



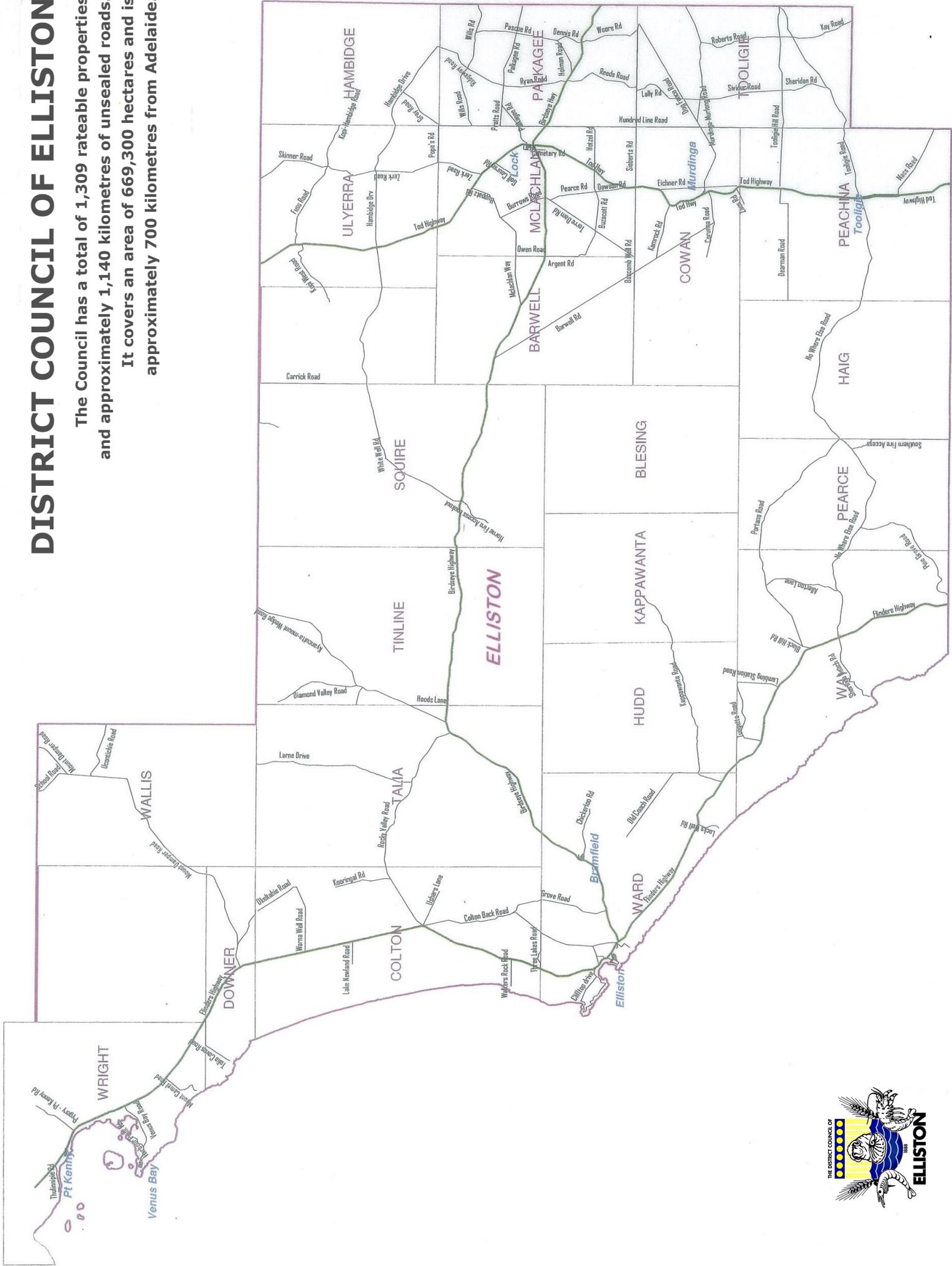
DISTRICT COUNCIL OF ELLISTON

Annual Report 2016-2017



DISTRICT COUNCIL OF ELLISTON

The Council has a total of 1,309 rateable properties and approximately 1,140 kilometres of unsealed roads. It covers an area of 669,300 hectares and is approximately 700 kilometres from Adelaide.



Contents

Our Key Strategic Objectives	1
Chairman's Report	2
Our Economy	3
Our Infrastructure	5
Capital Works Program 2016-2017	6
Proposed Capital Works Program 2017-2018	8
Our Environment	
Development Applications	10
Environmental Services	11
Our Community Services	
2016-2017 Highlights	12
Council/Community Events, Community Support Fund	14
Our Leadership & Governance	
The Council	15
Decision Making	16
Elected Member Accountability	17
Elected Members Register of Allowances & Benefits	17
Community Engagement and Voter Participation	18
Allowances & Benefits for Committee Members	19
Procurement	19
Open Government & Transparency Initiatives	20
Exclusion of the Public from Meetings	20
Confidential Documents	20
Strategic Plan	21
Business Plan	21
Elected Members Register of Interests	22
Senior Management Team	23
Staffing	23
Organisational Structure	24
Human Resource Management	25
Corporate & Community	26
Risk & Work Health Safety Report	27
Financial Report 2016-2017	28
Audit Committee Annual Report for 2016-2-17	29
Annual Information Statement	33
Council policies	33
Freedom of Information	35
Electoral Representation Reviews	36
Attachment A: General Purpose Financial Reports to 30 June 2017	37
Attachment B: EPLGA Annual Report 2016-2017	76



District Council of Elliston
21 Beach Terrace, ELLISTON SA 5670
PO Box 46, ELLISTON SA 5670

Phone: 08 8687 9177
Fax: 08 8687 9176

Email: dce@elliston.sa.gov.au
www.elliston.sa.gov.au

Our Key Strategic Objectives*

1. OUR ECONOMY

To actively encourage, support and promote opportunities to increase the prosperity and sustainable growth of the community

2. OUR INFRASTRUCTURE

To effectively and efficiently manage and improve our community infrastructure

3. OUR ENVIRONMENT

To promote the enjoyment of our natural resources in a prudent and environmentally sustainable manner and ensure that our built environment effectively provides for the long term needs of our communities

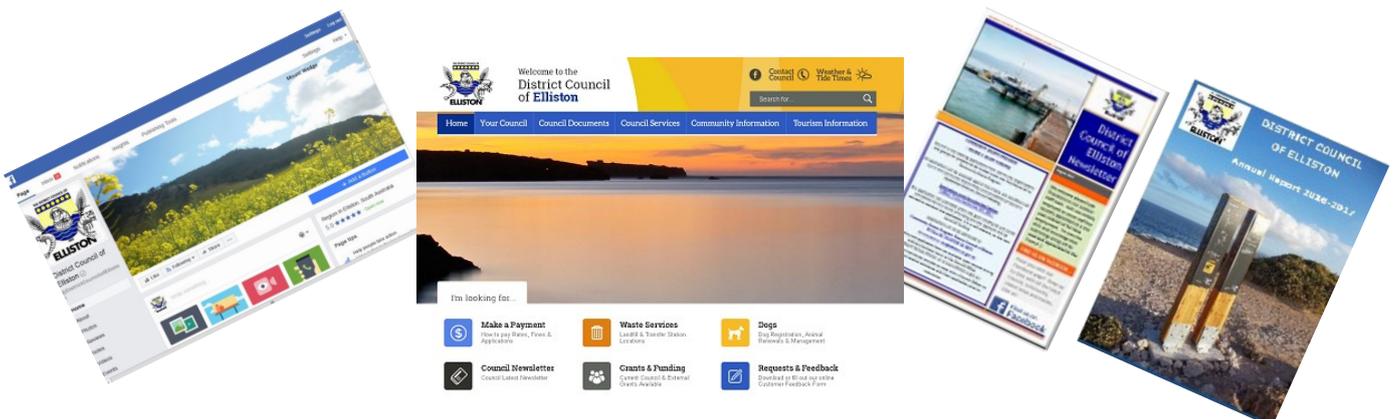
4. OUR COMMUNITY SERVICES

To deliver a high standard of essential community services and show leadership in developing positive community spirit.

5. OUR LEADERSHIP & GOVERNANCE

To provide progressive leadership and good governance which encourages confidence of the community in the Council, and conduct our business in a financially responsible manner.

* From the District Council of Elliston Strategic Plan 2016/17–2020/21



Chairman's Report

What an amazing year! 2016-2017 has been a challenging, but extremely rewarding year for Council and I would like to take this opportunity to thank my fellow Elected Members and Council staff for their support and hard work during the year.

Following the Super Storm last September, Council staff and contractors repaired and restored damaged infrastructure including the historic Elliston Jetty, Walkers Rock beach access, Elliston Esplanade stairway and the Talia Caves stairway.

Ensuring the safety of locals and visitors has been a top Council priority this year, and has occupied a fair amount of time and money - the risk assessments have been undertaken, and the debris is gone.

The award winning Elliston Coastal Trail, a project taken on by Council after a number of delays is now complete and we are delighted with the result. This WalkingSA award was presented in recognition of the sustained and outstanding contributions to walking at all levels of the Coastal Trail.

The Elliston Township is looking fantastic again and I'm pleased and proud to report that it has been nominated for a KESAB Sustainable Communities award.

For more than a year now, the Elected Members of the District Council of Elliston have consciously sought to improve Council's capacity to undertake its own construction and maintenance work.

With the new coastal assets, machinery has been purchased and training undertaken as the maintenance workload required has grown significantly. Council is now able to do much of this work itself.

The Mount Wedge to Kyancutta Road is another inhouse project which is progressing on schedule. Council staff have been committing many hours to ensuring this project remains on track and their expertise is crucial to the final product.

The resource recovery centre upgrade will provide further opportunity to utilise staff skills and experience allowing Council to maintain its current workforce.

The Elliston Reconciliation Monument wording debate occupied many Council resources, but it was imperative that due diligence be followed with this subject being of such a sensitive nature. The plaque will now be erected at the Reconciliation Monument and I thank the Wirangu people and the community for their contributions and input to the debate.

The *Elliston to Wudinna Fibre Radio Communications System Project*, formally launched with a signing ceremony last week between the Commonwealth Government, Telstra and the Council, by mid-next year, will dramatically change living, studying and working in this area.

Mark Bolton, the Telstra General Manager SA said at the ceremony that "This project will provide the township with 20 times the communications capacity that they have today. This commitment by the Federal Government, Telstra and the State Government will mean our coastal areas will be getting the same phone and internet service as the rest of Australia."

In closing, I note that many of our achievements would not have been possible without trusting, collaborative relationships with our neighbouring councils, the EPLGA and RDAWEP, other governmental institutions, business and community members.

In particular, I thank our local members of Parliament, Mr Rowan Ramsey MP, Federal Member for Grey, and Mr Peter Treloar MP, State Member for Flinders for their readiness to take up matters on our behalf and Telstra, who made our telecommunications project possible.

On behalf of Council, I thank our partners for their efforts in delivering benefits and outcomes to our community, which we would be unable to deliver alone.

Kym Callaghan
Chairman

November 2017



Our Economy



"Continuing to foster our community in a financially sustainable manner"

ELLISTON DISTRICT

The District Council of Elliston is located on the western Eyre Peninsula. The area is known for its rugged coastline and dramatic diversity and is enjoyed by many for recreational fishing, camping, surfing and walking.

The District includes the towns of Elliston, Lock, Port Kenny, Venus Bay, Bramfield, Sheringa, Tooligie and Murdinga.

The economy of the District is based upon primary production, fishing and tourism.

Primary production comprises mainly cereal grain (wheat, barley, canola, pulses and oats), meat and wool.



The extensive coastline provides a productive fishing ground, supporting commercial and recreational fishing of whiting, garfish, snapper, abalone, prawns and lobster.

The Elliston Coastal Trail offers both residents and visitors to the area a fantastic opportunity to view the spectacular scenery from many vantage points, and the view from the lookout is magic!

Our District's greatest source of potential growth is from an already established tourism industry focussed on the coastal townships of Elliston, Port Kenny and Venus Bay, along with other significant recreational locations including Sheringa Beach, Locks Well, Talia, Walkers Rock and Mount Camel Beach.

Our Economy



TOURISM

We are committed to supporting tourism throughout our Region.

The Elliston Coastal Trail and associated infrastructure improvements, the sealing of the Venus Bay jetty car park and the ongoing sealing of the Mount Wedge to Kyancutta Road were among major projects undertaken during the 2016-2017 financial year.

BUSINESS & INDUSTRY

We are committed to supporting the success of local industries and businesses and other initiatives with a positive impact on our local economy.

We are working with Regional Development Australia Whyalla & Eyre Peninsula to identify and promote local ventures in the national and international arenas.



GOOD GOVERNANCE

We are committed to maintaining the highest standards of good governance and to participate in reviews and benchmark projects for the purposes of the continual monitoring of Council's own financial and operational performance.

Our Infrastructure

Operations

The Operations Department is responsible for managing and maintaining existing civil assets and planning for new infrastructure.

Assets include:

- Roads
- Footpaths and Cycle Tracks
- Stormwater
- Recreation and Open Space Assets including Parks, Gardens & Foreshore areas
- Waste Management
- Waste Water (Community Wastewater Management Schemes)
- Buildings and Property
- Water supply

There are eight (8) cemeteries in the district which are maintained by the outdoor staff with plant and machinery based at the Elliston and Lock Council depots.

The development of new residential and commercial subdivisions and applications for the proposed development of current properties are overseen by the Operations Department.

Council complements its internal construction staff with contractors for required works such as: road construction, storm water drainage, rubble crushing contracts, installation of kerbing, materials supply and specialist activities including paving and concrete work.

All outdoor staff have an understanding of the District Council of Elliston WHS Management System, complete all mandatory training throughout the year and attend further training sessions to improve their knowledge base and skills.

Council Depots

The Elliston Depot is the principal of the three Council depots, housing the workshop, primary plant storage and areas for materials storage.

The Lock Depot has a workshop for the maintenance of signs and small plant and a storage area for materials.

Waste Management

Council operates one landfill site at Venus Bay for putrescible waste, recycling material, green waste and hardfill.

Waste transfer stations are located in Elliston, Venus Bay and Lock, as well as a binbank at Bramfield that receives recyclable material, green waste and hard waste.

DrumMuster

The District Council of Elliston is pleased to provide an ongoing DrumMuster service.

DrumMuster stations are located at Elliston and Lock Waste Transfer Stations.

Bookings can be made by contacting the Council office.

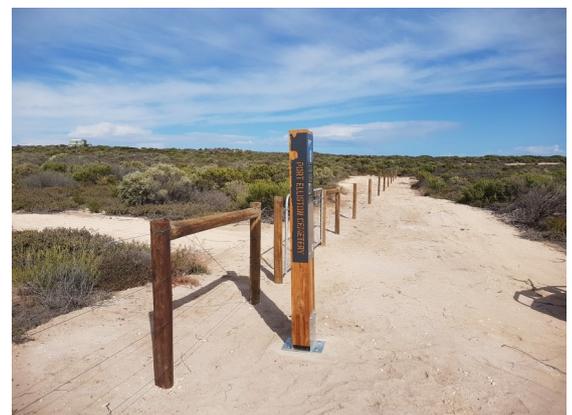
Kerbside Collection

Kerbside waste is managed under a contract for the collection of putrescibles waste, collected weekly and recyclables collected fortnightly in the townships of Elliston, Lock, Venus Bay and Port Kenny and also at designated binbanks.



Our Infrastructure

Program 2016-2017	30/6/17
	\$
Replaced Assets:	
Buildings:	
Council houses: Fencing	18,493
Council houses: Replace Garage Roof	12,060
	30,553
Roads / Transport Assets:	
Unsealed	
Clementina Drive (extension to Port Elliston Cemetery)	30,334
Barwell Road	69,301
Hundred Line Road	114,269
Lally Road	92,749
Buzzacott Road	47,550
Roberts Road	169,730
Dawson Road	60,230
Kyancutta Road (Renewal Component)	143,659
	727,822
Reseals	
West Terrace	8,475
Sixth Street	5,935
Dearman Street	8,105
Pygery Road	91,872
Sandham Street	20,061
James Street	11,424
South Terrace	4,548
Bay Road	13,163
Terre Street	8,911
Hawson Street	5,405
	177,899
Plant & Machinery	
Back Hoe/Loader	91,247
Prime Mover	38,182
Small Plant	7,363
Admin Ute	32,070
Lock Grader Ute	32,105
Elliston Grader Ute	32,105
Dr's Subaru Forester	28,703
	261,775



Our Infrastructure

Program 2016-2017	30/6/17
Other	
Elliston Transfer Station - upgrade	11,416
Venus Bay Caravan Park Soakage	23,092
Sheringa Self Registration & Info Bay	6,830
	41,338
Elliston & Walkers Rocks Boat Ramps - Storm Damage	25,700
Total Replacement Capital Expenditure	1,265,087
New Assets:	
Portaloos on trailer	5,959
Car fridges x 3	3,143
Blinds for BBQ area Memorial Dr	4,474
Elliston Coastal Trail	306,846
Coastal Trail Extension	9,495
Exercise Equipment	16,040
Pump - Walkers Rocks	2,770
Coastal Trail - Interpretive signage	124,757
Venus Bay - Playground & Car Park	63,984
Fencing - Pt Elliston Cemetery	6,725
Pergolas - Council Houses	9,583
Mt Wedge/Kyancutta (50% new)	143,659
Tractor & Slasher	22,488
Notebooks/ I-pads for E Members/staff	11,147
Total New Asset Capital Expenditure	731,070
Total Capital Expenditure	1,996,157



Transport Infrastructure

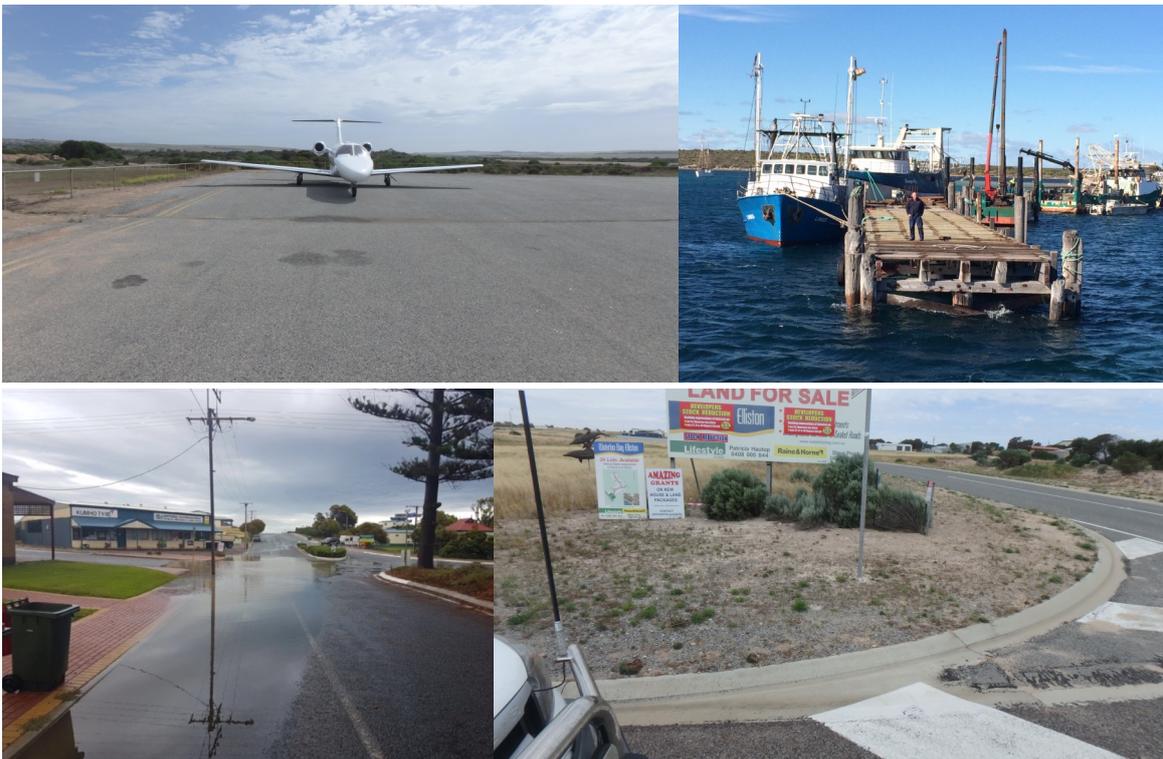
Council maintains 52 kilometres of sealed roads and around 1,100 kilometres of unsealed roads. A total of \$1,996,157 was spent on capital projects and \$905,721 on maintaining roads and related infrastructure in the 2016-2017 financial year.

