$12,500pa for the next 3 years of this project. The State Government has committed \$25,000 towards the group's activities for 2015/2016.



REGIONAL WATER RE-USE PLANNING AND FUNDING

In June 2013 a funding submission was lodged to establish a Regional CWMS Users Group with a view to improving regional skills in this area in addition to a forum focussed on sharing of information. The bid was successful and hence a users group has been established.

The Eyre Peninsula Councils jointly own and operate 13 community wastewater management schemes servicing 5,775 property connections. The Councils are acutely aware of the potential impact of the Water Industry Act and the increasing regulatory and reporting environment surrounding CWMS operations due to their classification as an essential service.

The following desired outcomes of a CWMS Users group were identified:

- › Establishment of a users group to facilitate intel sharing across Councils operating CWMS.
- › Identification of regional capacity and skills gaps to provide for the efficient and compliant ongoing operation and maintenance of existing and new Community Wastewater Management Schemes.
- › Promote regional training to maintain skill sets required to ensure sustainability.
- › Development and implementation of standardised recording and reporting mechanisms.
- › Facilitated development of an up-to-date user friendly operation, and maintenance, monitoring and contingency plans.
- › Schematic mapping of existing schemes to assist with an understanding of catchment capacities and constraints.
- › Development and implementation of standardised accounting systems to assist in comparisons between schemes and Councils.
- › Identification of opportunities for shared resources, including platforms for remote access.
- › Identification of potential shared procurement opportunities in areas such as spare parts inventories, septic tank desludging and drain flushing.

It was proposed that the initial development of an EPLGA CWMS User Group be facilitated by an external third party, a model which proved successful in the South East Council's User Group.

The Member Councils of a CWMS User Group committed both management and operational resources to this project and it is intended that this initial commitment will continue through to the ongoing operations of the User Group as a recognised working group of the EPLGA.

The group held its inaugural meeting and commenced work with regular reporting to be tabled at EPLGA Board meetings.

While the LGA CWMS Committee will not be funded beyond 2014/15, the group has successfully obtained a recommitment from those Councils with CWMS Schemes for a further \$15,000 in total. This will enable the group to continue its work in 2015/2016.

REGIONAL TRAINING

An increase in Council participation has been witnessed through the Executive Officer of the EPLGA being a link and encouraging Councils to participate in LGA sponsored training programs and other training sessions/seminars. This is also contributed to the Executive Officer providing advice to the LGA on locations and timing of training to avoid clashes with regional seasonal events, such as harvest, as well as other scheduled events. As part of the independently conducted Outreach Services Pilot Program Review the following statement was made in regards to training:

"Regional Training has been very successful and continues to be increasingly supported and valued by officers and elected members:

Details	2012/2013	2013/2014	2014/2015
<i>Sessions conducted</i>	22	12	18
<i>Participants</i>	22	176	365



The Executive Officer has identified savings for 2014/ 15 to be in excess of \$365k through time, travel, accommodation and course costs per head as a direct result of the dramatic increase in participation. There are also the non-dollar benefits through increased participation and therefore increased skills, experience and networking within the region."

There is no doubt the effort in arranging regionally held training has resulted in significant savings to Councils.

MANAGEMENT PLAN REVIEW

At the June 2015 meeting the EPLGA Board considered and adopted the reviewed EPLGA Management Plan 2013 - 2016.

To avoid confusion between the Business Plan prepared by respective Councils, the EPLGA uses the term 'Management Plan'. The Management Plan is for the period 2013 - 2016 and reviewed annually, incorporating an updated annual work plan and budget for the current year. It also includes the strategic directions the EPLGA wishes to take for the period 2013-16.

Management Plan Performance

1. ACTIVELY ASSIST MEMBERS BY REPRESENTING THEIR COMBINED INTERESTS.

1 Seek invitation to provide responses to legislative and policy changes that materially impact our region.

1.2 Seek the mandated preparation of regional impact statements prior to any state legislated changes likely to affect our region.

Comment: RDAWEP and EPLGA jointly funded the preparation a regional statement and have captured regional evidence by developing 78 industry sets of statistics. This information will not only be used to support or object to State legislation or policy changes but to develop regional economic and strategic plans.

1.3 Prepare coordinated submissions to relevant inquiries and proposals on behalf of members.

Comment: RDAWEP and EPLGA prepare regional submissions in partnership.

1.4 Take an active interest in regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and any activities that could impose changes to our region.

