

DISTRICT COUNCIL OF STREAKY BAY

2018/2019

ANNUAL REPORT

Vision

The District will be widely recognised for its quality lifestyle, pristine rural coastline and urban environment. It will continue to explore and expand its economic base whilst maintaining the amenity and character of its community.



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DISTRICT COUNCIL OF
Streaky Bay

CONTENT

| | |
|--|----|
| Council Vision Statement, Mission Statement and Core Values..... | 1 |
| Streaky Bay District..... | 2 |
| Mayor's Report..... | 4 |
| Chief Executive Officer Report | 5 |
| Roles of the Elected Members and Staff | 6 |
| Involving our Community..... | 6 |
| Elected Members Information | 7 |
| Training and Development | 7 |
| Representation..... | 8 |
| Ward Boundaries | 8 |
| Section 41 Committees as at 30 June 2019..... | 9 |
| Non Section 41 Committees as at 30 June 2019..... | 9 |
| Non Council Committee Representation | 9 |
| Council Organisation and Decision Structure | 10 |
| Manager, Regulatory Services Report | 11 |
| Strategic Planning..... | 16 |
| Strategic Management Plan 2016-2026 | 16 |
| Strategic Direction..... | 16 |
| Vision Statement..... | 17 |
| Values and Principles..... | 17 |
| Strategic Plan Goals | 18 |
| Financial Sustainability..... | 19 |
| Council Achievements 2018/2019 | 19 |
| Council Goals for 2019/2020..... | 21 |
| Financial and Asset Management Planning | 22 |
| Uniform Presentation of Council Finance | 22 |
| Annual Business Plan and Budget 2018/2019 | 22 |
| Executive Officers Remuneration | 23 |
| Work Health and Safety Statement | 23 |
| Human Resource Programs..... | 23 |
| Training and Development | 24 |
| Information Statement..... | 25 |
| Internal Review of Council Decisions | 25 |
| Auditor Remuneration | 25 |
| Application of Competition Principles | 26 |
| Community Land..... | 26 |
| Freedom of Information..... | 27 |
| Local Government Act 1999 Registers, Codes of Practice, Policies | 31 |
| Local Government (Elections) Act 1999 | 34 |

Financial Statements 2018/2019

Eyre Peninsula Local Government Association Annual Report 2018/2019

COUNCIL VISION STATEMENT, MISSION STATEMENT AND CORE VALUES

VISION STATEMENT

Council's vision for the district.

The District will be widely recognised for its quality lifestyle, pristine rural, coastal and urban environments. It will continue to explore and expand its economic base, whilst maintaining the amenity and character of its community.

MISSION STATEMENT

Council's business purpose and role in contributing to the Vision.

Council is committed to:

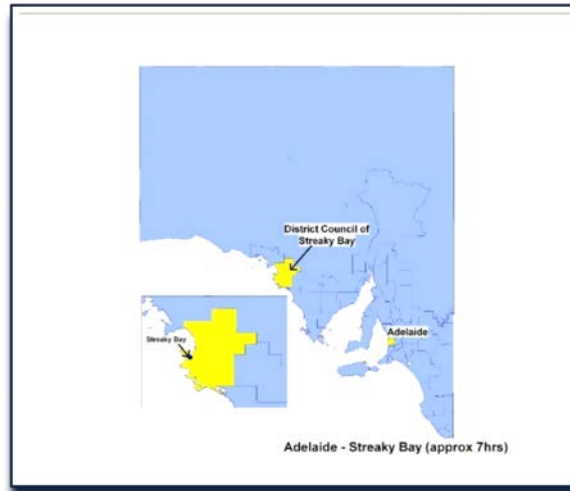
- Responsibly managing the natural and built environment and maintaining the highly valued character of the district.
- Facilitating economic prosperity, sustainable growth and employment throughout the district.
- Nurturing a sense of community amongst residents and enhancing their quality of life by actions that support their health and safety and through the provision of social and recreational opportunities.
- Providing leadership and ensuring efficient and effective management of its resources.
- Working collaboratively with other governments and bodies.

CORE VALUES

In its decision-making, activities and performance Council is committed to being:

- Open and Accountable
- Informative and Consultative
- Responsible and Responsive
- Fair to All
- Pro-active and Professional

STREAKY BAY DISTRICT



The District Council of Streaky Bay is located some 720 kilometres by road from Adelaide on the picturesque shores of Blanchepoint. It is situated on the West Coast of Eyre Peninsula in South Australia and is surrounded by some of the region's most spectacular and unique coastal attractions and experiences. The Council shares its boundaries with the District Councils of Ceduna in the North West, Ananga Pitjantjatjara Lands in the north east, Wudinna in the east and Elliston in the south.

The Council area includes the townships of Streaky Bay (which is the main service and business centre), Wirrulla, Poochera, Haslam, Sceale Bay, Baird Bay, Eba Anchorage, and Perlubie Landing, with a population of approximately 2,100.

The main industries are agriculture (predominantly grain crops, sheep and cattle) aquaculture, tourism and fishing.

The town hosts a number of local events on an annual basis with the largest being the Streaky Bay Thoroughbred Race Meeting, Perlubie Sports Day, Golf Open, Bowls Whiting Carnival and New Year's Eve Fire Works.

Streaky Bay has a good range of medical facilities including a well-equipped hospital and dentist.

STREAKY BAY DISTRICT

Other facilities that we have to offer in the District include:

Aged Care Facilities
Building & Construction
Cabinet Makers
Cafes
Caravan Parks
Churches
Conferencing Facilities
Dentist
Doctor
Electricians
Emergency Services
Hospital & Health Service
Hotels
Library
Massage Therapists
Medical Centre

Motel Accommodation/Holiday Houses
Museums
Painters
Pharmacist
Physiotherapist
Plumbers
Police Stations
Roadhouses
Visitor Information Centre
Schools
Seafood & Aquaculture Trail
Service Stations
Sporting Complexes
Supermarkets
Tourist Parks
Visiting Specialists

As a community we are flourishing with new residential development opportunities in the district and more and more people are discovering the beauty and the quality way of life in the Streaky Bay area.



MAYOR'S REPORT

This year has seen a considerable number of projects and milestones being met and surpassed by our Council team. Many more are now planned or in place. The induction of our new Chief Executive Officer, Ms Karina Ewer, is expected to bring about further change and positive progress for the Council and community alike. The aim of this Council, including the Elected Body, is to work as one team and to achieve and celebrate as one team.

Council is in a sound financial position and strict budget management will mean that we will continue to be able to balance increased political pressures with community needs and expectations. Council is acutely aware of the need to ensure the doors to the Medical Clinic remain open and will continue to work closely with the Streaky Bay and Districts Medical Clinic Board, Ministers and other relevant peak bodies, to find short and long term solutions to the GP question. We are also cognisant of the financial limitations of our community and the need to balance cost of living pressures with the need to deliver quality Council services and infrastructure.

The need to celebrate our “wins” as a community and as a team, will also see Council continue to support our tireless community groups who deliver outstanding events such as the New Year's Eve Fireworks, Children's Festival, Family Fish Day, Long Lunch, Streaky Bay Races, Dancing Stars and Rodeo by the Sea. These events and others like them, are critical to the wellbeing of our community and give us a chance to show the world the exceptional area in which we work, live and play.

This year Council is embarking on a review of our Strategic Management Plan. We will be focussing on the ways in which our community would like to “Secure our Future” and will be undertaking targeted and broad ranging community consultation to ensure we gather the best information possible to re-evaluate our priorities and develop sound goals for the future. Your voices will direct us as to a real Community Vision for that future; a vision which will inform Council's decision making and planning processes and deliver quality outcomes for this community.

Other essential projects being undertaken by Council this year include (but are not limited to):

- finalising Stage 3 and commencing Stage 4 of the redevelopment of the Streaky Bay Foreshore Tourist Park to ensure Council's continued access to income from the site;
- restructuring Council's Information Technology landscape to provide administration efficiencies across Council activities;
- replacing Moores Boat Ramp to ensure safe and long term serviceability of the ramp for locals and visitors alike;
- reviewing the Township Master Plan to ensure development of the area occurs in a planned and reasoned way;
- implementation of the Baird Bay Coastal Adaptation project to deliver protection to local residents from storm surges now and into the future;
- delivery of Council's road management program aimed to ensure all roads are maintained / upgraded to meet the current and future needs of users;
- delivery of Drought Communities Funding projects to provide drought resilience and practical solutions now and into the future; and
- development of Asset Management solutions to assist Council to better manage, maintain and service Council infrastructure assets.

I think the community will agree this is a large body of work for a small team to accomplish but the Elected Body and I are confident in the abilities and commitment of Council staff. We know that this team, our team, will and can deliver high quality outcomes for our community.

CHIEF EXECUTIVE OFFICER REPORT

I was awarded the position of Chief Executive Officer in May 2019. It is a position I am honoured to hold, and one I take very seriously due to the role it plays in achieving community outcomes. I will always endeavour to represent this community to the best of my abilities and hope to repay the trust placed in my abilities.

The financial year again commenced with the adoption of the Annual Business Plan and setting of rates. The overall general rates increase was 3% of which 2% accounted for Consumer Price Index (CPI) increases and 1% was set aside to offset continuing funding required for the operation of the Medical Clinic. Overall Council has prepared a very frugal budget and expects to deliver an operating deficit of \$196,386. Strict budget management strategies clearly demonstrate Council's commitment to balancing the range and level of services expected by the community, and understand the demands such increases place on residents' finances.

A review of the Strategic Management Plan (last reviewed in 2016) is underway. In order to "Secure our Future" Council will undertake both targeted and broad ranging community consultation to assist us in gathering the information required to re-evaluate our priorities and ensure we are working as one team towards common goals desired by our community.

The Streaky Bay Foreshore Tourist Park Capital Works Program is in its third stage. This work is being undertaken in partnership and with the support of Discovery Parks. The upgrade of the facilities are of high importance to Council as the income it represents equates to a considerable amount of Council's operating budget. Some of this income will now be diverted to cover loan costs for the capital project, meaning the build is essentially cost neutral to Council as it will essentially pay for itself over time. Income from the park has been increasing based on last year's figures as a direct outcome of this five year project.

A restructure of the Information Technology landscape for Council will include the introduction of a new Finance and Property Management platform which will provide significant gains in administrative efficiencies. These efficiencies will initially relieve some of the administrative burden associated with payroll and rate modelling and allow staff to focus on the considerable amount of work required to meet legislative, governance and community expectations. Further efficiencies are expected to be explored in the coming financial year.

Advocacy on behalf of the community for the year has so far included working with State and Federal Governments to assist them to understand the impacts such things as the shortage of rural doctors, the drought, the closure of the rail network, lack of funding for roads, the solid waste levy increases, and the need for access to renewable energies and a sustainable electricity and water supply have on communities such as ours. Council's success at the Australian Local Government Association's National General Assembly is testament to the commitment of Councillors and Council staff alike.

The District of Streaky Bay has a highly skilled and very dedicated workforce. Delivering projects in conjunction with our volunteers, community groups and contractors has resulted in an amazing array of positive outcomes for our community and I thank all who have contributed to those successes.

Thank you also to the Mayor and Elected Members for their unending dedication and support. I trust our achievements in the coming year will be a reflection of the hard work and commitment you all show to this amazing community.

Chief Executive Officer: Karina Ewer MBA, MCMR, MAHRI

ROLES OF THE ELECTED MEMBERS AND STAFF

The *Local Government Act 1999* prescribes the legal framework which gives councils the power to make local laws and also determines the roles and responsibilities of the elected members and council staff.

The Elected Members serve four year terms. They make the strategic decisions in all the areas of Council's core business including developing Council's policies, operational plans, goals and overseeing its performance. Council's Senior Management Team provides advice to the Elected Members to guide this process.

The Elected Members also serve a role in representing the overall public interest of all the stakeholders in the Council area. The Mayor is the chair of Council meetings, ensuring Council decisions are implemented, and also represents the District at government, civic and ceremonial functions.

The Chief Executive Officer, Management and Staff are provided with delegations from Council to deliver, monitor and implement the day to day services to facilitate the implementation of Council's decision making and strategic plan.

INVOLVING OUR COMMUNITY

Council meetings are held in Council Chambers at 9.30am and 3.30pm alternatively in the Council Chambers at the Visitor Centre on the third Thursday of each month – unless otherwise advertised in the West Coast Sentinel, Council's Website and the Criterion. The public are encouraged to attend these meetings.

Each month the agenda and Council minutes are posted on the Council website or available to read at the main Council office.

Members of the public may seek a deputation to a Council meeting by making an application in writing to the Chief Executive Officer. Approval for such deputations rests with the Mayor.

Council's Public Consultation Policy sets a framework to encourage community involvement in planning and decision making about the services Council provides and the community resources we manage.

Council communicates with residents via the Criterion newspaper which is produced monthly. The newspaper contains articles on Council business, summaries of Council meetings and information on community events and activities.

Council has resolved to hold Community Forums in each town/area twice per year, nominally in March/April and September/October. The Forums provide an additional opportunity for residents to have input into Council's planning and service delivery and to receive performance reports on the progress of the Annual Business Plan.

ELECTED MEMBERS INFORMATION

ALLOWANCES

COUNCIL

Under revisions to the *Local Government Act 1999* a Remuneration Tribunal was established to make a determination regarding Council Member allowances for the 4 year term following the 2014 election.

The Tribunal received public submissions and elected to group councils on the basis of council population, demographics, service provision and geographical coverage. The additional responsibilities for principal and deputy principal members were also taken into account as was the travelling time required to attend meetings.

The Tribunal allocated the District Council of Streaky Bay into Group Five and determined the following allowances for this group:

| | | |
|-----------------------------------|---|------------------------------------|
| Mayor | - | \$26,000 paid quarterly in arrears |
| Deputy Mayor | - | \$8,125 paid quarterly in arrears |
| Presiding Members of Committees - | | \$8,125 paid quarterly in arrears |
| Elected Members | - | \$6,500 paid quarterly in arrears |

The Tribunal also established a Travel Time Payment to be payable to Council Members, excluding Principal Members, of non-metropolitan councils where the Member's place of residence is the following distance or more from the Council's principal office:

Determination for councillors who live more than 50 or 100km from Streaky Bay:

| | |
|-------|------------------------|
| 50km | \$175 per quarterly |
| 100km | \$372.50 per quarterly |

\$410 per annum travel time payment for 30-50km from Council office (only for non-principal members)

COUNCIL ASSESSMENT PANEL (CAP)

Allowances for CAP are set by Councils and for 2018/2019 the allowances were:

| | | |
|------------------|---|----------------------------|
| Presiding Member | - | \$450 per meeting attended |
| Members | - | \$380 per meeting attended |

TRAINING AND DEVELOPMENT

Elected Members attended several meetings and seminars during 2018/2019

- Audit Committee – LGA Webinar
- LGA Elected Members Modules 1, 2, 3, 4
- Waste Essential Training Webinar
- Public Interest Disclosure Act Training

REPRESENTATION

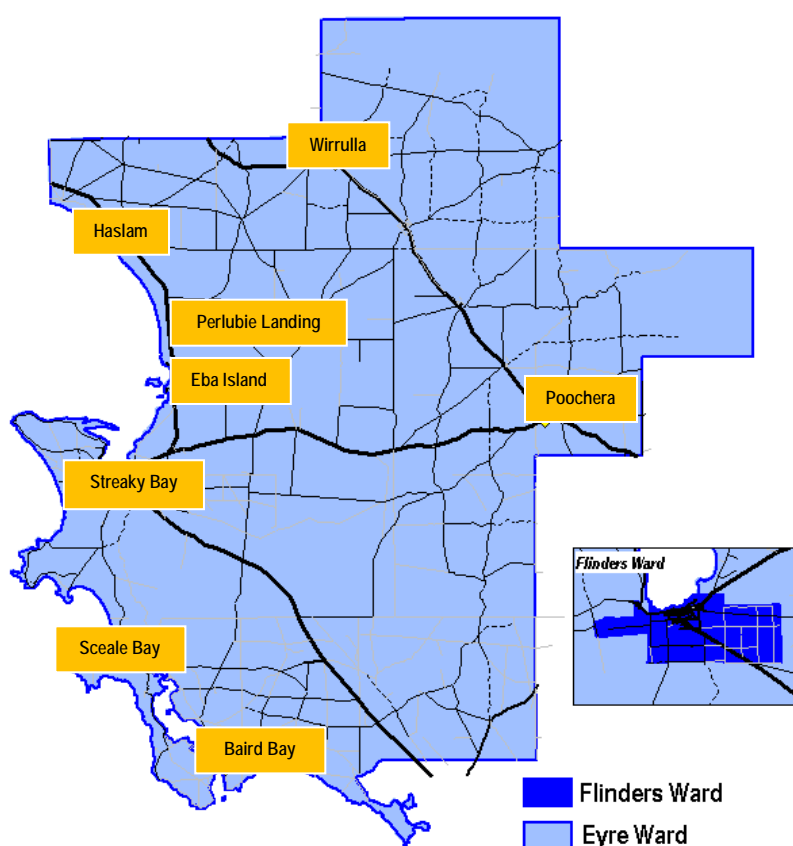
The District Council of Streaky Bay's 1,558 electors are represented by 8 Councillors (including the Mayor) – 4 Councillors per ward. As at 30 June 2019 Council's total representation quota (the number of electors for each Councillor) stood at 1 elected member per 194 electors.

During 2012/2013 Council commenced a Representation Review to determine whether a change of arrangements in respect to representation would result in the electors of the area being more adequately and fairly represented. The review was finalised in October 2013 and is due to be reviewed in October 2020.