Our Infrastructure

Project	Budget 2017-18 \$	Comment
Replaced Assets:		
Council Houses / Buildings		
Toilet Block - Walkers Rocks	60,000	Renewing due to poor condition
Toilet Block - ECVIC	68,000	
Depot - Shed doors	11,000	WH&S issues
Depot - Upgrade office/toilet/shower	20,000	WH&S issues
	159,000	
Roads / Transport Assets:		
Unsealed		
Lock Airport	37,060	1200m by 9m wide - Resheet runway
White Wells Road	239,420	6.7kms Schopps to Carrick Road
Carrick Rd	145,145	4.7kms Pit to boundary
Kopi West Road	134,075	
Hundred Line Road	83,797	4.8kms Birdseye Hwy to Hetzel Road
Murdinga Murlong	186,747	6.8kms Siviour to Roberts plus 1000 metres
Subtotal	826,244	
Kyancutta Road (Renewal Component)	812,770	
	1,639,013	
Reseals		
Pygery Road	101,802	Pt Kenny Ch 2203 to 4576
VB Road	38,012	Ch 3000 to 3860 Fr FI Hwy
Beach Tce - Pt Kenny	10,438	Murray to Cheetina
North Tce Lock	14,060	Heron to Terre & Terre to West Tce
Starke Street Lock	4,594	Palkagee to West Tce
Kapara Rd Elliston	4,341	Sixth St to Seventh St
Seventh St Elliston	4,641	Wandana Rd to Beach Tce
Beach Tce Elliston	4,869	Seventh St to East Tce
Waterloo Bay Drive Elliston	26,709	Rupara Ct & Unnamed St
	209,466	
Plant & Machinery		
Small Replacement Plant	20,000	
Vehicle - CEO	52,000	
Vehicle - OM	52,000	
Vehicle - Elliston Leading Hand	45,000	
	169,000	
Other		
Water Tanks	6,000	House A & B
	6,000	
Total Replacement Capital Expenditure	2,182,479	

Our Infrastructure

New Assets:		
Tractor & Slasher	25,000	To be housed at Lock
Bob Cat Attachments	57,060	To improve work efficiencies
Portable Generators x 2	6,000	Power interruptions & remote work sites
Plant Trailer	11,000	For carting Bob Cat & Mini Excavator
Carport	5,200	House A – vehicle housing
Solar Panels	17,000	House A, B & Council Office
Welcome Walls	25,000	Elliston
Elliston Sports Centre Precinct Upgrade	40,000	Part funding
Lock Playground Upgrade	20,000	Part funding – total project \$60k
Cemetery - Bramfield	10,000	Fence & landscape
Cemetery – Port Elliston	20,000	Fence
Transfer Stations	70,000	EPA Compliance
Subtotal	306,260	
Kyancutta Road (New Component)	540,026	
Total New Asset Capital Expenditure	846,286	
Total Capital Expenditure	3,028,765	



Our Environment

Development Applications: 2016-2017

Lodged Development Applications – 30

Lodged Waste Water Application – 5

Development Applications Status:

Development Applications (Granted Full Approval) – 22

Development Application (Granted Planning Approval Only) - 3

Development Applications Refused – 0

Development Applications Withdrawn – 3

1 Development Application for a timber fence was assessed as not requiring Development Approval.

Of the Approved Applications:

3 were Class 1a Developments (Dwellings)

1 was a Class 1a & 10a Development (Demolition of Existing Residence and New Dwelling)

16 were Class 10a Developments (Verandas, Garages and Domestic Sheds)

1 was a Class 1b Development (Swimming Pool)

1 was a Class 10b Development (Mobile Phone Tower)

2 were Class 7 Developments (Farm building and a Store Shed)

1 was a Class 7b & 8 Development (Hay Shed)

1 Development was deemed as to not require a Building Classification (Grain Storage Bunkers)

The Value of the Approved Applications in whole dollars was:

Class 1a	\$1,200,000
Class 1a & 10a	\$150,000
Class 10a	\$475,000
Class 1b	\$30,145
Class 10b	\$240,000
Class 7	\$55,000
Class 7b & 8	\$15,000
Class N/R	\$1,200,000

Total Value of Approved Development Applications: \$3,285,145

Land Division Applications:

Lodged Land Divisions – 1

Land Division Applications Approved/Refused:

Approved – 1

Refused – 0



Our Environment

Environmental & Health Services Annual Report – 2016/2017

Waste Water Systems:

Wastewater Applications:

Lodged Wastewater Applications – 5

Wastewater Applications Approved/Refused:

Approved – 5

Refused – 0

Fire Prevention

There were a total of 60 Fire Prevention Letters sent to Residents:

Bramfield Township: 10 Letters

Elliston Township: 22 Letters

Lock Township: 7 Letters

Sheringa Township: 5 Letters

Venus Bay & Port Kenny Townships: 16 Letters

No Fire Prevention Notices were issued due to Councils current approach to work with the residents to prepare/clear their blocks rather than to issue notices and fines.

This approach continues to work well as year upon year for the last 5 years fewer letters are needing to be sent to residents.

Waste and Recycling Depots and Landfill

Council currently operates 2 Waste and Recycling Depots and 1 Landfill which also operates as a Waste and Recycling Depot:

- Lock Waste and Recycling Transfer Station.
- Elliston Waste and Recycling Transfer Station.
- Venus Bay Waste and Recycling Station and Landfill.

This year Council confirmed the closure of the Murdinga Waste and Recycling Depot and also the Port Kenny Waste and Recycling Depot – both sites that have not been in use for some time.

Food Inspections

Council carried out 22 food business inspections – most kitchens/food handling/receiving areas were in good condition with several of a very high standard.

There were a few with minor concerns and Council staff are following up with the owners/leases to resolve these issues.

Our Community Services

AUSTRALIA DAY 2017

Australia Day Ambassador, Hon Chris Schacht, presented the Awards in Elliston, in front of a crowd of approximately 200 people from around the District.

Congratulations to:

Citizen of the Year:
Kym Gillett

Young Citizen of the Year:
Andrew Heath

Community Event of the Year:
Lock Country Women's Association's
70th Birthday Debutante Ball

The District Council of Elliston catered for a community breakfast which was cooked superbly by the Men's Shed with support from The Elliston Community & Visitor Information Centre.

LOCK COUNTRY WOMEN'S ASSOCIATION



KYM GILLETT



ANDREW HEATH



Our Community Services

GOVERNOR'S VISIT



The District Council of Elliston had the pleasure of hosting His Excellency, the Honourable Hieu Van Le and his wife, Mrs Lan Le.

A dinner was held at the Elliston Golf Club, hosted by Chairman Kym Callaghan and Phil Cameron CEO.

The following morning, His Excellency and Mrs Le, met community members at the Elliston Men's Shed, Elliston Area School, Elliston Community and Visitor Information Centre and the Elliston Hospital.

An informal lunch was held at the Elliston foreshore, with our local member, Mr Peter Treloar MP, attending.

A tour of the Elliston Coastal Trail, Elliston Jetty and Locks Well was a fitting end to the day, in beautiful autumn weather.

COASTAL TRAIL OPENING

The official opening of the Elliston Coastal Trail was held on Sunday 7 May 2017 in Elliston. The project, which was six (6) years in the making at a cost of \$1.7 million, offers locals and visitors safe enjoyment of the spectacular views from the cliffs surrounding the Elliston township.

The trail's key design features include a jetty car park with barbecue, shelter, toilets and outdoor shower, a family friendly area at the town beach frontage, a further shelter along the Little Bay trail, and granite Wirangu Monument.

The trail upgrade has been an exciting step for the community.



Our Community Services

Community Support Fund

During the 2016-2017 Financial Year, Council allocated funds totalling \$13,423, as detailed below.

Recipient Name	Funds Provision/ Purpose	Running Total (\$)
Lock Public Institute	Stage 1 - Lock Institute Hall refurbishment and upgrade	\$4,232
Lock Netball Club	Lighting upgrade	\$3,636
Elliston Community Information Centre	Taekwondo program	\$3,000
Local Government Association	Community members attendance at Commonwealth Grants and Funding Training	\$2,555
TOTAL		\$13,423



Council/ Community Events

Council has been involved and contributed to a number of community events during the 2016-2017 year.

- Elliston Salmon Fishing Competition
- Elliston Speed Shear
- Elliston Wool Show
- Christmas functions: Tooligie, Elliston, Sheringa, Port Kenny/Venus Bay

Our Leadership & Governance



COUNCILLOR

Creagh McGlasson
PO Box 328
LOCK SA 5633
Ph: 8689 1188
Mobile: 0429 385 776

COUNCILLOR

Grant Rumbelow
PO Box 1530
ELLISTON SA 5670
Ph: 8687 9007

COUNCILLOR

Peter Hitchcock
PO Box 340
LOCK SA 5633
Ph: 8689 1144
Mobile: 0429 891 144

COUNCILLOR

Malcolm Hancock
PO Box 149
LOCK SA 5633
Ph: 8689 1108
Mobile: 0429 891 108

COUNCILLOR

John Sheridan
PO Box 52
ELLISTON SA 5670
Ph: 8687 9346
Mobile: 0425 243 080

CHAIRMAN

Kym Callaghan
PMB 4
PORT LINCOLN SA 5607
Ph: 8687 8715
Mobile: 0418 892 559

DEPUTY CHAIRMAN

Dave Allchurch
PO Box 1138
ELLISTON SA 5670
Mobile: 0428 879 291

COUNCILLOR

Michael Werchiwski
PO Box 84
ELLISTON SA 5670
Mobile: 0415 743 861

Elected Member Meetings Attendance

Elected Member	Ordinary Council Meetings (12)	Special Council meetings (6)	Total Meetings (18)	No. of meetings where Leave of Absence was sought and granted	No. of meetings as an apology
Chairman Kym Callaghan	11	6	17		1
Deputy Chairman Dave Allchurch	8	5	13		1
Cr Creagh McGlasson	12	5	17		1
Cr Grant Rumbelow	11	2	13		5
Cr Peter Hitchcock	11	6	17		1
Cr John Sheridan	9	6	15		3
Cr Malcolm Hancock	8	5	13	3	2
Cr Michael Werchiwski	10	5	15		3

Our Leadership & Governance

Making Decisions

Council is responsible for the administration of many Acts of Parliament (or parts of Acts) including the *Local Government Act*, *South Australian Public Health Act*, *Environmental Health Act*, *Development Act*, *Fire and Emergency Services Act*, *Foot Act*, *Real Property Act* and *Dog and Cat Management Act* which all impact on local residents and their properties. Council's Development Plan has legal force in determining types of development and how land is used.

Council's Works Program also impacts on local residents in terms of stormwater drainage, flood mitigation, construction and maintenance of roads and footpaths and common effluent drainage systems.

The Council decision making structure comprises:

- ◆ Council
- ◆ Audit Committee established under the *Local Government Act*.
- ◆ Development Assessment Panel: established under the provisions of Section 56a of the *Development Act 1993*
- ◆ Committees and subsidiaries as appointed under Sections 41,42 & 43 of the *Local Government Act*
- ◆ Council staff and authorised persons in accordance with Council's Delegations, Sub Delegations and Authorisation processes.

The Chief Executive Officer has been given Delegated Authority from Council to make decisions in relation to those matters that fall within the scope of the delegations.

The Chief Executive Officer has in turn sub delegated certain powers and functions to qualified Council staff to make decisions. Council has made direct delegations to the Development Assessment Panel to make decisions under the *Development Act 1993*.

The delegations and sub delegations are listed in Council's Delegation Register and are reviewed at least annually by Council, as required under Section 44 of the *Local Government Act*.

Internal Review of Council Decisions

The District Council of Elliston is committed to transparent decision making processes and to providing access to a fair and objective process for the internal review of its decisions.

Complaints may arise as a result of dissatisfaction with a decision about a policy, process, service or fee. All attempts will be made to resolve complaints quickly and efficiently without the need for formal applications for review to be lodged. The processes provide guidance for dealing with formal requests for internal review of decisions of Council, its employees and other people acting on behalf of Council.



Our Leadership & Governance

Elected Member Accountability to the Community

Every year Council prepares an Annual Report for two reasons:

- It is a legal requirement prescribed by Section 131 of the *Local Government Act 1999 (the Act)*; and, more importantly
- It gives Council the chance to comprehensively inform the community, other governments and our partner organisations of our operations, activities and achievements for the financial year under review.

The Annual Report offers the reader the opportunity to step back and see the 'big picture' view of how Council is responding to the challenges of providing essential services to a remote rural area.

The Annual Report also reflects our strong commitment to maintain the highest standards of good governance and to participate in reviews and benchmark projects for the purposes of the continual monitoring of Council's own financial and operational performance.

Between 1 July 2016 and 30 June 2017, a total of twelve (12) ordinary Council meetings and six (6) special Council meetings were held.

Member Allowances

Council has processes in place to ensure that the reimbursement of expenses and the provision of allowances, facilities and support to the Elected Members are accountable, transparent and in accordance with relevant legislation.

Section 76 of the *Local Government Act 1999* ("the LG Act") and Regulation 4 of the Local Government (Members Allowances and Benefits) Regulations 2010 provides that Elected Members are entitled to receive annual allowances to help cover the cost of performing and discharging their official functions and duties. Elected Member allowances for the District Council of Elliston are determined by the Remuneration Tribunal of South Australia with allowances adjusted annually on the first, second and third anniversary of the 2014 Local Government Election to reflect changes in the Consumer Price Index as is defined at Section 76 (15) of the LG Act.

The allowances for the District Council of Elliston as set by the Remuneration Tribunal of South Australia on 31 July 2014 plus September 2015 and 2016 CPI, are from November 2016– November 2017:

Elected Members	\$5,811 p/a
Deputy Chairman	\$7,263 p/a
Chairman	\$23,242 p/a

Elected Member Training

Elected Members are provided with options for training through the Local Government Association and other bodies, which they undertake on an as needs basis.

Council maintains a register of training and development activities attended by Elected Members.

Register of Councillor Allowances and Benefits 2016/2017 Financial Year (as at 30 June 2017)

	Allowances	Vehicle Mileage	Telephone / Data	Other	Total
Chairman Kym Callaghan	23,242	2,550	300		26,092
Cr Dave Allchurch	7,263				7,263
Cr Grant Rumbelow	5,811				5,811
Cr Michael Werchiwski	5,811				5,811
Cr Creagh McGlasson	6,953				6,953
Cr Malcolm Hancock	6,384				6,384
Cr Peter Hitchcock	6,953				6,953
Cr John Sheridan	5,811				5,811

Our Leadership & Governance

Community Engagement and Voter Participation

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

- Write to Council on any Council policy, activity or service
- Contact their Elected Members of Council to discuss any issue relevant to Council
- Attend community consultation processes
- At the discretion of the Chairman, a member of the public can address Council on any issue within the Council's jurisdiction. (Refer Council's "Public Question Time Procedure" located on Council website.)
- Written petitions addressed to the Council on any issue within the Council's jurisdiction
- Engaging on Councils Facebook page
- DistrictCouncilofElliston
- Providing feedback on specific Council engagements and consultations via Council's website www.elliston.sa.gov.au

Independent Commissioner Against Corruption (ICAC) Act

In December 2012, the *ICAC Act* was proclaimed with the purpose of investigating corruption, misconduct and maladministration in public administration which includes local government. Outcomes of the *ICAC Act* which affect local government commenced on 1 September 2013 and included uniform and mandated Codes of Conduct and mandated reporting for Council Members and Council Employees. Matters of corruption, misconduct and maladministration must be reported by Public Officers to the Office of Public Integrity for investigation.

Public Consultation

Public consultation is undertaken and promoted in accordance with Council's Public Consultation Policy and Section 50 of the *Local Government Act 1999*. Section 50 requires the Policy to Identify steps Council intends to take where the Act requires consultation and provides for the steps to vary according to the class of decisions to be made by Council.

During the past 12 months, Council has consulted with the community and sought feedback over the following matters:

- Annual Business Plan & Budget
- Animal Management
- Aboriginal Reconciliation Monument

Audit Committee

Council maintains an Audit Committee to monitor the participation of management and the external auditors in the financial reporting process, oversee and make recommendations on the approach used by management to address business risks, review and make recommendations on how Council's corporate, financial governance and legal responsibilities are addressed.

The Committee has the following structure:

Independent Members: Mr Phil Channon
(Chair)
Mr Mick O'Neil

Elected Members: Cr Dave Allchurch
Cr Creagh McGlasson
Cr Peter Hitchcock



Our Leadership & Governance

Council's Audit Committee members

Receive a sitting fee for each meeting attended. Fees remitted for the 2016-2017 financial year are listed below.

Audit Committee Member	Total Fees & Expenses paid for financial year
Phil Channon	\$2,120
Cr Peter Hitchcock	-
Cr Creagh McGlasson	-
Cr Dave Allchurch	-
Mick O'Neil	\$300
Jill Leonard	\$300

Council's Development Assessment Panel

Members receive a sitting fee for each meeting attended. Fees remitted for the 2016-2017 financial year are listed below.

CDAP Member	Total Fees & Expenses paid for financial year
Fred Benes	\$350.00
Ryan Donovan	\$250.00
Rosa Gagetti	\$482.00
Kingsley Holman	-
Tim Kierse	\$250.00

Auditor Independence

Payment to the external auditors, Dean Newbery & Partners during the 2016-2017 financial year was \$17,850.

Procurement Arrangements

Council procurement process ensure services are delivered cost effectively.

The Procurement & Asset Disposal Policy establishes an holistic approach for end to end management of the procurement lifecycle. At the head of the framework, Council's Procurement & Asset Disposal Policy provides overarching principle based guidance on Council's procurement activity in accordance with Section 49 of the *Local Government Act 1999* and best practice principles in procurement. The policy sets out principles aimed at ensuring probity, accountability, responsibility, fairness, equity, consistency of approach and effective outcomes for Council. The policy is available for inspection at the Council office or on the website: www.elliston.sa.gov.au

Community Land Management Plans

Under Section 193 of the *Local Government Act 1999* (the Act), all local government land that is owned by Council or under Council's care and control (excluding roads) is classified as Community Land. Section 207 of the Act requires Council to develop and maintain a Community Land Register.

Section 106 of the Act requires Council to develop management plans for all Community Land. Categories of Community Land are not specifically defined in the Act but for the purposes of management plans include areas that are set aside for community use or conservation purposes.

All enquiries about Council's Community Land can be referred to the Chief Executive Officer.

Insurance Claims

Effective reporting and claims management has resulted in the close out of:

7

Motor vehicle claims

1

Asset claim — September 2016 super storm

Our Leadership & Governance

Open Government & Transparency Initiatives

Ordinary meetings of the full Council are held in the Council Chambers, 21 Beach Terrace Elliston on the third Tuesday of every month at 9.30am.

All meetings are open to the public and Council agendas and minutes are on display for public inspection and available online at: www.elliston.sa.gov.au

Section 90(1) of the *Local Government Act* specifies that Council meetings be held in a public place but on occasions this principle is outweighed by the need to keep the information or discussion confidential. Questions regarding the use of confidentiality in Council matters can be directed to the Director Corporate and Community Services during normal office hours.

Exclusion of the Public from Meetings

Matters which the Council may resolve to consider in confidence include, for example, commercial information, legal advice, tenders etc.

Council chose to invoke Section 90(2) eight times during the year to consider legal advice

or actual or potential litigations (Sections 90(3) (h) and (i) of the *Local Government Act 1999* respectively). Also to consider matters of a nature that would have disclosed information that could reasonably be expected to confer a commercial advantage on a person with whom Council is conducting, or proposing to conduct, business or to prejudice the commercial position of the Council (Section 90(3)(b); or, commercial information of a confidential nature (not being a trade position of the person who supplied the information, or to confer a commercial advantage on a third party (Section 90(3)(c) and would, on balance, be contrary to the public interest.

Confidential Documents

Section 91(1)-(6) of the Act generally provides that minutes of meeting proceedings must be kept and made available for public inspection. However, Section 91(7) provides that a Council or its committees may order that confidential documents may be excluded from general public accessibility. Council chose to invoke section 91(7) in regard to the minutes and other materials in the instances and for the reasons set out in the section below.

Confidential Documents

Date	Meeting	Subject	Relevant Section Local Government Act	Release date or event	Recommendation re release: — Full Release — Partial Release — Retain
16 August 2016	COUNCIL	General & Coastal DPA Summary of Submissions Received	90(2), 90(3)(m)	15 August 2017	RELEASED
15 November 2016	COUNCIL	Section 270 Review	90(2), 90(3)(a)	14 November 2017	
20 December 2016	COUNCIL	Lock Council houses for sale	90(2), 90(3)(b)	22 August 2017	RELEASED
20 December 2016	COUNCIL	Public Lighting Business Case	90(2), 90(3)(d) 91(7) & (9)	19 December 2017	
17 January 2017	COUNCIL	Section 270 Review	90(2), 90(3)(a) 91(7) & (9)	16 January 2018	
17 January 2017	COUNCIL	Lock Council houses for sale	90(2), 90(3)(b)	22 August 2017	RELEASED
21 March 2017	COUNCIL	General and Coastal DPAt	90(2), 90(3)(m)	24 August	RELEASED
21 March 2017	COUNCIL	Lock Council house: 23 West Terrace	90(2), 90(3)(b) 91(7) & (9)	22 August 2017	RELEASED

Our Leadership & Governance

Strategic Plan 2016-2017 to 2020-2021

Council must review its suite of Strategic Plans under Section 122(4) of the *Local Government Act 1999*, ensuring that our key directions and strategies are aligned with the needs of our communities, capable of being achieved with our resources and ensuring we are legally compliant.