Comment: President and/or Executive Officer are actively involved in regional committees and/ or meetings dealing with regional waste management, water planning, marine parks, mining, food security, climate change, local workforce planning and other activities that may impose change upon the region.

1.5 Continue to advocate for roads funding opportunities.

Comment: The development of a roads database for all EP roads and a Regional Transport Strategy will be used as a tool for prioritising regional roads for funding.

1.6 Develop a coordinated approach to the Commodity Freight Routes across the region, being mindful of divergent needs between Councils.

Comment: Comments in 1.5 will apply to this as freight roads will be weighted to assist in the prioritisation of regional roads seeking funding assistance.



2 BUILDING STRONG PARTNERSHIPS FOR THE PROMOTION OF OUR SECTOR AND OUR REGION

- 2.1 Ensure we are represented at SAROC, State Executive Committee meetings and the General meetings of the LGA.

Comment: The President and Executive Officer attend these meetings when held.

- 2.2 Ensure regular information flows to our member Councils via newsletters, website updates, media announcements and personal contacts.

Comment: After each EPLGA Board meeting a wrap of the meeting is prepared and forwarded to all regional media outlets. It is also posted on the EPLGA website. The media are used as and when needed and are also sent the meeting agendas and minutes.

- 2.3 Seek reports from regional partners at EPLGA Board Meetings and forums.

Comment: Regional partners have a standing agenda item at each Board meeting to present to the constituent Councils. They are also invited to CEO Committee meetings.

- 2.4 Actively seek direct engagement with state government partners in order to allow bottom up, and more streamlined, planning and engagement.

Comment: The EPLGA has been a strong advocate for state government partners to visit the region on planning and engagement matters, eg Regional Forums, Regional Roadshows, Planning reform, Ministers visiting regional functions and openings, etc.

- 2.5 Seek opportunities to partner with industry and community groups to promote the economic and social prosperity of Eyre Peninsula.

Comment: RDAWEP and EPNRM CEOs and Staff meet regularly with the Executive Officer on a range of economic and social matters. The EO also meets with NGO's.

- 2.6 Work with member Councils to facilitate economic expansion by coordinating the approach to structure planning, ensuring consistency with the principles contained in the Eyre and Western Plan.

Comment: The Mining Taskforce has a focus on this functional role for Councils. More detailed work by the Taskforce's Coordinator is expected in 2015/16.

- 2.7 Work with state departments and regional partners to better coordinate Infrastructure Planning consistent with the principles in the Eyre and Western Plan.

Comment: The Executive Officer along with Council representatives have been involved in the Integrated Transport and Land Use planning undertaken by the state government. The plan is for the region to develop its own infrastructure plan to feed into state government plans. The region is also involved in RDAWEP Infrastructure planning. Further work in regional strategic planning is required and planned for the near future.

- 2.8 Investigate ways to encourage the state government to streamline its regional consultation processes to avoid multiple meetings that duplicate effort.

Comment: This has been an issue discussed at the SAROC level and continues to be pursued. The Minister for Local Government and Regional Development has held forums and roadshows in the region plus attended EPLGA Board meetings and other regional meetings. This is an example of the State Government's commitment to consulting the region in a more concise way.



3 RAISE THE PROFILE OF THE ASSOCIATION BY GREATER MEDIA PRESENCE

- 3.1 Issue a media release after each Board meeting and at any occasion where deemed appropriate.

Comment: Media used as and when appropriate. Agenda and minutes of the Board are distributed to regional media to seek interest. The meeting wrap is also distributed to the media outlets.

- 3.3 Consider the nomination of media representatives to present a coordinated and endorsed approach to all media.

Comment: Still managing media in-house.

4 ASSIST MEMBER COUNCILS BY COORDINATING REGIONAL INVESTIGATIONS OF OPERATIONAL ISSUES

- 4.1 Actively participate in meetings that promote Continuous Improvement activities in Councils.

Comment: The Outreach Services Program is in part about the continuous improvement of activities in Councils. The Executive Officer also sits on a LGA Assets management Advisory Committee investigating ways that Councils can continually improve the way they manage their assets.

- 4.2 Continue to promote regional training opportunities to assist Councils to up-skill their workforce.

Comment: The Executive Officer has been assisting with this through better co-ordination of the type of training required, when it could be held and the most suitable location for training. Councils response has been excellent, highlighting the success of this effort.

- 4.3 Facilitate Shared services investigations and discussions at either the regional or sub regional level, where appropriate.