As required under Schedule 4 of the Local Government Act 1999, a comparison with councils of similar size/type reveals the following (as at 28 February 2019):

| Council | Elected Members | Electors | Representation Quota |
|-----------------|-----------------|----------|----------------------|
| Streaky Bay | 8 | 1558 | 194 |
| Cleve | 7 | 1232 | 176 |
| Southern Mallee | 7 | 1321 | 188 |
| Robe | 7 | 1203 | 171 |
| Tumby Bay | 7 | 1985 | 283 |

WARD BOUNDARIES



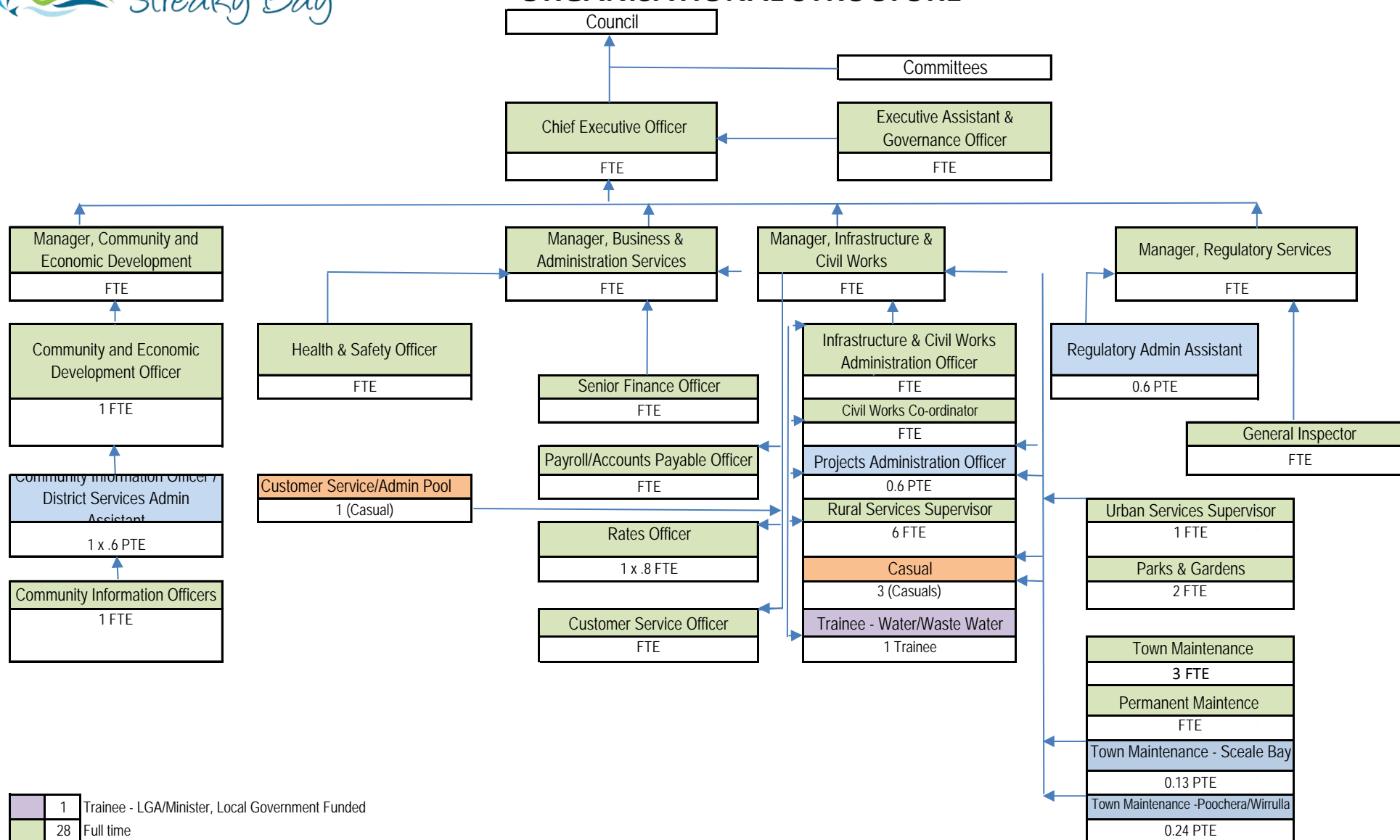
COMMITTEES AS AT 30 JUNE 2019

| Council (s41) Committee | Membership |
|--|---|
| Community and Economic Development Committee | 4 Elected Members + 1 Independent Member |
| Chief Executive Officer's Performance Review Committee | 4 Elected Members |
| Finance & Risk Audit Committee | 1 Independent Presiding Member 4 Elected Members |

| Council (non s41) Committees | Membership |
|-------------------------------------|--|
| Australia Day Award Selection Panel | 4 Elected Members Chief Executive Officer |
| Council Assessment Panel | 4 Independent 1 Elected Member |

| Non Council Committees | Council Representative/s |
|--|---|
| Eyre Peninsula Local Government Association | 1 Elected Member (first delegate) 1 Elected Member (second delegate) |
| Streaky Bay School Governing Council | 1 Elected Member |
| Streaky Bay and District Road Safety Group | 1 Elected Members Manager, Infrastructure & Civil Works |
| Streaky Bay and District Medical Clinic Inc. | 1 Elected Member |
| Streaky Bay Hospital Advisory Committee | 1 Elected Member |
| Streaky Bay Senior Citizens Homes Inc. | 1 Elected Member |

ORGANISATIONAL STRUCTURE

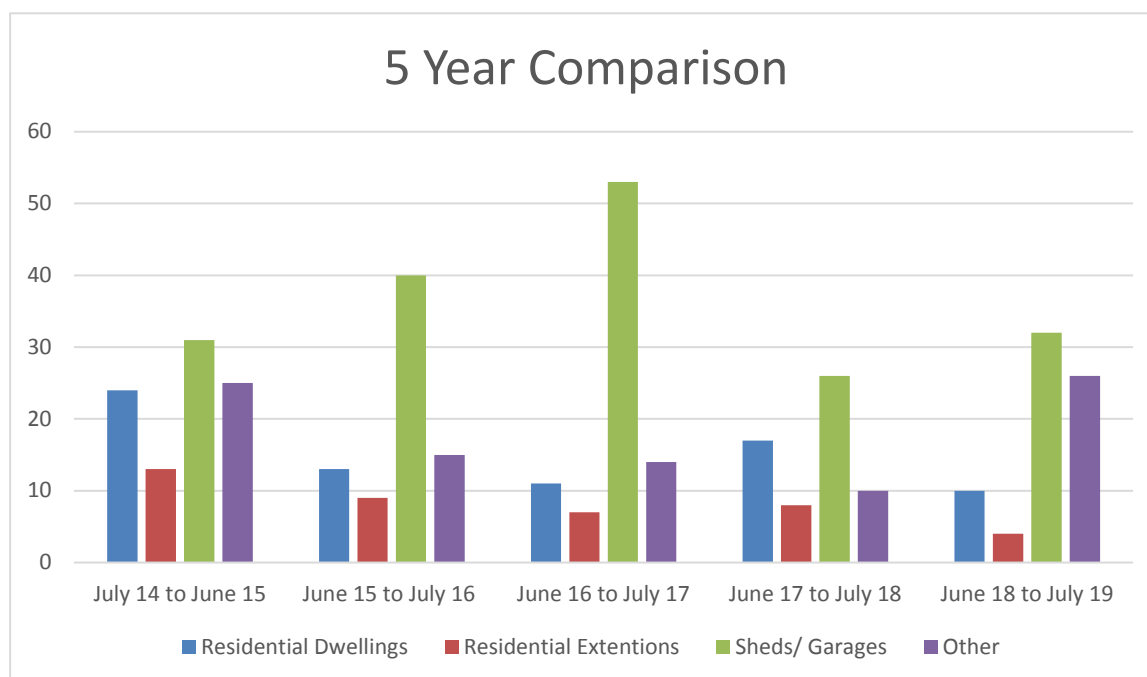


| | |
|----|---|
| 1 | Trainee - LGA/Minister, Local Government Funded |
| 28 | Full time |
| 5 | Part time |
| 5 | Casual Employees |
| 0 | Maternity Leave |

MANAGER, REGULATORY SERVICES REPORT

NATURAL & BUILT ENVIRONMENT REPORT

DEVELOPMENT / BUILDING STATISTICS



| | Residential Dwellings | Residential Extensions | Sheds/ Garages | Other |
|--------------------|--------------------------|---------------------------|-------------------|-------|
| July 14 to June 15 | 24 | 13 | 31 | 25 |
| June 15 to July 16 | 13 | 9 | 40 | 15 |
| June 16 to July 17 | 11 | 7 | 53 | 14 |
| June 17 to July 18 | 17 | 8 | 26 | 10 |
| June 18 to July 19 | 10 | 4 | 32 | 26 |

The 2018/2019 financial year reflects a small decrease in dwelling approvals. However, it appears that there is an increase in the total amount of applications being lodged and approved.

ENVIRONMENTAL HEALTH

The South Australian Public Health Act 2011 requires Local Government to take responsibility in the administration of public health issues such as sanitation, prevention and control of diseases and investigation of health complaints.

Environmental Health Services are provided to Council by the Wudinna District Council including the assessment of waste water applications and food business inspections. This year 23 waste water applications were lodged and 39 food businesses operated within the district.

Streaky Bay Hospital provided immunisation services to the community during the 2018/2019 financial year on behalf of Council.

REGULATORY SERVICES

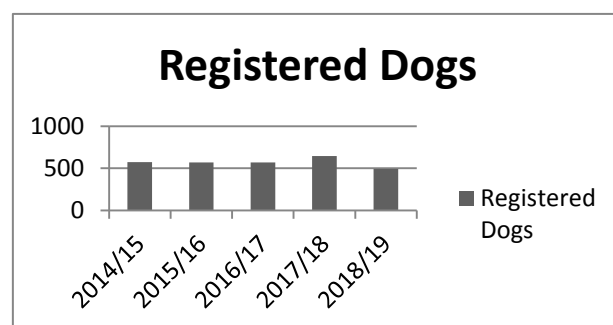
During the 2016/2017 financial year Council commenced the review of it's By-laws. Council has increased the range of the local laws so that existing and possibly future local issues are able to be controlled.

The new By-laws were adopted in the 2017/2018 financial year and commenced on 15 December 2017.

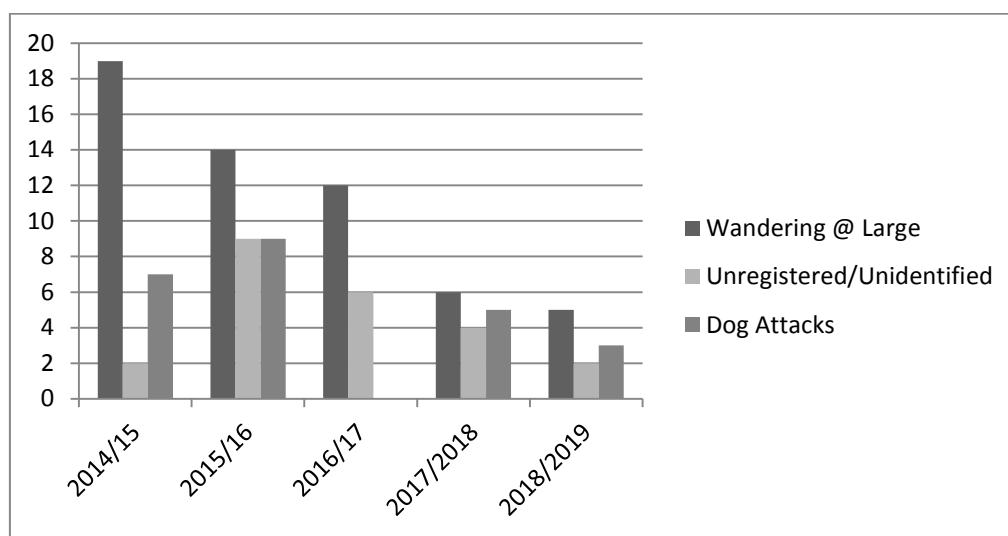
ANIMAL MANAGEMENT

Council commenced a review of its Animal Management Plan. This plan is for a five year period and has been amended to reflect the recent changes to the Dog and Cat Management Act 1995. The proposed changes have a strong focus on public education of good dog and cat ownership.

The approval of the Dog and Cat Management Board is required prior to the plan's implementation.



All dogs over the age of 3 months housed within the District Council of Streaky Bay are required to be registered. This year shows a decrease from last in the number of dogs registered within the district. A changeover to an online state wide system, DACO could be a factor in the current numbers.



This year has seen a reduction in wandering dogs and dog related incidents. It is important for dog owners to remain vigilant and make sure their pets are suitably contained and controlled. The number of unregistered dogs is higher than usual, this could be a result of the new online registering system DACO.

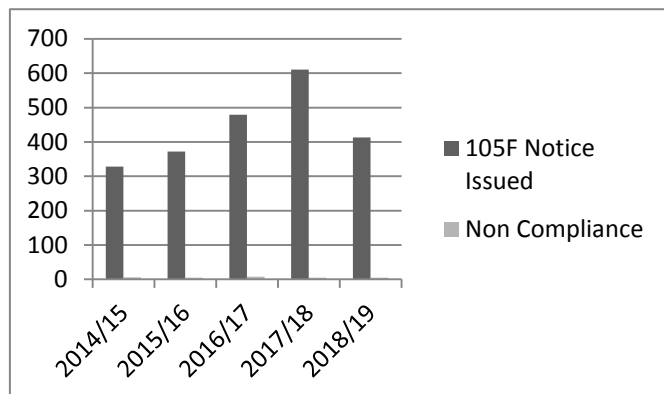
LOCAL NUISANCE AND LITTER CONTROL ACT

The Act came into operation 1 February 2017. During this period Council undertook the following actions:

| | |
|---|---|
| The number of complaints of local nuisance or littering received by the Council | 6 |
| Number of offences expiated under the Act | 0 |
| Number of offences under the act that were prosecuted | 0 |
| Number of nuisance abatement notices or litter abatement notices issued | 0 |
| Number of civil penalties negotiated under Section 34 of the Act | 0 |
| Applications by the Council to the Court for orders for civil penalties under Section 34 and the number of orders made by the Court on those applications | 0 |
| Any other functions performed by council under the Act | 0 |

FIRE PREVENTION

This Season has seen a potentially bad fire danger season due to the levels high fuel loads and rainfall received during the year. The community was responsive and understanding by continually mowing their properties throughout the season.



Two rounds of properties inspections were undertaken with only five properties found not to be complying after being served with a 105F notice.

The Council considers the continued work of the community to be an exceptional effort and is pleased to see the continuation of such a positive trend. Council would like to thank the community for their efforts surrounding fire prevention.

COMMUNITY LAND

All Council land (except roads) is classified as community land unless resolved to be excluded from that classification.

Council has four community land management plans which comply with the requirements of the Local Government Act:

- The Sporting Facility Community Land Management Plan
- The Fully Developed Reserves Community Land Management Plan
- The Partially Developed Reserves Community Land Management Plan
- The Natural Reserves Community Land Management Plan

These plans have been made available for public on the Council website. The Community land register which details all community land within the district is also available on the website.

Council made a small amendment to the Sporting Facility Community Land management Plan to enable the use of the second Streaky Bay oval for the RV camping site.

Jennifer Brewis
Manager, Regulatory Services

STRATEGIC PLANNING

Councils are required to develop and maintain plans for the management of the council area, collectively known as Strategic Management Plans. The plans set out, at a high level, the links to State and regional public policy, growth and financial trends and issues for the council area and the principle activities of the council over at least the coming 4 years.

Strategic management plans are reviewed biannually to not only focus on performance to date but also to provide the opportunity to adjust priorities to take account of changing needs and circumstances.

STRATEGIC MANAGEMENT PLAN 2016-2026

With the expiry of the initial Plan, Council has developed a strategic plan which will guide the provision of services, facilities, projects, infrastructure and advocacy over the next decade (2016-26). The Plan will be the blueprint upon which annual business plans and budgets will be developed.

The Strategic Plan, like all of Council's plans, must be consistent with and represent the aspirations and goals of the district community. To ensure this alignment, draft versions of this plan were made available for public consultation and the feedback received was incorporated into the final plan.

STRATEGIC DIRECTION

Council reviewed its Strategic Plan and adopted the revised edition for 2016-2026 on 2 February 2017. Among other things, the Plan considered regional, state and national objectives and strategies relevant to the social, physical, environmental development and management of Council's area of responsibility.

The Plan identifies key issues and projects which will provide for a range of services and facilities while ensuring the ongoing sustainability and prosperity of Streaky Bay. In addition it incorporates emerging challenges and opportunities.

In reviewing the 2016-2026 Strategic Plan, Council adopted the following Vision Statement, believing that it reflected Council's aspirations for the Streaky Bay community.

VISION STATEMENT

“THE DISTRICT WILL BE RENOWNED FOR ITS QUALITY LIFESTYLE, PRISTINE ENVIRONMENT AND ECONOMIC AND SOCIAL PROSPERITY”

Council’s vision for the district.

The District will be widely recognised for its quality lifestyle, pristine rural, coastal and urban environments. It will continue to explore and expand its economic base, whilst maintaining the amenity and character of its community.

VALUES AND PRINCIPLES

The values and principles which guide all decisions of Council and which are reflected in the Strategic Management Plan can be summarised as follows:

- Responsive Service Delivery
- Good Governance
- Prudent Management
- Genuine Engagement
- Responsible Stewardship
- Professional Performance

STRATEGIC PLAN GOALS

The Strategic Management Plan also sets out seven key goals which are outlined below. These goals are supported by a number of strategies designed to achieve each goal.

GOVERNANCE:

- Council is in a sound financial position and committed to maintaining financial sustainability when finalising the content of its Long-Term Financial Plan, Infrastructure and Asset Management Plan, and in making future annual budget decisions.
- Like many employers (particularly smaller employers remote from major population centres) Council often has difficulty attracting and retaining skilled staff.

INFRASTRUCTURE, BUILDINGS AND OTHER ASSETS:

- Road networks are generally considered to be in good condition and provide the required level of service.
- There is interest in the community to review Heavy Vehicle Access to assist the agricultural industry in the future.

ENVIRONMENT AND PLANNING:

- There has been considerable residential development activity in Streaky Bay and the district's other coastal locations in recent years. Population of inland towns has been declining. The appeal of the district's coastal areas to visitors and retirees will generate population growth and demand for additional housing.
- Development growth and increased tourism has made more apparent the functional shortcomings of the Streaky Bay town centre (e.g. lack of off-street parking). There are a number of key properties that lend themselves to other uses that would enhance functionality. Such a change in land use would stimulate and support ongoing economic development of the town centre and enhance civic amenity.
- There is a growing interest in the community in environmental sustainability.

COMMUNITY, CULTURE AND RECREATION:

- There is strong interest in the arts within the community.
- Council is committed to assisting with addressing the specific needs of young and senior members of its community.
- Council is committed to supporting, advocating for maintaining, and improving health services in our community.

TOURISM:

- The Streaky Bay Township and other coastal locations have experienced considerable tourism growth. This is expected to continue.

BUSINESS UNDERTAKINGS AND ECONOMIC DEVELOPMENT:

- Technological advances and market pressures have resulted in less people employed/earning their living from agriculture.

PUBLIC SAFETY AND REGULATORY SERVICES:

- Council is responsible for the enforcement of various Acts and Regulations and other legal statutes.

FINANCIAL SUSTAINABILITY

In working towards its goals, Council takes a longer term view into its financial planning. Council is committed to ensuring its long-term financial sustainability, which is dependent on ensuring that, on average over time, Council's expenses are at least matched by its revenue.