Council's plans ensure Council demonstrates it is committed to providing services to the community that are responsive to current and future needs and that the projections and predictions are based on accurate information.

Council commenced a review of its previous Strategic Plan 2012-2017 "Moving Toward 2017" in late 2015. The development of the new Plan was conducted in association with reviews of Council's Long Term Financial Plan and Asset Management Plan and informed by two other reviews; a Rating Review and a Waste Management Service Level Review.

High regard was given to Council's commitment to achieve a financially sustainable position in the medium to longer term (as described in the Long Term Financial Plan) and the challenge of maintaining Council's assets as set out in the Asset Management Plan.

The Strategic Plan also took into account the results of a Community Survey, consultation with key regional stakeholders and public consultation on a Draft Plan.

The purpose of the community survey, which received 72 responses (about 10%) was to seek our community's views about the work Council was doing and your views about what we should be doing and what we could do better. The results informed the review and development of Council's Strategic Plan which focuses on:

- Improving Council's financial position
- Stronger commitment to improved asset management
- Aligning Council's efforts to provide more efficient and effective core services
- Continuing to seek opportunities to work more closely with its community, the neighbouring and the other regional Councils and organisations

- Adopting a more regional perspective to its business

In tackling these strategic priorities it must be recognised that the Council has limited financial and human resources. Therefore, Council needs to be innovative and at the same time, patient as it takes on the various challenges.

Business Plan

As part of its strategic management plans, Council prepares a budget and works program and an Annual Business Plan to deliver the specific outcomes that will make up and achieve its strategic management objectives.

Council's Annual Business Plan links the key strategies to action statements with targets and outcomes for each financial year.

The annual process of defining targets and measuring progress is an integral part of the Council's management. By setting specific targets and measuring progress against the wider strategic goals, achievement is measured. These forms of measurement are a clear indication of progress, continuous improvement, program delivery and the performance of the Council as a whole.

Founded on the vision Council sees for the District, the Strategic Plan highlights our commitment, desire and capacity to deliver major projects, capital works and services to maintain and enhance the council area over the period 2016-2017 to 2020-2021.



Our Leadership & Governance

EXTRACT OF THE ELECTED MEMBERS REGISTER OF INTERESTS: 17 AUGUST 2017

For the purposes of Section 70(a) of the *Local Government Act 1999*, a register comprising information from Elected Members' Register of Interests from 1 July 2016 – 30 June 2017 must be published on Council's website and updated at regular intervals.

Council Member Name	Employer/Income Source	Name of Political Party/Body/Association formed for Political purposes or any trade or professional organisation of which the person is a member	Gifts Received worth \$750 or more (as per Schedule 3, s2(2)(d))
Chairman Kym Callaghan	District Council of Elliston Chairman Allowance Mid-West Health Presiding Member Allowance Rental properties	Nil	Nil
Deputy Chairman Dave Allchurch	District Council of Elliston Deputy Chairman Allowance	Elliston Community & Visitor Information Centre	Nil
Cr Creagh McGlasson	District Council of Elliston Elected Member Allowance C & HM McGlasson Creagh McGlasson ATF Rural Systems Trust	Free Eyre	Nil
Cr Grant Rumbelow	District Council of Elliston Elected Member Allowance Elliston Hotel Rental properties	Nil	Nil
Cr John Sheridan	District Council of Elliston Elected Member Allowance Arthur J Gallagher Insurance Brokers	National Insurance Brokers Association J&M Super Fund Wesfarmers Shares Thorny Opp	Motor vehicle allowance from employer
Cr Malcolm Hancock	District Council of Elliston Elected Member Allowance Hancock Farming Enterprises	Hancock Farming Enterprises	Nil
Cr Michael Werchiwski	District Council of Elliston Elected Member Allowance Newstart	Nil	Nil
Cr Peter Hitchcock	District Council of Elliston Elected Member Allowance Hitchcock Family Trust (Farming)	South Australian No-Till Farmers Association Minnipa Agricultural Centre Australian Grain Growers Aussie Farmers Free Eyre Pty Ltd Koloch Pty Ltd ATF Hitchcock Family Trust	Nil

The screenshot shows the District Council of Elliston website. At the top, there is a navigation bar with links for Home, Your Council, Council Documents, Council Services, Community Information, and Tourism Information. The main content area is titled "Register of Interests" and contains the following text:

To be as transparent as possible to the community in Council's decision making processes, Elected Members must lodge with the Council a complete and accurate primary return of their interests at the commencement of their term in office and then annually via an ordinary return.

An "interest" is a stake or involvement in an undertaking, especially a financial one, that each Elected Member or a person related to them, may have.

Elected members must update their returns within a month of any changes to their interests.

In addition to registering these interests with Council, the following extract of those interests must be published on Council's website in accordance with Section 70(a) of the *Local Government Act 1999*:

- Elected Members' income sources or employer
- The name of any political party, any body or association formed for political purposes or any trade or professional organisation of which the Elected Member is a member, and
- Any gifts of \$750 or above received by the Elected Member, or a person related to them, during the return period (other than from a person related by blood or marriage).

A copy of the Register is available for inspection (without charge) at the Council office during ordinary office hours.

There are penalties for the publishing or commenting on the above information, unless:

- The information derived from the Register constitutes a fair and accurate summary and is published in the public interest; and
- The comment is fair and published in the public interest and without malice.

[Current extract of the Elected Members Register of Interests \(17 kb\)](#)

The footer of the website includes the District Council of Elliston logo, contact information (21 Beach Terrace, Elliston SA 5670, Phone: 08 8687 9177, Fax: 08 8687 9176, Email: dce@elliston.sa.gov.au), and a slogan "The better part of the Eyre Peninsula". There are also links for Site Map, Disclaimer, Privacy, and Credits.

Our Leadership and Governance

Senior Management Team

At the beginning of the financial year, the District Council's organisational structure provided the following salary packages:

Chief Executive Officer:	Remuneration package of approximately	\$170,000
Operations Manager:	Remuneration package of approximately	\$123,700
Manager Corporate & Community:	Remuneration package of approximately	\$109,503
Manager Financial Services:	Remuneration package of approximately	\$89,840

Packages may include salary, superannuation, the use of a fully maintained vehicle and subsidised accommodation.

The Register of Remuneration, Allowances and Benefits is available for public inspection.

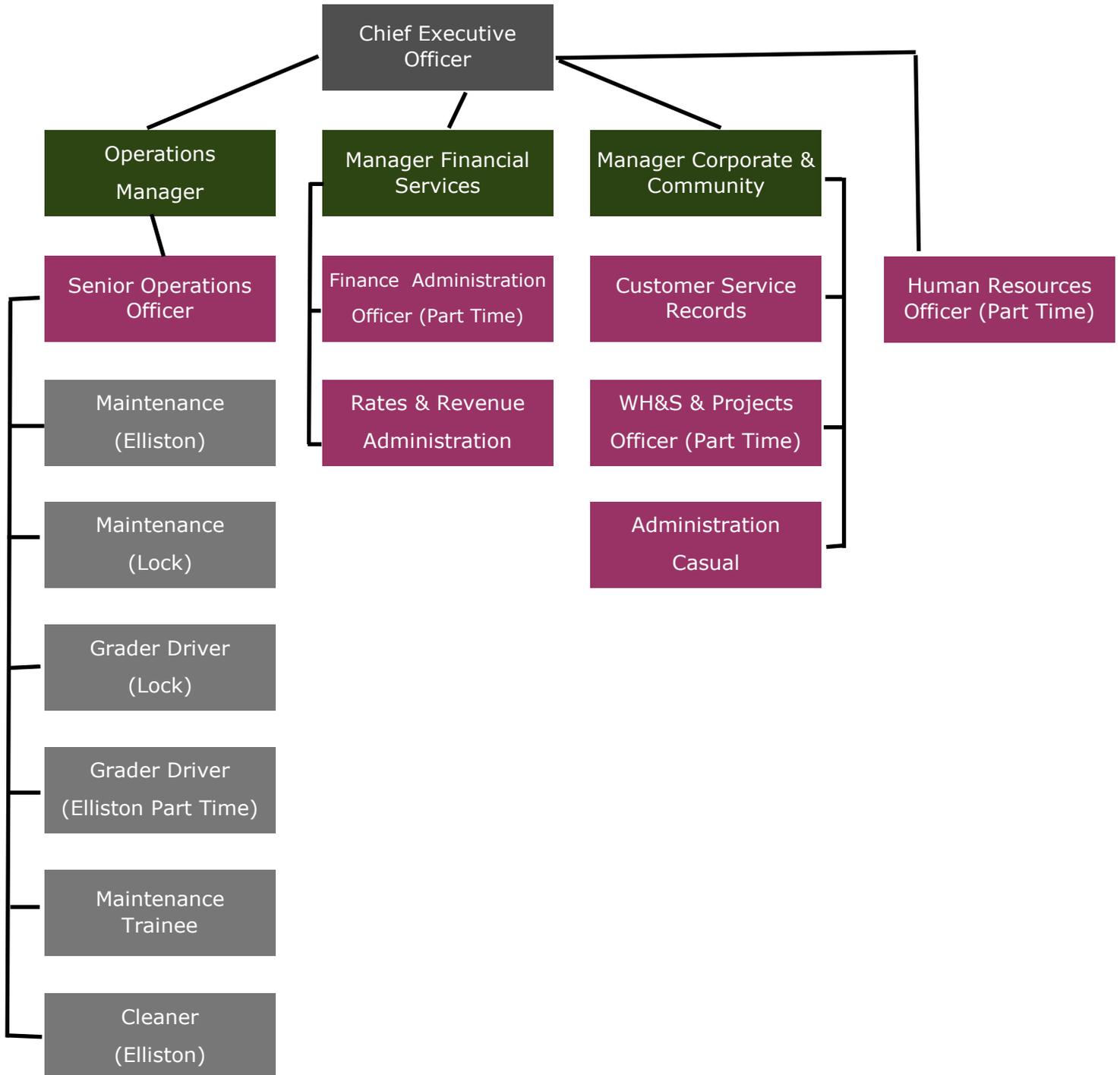
Staffing

As at 30 June 2017 the District Council had a total of 15.2 full time equivalent (FTE) positions.

The breakdown of staff numbers by gender, employment type and department is shown in the following table.

District Council of Elliston Employees	Male	Female
Senior Executives	3	1
Administrative Services—General		3.2
Infrastructure & Environmental Services	1	
Finance		1
Total Office Employees	4	5.2
Construction, Maintenance, Parks, Gardens & Reserves	5.5	.5
Total Depot Employees	5.5	.5
TOTAL EMPLOYEES	9.5	5.7

Our Leadership and Governance



Our Leadership and Governance

Human Resource Management

Council's Human Resource Management program ensures compliance with Section 107 of the *Local Government Act 1999* by providing a system which facilitates the sound administration and management of Council's human resources including: recruitment and selection, induction, probation, performance appraisal, training and development, performance management, employee conduct, employee assistance and general workplace relations.

The program also ensures compliance with Council's obligations in regards to equal opportunity ensuring all employees are treated fairly and consistently.

Council is committed to ensuring all employees have access to reasonable training and development, including mandatory training related to work health safety and role specific professional development.

During the 2016/2017 financial year Council focussed on updating individual position descriptions and rolling out a new and improved performance appraisal system to enhanced staff performance and engagement.

Council commenced re negotiation of the indoor and outdoor enterprise bargaining agreements moving away from a joint agreement to two separate agreements providing a more robust and tailored agreement for the separate work groups.

A full audit and focus of updating Council's Human Resources policies and procedures also commenced with a focus on improved recruitment practices and inductions.

Training undertaken by staff during the 2016 - 2017 financial year included:

- Excavator
- HR, MR & MC Heavy Vehicles
- Workzone Traffic Management
- Confined Space Entry and Working at Heights
- Grave-Digging (Grounds and Maintenance)
- I-Responda and Bushfire Management
- Tag and Testing
- Construction Industry White Card
- Animal Management (Authorised Officers)
- Senior First Aid
- Fire Prevention Officer
- Principles of Investigation and Management of Evidence (Authorised Officers)
- LGRS Mock Trial
- EPA Nuisance Provisions Training
- Ematrix Collection and Negotiation Techniques
- Injury Management, Rehabilitation and Return to Work for Managers and Supervisors
- Whistleblowers – Fraud and Corruption Reporting
- Policy Writing - Advanced
- Commonwealth Grants and Funding
- Advanced Diploma of Governance, Risk Management and Compliance

Charlie Ashman, Lock Depot (Certificate 111 in Civil Construction Plant Operations) and Jazmyn Weiland, Elliston Council office (Certificate 111 in Business) continued their traineeships throughout the year.



Our Leadership and Governance

Corporate & Community Department

The Department comprises Manager Corporate and Community, George Karzis, Records/ Customer Services Officer Jasmin Cobby with assistance from a casual customer service pool and Administration Officer Jill Leonard.

The combination of a corporate services with a community services section of the District Council of Elliston is a matter of necessity.

Corporate services traditionally describes the "back office" functions of Council operations: finance, risk, administration and governance.

However, at the Elliston Council, the finance and human resources departments report directly to the Chief Executive Officer.

The Corporate and Community Department provides supports with administrative services, Elected Member (including Chairman) support, media liaison and policy services.

The Department also supports the Senior Management Team (which comprises Chief Executive Officer, Operations Manager, Manager Financial Services and Manager Corporate and Community), community member and community group liaison, event management, marketing and tourism, business and economic development and regional and business relations.

Information and Communication Technology Services

Information and Communication Technology Services' focus is on developing future direction for the technology requirements of Council.

A strong focus has been on improving mobility solutions to facilitate connectivity and enable business on the move, and identifying opportunities to record Council's overall technology costs.

In addition to increasing the usage of Council's Electronic Document and Records Management system to preserve our vital community records, significant resources have been

directed towards improving and streamlining processes.

Customer Service Standards

Council is committed to providing fair, efficient and quality services to its customers. Customer feedback is welcomed as a way of improving overall service and fulfilling customer needs.

Requests are received by phone, email, letter, website and via the council office and Facebook.

Council is reviewing its customer services processes with the aim of implementing the Council's inhouse IT customer services module. This will enhance and capture all communications in an efficient electronic format.

Many customers are utilising electronic payment methods and the customer service team process receipts via face to face, phone and mail payments.



Our Leadership and Governance

Risk Management

Risk is defined in the Australian Standard as the effect of uncertainty on objectives.

Risk is commonly viewed as a threat to an organisation – a focus on what can go wrong. It is also an opportunity for an organisation – to review and update its systems, processes or the skills of its workers to manage work better and to improve efficiency and ultimately produce better outcomes.

Over the past three years, Council has been focussed on improving two areas of functional risk that are essential to our good governance and our duties as an employer – the finance system which governs our financial planning, rating, dog registrations and expenditures; and our Work Health and Safety system. Progress in both these areas continues to be excellent. See below for more information on Council's Work Health and Safety achievements.

The upcoming year will see a continued focus on strategic risk with the implementation of the Risk Management Framework, Business Continuity Plan and Workplace Emergency Management Plan.

Work Health & Safety

Work Health & Safety is essential for a safe working environment for employees and a safe community for residents and visitors.

Council regards its staff as its greatest asset and continues to strive to provide up to date knowledge and support in the matters of health and risk.

Council conducts regular health assessment checks for all employees which includes heart health, healthy lifestyle options and skin cancer screening. This is done so Council can try to provide staff with a better quality of life both at work and home and to identify any health concerns employees may have so they can source treatment if required.

Council has a reporting system in place for reporting any hazards, near misses, accidents or incidents so that Council can review its procedures and implement any changes to documentation such as Risk Assessments, Safe Work Instructions, Safe Work Method Statements to minimise or preferably eliminate work place hazards.

Council continues to build upon its Work Health & Safety Management system to ensure legislative compliance and to protect its

employees, contractors and others from harm. Key achievements for the past year include:

- the development and implementation of the Business Continuity Plan
- the development and implementation of the Workplace Emergency Management Plan
- information sessions for Elected Members and Senior Staff on the Risk Management Framework
- Council staff member undertaking Advance Diploma in Risk Management which has helped inform the development of the above
- ongoing development and improvement of the Work Health & Safety Management system.

Objectives for the coming year include the implementation of a cloud-based system providing a holistic integrated management approach to Council's compliance and due diligence across risk management, safety, quality, environment, inductions, assets and plant management. These functions are currently paper based or saved electronically on an individual basis, which has made the administration and management both time consuming and resource intensive.

Training of staff continues to be an integral part of Work Health & Safety and Risk Management and ensures that our staff have a better understanding of their responsibilities to themselves and their workers.

Council continues to ensure it maintains a high standard in the area of Work Health & Safety and Risk Management. These areas are reviewed annually and monitored by the Local Government Association Schemes by way of auditing Council's performance and providing feedback to Council of where improvements can be made. Council has also participated in, and will do so again during the coming year, several programs offered by the Local Government Association Schemes to improve its Work Health & Safety Management system and develop staff knowledge and skills in this area.

Public Safety

The District Council of Elliston is committed to providing for its residents and visitors to the Elliston area a safe environment. This is done via consultation with the community, feedback provided to Council via Customer Requests, Feedback and Complaints forms from the public.

Our Leadership & Governance

Finance Section

The Finance Department comprises Manager Financial Services Karen Quinn, Finance Officer Renee Lihou and Rates & Revenue Officer Jill Leonard with support from Customer Services Officers.

The Department manages some of the most important and risky aspects of Council's functions, namely, the collection and expenditure of all Council monies.

The Manager Financial Services coordinates the strategic financial activities of Council, including the Long Term Financial Plan, Asset Management Plan, Annual Business Plan and budgeting processes.

The Department also supports the activities of the Audit Committee and the Council Auditor.

Financial Reporting

A full audited copy of the General Purpose Financial Reports for the year ended 30 June 2017, pursuant to Section 131 of the *Local Government Act 1999*, is included on page 37.

Council returned an operating surplus for the 2016 -17 financial year of \$1,093,187.

Operating Income

The operating income for Council was derived from various sources and primarily consisted of rates income, government grants, user charges and subsidies and other user charges including commercial revenue.

Revenue includes \$2,864,107 in grants, subsidies and contributions.

Operating Expenditure

The operating expenditure for the financial year was incurred in the following operational areas: employee costs, materials, contractual services, other expenses and depreciation.

Capital Expenditure

Along with operating expenditure, the Council is committed to maintaining its fixed assets base. Council spent \$2,042,371 on replacement and new/upgrading assets.

Non-Current Assets

The Non-Current Assets of Council are significant and include land, buildings and other infrastructure, road infrastructure, plant and

equipment, furniture and fittings and CWMS. Non-Current Assets are valued at \$32,063,478.

Financial Sustainability

Note 15 of the General Purpose Financial Report for the financial year ending 30 June 2017 reports on the Key Financial Indicators used to assess Council with regards to its financial sustainability.

The ratios reported have been calculated in accordance with Information Paper 9 – Local Government Financial Indicators which was prepared as part of the Local Government Association financial sustainability program for the Local Government Association of South Australia.

Council has a suite of documents and plans that summarise the future direction of the Council. These plans form part of the Council's overall Strategic Plan and will provide a path forward into the future that guarantees the long term sustainability of the Council. The Strategic Plan was reviewed in 2015-16.

Financial Control

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

Council utilises IT Vision software to manage its records including its financial functions, from which budget and actual performance may be reported and analysed.

Reviews of the financial information are undertaken on a quarterly basis and presented along with policies, procedures and controls to the Audit Committee prior to consideration by Council. These policies, procedures and the Audit Committee meeting agendas and minutes are available on Council's website.



Our Leadership & Governance

Audit Committee Annual Report for 2016-17

This report presents a summary of the District Council of Elliston Audit Committee's activities undertaken and recommendations made during the 2016-17 financial year.

The Audit Committee's Terms of Reference is reviewed every two years. The last review was conducted in July 2016.