Comment: The Executive Officer has assisted in the Lower Eyre Peninsula Councils shared service project. The consolidation of awards and EBA's project when completed can be shared with other Councils. Other works undertaken by the various groups and committees is an example of shared services and resources, eg Regional Procurement, CWMS, CEOs' Committee, Internal Control and RRC's WHS meetings.

- 4.4 Liaise with the LGA program managers to assist in linking funding opportunities to Council activities.

Comment: As an example of this working, funding has been gained for the Outreach Services (\$70,000), Regional Capacity Building (\$38,000) Lower EP Councils shared services (\$15,000) , EP CWMS Users Group (\$15,000) , Mining Taskforce (\$10,000) and Regional Procurement Road Map (\$80,000).

- 4.5 Review our Charter.

Comment: Completed in Dec 2013

- 4.6 Coordinate a regional or sub regional approach to road upgrades required for resource sector expansion.

Comment: A Mining Roundtable was held in October 2014 to assist with this type of planning. A report from the SA Centre for Economic Studies was part funded by the EPLGA and LGA to assist with these issues. A Taskforce terms of reference has been developed along with appointing a Coordinator to manage the process. The taskforce met three times during the 2014/15 year. It has gathered much information and developed great working relationships with Mining Companies, State Government, EPNRM, RDAWEP and other groups as required to ensure it can now be more individual mining project and location focussed.



- 4.7 Review the methodology of preparing the Eyre Peninsula Road Strategy.

Comment: The Roads Strategy was re-worked in 2013. Following this a database has been developed to include all EP roads with a methodology prioritisation tool inbuilt to give better road prioritisation. Further data is being collected to finalise the database to allow better planning and prioritisation. The collection of data has been a difficult task but the part of the overall Transport Strategy is nearing completion and will be presented to the working group for approval then the EPLGA Board.

- 4.8 Prepare regional submissions to fund combined approaches to governance activities required of Councils, where agreed by Members.

Comment: Working Groups and shared services will lead to this occurring on a more regular basis, eg, CWMS Group has commenced.

5 DEVELOP WAYS TO DIRECTLY ENGAGE WITH BOTH STATE AND FEDERAL GOVERNMENTS TO ASSIST IN REGIONAL PROMOTION

- 5.1 Include funding in the Annual Business Plan to allow deputation to both State and Federal parliaments on key issues that arise.

Comment: Funding included in the budget.

- 5.2 Liaise with other regional LGA and RDAs where combined lobbying best represents our interests.

Comment: The Executive Officer meets bi-monthly with other regional LGA's Executive Officers to manage such issues as joint collaboration and lobbying. The Executive Officer is located in the RDAWEP Port Lincoln Offices and has a good connection to RDAWEP lobbying efforts.

- 5.3 Seek opportunities to strengthen working relationships with the senior levels of state government.

Comment: The Executive Officer has good political connections and uses these when needed.

6 UNDERTAKE A TWO YEAR "OUTREACH SERVICES" PILOT PROGRAM IN PARTNERSHIP WITH THE LGA OF SA

- 6.1 Establish a funding agreement for \$70k per year with the LGA of SA.

Comment: Established in July 2013 and concluded 30 June 2015. Pilot completed – program will continue in all regional LGA's after the pilot at \$50,000pa funding from the LGA.

- 6.2 Establish a work plan for the pilot program in consultation with member councils and the LGA of SA.

Comment: Established as per 6.1 and reported against to EPLGA and LGA of SA. COMPLETED. Independent Evaluation undertaken and such was the success of the pilot the program has been rolled out to other regional LGA's

- 6.3 Prepare a case study of the pilot program for future reference.

Comment: COMPLETED as independent evaluation.



KEY PERFORMANCE INDICATORS

While the measurement of performance is a key component of planning, the nature of the workload for the Executive Officer has typically made KPI setting and measurement difficult. Much of the day-to-day operational activity remains reactive and in response to legislated and policy changes that routinely emerge. However, the following measurement may be an indication of performance for each year.

KPI	MEASURED BY	TARGET SCORE
Member General Satisfaction	Number of formal complaints	Zero complaints from members Actual: Zero complaints received.
Member attendance at meetings, workshops, training	Number of members who are represented	All members Actual: Usually all 11 Councils represented.
Competitive funding secured	Dollars secured	Equal to membership (\$140K) Actual: Outreach Program \$70k Lower EP Shared Services \$15k EP CWMS Group \$30k Regional Capacity \$38k Regional Procurement LGA Rebate \$10K
Achieved annual work plan		All items either achieved or timeframes for completion, and process, in place. Some subject to external funding. Actual: On target
EPLGA is represented at LGA regions meetings	Number of meetings attended	100% Actual: 100%
Co-ordinate regional training activities on EP	Number of days training per year	At least 6 Actual: target exceeded (18)
Annual review of Executive Officer	Final achievement score	Average Rating of 3/5 for personal evaluation undertaken by EPLGA Executive Actual: Review occurred in June 2015. Report of satisfactory performance by President employment contract extended by 12 months.
Greater media activity	Number of interviews and media releases	At least one interview per month. Media releases at least every 2 months. Actual: Meeting target



USE OF FINANCIAL RESOURCES

The following audited statement indicates another year of solid financial performance.

EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

FINANCIAL ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2015

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EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 30TH JUNE, 2015

		2015	2014
	NOTE	\$	\$
<u>INCOME</u>			
Grants Received	2	279,139	107,225
Interest Received		8,975	8,950
Project Income - EP Councils	3	120,472	86,276
Membership Fees	4	151,423	145,600
Reimbursable Expenses		806	1,485
<u>TOTAL INCOME</u>		560,815	349,536
<u>EXPENDITURE</u>			
Administration		9,116	9,339
Advertising & Promotion		1,164	-
Audit Fees		1,200	1,530
Bank Charges & Taxes		445	531
Computer Expenses		3,169	707
Employee Expenses		134,126	134,831
Insurance		5,549	5,429
Meeting Expenses		5,314	3,719
President's Expenses		2,005	1,750
Project Expenditure	5	342,892	220,736
Secretarial Services		17,255	17,000
Sundry Expenses		311	644
Telephone		926	909
Travel & Accommodation		13,604	10,016
<u>TOTAL EXPENDITURE</u>		537,076	407,141
<u>NET SURPLUS/(DEFICIT)</u>		\$ 23,739	\$ (57,605)

The accompanying notes form part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 30TH JUNE, 2015

	2015	2014
	NOTE \$	\$
Net Surplus/(Deficit)	23,739	(57,605)
Extraordinary Items	-	-
<u>TOTAL NET SURPLUS/(DEFICIT)</u>	23,739	(57,605)
Surplus Funds at July 1	183,595	241,200
SURPLUS/(DEFICIT)	207,334	183,595
<u>ACCUMULATED SURPLUS/(DEFICIT)</u> <u>AT 30TH JUNE, 2015</u>	\$ 207,334	\$ 183,595

The accompanying notes for part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF FINANCIAL POSITION **AS AT 30TH JUNE, 2015**

	2015	2014
NOTE	\$	\$
<u>EQUITY</u>		
Accumulated Surplus	\$ 207,334	\$ 183,595
REPRESENTED BY		
<u>CURRENT ASSETS</u>		
Cash at Bank	6 362,766	249,210
Debtors	28,387	3,850
Income Accrued	1,865	2,670
GST Receivable	1,704	15,049
Prepayments	-	1,180
<u>TOTAL ASSETS</u>	394,722	271,959
<u>CURRENT LIABILITIES</u>		
Sundry Creditors	7 7,472	11,131
Creditors	70,207	5,034
Unspent Project Funds	8 94,084	59,519
Provision for Holiday Pay	2,601	2,610
Prov'n for Long Service Leave	9 13,024	10,070
	187,388	88,364
<u>NET ASSETS</u>	\$ 207,334	\$ 183,595

The accompanying notes form part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. This financial report is a special purpose financial report prepared for use by Board and members of the association. The Board has determined that the association is not a reporting entity.
2. The financial report has been prepared on historical cost basis and does not take into account changing money values or except where stated current valuations of non-current assets. The statements are prepared on an accruals basis.
3. Provision is made in respect of the association's liability for annual and long service leave at balance date. Long service leave is accrued from an employee's start date. Leave provision is based on current wages as at reporting date, and does not include on-costs.

	2015	2014
	\$	\$

NOTE 2 - Grants Received

LGA of SA - Outreach Service	120,000	70,000
LGA of SA - Regional Capacity	38,305	37,225
LGA of SA - CWMS Users Group	12,500	-
LGA of SA - Mining Taskforce	10,000	-
DEWNR - EP Integrated Climate Change Agreement Program	25,000	-
SAFECOM - Emergency Management Planning	73,334	-
	<u>\$ 279,139</u>	<u>\$ 107,225</u>