COUNCIL'S ACHIEVEMENTS FOR 2018/2019

WHAT WE DID IN 2018-2019

OPERATING PROJECTS - SPECIFIC

| | | |
|--|----------|--------------------|
| Website Upgrade | \$6,000 | Achieved |
| Map-Info | \$3,000 | Achieved |
| Elected Members Elections | \$12,000 | Achieved |
| Tree Maintenance – additional funding allocation | \$30,000 | Achieved |
| Sand Sculpture Event | \$28,100 | Achieved |
| Arts meets Science Geolocation Journey | \$15,000 | Achieved |
| Youth Strategy | \$2,500 | Partial Completion |
| Dog Training Day/ Paws Walk | \$5,000 | Achieved |

OPERATING PROJECTS – GENERAL

- **Youth Week** – activities were held over 4 days with overall 88 youth participants
- **Heywire FRRR Funding** – Skate and Scooting Workshops and Aerosol Art Workshops completed.
- **Skate Park** - Water Fountain installed using funds raised on New Year's Eve
- **New Year's Eve Children's Festival** – successfully held on New Year's Eve on the Streaky Bay Foreshore coinciding with the annual fireworks event – estimated 3,000 people in attendance
- **Australia Day Celebrations** – Council successfully hosted these two community events
- **Streaky Bay Wellness Weekend** – Council co-funded this 2 day event that provided support for drought affected farmers
- **Drought Workshops** – Council supported and co-funded a number of workshops around business support and wellness for the effects of drought
- **Community Events** – Council supported and provided minor funding for a variety of community events including; Perlubie Sports, Anzac Day, Dragon Boat Regatta, EP Autoclub Show 'n' Shine, Santa By The Sea, Streaky Bay Long Table Lunch, Australia's Biggest Morning Tea
- **Building Asset Revaluation and Building Conditions Report**
- **Nature Play Space Eyre Avenue** – Design and construction of this space commenced
- **Community Asset Grant Scheme** – \$15,000 was awarded to various local community organisations
- **Streaky Bay Tourism** – Council provided a \$5,000 matching contribution to ensure the successful ongoing media and marketing of the region
- **Eye's on Eyre Project** – Council contributed to the region wide development of a wayfinding, coastal access and camping node development strategy that has been utilised for a regional funding approach
- **Spendmapp** – Council has obtained software that will enable the analysis of local spending to assist in economic development activities
- **Tourism Strategy** – a regional and district Tourism Strategy draft has been developed for finalisation in 2019/2020

- **Visitor Information Centre** – backdoor replacement, install of small verandah to back door

CAPITAL PROJECTS

| | | |
|--|-------------|--------------|
| Visitor Centre – Training/Conference Room Development | \$15,000 | Achieved |
| Plant, Equipment and Vehicles | \$120,000 | Achieved |
| Council building/Visitor Centre Consolidation Planning | \$30,000 | Achieved |
| Streaky Bay Institute – façade | \$50,000 | Achieved |
| Footpath & Kerbing – Streaky Bay | \$40,000 | 50% achieved |
| Sealed Road – Bay Road | \$300,063 | Achieved |
| Sealed Roads – Pygery-Port Kenny Road | \$200,000 | Achieved |
| Unsealed – Roads – 39kms – Resheeting | \$1,472,522 | Achieved |
| Baird Bay Township Coastal Wall – Survey and Planning | \$5,000 | Achieved |
| Stormwater – Redding Road, Bay Road Swales | \$100,000 | Achieved |
| Solar initiatives – Council Building | \$21,000 | Achieved |
| Playground – Haslam – Playground and Fitness Equipment | \$20,800 | Achieved |
| Dental Clinic – New Dental Chair and Steriliser | \$20,000 | Cancelled |
| Childcare – Options Study | \$5,000 | 50% progress |
| Campground – Haslam – RV Dump Point | \$13,308 | Achieved |
| Campground – Wirrulla – Site Development | \$139,202 | Achieved |
| Foreshore Tourist Park – Recreational Area | \$70,924 | Achieved |
| Foreshore Tourist Park – Nine (9) Cabins | \$2,138,431 | Achieved |
| CWMS – Pump Station | \$31,000 | Not required |

ADDITIONAL ITEMS ACHIEVED FOR 2018-2019

CAPITAL PROJECTS

| | | |
|---|-----------|--------------|
| Aerodrome – installed new kangaroo proof fencing | \$86,728 | Achieved |
| Streaky Bay Oval Precinct – upgrade of acoustics within club | \$20,000 | 30% achieved |
| Sealed Roads – additional sealing to Streaky Bay township streets | \$132,745 | Achieved |
| Visitor Centre – Telephone System Replacement | \$4,100 | Achieved |
| Streaky Bay Institute – Flooring and Airconditioning | \$152,950 | Achieved |
| Coastal Trail – Streaky Bay to Little Islands | \$269,216 | Achieved |
| Museum – Poochera – Development | \$70,449 | Achieved |
| Museum – Streaky Bay – Development | \$31,940 | Achieved |
| Poochera Oval Water Storage Project | \$387,562 | Achieved |
| Streaky Bay Racing Club Upgrade | \$28,871 | Achieved |
| Campground – Wirrulla – Site Development | \$139,203 | Achieved |
| Streaky Bay Landfill Remediation – completion of ongoing project | Ongoing | Achieved |
| Campgrounds – Tractor – Construction of a public amenity | Ongoing | Achieved |

COUNCIL'S GOALS FOR 2019/2020

In 2019/2020 Council will undertake major capital works to ensure the longevity of existing assets, as well as providing new assets as highlighted in the Strategic Management Plan. The Projects, as per Council's Strategies and Actions, are as follows:

OBJECTIVE 1: GOVERNANCE

Implement Information and Communications Technology (ICT) improvement program

OBJECTIVE 2: INFRASTRUCTURE, BUILDINGS AND OTHER ASSETS

Plant and Vehicles – scheduled replacement program
Council Office/Visitor Centre Consolidation – Engineering Plans
Baird Bay Public Amenities – sandblasting
Streaky Bay Dragon Boat Club – floor and window repairs
PLEC - (undergrounding power – Wells Street) - (carryover project)
Sealed Roads - Reseal Pygery Port Kenny Road (remaining 3kms),
Reseal Witera Road for 500m, Bay Road
Unsealed – Roads –43 km – Resheeting:
Anderson road, Carawa Road, Dog Fence Road, Emerald Rise Road, Poochera
Port Kenny road, Wallalla Hill road, Kingoonya Yantanbie Road

OBJECTIVE 3: ENVIRONMENT AND PLANNING

Streaky Bay Transfer Station – fencing of perimeter
Mudge Terrace/Jubilee Road – stormwater remediation

OBJECTIVE 4: COMMUNITY, CULTURE AND RECREATION

Streaky Bay Moores Boat Ramp Upgrade * plus carry forward component
Streaky Bay Cemetery – Niche Wall
Childcare – Options Study

OBJECTIVE 5: TOURISM

Tractor Beach Campground Development

OBJECTIVE 6: BUSINESS UNDERTAKINGS AND ECONOMIC DEVELOPMENT

Streaky Bay Foreshore Tourist Park – Development of Eight (8) Ensuite Sites
Streaky Bay Foreshore Tourist Park – Development of Five (5) Cabins

FINANCIAL AND ASSET MANAGEMENT PLANNING

Council has been developing the Council's Infrastructure and Asset Management Plan, to better ascertain the optimal timing and level of future maintenance and renewal expenditure on assets, to help minimise whole-life cost of assets.

UNIFORM PRESENTATION OF COUNCIL FINANCE

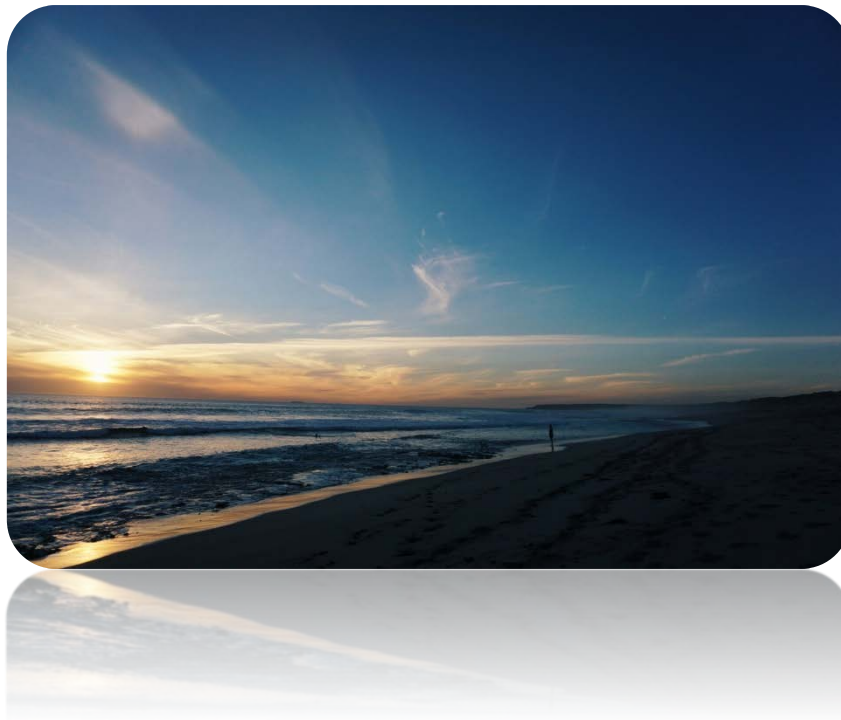
The LGA's General Meeting in March 2007 resolved that Council budgets include a high-level summary of both operating and capital investment activities prepared on a uniform and consistent basis. Apart from providing a focus on the key measure of a Council's financial sustainability (ie: the operating surplus/deficit), the primary objective of this arrangement is to ensure that Councils provide a common 'core' of financial information, to enable more meaningful comparisons of each Council's finances. Long-term Financial Plans, annual financial statements and mid-year budget reviews are required to be summarised on the same basis.

ANNUAL BUSINESS PLAN AND BUDGET 2018/2019

The Annual Business Plan (ABP) and Budget 2018/2019 was adopted by Council on 4 July 2019 in accordance with s123 of the *Local Government Act 1999*.

The ABP is developed in conjunction with the Strategic Management Plan to assist with financial sustainability. Council undertakes grant applications for many projects listed within their Strategic Plan.

Council was updated with reports relating to project and financial performance on a quarterly basis.



EXECUTIVE OFFICERS REMUNERATION

The Senior Management Team, within Council consists of the Chief Executive Officer and 4 Managers.

Annual remuneration (as per below) accounts for the total cost of all fixed remuneration items and is made up of the annual salary, superannuation contributions and fringe benefits tax paid or accrued for the reporting period.

Benefits received by officers of the Senior Management Team may include;

- The provision of a motor vehicle for travel to and from work and include an element of private usage;
- The reimbursement of telephone expenses;
- The reimbursement of out of pocket expenses;
- The payment of memberships to professional bodies.

The following table shows the remuneration details for the Chief Executive Officer and Management Staff of Council. The Benefits include:

- Vehicle
- Telephone

| Position In Organisation | Base Salary | Benefits |
|---|-------------|----------|
| Chief Executive Officer | \$155,251 | Yes |
| Manager, Business & Administration Services | \$92,700 | Yes |
| Manager, Regulatory Services | \$97,392 | Yes |
| Manager, Infrastructure & Civil Works | \$95,480 | Yes |
| Manager, Community and Economic Development | \$95,480 | Yes |

WORK HEALTH AND SAFETY STATEMENT

The District Council of Streaky Bay is a member of the Local Government Association of South Australia (LGA). The Local Government Association is, for the purposes of the Return to Work Act 2014, the nominated Employer for a group of Self Insured Employers which includes all Local Government Identities. The District Council of Streaky Bay as a member of LGA will ensure, so far as is reasonably practicable, the health and safety of workers and others via a Management Systems approach to Work Health and Safety and Return to Work, in line with the organisational vision.

HUMAN RESOURCE PROGRAMS

EQUAL OPPORTUNITY

The District Council of Streaky Bay believes it has a social responsibility towards all members of its community and is required to create an employment environment which reflects the values and needs of the community. Council's current Equal Employment Opportunity Policy Statement adopted by Council 19 March 2009 outlines Council's equity responsibility to encompass our customers, contractors and employees. The policy reflects commitment to create a workplace which is free of discrimination and to which all people are permitted equal access and opportunity to progress to the full extent of their ability.

Employees attended a range of training during 2018/2019. Courses include:

- Aerodrome Reporting Officer Training
- Audit Committee – LGA Webinar
- Authorised Officer Training – Issuing of Fire Permits
- Chain of Responsibility & Load Restraint
- Child Safe Environment Training
- Diploma of Access Consulting – Disability Access
- Emotional Intelligence in the Workplace
- Fire Warden
- First Aid (every 12 months)
- Fork Lift Licence (licence to perform high risk work)
- GST Refresher
- I Responda Essentials Refresher
- Level 3 / 505 comprehensive inspection – AHCPGD305 Conduct Comprehensive inspection of park facilities (RTO 40920)
- LG Incident Management Training (LG-IM3)
- LG Liaison Officer (LGLO) – 1 day workshop
- LG Professionals – Executive Leaders Program
- LG's Role in Community Wellbeing – Beyond the Buzz
- Local Nuisance and Litter Control Act 2016
- Lone Worker Device – Explanation of use & procedure
- Managing Roads
- Manual Handling
- Oxy/Fuel Safety Awareness Refresher
- Public Interest Disclosure Act Training
- Professional Certificate in Asset Management Planning
- Return to Work Training for IRC/ICC
- Return to Work Training for Managers & Supervisors
- Section 184: Sale of Land for Non-Payment of Rates
- Strategic Management Program – Local Government Professionals
- Trim Program – Records Management
- Waste Essential Training Webinar
- White Card – Work Health & Safety Induction
- Work Health & Safety Rep – Level 1
- Workers Compensation Payroll Training (Online – webinar)
- Working with Wildlife Information
- WorkZone Traffic Management

INFORMATION STATEMENT

Providing public access to official documents and records

Information Requests

There were 2 requests for information under the provisions of the Freedom of Information Act for the 12 months to 30 June 2019.

Confidentiality Provisions

Council

During the 2018/2019 financial year, the confidentiality provisions of s90(2) of the Local Government Act 1999 were used by Council a total of 17 times to consider matters in confidence. Matters considered in confidence in respect of s90(2)(a, b, d, h) are as follows:

| RESOLUTIONS PASSED | 2018/2019 |
|--|------------------|
| Information concerning personal affairs of any person (a) | 3 |
| Commercial advantage or prejudice commercial position of Council (b) | 6 |
| Commercial information of a confidential nature (not a trade secret) (d) | 7 |
| Legal Advice (h) | 1 |
| In Confidence | 17 |

During the course of 2018/2019 Council considered matters about a broad range of issues. Matters considered in confidence represented approximately 4.05% of the total matters considered.

Council utilised the provisions of s90 of the Local Government Act 1999 on 17 occasions and of those confidentiality orders 4 expired during the financial year with 13 retained in confidence as at 30 June 2019.

INTERNAL REVIEW OF COUNCIL DECISIONS

In accordance with s270 of the Local Government Act 1999, Council has adopted procedures to review decisions of the council, its employees and other persons acting on behalf of council.

There were nil reviews for request.

AUDITOR REMUNERATION

Council auditors, Dean Newbery & Partners, received remuneration of \$21,115 00 (Inc GST) for the audit of Council's 2018/2019 financial statements. The auditor did not receive any other remuneration from Council for this period.

APPLICATION OF COMPETITION PRINCIPLES

Council does not operate any business activity that meets the criteria of Category One being business activities with an annual turnover in excess of \$2 million or employing assets in excess of \$20 million. Council does operate 3 business activities that are significant:

- Streaky Bay Foreshore Tourist Park.
- Blancheport Heights.
- Streaky Bay Visitor Centre.

Council also provides a Community Bus. This is mostly used by the aged and disabled as a community service obligation, however the bus is made available for hire when not otherwise in use.

Private works are undertaken by Council where there are no viable alternatives (local contractors) for the community to access.

All Council business activities include checks for competitive neutrality. In setting fees and charges the Council has taken into account:

- Relevant Government legislation and policies;
- Community service obligations and impact on residents, ratepayers and visitors to the District of Streaky Bay and the allocation of Council resources and funds to reflect best value practices;
- The impact on competitors – actual and potential including employment, economic and regional development;
- The interests of consumers;
- Council Policies including the Council Contracts Tendering and Purchasing Policy which includes competitive tendering.

There were no complaints in 2017/2018 relating to the Council's application of competitive neutrality.

COMMUNITY LAND

Under the *Local Government Act 1999* all Council land (except roads) is classed as community land unless a Council resolves to exclude it from that classification. Any resolution along these lines is subject to appropriate community consultation.

Council engaged Maloney Field Services to identify all Council land and a number of these properties were excluded prior to 1 January 2003. Since then there has been a review with several more parcels proposed for exclusion and these have been subject to the public consultation process.

1.0 STRUCTURE & FUNCTIONS OF THE COUNCIL

1.1 Full Council

Full Council, consisting of two wards each with four Councillors from which a Mayor is elected, full Council is the decision making body on all policy matters.

Ordinary Meetings of the full Council are held on the third Thursday of every month at 9.30am and 3.30pm alternatively and members of the public are welcome to attend.

1.2 Committees

Committees have been formed to discuss/administer Council and Community business. These Committees meet as required. Members of the public are welcome to attend.

The Committees are as follows:

Council (s41) Committee

Chief Executive Officer's Performance Review Committee
Community and Economic Development Committee
Finance & Risk Audit Committee

1.3 Agendas and Minutes

Agendas of all Council and Committees are placed on public display no less than three days prior to those meeting. Minutes are placed on display within five days of the meeting. Public display includes hard copies at the Council Office and access on Council's Website www.streakybay.sa.gov.au

1.4 Delegations

The Chief Executive Officer and other officers have delegated authority from Council to make decisions on a number of specified administrative and policy matters. These In keeping with the legislative requirement:

- To determine policies to be applied by the Council in exercising its discretion and powers;
- To determine the type, range and scope of projects to be undertaken by the Council;
- To develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operation of the Council.

The Council makes decisions which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken and the resources which are to be made available to undertake such works and services.

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

FREEDOM OF INFORMATION

2.0 **SERVICES FOR THE COMMUNITY**

Council considers the community's needs when assessing policies relating to services provided.

| | |
|------------------------------|--------------------------------|
| Community Land | Caravan Dump Points |
| Aged Care | Planning & Building Controls |
| Animal Control | Recreation/Sporting Facilities |
| Bicycle Track | Parking Bays |
| Community Halls & Centres | Boat Ramps |
| Environmental Health Matters | Waste Depots |
| Immunisation Programs | Foreshore Facilities |
| Parking Control | Clean Air Control |
| Parks and Reserves | Playground Equipment |
| Public Cemeteries | Street Tree Planting |
| Public Seating | Community Libraries |
| Roads/Footpaths/Kerbings | Airport |
| Street Closure | Carparks |
| Street Lighting | Garbage Collection/Litter Bins |
| Traffic Control Devices | Stormwater Drainage |
| War Memorials | Public Toilets |

3.0 **PUBLIC PARTICIPATION**

3.1 **Council Meetings**

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

- Deputations – with the permission of the Mayor, a member of the public can address a Committee of the Council personally or on behalf of a group of residents.
- Presentations to Council – with prior notification and arrangement with the Mayor, a member of the public can address the Council on any issue relevant to Council.
- Petitions – written petitions can be addressed to the Council on any issue.
- Written Requests – a member of the public can write to the Council on any Council policy, activity or service.
- Elected Members – Members of the public can contact their elected members of Council to discuss any issue relevant to Council.

FREEDOM OF INFORMATION

3.2 Community Consultation

The District Council of Streaky Bay consults with local residents on particular issues that affect their neighbourhood. Note-below are examples only:

- Meeting of Electors – All residents and electors are eligible to attend meetings to decide leasing arrangements for Council reserves by local community groups.
- Ward Forums – Forums are held to allow residents to voice their views on any issues affecting their ward and the district.
- Residents are notified of some Development Applications requiring the approval of Council. A number of applications are exempted from Public Notification by the Development Act 1993. When an application is publicly notified, residents have the opportunity both to write to Council expressing their view decision is made.