Conduct of Meetings

The Committee met on five occasions during the period 1 July 2016 to 30 June 2017 with the following attendance:

Committee Members	Meeting Dates				
	14/07/16	02/11/16	29/11/16	30/03/17	05/06/17
Phil Channon (Chairperson & Independent Member)	✓	✓	ü	ü	ü
Jill Leonard * (Independent Member)	✓				
Mick O'Neil ** (Independent Member)				✓	✓
Cr Peter Hitchcock	✓	✓	x	x	✓
Cr Creagh McGlasson	✓	✓	✓	✓	✓
Deputy Chairman Dave Allchurch	✓	✓	✓	✓	✓

* Independent Member, Jill Leonard, accepted the position of Rates and Revenue Officer of the Council. A member cannot be an employee of Council and be a committee member. Jill resigned from the Audit Committee on the 22 September 2017.

During 2016/2017 Committee members attended the following training courses/sessions:

Training Course/ Session	Date(s)	Provider	Members Attending
Audit Committees	19 May 2017	Local Government Association	Mick O'Neil

Audit Committee Evaluation

Following from its self-assessment process the Committee recommends the following training/professional development for its members:

Training/Professional Development Need	Committee Member
Audit Committees	Phil Channon

The table on the next page sets out the principal issues addressed by the Committee during 2016-17:

Our Leadership & Governance

Principal Issues Examined	Comment/ Status	Recommendations to Council
Review 2015/2016 Financial Statements	Completed	That the Audit Committee advises Council that they have reviewed the Annual Financial Statements for the year ended 30 June 2016 and believe that these accounts represent a true and fair reflection of Council's financial situation and activities undertaken during this year.
Review 2015/2016 3 rd Budget Update	Completed	The Committee noted the update.
Review 2015/2016 Financial Performance Report	Completed	That the Audit Committee receive and note the report and advised Council that satisfactory explanations for the variances to the original budget are contained in this report and have been discussed by the Audit Committee with senior management.
Review 2016/2017 1 st Budget Update	Completed	That the Audit Committee having considered the 2016/2017 1st Budget Update dated 29 November 2016 recommend to Council to approve the operating and capital budget revisions as contained in Attachment 5.3.1.
Consolidate Council's investment accounts	Completed	That the Audit Committee recommend to Council that: 1. The numerous existing individual LGFA investments accounts be aggregated into one investment with the objective of maximising investment income. 2. All non-prescribed equity reserves be returned to accumulated surplus as part of the preparation of the Annual Financial Statements for 2015-16.
Consider the Risk Profile – Review Data Report	Completed	That the Audit Committee receive and note the LGA Mutual Liability Scheme Risk Profile – Review Data Report dated July 2016.
Review Audit Committee Terms of Reference	Completed	That the Audit Committee recommend to Council that the Terms of Reference included in Attachment 5.2.1, as amended in the meeting, be adopted by Council.
Consider the correspondence received from Council's External Auditor	Completed	The Committee reviewed the report.
Receive the whole of life summary for the Elliston Coastal Trail Project	Completed	That the Audit Committee receive and note the whole of life summary report of the Elliston Coastal Trail project.
The appointment arrangements for the External Auditor	Completed	That the Audit Committee recommend to Council to extend the current contract by another three years for the provision of external audit services to Dean Newbery & Partners subject to negotiation to agreeable terms.

Our Leadership & Governance

Principal Issues Examined	Comment/ Status	Recommendations to Council
Present the annual report on Council's cash, investments, community loans and borrowings	Completed	That the Audit Committee receive and note the Annual Performance of Cash, Investments and Borrowings Report.
Review 2016/2017 Mid-Year Budget Forecast (2 nd Budget Review)	Completed	That the Audit Committee receive and note the Budget Review #2 and advise Council that satisfactory explanations for the variances to the Budget Review #1 are contained in this report and have been discussed by the Audit Committee with senior management.
Review 2017/2018 Draft Annual Business Plan & Budget	Completed	That the Audit Committee receive and note the Draft Budget 2017-2018 as presented and discussed at the meeting. The Audit Committee will provide its comment and analysis of the final Annual Business Plan and Budget 2017-2018 in its June meeting prior to adoption by Council.
Provide an update to the Audit Committee on the progress of the Business Continuity Plan, Risk Register and Disaster Recovery Plan.	Completed	That the Audit Committee receive and note the report. Further to this, the Audit Committee Work Program be updated to include the inclusion of the Risk Management Framework which includes the Risk Register and Risk Assessment Guidelines and Disaster Recovery Plan and Business Continuity Plan at a meeting later in 2017.
Provide an update to the Audit Committee with the progress of the Internal Audit Program.	Completed	That the Audit Committee: note the summary report on the internal audit undertaken; and, having considered it, recommend that the internal audit program be conducted as one on-site audit and one off-site audit per annum and an additional \$4,800 be included in the 2017-2018 budget.
Provide an update of the Schedule of Finance Policies which identifies policies that are to be developed or reviewed	Completed	That the Audit Committee recommend to Council to adopt the: Draft Asset Impairment Policy; Draft Asset Revaluation Policy; Draft General Ledger Policy; Draft Internal Financial Controls Policy; and Draft Leases, Licences and Permits Policy.
Working capital line of credit	Completed	That the Audit Committee advise Council that it would be prudent to consider establishing a pre-approved line of credit from the LGFA to be used to fund any potential shortfall in working capital due to timing differences between the receipt of revenue and the payment of expenses.
Review 2016/2017 3 rd Budget Update	Completed	That the Audit Committee having considered Budget Review #3 recommend to Council that satisfactory explanations for the variances to the Budget Review #2 are contained in this report and have been discussed by the Audit Committee with senior management.

Our Leadership & Governance

Principal Issues Examined	Comment/ Status	Recommendations to Council
Table correspondence received from Council's external auditors for the Audit Committee's consideration.	Completed	That the Audit Committee has reviewed the report titled 'External Audit Management Report – Financial Year Ended 30 June 2017', and management's response to the report.
Provide the updated Schedule of Finance Policies and submit updated policies due for review.	Completed	That the Audit Committee: 1. Receive and note the Schedule of Finance Policies 2. Recommend to Council to adopt the updated Annual Business Plan and Budget Policy 3. Recommend to Council to adopt the updated Asset Accounting and Asset Capitalisation Policy 4. Recommend to Council to adopt the updated Rating Policy 5. Recommend to Council to adopt the updated Rate Rebate Policy
Consider further refinements of Council's rating strategy from the 'District Council of Elliston – Review of its Basis of Rating' report	Completed	That The Audit Committee has reviewed the items for consideration from the report titled District Council of Elliston – Review of its Basis of Rating and recommend to Council that: 1. No change to the rating structure for primary production for the 2017/18 year; 2. The waste, water and CWMS service charges continue to be reviewed to ensure full recovery of whole-of-life costs of providing the services.
Present Council's second draft of the Annual Business Plan (ABP) and Annual Budget (AB) to the Audit Committee	Completed	That the Audit Committee advises Council that it has reviewed and discussed the Draft Annual Business Plan and Annual Budget 2017 - 2018 and believes it is consistent with Council's Strategic Management plans. Further to this assessments of the Key Financial Indicators contained in this plan indicate that Council will be operating in a financially sustainable manner for the twelve months that this plan relates to.

Chairperson's Comments

All requirements of the Committee have been met. All agenda items were discussed and at times debated which has resulted in each member having an understanding of the issues and its compliance. In particular, the effects of depreciation versus expenses in the Income Statement were thoroughly examined with each member coming away with a better understanding.

Our Leadership & Governance

ANNUAL INFORMATION STATEMENT

Access to Council documents is broadened by 'freedom of information' provisions in the "Freedom of Information Act."

Although a range of documents are restricted or not accessible, the maximum amount of information is made available to the public wherever possible.

In accordance with the Local Government Act 1999, Schedule 4, the following information is available for inspection at the Council office.

General Documents

Agendas and Minutes *
Annual Business Plan *
Annual Financial Reports *
Annual Report *
Assessment Record
Auditor's Report
Campaign Donation Returns prepared by Candidates
Council ByLaws *
Strategic Management Plans *

Registers

Register of Members Allowances and Benefits
Register of ByLaws
Register of Community Land
Register of Delegations
Register of Members' Interests
Register of Public Roads
Register of Staff Interests
Register of Remuneration, Salaries and Benefits
Voters Roll

Codes

Code of Conduct for Council Members *
Code of Conduct for Employees *
Code of Practice for Access to Council and Committee Meetings and Information Policy *

Policies / Procedures

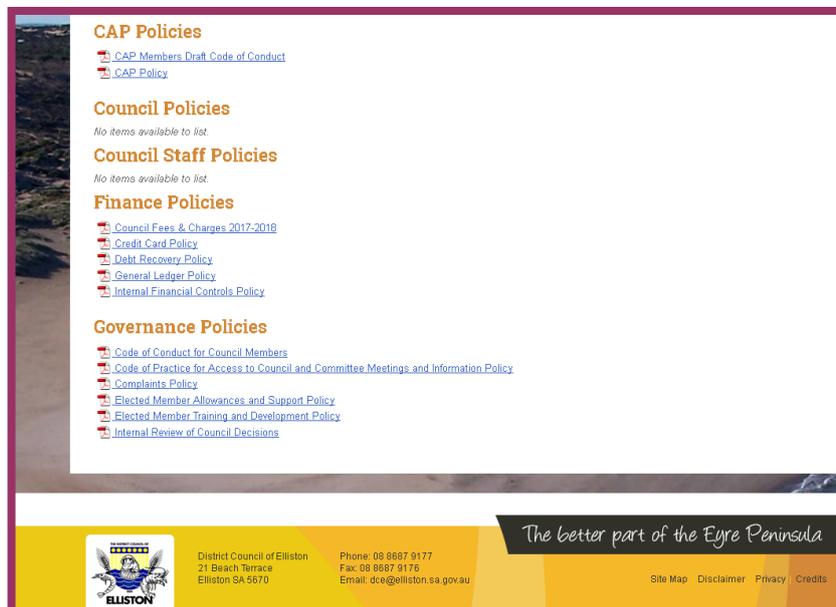
Annual Business Plan and Budget Policy *
Asbestos Policy *
Asset Accounting and Asset Capitalisation Policy *
Asset Impairment Policy *
Asset Revaluation Policy *
Australia Day Policy *
Authorisation for Weed Control on Road Reserves Policy *
Caretaker Policy *
CDAP Policy *
Code of Conduct for Employees Policy
Code of Conduct for Council Members Policy
Code of Practice for Access to Council and Committee Meetings and Information Policy *
Community Grants Policy *
Community Loan Policy *
Complaints Policy *
Consultation and Communication Policy *
Contractor Management Policy *
Control of Election Signs Policy *
Council Cars and Light Commercial Vehicles Policy *
Council Representatives on Outside Bodies Policy *
Credit Card Policy *
Debt Recovery Policy *
Development of Roads on Reserves Policy *
Elected Member Allowances and Support Policy *
Elected Member Training and Development Policy *
Emergency Management Policy *
Event Safety risk Assessment and Event Management Plan Policy *
External Grant Funding Policy *
Fire Prevention Policy *
Flag Flying Policy *
Footpath Policy *
Freedom of Information Policy *
General Ledger Policy *
Hardship Policy for Residential customers of Minor and Intermediate Water Retailers *
Hazard Management Policy *
Hazardous Work Policy *
Informal Gatherings Policy *
Internal Financial Controls Policy *

Our Leadership & Governance

Policies / Procedures (cont)

Internal Review of Council Decisions
Commercial Kangaroo Harvesting Policy *
Leases Licences Permits Policy *
Native Vegetation Plan for Roadworks Policy *
Order Making *
Outdoor Dining Policy *
Petty Cash Policy and Procedure *
Port Kenny Venus Water Supply Policy *
Private Works & Plant Hire Policy *
Procurement and Asset Disposal Policy *
Prudential Management Policy *
Public Consultation Policy *
Rate Rebate Policy *
Rating Policy *
Records Management Policy *
Request for Services Policy *
Road Infrastructure Policy *
Stormwater Policy (Port Kenny/Venus Bay) *
Street Naming Policy *
Street Planting Policy *
Treasury Management Policy *
Use of Council Resources During
Emergencies Policy*
Vehicles Left on a Public Road Policy *

Volunteer Policy *
Waste Collection Policy *
Whistleblower Protection Policy *
WHS Administration Policy *
WHS and Injury Management Policy *



CAP Policies

- [CAP Members Draft Code of Conduct](#)
- [CAP Policy](#)

Council Policies

No items available to list.

Council Staff Policies

No items available to list.

Finance Policies

- [Council Fees & Charges 2017-2018](#)
- [Credit Card Policy](#)
- [Debt Recovery Policy](#)
- [General Ledger Policy](#)
- [Internal Financial Controls Policy](#)

Governance Policies

- [Code of Conduct for Council Members](#)
- [Code of Practice for Access to Council and Committee Meetings and Information Policy](#)
- [Complaints Policy](#)
- [Elected Member Allowances and Support Policy](#)
- [Elected Member Training and Development Policy](#)
- [Internal Review of Council Decisions](#)

ELLISTON

District Council of Elliston
21 Beach Terrace
Elliston SA 5670

Phone: 08 8687 9177
Fax: 08 8687 9176
Email: dce@elliston.sa.gov.au

The better part of the Eyre Peninsula

[Site Map](#) [Disclaimer](#) [Privacy](#) [Credits](#)

Our Leadership & Governance

Freedom of Information

Subject to certain restrictions, the *Freedom of Information Act* ("the FOI Act") gives members of the public a legally enforceable right to access information held by South Australian Local Government agencies such as councils. The purpose of this Freedom of Information Statement is to assist members of the public to identify the functions and decision making processes of the District Council of Elliston, detail the type of information held by Council and how it can be accessed by the public.

Many Council documents are available to the public and do not require a Freedom of Information application. These documents include public copies of minutes and agendas (including reports), policies and processes adopted by the Council, strategic management plans, registers and returns, codes of conduct, codes of practice, by-laws, annual report and development applications available for viewing during the public consultation period in accordance with the Development Act 1993.

An updated Information Statement will be published on Council's website each financial year. This Information Statement is reflective of Council's Administration.

Council is pleased to comply with the FOI Act and welcomes enquiries. If you wish to make an application for access to a Council document, which is not available publicly, then it will be necessary to complete a Freedom of Information Application and provide the necessary fee as indicated on the application (no fee is required for concession card holders or pensioners but proof of this status is required).

Once a valid application is received, the Freedom of Information officer is required, usually within 30 days, to:

- Search Council's Records Management systems to establish location of the relevant document(s)
- Physically locate and extract documents from place held
- Examine the document and consult with any person or body who/which has an interest in the document and consider their views for it to be released
- Make a determination as to whether the document can be released
- Notify the applicant of the determination and explain the rights of review and appeal.

Where information is requested under the TOI Act a request form (provided for in the Act) must be completed and forwarded with the required application fee (unless an exemption is granted). FOI request forms are available from the Council office.

Applications should be addressed to the accredited Freedom of Information Officer as follows:

Chief Executive Officer

PO Box 46

ELLISTON SA 5670

We respond to applications as soon as possible, within the statutory thirty (30) days of receipt of a request and application fee or proof of exemption.

Section 270 Reviews

In accordance with Section 38(1) of the FOI Act, a person who is aggrieved by a determination made by Council is entitled to a review of the determination.

There were two (2) Section 270 Reviews for this reporting period.

Our Leadership & Governance

Electoral Representation Reviews

In accordance with Regulation 4(A) of the *Local Government (General) Variation Regulations 2012* Council has conducted a periodic review of their composition and wards as determined by notice published in the SA Government Gazette by the Minister for Local Government relations.

On 31 May 2012 the Minister for Local Government Relations published a notice in the SA Government Gazette requiring the District Council of Elliston to undertake a review of the structure during the period of October 2012 and October 2013 pursuant to section 12 of the *Local Government Act 1999*.

At its Ordinary Meeting on 20 April 2013, Council resolved to amend the Council name from The District Council of Elliston to District Council of Elliston. It made no other changes to Council's composition.

Elections

Elections are held at four yearly intervals, with all positions being declared vacant. Voting is voluntary and not compulsory as is the case with

Commonwealth and State Government elections.

The next Election will be held in November 2018.

Boundary Review

Electors may initiate submissions to the Minister for Local Government for changes to Council Boundaries under Section 28 of the *Local Government Act 1999*.

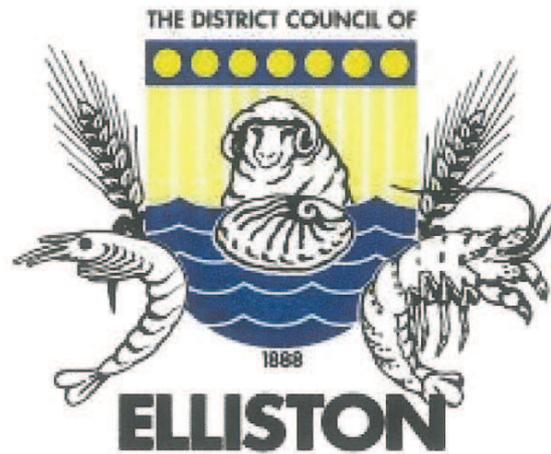
Public notice of the impending review is given, inviting interested persons to make written submissions to the Council on the subject of the review. Persons making submissions are also given the opportunity to appear personally before Council to be heard further. On completion of the review

process, the District Council's report is made available for public inspection with further public submission opportunity and personal hearing being made available.

Source: Electoral Commission SA, House of Assembly & Council Supplementary Roll (Feb 2017)

REPRESENTATION QUOTA

Council	Elected Members	Electors	Ratio
District Council of Elliston	8	724	1:90
District Council of Cleve	8	1261	1:157
District Council of Kimba	7	752	1:107
District Council of Streaky Bay	8	1556	1:194
Wudinna	7	864	1:123
Franklin Harbour	6	921	1:153



DISTRICT COUNCIL OF ELLISTON

General Purpose Financial Reports For the year ended 30 June 2017

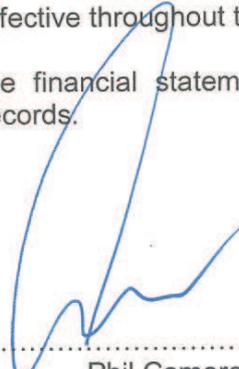


**DISTRICT COUNCIL OF ELLISTON
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2017**

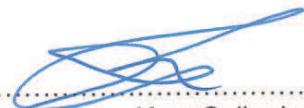
CERTIFICATION OF FINANCIAL STATEMENTS

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 2017 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.