NOTE 3 - Project Income - EP Councils

Assets Management	-	12,500
Cert IV Training	-	9,776
CWMS Users Group	15,000	-
Emergency Management Planning	33,000	-
Procurement Roadmap	-	35,000
Shared Services EBACC Project	-	29,000
Tourism Subscriptions	72,472	-
	<u>\$ 120,472</u>	<u>\$ 86,276</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2015

	2015	2014
	\$	\$
<u>NOTE 4 - Membership Fees</u>		
District Council of Ceduna	14,710	14,144
District Council of Cleve	11,013	10,589
District Council of Elliston	9,331	8,972
District Council of Franklin Harbour	9,651	9,280
District Council of Kimba	9,296	8,939
Wudinna District Council	9,734	9,360
District Council of Lower Eyre Peninsula	16,533	15,897
District Council of Streaky Bay	11,297	10,863
District Council of Tumby Bay	12,438	11,960
City of Whyalla	27,473	26,416
City of Port Lincoln	19,947	19,180
	<u>\$ 151,423</u>	<u>\$ 145,600</u>
<u>NOTE 5 - Project Expenditure</u>		
Unspent Funds at 1 July	(59,519)	(32,092)
Asset & Long Term Finance Plan	-	23,954
Birdseye Memorial	-	8,000
Cert IV Group	-	600
Charter Review	-	7,901
Committee & Working Group Mtg	8,420	-
CWMS Users Group	26,451	3,595
Emergency Management Planning	87,893	205
EP Regional Statements	-	20,000
Mining Taskforce	45,032	-
One Regional Development Plan	30,000	-
Procurement Roadmap	982	70,869
RDAWEP Internal Review-301/13	-	15,000
Regional Roads Strategy	35,576	9,885
Shared Services EBACC Project	1,500	26,000
Special Local Roads	-	7,300
Prioritisation (LGTAP)	72,472	-
Tourism Subscriptions	94,085	59,519
Unspent Funds at 30 June	<u>\$ 342,892</u>	<u>\$ 220,736</u>
<u>NOTE 6 - Cash at Bank</u>		
BankSA Society Cheque Account	138,916	34,955
Bendigo Bank Term Deposit	147,438	142,691
LGFA	67,765	63,174
LGFA - Cores EP	8,647	8,390
	<u>\$ 362,766</u>	<u>\$ 249,210</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2015

	2015	2014
	\$	\$
<u>NOTE 7 - Sundry Creditors</u>		
PAYG Withheld	6,290	8,652
Superannuation	1,182	1,181
WorkCover	-	1,298
	<u>\$ 7,472</u>	<u>\$ 11,131</u>
<u>NOTE 8 - Unspent Project Funds</u>		
Regional Capacity Building	10,438	16,129
Cores - EP	8,646	8,390
Outreach Service	50,000	35,000
EP Integrated Climate Change Agreement Program	25,000	-
	<u>\$ 94,084</u>	<u>\$ 59,519</u>
<u>NOTE 9 - Prov'n for Long Service Leave</u>		
District Council of Tumby Bay	6,562	6,562
Eyre Peninsula Local Govt. Association	6,462	3,508
	<u>\$ 13,024</u>	<u>\$ 10,070</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

BOARD CERTIFICATE

The Board have determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The Board of the association declares that:

- 1 the financial statements and notes present fairly the association's financial position as at 30th June 2015 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 in the Board's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board:

signed		
position	<u>PRESIDENT</u>	<u>EXECUTIVE OFFICER</u>

Dated this 9 day of September 2015



INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

4 Tasman Terrace, PO Box 2180

Port Lincoln, SA 5606

Telephone: (08) 8682 1899

Facsimile: (08) 8682 1408

Email: gpk@gpk.com.au

ABN 64 945 523 972

ACN 007 909 382

To the members of Eyre Peninsula Local Government Association,

Report on the financial report

We have audited the accompanying financial reports, being a special purpose financial report, of Eyre Peninsula Local Government Association, for the year ended 30th June 2015.

The responsibility of the members of the Board for the financial report

The members of the Board are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the financial reporting requirements of the Local Government Act 1999 and are appropriate to meet the needs of the members. The Board's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. 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 or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the members of Board, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Board's financial reporting responsibilities under the Local Government Act 1999. We

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disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's opinion

In our opinion the financial report of the Eyre Peninsula Local Government Association presents fairly the operations and financial position of the association for the year ended 30th June 2015.

Gill Penfold Kelly Pty Ltd

A large, stylized handwritten signature in black ink, appearing to read 'G. Nicholls', is positioned above the printed name and date.

Gregory S Nicholls
19th August 2015
4 Tasman Terrace, Port Lincoln SA 5606