4.0 ACCESS TO COUNCIL DOCUMENTS

4.1 Documents Available for Inspection

The following documents are available for public inspection at the Council Office. Members of the public may purchase copies of these documents and the charges are shown below:

- | | |
|---|--------------------|
| • Council Minutes only (Annual) | \$75.00 Annually |
| • Council Minutes & Reports (Annual) | \$150.00 Annually |
| • Council Minutes Only (Monthly) | \$6.50 Monthly |
| • Council Minutes & Reports (Monthly) | \$12.50 Monthly |
| • The Policy Manual | .20 cents per page |
| • The Corporate Plan | .20 cents per page |
| • The Budget Statement | .20 cents per page |
| • The Annual Report | .20 cents per page |
| • The District Management Plan | .20 cents per page |
| • Council By-laws | .20 cents per page |
| • Annual Financial Statements | .20 cents per page |
| • Supplementary Development Plan (previously on exhibition) | .20 cents per page |
| • Planning Application by Consent | .20 cents per page |
| • Planning Application Register | .20 cents per page |
| • Building Application Register | .20 cents per page |
| • Register of Elected Members Allowances & Benefits | .20 cents per page |
| • Register of Employees' Salaries, Wages & Benefits | .20 cents per page |
| • Assessment Book | .20 cents per page |
| • Register of Fees & Charges levied by Council | .20 cents per page |

All of the above are available on Council's Website www.streakybay.sa.gov.au

FREEDOM OF INFORMATION

4.2 Other Information Request

Request for other information not included in Clause 4.1 will be considered in accordance with the Freedom of Information provisions of the Local Government Act 1999. Under the legislation, an application fee and search fee must be forwarded with the completed request form as provided by the Regulation No. 275 of 1991, unless the application is granted an exemption.

Should the applicant require copies of any documents inspected pursuant to a Freedom of Information request, the charges set out in Clause 4.1 apply.

Freedom of Information Forms should be addressed to:

FREEDOM OF INFORMATION OFFICER
DISTRICT COUNCIL OF STREAKY BAY
PO BOX 179
STREAKY BAY SA 5680

Forms are available at the Council Office.

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

5.0 AMENDMENT OF COUNCIL RECORDS

A member of the public may gain access to council documents to make amendments concerning their personal affairs by making a request in accordance with the Local Government Act 1999.

A member of the public may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date.

LOCAL GOVERNMENT ACT 1999 REGISTERS, CODES OF PRACTICE, POLICIES

REGISTERS

- Accident/Incident Reporting
- Asbestos Register
- Boat Ramp Permit Register
- Burning Permits Register
- By-Laws Register
- Certificate of Titles Register
- Community Asset Register
- Community In-Kind Register
- Community Land Register
- Confidential Items Register
- Confined Space Register
- Council Seal Register
- Delegated Powers Register
- Electrical & RCD Test Register
- Fees and Charges Register
- Fire Extinguisher Register
- Footpath/Cafe Licence Register
- Gifts & Benefits Register
- Hazard Profile
- Hazardous/Dangerous Substance Register – MSD Register
- I-Respond Emergency Support Register
- Key Register
- Members Register of Allowances and Benefits
- Members Register of Interests
- Motion Action Register
- Officers Register of Interest
- Officers Register of Remuneration
- Plant & Equipment Register
- Playgrounds Register
- Policy/Procedure Register
- Pre-Qualified Contractors Register
- Public Roads Register
- Risk Register
- Salary Register
- Tenders, Contracts & Expression of Interest Register
- Training Register
- Volunteer Register

CODES

- Code of Conduct for Council Employees
- Code of Conduct for Council Members
- Code of Practice for Access to Council and Council Committee Meetings and Council Documents
- Complaints Handling Procedure under Council Members Code of Conduct

WORK HEALTH & SAFETY

Work Health Safety & Return to Work Policy

- Workplace Return to Work Procedure

HARZARD MANAGEMENT

Hazard Management Policy

- Hazard Management Procedure
- Incident Reporting and Investigation Procedure
- Plant Procedure
- Workplace Inspection Procedure

ADMINISTRATION OF THE WHS MANAGEMENT SYSTEM

WHS Administration Policy

- Planning and Program Development Procedure (Incorporating Management Review)
- WHS Corrective and Preventative Actions Procedure
- WHS Document Management Procedure
- WHS Induction and Training Procedure
- WHS Internal Audit Procedure

COMMUNICATION AND CONSULTATION

Consultation and Communication Policy

- Consultation and Communication Procedure

WHS CONTRACTOR MANAGEMENT

WHS Contractor Management Policy

- Contractor Management Procedure

WHS EMERGENCY MANAGEMENT

WHS Emergency Management Policy

- WHS Emergency Management Procedure
- First Aid Procedure

HAZARDOUS WORK

Hazardous Work Policy

- Asbestos WHS Procedure
- Confined Space Procedure
- Electrical Safety Procedure
- Excavation and Trenching Procedure
- Hazardous Chemicals Procedure
- Hazardous Manual Tasks Procedure
- Hot Work Procedure
- Isolation/Lockout Tag out Procedure
- Prevention of Falls Procedure
- Remote/Isolated Work Procedure
- WHS UVR & Inclement Weather Procedure
- Work Zone Traffic Management Procedure

POLICIES

- Accounting Policy
- Advertising Signage Policy
- Animal Management Plan
- Annual Business Plan and Budget Policy
- Asbestos Management Policy
- Asset Management Policy
- Boat Launch Policy
- Bookings Cancellation & Refund Policy
- Building and Swimming Pool Inspection Policy
- Caretaker Policy
- Cat Trap and Trapping Policy
- Cemetery Operating Policy
- Community Bus Hire Policy
- Community Notice Board Procedure and Guidelines
- Council Role in Disaster & Emergency Response Policy
- Credit Card Policy
- Cross over, Road Verge & Driveway Policy
- Customer Complaints Policy
- Community Wastewater Management Scheme Customer Charter Policy
- CWMS Pricing Policy Statement
- Debt Collection Policy
- Disposal of Land & Assets Policy
- Elected Members Records Management Policy
- Employee Assistance Program Policy
- Enforcement Policy
- Engineering Design Standards
- Environmental Management Policy
- Equal Employment Opportunity Policy
- Fraud & Corruptions Prevention Policy
- General Approval to Place Election Signs on Roads
- Hardship Policy
- Informal Gatherings Policy
- Internal Financial Control Policy
- Internet and Email Policy
- Leases, Licences & Permit Policy
- Model Guidelines for the Control of Election Signs
- Ombudsman Enquiry Procedure
- Order Making Policy
- Performance and Development Policy
- Personal Information Security Policy
- Private and Business Use of Road Reserves Policy
- Private Hire of Council Plant & Equipment Policy
- Private Works Policy
- Procedure for Internal Review of Council Decisions Policy (Requests for Services under Section 270 Policy)
- Procurement Policy
- Prudential Management Policy
- Public Consultation Policy
- Public Gates and Grids Policy
- Public Interest Disclosure Policy
- Rate Rebate Policy
- Rating Policy
- Records Management Policy
- Risk Management Policy
- Road Naming & Property Numbering Policy
- Rubble Pits & Royalties Policy
- Safe Environment Policy
- Social Media Policy
- Streaky Bay Institute and Supper Room Hire Policy
- Training Development Policy for Council Members
- Treasury Management Policy
- Tree Management Policy
- Unmade Road Development Policy
- Vegetation on Road Reserves (A)
- Volunteer Management Policy
- Waste Management Policy
- Whistleblower Protection Policy
- Workplace Bullying Policy

LOCAL GOVERNMENT (ELECTIONS) ACT 1999

- Campaign Donation Returns prepared by candidates

OTHER POLICIES/PROCEDURES

- Adornment Policy
- Drugs & Alcohol Policy
- Firearms Safety Policy
- Personal Protective Equipment Procedure
- Smoke Free Policy
- Workplace Bullying Policy
- Volunteer Management Policy & Procedure



DISTRICT COUNCIL OF STREAKY BAY

2018/2019

FINANCIAL STATEMENTS

Vision

The District will be widely recognised for its quality lifestyle, pristine rural coastline and urban environment. It will continue to explore and expand its economic base whilst maintaining the amenity and character of its community.



08 8626 1001



www.streakybay.sa.gov.au



29 Alfred Tce / PO Box 179, Streaky Bay SA 5680



dcstreaky@streakybay.sa.gov.au



District Council of Streaky Bay

General Purpose Financial Statements for the year ended 30 June 2019

| Contents | Page |
|---|------|
| 1. Council Certificate | 2 |
| 2. Primary Financial Statements: | |
| - Statement of Comprehensive Income | 3 |
| - Statement of Financial Position | 4 |
| - Statement of Changes in Equity | 5 |
| - Statement of Cash Flows | 6 |
| 3. Notes to the Financial Statements | 7 |
| 4. Independent Auditor's Report - Financial Statements | |
| 5. Independent Auditor's Report - Internal Controls | |
| 6. Certificates of Audit Independence | |
| - Council Certificate of Audit Independence | |
| - Audit Certificate of Audit Independence | |

District Council of Streaky Bay

General Purpose Financial Statements for the year ended 30 June 2019

Certification of Financial Statements

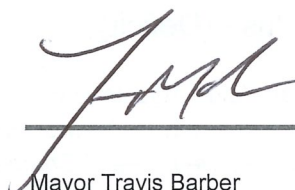
We have been authorised by the Council to certify the financial statements in their final form.

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 2019 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.



Karina Dee Ewer
CHIEF EXECUTIVE OFFICER



Mayor Travis Barber
MAYOR

Date: 21 November 2019

District Council of Streaky Bay

Statement of Comprehensive Income

for the year ended 30 June 2019

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|--------------|--------------|
| Income | | | |
| Rates Revenues | 2a | 3,971 | 3,836 |
| Statutory Charges | 2b | 61 | 68 |
| User Charges | 2c | 2,004 | 2,022 |
| Grants, Subsidies and Contributions | 2g | 3,404 | 2,840 |
| Investment Income | 2d | 102 | 110 |
| Reimbursements | 2e | 146 | 154 |
| Other Income | 2f | 135 | 371 |
| Total Income | | 9,823 | 9,401 |
| Expenses | | | |
| Employee Costs | 3a | 2,378 | 2,030 |
| Materials, Contracts & Other Expenses | 3b | 4,544 | 4,266 |
| Depreciation, Amortisation & Impairment | 3c | 2,853 | 2,866 |
| Finance Costs | 3d | 35 | 34 |
| Total Expenses | | 9,810 | 9,196 |
| Operating Surplus / (Deficit) | | 13 | 205 |
| Asset Disposal & Fair Value Adjustments | 4 | 47 | (216) |
| Amounts Received Specifically for New or Upgraded Assets | 2g | 373 | 960 |
| Physical Resources Received Free of Charge | 2i | 25 | - |
| Net Surplus / (Deficit) ¹ | | 458 | 949 |
| Other Comprehensive Income | | | |
| <i>Amounts which will not be reclassified subsequently to operating result</i> | | | |
| Changes in Revaluation Surplus - I,PP&E | 9a | 1,299 | 3,034 |
| Total Other Comprehensive Income | | 1,299 | 3,034 |
| Total Comprehensive Income | | 1,757 | 3,983 |

¹ Transferred to Statement of Changes in Equity

District Council of Streaky Bay

Statement of Financial Position

as at 30 June 2019

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|---------------|---------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 5a | 6,213 | 6,038 |
| Trade & Other Receivables | 5b | 687 | 656 |
| Inventories | 5c | 267 | 149 |
| Total Current Assets | | 7,167 | 6,843 |
| Non-Current Assets | | | |
| Financial Assets | 6a | 177 | 191 |
| Infrastructure, Property, Plant & Equipment | 7a | 73,681 | 70,307 |
| Other Non-Current Assets | 6b | 2,386 | 2,025 |
| Total Non-Current Assets | | 76,244 | 72,523 |
| TOTAL ASSETS | | 83,411 | 79,366 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 8a | 1,333 | 969 |
| Borrowings | 8b | 477 | 441 |
| Provisions | 8c | 424 | 859 |
| Total Current Liabilities | | 2,234 | 2,269 |
| Non-Current Liabilities | | | |
| Borrowings | 8b | 2,499 | 150 |
| Provisions | 8c | 20 | 46 |
| Total Non-Current Liabilities | | 2,519 | 196 |
| TOTAL LIABILITIES | | 4,753 | 2,465 |
| Net Assets | | 78,658 | 76,901 |
| EQUITY | | | |
| Accumulated Surplus | | 29,806 | 29,348 |
| Asset Revaluation Reserves | 9 | 48,852 | 47,553 |
| Total Council Equity | | 78,658 | 76,901 |

District Council of Streaky Bay

Statement of Changes in Equity for the year ended 30 June 2019

| \$ '000 | Notes | Accumulated Surplus | Asset Revaluation Reserve | Total Equity |
|--|-------|------------------------|---------------------------------|-----------------|
| 2019 | | | | |
| Balance at the end of previous reporting period | | 29,348 | 47,553 | 76,901 |
| a. Net Surplus / (Deficit) for Year | | 458 | - | 458 |
| b. Other Comprehensive Income | | | | |
| - Gain (Loss) on Revaluation of I,PP&E | 7a | - | 1,299 | 1,299 |
| Other Comprehensive Income | | - | 1,299 | 1,299 |
| Total Comprehensive Income | | 458 | 1,299 | 1,757 |
| Balance at the end of period | | 29,806 | 48,852 | 78,658 |
| 2018 | | | | |
| Balance at the end of previous reporting period | | 28,399 | 44,519 | 72,918 |
| a. Net Surplus / (Deficit) for Year | | 949 | - | 949 |
| b. Other Comprehensive Income | | | | |
| - Gain (Loss) on Revaluation of I,PP&E | 7a | - | 3,034 | 3,034 |
| Other Comprehensive Income | | - | 3,034 | 3,034 |
| Total Comprehensive Income | | 949 | 3,034 | 3,983 |
| Balance at the end of period | | 29,348 | 47,553 | 76,901 |

District Council of Streaky Bay

Statement of Cash Flows

for the year ended 30 June 2019

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|----------------|----------------|
| Cash Flows from Operating Activities | | | |
| <u>Receipts</u> | | | |
| Rates Receipts | | 3,939 | 3,827 |
| Statutory Charges | | 61 | 75 |
| User Charges | | 2,204 | 2,287 |
| Grants, Subsidies and Contributions (operating purpose) | | 3,423 | 2,845 |
| Investment Receipts | | 102 | 110 |
| Reimbursements | | 161 | 169 |
| Other Receipts | | 960 | 690 |
| <u>Payments</u> | | | |
| Payments to Employees | | (2,370) | (2,048) |
| Payments for Materials, Contracts & Other Expenses | | (5,818) | (5,153) |
| Finance Payments | | (35) | (34) |
| Net Cash provided by (or used in) Operating Activities | 11b | 2,627 | 2,768 |
| Cash Flows from Investing Activities | | | |
| <u>Receipts</u> | | | |
| Amounts Received Specifically for New/Upgraded Assets | | 373 | 960 |
| Sale of Replaced Assets | | 110 | 50 |
| Sale of Surplus Assets | | - | 33 |
| Sale of Real Estate Developments | | 18 | 72 |
| Repayments of Loans by Community Groups | | 13 | 16 |
| <u>Payments</u> | | | |
| Expenditure on Renewal/Replacement of Assets | | (1,849) | (2,126) |
| Expenditure on New/Upgraded Assets | | (3,496) | (773) |
| Loans Made to Community Groups | | - | (100) |
| Net Cash provided by (or used in) Investing Activities | | (4,831) | (1,868) |
| Cash Flows from Financing Activities | | | |
| <u>Receipts</u> | | | |
| Proceeds from Borrowings | | 2,550 | - |
| Proceeds from Bonds & Deposits | | (6) | 5 |
| <u>Payments</u> | | | |
| Repayments of Borrowings | | (165) | (254) |
| Net Cash provided by (or used in) Financing Activities | | 2,379 | (249) |
| Net Increase (Decrease) in Cash Held | | 175 | 651 |
| plus: Cash & Cash Equivalents at beginning of period | 11 | 6,038 | 5,387 |
| Cash & Cash Equivalents at end of period | 11 | 6,213 | 6,038 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Contents of the Notes accompanying the Financial Statements

| Note | Details | Page |
|------|--|--------|
| 1 | Significant Accounting Policies | 8 |
| 2 | Income | 16 |
| 3 | Expenses | 19 |
| 4 | Asset Disposal & Fair Value Adjustments | 20 |
| | Current Assets | |
| 5a | Cash & Cash Equivalents | 21 |
| 5b | Trade & Other Receivables | 21 |
| 5c | Inventories | 21 |
| | Non-Current Assets | |
| 6a | Financial Assets | 22 |
| 6b | Other Non-Current Assets | 22 |
| | Fixed Assets | |
| 7a | Infrastructure, Property, Plant & Equipment | 23 |
| 7b | Valuation of Infrastructure, Property, Plant & Equipment | 24 |
| | Liabilities | |
| 8a | Trade & Other Payables | 26 |
| 8b | Borrowings | 26 |
| 8c | Provisions | 26 |
| 9 | Asset Revaluation Reserve | 26 |
| 10 | Assets Subject to Restrictions | 27 n/a |
| 11 | Reconciliation to Statement of Cashflows | 27 |
| 12a | Functions | 29 |
| 12b | Components of Functions | 30 |
| 13 | Financial Instruments | 31 |
| 14 | Commitments for Expenditure | 34 |
| 15 | Financial Indicators | 35 |
| 16 | Uniform Presentation of Finances | 36 |
| 17 | Operating Leases | 36 n/a |
| 18 | Superannuation | 37 |
| 19 | Interests in Other Entities | 37 n/a |
| 20 | Non Current Assets Held for Sale & Discontinued Operations | 38 n/a |
| 21 | Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet | 38 |
| 22 | Events After the Balance Sheet Date | 39 |
| 23 | Related Party Transactions | 39 |

n/a - not applicable

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements 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 on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 21 November 2019.

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 these Notes.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

District Council of Streaky Bay is incorporated under the South Australian *Local Government Act 1999*

and has its principal place of business at 29 Alfred Terrace, Streaky Bay. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income Recognition

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

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.

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

| \$ '000 | Cash Payment Received | Annual Allocation | Difference |
|---------|-----------------------|-------------------|------------|
| 2016/17 | \$2,895 | \$1,911 | +\$984 |
| 2017/18 | \$2,169 | \$2,184 | -\$15 |
| 2018/19 | \$2,571 | \$2,134 | +\$437 |

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

actual grants received and the grants entitlements allocated.

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

5.1 Real Estate Assets Developments

Real Estate Assets developments have been classified as Inventory in accordance with AASB 5 and are valued at the lower of carrying amount and fair value less costs to sell.

Revenues arising from the sale of property are recognised in the operating statement when settlement is completed.

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

5.2 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

6 Infrastructure, Property, Plant & Equipment

6.1 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.

6.2 Materiality

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

| | |
|---|----------|
| Office Furniture & Equipment | \$2,000 |
| Other Plant & Equipment | \$2,000 |
| Buildings - new construction/extensions | \$10,000 |
| Parks Furniture & Equipment | \$3,000 |

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

| | |
|--------------------------------------|----------|
| Road Infrastructure | \$10,000 |
| Kerbs & Footpaths | \$2,000 |
| Stormwater, Pipes, Drains & Culverts | \$5,000 |
| Community Waste Water Infrastructure | \$5,000 |

| | |
|-----------------------|-----------------|
| Drains & Culverts | 50 to 100 years |
| Reticulation Pip– PVC | 70 to 80 years |
| Pumps & Telemetry | 20 to 25 years |

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

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

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

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

Plant, Furniture & Equipment

| | |
|--------------------------------|---------------|
| Office Furniture | 3 to 15 years |
| Vehicles and Road-making Equip | 3 to 25 years |
| Other Plant & Equipment | 3 to 20 years |

Building & Other Structures

| | |
|--------------------------------------|-----------------|
| Buildings – masonry | 50 to 100 years |
| Buildings – other construction | 20 to 40 years |
| Park Structures – masonry | 50 to 100 years |
| Park Structures – other construction | 20 to 40 years |
| Playground equipment | 15 to 20 years |
| Benches, seats, etc | 10 to 25 years |

Infrastructure

| | |
|-----------------------------------|----------------|
| Sealed Roads – Surface | 20 to 25 years |
| Sealed Roads – Structure | 100 years |
| Unsealed Roads | 12 to 33 years |
| Paving & Footpaths, Kerb & Gutter | 20 to 50 years |

6.5 Impairment

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, are not subject to impairment testing.