.....
Phil Cameron
CHIEF EXECUTIVE OFFICER



.....
Kym Callaghan
CHAIRMAN

Date: 17 October 2017

DISTRICT COUNCIL OF ELLISTON
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
INCOME			
Rates	2	2,115,018	2,116,447
Statutory charges	2	23,599	15,939
User charges	2	61,632	51,933
Grants, subsidies and contributions	2	2,864,107	1,757,693
Investment income	2	25,769	53,665
Reimbursements	2	107,479	26,233
Other income	2	218,068	64,949
Total Income		<u>5,415,672</u>	<u>4,086,859</u>
EXPENSES			
Employee costs	3	1,371,373	1,195,000
Materials, contracts & other expenses	3	1,838,509	1,585,879
Depreciation, amortisation & impairment	3	1,112,602	1,171,432
Total Expenses		<u>4,322,485</u>	<u>3,952,311</u>
OPERATING SURPLUS / (DEFICIT)		1,093,187	134,548
Asset disposal & fair value adjustments	4	(1,519,159)	(13,568)
Amounts received specifically for new or upgraded assets	2	382,044	446,266
NET SURPLUS / (DEFICIT)		<u>(43,928)</u>	<u>567,246</u>
transferred to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - infrastructure, property, plant & equipment offset to asset revaluation reserve	9	(6,712,958)	721,076
Impairment (expense) / recoupments offset to asset revaluation reserve	9	-	(229,189)
Total Other Comprehensive Income		<u>(6,712,958)</u>	<u>491,887</u>
TOTAL COMPREHENSIVE INCOME		<u>(6,756,886)</u>	<u>1,059,133</u>

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

DISTRICT COUNCIL OF ELLISTON
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

ASSETS	Notes	2017 \$	2016 \$
Current Assets			
Cash and cash equivalents	5	2,024,808	2,321,625
Trade & other receivables	5	197,841	433,289
Inventories	5	4,617	73,267
Total Current Assets		<u>2,227,266</u>	<u>2,828,181</u>
Non-current Assets			
Financial assets	6	-	3,375
Infrastructure, property, plant & equipment	7	32,063,478	39,488,092
Total Non-current Assets		<u>32,063,478</u>	<u>39,491,467</u>
Total Assets		<u>34,290,744</u>	<u>42,319,648</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	126,457	1,408,017
Provisions	8	96,375	92,438
Total Current Liabilities		<u>222,832</u>	<u>1,500,455</u>
Non-current Liabilities			
Provisions	8	20,632	15,028
Total Non-current Liabilities		<u>20,632</u>	<u>15,028</u>
Total Liabilities		<u>243,464</u>	<u>1,515,483</u>
NET ASSETS		<u>34,047,280</u>	<u>40,804,164</u>
EQUITY			
Accumulated Surplus		8,284,774	8,353,277
Asset Revaluation Reserves	9	25,324,205	32,037,163
Other Reserves	9	438,301	413,726
TOTAL EQUITY		<u>34,047,280</u>	<u>40,804,164</u>

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

DISTRICT COUNCIL OF ELLISTON
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2017

	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
2017	\$	\$	\$	\$
Balance at end of previous reporting period	8,353,277	32,037,163	413,726	40,804,164
Restated opening balance	8,353,277	32,037,163	413,726	40,804,164
Net Surplus / (Deficit) for Year	(43,928)	-	-	(43,928)
Other Comprehensive Income				
Changes in revaluation surplus - infrastructure, property, plant & equipment offset to asset revaluation reserve	-	(6,712,958)	-	(6,712,958)
Impairment (expense) / recoupments offset to asset revaluation reserve	-		-	-
Transfers between reserves	(24,575)	-	24,575	-
Balance at end of period	8,284,774	25,324,205	438,301	34,047,278
2016				
Balance at end of previous reporting period	7,338,548	31,545,276	861,209	39,745,033
Restated opening balance	7,338,548	31,545,276	861,209	39,745,033
Net Surplus / (Deficit) for Year	567,246	-	-	567,246
Other Comprehensive Income				
Changes in revaluation surplus - infrastructure, property, plant & equipment	-	721,076	-	721,076
Impairment (expense) / recoupments offset to asset revaluation reserve	-	(229,189)	-	(229,189)
Transfers between reserves	447,483	-	(447,483)	-
Balance at end of period	8,353,277	32,037,163	413,726	40,804,164

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

DISTRICT COUNCIL OF ELLISTON
STATEMENT OF CASH FLOWS
for the year ended 30 June 2017

	Notes	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Rates - general & other		2,134,064	2,113,437
Fees & other charges		25,474	17,205
User charges		101,337	57,126
Investment receipts		32,094	56,564
Grants utilised for operating purposes		3,294,824	1,889,520
Reimbursements		118,227	28,856
Other revenues		824,661	268,323
<u>Payments</u>			
Employee costs		(1,396,768)	(1,194,252)
Materials, contracts & other expenses		<u>(3,899,631)</u>	<u>(895,727)</u>
Net Cash provided by (or used in) Operating Activities	11	1,234,281	2,350,480
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		382,044	446,266
Sale of replaced assets		43,570	54,768
Sale of surplus assets		78,697	-
Repayments of loans by community groups		6,963	6,754
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(1,247,450)	(1,613,033)
Expenditure on new/upgraded assets		<u>(794,922)</u>	<u>(1,600,971)</u>
Net Cash provided by (or used in) Investing Activities		(1,531,098)	(2,706,216)
Net Increase (Decrease) in cash held		<u>(296,817)</u>	<u>(355,736)</u>
Cash & cash equivalents at beginning of period	11	<u>2,321,625</u>	<u>2,677,361</u>
Cash & cash equivalents at end of period	11	<u><u>2,024,808</u></u>	<u><u>2,321,625</u></u>

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

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

2 The Local Government Reporting Entity

The District Council of Elliston is incorporated under the *SA Local Government Act 1999* and has its principal place of business at 21 Beach Terrace Elliston.

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:

	Cash Payment Received	Annual Allocation		Difference
2014/15	\$1,748,648	\$1,146,061	+	\$602,587
2015/16	\$531,583	\$1,134,170	-	\$602,587
2016/17	\$1,851,840	\$1,126,700	+	\$725,140

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 actual grants received and the grants entitlements allocated.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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 first in first out costing method.

6 Infrastructure, Property, Plant & Equipment

6.1 Land under roads

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

6.2 Initial Recognition

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

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

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

6.3 Materiality

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

6.4 Subsequent Recognition

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

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

6.5 Depreciation of Non-Current Assets

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

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

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

6.6 Impairment

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

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

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

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.

8 Employee Benefits

8.1 Salaries, Wages & Compensated Absences

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

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 on-costs) 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.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

8.2 Superannuation

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

9 Leases

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

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

10 Joint Ventures and Associated Entities

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

11 GST Implications

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

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

12 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2017 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 17	Leases
AASB 1058	Income of Not-for-Profit Entities

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

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

Council is of the view that other than AASB 16 and AASB 1058, none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

Accounting Standard AASB 16 *Leases* may have a material effect on the amounts disclosed in these reports, particularly in relation to Infrastructure, Property, Plant & Equipment, but does not commence until the 2019/20 financial period, and it is not Council's intention to adopt this Standard early.

Accounting Standard AASB 1058 *Income of Not-for-Profit Entities* may have a material effect on the amounts disclosed in these reports, particularly in revenues from grants & subsidies, but does not commence until the 2019/20 financial period, and it is not Council's intention to adopt this Standard early.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 2 - INCOME

	2017	2016
	\$	\$
RATES REVENUES		
<u>General Rates</u>	1,884,256	1,799,986
Less: Mandatory rebates	(17,741)	(17,055)
Less: Discretionary rebates, remissions & write offs	(20,136)	(24,752)
	<u>1,846,379</u>	<u>1,758,179</u>
<u>Other Rates (including service charges)</u>		
Natural Resource Management levy	79,178	69,691
Waste collection	132,685	234,366
Water supply	8,632	8,112
Community wastewater management systems	35,931	34,884
	<u>256,426</u>	<u>347,053</u>
<u>Other Charges</u>		
Penalties for late payment	12,213	11,215
	<u>2,115,018</u>	<u>2,116,447</u>
 STATUTORY CHARGES		
Development Act fees	6,704	914
Town planning fees	8,525	5,935
Health & Septic Tank Inspection fees	654	389
Animal registration fees & fines	5,255	5,624
Search fees	2,212	2,599
Other licences, fees, & fines	249	478
	<u>23,599</u>	<u>15,939</u>
 USER CHARGES		
Cemetery fees	9,013	651
Caravan park income	30,186	30,185
Camping fees	13,189	15,200
Water	6,009	4,578
Waste	2,739	1,080
Licence income	496	-
Sundry	-	239
	<u>61,632</u>	<u>51,933</u>
 INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	25,272	53,005
Banks & other	260	213
Loans to community groups	237	447
	<u>25,769</u>	<u>53,665</u>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

NOTE 2 - INCOME (continued)

	2017	2016
	\$	\$
REIMBURSEMENTS		
- for private works	9,292	11,674
- other	98,187	14,559
	<u>107,479</u>	<u>26,233</u>
 OTHER INCOME		
Rebates received	16,214	12,816
Sundry	201,854	52,133
	<u>218,068</u>	<u>64,949</u>
 GRANTS, SUBSIDIES, CONTRIBUTIONS		
Amounts received specifically for new or upgraded assets	382,044	446,266
Other grants, subsidies and contributions		
Untied - Financial Assistance Grant	1,851,840	534,771
Roads to Recovery	992,161	1,203,615
Community Services	-	4,307
Library	1,606	-
Recreation	18,500	15,000
	<u>2,864,107</u>	<u>1,757,693</u>
	<u>3,246,151</u>	<u>2,203,959</u>

The functions to which these grants relate are shown in Note 12.

Sources of grants

<i>Commonwealth government</i>	1,374,205	1,649,881
<i>State government</i>	1,871,946	554,078
	<u>3,246,151</u>	<u>2,203,959</u>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 3 - EXPENSES

	Notes	2017 \$	2016 \$
EMPLOYEE COSTS			
Salaries and Wages		1,130,738	1,001,194
Employee leave expense		127,872	112,109
Superannuation - defined contribution plan contributions	18	102,815	88,934
Superannuation - defined benefit plan contributions	18	8,832	6,700
Workers' Compensation Insurance		48,824	56,642
Less: Capitalised and distributed costs		<u>(47,708)</u>	<u>(70,579)</u>
Total Operating Employee Costs		<u>1,371,373</u>	<u>1,195,000</u>
Total Number of Employees		14	13
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		18,700	15,500
Bad and Doubtful Debts		114	1,542
Elected members' expenses		84,181	78,372
Election expenses		-	2,308
Operating Lease Rentals - non-cancellable leases	18		
- minimum lease payments	17	<u>17,611</u>	<u>17,611</u>
Subtotal - Prescribed Expenses		<u>120,606</u>	<u>115,333</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		220,911	298,729
Contractors - waste and recycling		204,277	200,813
Contractors - plant repairs and maintenance		90,291	59,962
Contractors - professional services		85,417	126,602
Contractors - IT services		101,792	138,726
Contractors - Storm Damage		204,739	-
Contractors - Capital Projects		1,414,176	2,664,169
Registration and insurance		178,116	155,351
Electricity		47,823	35,905
Travel		28,561	31,718
Telephone		23,460	26,290
Legal Expenses		15,636	3,229
Levies paid to government - NRM levy		82,103	66,686
- Other Levies		12,971	16,445
Materials - Operating		252,567	171,705
Materials - Capital Projects		552,620	460,279
Other Expenses - Capital Projects		27,867	12,740
Water		33,026	20,111
Advertising		8,132	21,434
Tourism		49,545	50,396
Sundry		78,536	46,444
Less: Capitalised and distributed costs		<u>(1,994,663)</u>	<u>(3,137,188)</u>
Subtotal - Other Materials, Contracts & Expenses		<u>1,717,903</u>	<u>1,470,546</u>
		<u>1,838,509</u>	<u>1,585,879</u>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 3 - EXPENSES (continued)

	Notes	2017 \$	2016 \$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		103,660	107,780
Road Infrastructure		635,192	762,394
Other Assets		-	39,788
Plant & Equipment		215,219	179,781
Furniture & Fittings		44,895	44,254
Other Infrastructure		101,362	25,161
CWMS		12,274	12,274
		<u>1,112,602</u>	<u>1,171,432</u>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2017	2016
	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	43,570	54,768
Less: Carrying amount of assets sold	1,590,493	68,336
Gain (Loss) on disposal	<u>(1,546,923)</u>	<u>(13,568)</u>
<i>Assets surplus to requirements</i>		
Proceeds from disposal	78,697	-
Less: Carrying amount of assets sold	50,933	-
Gain (Loss) on disposal	<u>27,764</u>	<u>-</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>(1,519,159)</u>	<u>(13,568)</u>

Note 5 - CURRENT ASSETS

	2017	2016
	\$	\$
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	229,467	521,443
Deposits at Call	1,795,341	1,800,182
	<u>2,024,808</u>	<u>2,321,625</u>
TRADE & OTHER RECEIVABLES		
Rates - General & Other	146,196	165,242
Rates postponed for State Seniors	-	-
Accrued Revenues	4,221	10,546
Debtors - general	41,176	74,718
Debtors Tax	2,873	175,820
Loans to community organisations	3,375	6,963
	<u>197,841</u>	<u>433,289</u>
INVENTORIES		
Stores & Materials	4,617	73,267
	<u>4,617</u>	<u>73,267</u>

Note 6 - NON-CURRENT ASSETS

	2017	2016
	\$	\$
FINANCIAL ASSETS		
Receivables		
Loans to community organisations	-	3,375
TOTAL FINANCIAL ASSETS	<u>-</u>	<u>3,375</u>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2016				2017			
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT
	10,343,707	-	-	10,343,707	10,340,707	-	-	10,340,707
Land	5,501,749	82,406	(3,616,200)	1,967,955	4,903,247	122,542	(3,169,293)	1,856,496
Buildings & Other Structures	32,854,984	-	(10,100,706)	22,754,278	21,385,261	1,049,379	(7,558,299)	14,876,341
Road Infrastructure	-	1,935,195	(1,242,824)	692,371	-	2,013,665	(1,257,984)	755,681
Plant & Equipment	-	385,975	(216,279)	169,696	-	397,122	(261,174)	135,948
Furniture & Fittings	-	3,625,599	(791,444)	2,834,155	-	4,277,454	(892,805)	3,384,649
Other Infrastructure	1,232,615	-	(506,685)	725,930	1,232,615	-	(518,959)	713,656
CWMS	49,933,055	6,029,175	(16,474,138)	39,488,092	37,861,830	7,860,162	(13,658,514)	32,063,478
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	50,513,802	3,295,883	(16,787,716)	37,021,969	49,933,055	6,029,175	(16,474,138)	39,488,092

Comparatives

This Note continues on the following pages.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2017 \$
	\$										
	2016 \$	Additions		Disposals	Depreciation	Transfers		Net Revaluation	CARRYING AMOUNT		
	New/Upgrade	Renewals			In	Out					
Land	10,343,707	-	-	(3,000)	-	-	-	-	10,340,707		
Buildings & Other Structures	1,967,955	9,583	30,553	(47,934)	(103,660)	-	-	-	1,856,497		
Road Infrastructure	22,754,278	177,898	871,480	(1,579,165)	(635,192)	-	-	(6,712,958)	14,876,341		
Plant & Equipment	692,371	28,447	261,411	(11,328)	(215,219)	-	-	-	755,682		
Furniture & Fittings	169,696	11,147	-	-	(44,895)	-	-	-	135,948		
Other Infrastructure	2,834,155	567,847	84,005	-	(101,362)	-	-	-	3,384,649		
CWMS	725,930	-	-	-	(12,274)	-	-	-	713,656		
TOTAL INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT	39,488,092	794,922	1,247,449	(1,641,427)	(1,112,602)	-	-	(6,712,958)	32,063,478		
Comparatives	37,021,969	1,600,971	1,613,032	(297,525)	(1,171,432)	882,545	(882,545)	721,076	39,488,092		

This Note continues on the following pages.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

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

Valuation of Assets

General Valuation Principles

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

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

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the *Local Government Act 1999*. Other types of restrictions also exist.

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

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

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

Fair value hierarchy level 3 valuations of land: 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.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets: There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves: The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate. The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council. This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Buildings & Other Structures	\$5,000
Road Infrastructure	\$5,000
Plant & Equipment	\$5,000
Furniture & Fittings	\$5,000
Other Infrastructure	\$5,000
CWMS	\$5,000

Estimated Useful Lives: Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Buildings & Other Structures	
Buildings – masonry	50 to 100 years
Buildings – other construction	20 to 40 years

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

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

Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc.	10 to 20 years
Infrastructure	
Sealed Roads – surface	15 to 25 years
Sealed Roads – structure	20 to 50 years
Unsealed Roads	10 to 20 years
Paving & Footpaths, Kerb & Gutters	80 to 100 years
Drains	80 to 100 years
Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams & Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	15 to 25 years
Plant & Equipment	
Vehicles & Road Making Equipment	5 to 8 years
Other Plant & Equipment	5 to 15 years
Furniture & Fittings	
Office Equipment	5 to 10 years
Office Furniture	10 to 20 years

Land

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

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

Land was revalued as at 1 July 2015 by an independent valuer, Liquid Pacific.

Buildings & Other Structures

Buildings and other structures were revalued as at 1 July 2015 by an independent valuer, Liquid Pacific.

Road Infrastructure

Transportation assets were valued by Council at fair value based on a revaluation of Council's sealed, unsealed, pavement, footpath and kerb assets at 1 July 2016 by an independent valuer, Tonkin Consulting. All acquisitions made after the respective dates of valuation are recorded at cost.

The most recent condition assessment was undertaken in 2015 and applied to the financial statements on 1 July 2016.

Plant & Equipment

These assets are recognised on the cost basis.

Furniture & Fittings

These assets are recognised on the cost basis.

Other Infrastructure

Stormwater drainage infrastructure was valued by an independent valuer, Liquid Pacific, as at 30 June 2011 at depreciated current replacement cost. All acquisitions made after the respective dates of valuation are recorded at cost.

Community Wastewater Management Systems (CWMS)

CWMS assets were componentised during 2015-16 with current day values applied to these components as well as estimates of remaining useful life being made. This data collection and revaluation exercise was undertaken by Rick Gayler from Gayler Professional Services on 1 July 2016.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 8 - LIABILITIES

	2017		2016	
	Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES				
Goods & Services	108,607	-	1,316,200	-
Accrued expenses - employee entitlements	-	-	34,936	-
Accrued expenses - other	17,850	-	56,881	-
	<u>126,457</u>	<u>-</u>	<u>1,408,017</u>	<u>-</u>
PROVISIONS				
Employee entitlements (including oncosts)	96,375	20,632	92,438	15,028
	<u>96,375</u>	<u>20,632</u>	<u>92,438</u>	<u>15,028</u>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/07/2016	Net Increments (Decrements)	Transfers, Impairments	30/06/2017
	\$	\$	\$	\$
Land	9,523,308	-	-	9,523,308
Buildings & Other Structures	2,388,350	-	-	2,388,350
Road Infrastructure	19,314,690	(6,712,958)	-	12,601,732
Other Infrastructure	72,611	-	-	72,611
CWMS	738,204	-	-	738,204
TOTAL	32,037,163	(6,712,958)	-	25,324,205
<i>Comparatives</i>	<i>32,037,163</i>	<i>721,076</i>	<i>(229,189)</i>	<i>32,529,050</i>

OTHER RESERVES	1/07/2016	Transfers to Reserve	Transfers from Reserve	30/06/2017
Waste Management Reserve	222,540	10,412	-	232,952
CWMS Reserve	191,186	14,163	-	205,349
Port Kenny Reserve	-	-	-	-
TOTAL OTHER RESERVES	413,726	24,575	-	438,301
<i>Comparatives</i>	<i>861,210</i>	<i>91,465</i>	<i>(538,948)</i>	<i>413,727</i>

PURPOSES OF RESERVES

Asset Revaluation Reserve

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

Other Reserves

Waste Management Reserve - Identifies Waste Collection service charges that have not as yet been spent on Waste Services.

CWMS Reserve - Identifies CWMS service charges that have not as yet been spent on CWMS activities.

Port Kenny Reserve - Identifies Port Kenny Water Supply service charges that have not as yet been spent on PKWS activities.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 10 - ASSETS SUBJECT TO RESTRICTIONS

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

	2017	2016
CASH & FINANCIAL ASSETS	\$	\$
Waste Management	222,540	128,595
CWMS	<u>191,186</u>	<u>2,063</u>
TOTAL ASSETS SUBJECT TO EXTERNALLY IMPOSED RESTRICTIONS	<u>413,726</u>	<u>130,658</u>

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2017	2016
		\$	\$
Total cash & equivalent assets	5	<u>2,024,808</u>	<u>2,321,625</u>
Balances per Cash Flow Statement		<u>2,024,808</u>	<u>2,321,625</u>

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

Net Surplus (Deficit)	(43,928)	567,246
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,112,602	1,171,432
Net increase (decrease) in unpaid employee benefits	(25,395)	749
Grants for capital acquisitions treated as Investing Activity	(382,044)	(446,266)
Net (Gain) Loss on Disposals	<u>1,519,159</u>	<u>13,568</u>
	<u>2,180,394</u>	<u>1,306,729</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	231,860	(148,085)
Net (increase) decrease in inventories	68,650	(62,020)
Net increase (decrease) in trade & other payables	<u>(1,246,623)</u>	<u>1,253,856</u>
Net Cash provided by (or used in) operations	<u>1,234,281</u>	<u>2,350,480</u>

(d) Financing Arrangements

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

Corporate Credit Cards	10,000	10,000
------------------------	--------	--------

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 12 - FUNCTIONS

INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES										
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2017	2016	2017	2016
	2017	2016	2017	2016	2017	2016	\$	\$	\$	\$
	\$	\$	\$	\$	\$	\$				
Business Undertakings	119,205	89,956	26,230	33,057	92,974	56,899	-	-	285,380	352,198
Community Services	6,020	4,543	125,267	114,275	(119,247)	(109,732)	1,606	4,307	323,214	398,892
Culture	1,927	1,454	28,513	26,011	(26,586)	(24,557)	-	-	-	-
Economic Development	-	-	52,936	48,291	(52,936)	(48,291)	-	-	15,425	19,037
Environment	404,562	305,297	460,244	419,857	(55,682)	(114,560)	-	-	22,063	27,229
Recreation	46,441	35,046	116,049	105,866	(69,609)	(70,820)	18,500	15,000	409,109	504,898
Regulatory Services	18,547	13,996	39,923	36,420	(21,377)	(22,424)	-	-	-	-
Transport & Communication	1,854,105	1,399,174	1,393,788	1,271,482	460,317	127,692	1,739,903	1,203,615	18,466,498	22,790,281
Unclassified Activities	581,393	438,740	446,037	406,897	135,356	31,843	9,667	-	451,775	557,554
Council Administration	2,383,472	1,798,653	1,633,496	1,490,154	749,976	308,499	1,094,431	534,771	14,317,280	17,669,559
TOTALS	5,415,672	4,086,859	4,322,485	3,952,311	1,093,187	134,548	2,864,107	1,757,693	34,290,744	42,319,648

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

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 12 - COMPONENTS OF FUNCTIONS (continued)

The activities relating to Council functions are as follows:

Business Undertakings

Caravan Parks, Sewerage/CWMS, Water Supply – Domestic, Private Works.

Community Services

Public Order and Safety, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Community Support, Children and Youth Services, Community Assistance, Other Community Support, Community Amenities, Cemeteries / Crematoria, Public Conveniences and Other Community Amenities.

Culture

Library Services, Heritage and Other Cultural Services.

Economic Development

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

Environment

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

Recreation

Jetties, Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Outdoor, and Other Recreation.

Regulatory Services

Dog and Cat Control, Building Control, Town Planning, Health Inspection and Other Regulatory Services.

Transport & Communication

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

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 13 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates at 1.5% (2016: Between 1.75% and 2%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
<p>Receivables - Rates & Associated Charges (including legals & penalties for late payment) Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.</p>	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Secured over the subject land, arrears attract interest of 2% (2016: 2%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 13 - FINANCIAL INSTRUMENTS (continued)

Liquidity Analysis

2017	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	2,024,808	-	-	2,024,808	2,024,808
Receivables	51,645	-	-	51,645	51,645
Total	2,076,453	-	-	2,076,453	2,076,453
<u>Financial Liabilities</u>					
Payables	108,607	-	-	108,607	108,607
Total	108,607	-	-	108,607	108,607
2016	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	2,321,625	-	-	2,321,625	2,321,625
Receivables	271,422	-	-	271,422	271,422
Total	2,593,047	-	-	2,593,047	2,593,047
<u>Financial Liabilities</u>					
Payables	1,316,200	-	-	1,316,200	1,316,200
Total	1,316,200	-	-	1,316,200	1,316,200

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 14 - COMMITMENTS FOR EXPENDITURE

	2017	2016
	\$	\$
Other Expenditure Commitments		
Other non-capital expenditure commitments:		
Audit services	53,550	34,000
Remuneration contracts	904,055	1,146,000
	957,605	1,180,000

Note 15 - FINANCIAL INDICATORS

	2017	2016	2015
These Financial Indicators have been calculated in accordance with Information Paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.			

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

Operating Surplus Ratio

<u>Operating Surplus</u>	20%	3%	4%
Total Operating Revenue			

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

<i>Adjusted Operating Surplus Ratio</i>	7%	18%	(9%)
---	----	-----	------

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	(37%)	(30%)	(63%)
Total Operating Revenue			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Asset Sustainability Ratio

<u>Net Asset Renewals</u>	66%	133%	108%
Infrastructure & Asset Management Plan required expenditure			

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

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 16 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2017		2016
	\$		\$
Income	5,415,672		4,086,859
<i>less</i> Expenses	<u>4,322,485</u>		<u>3,952,311</u>
Operating Surplus / (Deficit)	1,093,187		134,548
 <i>less</i> Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	1,247,450		1,613,033
Depreciation, Amortisation and Impairment	(1,112,602)		(1,171,432)
Proceeds from Sale of Replaced Assets	<u>(43,570)</u>		<u>(54,768)</u>
	91,278		386,833
 <i>less</i> Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	794,922		1,600,971
Amounts received specifically for New and Upgraded Assets	(382,044)		(446,266)
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>(78,697)</u>		-
	<u>334,181</u>		<u>1,154,705</u>
Net Lending / (Borrowing) for Financial Year	<u>667,728</u>		<u>(1,406,990)</u>

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 17 - OPERATING LEASES

Lease payment commitments of Council

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

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

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

No lease contains any escalation clause.

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

	2017	2016
	\$	\$
Not later than one year	17,611	17,611
Later than one year and not later than 5 years	7,338	31,755
	24,949	49,366

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 18 – SUPERANNUATION

The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to 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 2016/17; 9.50% in 2015/16). 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 2015/16) 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, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

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.

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 19 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 2,485 km of road reserves of average width 20 metres.

2. POTENTIAL INSURANCE LOSSES

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

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

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

DISTRICT COUNCIL OF ELLISTON
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2017

Note 20 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Chairman, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 13 persons were paid the following total compensation:

	2017
	\$
Salaries, allowances & other short term benefits	528,550
Long term benefits	7,705
TOTAL	<u>536,255</u>

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

KMP and relatives of KMPs own retail businesses from which various supplies were purchased as required either for cash or on 30 day account. Purchases from none of these individual businesses exceeded \$5,617 during the year.

One close family members of key management personnel are employed by Council in accordance with the terms of the Award.

One elected member is on the management committee of the Elliston Community Visitor Information Centre. In accordance with the *Local Government Act 1999*, these persons declare a conflict of interest and leave the meeting environs when any matter affecting the Centre is discussed or voted upon. Council contributed \$35,000 to the running of the Centre and \$4,500 in community grant funding.

INDEPENDENT AUDITOR'S REPORT

To the members of the District Council of Elliston

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a general purpose financial report, of the District Council of Elliston (the Council), which comprises the Certification of Financial Statements on the annual statements giving a true and fair view of the financial position and performance, the Statement of Comprehensive Income, the Statement of Financial Position, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended 30 June 2017 and the notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial report of the Council is in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011*, including:

- (i) giving a true and fair view of the Council's financial position as at 30 June 2017 and of its performance and cash flows for the year then ended; and
- (ii) that the financial records kept by the Council are such as to enable financial statements to be prepared in accordance with 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.

Responsibilities of the Chief Executive Officer for the Financial Report

The Chief Executive Officer is responsible for the preparation and fair presentation of the financial report in accordance with the 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 Chief Executive Officer'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 Chief Executive Officer 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 management either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

The Chief Executive Officer of the Council is 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 management.
- Conclude on the appropriateness of the management'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 ALLARD
PARTNER**

Signed on the 1st day of November 2017,
at 214 Melbourne Street, North Adelaide

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE DISTRICT COUNCIL OF ELLISTON

We have audited the Internal Controls of the District Council of Elliston (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 2016 to 30 June 2017 have been conducted properly and in accordance with law.

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.

Auditor's Responsibility

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. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2016 to 30 June 2017. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design of controls on a sample basis based on the assessed risks.

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 internal 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.

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

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 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 2016 to 30 June 2017.

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS**

A handwritten signature in black ink, appearing to read 'SA', with a large loop at the start and several smaller loops following.

**SAMANTHA ALLARD
PARTNER**

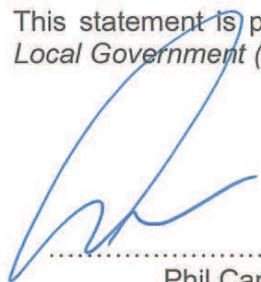
Signed on the 1st day of November 2017
at 214 Melbourne Street, North Adelaide, South Australia, 5006

DISTRICT COUNCIL OF ELLISTON
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2017

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 Elliston for the year ended 30 June 2017, the Council's Auditor, Dean Newbery & Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Phil Cameron
CHIEF EXECUTIVE OFFICER



.....
Phil Channon
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 17 October 2017

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the District Council of Elliston for the year ended 30 June 2017, 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 ALLARD

Partner

DEAN NEWBERY & PARTNERS

CHARTERED ACCOUNTANTS

Dated this 1st day of November 2017



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

Annual Report *2016/2017*





*Cover photo:
Arrium from Hummock Hill
Lookout - Whyalla*



THE PRESIDENT'S REPORT



I commend this annual report to you.

The value of Eyre Peninsula Local Government Association (EPLGA) has historically been mostly limited to providing a united voice for member Councils keen to advocate on legislation and policy changes made by other spheres of government and to lobby collectively on such issues. This primary role has largely been unchanged since the organisation began in 1938. In more recent years, the pressures on member Councils arising from the need for a much higher standard of governance, risk management, planning and reporting, community engagement and the broadening of core duties has meant that EPLGA also has a growing role in assisting in coordinating a range of activities seeking efficiencies for Councils at the operational level.

The EPLGA is primarily funded by member subscriptions and since 1938 its legal entity has seen changes with the last major change in 2002.

In 2002 the EPLGA's legal entity and charter was changed to make the EPLGA a regional subsidiary of the 11 Councils under Section 43 and Part 2 of Schedule 2 of the Local Government Act 1999 ("the Act");

- To work collaboratively with the Local Government Association of SA (LGA) to achieve the aims and objectives of the LGA.
- To encourage, promote, protect and foster an efficient and effective autonomous, democratic system of local government elected by and responsible to local communities.
- To act as a forum for discussion and consideration of matters relating to the powers, functions and duties of the eleven Constituent Councils under the Act and other statutory provisions in relation to the region.
- To identify available resources within the region and to co-ordinate or assist in co-ordinating the management of these resources for the betterment of the region's community.
- To encourage, assist, seek out, determine, assess and respond to the needs and aspirations of the region's constituents.
- To develop, encourage, promote, foster and maintain consultation and co-operation between local government authorities, State and Commonwealth Governments and their instrumentalities.
- To develop, encourage, promote, foster and maintain the financial and economic wellbeing and advancement of the region and if desirable for such purpose to undertake, establish, acquire, conduct or dispose of any business, enterprise, undertaking or venture which in the opinion of the EPLGA is necessary, desirable or convenient.

All member Councils maintain active participation and meetings are held quarterly with an annual conference rotated around member Councils. The last annual conference was held at Cummins and I thank and congratulate District Council of Lower Eyre Peninsula for hosting a productive and enjoyable conference.



The EPLGA continues to be supported financially by the Local Government Association of South Australia via an Outreach Program and Regional Capacity funding that jointly, with member Councils, supports the engagement of Executive Officer Tony Irvine in the delivery of LGA and EPLGA programs to the region.

Some of the major highlights of the year have been:

- Regular meetings of the working group of Council CEOs to work through development of a proposal with Regional Development Australia Whyalla and Eyre Peninsula (RDAWEP), Eyre Peninsula Natural Resource Management Board (EPNRM) and the EPLGA seeking support for a pilot study into the formation of a regional Joint Planning Board as envisaged in the new Development Planning and Infrastructure Act.
- Further development of regional roads priorities and methodologies for future works.
- Ongoing support for member Councils, staff and elected member engagement.

My view is that pressure will continue to build on Local Governments to deliver more services, more efficiently.

Our organisation provides a platform for reform and will play an ever increasing role in the roll out of training, regional procurement, regional planning, shared service delivery and member service delivery.

More specifically, the new planning reforms offer an opportunity for member Councils to act cooperatively and regionally to ensure our sustainability and prosperity. If we are not proactive we risk decisions being made on our behalf.

I take this opportunity to thank all member Council delegate appointees; the Executive Committee of Mayor Low, Mayor Telfer, and City of Port Lincoln Chief Executive Officer Rob Donaldson; all management and technical Council staff who inform and guide our decisions; and to our support staff at RDAWEP.

I welcome to the EPLGA Board, Mayor Travis Barber from the District Council of Streaky Bay, replacing former Mayor Sherron Mackenzie, who resigned during the year. I also welcome Christopher Cowley and congratulate him on his appointment as Chief Executive Officer of the City of Whyalla. I thank Tony Irvine, who is always responsive to member Council requests, builds relationships with relevant bodies, represents and advocates our position, and is totally focused on delivering good local government in our region.

This annual report details the EPLGA's last 12 month's activities undertaken, financial accounts and operative regional collaborative partnerships.

MAYOR BRUCE GREEN



THE REGION

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 of 4.6%, 6.7%, 7.7%, 4.8% and 4.7% respectively; but DC Lower Eyre Peninsula experienced growth of 25.1%. Population growth was also experienced in the coastal Councils of Franklin Harbour, Streaky Bay, Tumby Bay, 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. In 2016, the region's median age was 42, an increase from 38 in 2006. 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.

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



Regional Economic Snapshot

The regional economy is extremely diverse. 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.

One of the State Government's key economic priorities is the *production of premium food and wine from a clean environment exported to the world*. This is an important brand SA platform for promoting South Australia internationally and a driving force for creating new export markets in Asia. This State Government priority is very much reliant on the region because the Eyre Peninsula produces and exports most of South Australia's premium food product.

- **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 2016/2017:

- 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 Bruce Green	City of Port Lincoln
Immediate Past President	Mayor Julie Low	DC Lower Eyre Peninsula
Deputy President	Mayor Sam Telfer	DC Tumby Bay
Chief Executive Officer	Mr Rob Donaldson	City of Port Lincoln

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

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

Chief Executive Officer	Rob Donaldson	City of Port Lincoln
Manager Corporate Services	George Karzis	DC Elliston
Mayor	Dean Johnson	DC Kimba
Councillor	Newton Luscombe	Wudinna DC
Chief Executive Officer	Trevor Smith	DC Tumby Bay
Chief Executive Officer	Chris Cowley	City of Whyalla
Councillor	David Knox	City of Whyalla

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 Officer's 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.



Eyre Peninsula 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

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 Rob Donaldson	- CEO, City of Port Lincoln
------------------	-----------------------------

Zone Emergency Management Committee:

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

Eyre Peninsula Integrated Climate Change Adaptation Committee:

Mayor Bruce Green	- City of Port Lincoln
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:

All member Councils – Mayors and CEO's	
Tony Irvine	- EPLGA

Eyre Peninsula Demand and Supply Statement Reference Group

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



EPLGA Board Members 2016/17

Under the terms of the EPLGA Charter, the following Board appointments were current as at 30 June 2017.

MEMBER COUNCIL	BOARD MEMBER	DEPUTY BOARD MEMBER
Ceduna	Allan Suter (Mayor)	Lynton Brown (D/Mayor)
Cleve	Roger Nield (Mayor)	Bryan Trigg (D/Mayor)
Elliston	Kym Callaghan (Chair)	Dave Allchurch (D/ Chair)
Franklin Harbour	Robert Starr (Mayor)	Michael Williams (D/Mayor)
Kimba	Dean Johnson (Mayor)	Graeme Baldock (D/Mayor)
Lower Eyre Peninsula	Julie Low (Mayor)	Don Millard (D/Mayor)
Port Lincoln	Neville Starke (D/Mayor)	Andrea Broadfoot (Councillor)
Streaky Bay	Travis Barber (Mayor)	Phillip Wheaton (D/ Mayor)
Tumby Bay	Sam Telfer (Mayor)	Geoff Stewart (D/Mayor)
Whyalla	Lyn Breuer (Mayor)	Clare McLaughlin (Councillor)
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. The 81st EPLGA Conference will be held in 2018, hosted by the City of Port Lincoln.

Friday, 1 September 2017	Tumby Bay	
Friday, 1 December 2017	Wudinna	
26 - 28 February 2018	Port Lincoln	Conference
Friday, 29 June 2018	Wudinna	
Wednesday, 27 September 2017	Whyalla	
Thursday, 7 December 2017	Wudinna	
4 - 5 March 2019	Kimba	Conference
Friday, 28 June 2019	Wudinna	
Friday, 6 September 2019	Ceduna	
Friday, 6 December 2019	Wudinna	
2 - 4 March 2020	Wudinna	Conference
Friday, 26 June 2020	Wudinna	
Friday, 4 September 2020	Lower EP	
Friday, 4 December 2020	Wudinna	
1 - 3 March 2021	Cowell	Conference
Friday, 25 June 2021	Wudinna	
Friday, 10 September 2021	Port Lincoln	
Friday, 10 December 2021	Wudinna	
4 - 6 March 2022	Cleve	Conference
Friday, 24 June 2022	Wudinna	
Friday, 2 September 2022	Kimba	
Friday, 2 December 2022	Wudinna	
27 February - 1 March 2023	Streaky Bay	Conference
Friday, 30 June 2023	Wudinna	
Friday, 1 September 2023	Cowell	
Thursday, 1 December 2022	Wudinna	
4 - 6 March 2024	Elliston	Conference
Friday, 28 June 2024	Wudinna	
Friday, 6 September 2024	Cleve	
Friday, 6 December 2024	Wudinna	
3 - 5 March 2025	Tumby Bay	Conference
Friday, 27 June 2025	Wudinna	
Friday, 5 September 2025	Elliston	
Friday, 5 December 2025	Wudinna	
2 - 4 March 2026	Whyalla	Conference
Friday, 26 June 2026	Wudinna	
Friday, 4 September 2026	Tumby Bay	
Friday, 4 December 2026	Wudinna	
1 - 3 March 2027	Ceduna	Conference



REPORT OF ACTIVITIES 2016/17

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.
- › Emergency Management – regional planning and Council planning, followed by implementation.
- › Development, Planning and Infrastructure Act Reform.
- › Coastal Access issues.
- › Various roads and waste issues – regional strategy and Zero Waste cessation.
- › Regional Strategy for LGA.
- › Regional Capacity Funding – Rubble Royalties.
- › Marine Infrastructure Planning – DPTI, jetty leases, etc.
- › SAROC – meetings and regional Executive Officers’ meetings.
- › LGA Organisational Review – Councils of the Future.
- › Mobile phone hotspots.
- › Water planning – state of the resource, etc.
- › Energy planning – resulting from black outs.
- › Regional planning – RDAWEP, EPNRM, DPTI, etc.
- › Financial assistance and supplementary road funding – ongoing issues of South Australia’s injustice.
- › Health – local sub-regional issues.
- › Outreach Services:
 - 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.
- › Regional Climate Change Adaptation Plan finalisation and continuation of the Eyre Peninsula Integrated Climate Change Agreement [EPICCA].
- › Tourism – RDAWEP - restructure to sub-regional groups, Food and Tourism Prospectus, RV and Caravan Strategy.
- › Aged Care at the local Council level – Council’s role.
- › NHVR impacts on farm machinery movements.
- › Transport Plan and SLRP prioritisation and funding applications.
- › Oil and gas exploration in the Great Australian Bight.
- › Joint submissions with RDAWEP on various issues.

PROGRAMS AND COMMITTEES’ PURPOSES 2016/2017

OUTREACH SERVICES PROGRAM (LGA)

The program includes:

- › assisting with the preparation of LGA policy on regional development;
- › preparing a profile of the region with a focus on what it contributes to the economic growth of both the State and the Nation;
- › governance needs of each Council;
- › legislative compliance in assets management and long term financial planning;



- › skills assessment in areas such as IT, planning, environmental health, etc., and development of a regional training plan;
- › short term employment requirements in lieu of full time employees;
- › shared services arrangements to assist in meeting the short/long term skills requirements and other needs;
- › opportunities arising from the Local Excellence program – trialling new methods of implementation, e.g. improving performance, systems and processes that sustain good performance, raising the image of Local Government, effective engagement across the region and State as a whole, i.e. political clout, with other spheres of government, seeking financial arrangements to support the programs required;
- › positioning Local Government and the region for the next State elections by gathering evidence of the needs of the sector and possible solutions that could be an “ask” in an election environment;
- › identifying any ‘centre of excellence’ that may exist within the region;
- › developing CEO, Works Manager and any other forums to assist in the sharing of resources and information, which would eliminate repetition of the same forum x 10; and
- › managing local issues for the Member Councils – advocacy, lobbying, problem solving, etc.

The LGA is currently reviewing the continuation of the program as part of their organisational review. The EPLGA is strongly committed to the continuation of the program to ensure:-

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

EPLGA CEO COMMITTEE

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

The Committee's role is to:

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

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



EPLGA ENGINEERING & WORKS COMMITTEE

On 4 December 2015, the EPLGA established an Engineering & Works Committee (Committee) to meet from time to time to consider issues of relevance to Eyre Peninsula Councils, and to provide advice to the EPLGA Board on those issues'.

The role of the committee was to:

1. provide strategic advice to the EPLGA Board about its identified priority issues;
2. arrange and coordinate reports to the EPLGA Board on those priority issues;
3. initiate reports and advice to the EPLGA Board on other matters identified by the Committee to be of strategic regional significance;
4. assist and advise the EPLGA Board about the development and implementation of relevant plans;
5. share operational information and expertise amongst the committee members; and
6. collaborate on relevant engineering and works functions, with a view to maximising value for money to the Councils and region.

Membership of the committee is comprised of the Engineering, Technical, Infrastructure and Works Managers of all Councils, who are members of the EPLGA. An officer who is a member of the Committee may appoint a proxy to attend a meeting of the Committee in his/her place.

Other State Government Agency staff or independent expertise may be invited to the Committee on a regular or as needs basis.

The Committee operates on an informal basis and is therefore not subject to formal meeting procedures. However agendas are prepared for each meeting, and circulated to members at least 5 working days in advance of the scheduled meeting. Minutes are taken and distributed to Committee members, and tabled at the EPLGA CEO Committee and EPLGA Board meetings. Damian Windsor, Manager of Engineering & Works, DC Tumby Bay is the Chairperson of the committee.

The Executive Officer of the EPLGA provides executive support to the Committee, including financial support for venue hire and catering, etc. within the budget of the EPLGA Board. In addition the Committee may, from time to time, establish working groups or appoint individual members to consider and advance work on a particular issue or issues.