Other 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 inflows or value in use).

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.

6.6 Borrowing Costs

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

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.

7.2 Payments Received in Advance & Deposits

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

8 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings 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 the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy

have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

11 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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

12 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".

For works undertaken on a fixed price contract basis, revenues and expenses are recognised on a percentage of completion basis. Costs incurred in advance of a future claimed entitlement are classified as work in progress in inventory. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

13 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.

14 New accounting standards and UIG interpretations

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

District Council of Streaky Bay has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. Although the disclosures made in Note 13 Financial Instruments have changed, there are no changes to the amounts disclosed.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities, which will commence from 1 July 2019, affect the timing with which revenues, particularly special purpose grants, are recognised. Amounts received in relation to contracts with sufficiently specific performance obligations will in future only be recognised as these obligations are fulfilled.

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for non-material amounts - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2019, Council has no leases to which this treatment will need to be applied.

The standards that are expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 July 2019

- AASB 15 Revenue from Contracts with Customers, AASB 1058 Income of Not-for-Profit Entities and AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-to-profit (NFP) entities, in conjunction with AASB 15, and AASB 2016-8. These Standards supersede the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Identifiable impacts at the date of this report are:

Some grants received by the Council will be recognised as a liability, and subsequently recognised progressively as revenue as the Council satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. Council receives several grants from the Federal Government and State Government for which there are no sufficiently specific performance obligations these are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue from sales of the Council's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that the Council has received payment but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime).

Prepaid rates will not be recognised as revenue until the relevant rating period starts. Until that time these receipts will be recognised as a liability (unearned revenue). There will be no impact upon the recognition of other fees and charges.

Transition method

The Council intends to apply AASB 15, AASB 1058 and AASB 2016-8 initially on 1 July 2019, using the modified retrospective approach. The recognition and measurement principles of the standards will be retrospectively applied for the current year and prior year comparatives as though the standards had always applied, consistent with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The Council may apply the practical expedients available for the full retrospective method. Where revenue has been recognised in full under AASB 1004, prior to 1 July 2019, but where AASB 1058 would have required income to be recognised

beyond that date, no adjustment is required. Further, Council is not required to restate income for completed contracts that start and complete within a financial year. This means where income under AASB 1004 was recognised in the comparative financial year (i.e. 2018/19), these also do not require restatement.

- **AASB 16 Leases** – The Council has assessed the impacts of the new standard that initial application of AASB 16 will have on its consolidated financial statements, however, the actual impacts may differ as the new accounting policies are subject to change until the Council presents its first financial statements that include the date of initial application.

AASB 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

Leases in which the Council is a lessee

The Council will recognise new assets and liabilities for its operating leases of motor vehicles (see Note 27). The nature of expenses related to those leases will now change because the Council will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Council has recognised an operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

The Council has elected not to recognise Dental Clinic and Hangar leases under the AASB 16 as they have been assessed as being low-value assets under the standard.

No significant impact is expected for the Council's finance leases.

Based on Councils assessment, it is expected that the first-time adoption of AASB 16 for the year ending 30 June 2020 will have zero impact.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Leases in which the Group is a lessor

No significant impact is expected for other leases in which the Council is a lessor (see Note 30).

Peppercorn Leases

Council is the lessee of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council does not intend to elect not to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

Transition method

The Council intends to apply AASB 16 initially on 1 July 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting AASB 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 July 2019, with no restatement of comparative information.

The Council intends to apply the practical expedient for the definition of a lease on transition. This means that it will apply AASB 16 on transition only to contracts that were previously identified as leases applying AASB 117 Leases and Interpretation 4 Determining whether an Arrangement contains a Lease.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements.

The standards are expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1058 Income of Not-for-Profit Entities

- AASB 1058 Income of Not-for-Profit Entities (Appendix D)
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 1059 Service Concession Arrangements: Grantors (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities
- AASB 2017-1 Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement
- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors
- AASB 2018-5 Amendments to Australian Accounting Standards - Deferral of AASB 1059

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1. Summary of Significant Accounting Policies (continued)

Effective for annual reporting periods beginning on or after 1 January 2021

- AASB 17 Insurance Contracts
- AASB 17 Insurance Contracts (Appendix D)

The standards are not expected to have a material impact upon Council's future financial statements are:

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1058 Income of Not-for-Profit Entities
- AASB 1058 Income of Not-for-Profit Entities (Appendix D)
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 1059 Service Concession Arrangements: Grantors (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities
- AASB 2017-1 Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments
- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures

- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement
- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors
- AASB 2018-5 Amendments to Australian Accounting Standards - Deferral of AASB 1059

Effective for annual reporting periods beginning on or after 1 January 2021

- AASB 17 Insurance Contracts
- AASB 17 Insurance Contracts (Appendix D)

15 Comparative Figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

16 Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 2. Income

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|--------------|--------------|
| (a). Rates Revenues | | | |
| General Rates | | | |
| General Rates | | 3,121 | 3,027 |
| Less: Mandatory Rebates | | (17) | (17) |
| Less: Discretionary Rebates, Remissions & Write Offs | | (5) | (5) |
| Total General Rates | | 3,099 | 3,005 |
| Other Rates (Including Service Charges) | | | |
| Natural Resource Management Levy | | 161 | 155 |
| Waste Collection | | 239 | 231 |
| Community Wastewater Management Systems | | 446 | 421 |
| Total Other Rates | | 846 | 807 |
| Other Charges | | | |
| Penalties for Late Payment | | 26 | 24 |
| Total Other Charges | | 26 | 24 |
| Total Rates Revenues | | 3,971 | 3,836 |
| (b). Statutory Charges | | | |
| Development Act Fees | | 21 | 23 |
| Town Planning Fees | | 9 | 10 |
| Health & Septic Tank Inspection Fees | | 5 | 3 |
| Animal Registration Fees & Fines | | 21 | 28 |
| Other Licences, Fees & Fines | | 5 | 4 |
| Total Statutory Charges | | 61 | 68 |
| (c). User Charges | | | |
| Cemetery Fees | | 17 | 28 |
| Hall & Equipment Hire | | 2 | 2 |
| Sundry | | 167 | 168 |
| Caravan Park | | 1,623 | 1,522 |
| Medical | | - | 209 |
| Container Deposit Legislation | | 195 | 93 |
| Total User Charges | | 2,004 | 2,022 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 2. Income (continued)

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|--------------|--------------|
| (d). Investment Income | | | |
| Interest on Investments | | | |
| - Local Government Finance Authority | | 71 | 93 |
| - Banks & Other | | 27 | 13 |
| - Loans to Community Groups | | 4 | 4 |
| Total Investment Income | | 102 | 110 |
| (e). Reimbursements | | | |
| Private Works | | 95 | 56 |
| Joint Undertakings | | - | 64 |
| Other | | 51 | 34 |
| Total Reimbursements | | 146 | 154 |
| (f). Other Income | | | |
| Insurance & Other Recoupments - Infrastructure, IPP&E | | 10 | - |
| Rebates Received | | 103 | 127 |
| Sundry | | 22 | 121 |
| Medical | | - | 123 |
| Total Other Income | | 135 | 371 |
| (g). Grants, Subsidies, Contributions | | | |
| Amounts Received Specifically for New or Upgraded Assets | | 373 | 960 |
| Other Grants, Subsidies and Contributions | | 3,404 | 2,840 |
| Total Grants, Subsidies, Contributions | | 3,777 | 3,800 |
| The functions to which these grants relate are shown in Note 12. | | | |
| (i) Sources of grants | | | |
| Commonwealth Government | | 1,064 | 673 |
| State Government | | 2,798 | 2,218 |
| Other | | (85) | 909 |
| Total | | 3,777 | 3,800 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 2. Income (continued)

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|-----------|-------------|
| (h). Conditions over Grants & Contributions | | | |
| 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: | | | |
| Unexpended at the close of the previous reporting period | | 30 | 94 |
| <i>Less:</i> | | | |
| <i>Expended during the current period from revenues recognised in previous reporting periods</i> | | | |
| Roads Infrastructure | | - | (52) |
| Parks and Gardens | | - | (42) |
| Subtotal | | - | (94) |
| <i>Plus:</i> | | | |
| <i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i> | | | |
| Parks and Gardens | | - | 30 |
| Subtotal | | - | 30 |
| Unexpended at the close of this reporting period | | 30 | 30 |
| Net increase (decrease) in assets subject to conditions in the current reporting period | | - | (64) |
| (i). Physical Resources Received Free of Charge | | | |
| Land & Improvements | | 10 | - |
| Buildings | | 10 | - |
| Furniture & Equipment | | 5 | - |
| Total Physical Resources Received Free of Charge | | 25 | - |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 3. Expenses

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|--------------|--------------|
| (a). Employee Costs | | | |
| Salaries and Wages | | 2,008 | 1,765 |
| Employee Leave Expense | | 302 | 234 |
| Superannuation - Defined Contribution Plan Contributions | 18 | 178 | 162 |
| Superannuation - Defined Benefit Plan Contributions | 18 | 26 | 23 |
| Workers' Compensation Insurance | | 64 | 62 |
| Less: Capitalised and Distributed Costs | | (200) | (216) |
| Total Operating Employee Costs | | 2,378 | 2,030 |
| | | | |
| Total Number of Employees (full time equivalent at end of reporting period) | | 31 | 31 |
| (b). Materials, Contracts and Other Expenses | | | |
| (i) Prescribed Expenses | | | |
| Auditor's Remuneration | | | |
| - Auditing the Financial Reports | | 20 | 19 |
| Bad and Doubtful Debts | | 1 | - |
| Elected Members' Expenses | | 104 | 97 |
| Election Expenses | | 13 | 1 |
| Subtotal - Prescribed Expenses | | 138 | 117 |
| (ii) Other Materials, Contracts and Expenses | | | |
| Contractors | | 2,605 | 2,734 |
| Energy | | 354 | 313 |
| Legal Expenses | | 42 | 50 |
| Levies Paid to Government - NRM levy | | 159 | 155 |
| Parts, Accessories & Consumables | | 384 | 350 |
| Sundry | | 862 | 547 |
| Subtotal - Other Material, Contracts & Expenses | | 4,406 | 4,149 |
| Total Materials, Contracts and Other Expenses | | 4,544 | 4,266 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 3. Expenses (continued)

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|--------------|--------------|
| (c). Depreciation, Amortisation and Impairment | | | |
| (i) Depreciation and Amortisation | | | |
| Buildings & Other Structures | | 760 | 773 |
| Infrastructure | | | |
| - Stormwater Drainage | | 34 | 33 |
| - CWMS | | 103 | 102 |
| - Roadworks | | 1,589 | 1,606 |
| - Footpaths and Kerbing | | 129 | 84 |
| Plant & Equipment | | 183 | 202 |
| Furniture & Fittings | | 55 | 66 |
| Subtotal | | 2,853 | 2,866 |
| (ii) Impairment | | | |
| Nil | | | |
| Total Depreciation, Amortisation and Impairment | | 2,853 | 2,866 |
| (d). Finance Costs | | | |
| Interest on Loans | | 35 | 34 |
| Total Finance Costs | | 35 | 34 |

Note 4. Asset Disposal & Fair Value Adjustments

Infrastructure, Property, Plant & Equipment

| | | | |
|---|--|-----------|--------------|
| (i) Assets Renewed or Directly Replaced | | | |
| Proceeds from Disposal | | 110 | 50 |
| Less: Carrying Amount of Assets Sold | | (81) | (55) |
| Gain (Loss) on Disposal | | 29 | (5) |
| (ii) Assets Surplus to Requirements | | | |
| Proceeds from Disposal | | - | 33 |
| Less: Carrying Amount of Assets Sold | | - | (217) |
| Gain (Loss) on Disposal | | - | (184) |
| Real Estate Development Assets | | | |
| Proceeds from Disposal | | 18 | 71 |
| Less: Carrying Amount of Assets Sold | | - | (98) |
| Gain (Loss) on Disposal | | 18 | (27) |
| Net Gain (Loss) on Disposal or Revaluation of Assets | | 47 | (216) |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 5. Current Assets

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|--------------|--------------|
| (a). Cash & Cash Equivalents | | | |
| Cash on Hand at Bank | | 76 | 338 |
| Deposits at Call | | 2,084 | 3,688 |
| Short Term Deposits & Bills, etc. | | 4,053 | 2,012 |
| Total Cash & Cash Equivalents | | 6,213 | 6,038 |
| (b). Trade & Other Receivables | | | |
| Rates - General & Other | | 339 | 307 |
| Accrued Revenues | | 12 | 11 |
| Debtors - General | | 164 | 246 |
| GST Recoupment | | 140 | 55 |
| Prepayments | | 18 | 24 |
| Loans to Community Organisations | | 14 | 13 |
| Total Trade & Other Receivables | | 687 | 656 |
| Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13 | | | |
| (c). Inventories | | | |
| Stores & Materials | | 267 | 149 |
| Total Inventories | | 267 | 149 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 6. Non-Current Assets

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|--------------|--------------|
| (a). Financial Assets | | | |
| Receivables | | | |
| Loans to Community Organisations | | 177 | 191 |
| Total Receivables | | 177 | 191 |
| Total Financial Assets | | 177 | 191 |
| (b). Other Non-Current Assets | | | |
| (i) Inventories | | | |
| Real Estate Developments | | 946 | 946 |
| Total Inventories | | 946 | 946 |
| (ii) Other | | | |
| Capital Works-in-Progress | | 1,440 | 1,079 |
| Total Other | | 1,440 | 1,079 |
| Total Other Non-Current Assets | | 2,386 | 2,025 |
| Other disclosures | | | |
| Real Estate Developments - Current & Non-Current | | | |
| (Valued at the lower of cost and net realisable value) | | | |
| Industrial & Commercial | | 946 | 946 |
| Total Real Estate for Resale | | 946 | 946 |
| Apportionment of Real Estate Developments | | | |
| Current Assets | | - | - |
| Non-Current Assets | | 946 | 946 |
| | | 946 | 946 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 7a. Infrastructure, Property, Plant & Equipment

| \$ '000 | Fair Value Level | as at 30/6/2018 | | | | Asset Movements during the Reporting Period | | | | | | as at 30/6/2019 | | | |
|--|---------------------|------------------|--------------|---------------|-------------------|---|--------------|------------------------------|--------------------------------------|----------------------------|---|------------------|---------------|---------------|-------------------|
| | | At Fair Value | At Cost | Acc. Dep'n | Carrying Value | Asset Additions | | WDV of Asset Disposals | Depreciation Expense (Note 3c) | Adjustments & Transfers | Revaluation Increments to Equity (ARR) (Note 9) | At Fair Value | At Cost | Acc. Dep'n | Carrying Value |
| | | | | | | New / Upgrade | Renewals | | | | | | | | |
| Land - Other | 2 | 13,831 | 7 | - | 13,838 | 10 | - | - | - | - | - | 13,831 | 17 | - | 13,848 |
| Buildings & Other Structures | 2 | 12,030 | 208 | 9,349 | 2,889 | 1,697 | 244 | (38) | (154) | - | - | 11,343 | 2,157 | 8,862 | 4,638 |
| Buildings & Other Structures Infrastructure | 3 | 24,885 | 1,636 | 14,598 | 11,923 | 320 | 370 | (20) | (606) | (43) | - | 24,680 | 2,326 | 15,062 | 11,944 |
| - Stormwater Drainage | 3 | 2,766 | 34 | 622 | 2,178 | 131 | 23 | - | (34) | - | - | 2,766 | 188 | 656 | 2,298 |
| - CWMS | 3 | 8,152 | 14 | 2,576 | 5,590 | 29 | 8 | - | (103) | - | - | 8,152 | 51 | 2,679 | 5,524 |
| - Roadworks | 3 | 37,130 | 1,760 | 9,731 | 29,159 | 557 | 1,410 | - | (1,589) | - | - | 35,956 | 3,727 | 10,146 | 29,537 |
| - Footpaths and Kerbing | 3 | 2,534 | 1,042 | 1,240 | 2,336 | 64 | 17 | (17) | (129) | 43 | 1,299 | 5,382 | 81 | 1,850 | 3,613 |
| Plant & Equipment | | - | 3,029 | 1,102 | 1,927 | 28 | 69 | (6) | (183) | - | - | - | 3,101 | 1,266 | 1,835 |
| Furniture & Fittings | | - | 883 | 416 | 467 | 27 | 5 | - | (55) | - | - | - | 915 | 471 | 444 |
| Total Infrastructure, Property, Plant & Equipment | | 101,328 | 8,613 | 39,634 | 70,307 | 2,863 | 2,146 | (81) | (2,853) | - | 1,299 | 102,110 | 12,563 | 40,992 | 73,681 |
| Comparatives | | 70,565 | 42,878 | 45,546 | 67,897 | 489 | 2,025 | (272) | (2,866) | - | 3,034 | 101,328 | 8,613 | 39,634 | 70,307 |

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

\$ '000

Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on 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.

Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

There is no known market for buildings, infrastructure and other assets. These assets 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.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

\$ '000

Valuation of Assets (continued)

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. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

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

The last revaluation was done by Liquid Pacific Pty Ltd, and was recognised as at 1st July 2015, and all additions since the date of valuation have been recognised at cost

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

Buildings & Other Structures

Buildings and other structures were revalued as at 1 July 2015 by Liquid Pacific Pty Ltd, and all additions since the date of valuation have been recognised at cost.

Infrastructure

Transportation assets were valued by Council officers at depreciated current replacement cost based on actual costs incurred, the assumptions and methodology applied by Council Officers has been independently reviewed by Gayler Professional Services. The date of valuation is effective as of 1st July 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Council Officers as at 1st July 2017 at depreciated current replacement cost, based on actual costs incurred. All acquisitions made after the respective dates of valuation are recorded at cost. Methodology was discussed with Gayler Professional Services.

Community wastewater management system infrastructure was valued at depreciated current replacement cost effective from 1st July 2017 by Gayler Professional Services. All acquisitions made after the respective dates of valuation are recorded at cost.

Footpath Infrastructure was valued by Council Officers as at 1 July 2018 at a depreciated replacement cost based on actual costs incurred. All acquisitions made after the respective dates of valuation are recorded at cost. Asset Val Pty Ltd was engaged to review and assess the methodology, in relation to this valuation

Plant & Equipment

Plant and Equipment assets are recognised on a cost basis.