Pursuant to the Local Government Act 1999 Schedule 2 clause 36(2) (a), the EPLGA Board may delegate tasks to the Committee for action. The Committee may sub-delegate to the established working groups or newly established working groups as deemed necessary.

EP INTEGRATED CLIMATE CHANGE ADAPTATION (EPICCA)

The Executive Officer and President are representatives on the EPICCA Committee.

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

The plan has now been completed for the region and with continuation of collaboration between the EPNRM, RDAWEP and the EPLGA in this area, this working group will move into implementation of the plan's pathways. The State Government had committed \$25,000 towards the group's activities for 2015/2016, which was carried forward to 2016/17.



EP MINERAL & ENERGY RESOURCES COMMUNITY DEVELOPMENT TASKFORCE

The Local Government Association together with the Eyre Peninsula Local Government Association, held the Mineral & Energy Resources Round Table Forum in November 2013 to discuss the proposed recommendations from the South Australian Centre for Economic Studies (SACES) titled:

"Impact of Mining and Resource Development: A Case Study for Eyre Peninsula Councils"

The Round Table focused on the following recommendations from the SACES Report:

- The importance of the social aspirations of communities which is directly linked to the economic development of regions.
- The role of the 3 tiers of investment including:
 - 1) private sector capital investment (e.g. infrastructure investment – ports, rail, power, etc.);
 - 2) 3 spheres of government investment to improve public services and community facilities; and
 - 3) government investment to respond to structural shifts in the economy, principally by facilitating investment in human capital, upgrading education, training and skills formation. People will invest in themselves if the support systems are there for them.
- The importance of issues such as population growth and responding to what this brings, e.g. accommodation and the attraction of skilled workers and their families.
- That individual Councils and mineral and energy resources companies share a common goal.
- Regions that have prospered over the years have focused on raising the skill level of the people at the bottom of the skills ladder rather than the top.
- If community engagement is not undertaken appropriately there are risks that the opportunities of mineral and energy resources activity will be viewed negatively by local and regional communities.

In essence, individual Councils and mineral and energy resource companies share a common strategic goal and how to exploit this common goal is a job for the taskforce. They both want to:

- obtain and attract skilled workforce;
- attract families to the region;
- minimise cost;
- maximise productivity;
- a high quality of life;
- low cost housing;
- social amenities that accompany the quality of life; and
- strategically plan for the future to capture and obtain these benefits for the future of the region.

Economic development advisors in regions highlight the importance of strategic leadership coming from local and regional levels. Success is achieved with a bottom up approach.

The main objectives of the taskforce are to:

- provide a single and strengthened strategic forum for information sharing as to the development of mine sites, infrastructure and community impacts;
- assist Local Government in preparatory strategic planning for housing and support services;
- provide a focus to all State agencies activity (e.g., education, health, police) as a result of mineral and energy resources projects proceeding and thereby provide support to the EPLGA and RDAWEP as they address local strategic issues;
- ensure strategic actions are being undertaken to address the recommendations and issues raised at the taskforce table;
- propose strategic ways to build on stakeholder and community engagement with a view to meeting regional long term needs;
- determine clear strategic roles and responsibilities of stakeholders in relation to a developing regional mineral and energy resources industry;
- develop strategic recommendations where required, to be considered by the mineral and energy resources industry, RDAWEP, EPLGA, State and Local Government to encourage sustainable regional economical growth; and



- assist in the regional coordination of State and Local Government and agencies to avoid duplication and unnecessary “red tape” to optimise a quality return for the region.

EP WATER TASKFORCE

The Eyre Peninsula Water Taskforce (EPWT) has been established to provide opportunities to create abundant water to support ecologically sustainable economic development on Eyre Peninsula. The group meets annually or as otherwise required, to:

- inform and receive annual report on the Supply and Demand Statement for Eyre Peninsula (including SA Water’s long term plan);
- receive the Department of Environment, Water and Natural Resources (DEWNR) report on the state and condition of the priority water resources on Eyre Peninsula;
- receive information from, and provide feedback to Councils and RDAWEP with updated information regarding projected demands and opportunities relating to development (in accordance with the pro-forma provided by DEWNR to Councils and RDAWEP);
- agree on priority opportunities for additional consideration and assessment;
- report back to their respective organisations and communities information presented to the group by member agencies;
- encourage future regional planning based on fit for purpose water and sustainable supplies that boost regional economic development, health and livelihoods.
- understand the the impacts on water quality and quantity from pollution and surface and groundwater withdrawals; for priority water resources
- make water a critical part of economic development – understanding the economic benefits of improved management and water services; and
- investigate and encourage development of other water resources.

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:

The past year has seen a reduction in sessions conducted and participation in comparison to previous years.

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

Training day estimated costs if not held in the region -- 1 day averaged:

Expense Line	\$
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.”

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

The session ran in the last 12 months were:

Pricing Of CWMS Services: Collaborative Workshop with Council Staff	31/10/2016	Wudinna
Dog and Cat Management Act - Training Update	14/11/2016	Ceduna
Commonwealth Grants and Funding	06/04/2017	Port Lincoln
Commonwealth Grants and Funding	05/04/2017	Whyalla

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:

- *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.*

Recognising that regional strategic and economic plans have been jointly developed by RDAWEP, EPNRM and the EPLGA to set out longer term regional strategies, through which the EPLGA will be responsible for a wide range of actions, the regional strategic plan will become the EPLGA’s Strategic Plan once adopted later in 2017.

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.

MANAGEMENT PLAN PERFORMANCE 2016 - 17

1. Actively Assist Members by Representing Their Combine Interests.

- 1 Seek invitation to provide responses to legislative and policy changes that materially impact our region.
 - 1.2 Seek the mandated preparation of regional impact statements prior to any State legislated changes likely to affect our region.

Comment: RDAWEP and EPLGA jointly funded the preparation a regional statement and have captured regional evidence by developing 78 industry sets of statistics. This information will not only be used to support or object to State legislation or policy changes but to develop/refine regional economic and strategic plans. The data is provided to all member Councils too, along with summaries relevant to their districts.
 - 1.3 Prepare coordinated submissions to relevant inquiries and proposals on behalf of members.

Comment: RDAWEP and EPLGA prepare regional submissions in partnership. In the last year submissions have been prepared on energy supply to the region; telecommunications blackspots; regionalisation and decentralisation; regional governance; and mining legislation.
 - 1.4 Take an active interest in regional waste management, water planning, marine parks, mining, food, security, climate change, local workforce planning and any activities that could impose changes to our region.



Comment: President and/or Executive Officer are actively involved in regional committees and/or meetings dealing with regional waste management, water planning, mining, food security, climate change, local workforce planning and other activities that may impose change upon the region. There are also taskforces and reference groups established which the EPLGA is represented on plus external regional committee membership by the EPLGA.

- 1.5 Continue to advocate for roads funding opportunities.

Comment: The developed roads database for all EP roads and the new Regional Transport Strategy will be used as a tool for prioritising regional roads for funding. The DPTI shared services MOU is also about working together with State Government to maximise road funding by costs savings, better integrated planning and joint funding submissions opportunities.

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

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

2 Building Strong Partnerships for the Promotion of our Sector and our Region

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

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

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

Comment: After each EPLGA Board meeting a wrap of the meeting is prepared and forwarded to all regional media outlets. It is also posted on the EPLGA website. The media are used as and when needed and are also sent the meeting agendas and minutes. Council senior staff are well informed through emails of any developing issues of matters of interest.

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

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

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

Comment: The EPLGA has been a strong advocate for State Government partners to visit the region on planning and engagement matters, e.g. regional forums, regional roadshows, planning reform, Ministers visiting regional functions and openings, etc.

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

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

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

Comment: The EP Mineral & Energy Resources Community Development Taskforce has a focus on this functional role for Councils. The development and implementation of a regional economic plan in conjunction with the RDAWEP and EPNRM Boards will also ensure consistency in the approach to facilitating economic expansion. The adoption of a regional strategic plan will add further strength to this strategy. The Regional Economic Development Plan and Regional Strategic Plans are in consultation phase and will be adopted in the 2017/18 year.



- 2.7 Work with State departments and regional partners to better coordinate infrastructure planning consistent with the principles in the Eyre and Western Plan.

Comment: The Executive Officer, along with Council representatives, has been involved in various infrastructure planning sessions with regional organisations and State agencies, e.g. Minister for Regions road shows, etc. The EPLGA/DPTI MOU is an excellent example of this strategy in operation.

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

Comment: This has been an issue discussed at the SAROC level and continues to be pursued. The Minister for Local Government and Regions has held forums and roadshows in the region plus attended EPLGA Board meetings and other regional meetings. This is an example of the State Government's commitment to consulting the region in a more concise way. The EP Mineral & Energy Resources Community Development Taskforce is another great example of streamlining meetings and consultation.

3 Raise the Profile of the Association by Greater Media Presence

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

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

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

Comment: Still managing media in-house.

4 Assist Member Councils by Coordinating Regional Investigations of Operational Issues

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

Comment: The Outreach Services program is, in part, about the continuous improvement of activities in Councils. Through the Regional Chief Executive Officer's Committee Local Government reform is always on the agenda, particularly around continuous improvement and cutting red tape. Through the Engineering & Works Committee there are examples of regional procurement and sharing of services, which are about continuous improvement.

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

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

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

Comment: The Executive Officer has, in the past, assisted in this area however it is pleasing to learn that Councils are now taking the lead and working in sub-groups whether for regional health planning, waste management or simply sharing human resources. The EPLGA/DPTI MOU is another example of State/ Local Government shared services initiative.

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

Comment: As an example of this working, funding has been gained for the Outreach Services (\$50,000), Regional Capacity Building (\$38,000+) and other funding is sought from the LGA Research and Development Fund on a needs basis. The Regional Capacity - Rubble Royalties funding is another great example of the success of this strategy. The region also offers itself to various pilot projects which often result in additional funding and resources addressing issues.



- 4.5 Review the EPLGA Charter.

Comment: Completed in December 2013.

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

Comment: A Mining Roundtable was held in October 2014 to assist with this type of planning. A report from the SA Centre for Economic Studies was part funded by the EPLGA and LGA to assist with these issues. A taskforce terms of reference was developed along with appointing a Coordinator to manage the process. The taskforce conducted 3 meeting during the 2016/17. It has gathered significant information and developed effective working relationships with mining companies, State Government, EPNRM, RDAWEP and other groups as required, to ensure it can now be more individual mining project and location focussed. The taskforce provides an annual report to the EPLGA and is reviewing its objectives for the 2017 year and beyond.

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

Comment: The Roads Strategy was re-worked in 2013. Following this a database has been developed to include all Eyre Peninsula roads with an inbuilt methodology prioritisation tool to provide improved road prioritisation. Further data was collected to finalise the database to allow better planning and prioritisation. The collection of data has been a difficult task however the EP Transport Strategy was completed in 2015 in relation to roads. There will need to be further refinement of the strategy as it is reviewed annually, with the next review due in 2018.

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

Comment: Working Groups and shared services will lead to this occurring on a more regular basis.

5 Develop Ways to Directly Engage with Both State and Federal Governments to Assist in Regional Promotion

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

Comment: Funding included in the budget.

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

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

- 5.3 Seek opportunities to strengthen working relationships with the senior levels of State Government.

Comment: The Executive Officer has strong political connections, which are utilised when necessary.

6 Undertake a 2 year "Outreach Services" Pilot Program in partnership with the LGA of SA

- 6.1 Establish a funding agreement for \$50k per year with the LGA of SA.

Comment: Established a pilot in July 2013, which concluded 30 June 2015. Following the completion of the pilot, the program has continued in all regional LGA's, with \$50,000pa funding from the LGA for each regional LGA. Currently the program is being reviewed by the LGA however funding has been secured for 2017/18.

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

Comment: Established as per 6.1 and reported against to EPLGA and LGA of SA on a half yearly basis and in accordance with the new agreement.



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

Comment: Completed an independent evaluation.

KEY PERFORMANCE INDICATORS

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

KPI	MEASURED BY	TARGET SCORE
Member General Satisfaction	Number of formal complaints	Zero complaints from members Actual: Zero complaints received.
Member attendance at meetings, workshops, training	Number of members who are represented	All members Actual: Usually all 11 Councils represented.
Competitive funding secured	Dollars secured	Equal to membership (\$167K) Actual: Outreach Program \$50,000 Regional Capacity \$155,800 Other \$6,000 Total \$211,800
Achieved annual work plan		All items either achieved or timeframes for completion, and process, in place. Some subject to external funding. Actual: On target
EPLGA is represented at LGA regions meetings	Number of meetings attended	100% Actual: 100%
Co-ordinate regional training activities on EP	Number of days training per year	At least 6 Actual: 4
Annual review of Executive Officer	Final achievement score	Actual: Review occurred in June 2016. Report of satisfactory performance by President - employment contract extended by 24 months. No review in 2016/17 year. Contract term ends 30 June 2018
Greater media activity	Number of interviews and media releases	At least 1 interview per month. Media releases at least every 2 months. Actual: Meeting target



EPLGA COMMITTEE AND TASKFORCE REPORTS

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

Nil report

Chief Executive Officer's Committee:

Actions/Discussion/ presentations from the meetings:

- Regional Training Plan negotiation between EPLGA Executive Officer and LGA Training.
- Barngala Native Title Claim and ILUA – legal representation and presentation to committee.
- Regional training requirements. Refer email from LGA Training – sent to CEOs on 17 Aug 2016.
- Development, Planning and Infrastructure Act 2016 – new legislation and ramifications for Councils and the planning reform opportunities.
- POMS and oyster industry – Cowell response.
- Western Councils collaboration – Joy Hentschke outlined the work being undertaken with a Waste Management Feasibility study, which was a collaborative project between the District Councils of Ceduna, Wudinna, Streaky Bay and Elliston.
- Quarry and borrow pit rehabilitation in South Australia November 2016 – response to guidelines.
- Ombudsman's S270 Audit Report - response submitted.
- Regional Building Fire Safety Committees – administration options.
- Office of Green Industries SA – presentation by Serena Yang, Manager Policy and Projects, Office of Green Industries SA (supporting Zero Waste SA).
- Rail Interface Agreements development and negotiation.
- Shared Services Pilot with DPTI – working group and MOU development.
- Rubble Royalties – common regional wide signage around the HML's on freight and commodity routes – effective use of funding.
- Roadside Native Vegetation Plan development in conjunction with Native Vegetation Unit and EPNRM.
- Night Time Movement of Agriculture Machinery pilot update and submissions.
- Asset Management – common software, sharing of expertise, sharing of templates, etc.
- Regional Risk Coordination – arrangements need to be made for a visitation by the Scheme to explain the future role of the RRC's considering Sky Trust, etc.
- Regional Emergency Management Planning – coordination.
- Tourism Regional Wide Approach – presentation and handouts from Brad Riddle, Tourism Development Manager, RDAWEP for future discussion and decisions by Councils.
- LGA Governance Panel Presentation - Andrea Malone.
- LGA Governance Review Presentation - Kathy Jarrett.
- LGA Benchmarking -Kathy Jarrett and Corinne Garrett from the LGA outline the project and interaction was sought on Councils' involvements and obtaining consistency in the metrics and data comparisons.
- Regional tourism - further discussion required with RDAWEP around the tourism proposal put forward by Brad Riddle.
- Seek clarification from RDAWEP of its role in supporting Councils, e.g. funding applications etc. There is confusion amongst Councils on the actual role of RDAWEP in supporting individual Councils.
- EPLGA Sustainability - EPLGA subscription model requires workshopping in the future to acquire full justification for the model. Kathy Jarrett, LGA has offered assistance with workshopping a future model(s) for presentation to the EPLGA Board.
- Coastal Access Strategy – where to from here.
- Development Planning and Infrastructure Act – Joint Planning Board Pilot application.
- Energy supply and cost issues.
- Legislative compliance – working in collaboration to assist one another.
- Group procurement – Engineering & Works Committee efforts with plant and machinery group procurement were noted.
- Supplementary Roads Funding – indicators of amounts for individual Councils.
- Jetties' agreements with State Government – what does the future hold, which will be raised through SAROC.



Engineering & Works Committee:

Actions/Discussion/ presentations from the meetings:

- Presentation - Mike Stephenson presented on various matters involving CWMS management and planning. The future of the LGA's CWMS funding was discussed.
- CWMS submission to LGA – information on future needs was supplied by Member Councils to the EPLGA Executive Officer regarding infrastructure, including any possible new schemes and any upgrades required to meet new Department of Health or EPA requirements as per the CWMS Funding Agreement (should it continue), to enable preparation of a regional submission to be lodged with the LGA.
- Terms of Reference – review by the committee.
- EPLGA Board Budget: Rubble Royalties - pursuant to the directions of the EPLGA Board, the committee recommended the following projects be financed from the Rubble Royalties funding (\$64,500):

1. EP Transport Strategy – 2015 (review and updating)	\$15,000
2. Regional Roadside Native Vegetation Plan	\$50,000
- Special Local Roads Program (SLRP) and Development of Industry Wide Standards/Guidelines. A number of issues have been experienced with SLRP projects in the current and in previous years. It was suggested that there needs to be a review of the way in which this program is delivered in the region. As a result the following recommendations were submitted to the CEOs' Committee and the EPLGA Board by the Engineering & Works Committee:
 1. That projects submitted for regional SLRP funding are required to be developed to a 'for construction' state, and accompanied by adequate design and engineering detail (i.e. Austroads Guidelines – until Local Government sector-wide standards or guidelines are developed) and detailed cost estimate to clearly define the project deliverables.
 2. Consideration be given to the appointment of an independent person/company to review road funding applications and assess their suitability and to provide certification services for completed projects. Further, the costs for this assessment/certification are the EPLGA's responsibility with the successfully funded Councils contributing 2.5% of their SLRP funding to the EPLGA to cover such costs.
 3. That the EPLGA Board supports the LGA R & D funding application to develop Road Construction and Maintenance Standards/Guidelines, which when completed should be:
 - a. included in the EP Transport Strategy 2015;
 - b. used on a Local Government industry wide basis; and
 - c. used in assessing Special Local Roads Funding applications by the Local Government Transport Advisory Committee.
- DPTI and EP Councils Service Delivery Collaboration – pilot steering group established. The Engineering & Works Committee identified the following areas/functions as possible targets for the joint Service Delivery Collaboration pilot.
 1. Signage.
 2. Vegetation management.
 3. Line marking.
 4. Joint procurement.
 5. Supply of rubble.
 6. Local Government is able to consider anything other than sealing of highways.
- DPTI Marine Strategy – SA Boating Facilities Advisory Committee funding is to be contingent on a regional marine strategic plan being developed. DPTI is to supply criteria used for funding future projects, in both recreational and commercial sectors. A call was made for coastal Councils to submit any jetties work required to enable a coordinated approach can be made to this work, particularly where specialist equipment and expertise is required from outside the region.



- Road Rail Interface Agreements - all Councils amended their agreements to designate the maintenance boundary at 3m from the nearest rail line to coincide with the designated safe working boundary/protection boundary and returned to GWA.
- Native Vegetation: Roadside Management Plan - Russell Seaman from the Native Vegetation Unit presented to the CEOs' Committee meeting in June 2016. He encouraged the Eyre Peninsula to develop 1 regional roadside native vegetation plan. The Engineering & Works Committee recommended that all 11 EPLGA member Councils work to produce an Eyre Peninsula Local Government roadside vegetation management plan (Level 1 RVMP), with assistance being sought from the Native Vegetation Unit in line with the rubble royalty funding. The recommendation to the EPLGA Board was approved.
- Night Travel for Agricultural Machinery - many Councils passed resolutions in relation to this matter however there is concern in the agricultural industry that the current standards for exemption are not adequate, i.e. 4m wide x 25m long. The Engineering & Works Committee advised the EPLGA Board that the following should occur in relation to the night travel exemptions for agricultural machinery:
 1. Acknowledge DPTI's standard of 4m x 25m exemption from permits.
 2. Any Council (Road Manager) considering permitting machinery over the 4m x 25m standard to undertake night travel on its roads needs to undertake a detailed risk assessment of the route to protect Council (i.e. the permits may have specific conditions included).
 3. That the LGA Mutual Liability Scheme should be requested to provide opinion on the matter.
- Road Closure Advertisement Templates - the District Council of Kimba sought assistance with templates pertaining to road closure advertisements. Councils that had templates in place circularised them to other Councils.
- Grave Sites: Lifting of Slabs - the District Council of Kimba has a procedure in place, which was circularised to all Councils.
- MapInfo Training - the District Council of Ceduna circularised training information to other Councils.
- Rubble Royalties to land owners and relevant forms - the District Council of Ceduna circularised to all other Councils their consent form for opening/operating a rubble pit, which is to be signed off by the land owner.
- Access Conditions for Permit Vehicles on EP - the committee investigated the access conditions that apply to GML and HML permit vehicles travelling on the District Council roads of the EPLGA region and now have a consistent policy and access conditions in place for the whole of the region. The Committee recommended the following to the EPLGA Board, with conditions being as follows.
 1. Speeds of 70km - unsealed; 80km - sealed; and 40km - local.
 2. RAV operators are required to inspect all unsealed routes that have received greater than 15mm of rain in the preceding 24 hours to ensure that the pavement will not be damaged by the RAV operation.
 3. Operators may be liable for the cost of pavement repairs.
- Unsecure Loads on Council Vehicles - the District Council of Tumby Bay sought how other Councils were addressing the issue in relation to Council vehicles.
- Presentation: Office of Green Industries SA regarding the review and update of the Regional Waste Strategy.
- Presentation: Regional Roadside Native Vegetation Management Plan by Jonathan Clark, EPNRM Board.
- Presentation: Local Government Procurement - Liz Camp and Di Harris delivered a presentation on the benefits of utilising the LG Procurement.
- Recycling/ Mulching - seeking to have a cooperative and collaborative approach to regional mulching and scrap steel collection.



- Rubble Royalties – it was recommended to the EPLGA Board that \$35,350 needs to be allocated towards consistent signage around HML conditions in each Council area. Hence the importance of common conditions for HML across the region. All Councils were encouraged to have these conditions gazetted.
- Grader Over Dimension Permits - information was shared.
- Asset Management - discussions were held on what Councils were using for asset management in the way of software, asset assessment, etc. It was agreed that there is a strong need for a regional approach and common software where possible. This would enable sharing of templates and expertise amongst Councils and would also assist in overall regional planning for future funding, etc.
- Power price Increase and affects on budgets was discussed.
- Snails - general discussion on the issues around increasing numbers of snails. Realistically it is not a Council matter, except where it affects Councils operations, e.g. airports.
- Joint Contracts, e.g. resealing of roads - general discussion on the positives regarding this issue. DPTI also a contender for assistance in this area. Grant Drummond, DC Ceduna outlined his positive experiences in this area.

EP Mineral & Energy Resources Community Development Taskforce:

Annual Report to the EPLGA Board (as presented to and received by EPLGA Board at its 29 June 2017 meeting)

As required under the terms of reference for the taskforce as adopted by the EPLGA, the following report is presented to the EPLGA on the activities of the EP Mineral & Energy Resources Community Development Taskforce (taskforce) over the past 12 months.

The taskforce conducted 3 meetings during the financial year, which enabled the membership to hear presentations on current mining, industrial and energy issues from various industry and community groups. In addition it also provided the opportunity to ask questions and participate in active discussion with presenters and government representatives on various issues.

Meeting outcomes included deputations and submissions by the taskforce to:

- State Government Gary Burns enquiry into the September Black event.
- Iron Road mine and port development applications.
- Professor Alan Finkel, Chief Scientist, September Black Event.
- Review of the Mining Act.
- SA Multiple Land Use Framework (RDAWEP).

Minutes of all taskforce meetings together with some of the presentations have been made available on the EPLGA website.

It has been acknowledged by the taskforce members that the meetings have been an important and relevant forum for presenting regional issues to high level government department representatives, providing access to Ministers and keeping members informed of mining and energy developments and potential impacts on the region.

Feedback on the meetings from members and guests has been very positive. The taskforce has developed into a high level Eyre Peninsula regional, industry and State Government network.

Geoff Dodd
Taskforce Coordinator



The following is brief summation of the 3 meetings held this financial year.

Meeting # 6 August 5th 2016

Venue: Port Lincoln Racing Club
Time 10.05am

Present:

Rob Kerin	Chair
Geoff Dodd	Coordinator
Diana Laube	Presiding Member, EPNRM Board
Peter Treloar	Member for Flinders
Bryan Trigg	Ag Chair, RDA Whyalla and Eyre Peninsula
Dr Ted Tyne	Executive Director, Mineral Resources, DSD
Tony Irvine	EO, Eyre Peninsula Local Government Association
Dion Dorward	CEO, RDA Whyalla and Eyre Peninsula
Trevor Smith	CEO, DC Tumby Bay
Jason Kuchel	CEO, South Australian Chamber for Mines and Energy
Skana Gallery	Senior Policy Officer Economic Development, LGASA

Invited Guests:

Aina Danis	Executive Assistant, RDAWEP
Melissa Muller	Principal Policy Advisor, Resource Land Access Strategy Branch, DSD
Renee Preece	External Affairs Adviser SA, BP Australia
Terry Krieg	Community Advocate-Nuclear Industry
Mark Mentha	Partner, KordaMentha
Dean Johnson	Mayor, District Council of Kimba
Dr John Parker	Managing Director, Lincoln Minerals
Dwayne Povey	Chief Geologist, Lincoln Minerals
Peter Scott	Economic Development Manager, RDAWEP
Geoff Rayson	Senior Project Officer, Regions SA
Jeanine Carruthers	Stakeholder Engagement Manager, RESA

Presentations:

Renee Preece, External Affairs Advisor, South Australia, BP Australia - updated the taskforce on the BP/Stat Oil exploratory drilling program in the Great Australian Bight.

Terry Krieg - community advocate for the nuclear industry.

Mark Mentha, Partner Korda Mentha - update on the Arrium Group of Companies and the future operations and activities for the Whyalla steel and mining industries.

Mayor Dean Johnson, District Council of Kimba - an overview of community consultation process and outcomes regarding the proposal for low level nuclear waste site near Kimba.

Dr John Parker, Managing Director, Lincoln Minerals - update on the Kookaburra Gully mineral lease application and project.

Member presentations included:

Skana Gallery, LGA of SA spoke on the community consultation protocols project and the development of a formal document.

Dr Ted Tyne, DSD, Director of Mines reported on relevant EP mining operations, the substantial increase in mining activity in South Australia and tabled the following documents with the taskforce:

- Mineral Exploration in South Australia – Commodity Highlights and Achievements 2015.
- MESA Journal.
- SA Mineral resources regulation report 2015.



Mining lease approval timing was also discussed in detail with Dr Tyne.

Jason Kuchel, SA Chamber of Mines and Energy (SACOME) reported on current energy options adding that nothing is available for next 5 years which is a huge issue for manufacturing industry in South Australia. SACOME is working on the matter with possible alternatives in the pipeline.

Dion Dorward, RDAWEP discussed the Iron Road project and updated members on the:

- partnership with China Rail; and
- mining lease approval process.

Meeting # 7 – 7th October 2016

Venue: Port Lincoln Hotel Meeting Room
Time 10:05am

Present:

Rob Kerin	Chair
Geoff Dodd	Coordinator
Diana Laube	Chair, EPNRM Board
Bruce Green	Chair, EPLGA/Mayor, City of Port Lincoln
Bryan Trigg	Acting Chair, RDA Whyalla and Eyre Peninsula
Daniel Woodyatt	Director, Resource Land Access Strategy, DSD
Peter Treloar	Member for Flinders
Dion Dorward	CEO, RDA Whyalla and Eyre Peninsula
Trevor Smith	CEO, DC Tumby Bay – EPLGA representative
Nigel Long	Director, Policy and Community, SACOME
Jeanine Carruthers	Stakeholder Engagement Manager, RESA
Phil de Courcey	CEO, Resources and Engineering Skills Alliance
Geoff Rayson	Senior Project Officer, Regions SA

Invited Guests:

Brad Flaherty	BNJ Consultants
Brian Foster	Premier’s Climate Change Council
Graham Shardel	SA Police, Regional Acting ZEMC Chair
Kevin Lawton	SA Police, Inspector
Tim Scholz	Iron Road
Ross Kassebaum	Eyre Peninsula Solar Citizens team
Peter Scott	Economic Development Manager, RDAWEP
Doug Schmidt	General Manager Network Management, SA Power Networks
Sue Henriksen	RDAWEP [minute taker]

Apologies:

Tony Irvine	EO, EPLGA
Dr Ted Tyne	Executive Director, Mineral Resources, DSD
Eddie Hughes	Member for Giles
	Electranet
Mark Mentha	Partner, Korda Menta/Administrator, Arrium
Mark Bolton	Area General Manager, Telstra
Craig Nielsen	Energy Australia
Don Hogben	DPTI
Jason Kuchel	CEO, SACOME

Rob Kerin welcomed attendees and thanked them for coming at short notice. He pointed out that there are big issues on Eyre Peninsula due to the recent power outage, plus flow-ons including communications.

The purpose of the meeting was to better understand what happened, to explore possible solutions and to inform Government and other bodies as to why we need to fix the system.



The meeting focused on a summary of the power and communication outages and impacts on the EP Community.

A presentation was also made to the taskforce by Ross Kassebaum on a case study: Renewables Future for SA – Carbon-less energy Eyre Peninsula.

Items discussed included:

- Cathedral Rocks Wind Farm;
- generator at Port Lincoln;
- communications redundancy;
- AEMO preliminary report;
- lessons learnt;
- SAPOL response; and
- future options and opportunities.

Several actions to be undertaken from the meeting included including forwarding the Taskforce findings to:

- SA Premier and Ministers for Energy and Infrastructure;
- Federal Ministers for Energy and Regional Development;
- Dr Alan Finkel, Chief Scientist; and
- correspondence to Electranet regarding maintenance and infrastructure programs for Eyre Peninsula, along with an invitation to present to a future taskforce meeting.

A presentation and submission was subsequently made to the Ex-Police Commissioner Gary Burns’s enquiry into the State Government’s response to the crisis.

Meeting # 8 March 7th 2017

Venue: Port Lincoln Hotel
Time 10.05am

Present:

Rob Kerin	Chair
Geoff Dodd	Coordinator
Peter Treloar	Member for Flinders
Pru Freeman	Ag Executive Director, Mineral Tenements and Exploration Branch, DSD
Tony Irvine	EO, Eyre Peninsula Local Government Association [EPLGA]
Rebecca Knol	CEO, South Australian Chamber of Mines and Energy [SACOME]
Eleanor Scholz	Mayor, District Council of Ellistown
Bruce Green	President, EPLGA
Phil de Courcey	CEO, Resources and Engineering Skills Alliance SA
Eddie Hughes	Member for Giles
Stephen Smith	Director Policy, Local Government Association of South Australia
Trevor Smith	CEO, DC Tumby Bay
Geoff Rayson	Senior Project Officer, Regions SA, PIRSA

Invited Guests:

Brad Flaherty	BNJ Consulting
Peter Scott	Economic Development Manager, RDAWEP
Aina Danis	Executive Assistant, RDAWEP [minute taker]
Dee Bourbon	External Affairs Chevron Australia
Nigel Long	Director Industry and Community, SACOME
Darren Niejalke	Sustainability Manager, Archer Exploration
Melinda Maher	Rail Operations Manager Bowmans Intermodal Pty Ltd
Brad Parker	Network Planning Manager, ElectraNet
Rainer Korte	Executive Manager, Asset Management ElectraNet
Haydon Manning	Associate Professor, School of Social and Political Studies Flinders University



Apologies:

Bryan Trigg,	Chair, RDAWEP
Dion Dorward	CEO, RDAWEP
Diana Laube	Presiding Member, EPNRM Board
Dr Ted Tyne	Executive Director, Mineral Resources, DSD
Daniel Woodyatt	Director, Resource Land Access Strategy, DSD
Scott McKay	CEO, Bowmans Intermodal Pty Ltd

Presentations to the taskforce included:

Dee Bourbon, External Affairs Chevron Australia, Great Australian Bight Exploration update.

Darren Niejalke, Sustainability Manager, Archer Exploration, Campoona Graphite Mining Lease application.

Rainer Korte, Executive Manager, Asset Management ElectraNet, EP Transmission Network.

Melinda Maher, Rail Operations Manager, Bowmans Intermodal Pty Ltd, Rail and Container project at Roopena Siding.

Associate Professor Haydon Manning, School of Social and Political Studies, Flinders University, current political decisions.

Phil de Coursey, CEO Resources and Engineering Skills Alliance, South Australia, Mining, Energy and Resources jobs and opportunities for South Australians.

Updates from members included:

Mayor Bruce Green, need for a power supply reference group on EP.

Peter Treloar commented on reference group and putting pressure on ESCOSA to undertake a more active role.

Pru Freeman update on Central Eyre Iron Project and on the Mining Act review.

Eddy Hughes presented update on Arrium sale of business in Whyalla.

Rebecca Knol spoke on development of a prospective buyer group representing manufacturing, retail and resources bidding competitively for reliable, affordable power.

Peter Scott updated the taskforce on current alternative power solutions for South Australia that are being discussed.

Membership changes to the taskforce:

- **SA Chamber of Mines and Energy**, Jason Kuchel, CEO replaced by Rebecca Knol.
- **RDA Whyalla and Eyre Peninsula**, Jim Pollock Chairman replaced by Bryan Trigg.
- **Department of State Development, Mineral Resources**, Executive Director Dr Ted Tyne replaced by Daniel Woodyatt, Director, Resource Land Access Strategy, DSD.
- **LGA of SA**, Skana Gallery, Senior Policy Officer Economic Development replaced by Stephen Smith, Director Policy, LGA of SA.



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

9th August, 2017

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 2017**

We advise that we have now completed our Audit of the Eyre Peninsula Local Government Association for the year ended 30th June 2017 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:

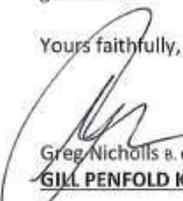
Internal Controls

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

Gill Penfold Kelly Pty Ltd > growth, profits and knowledge - the keys to your business success



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

**FINANCIAL ACCOUNTS
FOR THE YEAR ENDED
30TH JUNE 2017**

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, 2017

		2017	2016
	NOTE	\$	\$
<u>INCOME</u>			
Grants Received	2	205,847	53,273
Interest Received		7,784	8,412
Project Income - EP Councils	3	6,250	97,969
Membership Fees	4	167,301	157,587
Reimbursable Expenses		-	3,988
Sundry Income		-	2,000
		<hr/>	<hr/>
<u>TOTAL INCOME</u>		387,182	323,229
<u>EXPENDITURE</u>			
Administration		9,111	9,420
Advertising & Promotion		51	1,055
Audit Fees		1,400	1,300
Bank Charges & Taxes		109	443
Computer Expenses		1,273	886
Employee Expenses		136,037	139,787
Insurance		5,773	5,676
Legal Costs		2,818	4,619
Meeting Expenses		5,574	5,300
President's Expenses		2,250	2,250
Project Expenditure	5	171,906	117,074
Secretarial Services		18,000	17,462
Sundry Expenses		-	1,718
Telephone		1,258	784
Travel & Accommodation		14,785	13,381
		<hr/>	<hr/>
<u>TOTAL EXPENDITURE</u>		370,345	321,155
<u>NET SURPLUS/(DEFICIT)</u>		<u>\$ 16,837</u>	<u>\$ 2,074</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 30TH JUNE, 2017

	2017	2016
	NOTE	
	\$	\$
Net Surplus/(Deficit)	16,837	2,074
Extraordinary Items	-	-
	<u>16,837</u>	<u>2,074</u>
<u>TOTAL NET SURPLUS/(DEFICIT)</u>	16,837	2,074
Surplus Funds at July 1	<u>209,408</u>	<u>207,334</u>
SURPLUS/(DEFICIT)	<u>226,245</u>	<u>209,408</u>
<u>ACCUMULATED SURPLUS/(DEFICIT)</u>		
<u>AT 30TH JUNE, 2017</u>	<u>\$ 226,245</u>	<u>\$ 209,408</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

STATEMENT OF FINANCIAL POSITION **AS AT 30TH JUNE, 2017**

		2017	2016
	NOTE	\$	\$
<u>EQUITY</u>			
Accumulated Surplus		\$ <u>226,245</u>	\$ <u>209,408</u>
 REPRESENTED BY			
<u>CURRENT ASSETS</u>			
Cash at Bank	6	341,649	268,403
Debtors		-	11,000
Income Accrued		1,845	1,814
GST Receivable		6,645	2,332
Prepayments		<u>1,959</u>	<u>-</u>
<u>TOTAL ASSETS</u>		352,098	283,549
 <u>CURRENT LIABILITIES</u>			
Sundry Creditors	7	3,755	3,709
Creditors		3,784	4,661
Unspent Project Funds	8	92,210	42,130
Provision for Holiday Pay		6,831	7,611
Prov'n for Long Service Leave	9	<u>19,273</u>	<u>16,030</u>
		<u>125,853</u>	<u>74,141</u>
<u>NET ASSETS</u>		\$ <u>226,245</u>	\$ <u>209,408</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE, 2017**

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.

	2017	2016
	\$	\$
<u>NOTE 2 - Grants Received</u>		
LGA of SA - Outreach Service	50,000	-
LGA of SA - Regional Capacity	155,847	38,726
LGA of SA - CWMS Users Group	-	4,547
LGA of SA - Mining Taskforce	-	10,000
	\$ 205,847	\$ 53,273

NOTE 3 - Project Income - EP Councils

CWMS Users Group	-	15,000
Emergency Management Planning	6,250	6,875
Tourism Subscriptions	-	76,094
	\$ 6,250	\$ 97,969



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2017

	2017	2016
	\$	\$
<u>NOTE 4 - Membership Fees</u>		
District Council of Ceduna	13,355	12,491
District Council of Cleve	11,769	11,108
District Council of Elliston	10,397	9,583
District Council of Franklin Harbour	10,531	9,748
District Council of Kimba	10,425	9,613
Wudinna District Council	10,579	9,732
District Council of Lower Eyre Peninsula	16,016	15,547
District Council of Streaky Bay	12,141	11,443
District Council of Tumby Bay	12,469	11,739
City of Whyalla	33,863	32,197
City of Port Lincoln	25,756	24,386
	<u>\$ 167,301</u>	<u>\$ 157,587</u>
<u>NOTE 5 - Project Expenditure</u>		
Unspent Funds at 1 July	(42,129)	(94,084)
Climate Change Sector Agreement	-	12,500
Committee & Working Group Mtg	6,223	5,410
CWMS Users Group	-	6,435
Emergency Management Planning	337	8,316
EP Integrated Climate Change Agreement Program	24,701	299
Mining Taskforce	40,446	25,959
Regional Native Vegetation Management Plan	50,000	-
Regional Roads Strategy	-	34,015
Shared Services EBACC Project	119	-
Tourism Subscriptions	-	76,094
Unspent Funds at 30 June	92,210	42,130
	<u>\$ 171,907</u>	<u>\$ 117,074</u>



EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2017

	2017	2016
	\$	\$
<u>NOTE 6 - Cash at Bank</u>		
BankSA Society Cheque Account	51,734	36,167
Bendigo Bank Term Deposit	155,369	151,518
LGFA	125,482	71,855
LGFA - Cores EP	9,064	8,863
	<u>\$ 341,649</u>	<u>\$ 268,403</u>
<u>NOTE 7 - Sundry Creditors</u>		
PAYG Withheld	2,552	2,524
Superannuation	1,203	1,185
	<u>\$ 3,755</u>	<u>\$ 3,709</u>
<u>NOTE 8 - Unspent Project Funds</u>		
Regional Capacity Building	62,081	-
Cores - EP	9,064	8,863
EP Integrated Climate Change Agreement Program	12,500	24,702
CWMS Group	8,565	8,565
	<u>\$ 92,210</u>	<u>\$ 42,130</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	12,711	9,468
	<u>\$ 19,273</u>	<u>\$ 16,030</u>



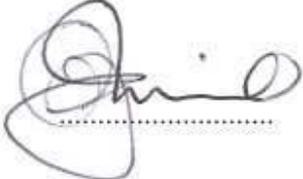
**EYRE PENINSULA LOCAL GOVERNMENT ASSOCIATION
BOARD CERTIFICATE**

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 2017 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 in the Board's opinion there are reasonable grounds to believe that the association will be able to pay its debts as and when they become due and payable.

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

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

Dated this 12 day of September 2017



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

4 Tasman Terrace, PO Box 2180
Port Lincoln, SA 5900
Telephone: (08) 8682 1899
Facsimile: (08) 8682 1408
Email: gpk@gpk.com.au
ABN 64 945 523 972
ACN 007 909 382

To the members of Eyre Peninsula Local Government Association,

Report on the financial report

We have audited the accompanying financial reports, being a special purpose financial report, of Eyre Peninsula Local Government Association, for the year ended 30th June 2017.

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

Liability limited by a scheme approved under Professional Standards Legislation

Gill Penfold Kelly Pty Ltd > growth, profits and knowledge - the keys to your business success



Eyre Peninsula Local Government Association

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 2017.

Gill Penfold Kelly Pty Ltd



Gregory S Nicholls
9th August 2017
4 Tasman Terrace, Port Lincoln SA 5606

Gill Penfold Kelly Pty Ltd > growth, profits and knowledge - the keys to your business success