Furniture & Fittings

Furniture and fittings are recognised on a cost basis.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 8. Liabilities

| \$ '000 | Notes | 2019 | 2019 | 2018 | 2018 |
|--|-------|---------|-------------|---------|-------------|
| | | Current | Non Current | Current | Non Current |
| (a). Trade and Other Payables | | | | | |
| Goods & Services | | 954 | - | 693 | - |
| Payments Received in Advance | | 118 | - | 36 | - |
| Accrued Expenses - Employee Entitlements | | 72 | - | 56 | - |
| Accrued Expenses - Other | | 17 | - | 6 | - |
| Deposits, Retentions & Bonds | | 172 | - | 178 | - |
| Total Trade and Other Payables | | 1,333 | - | 969 | - |

(b). Borrowings

| | | | | |
|-------------------------|------------|--------------|------------|------------|
| Loans | 477 | 2,499 | 441 | 150 |
| Total Borrowings | 477 | 2,499 | 441 | 150 |

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

(c). Provisions

| | | | | |
|---|------------|-----------|------------|-----------|
| Future Reinstatement / Restoration, etc | - | - | 468 | 25 |
| Employee Entitlements-LSL (including oncosts) | 237 | 20 | 226 | 21 |
| Employee Entitlements-AL (including oncosts) | 187 | - | 165 | - |
| Total Provisions | 424 | 20 | 859 | 46 |

Note 9. Asset Revaluation Reserve

| \$ '000 | 1/7/2018 | Increments (Decrements) | Transfers | Impairments | 30/6/2019 |
|--|---------------|----------------------------|-----------|-------------|---------------|
| Land - Other | 12,605 | - | - | - | 12,605 |
| Buildings & Other Structures | 11,225 | - | - | - | 11,225 |
| Infrastructure | | | | | |
| - Stormwater Drainage | 1,294 | - | - | - | 1,294 |
| - CWMS | 3,985 | - | - | - | 3,985 |
| - Roadworks | 16,996 | - | - | - | 16,996 |
| - Footpaths and Kerbing | 1,448 | 1,299 | - | - | 2,747 |
| Total Asset Revaluation Reserve | 47,553 | 1,299 | - | - | 48,852 |
| Comparatives | 44,519 | 3,034 | - | - | 47,553 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 10. Assets Subject to Restrictions

| \$ '000 | Notes | 2019 | 2018 |
|---------|-------|------|------|
|---------|-------|------|------|

Council does not hold any assets subject to restrictions.

Note 11. Reconciliation to Statement of Cash Flows

(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 Balance Sheet as follows:

| | | | |
|---|---|--------------|--------------|
| Total Cash & Equivalent Assets | 5 | 6,213 | 6,038 |
| Balances per Statement of Cash Flows | | 6,213 | 6,038 |

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

| | | |
|--|--------------|--------------|
| Net Surplus/(Deficit) | 458 | 949 |
| Non-Cash Items in Income Statements | | |
| Depreciation, Amortisation & Impairment | 2,853 | 2,866 |
| Non-Cash Asset Acquisitions | (25) | - |
| Grants for Capital Acquisitions (Treated as Investing Activity Receipts) | (373) | (960) |
| Net (Gain) Loss on Disposals | (47) | 216 |
| Write of Loan - Community Groups | - | 18 |
| | 2,866 | 3,089 |
| Add (Less): Changes in Net Current Assets | | |
| Net (Increase)/Decrease in Receivables | (30) | (65) |
| Change in Allowances for Under-Recovery of Receivables | - | 1 |
| Net (Increase)/Decrease in Inventories | (118) | (52) |
| Net (Increase)/Decrease in Other Current Assets | - | (2) |
| Net Increase/(Decrease) in Trade & Other Payables | 370 | 64 |
| Net Increase/(Decrease) in Unpaid Employee Benefits | - | (15) |
| Net Increase/(Decrease) in Other Provisions | (461) | (252) |
| Net Cash provided by (or used in) operations | 2,627 | 2,768 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 11. Reconciliation to Statement of Cash Flows (continued)

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|-----------|----------|
| (c). Non-Cash Financing and Investing Activities | | | |
| Acquisition of assets by means of: | | | |
| - Physical Resources Received Free of Charge | 2i | 25 | - |
| Amounts recognised in Income Statement | | 25 | - |
| Total Non-Cash Financing & Investing Activities | | 25 | - |

(d). Financing Arrangements

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

| | | |
|--------------------------------------|-----|-----|
| Corporate Credit Cards | 25 | 30 |
| LGFA Cash Advance Debenture Facility | 998 | 908 |

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

Note 12a. Functions

| Functions/Activities | Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b). | | | | | | | | | |
|-----------------------------------|---|----------------|----------------|----------------|-----------------------------|----------------|---------------------------|----------------|---|----------------|
| | INCOME | | EXPENSES | | OPERATING SURPLUS (DEFICIT) | | GRANTS INCLUDED IN INCOME | | TOTAL ASSETS HELD (CURRENT & NON-CURRENT) | |
| | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 |
| \$ '000 | | | | | | | | | | |
| Administration | 4,564 | 4,524 | 1,480 | 1,385 | 3,084 | 3,139 | 1,385 | 1,422 | 7,574 | 7,378 |
| Business | 2,098 | 2,077 | 1,599 | 1,539 | 499 | 538 | - | - | 13,892 | 11,790 |
| Community | 91 | 432 | 476 | 913 | (385) | (481) | 8 | 4 | 1,430 | 1,540 |
| Culture | 79 | 74 | 255 | 219 | (176) | (145) | 71 | 4 | 1,028 | 811 |
| Economic Development | 6 | - | 432 | 347 | (426) | (347) | - | - | 1,262 | 1,260 |
| Environment | 624 | 500 | 1,191 | 1,001 | (567) | (501) | - | - | 3,616 | 3,481 |
| Recreation | 250 | 26 | 1,061 | 730 | (811) | (704) | 225 | - | 16,507 | 16,691 |
| Regulatory Services | 78 | 81 | 289 | 303 | (211) | (222) | - | - | 2 | 8 |
| Transport | 1,734 | 1,430 | 2,608 | 2,418 | (874) | (988) | 1,715 | 1,410 | 34,654 | 33,144 |
| Other NEC | 299 | 257 | 419 | 341 | (120) | (84) | - | - | 3,446 | 3,263 |
| Total Functions/Activities | 9,823 | 9,401 | 9,810 | 9,196 | 13 | 205 | 3,404 | 2,840 | 83,411 | 79,366 |

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, amounts received specifically for new or upgraded assets and physical resources received free of charge.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 12b. Components of Functions

\$ '000

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Parks & Camp Grounds, Development of Land for Resale, Private Works, Sewerage/CWMS.

COMMUNITY SERVICES

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control — Health, Immunisation, Other Health Services, Community Support, Children and Youth Services, Community Assistance, Community Transport, Other Community Support, Community Amenities, Cemeteries, Public Conveniences, Car Parking — non-fee-paying, and Other Community Amenities.

CULTURE

Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

ECONOMIC DEVELOPMENT

Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

ENVIRONMENT

Other Agricultural Services, Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

RECREATION

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities — Outdoor, Swimming Centres — Outdoor, and Other Recreation.

REGULATORY SERVICES

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Parking Control, and Other Regulatory Services.

TRANSPORT

Aerodrome, Footpaths and Kerbing, Roads — sealed, Roads — formed, Roads — natural formed, Roads —unformed, Traffic Management, LGGC — roads (formula funded), Community Bus and Other Transport.

COUNCIL ADMINISTRATION

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Housing for Council Employees, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC — General Purpose, and Separate and Special Rates.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 13. Financial Instruments

\$ '000

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Carried at lower of cost and net realisable value; Interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 1.25% and 1.5% (2018: 1.5%). Short term deposits have an average maturity of 90 days and an average interest rate of 2% (2018: 90 days and 2.2%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates & Associated Charges

(including legals & penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

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.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 0.55% (2018: 0.56%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables

Fees & Other Charges

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.

Terms & Conditions:

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

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.

Carrying Amount:

Approximates fair value.

Liabilities

Creditors and Accruals

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.

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

Carried at the principal amounts. Interest is charged as an expense as it accrues.

Terms & Conditions:

Secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 3.6% and 6.5% (2018: 3.6% and 6.6%).

Carrying Amount:

Approximates fair value.

Liabilities

Finance Leases

Accounting Policy:

Accounted for in accordance with AASB 117.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

| \$ '000 | Due < 1 year | Due > 1 year & ≤ 5 years | Due > 5 years | Total Contractual Cash Flows | Carrying Values |
|------------------------------------|-----------------|-----------------------------|------------------|---------------------------------|--------------------|
| 2019 | | | | | |
| Financial Assets | | | | | |
| Cash & Equivalents | 6,213 | - | - | 6,213 | 6,213 |
| Receivables | 225 | 129 | 157 | 511 | 507 |
| Total Financial Assets | 6,438 | 129 | 157 | 6,724 | 6,720 |
| Financial Liabilities | | | | | |
| Payables | 1,215 | - | - | 1,215 | 1,215 |
| Current Borrowings | 582 | - | - | 582 | 477 |
| Non-Current Borrowings | - | 1,200 | 2,053 | 3,253 | 2,499 |
| Total Financial Liabilities | 1,797 | 1,200 | 2,053 | 5,050 | 4,191 |
| 2018 | | | | | |
| Financial Assets | | | | | |
| Cash & Equivalents | 6,038 | - | - | 6,038 | 6,038 |
| Receivables | 415 | 69 | 35 | 519 | 516 |
| Total Financial Assets | 6,453 | 69 | 35 | 6,557 | 6,554 |
| Financial Liabilities | | | | | |
| Payables | 933 | - | - | 933 | 933 |
| Current Borrowings | 451 | - | - | 451 | 441 |
| Non-Current Borrowings | - | 131 | 35 | 166 | 150 |
| Total Financial Liabilities | 1,384 | 131 | 35 | 1,550 | 1,524 |

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

| | 30 June 2019 | | 30 June 2018 | |
|----------------------|-------------------------------|-------------------|-------------------------------|-------------------|
| | Weighted Avg Interest Rate | Carrying Value | Weighted Avg Interest Rate | Carrying Value |
| Other Variable Rates | 3.60% | 276 | 3.60% | 366 |
| Fixed Interest Rates | 4.29% | 2,700 | 6.16% | 225 |
| | | 2,976 | | 591 |

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.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

\$ '000

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.

Note 14. Commitments for Expenditure

\$ '000

Notes

2019

2018

Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

| | | |
|-------------------|------------|------------|
| Buildings | 508 | 249 |
| Infrastructure | 15 | 233 |
| Plant & Equipment | 223 | - |
| Other | 8 | - |
| | 754 | 482 |

These expenditures are payable:

| | | |
|--|------------|------------|
| Not later than one year | 754 | 482 |
| Later than one year and not later than 5 years | - | - |
| Later than 5 years | - | - |
| | 754 | 482 |

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 15. Financial Indicators

| | Amounts | Indicator | Prior Periods | |
|---------|---------|-----------|---------------|------|
| \$ '000 | 2019 | 2019 | 2018 | 2017 |

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.

1. Operating Surplus Ratio

| | | | | |
|------------------------|-------|------|------|------|
| Operating Surplus | 13 | 0.1% | 2.2% | 8.3% |
| Total Operating Income | 9,823 | | | |

This ratio expresses the operating surplus as a percentage of total operating revenue.

2. Net Financial Liabilities Ratio

| | | | | |
|---------------------------|---------|-------|-------|-------|
| Net Financial Liabilities | (2,324) | (24%) | (47%) | (34%) |
| Total Operating Income | 9,823 | | | |

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.

Adjustments to Ratios

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. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.

| | | | |
|----------------------------------|--------|------|--------|
| Adjusted Operating Surplus Ratio | (3.9%) | 1.8% | (2.2%) |
|----------------------------------|--------|------|--------|

| | | | |
|--|-------|-------|-------|
| Adjusted Net Financial Liabilities Ratio | (21%) | (47%) | (34%) |
|--|-------|-------|-------|

3. Asset Renewal Funding Ratio

| | | | | |
|---|-------|-----|-----|-----|
| Net Asset Renewals | 1,739 | 61% | 88% | 46% |
| Infrastructure & Asset Management Plan required expenditure | 2,853 | | | |

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.

District Council of Streaky Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 16. Uniform Presentation of Finances

| \$ '000 | 2019 | 2018 |
|--|----------------|--------------|
| <p>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.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p> | | |
| Income | 9,823 | 9,401 |
| less Expenses | (9,810) | (9,196) |
| Operating Surplus / (Deficit) | 13 | 205 |
| Net Outlays on Existing Assets | | |
| Capital Expenditure on Renewal and Replacement of Existing Assets | (1,849) | (2,126) |
| <i>add back</i> Depreciation, Amortisation and Impairment | 2,853 | 2,866 |
| <i>add back</i> Proceeds from Sale of Replaced Assets | 110 | 50 |
| Subtotal | 1,114 | 790 |
| Net Outlays on New and Upgraded Assets | | |
| Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments) | (3,496) | (773) |
| <i>add back</i> Amounts Received Specifically for New and Upgraded Assets | 373 | 960 |
| <i>add back</i> Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments and Non-Current Assets Held for Resale) | 18 | 105 |
| Subtotal | (3,105) | 292 |
| Net Lending / (Borrowing) for Financial Year | (1,978) | 1,287 |

Note 17. Operating Leases

Council does not have any Operating Leases.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 18. Superannuation

\$ '000

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 the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018/19; 9.50% in 2017/18). 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 Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2017/18) of "superannuation" salary.

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section'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, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. 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.

Contributions to Other Superannuation Schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

Note 19. Interests in Other Entities

Council has no interest in any Equity Accounted Businesses such as Joint Ventures, Associates & Joint Operations.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 20. Non-Current Assets Held for Sale & Discontinued Operations

\$ '000

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

Note 21. 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 is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. LAND UNDER ROADS

As reported in the Financial 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 the 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 1,733 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 deductible "insurance excesses", 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

Nil

4. LEGAL MATTERS

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

District Council of Streaky Bay

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2019, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 21/11/19.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

Note 23. Related Party Transactions

| \$ '000 | 2019 | 2018 |
|---------|------|------|
|---------|------|------|

Key Management Personnel

Transactions with Key Management Personnel

Mayor, Councillors and Chief Executive Officer

The compensation paid to Key Management Personnel comprises:

| | | |
|------------------------------|------------|------------|
| Short-Term Employee Benefits | 288 | 227 |
| Total | 288 | 227 |

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

Receipts from Key Management Personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts in total:

| | | |
|--|-----------|-----------|
| Contributions for Fringe Benefits Tax purposes | 15 | - |
| Rentals for Council property | 10 | 15 |
| Income Protection Insurance | 2 | 2 |
| Private Works | - | 10 |
| Total | 27 | 27 |

2019: Four KMP have members of their family employed by Council, amounts paid to employees is \$125k.

2019: Two KMP Members were associated with the same Community Organisation, amounts paid to the organisation was \$13k.

2019: Two KMP Member were associated with a Community Group that received a grant of \$1k.

2019: One KMP Member was associated with a Community Group that received a payment (\$1k) to undertake works on a community project and was also paid to attend training for a project (\$1k).

2019: One KMP member was associated with a Community Group that received an in kind donation equating to \$400.00.

2019: One KMP member was employed by a Council Contractor and received a benefit of \$40k.

2019: One KMP Member is Councils Representative on a Community Group, which has received \$100k gift and \$100 loan plus a car to the value of \$4k, plus other minor amounts relating to Business Operations.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of the District Council of Streaky Bay

Opinion

We have audited the accompanying financial report of the District Council of Streaky Bay (the Council), which comprises the Statement of Financial Position as at 30 June 2019, Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Council in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. This responsibility includes determining that the basis of preparation described in Note 1 is appropriate to meet the need of the members. The Council's responsibility also includes designing, implementing and maintaining internal controls relevant to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Council.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



SAMANTHA CRETEN
PARTNER

Signed on the 26th day of November 2019,
at 214 Melbourne Street, North Adelaide

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE DISTRICT COUNCIL OF STREAKY BAY

Opinion

In our opinion, the Council has complied, in all material respects, with Section 129(1)(b) of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2018 to 30 June 2019.

Basis for opinion

We have audited the Internal Controls of the District Council of Streaky Bay (the Council) under the requirements of *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2018 to 30 June 2019 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applying Auditing Standard *ASQC 1 Quality Control for Firms that Perform Audits and Review of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking the assurance engagement.

Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedure to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS**



**SAMANTHA CRETEN
PARTNER**

Signed on the 26th day of November 2019
at 214 Melbourne Street, North Adelaide, South Australia, 5006

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the District Council of Streaky Bay for the year ended 30 June 2019, 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*.



SAMANTHA CRETEN

Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

Dated this 26th day of November 2019

District Council of Streaky Bay

General Purpose Financial Statements for the year ended 30 June 2019

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Streaky Bay for the year ended 30 June 2019, the Council's Auditor, Dean Newbery and 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*.



Karina Dee Ewer
CHIEF EXECUTIVE OFFICER



Warwick Koster
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 18 November 2019



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

Annual Report *2018/19*





*Cover photo:
Minnipa Siding*



THE PRESIDENT'S REPORT

This annual report details the last 12 months activity undertaken by the EPLGA, its financial accounts, and operative regional collaborative partnerships. There has been much attention Local government in the last twelve months, with both sides of State Parliament challenging councils and communities to look at areas of potential legislative and operational reform.

The Eyre Peninsula councils are also being challenged to look outside their traditional core business range.

Regional health needs will continue to be an area of focus for our communities, especially around attraction and retention of medical professionals such as GPs and nurses. Our councils are being asked by their communities to take a lead role in this area.

A changing freight dynamic has also been prominent for the Eyre Peninsula with the closure of the EP Rail network in May 2019. Along with this, there is also a need for councils to be proactive and aware of potential changes which might happen with a number of different export port proposals.

The continuing financial challenges of regional councils mean that the EPLGA members will continue to look at innovative ways to deliver services and infrastructure to their communities. This will mean the potential for shared or joint services between councils around some of the core business of councils could be more developed.

The ongoing challenge for the EPLGA Board in this changing environment is to continue and improve its:-

- *Advocacy (and Representation) – the EPLGA being the principal regional advocate for Local Government in the region*
- *Governance – continuing to ensure that our business is conducted in accordance with the law and proper standards*
- *Member Services – the EPLGA to continuing to provide member support services as they are needed*

The EPLGA is a very important conduit between its member councils and the LGA of SA, with the potential for close collaboration to help deliver outcomes for our communities. The advocacy to both State and Federal governments will also be very important, with the need to maximise funding and partnership opportunities.

The vision and goal of the EPLGA continues to be to **'enable Eyre Peninsula councils to excel, innovate, and thrive'**, and it has never been more important to the region than now. The region has many emerging opportunities to enhance its governance through cooperation, collaboration and strong leadership

The next twelve months is going to see many developing opportunities as well as the need for change, and we need strong leadership throughout that time. Collaboration and partnerships are key to the longevity and strength of the EPLGA and its member councils. Examples of areas for such collaboration are environment, water, planning, transport and infrastructure, health, agriculture, and tourism policies. In addition, it will be important to have strong representation to the State Parliament around the potential local government reforms, and any impacts they may have on our member councils.

As President of the EPLGA I look forward to leading my fellow EPLGA Board members in recognising the opportunities to be innovative and forward-thinking as a region. It will require the EPLGA Board and member Councils to have strong and accountable leadership, driving the opportunities for change while balancing the strengths which we already have as organisations and a region. This leadership and representation throughout our communities and with other levels of government will mean that the Eyre Peninsula will continue to add to its many strengths in the years to come.

MAYOR SAM TELFER



THE REGION - Snapshot

Regional Population and Local Government

The region has 11 Local Government Authorities (LGAs). 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.

The regional Local Government area population of 54,288 (ABS 2006 Census), 55,654 (ABS 2011 Census) and 55,919 (ABS 2016 Census) comprises about 3.5% of the South Australian population. These people reside in the eleven Council districts, which collectively occupy 43,779km² or about 19% of the regional land mass. Most of the population (about 64%) live in the regional cities of Whyalla and Port Lincoln.

| LOCAL GOVERNMENT AREA | LAND AREA | | POPULATION | | |
|---|-----------------|-------------|-----------------|-----------------|-----------------|
| | Km ² | % of Region | ABS Census 2006 | ABS Census 2011 | ABS Census 2016 |
| Whyalla | 1,032.5 | 0.44 | 21,417 | 22,089 | 21,828 |
| Port Lincoln | 30.4 | 0.01 | 13,604 | 14,086 | 14,064 |
| Ceduna | 5,427.1 | 2.33 | 3,574 | 3,480 | 3,408 |
| Cleve | 4,506.7 | 1.94 | 1,899 | 1,790 | 1,771 |
| Elliston | 6,500.0 | 2.79 | 1,132 | 1,048 | 1,045 |
| Franklin Harbour | 3,283.0 | 1.41 | 1,273 | 1,213 | 1,298 |
| Kimba | 3,986.2 | 1.71 | 1,114 | 1,089 | 1,061 |
| Lower Eyre Peninsula | 4,771.0 | 2.05 | 4,404 | 4,916 | 5,510 |
| Streaky Bay | 6,232.0 | 2.68 | 2,021 | 2,102 | 2,074 |
| Tumby Bay | 2,615.9 | 1.12 | 2,538 | 2,588 | 2,610 |
| Wudinna | 5,393.8 | 2.32 | 1,253 | 1,253 | 1,250 |
| Collective Local Government (11 LGA's) | 43,778.6 | 18.8 | 54,288 | 55,654 | 55,919 |

Table 1: (ABS 2016 Census Local Government Areas data)

In 2016, the region had 2,860 Aboriginal people comprising 5.1% of the regional LGA population. This was notably above the proportions in South Australia (2.3%). 87% of the region's Aboriginal people (2,497) live in the LGAs of Whyalla, Port Lincoln and Ceduna. The greatest concentration is in Ceduna, where Aboriginal people comprise 21.8% of the Council population.

The regional population grew by 3% from 2006, but this was not consistent across the region as a whole. The District Councils of Ceduna, Cleve, Elliston, Kimba and Wudinna experienced population decline. Population growth was also experienced in the coastal Councils of Franklin Harbour, Streaky Bay, Tumby Bay, Lower Eyre Peninsula, Whyalla 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.



The higher population growth in the District Council of Lower Eyre Peninsula stems from several locational and lifestyle advantages, including proximity to numerous coastal townships, Port Lincoln and Port Lincoln Airport.

Population Ageing

The regional population is ageing. People aged 65 years and over comprised 18.2% of the regional population, which is above the 15.7% rate for Australia, but below the rate of 18.3% for South Australia.

| PEOPLE 65 YEARS OF AGE AND OVER | Region | % | South Australia | % | Australia | % |
|---------------------------------|--------|------|-----------------|------|-----------|------|
| 2006 ABS Census | | 14.3 | | 15.4 | | 13.3 |
| 2006 Median Age | | 38 | | 39 | | 37 |
| 2011 ABS Census | | 15.5 | | 16.2 | | 14.0 |
| 2011 Median Age | | 39 | | 39 | | 37 |
| 2016 ABS Census | | 18.2 | | 18.3 | | 15.7 |
| 2016 Median Age | | 42 | | 40 | | 38 |

Table 2: (ABS Census 2006, 2011 and 2016).

The population 65 years and over grew by 3.9% from 2006, exceeding the growth rate of 2.9% for South Australia and 2.4% for Australia.

The District Council of Tumby Bay has the oldest population profile with a mean age of 50 whilst Kimba has the youngest population (0 -14 years) – 23.2% of the population.

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.

Pending Baby Boomer retirements will diminish the labour force of skilled and experienced labour and create employment openings for young people.

Regional Economic Snapshot

The key industries include manufacturing, agriculture, fishing, and aquaculture; however tourism and mining are fast emerging industries with substantial potential for future growth. Industrial diversity is one of the region's greatest attributes, and underpins its comparative advantage and business competitiveness. Diversity is important for economic growth and sustainability, because it provides resilience through not being reliant on a single industry or product for prosperity.

However, industrial diversity is not evenly spread across the region. Manufacturing and steel processing is focused in Whyalla. Agriculture is the key industry in lower Eyre Peninsula, Tumby Bay, Cleve, Elliston, Kimba, Streaky Bay, Franklin Harbour and Wudinna. Nearly all (96%) of the region's aquaculture jobs are provided in Port Lincoln, Lower Eyre Peninsula, Cleve, Ceduna and Franklin Harbour. Most of the region's fishing jobs (76%) are based in Port Lincoln. Tourism activity is predominantly focussed in coastal areas. The region's industries and economy have also changed since 2001. Agriculture has been the primary economic driver in many Council districts. However, larger farming properties, smarter management practices, and new technologies have reduced employment opportunities in agri-businesses, which saw agricultural employment decline between 2001 and 2016.

In the same period, employment in the health care and social assistance industry has grown largely due to the ageing of the regional population and increased demand for aged care services.



These following industries produced almost three-quarters of the region's total exports.

- **mining:** iron and non-ferrous ore, and exploration and mining support services,
- **agriculture:** grains and sheep, and
- **manufacturing:** iron and steel production and processed seafood products.

Regional Economic Summary

The Eyre Peninsula is a highly productive region, generating exports worth over \$4 billion per annum and GRP of approximately \$4.2 billion. With regional GRP of approximately \$4.2 billion, the Eyre Peninsula provided over 4% of the State economy.

On a per capita basis, as the Eyre Peninsula population is approximately 3.5% of the State population, the region is exceeding its fair contribution to the State economy. However a per capita analysis undersells the importance of the region to the State economy, which needs to be put into context.

- **Agriculture Industry:** The region is renowned for its high quality grains and, on average, produces 40% of the State's wheat crop, approximately 25% of the barley crop and 22% of canola. Approximately 97% of the region's grain crop is exported.
- **Fishing and Aquaculture:** The region is reputed internationally for its premium seafood. On average, the region produces 100% of South Australia's Southern Bluefin Tuna (with approximately 99% of tuna exported to Japan); along with 100% of the State's farmed marine finfish; 97% of oysters, 92% of mussels, and about 62% of the State's abalone production. In total, an estimated 82% of South Australia's seafood product is exported from the Eyre Peninsula. (Regions SA, *Regions in Focus: Whyalla and Eyre Peninsula*, July 2015).

Other State Government economic priorities are to *unlock the full potential of South Australia's resources*, and to enhance State prosperity by *promoting international connections and engagement* to increase exports. The region produces in the vicinity of 45% of GSP for iron and steel manufacturing, which highlights the importance of Whyalla to the State economy.

The region might only contribute approximately 4% of GSP, however the growth and sustainability of the Eyre Peninsula is vital to the achievement of key State Government economic priorities. As an overview, the regional economy is extremely diverse due to the broad range of industries generating exports and GRP. This is a great strength, which underpins the region's comparative advantages and economic resilience.

MEMBER COUNCILS 2018/2019

- 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 LOCAL GOVERNMENT REPRESENTATIVES/ APPOINTMENTS

EPLGA Board Executive:

| | | |
|---------------------------------|--|-----------------|
| President | Mayor Sam Telfer | DC Tumby Bay |
| Immediate Past President | Mayor Travis Barber (In absence of Mayor Bruce Green – did not stand for election) | DC Streaky Bay |
| Deputy President | Mayor Claire McLaughlin | City of Whyalla |
| Chief Executive Officer | Mrs Deb Larwood | DC Kimba |

The President (LGA Board and SAROC), Deputy President (Proxy LGA Board), Mayor Johnson (Second SAROC Representative due to Mayor McLaughlin being an Upper Spencer Gulf LGA representative on SAROC) were the nominated representatives to the LGA

Regional Governance Panel for Review of Decisions (Pursuant to the Ombudsman's Right to Review report):

| Position | Name | Council |
|----------------------------|-----------------|-------------------------|
| Manager Corporate Services | George Karzis * | DC Elliston |
| Mayor | Dean Johnson | DC Kimba |
| Works Manager | Lyndon Keane | DC Kimba |
| Councillor | Newton Luscombe | Wudinna DC |
| CEO | Trevor Smith | DC Tumby Bay |
| CEO | Chris Cowley | City of Whyalla |
| Councillor | David Knox | City of Whyalla |
| CEO | Peter Arnold | DC Cleve |
| Councillor | Chris Tarran | DC Cleve |
| Ex-Councillor | Diana Laube | DC Lower Eyre Peninsula |
| Ex-Councillor | Don Millard | DC Lower Eyre Peninsula |
| Ex-Councillor | Julie Low | DC Lower Eyre Peninsula |
| Councillor | Steve Woolley | DC Lower Eyre Peninsula |
| Councillor | Geoff Bayly ** | DC Lower Eyre Peninsula |

George Karzis since resigned due to resignation from DC Elliston
Geoff Bayly deceased

The Ombudsman's Right to Review Report - Recommendation 5 requires Councils to respond, through the auspices of regional Local Government to establish a regional panel of independent reviewers to assist member Councils in reviewing decisions when required.

Chief Executive Officers Committee:

All Chief Executive Officers of member Councils or nominee in their absence.



Engineering & Works Committee:

The committee is comprised of all Engineers, Operations or Works Managers from member Councils or nominee in their absence.

EP Mineral & Energy Resources Community Development Taskforce (EPLGA Taskforce):

- Chair – Rob Kerin.
- State Government representatives from Deputy Premier/Treasurer or nominee; Minister for Regional Development or nominee; Member for Giles; Member for Flinders; senior officers from the Department of State Development (non-voting) and the Department of Planning, Transport and Infrastructure (non-voting).
- SACOME – Chief Executive Officer.
- LGA of SA – CEO, Matt Pinnegar or nominee.
- EPLGA – President Mayor Green and Executive Officer, Tony Irvine (non-voting).
- Local Councils – a Mayor and CEO from a Council directly affected by mineral and energy resources or exploration – Mayor Eleanor Scholz (Wudinna); CEO Trevor Smith (Tumby Bay).
- EPNRM – Presiding Member and Regional Manager (non-voting).
- RDAWEP – Chairperson and Chief Executive Officer (non-voting).
- Coordinator Geoff Dodd (non-voting).
- Other members as required for specific purposes (non-voting).

Eyre Peninsula Power Supply Reference Group:

The entire EPLGA Board members

EPLGA Health Working Party

The EPLGA Board at its 1 December 2017 meeting established a Health Working Party to develop strategies for the recruitment of health professionals for long term careers in the region.

Membership of the Working Party will comprise the President and representatives (Elected Members) from member Councils. Member Councils may seek to be members of the Working Party at any time by applying to the EPLGA Board for inclusion. They may also withdraw as they wish but advise the EPLGA Board of such. Members of the Health Working Party will nominate a proxy to attend a meeting if the member is unable to participate. The EPLGA Executive Officer will be a non-voting member.

The Working Party may invite other relevant parties/State agencies/regional organisations to the meetings as required, but are non-voting, e.g. Minister or nominee, SA Country Health, relevant unions, relevant associations, regional businesses, regional health professionals, local MP's, etc.)

Joint Planning Board Staff Group

The EPLGA Board nominated the following persons to the JPB Staff Group:

Chief Executive Officers (1 to Chair):

1. Geoffrey Moffatt (DC Ceduna)
2. Deb Larwood (Chair – DC Kimba)
3. Trevor Smith (DC Tumby Bay)

Plus current participating Council planning staff and or local contractors working with them in this function:

1. Jen Brewis (DC Streaky Bay)
2. Laurie Collins (DC Kimba, Cleve and Franklin Harbour)
3. Leith Blacker (DC Lower Eyre Peninsula)

The group can meet as requested by the EPLGA Board to discuss the Development, Planning and Infrastructure legislation in relation to joint planning boards from a staff & operational perspective.

Other Groups

The Eyre Peninsula Local Government Association Board also has the following groups, which did not meet in 2018/19:-

- Coastal Councils Group
- CWMS Users Group
- Internal Controls Group
- Procurement Group
- Roads Working Group
- Waste Group
- Public Health Plans Group



Other Regional Organisations:

Regional Development Australia Whyalla and Eyre Peninsula Inc:

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

Eyre Peninsula Natural Resources Management Board:

| | |
|--|------------------|
| Mr Geoffrey Moffatt | - CEO, DC Ceduna |
| (This position was wound during the period up due to the transition to the new Landscapes Board Model) | |

Zone Emergency Management Committee:

| | |
|---|------------------------|
| Mayor Brad Flaherty (Presiding Member) | - City of Port Lincoln |
| Tony Irvine, Executive Officer | - EPLGA |
| One Staff member from each member Council | |

Eyre Peninsula Integrated Climate Change Adaptation Committee (now in recess):

| | |
|--------------------------------|----------------|
| Mayor Sam Telfer | - DC Tumby Bay |
| Tony Irvine, Executive Officer | - EPLGA |

Eyre Peninsula Integrated Climate Change Sector Agreement Steering Committee:

| | |
|--------------------------------|---------|
| Tony Irvine, Executive Officer | - EPLGA |
|--------------------------------|---------|

South Australian Regional Organisation of Councils (SAROC) Executive Officers Committee:

| | |
|--------------------------------|---------|
| Tony Irvine, Executive Officer | - EPLGA |
|--------------------------------|---------|

Eyre Peninsula Water Taskforce:

| | |
|------------------|----------------------------|
| Mayor Sam Telfer | - President, EPLGA |
| Tony Irvine | - Executive Officer, EPLGA |

EPLGA Board Members 2018/19

Under the terms of the EPLGA Charter, the following Board appointments were current as at 30 June 2019.

| MEMBER COUNCIL | BOARD MEMBER | DEPUTY BOARD MEMBER |
|----------------------|--------------------------|---------------------------|
| Ceduna | Perry Will (Mayor) | Ian Bergmann (D/Mayor) |
| Cleve | Phil Cameron (Mayor) | Robert Quinn (D/Mayor) |
| Elliston | Malcolm Hancock (Mayor) | Peter Hitchcock (D/Mayor) |
| Franklin Harbour | Robert Walsh (Mayor) | Daven Wagner (D/Mayor) |
| Kimba | Dean Johnson (Mayor) | Megan Lienert (D/Mayor) |
| Lower Eyre Peninsula | Jo-Anne Quigley (Mayor) | Peter Mitchell (D/Mayor) |
| Port Lincoln | Brad Flaherty (Mayor) | Faye Davis (D/Mayor) |
| Streaky Bay | Travis Barber (Mayor) | Philip Wheaton (D/Mayor) |
| Tumby Bay | Sam Telfer (Mayor) | Robert Randall (D/Mayor) |
| Whyalla | Clare McLaughlin (Mayor) | Rick Santucci (D/Mayor) |
| Wudinna | Eleanor Scholz (Mayor) | Ned Luscombe (D/Mayor) |



ANNUAL CONFERENCE AND BOARD MEETINGS 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 conference and Board meeting schedule is included (including the past 12 months meeting and conference locations).

| | |
|--|--------------|
| Friday, 7 September 2018 | Wudinna |
| Friday, 7 December 2018 | Wudinna |
| Monday, 25 February 2019 | Kimba |
| Friday, 28 June 2019 | Wudinna |
| Friday, 6 September 2019 | Ceduna |
| Friday, 6 December 2019 | Wudinna |
| Conference Feb/ March 2020 (either last week of Feb & first week of March) | Wudinna |
| Friday, 26 June 2020 | Wudinna |
| Friday, 4 September 2020 | Lower EP |
| Friday, 4 December 2020 | Wudinna |
| Conference Feb/March 2021 (either last week of Feb & first week of March) | Cowell |
| Friday, 25 June 2021 | Wudinna |
| Friday, 3 September 2021 | Port Lincoln |
| Friday, 3 December 2021 | Wudinna |
| Conference Feb/ March 2022 (either last week of Feb & first week of March) | Cleve |
| Friday, 24 June 2022 | Wudinna |
| Friday, 2 September 2022 | Kimba |
| Friday, 2 December 2022 | Wudinna |
| Conference Feb/ March 2023 (either last week of Feb & first week of March) | Streaky Bay |
| Friday, 30 June 2023 | Wudinna |
| Friday, 1 September 2023 | Cowell |
| Friday, 1 December 2023 | Wudinna |
| Conference Feb/March 2024 (either last week of Feb & first week of March) | Elliston |
| Friday, 28 June 2024 | Wudinna |
| Friday, 6 September 2024 | Cleve |
| Friday, 6 December 2024 | Wudinna |
| Conference Feb/March 2025 (either last week of Feb & first week of March) | Tumby Bay |
| Friday, 27 June 2025 | Wudinna |
| Friday, 5 September 2025 | Elliston |
| Friday, 5 December 2025 | Wudinna |
| Conference Feb/March 2026 (either last week of Feb & first week of March) | Whyalla |
| Friday, 26 June 2026 | Wudinna |
| Friday, 4 September 2026 | Tumby Bay |
| Friday, 4 December 2026 | Wudinna |
| Conference Feb/March 2027 (either last week of Feb & first week of March) | Ceduna |
| Friday, 25 June 2027 | Wudinna |
| Friday, 3 September 2027 | Whyalla |



REPORT OF ACTIVITIES 2018/19

EPLGA 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:

- › Natural Resources Management – joint partnership planning, delivery of services.
- › Regional Recognition/Lobbying – ongoing on various matters as they arise.
- › Mining and Impacts – continuation of the taskforce activities – but Taskforce did not meet.
- › Emergency Management – regional planning and Council planning, followed by implementation.
- › Development, Planning and Infrastructure Act Reform.
- › Coastal Access issues, development of a Coastal Alliance – state-wide.
- › Various roads and waste issues – regional road strategy review.
- › Regional Strategy for LGA – decentralisation and election lobbying.
- › Regional Capacity Funding – General funding and Rubble Royalties.
- › Marine Infrastructure Planning – DPTI, jetty leases, etc.
- › SAROC – meetings and regional Executive Officers’ meetings.
- › LGA Governance/Reform – Councils of the Future.
- › Mobile phone black spots - applications.
- › Water planning – state of the resource, etc.
- › Energy planning – resulting from blackouts – renewables, transmission upgrade consultation, hydrogen trial plant, etc.
- › Regional planning – JPB, RDAWEP, EPNRM, DPTI, etc.
- › Financial assistance and supplementary road funding – ongoing issues of South Australia’s injustice.
- › Health – local sub-regional issues, public health planning, doctors shortages etc.
- › Outreach Services (last year of this LGA Contract):
 - Regional Procurement;
 - CEO’s Committee;
 - Engineering & Works Committee;
 - Regional training and seminars delivery;
 - Shared Services – DPTI pilot; and
 - Long term financial planning;
- › Roadside Native Vegetation – regional planning and management issues.
- › Tourism – RDAWEP - restructure to sub-regional groups, Food and Tourism Prospectus, RV, Coastal Access and Caravan Strategy, Eyes on Eyre etc.
- › 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.
- › Eyre Peninsula railway closure
- › Joint submissions with RDAWEP on various issues.



PLANS, PROGRAMS AND REPORTS – CURRENT STATUS

OUTREACH SERVICES PROGRAM (LGA)

The LGA has reviewed the program and whilst in 2018/19 the funding was been halved, it will cease as from 2019/20 due to changes to the LGA governance arrangements.

REGIONAL TRAINING

The Executive Officer of the EPLGA encourages Councils to participate in LGA sponsored training programs and other training sessions/seminars. The Executive Officer provides 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 survey, the following statement was made with regard to training:

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

| Details | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|--------------------|-----------|-----------|-----------|-----------|----------|-----------|-----------|
| Sessions Conducted | 22 | 12 | 18 | 10 | 4 | 10 | 13 |
| Participants | 236 | 176 | 365 | 202 | 55 | 118 | 311 |
| Estimated Savings | \$264,320 | \$197,120 | \$408,800 | \$226,240 | \$61,600 | \$132,160 | \$348,320 |

| Expense Line | \$ Approx. |
|---------------|-------------|
| Travel | 350 |
| Accommodation | 150 |
| Meals | 100 |
| Lost time | 520 |
| Total | 1120 |

There are also the non-dollar benefits through increased participation and therefore increased skills, experience and networking within the region.”

The sessions ran in the last 12 months were:

| Council | Session Name | Session Date | No. of Participants |
|----------------------------|---|--------------|---------------------|
| District Council of Ceduna | i-Responda Essentials | 27-Sep-18 | 14 |
| | i-Responda - Personal Bushfire Safety | 27-Sep-18 | 14 |
| | i-Responda - Bushfire - Plant Operators | 27-Sep-18 | 14 |
| | i-Responda - Bushfire - Working on a Fireground | 27-Sep-18 | 14 |
| | Module 1 – Introduction to Local Government | 19-Jan-19 | 15 |
| | Module 2 - Legal Responsibilities | 19-Jan-19 | 15 |
| | Module 3 – Council & Committee Meetings | 20-Jan-19 | 17 |
| | Module 4 - Financial Management and Reporting | 20-Jan-19 | 18 |
| District Council of Kimba | Chain of Responsibility (COR) and Load Restraint | 27-Nov-18 | 11 |
| | | | |
| City of Port Lincoln | Chain of Responsibility (CoR) and Load Restraint Training | 2-Aug-18 | 17 |
| | i-Responda Essentials | 26-Sep-18 | 7 |



| | | | |
|-------------------------------|---|-----------|----|
| | Module 1 – Introduction to Local Government | 26-Nov-18 | 25 |
| | Module 2 - Legal Responsibilities | 26-Nov-18 | 25 |
| | Module 3 – Council & Committee Meetings | 21-Feb-19 | 22 |
| | Module 4 - Financial Management and Reporting | 21-Feb-19 | 24 |
| | Project Management for Council Staff | 8-Apr-19 | 19 |
| | | | |
| District Council of Tumby Bay | Chain of Responsibility (CoR) and Load Restraint Training | 2-Aug-18 | 13 |
| | | | |
| Wudinna District Council | Incident Management 3 (IM3) | 24-Sep-18 | 10 |
| | Local Government Liaison Officer Workshop (LGLO) | 25-Sep-18 | 6 |
| | i-Responda Essentials | 26-Sep-18 | 11 |

A total of 311 participants involved in regional training.

CORPORATE PLAN 2016 – 19

The Council Mayors and Chief Executive Officers of the EPLGA have contributed to the development of the EPLGA Corporate Plan. It was clear from responses to our 2015 survey that the member Councils placed great importance on the following:

- *advocacy (and representation) – the EPLGA being the principal regional advocate for Local Government in the region;*
- *governance – continuing to ensure that our business is conducted in accordance with the law and proper standards;*
- *member services – the EPLGA to continue to provide member support services as they are needed; and*
- *outreach services – connecting Councils with desirable services offered by the LGA of SA.*

To avoid confusion between the Business Plan prepared by respective Councils, the EPLGA uses the term ‘Management Plan or Corporate Plan’. The Management Plan is for the period 2016 – 2019 and reviewed annually, incorporating an updated annual work plan and budget for the current year. It also includes the current strategic directions of the EPLGA for that period. Each year through the Annual Business Plan process the Corporate Plan Strategies and Actions are refined to those still outstanding or ongoing strategies and actions.

MANAGEMENT PLAN PERFORMANCE FOR 2017 – 18

Goal Area 1.1 Advocacy and Representation

Core Activities

- 1.1.1 Represent and strengthen the common values of members
- 1.1.2 Represent members and regional objectives in engagement and liaison with key stakeholder agencies – e.g. LGA, DPTI, PIRSA
- 1.1.3 Provide a lobbying platform to promote the interests and issues of member Councils to other levels of government

Comments:

Advocacy and representation is demonstrated through lobbying of other levels of government, which occurs as and when needed and often through the SAROC, LGA Board and in collaboration with the other regional organisations. The main issue is representing and strengthening common values of members is getting 11 Councils to be 1 voice. Matters requiring lobbying this financial year included (but not limited to such)

- *Health – Doctors and professional health shortages and issues*
- *New deep sea port for Eyre Peninsula*
- *Railway Closure*



- *Road network pressure and planning due to railway closure*
- *Joint Planning Board matters*
- *Regional Airports – screening*
- *TAFE – Campus closures (eg Wudinna)*
- *Local heritage listings & procedures*
- *EP Strategy*

Strategic Actions

- 1.1.4 Develop effective working relationships between the EPLGA and member Councils and external stakeholder agencies and organisations
- 1.1.5 Develop key EPLGA messages to demonstrate maximum alignment to the State Strategic Plan and Economic Priorities, in particular economic reform and jobs, climate change and renewable energy
- 1.1.6 Develop the understanding of and commitment to mutuality of interests to optimise benefit for member Councils across the region from advocacy and partnerships
- 1.1.7 Lead the completion of the Economic Development Strategy and Regional Strategic Plan, and identify and lead the development of regional strategic responses to key issues as and when required.

Comments:

Effective working relationships can be challenging through differing opinions. The Regional Joint Planning Board espoused through the Planning, Development and Infrastructure Act 2016 is one such framework that could assist with the above strategic actions. The JPB Pilot concluded as at 30 June 2018, with participating individual Councils required to assess the Business Case early in the 2018/19 year for decision of involvement or not in a regional JPB.

Goal Area 1.2 Governance

Core Activities

- 1.2.1 Comply with legislative requirements
- 1.2.2 Identify and pursue the resourcing needs of members
- 1.2.3 Manage EPLGA financial and other resources for maximum member benefit, and based on the principle that recurrent operational expenses must be funded by recurrent operational revenue

Comments:

Compliance met.

Strategic Actions

- 1.2.4 Investigate and identify options to improve local government and regional governance, including alternative governance models, strategic planning and land use planning for the region
- 1.2.5 Assist member Councils in meeting legislative compliance
- 1.2.6 Develop and manage formal alliance and partnership arrangements with partner agencies and entities – e.g. RDAWEP, EPNRM, EPICCA
- 1.2.7 Pursue collaborative initiatives with partner agencies – e.g. joint submissions on strategic issues with RDAWEP, EPNRM, and EPICCA

Comments:

As previously mentioned some actions could be met through such initiatives as the JPB Pilot. Assistance to Councils in meeting compliance is mainly focussed on assisting Councils to share and assist one another where expertise is not available, etc. The staff committees are useful in this process. The other regional organisations are encouraged to work closely with member Councils and to investigate opportunities for region wide projects to maximise procurement benefits, etc.

Goal Area 1.3 Member Services

Core Activities

- 1.3.1 Maintain the cycle of quarterly meetings to enable collective decision-making and enhance member networking



- 1.3.2 Maintain and support members with the coordination of the annual conference
- 1.3.3 Identify resourcing gaps and needs, and pursue resolutions to key issues in liaison with members
- 1.3.4 Facilitate initiatives to attract funding and investment
- 1.3.5 Provide advisory and support services to Elected Members
- 1.3.6 Coordinate strategic meetings and presentations on key issues; including the provision of key speakers to provide information, contact and support services
- 1.3.7 Coordinate delivery of Council-supported training and development initiatives in the region

Comments:

All core activities are being met with significant success in these activities such as training at a regional level which brings considerable savings to individual Councils.

Strategic Actions

- 1.3.8 Continue to facilitate the activities of the EP Mineral & Energy Resources Community Development Taskforce.
- 1.3.9 Develop value-added services for member Councils, based on collective or regional value and cost-benefit
- 1.3.10 Facilitate and promote the development of shared procurement initiatives
- 1.3.11 Facilitate the development of a regional transport strategy, including the identification of road priorities and road funding proposals
- 1.3.12 Establish and facilitate specialised interest groups, such as Council works managers and compliance staff
- 1.3.13 Maintain communications with member Councils and the regional community through; media releases, website, newsletter and formal means of communication
- 1.3.14 Establish an annual business (work) plan for the Executive Officer to manage and report against

Comments:

Mining taskforce did not meet this financial year and it is planned for the RDAWEP to continue this role on behalf of the EPLGA rather than there be duplication of effort.

A regional value statement of the EPLGA is produced at this time of the year and distributed.

Shared procurement services is difficult in such a large region, however the City of Port Lincoln is trailing the use of LG procurement for all their council requirements. This has the potential for further roll out through out the region.

With the railway closure and proposed or actual new port developments the roads strategy is under going a serious review with 'what if' scenarios being included.

Regional communications with Councils and other groups is mainly carried out through emails, media releases, staff meetings etc.

RDAWEP and the EPNRM Board have, over the last 12 months, worked with the EPLGA and member Councils to add value to regional projects like Eyes on Eyre, where all parties benefit.

Again the staff regional committees assist in developing and refining regional strategy recommendation to the EPLGA Board.

Goal Area 1.4 Outreach Services

Core Activities

- 1.4.1 Participate in the development of an annual outreach engagement program that aligns with Council and LGA priorities
- 1.4.2 Facilitate the delivery of outreach programs and services being provided by the LGA and its entities
- 1.4.3 Liaise with and report to LGA representatives as required about the provision and delivery of the outreach program

Comments:

All of the above is compliant but will cease in the current format as at 30 June 2019.



Strategic Actions

- 1.4.4 Advocate long-term continuity of the Outreach Services model for optimal effectiveness and efficiency in meeting LGA and EPLGA program objectives, i.e. 3-days per week funded by members and 2-days funded by the LGA
- 1.4.5 Identify key issues impacting on Councils and LGA services desired by Councils, and the support and services required from the LGA to resolve these matters

Comments:

This service will cease at 30 June 2019.

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 (\$193K) Actual External Funding: (\$226k) Target met. |
| 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 sessions per year | At least 6 Actual: 13 |
| Annual review of Executive Officer | Final achievement score | Actual: Report of satisfactory performance by President and Executive Committee after surveying all member councils. |
| Greater media activity | Number of interviews and media releases | At least 1 interview per month. Media releases at least every 2 months. Actual: Met target |

EPLGA COMMITTEE REPORTS

All Committee minutes are on the EPLGA website for viewing via the following link: - <http://eplga.com.au/>



USE OF FINANCIAL RESOURCES

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



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

2nd September, 2019

Mr Tony Irvine,
Eyre Peninsula Local Government Association
89 Liverpool Street
PORT LINCOLN SA 5606

Dear Tony,

RE: AUDIT OF EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION
FOR THE YEAR ENDED 30TH JUNE 2019

We advise that we have now completed our Audit of the Eyre Peninsula Local Government Association for the year ended 30th June 2019 and enclose a copy of our Audit Opinion for your records.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and therefore may not detect all points of weaknesses in systems and procedures which may exist.

Having completed the Audit we now make the following comments:

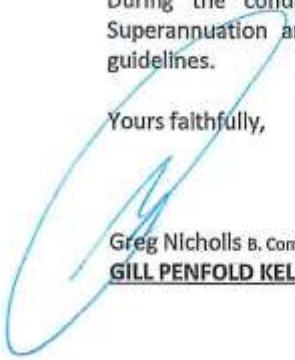
Internal Controls

It is our opinion that the Eyre Peninsula Local Government Association has adequate internal controls. During the conduct of our audit we did not make any observations which would contradict this opinion.

Taxation & Superannuation Liabilities

During the conduct of our audit we observed that GST, PAYG Withholding and Superannuation are being paid in a timely manner and in accordance with legislative guidelines.

Yours faithfully,


Greg Nicholls B. Com, CPA, CTA
GILL PENFOLD KELLY PTY LTD

Liability limited by a scheme approved under Professional Standards Legislation



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
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ABN 64 945 523 972
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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 2019.

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



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 2019.

Gill Penfold Kelly Pty Ltd



Gregory S Nicholls
2nd September 2019
4 Tasman Terrace, Port Lincoln SA 5606



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

**FINANCIAL ACCOUNTS
FOR THE YEAR ENDED
30TH JUNE 2019**

CONTENTS

Statement of Income & Expenditure

Balance Sheet

Notes to the Accounts

Board Certificate

Audit Report



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 30TH JUNE, 2019

| | | 2019 | 2018 |
|-------------------------------------|------|-------------------|------------------|
| | NOTE | \$ | \$ |
| <u>INCOME</u> | | | |
| Grants Received | 2 | 225,413 | 170,598 |
| Interest Received | | 8,322 | 7,647 |
| Project Income - EP Councils | 3 | 5,680 | 5,680 |
| Membership Fees | 4 | 193,293 | 184,028 |
| Reimbursable Expenses | | 307 | 405 |
| <u>TOTAL INCOME</u> | | 433,015 | 368,358 |
| <u>EXPENDITURE</u> | | | |
| Administration | | 9,456 | 9,377 |
| Advertising & Promotion | | - | 3,245 |
| Audit Fees | | 1,580 | 1,500 |
| Bank Charges & Taxes | | 76 | 83 |
| Computer Expenses | | 1,279 | 810 |
| Employee Expenses | | 139,563 | 147,836 |
| Insurance | | 5,842 | 5,842 |
| Legal Costs | | 2,290 | 1,039 |
| Meeting Expenses | | 4,402 | 4,480 |
| President's Expenses | | 2,250 | 2,250 |
| Project Expenditure | 5 | 8,974 | 142,979 |
| Secretarial Services | | 18,911 | 18,450 |
| Telephone | | 1,722 | 980 |
| Travel & Accommodation | | 9,640 | 15,205 |
| <u>TOTAL EXPENDITURE</u> | | 205,985 | 354,076 |
| <u>NET SURPLUS/(DEFICIT)</u> | | \$ 227,030 | \$ 14,282 |

The accompanying notes form part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 30TH JUNE, 2019

| | 2019 | 2018 |
|---|------------|------------|
| | NOTE | \$ |
| Net Surplus/(Deficit) | 227,030 | 14,282 |
| Extraordinary Items | - | - |
| <u>TOTAL NET SURPLUS/(DEFICIT)</u> | 227,030 | 14,282 |
| Surplus Funds at July 1 | 240,526 | 226,244 |
| SURPLUS/(DEFICIT) | 467,556 | 240,526 |
| <u>ACCUMULATED SURPLUS/(DEFICIT)</u> <u>AT 30TH JUNE, 2019</u> | \$ 467,556 | \$ 240,526 |

The accompanying notes form part of these financial statements.



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2019

| | 2019 | 2018 |
|-----------------------------------|------------|------------|
| NOTE | \$ | \$ |
| <u>EQUITY</u> | | |
| Accumulated Surplus | \$ 467,556 | \$ 240,526 |
| REPRESENTED BY | | |
| <u>CURRENT ASSETS</u> | | |
| Cash at Bank | 6 513,446 | 281,322 |
| Income Accrued | 1,474 | 1,669 |
| GST Receivable | 826 | 12,884 |
| Prepayments | 455 | 3,781 |
| <u>TOTAL ASSETS</u> | 516,201 | 299,656 |
| <u>CURRENT LIABILITIES</u> | | |
| Sundry Creditors | 7 3,828 | 3,836 |
| Creditors | 2,196 | 5,403 |
| Unspent Project Funds | 8 - | 10,801 |
| Provision for Holiday Pay | 16,883 | 16,412 |
| Prov'n for Long Service Leave | 9 25,738 | 22,678 |
| | 48,645 | 59,130 |
| <u>NET ASSETS</u> | \$ 467,556 | \$ 240,526 |

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, 2019****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.

| | | |
|--|------|------|
| | 2019 | 2018 |
| | \$ | \$ |

NOTE 2 - Grants Received

| | | |
|-------------------------------|-------------------|-------------------|
| LGA of SA - Outreach Service | 25,000 | 50,000 |
| LGA of SA - Regional Capacity | 200,413 | 120,598 |
| | <u>\$ 225,413</u> | <u>\$ 170,598</u> |

NOTE 3 - Project Income - EP Councils

| | | |
|-------------------------------|-----------------|-----------------|
| Emergency Management Planning | <u>\$ 5,680</u> | <u>\$ 5,680</u> |
|-------------------------------|-----------------|-----------------|

NOTE 4 - Membership Fees

| | | |
|--|-------------------|-------------------|
| District Council of Ceduna | 16,308 | 15,142 |
| District Council of Cleve | 13,738 | 13,009 |
| District Council of Elliston | 12,788 | 12,045 |
| District Council of Franklin Harbour | 12,409 | 12,209 |
| District Council of Kimba | 12,575 | 12,075 |
| Wudinna District Council | 12,764 | 12,256 |
| District Council of Lower Eyre Peninsula | 18,469 | 16,985 |
| District Council of Streaky Bay | 14,666 | 13,704 |
| District Council of Tumby Bay | 15,207 | 14,115 |
| City of Whyalla | 36,063 | 35,304 |
| City of Port Lincoln | 28,306 | 27,184 |
| | <u>\$ 193,293</u> | <u>\$ 184,028</u> |

**EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION****NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30TH JUNE, 2019

| | 2019 | 2018 |
|--|-------------------|-------------------|
| | \$ | \$ |
| <u>NOTE 5 - Project Expenditure</u> | 3,169 | - |
| Unspent Funds at 1 July | (10,801) | (92,210) |
| Committee & Working Group Mtg | 8,247 | 3,777 |
| Emergency Management Planning | 3,781 | 4,042 |
| EP Integrated Climate Change Agreement Program | - | 7,683 |
| Mining Taskforce | 495 | 25,109 |
| CORES EP | 2,276 | 6,828 |
| Coast & Wayfind Assess Project | - | 35,000 |
| LIDAR Project | - | 90,000 |
| Regional Governance-JPB Pilot | 1,779 | 8,161 |
| Regional HML Signage Project | - | 35,250 |
| Regional Roads Strategy | 28 | 8,538 |
| Unspent Funds at 30 June | - | 10,801 |
| | <u>\$ 8,974</u> | <u>\$ 142,979</u> |
| <u>NOTE 6 - Cash at Bank</u> | | |
| BankSA Society Cheque Account | 16,460 | 42,782 |
| Bendigo Bank Term Deposit | 162,198 | 158,845 |
| LGFA | 334,788 | 79,695 |
| | <u>\$ 513,446</u> | <u>\$ 281,322</u> |
| <u>NOTE 7 - Sundry Creditors</u> | | |
| PAYG Withheld | 2,604 | 2,612 |
| Superannuation | 1,224 | 1,224 |
| | <u>\$ 3,828</u> | <u>\$ 3,836</u> |
| <u>NOTE 8 - Unspent Project Funds</u> | | |
| Cores - EP | - | 2,236 |
| CWMS Group | - | 8,565 |
| | <u>\$ -</u> | <u>\$ 10,801</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 | 19,176 | 16,116 |
| | <u>\$ 25,738</u> | <u>\$ 22,678</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 2019 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


.....


ANTHONY J. IRVINE

position

PRESIDENT SAM TELFER.

EXECUTIVE OFFICER.

Dated this 6th day of SEPTEMBER 2019.